

SOUTH ESSEX PARKING PARTNERSHIP JOINT COMMITTEE

THURSDAY 31st AUGUST 2023

AGENDA ITEM 9

| | |
|------------------|---|
| Subject | Financial outturn 2022/23 |
| Report by | Revenue Management Team Leader, Chelmsford City Council |

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Purpose

To report on the financial position of the South Essex Parking Partnership for the year ending 31st March 2023

Options

Recommendation(s)

That the report be noted.

| | |
|-------------------|---|
| Consultees | Service Accountant South Essex Parking Partnership Manager |
|-------------------|---|

1. Introduction

- 1.1 This report sets out the summary of the financial position for the South Essex Parking Partnership for the period covering 1st April 2022 to 31st March 2023.

2. Financial summary

- 2.1 Appendix 1 provides details of the actual costs incurred and income received, and is showing a surplus of £465,114 for SEPP and a deficit of £335,400 for the TRO account, for the financial year ending 31st March 2023 before taking into account items funded from reserves. This resulted in an overall surplus position for the Partnership including the TRO account of £129,714.

As a comparison to the last financial year, the Partnership and TRO account made a deficit of £48,902, therefore highlighting the recovery in 22/23 of the operation of the partnership post Covid. The 22/23 outturn was therefore an improvement of £178,616 compared to 21/22.

This was largely realised due to higher PCN income in 22/23, with a total income of £1,612,372 compared to £1,391,898 PCN income in 21/22, this represents just under 16% increase compared to 21/22.

The expenditure on the items funded from the SEPP reserves were all within requested funding. The Memorandum, Items funded from Reserves details the amounts committed during the year that will be taken from reserves. The reserve use in 22/23 is made up of the following. An amount of £160,000 to Rochford District Council as part of their agreed allocations from the SEPP Reserves. The remaining use of reserves were £27,590 on body worn camera equipment and £21,113 to allow the purchase of the 3PR licence. All of these result in a total use of reserves in 22/23 of £208,703.

Once the £208,703 use of reserves is taken into account, the net position for the Partnership including the TRO account is a deficit of £78,988 as can be seen in Appendix 1.

This deficit position has been taken from the cumulative cashable position for on street operations. This has been offset by the agreed release of the £100,000 initial cashflow assistance from ECC being transferred into the total reserve balance, resulting in slightly higher reserve balances than at the start of the financial year. The Partnership now has a cumulative cashable position of £2,155,790. This amount does not include £399,456 of outstanding fines yet to be collected after allowing for a bad debt provision. The reserve position has remained in a healthy position for 22/23 onwards, largely due to the partnership returning to a surplus position as stated above.

A report later in this agenda will highlight how this balance has been allocated for future spend.

Whilst most costs reflect actual spend, where this is not specifically identifiable against an individual authority, the figures have been allocated based on the previously agreed method of allocation within the Annual Business Plan, and show the position for each Partner over the 1st April 2022 to 31st March 2023 period.

