

AGENDA ITEM No. 9

BRISTOL CITY COUNCIL DOWNS COMMITTEE 6th July 2015

REPORT TITLE: Finance Report

Ward(s) affected by this report: N/A

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Purpose of the report:

To provide a progress report on the financial performance and position of the Downs Committee for the year ending March 2015, to report the budget for position for 2015/16 and the approach to Downs Committee finance for future years.

RECOMMENDATIONS:

1. The Committee should note the projected outturn for 2014/15
2. The Committee should note the budgetary position for 2015/16, and
3. Note that a budget review will be carried out prior to 2016/17 budget setting

Summary

Appendix A presents the estimated year end outturn. There is a net underspend at the end of the year of £2,342. This will be added reserves.

Appendix B presents the draft budget for 2015/16.

The significant issues in the report are:

Total forecast income for 2015/16 is significantly below that budgeted for at the start of 2014/15 (£177,810 vs. £196,310)

Total net reserves as at 31 March 2015 stand at £89,040

Background

The Downs budget for 2014/15 was prepared in line with Council guidelines and approved by Council on 18 February 2014. The budget for 2015/16 was approved by Council on 17th February 2015.

Financial Summary

Expenditure – 2014/15

A number of over and underspends against the expected budget have mainly netted off so that total expenditure was just under £7,000 less than budget. The changes of spend within individual budget headings will be reviewed this year to provide a more accurate budget for 2016/17. Staff costs were lower than expected due to unfilled vacancies and as a result some equipment and services costs were higher to compensate.

Income – 2014/15

Income is received from a number of sources. I have liaised with fellow Officers who deal with income generated from the Downs to clarify expected income for 2014/15.

Total revenue income is forecast to be £191,770 against a budgeted total of £195,820.

Income source (per budget)	Revised Budget £	Outturn £
Zoo Car Park	34,660	34,654
Catering concession "Durdham /Stock Road"	18,000	0
Events	46,650	49,944
Club bookings (football)	39,000	39,000
Other concessions (ice cream van)	57,500	57,500
Sales of consumables	0	672
Internal recharges`	0	10,000
Total	195,820	191,770

Forecast income is £4,050 below budget. This includes one off income from internal recharges for the repair to Victorian Steps

Commentary on Income

The total income from the key contracts and agreement have all come in on or very close to that expected and as placed in the budget for 2014/15. We expect that income from the Zoo, from football pitches and from the ice-cream concession will perform as predicted in 2015/16. The income from Events does vary with demand and income was received from 27 events and 16 filming operations in 2014/15. Income will tend to vary year on year. Significant increases in income will only result from additional events. Events made up the bulk of "events" income in 2014/15.

Outturn

The Downs Committee has a small surplus of £2,342. This has been added to reserves.

Reserves

Total reserves as at 31 March 2014 stood at £226,600 net of expenditure (expenditure included rock stabilisation, Bridge Road and playground)

Projected reserves position for 31 March 2015

	£
Opening balance @ 1/4/14	226,600
Children's playground	(70,000)
Project Work:	
• Seawalls stabilisation	(58,802)
• Bridge Road stabilisation	(6,000)
• Avon Gorge	(4,500)
Net underspend	2,342
Projected closing balance	89,040

Commentary on Reserves

- Reserves have been used to meet the costs of a number of unexpected items related to major works plus the cost of the children's playground.
- The small surplus on the year's accounts has been added to the reserve.
- There is an outstanding bill for £40,000 (approx.) from 2015/16

The budget – 2015/16

The headline budget figures for 2015/16 are:

Expected expenditure	£461,983
Expected income	(£177,810)
Net cost	£284,173
Net budget – (agreed by Council)	£262,090
Budget "pressure"	£ 22,083

Commentary on budget 2015/16

- Income is £18,010 lower than in the 2014/15 budget because of changes to the concessions granted on the Downs.
- These combine to produce pressure on the expected out turn position and a predicted budget pressure of just over £22k but the aim will be to limit expenditure and/or improve on the income target and so breakeven over the year.

Consultation and scrutiny input:

a. Internal consultation:

Andrew Gordon – Parks and Estates
Rob Hamilton – Finance

b. External consultation:

Not applicable

Other options considered:

No other options were considered at the present time.

Public sector equality duties:

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.

The Downs budget is part of the total precept forming part of the Council's overall budget for 2014/14. The Council's budget underwent a full equalities impact assessment.

Environmental checklist / eco impact assessment

Not applicable.

Resource and legal implications:

a. Financial (revenue) implications:

As set out in the report

b. Financial (capital) implications:

None

c. Legal implications:

Not applicable for this report

d. Land / property implications:

Not required for this report

e. Human resources implications:

Not applicable for this report

Appendix A – Financial summary for 2014/15

	Revised 2014/15 Budget	Actual to end P12	Variation from Budget	
Expenditure	£	£	£	
EMPLOYEES	246,883	179,554	(67,329)	Note 1
PREMISES	82,150	113,349	31,199	Note 2
SUPPLIES AND SERVICES	71,650	89,607	17,957	Note 3
PROJECT COSTS	30,400	33,144	2,744	
TRANSPORT	25,200	39,447	14,247	Note 4
CENTRAL CHARGES	5,700	0	(5,700)	
Total costs	461,983	455,101	(6,882)	
Income				
FEES AND CHARGES				
Zoo- Car Park	(34,660)	(34,654)	6	
Catering Concession – Durdham/ Stoke Rd	(18,000)	0	18,000	Note 5
Events including Funderworld	(46,650)	(49,944)	0	
Club Bookings - football pitches	(39,000)	(39,000)	0	
Other Concessions - ice cream	(57,500)	(57,500)	0	
Sale of consumables	0	(672)	(672)	
Internal recharge (Victorian steps repair)	0	(10,000)	(10,000)	Note 6
Total income	(195,820)	(191,770)	4,050	
Net cost	266,163	263,331	(2,342)	

Notes

Note 1

Employee costs were reduced to unfilled vacancies.

Note 2 Additional one off costs were incurred in year for grounds and premises maintenance

Note 3 Supplies and services were charged for additional and necessary cost of equipment rentals

Note 4 Transport cost rose in year due to increased fuel costs and contract hire costs which totalled £5.2k

Note 5 No catering concession income was received from this source and has been removed from budgeted income

Note 6 This is a one off receipt of income from works done by BCC in-house team

Appendix B – Projected budget for 2015/16

BUDGET HEADINGS	Estimated budget £
Expenditure	
EMPLOYEES	240,633
PREMISES	82,100
SUPPLIES & SERVICES	69,950
PROJECT COSTS	30,000
TRANSPORT	33,600
CENTRAL CHARGES	5,700
GROSS EXPENDITURE	461,983
Income	
Fees & Charges	
Zoo car park	(34,660)
Events	(46,650)
Club Bookings - football pitches	(39,000)
Other Concessions - ice cream	(57,500)
TOTAL INCOME	(177,810)
NET EXPENDITURE	284,173
BUDGET INCOME	(262,090)
NET POSITION	22,083

