



Ryedale District Council

REPORT TO: North Yorkshire Building Control Partnership Board

DATE: 23 July 2020

REPORTING OFFICER: Robert Harper, Head of Building Control

SUBJECT: Partnership Accounts for the year ended 31 March 2020

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 2020.

2.0 RECOMMENDATIONS

i) Approve the Accounts of the Partnership for the financial year 2019/20.

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 2019/20 by 30 June 2020, though this deadline has been extended due to the coronavirus pandemic.

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 2020 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 2019/20 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

23 July 2020

Income and Expenditure Account

- 5.3 For the period 1 April 2019 to 31 March 2020, the overall operating surplus on the chargeable and non chargeable accounts is £143,150 (approved budgeted surplus £17,915).

Chargeable Account

- 5.4 For the year ended 31 March 2020, the chargeable account shows a surplus of £90,491 (budgeted deficit £29,419).
- 5.5 The main reason for this improved position compared to the budget is a reduction in overall expenditure of £23k, comprising mainly of costs in the area of supplies and services.
- 5.6 However, there is also an increase in overall income of £96k, comprising mainly of income from notice fees, regularisation fees and reversion fees, which is partly offset by a reduction in inspection fees. The reversion fees are due to a significant number of reversion applications following a national Approved Inspector, Aedis Regulatory Services Ltd, having to cease trading.

Non Chargeable Account

- 5.7 For the year ended 31 March 2020, the non chargeable account shows a surplus of £52,659 (budgeted surplus £47,334).
- 5.8 Non chargeable income includes fees from the partner councils of £66k each in management fees.

Reserve Account

- 5.9 The balance on the reserve account as at 1 April 2019 was £250,000 and there is an overall operating surplus for 2019/20 of £143,150.
- 5.10 This reserve balance is already at the maximum requirement of £250,000 and therefore a contribution to the partners of £143,150 can be made. This will result in a payment of £28,630 to each of the partners.

6.0 FINANCIAL IMPLICATIONS

- 6.1 For the financial year 2019/20, 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 2020, the income and expenditure account for the North Yorkshire Building Control Partnership shows an operating surplus of £143,150.

9.2 The Partnership has made a surplus and the balance on the reserve account already stands at £250,000. A contribution to the partners of £143,150 must be made, in order to meet the requirement of a maximum level of reserves of £250,000.

9.3 The operating surplus of £143,150 is a result of increased confidence in the construction industry and a significant number of reversion applications.

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.