

BUSINESS PLANNING – THE IMPACT OF COVID-19

Summary: To review how the Covid-19 (C-19) pandemic has impacted on the Board's operations and finances for 2020/21

Recommendation: That the Board notes the impacts of C-19 on the Board's operations and finances

Reviewed by the Executive Committee: Yes / No

If yes, the Committee's comments: the Committee recognised that the current situation would continue to change in the coming months and agreed that further discussions would be required to ensure Members were kept informed of the Board's position. The Chief Executive, Chairman and Vice-Chair will meet to discuss financial matters further prior to the next Exec Committee meeting.

Report by: Andy Parsons - Chief Executive

INTRODUCTION

1. At the March 2019 Board meeting the Work Programme and Budget for 2020/21 were adopted.
2. Over the past three months the global pandemic has meant huge change for people, communities, businesses and vital services across the world.
3. When compared to many other organisations, e.g. tourism and retail businesses, the impact on the Board's operations and finances is much less obvious, however there are very important areas of our work that have been significantly hit, e.g. rural skills and volunteering.
4. It is important that the Board is aware of how and where this current crisis will result in change and the measures that we are putting in place to both comply with the C-19 guidance and mitigate the operational and financial impacts, e.g.
 - The rural skills programme is currently suspended. We anticipate that the earliest it will re-open is from July.
 - The Rural Skills Officer is currently on furlough.
 - All voluntary warden activity (with the exception of very local parish wardening) has stopped. The Board's officers are in regular contact with the wardens to set out a phased plan of reintroducing activities over the next few months.
 - The Board has applied for additional funding from the Esmee Fairbairn Foundation to support the Glorious Cotswolds Grasslands project team.
 - The July-December edition of the Cotswold Lion publication will be an 'online only' version, thereby saving print and distribution costs. These costs are generally partially offset by advertising income but we could not expect to attract advertising in the current climate.

WORK PROGRAMME

5. The detailed work programme (presented at the March meeting) has been updated by the team with each activity given a RAG status. This will be continuously monitored throughout the year.

- Red – the activity will be severely impacted or not happen at all
- Amber – the activity will still happen but the methods and/ or outputs will change
- Green – no impact anticipated

BUDGET

6. The budget for 2020/21 had a deficit position of £7,318. The C-19 forecast comparison shows this position worsening by £2,753 to a deficit of £10,072, as shown in *Appendix A*.
7. The key '**negative**' differences are:
 - A reduction in income for the rural skills programme of £33,868
 - A reduction in income for sponsorship and advertising of £11,500
 - A reduction in income for donations, legacies, book sales, Cotswold Way events (inc. 50th anniversary) of £18,500
8. The key '**positive**' differences are:
 - An increase in income of £10,000 (small business rates relief grant)
 - A reduction in expenditure for the rural skills programme (including the Officer being furloughed) of £23,724
 - A reduction in Comms activity of £15,275 - largely made up of (1) making the Jul-Dec edition of the Cotswold Lion online only and (2) not producing a Visitor Map & Guide for 2020
9. When reporting through our new key performance indicators we will compare actual figures to original budget as this will more clearly highlight the impact C-19 has on our finances.

SUPPORTING PAPERS

- Appendix A – Budget v. Covid-19 Reforecast Comparison

JUNE 2020