

Epsom and Walton Downs Conservators

24 January 2022

BUDGET 2022/23

Head of Service:	Lee Duffy, Chief Finance Officer
Wards affected:	College Ward; Town Ward; Woodcote Ward;
Appendices (attached):	Appendix 1 – Recommended Budget for 2022/23

Summary

This report seeks approval for the 2022/23 budget and the recommended precepts on the constituent bodies.

Recommendation (s)

The Conservators are asked to:

- (1) Note the latest income and expenditure position for 2021/22;**
- (2) Approve the 2022/23 budget and the requested precepts, as set out in section 5 and Appendix 1 to this report.**

1 Reason for Recommendation

- 1.1 To inform the Conservators of the forecast outturn for 2021/22 and seek approval for the 2022/23 budget.

2 Background

- 2.1 As a basis for agreeing a budget and contribution levels for 2022/23, this report:
 - 2.1.1 Informs the Conservators of the current year income and expenditure position and forecast outturn as at 31 March 2022;
 - 2.1.2 Seeks approval of the recommended budget for 2022/23 as set out in Appendix 1.

3 Forecast for 2021/22

- 3.1 The Conservators received a mid-year monitoring report at the meeting on 8 November 2021. A detailed update of forecast income and expenditure for 2021/22 is included at Appendix 1.

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- 3.2 Net expenditure for 2021/22 remains forecast at £447,331 which would result in a deficit of £13,761 against a budget of £433,570.
- 3.3 This is unchanged from the November 2021 position, with the net deficit mainly due to additional management costs (and VAT), for work requesting the Traffic Order earlier in the year, reviewing the Tattenham Corner Conveniences and preparing a Habitat Management Plan. The additional costs are partially offset by savings on running costs from the continued closure of the Tattenham Conveniences.
- 3.4 The working balance stood at £61,817 at 31 March 2021. The projected £13,761 deficit, partially offset by a £3,000 budgeted contribution to reserves, would reduce the working balance to £51,056 at 31 March 2022. In addition, £21,216 (including £1,216 for the cost of waymarking discs) of the working balance is committed as funding for the EAFRD project, which reduces the projected, uncommitted balance to £29,840.

4 EAFRD Project

- 4.1 The Visitor Trails: Explore the Equestrian Heritage of the Epsom and Walton Downs project is mainly funded by the Rural Development Programme for England. Permission to commence the project was received in August 2021, with works due to commence by December, and an anticipated completion date of March 2022.
- 4.2 Additional funding totalling £6,539 has been sourced from S106 held by the Council to cover 10 moveable solid wood A-frame signs, with the Jockey Club funding the costs of brass rubbing (£2,900). At the November 2021 meeting, Conservators agreed to fund the cost of waymarking discs (£1,216) from reserves, which is reflected in 3.4 above.

5 Budget Estimates 2022/23

- 5.1 The recommended budget estimates for 2022/23 are attached at Appendix 1.
- 5.2 An initial draft budget was presented to Conservators at the November 2021 meeting, which showed an indicative increase in precepts of 4.38%. Conservators were also provided with the alternative option of removing the budget for Tattenham Corner Conveniences, to achieve a savings target and change the 2022/23 precepts from an increase of 4.38%, to a reduction of 0.20%.
- 5.3 At the meeting, Conservators agreed to the demolition of Tattenham Conveniences, and that the associated operational budget could be removed. The budget position for 2022/23 is summarised in the following table:

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	£'000
Grounds Maintenance	59
Keepers Hut	8
Central and staffing expenses	358
Contribution to reserves	10
Derby Traveller Caravan Site	4
Events and Other Income	(6)
Net Expenditure	433
Contribution from EEBC/EDR/TB	(433)
Budget Surplus	0

- 5.4 Net expenditure is estimated at £432,700, which is a 0.2% decrease compared to the current year's budget.
- 5.5 Within management recharges, the budget does not include provision for one-off workstreams that are over and above the standard support provided to the Conservators. Should any additional workstreams be agreed in future, the budget implication will need to be considered at the time.
- 5.6 To fund the £432,700 budget, the following precepts are requested from constituent bodies:
- 5.6.1 Epsom & Ewell Borough Council - £259,620
- 5.6.2 Epsom Racecourse - £129,810
- 5.6.3 Training Board - £43,270

6 Repairs and Renewals Fund

- 6.1 The repairs and renewals fund balance will hold a projected £42,503 at 31 March 2022, after a budgeted £2,000 contribution to the reserve for 2021/22. Of this balance, £36,000 has been earmarked to fund demolition of Tattenham Corner Conveniences, leaving an uncommitted balance in the reserve of £6,503. The budget for 2022/23 allows for a contribution of £4,000 into this reserve, which is prudent given the potential need for future repairs to car parks or other areas on the Downs.

7 Risk Assessment

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Legal or other duties

7.1 Impact Assessment

- 7.1.1 The estimated uncommitted working balance of £29,840 for 2022/23 is approximately 7% of net expenditure, which, along with the Repairs and Renewals fund, provides cover for unexpected expenditure. Any withdrawals from the working balance will need to be carefully assessed, to ensure sufficient funds are retained in reserves to cover unexpected expenditure and maintain a stable level of contribution from preceptors.

7.2 Crime & Disorder

- 7.2.1 None arising from the contents of this report.

7.3 Safeguarding

- 7.3.1 None arising from the contents of this report.

7.4 Dependencies

- 7.4.1 The budget assumes that the demolition of Tattenham Corner Conveniences will proceed within budget and complete by the start of the new financial year (1 April 2022). Should this not be the case, any unbudgeted costs in the new financial year would need to be funded from the Conservator's reserves.

7.5 Other

- 7.5.1 None arising from the contents of this report.

8 Financial Implications

- 8.1 Precepts contributions totalling £432,700 in 2022/23 are met by the Borough Council (60%), Epsom Racecourse (30%) and the Training Board (10%).
- 8.2 **Section 151 Officer's comments:** Following the removal of the operational budget for Tattenham Corner Conveniences, there is no proposed increase in precept contributions for 2022/23.

9 Legal Implications

- 9.1 There are no legal implication arising from the contents of this report.
- 9.2 **Legal Officer's comments:** none arising from the content of this report.

10 Policies, Plans & Partnerships

- 10.1 **Council's Key Priorities:** The following Key Priorities are engaged: Effective Council, Green & Vibrant

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10.2 **Service Plans:** The matter is included within the current Service Delivery Plan.

10.3 **Climate & Environmental Impact of recommendations:** None

10.4 **Sustainability Policy & Community Safety Implications:** None

10.5 **Partnerships:** The Jockey Club, Training Board and Epsom and Ewell Borough Council are represented by Members on the Conservators committee.

11 Background papers

11.1 The documents referred to in compiling this report are as follows:

Previous reports:

- Mid-Year Budget Monitoring Report, 8 November 2021

Other papers:

- None.