



# Ryedale District Council

---

**REPORT TO:** North Yorkshire Building Control Partnership Board

**DATE:** 29 June 2011

**REPORTING OFFICER:** Les Chapman, Building Control Manager

**SUBJECT:** Partnership Accounts for the year ended 31 March 2011

---

## **1.0 PURPOSE OF REPORT**

**1.1** To present to Members for their approval the accounts of North Yorkshire Building Control Partnership for the financial year ended 31 March 2011.

## **2.0 RECOMMENDATIONS**

**i)** Approve the Accounts of the Partnership for the financial year 2010/11.

## **3.0 BACKGROUND**

**3.1** The Accounts and Audit Regulations 2003 require that a meeting of the Board must approve the Annual Statement of Accounts. The Partnership has a statutory duty to approve its accounts for 2010/11 by 30 June 2011.

## **4.0 POLICY CONTEXT**

**4.1** The production of Annual Accounts is a statutory requirement.

## **5.0 REPORT**

**5.1** The accounts for the financial year ended 31 March 2011 are attached as Annex A for Members' consideration.

- 5.2** It should be noted that the Partnership classification for audit purposes has reverted back to that of a 'small body' as its annual turnover does not exceed the revised limit of £6.5m. The accounts are now subject to an external statutory audit by Mazars LLP instead of Deloitte LLP, resulting in an estimated saving of £6k per annum in audit fees. The internal audit will continue to be provided by the North Yorkshire Audit Partnership.

#### Income and Expenditure Account

- 5.3** For the period 1 April 2010 to 31 March 2011, the overall operating surplus on the chargeable and non chargeable accounts is £8,514 (approved revised budgeted surplus £16,990).

#### Chargeable Account

- 5.4** For the year ended 31 March 2011, the chargeable account shows a deficit of £50,080 (revised budgeted deficit £24,400).
- 5.5** The main reason for this shortfall compared to the budget is a reduction in overall income of £82k, comprising mainly of income from inspection fees, notice fees and other income, which is partly offset by an increase in plan fees.
- 5.6** However, there is also a reduction in overall expenditure of £56k, comprising mainly of costs in the areas of payroll, telephones and promotions, together with savings in support service costs.

#### Non Chargeable Account

- 5.7** For the year ended 31 March 2011, the non chargeable account shows a surplus of £58,594 (revised budgeted surplus £41,390).
- 5.8** The main reason for this improved position compared to the budget is an increase in overall income of £13k, comprising mainly of other income.
- 5.9** Non chargeable income includes fees from the partner councils of £39k each in management fees and a £30k joining fee from Richmondshire District Council.

#### Reserve Account

- 5.10** Given that there is an overall operating surplus for 2010/11 of £8,514, the Partnership now has a balance on the reserve account of £18,514.
- 5.11** This reserve balance is above the minimum requirement of £10,000 and, because there is no deficit to fund, no additional contribution from the partners is required.

## **6.0 FINANCIAL IMPLICATIONS**

- 6.1** For the financial year 2010/11, other than the core costs payment by each partner, there is no requirement for any additional funding from the partner councils. The legal agreement states that a minimum reserve balance of £10,000 must be maintained.

## **7.0 LEGAL IMPLICATIONS**

- 7.1** None resulting from the contents of this report.

## **8.0 RISK ASSESSMENT**

- 8.1** This report helps to ensure the reduction of risks as the production of the Statement of Accounts is a statutory function and is produced in accordance with CIPFA Code of Practice for Local Authority Accounting – the Statement of Recommended Practice (SORP) for local authorities.

## **9.0 CONCLUSION**

- 9.1** For the financial year ended 31 March 2011, the income and expenditure account for the North Yorkshire Building Control Partnership shows an operating surplus of £8,514.
- 9.2** This is the first year in the last four that the Partnership has made a surplus and no additional contribution from the partners has been required. The balance on the reserve account now stands at £18,514, which is above the requirement of a minimum level of reserves of £10,000.
- 9.3** A further agreed rationalisation and recovery programme for the Partnership is planned to establish the Partnership in a better financial position for 2011/12.

**Background Papers:** Budget Working Papers, September 2010

### **OFFICER CONTACT:**

Please contact Mandy Burchell, Group Accountant, Ryedale District Council or Les Chapman, Head of Building Control for further information on the contents of this report. Mandy can be contacted on 01653 600666 ext 389 or at [mandy.burchell@ryedale.gov.uk](mailto:mandy.burchell@ryedale.gov.uk) and Les can be contacted on 01347 825760 or at [les.chapman@nybcp.org](mailto:les.chapman@nybcp.org).