

SOUTH EAST ENGLAND COUNCILS

EXECUTIVE

Date: 20 September 2019

Subject: Revised 2019/20 Budget



Report of: David Covill, Director South East England Councils

Recommendation:

The Executive is asked to confirm the revised budget 2019/20 budget for South East England Councils.

1 Introduction

- 1.1 The Executive on 30 November 2018 approved an indicative budget pending a decision on the recruitment of a successor to the previous Director who had indicated her intention to leave South East England Councils in May 2019.
- 1.2 The scenario on which the budget was based was the appointment of a part-time Director supplemented by a budget for externally commissioned work and changes to policy and administrative support. In the event Members determined to appoint a full-time Director on a one-year contract. A revised budget was set by the previous Director in March 2019. The Executive is asked to confirm this budget as set out in section 2 of this report.
- 1.3 The budget set by the Executive required a use of reserves of £41,514 in 2019/20. The revised budget entails a use of reserves of £55,504 in 2019/20. Reserves at 31 March 2019 stood at £479,130 so the increased expenditure is affordable. Nonetheless in order to reduce the call of reserves, an underspend of at least £5,000 against the revised 2019/20 budget will be targeted.

2 Revised budget

- 2.1 The indicative budget approved in November 2018 and the revised budget set in March 2019 are shown in the table below.
- 2.2 The budget includes expenditure for shared costs which are incurred by South East England Councils and then charged to the South East Strategic Partnership for Migration (e.g. an element of the Director's salary and the cost of shared IT systems), and the South East Strategic Leaders (shared administrative support and venue hire).

	Indicative Budget Nov 2018	Revised Budget March 2019
	£	£
Expenditure		
Staff costs (including travel)	167,000	198,200
Projects – freelance support & research	26,000	10,000
Meeting costs	14,000	12,000
Rent and office costs	11,100	11,100
IT & Accountancy	11,750	12,550
Insurance	1,400	1,400
Total expenditure	231,250	245,250
Income		
Subscriptions	161,736	161,736
Shared services	25,510	25,510
Investment Interest	2,500	2,500
Total income	189,746	189,746
Use of reserves	41,504	55,504

2.3 At this stage it is envisaged that an underspend of at least £5,000 will be achieved.

3 2020/21 Budget

3.1 Proposals for the 2020/21 Budget and Business plan will be presented to the Executive in December 2019.

3.2 A reduction in membership in recent years together with the reliance on reserves reinforces the importance of a clear plan for the financial sustainability of South East England Councils in 2020/21 and beyond. This plan should include income generation and opportunities for increased joint working with other organisations within and outside of the South East.

David Covill
Director