



Ryedale District Council

REPORT TO: North Yorkshire Building Control Partnership Board

DATE: 16 October 2019

REPORTING OFFICER: Robert Harper, Head of Building Control

SUBJECT: Partnership Accounts for the year ended 31 March 2019

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 2019.

2.0 RECOMMENDATIONS

i) Approve the Accounts of the Partnership for the financial year 2018/19.

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 2018/19 by 30 June 2019.

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 2019 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 2018/19 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

16 October 2019

Income and Expenditure Account

- 5.3** For the period 1 April 2018 to 31 March 2019, the overall operating surplus on the chargeable and non chargeable accounts is £110,317 (approved budgeted surplus £16,989).

Chargeable Account

- 5.4** For the year ended 31 March 2019, the chargeable account shows a surplus of £48,622 (budgeted deficit £24,554).
- 5.5** The main reason for this improved position compared to the budget is a reduction in overall expenditure of £96k, 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 £22k, comprising mainly of income from inspection fees and notice fees, which is partly offset by an increase in plan fees and regularisation fees.

Non Chargeable Account

- 5.7** For the year ended 31 March 2019, the non chargeable account shows a surplus of £61,695 (budgeted surplus £41,543).
- 5.8** The main reason for this improved position compared to the budget is a reduction in overall expenditure of £19k, comprising mainly of costs in the area of employees.
- 5.9** Non chargeable income includes fees from the partner councils of £64k each in management fees.

Reserve Account

- 5.10** Given that there is an overall operating surplus for 2018/19 of £110,317, the Partnership now has a balance on the reserve account of £288,745.
- 5.11** This reserve balance is above the maximum requirement of £250,000 and therefore a contribution to the partners of £38,745 can be made. This will result in a payment of £7,749 to each of the partners.

6.0 FINANCIAL IMPLICATIONS

- 6.1** For the financial year 2018/19, other than the core costs payment by each partner, each partner will also receive a contribution from the surplus. The legal agreement states that a maximum reserve balance of £250,000 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 2019, the income and expenditure account for the North Yorkshire Building Control Partnership shows an operating surplus of £110,317.

9.2 The Partnership has made a surplus and the balance on the reserve account now stands at £288,745. A contribution to the partners of £38,745 must be made, in order to meet the requirement of a maximum level of reserves of £250,000.

9.3 The operating surplus of £110,317 is a result of increased confidence in the construction industry and building projects moving forward having been on hold during the recession. It should be noted that the surplus also covers £9,672 for the costs of pensions associated with earlier redundancies.

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 the subsequent years, are now being realised with reduced costs in the areas of computer software, telephones and printing and stationery.

Background Papers: Budget Working Papers, March 2019

OFFICER CONTACT:

Please contact Mandy Burchell, Accountant, 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 43389 or at mandy.burchell@ryedale.gov.uk and Robert can be contacted on 01347 825759 or at robert.harper@nybcp.org.