



**Bryniau Clwyd a
Dyffryn Dyfrdwy**
Clwydian Range
and Dee Valley

Ardal o Harddwch Naturiol Eithriadol
Area of Outstanding Natural Beauty

**JOINT COMMITTEE
Of the
CLWYDIAN RANGE & DEE VALLEY
AREA OF OUTSTANDING NATURAL BEAUTY**

Held on: 23rd June 2017

Lead Member / Officer: Gareth Williams

Report Author: Paula O'Hanlon / Huw Rees

Title: Joint Committee Outturn and Accounts 2016/17 & Budget 2017/18

1. What is the report about?

The report gives details of the AONB's revenue budget outturn position as at 31st March 2017 alongside the draft budget figures for 2017/18.

2. What is the reason for making this report?

The purpose of the report is to provide an update on the AONB's financial position as at 31st March 2017 and to seek approval of the budget for 2017/18.

3. What are the Recommendations?

Members are asked to note the financial outturn for 2016/17 (Appendix 1) and formally approve the 2017/18 budget (appendix 2). Members are also asked to review the Annual Governance Statement (Appendix 3 and note the Reserve Balances as at 31st March 2017 (Appendix 4).

4. Report details.

The report provides a summary of the AONB's revenue outturn for 2016/17 detailed in Appendix 1. The final outturn position shows an overall underspend of £14,950 (Core £6,402 and Area £8,548), which has been placed in a reserve for use in future years. In addition a further £24,381 has been placed in reserve and earmarked for specific projects in 2017/18. Of the £44,752 that was previously placed in reserve for projects £29,126 was drawn down in 2016/17 to fund project activity.

The report also provides a copy of the Welsh Audit Office Annual Return for the Year Ended 31 March 2017 (Appendix 3) for consideration and approval. The return has been reviewed and signed by DCC's Internal Audit Section.

5. How does it contribute to the Clwydian Range & Dee Valley AONB Management Plans Priorities?

Effective management of the AONB's revenue budgets will help the delivery of the agreed management plan priorities for the current year and underpins activity in all areas, particularly our relationships with funding partners and our joint priorities.

6. What will it cost and how will it affect other services?

There are no direct costs associated with this report.

7. What are the main conclusions of the Equality Impact Assessment (EqIA) undertaken on the decision? The completed EqIA template should be attached as an appendix to the report.

N/A

8. What consultations have been carried out with Scrutiny and others?

The financial position is a standing item at each meeting of the Joint Committee.

9. Chief Finance Officer Statement

This report outlines the financial position for the AONB for 2016/17. The final underspend has been placed in reserve to be utilised in future years.

The approval and signing of the formal Welsh Audit Office Annual Return for the Year Ended 31 March 2017 (Appendix 3) is a statutory requirement prior to External Audit carrying out an audit of the accounts.

Staffing remains the most valuable resource however it must be noted that due to investment in staffing and increases in NI and pension contributions the budget is coming under increased pressure. Denbighshire has increased its contribution for the 2017/18 financial year by £7.5k but activity based budgets have had to be reduced also to reflect this pressure. The draft budget for 17/18 assumes that there will be no increases to the contributions from either FCC or WCBC.

As at the 31st March 2017 the balance in the AONB Reserve stood at £77,697 but £40,007 of this figure is earmarked for specific projects which will progress during the 17/18 financial year. The balance of £37,690 is available to help offset any future funding pressures or to be utilised as the Joint Committee recommends.

The agreed budget for 2017/18 will ensure the financial stability for the JC over the next 12 months. However it must still be recognised that the budgets of all public sector bodies are coming under increasing pressure due to the economic climate and

the uncertainties surrounding Brexit, which means that future funding levels may not be relied upon.

10. What risks are there and is there anything we can do to reduce them?

The proposed budget is dependent on income from NRW, Welsh Government and the three Local Authorities. Any changes to these income levels will pose a risk to the future delivery of projects and our ability to deliver against the priorities in the AONB Management Plan.

11. Power to make the Decision

Local authorities are required under Section 151 of the Local Government Act 1972 to make arrangements for the proper administration of their financial affairs.