



**BRIGHTON AND HOVE CITY COUNCIL, EAST SUSSEX
COUNTY COUNCIL, SURREY COUNTY COUNCIL AND
WEST SUSSEX COUNTY COUNCIL**

ORBIS PUBLIC LAW JOINT COMMITTEE

DATE: 12 OCTOBER 2018

LEAD OFFICERS: PHILIP BAKER (ASSISTANT CHIEF EXECUTIVE, ESCC),
RACHEL CROSSLEY (DIRECTOR OF STRATEGIC COMMISSIONING, SCC),
ABRAHAM GHEBRE-GHIORGHIS (EXECUTIVE LEAD OFFICER FOR STRATEGY, GOVERNANCE AND LAW, BHCC),
AND
TONY KERSHAW (DIRECTOR OF LAW AND ASSURANCE, WSCC)

SUBJECT: FINANCE UPDATE

PURPOSE OF REPORT:

The partners have agreed to establish a Joint Operating Budget from 1 April 2019. In advance of this, the management team and committee are monitoring a shadow operating budget.

This report provides a note of the position for the shadow budget at 31 July 2018, latest 2019/20 savings targets and upcoming finance project activities to support the establishment of the joint budget.

DETAILS

The Joint Operating Budget for Orbis Public Law (OPL), to be delegated to the Joint Committee by each partner, is primarily the cost of staffing and associated team costs. Some costs, which are the responsibility of each Legal department, are excluded since there is inconsistency of treatment across organisations and thus this would prevent the sharing of costs which is agreed to be based upon the casework delivered to each partner. The report (annex 1) provides a note of the year end forecast for the shadow operating budget for 2018/19.

The partners have agreed that external legal fees will not be delegated to the Joint Committee. The report however provides a summary of the actual spend on external legal costs by each partner, to provide an indication of the opportunities available to bring this spend in-house.

Financial planning for 2019/20 is underway in each authority, the Joint Committee will be asked to recommend a 2019/20 OPL budget. As

such the latest 2019/20 savings targets are included in the report, these could be achieved from OPL or Legal Services external costs budgets.

There are a number of joint projects underway. The report provides a summary of the likely 2018/19 cost of these projects and how they will be funded.

RECOMMENDATIONS

The Joint Committee is asked to note:

1. A shadow operating budget variance of £-0.2m for 2018/19 due to staffing underspends.
2. A total spend to date on relevant external legal costs of £0.9m. This excludes spend on court fees and expert witnesses, and therefore is all addressable by OPL.
3. The current 2019/20 savings targets, totalling £0.7m, these could be achieved from either OPL or Legal Services external costs budgets.
4. The likely 2018/19 project costs are £0.4m, to be funded as per the estimated contribution ratio.

REASON FOR RECOMMENDATIONS

The Joint Committee will be responsible for ensuring the sound financial management of the partnership, monitoring the shadow operating budget provides the opportunity to prepare for the joint budget arrangements effective from 1 April 2019.

Contact Officer: Louise Lawson (Senior Principal Accountant)

Appendices: Finance Report