

Bath & North East Somerset Council

MEETING/DECISION MAKER:	Alice Park Trust Sub-Committee Meeting
MEETING/DECISION DATE:	7 December 2020
TITLE:	Alice Park Trust – 2020/21 Budget and Forecast Update
WARD:	Lambridge
AN OPEN PUBLIC ITEM	
List of attachments to this report: N/A	

1 THE ISSUE

- 1.1 The purpose of this report is to update the Alice Park Trust Sub-Committee on the 2020/21 budgets and current year financial position.
- 1.2 The report will also raise considerations for the 2021/22 budget.

2 RECOMMENDATIONS

- 2.1 The Alice Park Trust Sub-Committee is asked to note and consider the report.

3 2020/21 FINANCIAL PERFORMANCE

- 3.1 Forecast spend for the financial year ending 31st March 2021 is £38,496. Forecast income is £16,694, resulting in a forecast deficit position for the Trust of £21,802.
- 3.2 In previous years, Bath and North Somerset Council have funded the Trust's deficit through its Parks revenue budgets. In 2018/19 the funded deficit was £23k and in 2019/20 the deficit increased to £30k due to one-off improvement costs.
- 3.3 The forecast deficit for the Trust in 2020/21 was budgeted at £24,069. The current forecast deficit is £21,802. The lower deficit is a result of incurring no additional costs on grounds maintenance or parks outside of the SLA, and higher income than expected on events.

3.4 Forecast financial performance for Alice Park for financial year ending 31st March 2021 is detailed in the table below:

	19/20 Outturn	20/21 Budget	20/21 Forecast	20/21 Variance
EXPENDITURE	£	£	£	£
Ground Maintenance SLA	11,087	11,309	11,309	0
Play Equipment SLA	8,406	8,574	8,574	0
Tree Management/Maintenance SLA	2,343	2,390	2,390	0
Public Conveniences	15,655	15,968	15,968	0
Audit Fees	250	255	255	0
Legal Fees	704	0	0	0
<i>Other costs -</i>				
- other grounds/parks expenditure	2,408	1,000	0	-1,000
- pest control	383	0	0	0
- footways (CIL)	46,800	0	0	0
	88,036	39,496	38,496	-1,000
INCOME	£	£	£	£
Investment Income - Dividends	-31	-31	-31	0
Investment Income - Interest	-102	-102	-102	0
Property Rental Income	-14,701	-14,701	-14,701	0
Tennis Court Income	-373	-373	-250	123
Events Income	-220	-220	-1,610	-1,390
CIL Allocation	-43,200	0	0	0
	-58,627	-15,427	-16,694	-1,267
Forecast Trust (Surplus) / Deficit	29,409	24,069	21,802	-2,267
Additional income subsidy from B&NES	-29,409	-24,069	-21,802	2,267
Revised Forecast Trust (Surplus) / Deficit	0	0	0	0

4 2021/22 BUDGET CONSIDERATIONS AND BASIS FOR PROPOSAL

- 4.1 The long-term aim will be for the Trust to become financially self-sufficient, reducing and ultimately removing the need to rely on council subsidy to balance its budget.
- 4.2 In order to facilitate this, it is recommended that the Sub-Committee considers creating a medium-term plan, one that formalises the subsidy income currently received from Bath and North East Somerset Council. Ideally this subsidy would reduce over time and give the Trust a target year for financial self-sufficiency. Additional income generated from events in 2020/21 shows that the Trust is already moving to a more commercial outlook.
- 4.3 A further recommendation is for the Service Level Agreements (SLAs) with the council's Parks department to be reviewed and formalised, which in turn will allow for a more transparent and robust financial planning process.

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Background papers	None
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