List of Appendices

Appendix 1 – SEPP & TRO Financial Summary – 2022/23 Outturn

Appendix 2 – SEPP Reserve Summary 2022/23

Background Papers

Nil

| Appendix 1 South Essex Parking Partnership - Outturn 2022/23 | | | | | | | | | |
|---|------------------|------------------|---------------|----------------|----------------|----------------|------------------|----------------|------------------|
| Actuals 22/23 | Chelmsford | Brentwood | Maldon | Basildon | Rochford | Castle Point | Total | TROs | Total |
| | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Direct Expenditure | | | | | | | | | |
| - Employees | 416,448 | 264,570 | 58,097 | 311,006 | 131,702 | 85,235 | 1,267,058 | 132,842 | 1,399,900 |
| - Premises | 0 | 10,000 | 0 | 0 | 0 | 0 | 10,000 | 0 | 10,000 |
| - Supplies and Services | 76,865 | 58,238 | 12,529 | 44,214 | 26,928 | 15,560 | 234,335 | 178,372 | 412,707 |
| - Third Party Payments | 25,766 | 19,142 | 4,358 | 13,955 | 6,624 | 5,739 | 75,584 | 0 | 75,584 |
| - Transport costs | 22,554 | 29,629 | 14,583 | 52,557 | 22,203 | 15,602 | 157,127 | 112 | 157,238 |
| Total Direct Expenditure | 541,633 | 381,579 | 89,567 | 421,732 | 187,457 | 122,137 | 1,744,104 | 311,325 | 2,055,429 |
| Indirect Expenditure | | | | | | | | | |
| Central Support | 59,800 | 40,100 | 8,600 | 33,000 | 12,200 | 10,400 | 164,100 | 26,300 | 190,400 |
| Total Indirect Expenditure | 59,800 | 40,100 | 8,600 | 33,000 | 12,200 | 10,400 | 164,100 | 26,300 | 190,400 |
| Total Expenditure | 601,433 | 421,679 | 98,167 | 454,732 | 199,657 | 132,537 | 1,908,204 | 337,625 | 2,245,829 |
| Income Received | | | | | | | | | |
| PCN's | 523,427 | 529,748 | 60,019 | 233,115 | 131,996 | 134,067 | 1,612,372 | 0 | 1,612,372 |
| Residents' Parking Permits | 277,556 | 141,061 | 22,656 | 147,395 | 15,907 | 5,899 | 610,473 | 0 | 610,473 |
| Pay & Display | 99,838 | 49,675 | 0 | 0 | 0 | 0 | 149,513 | 0 | 149,513 |
| Other | 350 | 234 | 51 | 193 | 72 | 61 | 960 | 2,225 | 3,185 |
| Total Income | 901,170 | 720,718 | 82,726 | 380,703 | 147,974 | 140,027 | 2,373,318 | 2,225 | 2,375,543 |
| Net (Surplus) / Deficit - Cash Basis Excluding items earmarked from Reserves below | (299,738) | (299,039) | 15,442 | 74,029 | 51,683 | (7,491) | (465,114) | 335,400 | (129,714) |

(a)

Memorandum: Items funded from Reserves

| | Actuals |
|---|----------------|
| | £ |
| Body warn camera equipment | 27,590 |
| 3PR Licence purchase | 21,113 |
| Rochford District Council Proposals as part of the £186k agreed allocation for each partner | 160,000 |
| | 208,703 |

Net (Surplus) / Deficit - Cash Basis Excluding items earmarked from Reserves (129,714)

(a)

Net After Use of Reserves 78,988

Appendix 2

South Essex Parking Partnership - Cumulative Surplus / Deficit - Cash basis @31/03/2023

| | Chelmsford | Brentwood | Maldon | Basildon | Rochford | Castle Point | TRO | Use of Reserve | SFC Compensation | ECC Initial Cashflow Assistance | Total |
|---------------------|-------------|-------------|----------|-----------|----------|--------------|-----------|----------------|------------------|---------------------------------------|-------------|
| 2011/12 | (119,640) | (95,000) | 20,710 | 32,810 | 29,190 | 27,920 | | | | | (104,010) |
| 2012/13 | (122,760) | (119,360) | 13,260 | 7,440 | 16,710 | 21,160 | | | | | (183,550) |
| 2013/14 | (148,700) | (122,260) | (1,450) | (33,310) | 8,880 | 23,190 | | | | | (273,650) |
| 2014/15 | (153,520) | (176,710) | (9,280) | (4,110) | 28,410 | 12,280 | | | | | (302,930) |
| 2015/16 | (236,770) | (168,680) | (12,540) | (22,590) | (5,570) | (22,570) | (16,990) | | | | (485,710) |
| 2016/17 | (288,670) | (187,300) | (16,390) | (83,140) | (20,460) | (44,750) | 308,900 | | | | (331,810) |
| 2017/18 | (404,880) | (246,010) | 9,600 | (35,770) | 4,870 | (13,220) | 295,430 | | | | (389,980) |
| 2018/19 | (448,800) | (293,510) | (12,010) | (71,000) | 20,910 | (10,780) | 266,180 | 182,580 | | | (366,430) |
| 2019/20 | (384,480) | (265,620) | (4,920) | (122,310) | 8,050 | (8,310) | 404,830 | 129,380 | | | (243,380) |
| 2020/21 | (81,860) | (51,950) | 44,750 | 49,730 | 67,720 | 3,750 | 365,640 | 344,220 | (450,640) | | 291,360 |
| 2021/22 | (296,930) | (216,580) | 18,350 | 100,260 | 41,050 | (5,360) | 408,110 | 352,000 | (145,580) | | 255,320 |
| 2022/23 | (299,740) | (299,040) | 15,440 | 74,030 | 51,680 | (7,490) | 335,400 | 208,700 | 0 | (100,000) | (21,020) |
| (Surplus) / Deficit | (2,986,750) | (2,242,020) | 65,520 | (107,960) | 251,440 | (24,180) | 2,367,500 | 1,216,880 | (596,220) | (100,000) | (2,155,790) |

(399,455.91) o/s Fines

14.98 rounding adj

(2,555,230.93) SEPP Reserve Balance C/fwd