

Epsom and Walton Downs Conservators

16 January 2023

BUDGET 2023/24

Head of Service:	Brendan Bradley, Head of Finance
Wards affected:	College Ward; Town Ward; Woodcote Ward;
Appendices (attached):	Appendix 1 – Recommended Budget for 2023/24

Summary

This report seeks approval for the 2023/24 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 2022/23;**
- (2) Approve the 2023/24 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 2022/23 and seek approval for the 2023/24 budget.

2 Background

- 2.1 As a basis for agreeing a budget and contribution levels for 2023/24, this report:
 - 2.1.1 Informs the Conservators of the current year income and expenditure position and forecast outturn as at 31 March 2023;
 - 2.1.2 Seeks approval of the recommended budget for 2023/24 as set out in Appendix 1.

3 Forecast for 2022/23

- 3.1 The Conservators received a mid-year monitoring report at the meeting on 7 November 2022. A detailed update of forecast income and expenditure for 2022/23 is included in Appendix 1.

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- 3.2 Net expenditure for 2022/23 remains forecast at £441,228 which would result in a deficit of £8,559 against a budget of £432,700.
- 3.3 This is largely unchanged from November 2022 position, with the net deficit, mainly due to anticipated increased in energy costs, and the increased costs of the new tree maintenance contract.
- 3.4 The working balance stood at £60,659 at 31 March 2022. The projected £8,559 deficit, partially offset by a £1,400 contribution to reserves would reduce the working balance to £53,500. In addition, a further £8,861 of the working balance is committed as funding for the EAFRD project, which reduces the projected, uncommitted balance to £44,639.

4 Tattenham Corner Conveniences

- 4.1 The majority of the demolition of Tattenham Corner Conveniences has now taken place, incurring costs of £18,000. Some additional costs are anticipated for the disconnection of water supply to the site, however, the final total is not expected to exceed £22,000. The Projects Team will advise once this outstanding work has been completed.

5 EAFRD Project

- 5.1 The Visitor Trails project is close to completion, and the grant claim for £132,000 has been submitted to the Rural Development Programme for England (RDPE). An update on the project is expected to be taken to a forthcoming meeting.

6 Budget Estimates 2023/24

- 6.1 The recommended budget estimates for 2023/24 are attached at Appendix 1.
- 6.2 An initial draft budget was presented to Conservators at the November 2022 meeting, which showed an indicative increase in precepts of 6%.
- 6.3 The proposed budget position for 2023/24 is unchanged since November, as summarised in the following table:

	£'000
Grounds Maintenance	65
Keepers Hut	12
Central and staffing expenses	374
Contribution to reserves	10
Derby Traveller Caravan Site	4

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Events and Other Income	(6)
Net Expenditure	459
Contribution from EEBC/EDR/TB	(459)
Budget Surplus	0

- 6.4 Net expenditure is estimated at £458,650, which is a 6% increase compared to the current year's budget.
- 6.5 Within management recharges, the budget does not include provision for one-off workstreams that are over and above the standard support provided to Conservators. Should any additional workstreams be agreed in future, the budget implication will need to be considered at the time.
- 6.6 To fund the £458,650 budget, the following precepts are requested from constituent bodies:
- 6.6.1 Epsom & Ewell Borough Council - £275,190
- 6.6.2 Epsom Racecourse - £137,595
- 6.6.3 Training Board - £45,865

7 Repairs and Renewals Fund

- 7.1 The repairs and renewals fund balance will hold a projected £24,503 at 31 March 2023. This balance takes account of a net contribution from the reserve of £18,000; £22,000 to fund the demolition of Tattenham Corner Conveniences, partially offset by a budgeted contribution of £4,000 to the reserve for 2022/23.

8 Appointment of External Auditor 2022/23

- 8.1 At the Conservator's meeting in November 2022, it was reported that the SAAA (Smaller Authorities' Audit Appointments) had commenced the central procurement exercise for the appointment of a new external auditor. It has recently been announced that PKF Littlejohn LLP (the current external auditor) has been re-appointed for the next five-year period from 01 April 2022 to 31 March 2027.

9 Risk Assessment

Legal or other duties

- 9.1 Equality Impact Assessment

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9.1.1 The estimated uncommitted working balance of £44,639 for 2023/24 is approximately 10% 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.

9.2 Crime & Disorder

9.2.1 None arising from the contents of this report.

9.3 Safeguarding

9.3.1 None arising from the contents of this report.

9.4 Dependencies

9.4.1 None arising from the contents of this report.

9.5 Other

9.5.1 None arising from the contents of this report.

10 Financial Implications

10.1 Precept contributions totalling £458,650 in 2023/24 are met by the Borough Council (60%), Epsom Racecourse (30%), and the Training Board (10%).

10.2 **Section 151 Officer's comments:** Finance implications are contained within the body of the report.

11 Legal Implications

11.1 There are no legal implications arising from the contents of this report.

11.2 **Legal Officer's comments:** None for the purposes of this report.

12 Policies, Plans & Partnerships

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

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

12.3 **Climate & Environmental Impact of recommendations:** None arising from the contents of this report.

12.4 **Sustainability Policy & Community Safety Implications:** None.

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

13 Background papers

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

Previous reports:

- Mid-Year Budget Monitoring Report, 7 November 2022

Other papers:

- None.