

Committee Name: Mousehold Heath Conservators

Committee Date: 17/09/2021

Report Title: Budget monitoring statement April – July 2021 and Prudent level of Reserve

Portfolio:	Chief finance officer (Section 151 Officer)
Report from:	Executive director of corporate and commercial services
Wards:	Crome
OPEN PUBLIC ITEM	

Purpose

To provide the 2021/22 revenue budget monitoring position and 2020/21 capital receipts balance as at 31 July 2021 and to update the committee on the calculated minimum prudent reserve balance.

Recommendation:

To note the current budget monitoring and reserves positions.

Policy Framework

The Council has three corporate priorities, which are:

- People living well
- Great neighbourhoods, housing and environment
- Inclusive economy

This report meets the great neighbourhoods, housing and environment corporate priority

Report Details

1. Conservators approved a precept for the financial year 2021/22 of £235,471 at their meeting of 15 January 2021.
2. The Conservators have requested that budget reports be brought to their meetings on a regular basis. Appendix A details the financial position for Mousehold Heath as at the end of July 2021, and comparison of the expected outturn to the annual budget. Explanations for variances are given in paragraph 3 below.
3. Support services costs and other recharges will be processed later in the year. The forecast outturn reflects an expectation that corporate recharges will match the budget. The wardens are managing an overall underspend in order to partially offset the cost of the pension deficit payment paid back at the end of each year until 2021/22.
4. Overall, the budget shows a forecast underspend of £4,300.
5. The impact of the precept and forecast 2021/22 budget monitoring position on the Mousehold Heath balances are as follows:

Table 1:

	£
Balance brought forward from 2020/21	(29,107)
Precept 2021/22	(235,471)
Forecast Outturn 2021/22	231,171
10th instalment of pension deficit costs	2,808
Forecast balance to be carried forward to 2022/23	(30,599)
In-year movement in reserves (surplus)	1,492

6. A risk analysis has been undertaken on the Mousehold Heath budget (Appendix B) which estimates a prudent minimum level of reserves for 2021/22 of £9,800, based on one year's operational risk. The main area of financial risk is considered to around the level of rental income achievable.

Capital

7. The position on capital reserve is as below, with no spend incurred in 2021/22 to date. There are no current items in the capital budget, therefore no spend can be incurred in 2021/22 without a budget amendment to Council.

Table 2:

Item	£
Rangers House balance brought forward	(100,766)
Balance of receipts	(100,766)

Risk Management

Cabinet member: Councillor Kendrick - Resources

Contact officers

Neil Wright (Service accountant) Budget Monitoring	01603 987725
Adam Drane (Finance business partner) Prudent level of Reserve	01603 987561

Background documents

None

Mousehold Heath Conservators Budget Position at P4 2021/22

		Budget (£)	Actual to P4 (£)	Forecast outturn (£)	Forecast variance (£)
2000	Salaries	74,296	24,800	74,296	0
2011	Employers Pension Contributions	9,776	3,263	9,776	0
2015	Annual Added Years Payments	4,168	0	4,168	0
2018	Pension Deficit Recovery	17,200	0	17,200	0
2090	Employee/Public Liability Insurance	460	0	460	0
2285	Water Charges Metered	78	0	78	0
2103	General Repairs & Maintenance	15,000	0	13,750	(1,250)
2207	Contract Cleaning	9,515	0	9,515	0
2216	Electricity	1,493	146	1,493	0
2231	Grounds General Maintenance	2,204	734	2,204	0
2239	Recharge from GMO main contract	62,126	0	62,126	0
2240	Treeworks	8,200	0	8,200	0
2255	Fire Insurance Buildings/Contents	34	0	34	0
2400	Car and Cycle Allowances	800	144	800	0
2600	Clothing and Uniforms General	500	0	500	0
2658	Equipment - Purchase	450	0	450	0
2659	Equipment - Repairs & Maintenance	650	60	650	0
2663	Other Equipment and Tools	550	0	550	0
2682	Refreshments	745	0	745	0
2684	Staff Conference & Course Fees	500	0	500	0
2710	Specialist Supplies	445	200	445	0
2832	Projects	4,046	0	2,796	(1,250)
2849	Other Contractual Services	7,110	720	7,110	0
4015	Recharge from Area Housing Office	5,000	0	5,000	0
1061	Football Pitch Income	(1,404)	0	(1,404)	0
1146	Other Rents	(15,000)	(7,500)	(15,000)	0
1148	Catering Concession Income	(1,800)	(1,800)	(3,600)	(1,800)
1412	Government Grants	(2,204)	0	(2,204)	0
	Corporate Recharges	30,533	0	30,533	0
		235,471	20,768	231,171	(4,300)

Prudent level of Mousehold Heath reserves 21/22

Description	Level of risk	21/22 budget (£)	Calculated risk (£)
Employee Costs	Low	105,900	212
Premises Costs	Low	98,650	740
Transport Costs	Low	800	5
Supplies & Services	Low	14,996	45
Receipts	Medium	(18,204)	7,500
Grants & Contributions	Low	(2,204)	22

Total one-year operational risk	8,523
15% buffer	1,278
Prudent minimum reserve	9,802