

BUDGET 2017-18

Report of the: Treasurer to the Conservators
Contact: Lee Duffy
Annexes/Appendices (attached): Annexe 1 – Detailed Estimates for 2017/18
Other available papers (not attached):

REPORT SUMMARY

This report seeks approval to the 2017/18 budget and to the amounts to be recovered from the constituent bodies.

<u>RECOMMENDATION (S)</u>	<i>Notes</i>
<p>That the budget for 2017/18 be agreed as set out in Annexe 1 to this report, with a request for a 2.3% increase in precept from the constituent bodies as follows:-</p> <p>(1) Epsom and Ewell Borough Council: £227,890</p> <p>(2) Epsom Downs Racecourse: £113,940</p> <p>(3) Epsom & Walton Downs Training Board: £37,980</p>	

1 Background

1.1 As a basis for agreeing a budget and contribution levels for 2017/18, this report provides:-

- A latest forecast of income and expenditure in 2016/17
- Estimates for 2017/18

2 Revised Forecast for 2016/17

2.1 The Conservators received a mid-year monitoring report at the meeting in October 2016. A detailed update of forecast income and expenditure for 2016/17 is included in Annexe 1.

2.2 The latest forecast for the current financial year anticipates net expenditure of £376,320 compared to the original budget of £373,010.

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- 2.3 There is a forecast £5,040 use of the working balance.
- 2.4 The working balance stood at £55,628 at 31 March 2016. The latest forecast of the working balance at 31 March 2017 will be £50,588.

3 Estimates for 2017/18

- 3.1 The detailed estimates for 2017/18 are attached at Annexe 1. The estimates have been prepared using the guidelines provided at the last meeting when it was agreed that precepts from the constituent would be increased by 2.3% to achieve a balanced budget for next year.
- 3.2 The budget position for 2017/18 detailed at Annexe 1 is summarised below:-

	£'000
Grounds Maintenance	61
Keepers Hut	5
Staffing and central expenses	307
Derby Gypsy Caravan Site	6
Tattenham Corner Conveniences	19
Miscellaneous Income	(18)
Net Expenditure	380
Contribution from EEBC/EDR/TB	(380)
Budget Deficit	0

- 3.3 Net expenditure is estimated at £380,080 is £7,070 (1.9%) more than the current year's original budget.

Contributions

- 3.4 As agreed at the last meeting, a 2.3% increase in contributions is proposed.
- 3.5 For the purpose of comparison, price inflation at November 2016 was 1.2% (consumer price index).
- 3.6 The increase in contributions will generate £8,530 next year.
- 3.7 Variations in income can be calculated at £3,710 for each 1% increase or decrease in contribution levels.

Working Balance

3.8 The working balance as at 31 March 2016 was £55,628 the estimated working balance at 31 March 2018 is £50,318.

3.9 There is a forecast use of working balances for 2017/18 of £270.

4 Repairs and Renewals Fund

4.1 The repairs and renewals fund balance was £34,013 as at 31 March 2016.

4.2 The budget for 2017/18 allows for a contribution into this reserve of £1,500.

5 Risk Assessment

5.1 The working balance is approximately 13% of net expenditure which provides financial cover for unforeseen costs. Further withdrawals from the working balance will need to be carefully assessed to ensure sufficient funds are available to cover future unforeseen increases.

6 Conclusions and Proposal

6.1 The draft estimates have been based on a 2.3% increase in contributions which was supported by the Conservators in principle at the last meeting.

6.2 It is proposed that:-

6.2.1 The budget for 2016/17 is approved as set out in the detailed estimates attached at Annexe 1.

6.2.2 Total contributions of £379,810 are approved and allocated 60% to the Borough Council, 30% to the Racecourse and 10% to the Training Board.

WARD(S) AFFECTED: College Ward; Woodcote Ward;