

Report to	Mousehold Heath Conservators	Item
	16 June 2017	7
Report of	Chief Finance Officer	
Subject	Mousehold Heath Conservators Budgets - Provisional Outturn 2016-17	

Purpose

To advise the Conservators with a provisional revenue and capital outturn position for the Mousehold Heath Conservators budgets 2016/17.

Recommendations

That the Conservators note the provisional revenue and capital outturn positions.

Financial Consequences

This report states the provisional outturn position for Mousehold Heath Conservators, and the financial consequences are analysed within the body of the report.

Strategic Objective/Service Priorities

The report helps to achieve the council's corporate objective to achieve value for money.

Contact Officers

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Background Documents

None

Report

1. Conservators approved a budget for financial year 2016/17 of £213,688 at their meeting of 22 January 2016. This equated to a precept of £211,969.
2. The Conservators have requested that budget reports be brought to their meetings on a regular basis. Appendix A details the provisional revenue outturn for Mousehold Heath as at the end of 2016/17, and comparison of the provisional outturn against the annual budget. Where appropriate, explanations for variances are given in paragraph 3 below.
3. The letters preceding the explanation below cross reference with the corresponding letter shown in Appendix A.
 - A. Depreciation is budgeted for but does not impact on balances, since it is reversed out of the revenue accounts. Impairments and IAS 19 Pension charges are not budgeted for, but again do not impact on balances, since they are reversed out of the revenue accounts.
 - B. The centrally managed repairs budget is underspent by £2,614. This is mainly due to the Mousehold wardens carrying out minor repairs where possible to produce an underspend to contribute to building up the reserves held.
 - C. Support service costs and other recharges are £2,021 below budget.
4. Overall the budget report shows an underspend of £13,179 against the budget. However, in the calculation of the surplus or deficit attributable to Conservator's balances, the adjustments referred to in note B above need to be applied to the actual expenditure & income of £201,326 incurred, leaving an underspend against the precept of £3,530.
5. The revenue surplus/deficit attributable to Conservators' balances can be summarised as:

Item	2016/17 £
Net Revenue 2016/17	208,439
Less: Precept 2016/17	(211,969)
Surplus 2016/17	3,530

Balances

6. At their meeting of 21 June 2013, the Conservators' opted to take up the council's offer to spread a £28,077 pension deficit charge, incurred as a result of a contractor's failure, over ten years. The Conservators' balance will therefore be reduced by the amount of £2,808 (being the fourth of ten instalments) as well as the addition of the revenue surplus.

7. The impact of the revenue surplus and pension costs on the level of balances is therefore:

Item	2016/17 £
Balance brought forward from 2015/16	(4,235)
Less: Revenue Surplus 2016/17	(3,530)
Less: Pension costs – 4 th of 10 instalments	2,808
Provisional balance c/f to 2017/18	(4,957)

8. This level of balances is above the level of balances anticipated by Conservators when setting the precept for 2017/18 at their meeting of 20th January 2017. While there are sufficient reserves to fund the pension costs instalment in 2017/18, this is not sustainable in the medium term.
9. Conservators may wish to review the 2017-18 work programme should they wish to reduce spend in the year and contribute to reserves. Conservators will need to consider the pension cost profile when setting the precept for 2018-19.

Capital

10. The position on capital is as follows, with no spend incurred in 2016/17:

Item	£
Rangers House balance b/f	- £100,766
Balance of receipts c/f	- £100,766

Summary

11. The Conservators' financial position at the end of the 2016/17 financial year is not inconsistent with the financial planning, budgets, and precept for 2017/18.
12. To maintain this position for the current and future financial years, Conservators will need to continue to keep a firm grasp of income and expenditure and ensure that the level of future precepts takes account of the need to maintain a prudent minimum level of reserves and the future impact of the remaining instalments of the pension deficit costs.

