

Downs Events & Finance Sub-group Financial Report

1. Forecast Report for 2023-24

- 1.1 The report provides a forecast of the financial performance of the Downs for the period 1st April 2023 to 31st March 2024.
- 1.2 The budgeted and actual income and expenditure up to period 8, April to November 2023, has been analysed and projections have been made resulting in some potential variances.
- 1.3 A summary of the forecast income and expenditure for 2023-24, the change from the budget and prior year comparators, can be seen in Table 1.

TABLE 1 - Overall Income and Expenditure Budget Summary

Budget 2023-24	Full Year GROSS Budget £	2023-24 Forecast (P8 - Nov23) £	Variance £	Notes	2022/23 Outturn £	2021/22 Outturn £	2023-24 Forecast (P6 - Sept23) £	Movement P6 v P8
Income								
Gross Income	394,750	370,411	(24,339)	Deficit	430,170	332,600	355,446	14,965
Expenditure								
Total Expenditure	(394,750)	(535,477)	(140,727)	Overspend	(505,172)	(637,576)	(501,826)	(33,651)
Transfer from Reserves	0	0	0	Reserves are exhausted	0	97,680	0	0
NET OUTTURN	0	(165,065)	(165,065)	Net surplus / (deficit)	(75,002)	(207,296)	(146,380)	(18,685)

- 1.4 Since the previous P6 report in September, the forecast deficit has increased by (£19k), from slightly higher pay award and transport related costs.
- 1.5 Gross income for 2023-24 is currently forecasted to be in deficit by £24k, expenditure is forecast to overspend by (£141k), resulting in a net deficit of **(£165k)**, for P6 the deficit was (£146k).
- 1.6 Expenditure pressures are forecast to occur from out of hours working, pay awards, and higher premises costs including, buildings R&M, grounds maintenance, cleaning and energy costs.
- 1.7 Income pressures are forecast to occur from changes to several income generating events and lower attendance. For next financial year, 2024/25, the Events Team have been working with current and new providers to improve the income position.
- 1.8 However, expenditure also needs to be addressed given the significant overspend. It is recommended that a review of the service is implemented to mitigate the deficit and trim expenditure.
- 1.9 Further information, explanations and comparisons to prior years can be found in table 2.

