



Ryedale District Council

REPORT TO: North Yorkshire Building Control Partnership Board

DATE: 28 June 2017

REPORTING OFFICER: Robert Harper, Head of Building Control

SUBJECT: Partnership Accounts for the year ended 31 March 2017

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 2017.

2.0 RECOMMENDATIONS

i) Approve the Accounts of the Partnership for the financial year 2016/17.

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 2016/17 by 30 June 2017.

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 2017 are attached as Annex A for Members' consideration.

5.2 It should be noted that the Partnership classification for audit purposes reverted back in 2010/11 to that of a 'small body' as its annual turnover does not exceed the revised limit of £6.5m. The accounts for 2016/17 are no longer subject to an external statutory audit by PKF Littlejohn LLP. The internal audit will continue to be provided by Veritau North Yorkshire Ltd.

NORTH YORKSHIRE BUILDING CONTROL PARTNERSHIP

28 June 2017

Income and Expenditure Account

- 5.3** For the period 1 April 2016 to 31 March 2017, the overall operating deficit on the chargeable and non chargeable accounts is £32,061 (approved revised budgeted deficit £57,760).

Chargeable Account

- 5.4** For the year ended 31 March 2017, the chargeable account shows a deficit of £55,895 (revised budgeted deficit £69,970).
- 5.5** The main reason for this improved position compared to the budget is a reduction in overall expenditure of £54k, comprising mainly of costs in the areas of employees and supplies and services.
- 5.6** However, there is also a reduction in overall income of £40k, comprising mainly of income from inspection fees and notice fees, which is partly offset by an increase in plan fees.

Non Chargeable Account

- 5.7** For the year ended 31 March 2017, the non chargeable account shows a surplus of £23,834 (revised budgeted surplus £12,210).
- 5.8** The main reason for this improved position compared to the budget is a reduction in overall expenditure of £12k, comprising mainly of costs in the area of employees.
- 5.9** Non chargeable income includes fees from the partner councils of £60k each in management fees.

Reserve Account

- 5.10** Given that the balance on the reserve account as at 1 April 2016 was £94,941, a contribution from reserves of £32,061 can be made and no additional contribution from the partners is required.
- 5.11** The Partnership now has a balance on the reserve account of £62,880, which is above the minimum requirement of £10,000.

6.0 FINANCIAL IMPLICATIONS

- 6.1** For the financial year 2016/17, 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 on Local Authority Accounting.

9.0 CONCLUSION

9.1 For the financial year ended 31 March 2017, the income and expenditure account for the North Yorkshire Building Control Partnership shows an operating deficit of £32,061.

9.2 The Partnership has made a deficit but no additional contribution from the partners has been required. The balance on the reserve account now stands at £62,880, which is above the requirement of a minimum level of reserves of £10,000.

9.3 The operating deficit of £32,061 does not reflect the increased confidence in the construction industry and building projects moving forward having been on hold during the recession. However, it should be noted that the deficit does cover £126,034 for the costs of three redundancies and the associated pension costs.

9.4 A significant investment in ICT provision was implemented during the financial year 2013/14 and completed during 2014/15 in order to streamline processes and maintain service levels following the reduction of thirteen full-time equivalent posts. The benefits of this investment, along with further improvements in 2015/16 and 2016/17, are now being realised with reduced costs in the areas of computer software, telephones and printing and stationery.

Background Papers: Budget Working Papers, March 2017

OFFICER CONTACT:

Please contact Mandy Burchell, Senior Resources Officer, Ryedale District Council or Robert Harper, 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 and Robert can be contacted on 01347 825759 or at <mailto:robert.harper@nybcp.org>.