

## BRECKLAND DISTRICT COUNCIL

**Report of:** Alison Chubbock, Assistant Director Finance

**To:** ARP Joint Committee, 7 March 2023

**Author:** Alison Chubbock, Assistant Director Finance

**Subject:** ARP Forecast Financial Performance

**Purpose:** To provide information on the forecast full year financial position against budget for the ARP

### Recommendation(s):

- 1) That the report and appendix be noted

### 1.0 BACKGROUND

- 1.1 Each of the partner Councils provides forecast 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 progress against budget. This report is based on information as of 31 January 2023 and all costs are included and shared based on the Partnership agreement.
- 1.2 The forecast at this stage of the year shows an overspend against budget of £767k (7.8%) for the whole of the ARP with circa £500k of this relating to the national pay award (partly offset by reduced staffing costs through vacancies), and this is shown further in Appendix A along with details of the variances.

Whilst the costs this year to date have been significantly affected by inflationary increases to contracts such as software licences alongside exchange rate pressures from the £/\$, these have been contained where possible through savings elsewhere.

The other significant area of variance is lower than budgeted income. The majority of this results from reduced enforcement income, this is a combination of factors including: lower car parking cases from partner authorities, low number of cases from Norwich and generally across the board reduced cases as the energy rebate scheme has impacted the number of cases progressing to the enforcement stage. In addition the expected income from Cambridgeshire County Council for the fraud related work has not been received this year.

We have been completing claims for Government *New Burdens* funding to help offset the costs incurred for delivering the reliefs (i.e. discretionary council tax rebate schemes). The potential grant income receivable is not included in this forecast as the values remain unknown, however once quantified we will update the forecasts and this will help to reduce the overspend.

- 1.3 Appendix A also provides details on the remaining transformation funding which was set aside in previous years from below budget spend and grant funding. £47k is earmarked for projects in progress and there is a further £96k 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.

- 1.4 The table below shows the share of the forecast outturn for each partner based on the ARP Joint Committee agreement, and this will change for the final values at the end of March 2023.

	<b>Forecast Out-turn</b>
Breckland	£129,840
East Cambs	£84,321
East Suffolk	£262,185
Fenland	£111,629
West Suffolk	£179,496
<b>TOTAL</b>	<b>£767,471</b>

One off Government grant funding provided to individual partners for specific works carried out by ARP are to be retained by the partners directly in 2022-23 and do not therefore form part of this forecast. These grants could help to mitigate the in year above budget spend for individual partners if they choose to use the grant funding for this purpose.

## 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 forecasts.

## 6.0 **WARDS/COMMUNITIES AFFECTED**

- 6.1 N/A

## 7.0 ACRONYMS

7.1 ARP – Anglia Revenues Partnership

7.2 JC – Joint Committee

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

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### **Lead Contact Officer**

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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