TABLE 2 - Income and Expenditure Budget

Budget 2023-24	Full Year GROSS Budget £	2023-24 Forecast (P8 - Nov23) £	Variance £	Notes	2022/23 Outturn £	2021/22 Outturn £	2023-24 Forecast (P6 - Sept23) £	Movement P6 v P8
Income								
Fees - Events	310,750	239,453	(71,297)	Deficit - reduction in events	284,560	237,214	239,328	125
Fees - Licensing & Rents	79,000	92,250	13,250	Surplus	135,810	82,060	92,250	0
Fees- Other	5,000	38,708	33,708	Surplus	9,800	13,327	23,868	14,840
GROSS Income	394,750	370,411	(24,339)	Deficit	430,170	332,600	355,446	14,965
Expenditure								
Employees	(205,060)	(291,550)	(86,490)	YTD includes pay inflation - Additional Gardner post, pay award and overtime	(273,515)	(258,171)	(284,191)	(7,359)
Premises	(33,940)	(91,409)	(57,469)		(73,082)	(68,087)	(78,800)	(12,609)
* Planned R&M	0	0	0		0	(2,321)	0	0
* Buildings R&M	(13,700)	(26,200)	(12,500)	YTD £16k - Compound, toilets & changing rooms	(18,300)	(17,515)	(20,200)	(6,000)
* Grounds Maintenance	0	(16,000)	(16,000)	YTD £13k	(3,335)	0	(14,000)	(2,000)
* Fuel costs	0	(5,000)	(5,000)	YTD £4k	(2,502)	(1,873)	(5,000)	0
* Cleaning Contract	(17,040)	(38,409)	(21,369)	YTD £22k - Cleaning & locking up of toilets	(41,909)	(40,737)	(33,800)	(4,609)
* Utility Costs	(2,700)	(5,000)	(2,300)	Electricity, water and sewerage	(6,566)	(5,289)	(5,000)	0
* Waste Management	(500)	(800)	(300)	Septic tank	(470)	(352)	(800)	0
Transport	(26,600)	(40,500)	(13,900)	YTD £33k - Vehicle R&M, fuel, contract hire	(21,007)	(25,325)	(26,600)	(13,900)
Supplies and Services	(39,750)	(36,350)	3,400		(35,975)	(199,423)	(39,350)	3,000
* Equipment & Materials	(11,750)	(8,350)	3,400	Seed, soil, uniforms, hire of mobile work platform	(10,363)	(34,335)	(11,350)	3,000
* Contribution to Educational posts	(28,000)	(28,000)	0		(25,612)	0	(28,000)	0
* Fees & Charges - Legal costs	0	0	0		0	(160,294)	0	0
* Fees & Charges - Eviction costs	0	0	0		0	(4,794)	0	0
* Security Costs	0	0	0		0	0	0	0
Third Party Payments	(5,000)	(5,000)	0	Annual contribution towards managing the Avon Gorge and Downs Wildlife Project	(5,000)	(5,000)	(5,000)	0
Total Expenditure	(310,350)	(464,809)	(154,459)	Overspend	(408,579)	(556,006)	(433,941)	(30,868)
Net Total before Support Services	84,400	(94,397)	(178,797)	Deficit	21,590	(223,406)	(78,495)	(15,902)
Support Services	(84,400)	(70,668)	13,732		(96,592)	(81,570)	(67,885)	(2,783)
* Events Team	(34,350)	(28,118)	6,232	Less events income at the moment - 15% of gross income from event fees (excluding football)	(34,379)	(25,580)	(17,835)	(10,283)
* Human Resources	(50)	(50)	0		(57)	(26)	(50)	0
* ICT	0	0	0		0	(62)	0	0
* Finance	(4,300)	(4,300)	0		(4,300)	(4,200)	(4,300)	0
* Democratic Services	(6,000)	(6,000)	0		(5,900)	(5,900)	(6,000)	0
* Parks Management	(12,700)	(12,700)	0		(12,700)	(12,700)	(12,700)	0
* Other	(27,000)	(19,500)	7,500	Parks technical support, asset management, tree works and advice	(39,257)	(33,102)	(27,000)	7,500
Net Position	0	(165,065)	(165,065)	Deficit	(75,002)	(304,976)	(146,380)	(18,685)
Transfer from Reserves	0	0	0	Reserves exhausted	0	97,680	0	0
NET OUTTURN	0	(165,065)	(165,065)	Net surplus/ (deficit)	(75,002)	(207,296)	(146,380)	(18,685)

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2. Budget Analysis for 2024-25

- 1.1 Table 3 shows a high-level summary of the budget for 2024-25, along with the current forecast for 2023-24, up to period 8, April to November 2023 and prior years outturns for comparison.

TABLE 3 - Overall Income & Expenditure Budget Summary P8 - Nov'23

Budget 2024-25	2021/22 Outturn £	2022/23 Outturn £	2023-24 Forecast £	2024-25 GROSS Budget £	2024-25 Forecast £	Variance £	Notes
Income							
Gross Income	332,600	430,170	370,411	394,750	394,750	0	
Expenditure							
Total Expenditure	(637,576)	(505,172)	(535,477)	(394,750)	(564,015)	(169,265)	Overspend
Transfer from Reserves	97,680	0	0	0	0	0	Reserves are exhausted
NET OUTTURN	(207,296)	(75,002)	(165,065)	0	(169,265)	(169,265)	Net surplus / (deficit)

- 1.2 The budget for 2024-25 will remain the same as 2023-24. However, this is forecast to result in a deficit of around **(£169k)** if current expenditure continues. Lost income from the north car park should be mitigated from new events, if the fees are as per expectations.
- 1.3 If income of £395k can be generated, it won't cover the estimated expenditure of (£564k). The budget is £169k less than forecasted spending levels. Unless further income can be generated or costs significantly reduced, the gap will not be bridged.
- 1.4 Expenditure pressures are expected to continue against employee costs, premises R&M, cleaning and grounds maintenance.
- 1.5 Further information regarding the forecast for 2024-25, explanations and comparisons to prior years can be found in table 4.

