

BRECKLAND DISTRICT COUNCIL

Report of: Maxine O'Mahony, Executive Director Strategy & Governance

To: ARP Joint Committee, 22 June 2021

Author: Alison Chubbock, Assistant Director Finance

Subject: ARP Financial Out-turn 2020-21

Purpose: To update the Joint Committee on the financial out-turn position against budget for 2020-21 for the ARP

Recommendation(s):

- 1) That the report and appendix be noted
- 2) That the final full year variance at 31 March 2021 is shared between the partner authorities in the approved shares

1.0 BACKGROUND

- 1.1 Each of the partner Councils provides full year financial information against budget for the ARP. The information is collated to provide an overall financial performance report, to provide information to Joint Committee on the out-turn against budget.
- 1.2 The actual out-turn is an overspend against budget of £551k. This is mainly due to reduced enforcement income as a result of the Covid-19 pandemic which had a significant effect on the ability for ARP to generate income from this service, but this is offset by savings in other areas.
- 1.3 Appendix A provides further details of the variances against budget and also details on the remaining transformation funding which was set aside in previous years from below budget spend and grant funding. £97k is earmarked for projects in progress next year and there is a further £133k available for future transformation projects.

The appendix also provides detail on the values held and earmarked in the ICT reserve, which was introduced to smooth the financial effects of major ICT spend. The reserve was fully utilised in 2020-21 due to additional IT requirements for homeworking although the balance was not sufficient to cover all costs and additional spend is included in the supplies & services total.

- 1.4 All authorities have directly received new burdens funding from Government to cover the costs of administering the Covid-19 grant schemes. It has been agreed that these grants are retained directly by each authority and will help to offset the overspend within ARP. These grants may have been used by each authority to cover additional resource costs for administering the schemes internally.

In addition, Government are providing grants to individual local authorities to offset the losses from sales fees and charges income. Authorities are expected to absorb the initial 5% of lost income against budget and after that the grant will provide 75p in every £ of lost income. The lost Enforcement income has been claimed under this scheme for each partner.

The table below shows the share of the ARP overspend for each partner alongside the Covid-19 income compensation to be retained by each authority.

| | ARP Over spend | Enforcement Income claim |
|--------------|-----------------------|---------------------------------|
| Breckland | £77k | (£88k) |
| East Cambs | £28k | (£41k) |
| East Suffolk | £245k | (£214k) |
| Fenland | £100k | (£86k) |
| West Suffolk | £101k | (£113k) |
| TOTAL | £551k | (£542k) |

The variation in cost share reflects that the main overspend is from lost enforcement income and the percentage shares for this area are based on the enforcement caseloads as per the ARP agreement.

2.0 OPTIONS

2.1 That the report and appendices are noted.

3.0 REASONS FOR RECOMMENDATION(S)

3.1 To provide Members information on the financial position against budget for the whole of the ARP.

4.0 EXPECTED BENEFITS

4.1 To provide Members information on the financial position against budget for the whole of the ARP.

5.0 IMPLICATIONS

In preparing this report, the report author has considered the likely implications of the decision - particularly in terms of Carbon Footprint / Environmental Issues; Constitutional & Legal; Contracts; Corporate Priorities; Crime & Disorder; Equality & Diversity/Human Rights; Financial; Health & Wellbeing; Reputation; Risk Management; Safeguarding; Staffing; Stakeholders/Consultation/Timescales; Transformation Programme; Other. Where the report author considers that there may be implications under one or more of these headings, these are identified below.

5.2 Financial

5.2.1 This report is financial in nature and financial information is included within the report and appendices.

5.2 Stakeholders / Consultation / Timescales

5.12.1 Accountants at the partner Councils have been consulted on their financial out-turn.

6.0 WARDS/COMMUNITIES AFFECTED

6.1 N/A

7.0 ACRONYMS

7.1 ARP – Anglia Revenues Partnership

7.2 JC – Joint Committee

Background papers:- [See The Committee Report Guide for guidance on how to complete this section](#)

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Key Decision: No

Exempt Decision: No

This report refers to a Mandatory & Discretionary Services

Appendices attached to this report:

Appendix A Financial performance report