

Epsom and Walton Downs Conservators

28 January 2019

BUDGET 2019/20

Head of Service/Contact: Lee Duffy, Treasurer to the Conservators
Annexes/Appendices (attached): **Annex 1** – Detailed Estimates for 2019/20
Other available papers (not attached): None

Report summary

This report seeks approval for the 2019/20 budget and the recommended precepts on the constituent bodies.

Recommendation (s)

That the budget for 2019/20 be agreed as set out in Annex 1 to this report, with a request for a 4% increase in precept from the constituent bodies as follows:-

- (1) Epsom and Ewell Borough Council: £244,360**
- (2) Epsom Downs Racecourse: £122,170**
- (3) Epsom & Walton Downs Training Board: £40,730**

1 Background

1.1 As a basis for agreeing a budget and contribution levels for 2019/20, this report provides:-

- A forecast of income and expenditure for 2018/19.
- Estimates for 2019/20

2 Revised Forecast for 2018/19

2.1 The Conservators received a mid-year monitoring report at the meeting on 8 October 2018. A detailed update of forecast income and expenditure for 2018/19 is included in **Annex 1**.

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- 2.2 There has been a marginal reduction in the forecast overspend since the last report as a result of increased income from hire charges. The latest forecast for the current financial year anticipates net expenditure of £394,020 compared to the original budget of £391,590. This represents a forecast overspend of £2,430, which is mainly due to £6,300 funding of the Rural Development Growth Programme application, as agreed at the October 2018 meeting.
- 2.3 The working balance stood at £49,585 at 31 March 2018. The latest forecast of the working balance at 31 March 2019 is £47,154.

3 Budget Estimates 2019/20

- 3.1 The detailed estimates for 2019/20 are attached at **Annex 1**. The estimates have been prepared using the guidelines provided at the last meeting when it was noted that precepts would need to increase by 4% to fund participation in the Rural Development Growth Programme and to achieve a balanced budget for next year.
- 3.2 The budget position for 2019/20 detailed at **Annex 1** is summarised below:-

	£'000
Grounds Maintenance	55
Keepers Hut	6
Central and staffing expenses	326
Derby Travellers Caravan Site	6
Tattenham Corner Conveniences	23
Miscellaneous Income	(8)
Net Expenditure	407
Contribution from EEBC/EDR/TB	(407)
Budget Surplus	0

- 3.3 Net Expenditure is estimated at £407,260, this is £15,670 (4%) higher than the current year's budget. Variations in income can be calculated at £3,916 for each 1% increase or decrease in contribution levels.

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- 3.4 A budget of £6,580 has been included to fund participation in the Rural Development Growth Programme over a four year period.

4 Repairs and Renewals Fund

- 4.1 The repairs and renewals fund balance was £31,057 as at 31 March 2018. The budget for 2019/20 allows for a contribution of £5,000 into this reserve, which is considered prudent given the potential need for future repairs to the car parks.

5 Audit of the Accounts 2017/18

- 5.1 The external auditors, PKF Littlejohn LLP, have completed the audit of the accounts for the year ended 31 March 2018.
- 5.2 The auditors concluded that the accounts had been prepared in accordance with proper practices and raised no matters of concern. As such, no changes are required to the financial position for 2017/18 as reported in June 2018.
- 5.3 The accounts and audit documents have been published on the Council's website in accordance with the requirements of the Accounts and Audit Regulations 2015.

6 Financial and Manpower Implications

- 6.1 **Chief Finance Officer's comments:** All financial implications are reflected in the body of this report.

7 Legal Implications (including implications for matters relating to equality)

- 7.1 There are no legal implications arising from this report.
- 7.2 **Monitoring Officer's comments:** None for the purposes of this report.

8 Risk Assessment

- 8.1 The estimated working balance for 2019/20 is approximately 11.5% of net expenditure which, along with the R&R fund, provide cover for unforeseen expenditure. Further withdrawals from the working balance will need to be carefully assessed to ensure sufficient funds are available and provide a stable level of contribution.

9 Conclusion and Recommendations

- 9.1 The Conservators are requested to note the latest income and expenditure position.
- 9.2 It is proposed that:-

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- The budget for 2019/20 is approved as set out in the detailed estimates attached at **Annex 1**.
- Total contributions of £407,260 are approved and allocated 60% to Epsom and Ewell Borough Council, 30% to Epsom Racecourse and 10% to the Training Board.

Ward(s) Affected: College Ward; Woodcote Ward;