

BRISTOL CITY COUNCIL

Downs Committee

7 July 2015

Report of: Director of Corporate Services

Title: Finance Report

Ward: N/A

Officer Presenting Report: Mike Allen – Finance Business Partner BCC

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RECOMMENDATION

That the Committee note the on-going financial pressures on reserves and consider how to generate additional income, and that for 2014/15 there are no forecast material variations against budget in the first quarter.

Summary

The regular expenditure for the Downs Committee will come under increasing pressure due to inflation and current committed expenditure will significantly reduce reserves.

The significant issues in the report are:

Total reserves as at 31 March 2014 stood at £226,600 net of contracted, required and estimated expenditure (including rock stabilisation, Bridge Road and play area,)

If all of this expenditure is incurred, this would leave a reserve of approximately £26,565

Policy

1. The Downs budget for 2014/15 was prepared in line with Council guidelines and approved by Council on 18 February 2014.

Consultation

2. **Internal**
Andrew Gordon
3. **External**
Not applicable

Context

Budget pressures 2014/15

The current budget for the Downs Committee will come under increasing pressure as the Council approved budget made allowance solely for a 1% increase in wage costs but no allowance for the cost of services and equipment which will continue to rise due to inflation.

The Downs Committee face the prospect that their reserves, built up over many years could be reduced to near zero in 2014/15 should additional work be required for the rock falls/sea wall

Financial prospects for 2014/15 and beyond

The Downs Committee finances are reliant upon the budget provided by the Council and income generated from activities. Whilst there may be some minor additional income generated from reviewing car parking and other charges, the Council's budget will continue to be restrained by their overall financial situation which requires a large budget reduction over the next three years.

To meet the challenge of the current and future financial pressures, the Downs Committee will urgently need to consider how additional income can be generated or face the prospect of reduced resources for the Downs and its upkeep. Increased income will be required merely to stand still financially and also provide the financial resilience required for the future.

Proposal

The Downs Committee needs to consider the options for increasing annual income on an on-going basis to facilitate an increase in reserves and maintain the ability to commit current levels of resources to the Downs .

Other Options Considered

4. Not applicable

Risk Assessment

5. Not applicable

Public Sector Equality Duties

- 8a) Before making a decision, section 149 Equality Act 2010 requires that each decision-maker considers the need to promote equality for persons with the following “protected characteristics”: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Each decision-maker must, therefore, have due regard to the need to:
- i) Eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act 2010.
 - ii) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to --
 - remove or minimise disadvantage suffered by persons who share a relevant protected characteristic;
 - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it (in relation to disabled people, this includes, in particular, steps to take account of disabled persons' disabilities);
 - encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
 - iii) Foster good relations between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to –
 - tackle prejudice; and

- promote understanding.

- 8b) The Downs budget is part of the total precept forming part of the Council's overall budget for 2012/13. The Council's budget underwent a full equalities impact assessment.

Legal and Resource Implications

Legal

The Clifton and Durdham Downs (Bristol) Act 1861 provides that the Downs should remain as a place for the public resort and recreation of the citizens and inhabitants of Bristol, and that a committee should be appointed to manage them. The recommendation contained in this report is within the powers conferred by this statute.

Financial

(a) Revenue

As set out in the report

(b) Capital

The Downs Committee approved the expenditure of £87,000 and up to £10,000 contingency for remedial works in respect of the rock fall issue. Whilst this expenditure is due to fall within 2014/15, it is reported here as these are committed costs that will impact directly upon reserves.

£70,000 is also committed to the play area, also to be met from reserves.

The year-end reserve figure was £226,600, which will fall to £26,565 if £101,645 is spent upon rock stabilisation and its management, the play area bill is paid and costs for Bridge Road and other expected costs are taken into account.

Financial advice provided by Mike Allen, Finance Business Partner

Land

Not applicable

Personnel

Not applicable

Appendices: N/A

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

Budget working papers held in Corporate Finance.