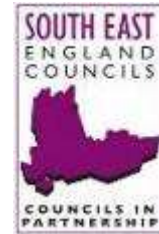


SOUTH EAST ENGLAND COUNCILS ANNUAL GENERAL MEETING & ALL-MEMBER MEETING



Date: 28 June 2018

Subject: **SEEC review of the year and annual accounts 2017-18**

Report of: Heather Bolton, SEEC Director

Recommendations:

- i) Consider the review of SEEC achievements in the '*Highlights 2017-18*' report and how this could be used by existing members to recruit non-members to re-join SEEC
- ii) Note SEEC's headline accounts for 2017-18 and budget 2018-19
- iii) Endorse subscription levels for 2018-19 to allow invoicing to go ahead
- iv) Record thanks to Surrey for hosting SEEC over the past year

1. Highlights of 2017-18

- 1.1. Over the past year SEEC has delivered a wide-ranging programme of events and policy influencing work – summarised in the attached '*SEEC Highlights 2017-18*'. This work has given members valuable opportunities to discuss issues with high profile political leaders and opinion formers and to shape policy decisions on topics affecting South East residents.
- 1.2 Work covered key policy areas affecting the South East, including maintaining economic growth, Brexit, health & social care, infrastructure investment needs, housing & planning and the impact of London's growth. Highlights included:
 - **Five free events open to all SEEC members**, giving opportunities to influence opinion formers directly and share good practice. These were an expert panel on housing & infrastructure; a summit with London's Mayor; a Brexit conference; and workshops on commercialisation and getting the best out of LEP relationships.
 - **Influential speakers at SEEC all-member events included:**
 - Mayor of London Sadiq Khan and Deputy Mayor for Planning Jules Pipe
 - LGA Chairman Lord Porter
 - Homes England Chairman Sir Edward Lister
 - National Infrastructure Commission Chief Executive Phil Graham
 - MHCLG Director of Planning Simon Gallagher
 - Berkeley Homes Chairman Tony Pidgley CBE
 - Localis Chief Executive Liam Booth-Smith
 - KMPG Partner and Head of Local Government Joanna Killian
 - Managing Director of Augmentiq (border control experts) Matthew Finn.
 - **Smaller meetings, giving groups of SEEC members the chance to discuss priorities with senior political figures.** This year groups of SEEC members met:
 - Housing Minister Dominic Raab
 - Transport Secretary Chris Grayling
 - London Deputy Mayor Jules Pipe.
 - **SEEC delivered 23 proposals and consultation responses on key issues**, providing constructive input on policies affecting the South East and successfully helping to influence decisions. Examples include SEEC's work to make the case for infrastructure funding, reflected in £224.5m South East HIF allocations. Other areas where SEEC input has seen tangible outcomes include: Government support for some of SEEC's 'Missing Links' transport schemes; planning fee increases; launch of a review of unused planning permissions; and HRA cap increases, allowing some councils to borrow to build homes.
 - **Regular briefings and news updates**, including monthly e-newsletters, plus 6 member/MP briefings and a guide on how to maximise the value of councillors' role on LEPs/Local Industrial Strategies. Two data dashboards also updated members and MPs on South East issues and priorities. Media attention included coverage of SEEC member views on homelessness, skills and preparing the South East's borders for Brexit.
- 1.3 The [SEEC Highlights 2017-18](#) annual review gives more detail and links to individual pieces of work completed during the year. Members are asked to consider how they could use the document to help convince non-member authorities to re-join SEEC.

2. SEEC financial report 2017-18

- 2.1 SEEC accounts for 2017-18 show expenditure for the year at £286,591. This was funded by SEEC income and the standing agreement to draw on reserves to subsidise costs. The draw on reserves for 2017-18 was £66,828. Reserves at 31 March 2018 were £536,953.
- 2.2 Spending was around 2.3% lower than the budget of £293,277 for the year, while income was around 11.5% higher than originally budgeted, due to greater sharing of services. In 2017-18, the combination of lower spending and higher income reduced the call on SEEC reserves. Reserves used were £66,828, some 29% less than the budgeted £94,030.
- 2.3 Accounts prepared by an independent accountant have been reviewed by SEEC Treasurer Cllr David Monk. Profit and loss accounts for 2017-18 are below alongside a comparison with 2016-17. Copies of the full accounts are available and can be provided to members on request.

SEEC profit & loss	31.3.18		31.3.17	
Income	£	£	£	£
Invoiced subscriptions	160,270		168,795	
Shared services	55,323		34,614	
Project/ conference contributions	1,066		25,011	
Sundry receipts	20		510	
Bank interest	3,084		4,527	
		<u>219,763</u>		<u>233,457</u>
Expenditure				
Rent	7,877		7,877	
Staff costs	230,176		231,177	
Travel	2,514		2,925	
Projects/ conferences	13,466		12,500	
Licences/ insurance	1,354		1,344	
Regular meetings	13,595		9,236	
IT/website	10,267		9,814	
Admin/ Office costs	4,452		2,480	
Accountancy	2,100		2,225	
Other professional fees	420		420	
<i>Depreciation of tangible fixed assets:</i>				
Computer equipment	370		327	
		<u>286,591</u>		<u>280,325</u>
Net loss/call on reserves		<u>(66,828)</u>		<u>(46,868)</u>

3. SEEC budget & subscriptions 2018-19

- 3.1 In December 2017 SEEC Executive recommended freezing 2018-19 subscriptions once again at 2011 levels (para 3.3 below gives a full table of subscription rates):
- £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.
- The subscription year is April to March but, traditionally, the AGM has been asked to endorse subscription levels before invoices are issued. Subject to AGM agreement on the charges, invoices covering 1 April 2018 to 31 March 2018 will be issued as soon as possible after today's meeting.
- 3.2 December's Executive also agreed a budget target of £274,200 for 2018-19. This is a reduction of 6.5% compared to 2017-18. Forecasts for 2018-19 are set out below:

Forecast income 2018-19

Subscriptions	160,270		
Shared services	29,000		
Event/ project contributions	1,020		
Interest	2,200	Estimated income	£192,490

Forecast expenditure 2018-19

Staffing (<i>inc NI & pension</i>)	216,273	
Projects/ research/events	17,000	
Regular meeting costs	15,200	
Rent	8,077	
Travel	2,200	
Insurance	1,400	
Professional fees	2,550	
IT/website	8,500	
Admin/office costs	3,000	Estimated expenditure £274,200

Estimated draw on reserves: £81,710

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

SEEC SUBSCRIPTIONS

Type of authority	Multiplier	Base rate	Subs by council
Each District & 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