Appendix A: Mousehold Heath Conservators 2016/17 Provisional Outturn

Approved	Current		Budget To	Actual To	Variance To	
Budget	Budget		Date	Date	Date	
		EXPENDITURE				
		Employees				
66,660	66,660	1405 Salaries Full Time	66,660	67,582	922	
8,781	8,781	1406 Salaries Employer PF Contrib'ns	8,781	8,896	115	
4,804	4,804	1935 Pension Added Years share	4,804	4,665	-139	
8,894	8,894	1939 Pension Deficit Recovery share	8,894	8,860	-34	
0	0	1948 FRS17/IAS 19 Adjustment	0	-8,832	-8,832	A
490	490	1990 Employee/Liability Insurance	490	523	33	
89,629	89,629	Subtotal Employees	89,629	81,694	-7,935	
		Premises				
4,000	4,000	2100 General Repairs & Maintenance	4,000	4,204	204	
6,000	6,000	2600 Grounds General Mtce & Upkeep	6,000	6,275	275	
72,994	72,994	2651 Grounds Maintenance contract	72,994	72,995	1	
4,380	4,380	2655 Treeworks	4,380	4,380	0	
598	598	2810 Electricity	598	1,301	703	
750	750	2850 Water Charges Unmetered	750	30	-720	
750	750	2853 Sewerage Charge Metered	750	0	-750	
6,972	6,972	2875 Contract Cleaning	6,972	7,130	158	
14	14	2900 Fire Insurance Buildings/Conts	14	20	6	
96,458	96,458	Subtotal Premises	96,458	96,335	-123	
		Transport				
1,260	1,260	3080 Car and Cycle Allowances	1,260	376	-884	
1,260	1,260	Subtotal Transport	1,260	376	-884	
		Supplies & Services				
450	450	3370 Equipment - Purchase	450	462	12	
450	450	3371 Equipment - Repairs/Maintenance	450	428	-22	
290	290	3399 Stationery Recharges	290	0	-290	
190	190	3550 Clothing and Uniforms General	190	150	-40	
192	192	3570 DPP Printing Costs	192	0	-192	
100	100	3710 Telephones General	100	0	-100	
190	190	3715 Mobile Phone Rentals & Calls	190	0	-190	
0	0	3871 Projects	0	0	0	
960	960	3910 Advertising General	960	625	-335	
2,822	2,822	Subtotal Supplies & Services	2,822	1,665	-1,157	
		Capital Financing				
1,719	1,719	5701 Depreciation	1,719	1,719	0	A
1,719	1,719	Subtotal Capital Financing	1,719	1,719	0	
191,888	191,888	Subtotal EXPENDITURE	191,888	181,789	-10,099	
		INCOME				
		Receipts				
-1,500	-1,500	8123 Football	-1,500	-1,110	390	
-14,900	-14,900	9039 Other Rents	-14,900	-15,167	-267	
-1,800	-1,800	9132 Catering Concessn Pitch & Putt	-1,800	-1,800	0	
-18,200	-18,200	Subtotal Receipts	-18,200	-18,076	124	
		Government Grants				
-2,204	-2,204	7097 Government Grants: Specific	-2,204	-772	1,432	
-2,204	-2,204	Subtotal Government Grants	-2,204	-772	1,432	
-20,404	-20,404	Subtotal INCOME	-20,404	-18,849	1,555	
		INDIRECT				
		Centrally Managed				
0	0	P100 Programmed Maint (ES/Prop Grp)	0	1,607	1,607	
14,000	14,000	R100 Day to Day Reps (ES/Prop Grp)	14,000	9,779	-4,221	
14,000	14,000	Subtotal Centrally Managed	14,000	11,386	-2,614	B
		Recharge Expenditure				
3,777	3,758	4040 CDS IT Services Recharge	3,758	3,425	-333	
0	0	5021 CDS Legal Services Recharge	0	637	637	
4,275	5,171	5022 CDS HR Services Recharge	5,171	4,613	-558	
1,207	1,207	5024 Property Services Recharge	1,207	1,112	-95	
5,774	5,937	5026 CDS Finance Services Recharge	5,937	5,343	-594	
6,541	6,299	5044 CDS Management Support	6,299	5,298	-1,001	
1,543	1,562	5047 CDS Comms + Research Recharge	1,562	1,611	49	
5,087	5,087	5097 Recharge from AHOs/One Stop Shops	5,087	4,961	-126	
28,204	29,021	Subtotal Recharge Expenditure	29,021	27,000	-2,021	C
42,204	43,021	Subtotal INDIRECT	43,021	38,386	-4,635	
213,688	214,505	Total Mousehold Heath Conservators	214,505	201,326	-13,179	
		Adjustments				
		Total Mousehold Heath Conservators		201,326		
		IAS 19		8,832		
		Depreciation		-1,719		
		Net Revenue 2016/2017		208,439		
		Precept		-211,969		
		Provisional Position at 31st March 2017		-3,530		

