

**SOUTH EAST ENGLAND COUNCILS
ANNUAL GENERAL MEETING & ALL-MEMBER MEETING**



Date: 3 July 2014

Subject: **Financial report: SEEC accounts 2013-14 and subscriptions 2014-5**

Report by: Cllr Paul Watkins, SEEC Secretary & Treasurer

Recommendations:

- i) Note SEEC's accounts for 2013-14 and budget 2014-15
- ii) Agree to freeze SEEC subscriptions for 2014-15, to be invoiced in July 2014
- iii) Agree plans to invest SEEC reserves across a number of financial institutions
- iv) Record thanks to Surrey CC for hosting the SEEC payroll and office
- v) Members commit to continuing in SEEC membership for 2014-15.

1. SEEC finances

- 1.1 For the financial year 2013-14 SEEC managed finances in-house with the help of an external accountant. The accounts for 2013-14 are included as Annex 1.
- 1.2 SEEC spent £246,910 in 2013-14, some £18,780 (7%) less than the budget of £265,700. This reflects reductions in projects, meeting costs and office supplies. We continue to offset costs by sharing services with SESL, including a joint admin post. In April the SEEC Executive agreed that £5,000-£7,000 could be carried over to 2014-15 for a delayed project on South East implications of the care cap.
- 1.3 As agreed by members, SEEC draws on reserves to balance the budget and maintain affordable subscriptions. In 2013-14, the draw on reserves was £39,830, almost half the previous year's £77,079. At 31 March 2014 SEEC had net assets of £739,011.

2. Subscriptions, budget and investments 2014-15

- 2.1 The SEEC constitution sets out that subscriptions should be discussed by the Executive at least 3 months before the end of the financial year. A discussion took place at SEEC Executive on 13 November 2013, where members proposed freezing 2014-15 subscriptions at existing levels:
 - £1,705 per district
 - Unitary councils pay £1,705 for each 50,000 population
 - County councils multiply the £1,705 by the number of districts in their county.
 Members will be invoiced after the AGM at these rates (para 2.4 gives a full table of subscription rates).
- 2.2 April's Executive froze SEEC's 2014-15 budget at last year's level of £265,700, with potential to increase this by £5,000-£7,000 if required for the care cap project.

SEEC budget 2014-15

Staff costs	202,800
Projects/ research	10,000
Member conferences	10,000
Regular meeting costs	15,500
Rent	7,700
Travel	2,100
Insurance	1,500
Professional fees	2,800
IT/website	8,200
Admin/ office costs	5,100
Total	£265,700

2.3 Since 2010 SEEC has held current and investment accounts with the Co-operative Bank. While maintaining a current account with the Co-operative, we are now looking to diversify SEEC's invested reserves across a number of financial institutions. This will take advantage of the Financial Services Compensation Scheme which guarantees deposits of up to £85,000 for small organisations such as SEEC. To take advantage of this protection, members are asked to agree an investment plan that spreads SEEC reserves across a number of financial institutions including:

- The Charity Bank
- Metrobank
- Virgin
- Nationwide
- Santander

These organisations have been chosen as they offer more attractive rates of interest than many high street banks. Some investments will be for a fixed term of 6-12 months but SEEC will ensure sufficient funds are maintained in the current account to cover all short term liabilities.

2.4 SEEC subscription rates are set out below for information (NB includes a small number of councils who have given notice of resignation).

AUTHORITY	Multiplier	Base rate	Subs by council
Each District, City & Borough Council	1	1,705	1,705
County Councils			
Buckinghamshire	4	1,705	6,820
East Sussex	5	1,705	8,525
Hampshire	11	1,705	18,755
Kent	12	1,705	20,460
Oxfordshire	5	1,705	8,525
Surrey	11	1,705	18,755
West Sussex	7	1,705	11,935
Unitary Authorities			
Bracknell Forest	3	1,705	5,115
Brighton and Hove	5	1,705	8,525
Isle of Wight	3	1,705	5,115
Medway	5	1,705	8,525
Milton Keynes	5	1,705	8,525
Portsmouth	4	1,705	6,820
Reading	3	1,705	5,115
Slough	3	1,705	5,115
Southampton	5	1,705	8,525
West Berkshire	3	1,705	5,115
Windsor and Maidenhead	3	1,705	5,115
Wokingham	3	1,705	5,115