TABLE 4 - Income and Expenditure Budget

Budget 2024-25	2021/22 Outturn £	2022/23 Outturn £	2023-24 Forecast £	2024-25 GROSS Budget £	2024-25 Forecast £	Variance £	Notes
Income							
Fees - Events	237,214	284,560	239,453	331,250	331,250	0	Breakeven
Fees - Licensing & Rents	82,060	135,810	92,250	58,500	58,500	0	Breakeven
Fees- Other	13,327	9,800	38,708	5,000	5,000	0	Breakeven
GROSS Income	332,600	430,170	370,411	394,750	394,750	0	Breakeven
Expenditure							
Employees	(258,171)	(273,515)	(291,550)	(205,060)	(306,127)	(101,067)	<i>Forecast 23-24 plus 5% inflation pay award</i>
Premises	(68,087)	(73,082)	(91,409)	(33,940)	(91,800)	(57,860)	
* Planned R&M	(2,321)	0	0	0	0	0	
* Buildings R&M	(17,515)	(18,300)	(26,200)	(13,700)	(25,000)	(11,300)	Compound, toilets and changing rooms
* Grounds Maintenance	0	(3,335)	(16,000)	0	(16,000)	(16,000)	Seed and soil
* Fuel costs	(1,873)	(2,502)	(5,000)	0	(5,000)	(5,000)	
* Cleaning Contract	(40,737)	(41,909)	(38,409)	(17,040)	(40,000)	(22,960)	Cleaning & locking up of toilets
* Utility Costs	(5,289)	(6,566)	(5,000)	(2,700)	(5,000)	(2,300)	Electricity, water and sewerage
* Waste Management	(352)	(470)	(800)	(500)	(800)	(300)	Septic tank
Transport	(25,325)	(21,007)	(40,500)	(26,600)	(30,000)	(3,400)	<i>Vehicle R&M, fuel, contract hire</i>
Supplies and Services	(199,423)	(35,975)	(36,350)	(39,750)	(39,750)	0	
* Equipment & Materials	(34,335)	(10,363)	(8,350)	(11,750)	(11,750)	0	Chain saw, Uniforms, hire of mobile work platform
* Contribution to Educational posts	0	(25,612)	(28,000)	(28,000)	(28,000)	0	
* Fees & Charges - Legal costs	(160,294)	0	0	0	0	0	
* Fees & Charges - Eviction costs	(4,794)	0	0	0	0	0	
* Security Costs	0	0	0	0	0	0	
Third Party Payments	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	0	<i>Annual contribution towards managing the Avon Gorge and Downs Wildlife Project</i>
Total Expenditure	(556,006)	(408,579)	(464,809)	(310,350)	(472,677)	(162,327)	Overspend
Net Total before Support Services	(223,406)	21,590	(94,397)	84,400	(77,927)	(162,327)	Deficit
Support Services	(81,570)	(96,592)	(70,668)	(84,400)	(91,338)	(6,938)	
* Events Team	(25,580)	(34,379)	(28,118)	(34,350)	(41,288)	(6,938)	Less events income at the moment - 15% of gross income from event fees (excluding football)
* Human Resources	(26)	(57)	(50)	(50)	(50)	0	
* ICT	(62)	0	0	0	0	0	
* Finance	(4,200)	(4,300)	(4,300)	(4,300)	(4,300)	0	
* Democratic Services	(5,900)	(5,900)	(6,000)	(6,000)	(6,000)	0	
* Parks Management	(12,700)	(12,700)	(12,700)	(12,700)	(12,700)	0	
* Other	(33,102)	(39,257)	(19,500)	(27,000)	(27,000)	0	Parks technical support, asset management, tree works and advice
Net Position	(304,976)	(75,002)	(165,065)	0	(169,265)	(169,265)	Deficit
Transfer from Reserves	97,680	0	0	0	0	0	<i>Reserves exhausted</i>
NET OUTTURN	(207,296)	(75,002)	(165,065)	0	(169,265)	(169,265)	Net surplus/ (deficit)