

BUDGET ASSUMPTIONS 2022/23

Summary: To provide the Board with the key budget assumptions for 2022/23 ahead of the full budget presentation in February 2022.

Recommendation: That the Board notes the paper.

Report by: Diane Bassett – Head of Finance (Maternity Cover)
Andy Parsons – Chief Executive

1. INTRODUCTION

- The final budgets will be prepared and presented for adoption at the February 2022 Board meeting.
- The Farming in Protected Landscapes programme will be included in the budget setting process for the first time, which will have a major impact.
- This paper seeks to highlight the key assumptions and priorities that will be considered as the budgets are prepared.
- Comments and recommendations that are widely supported at this meeting will be taken into account when finalising the budgets.

2. COVID-19

- The budgets will be prepared during December and January. The team will review the Covid-19 situation at that time and make an informed decision on how the budget may be impacted.
- Some of the points within this 'assumptions' guidance are based on Covid-19 not impacting on the Board's operational areas of work, e.g. rural skills, grasslands and voluntary wardens. These assumptions may change between now and finalising the budget.

3. CORE FUNDING

- The current assumption is that the core settlement will remain the same as the current year (£462,025). However, by the time we finalise the budget it is hoped that the actual amount will be confirmed.
- The local authorities are yet to finalise their budgets but the assumption is that funding will be in line with 2021/22. The financial pressures facing local government is significant and the Board should acknowledge this.

4. FARMING IN PROTECTED LANDSCAPES

- The final allocation for Year 2 of the programme (2022/23) is being currently being calculated. However, we do know the amounts for Administration (£41,873) and Advice/Guidance (£75,372). It is estimated that around £15,000 of core costs will be transferred to the programme in the year.

5. POLICY AND PLANNING

- The new Planning Officer starts in November, so the budget will include full year costs for this new role (0.4FTE).
- Budget will be required as the planning and development of the next Management Plan (2023-28) builds momentum. This will include venue hire (for stakeholder events), production of relevant literature and consultancy support (e.g. copywriter).

6. SUPPORT SERVICES

- The budget will assume a 2% uplift in salaries and include the increase in National Insurance contributions.
- Support services covers finance, HR, administration, facilities and property, IT, health, safety and security.
- Rental income for the Old Police Station tenancy and the letting of the downstairs offices will be included.
- Costs for building repairs and maintenance (including redecoration of the offices and roof repairs), this is expected to be in the region of £15,000.
- Investment in Geographic Information Systems (GIS) to help with mapping exercises will be required in the year.

7. COMMUNICATIONS / PARTNERSHIPS AND FUNDRAISING

- Consideration will be given to returning to print copy for the Cotswold Lion, dependant on costs of print and distribution versus the level of advertising income that could be attracted. The Communications Lead and Partnerships & Fundraising Lead will work on this over the next few months.

8. RURAL SKILLS

- With the new website, booking system and revised/ streamlined offer the budget will target a minimum of breakeven, with the potential of a modest surplus.
- Funding received from the Wates Foundation and Thames Water will offset some employee costs and provide resources for rural skills outreach work during the year.

9. VOLUNTARY WARDENS

- The core funding for the Voluntary Wardens will be, at a minimum, set at the same level as current year. However, the team will look to identify ways of increasing this to offset the very difficult current year – reduction in training, lack of maintenance of trails, reduced public contributions from running guided walks, etc.

10. COTSWOLD WAY NATIONAL TRAIL

- It will be assumed that funding from Natural England for the Cotswold Way will remain the same as the current year, i.e. £63,929.

11. OTHER PROJECTS

- *Kingfisher Trail* – the trail will not run in the year. Discussions on a 2023 trail will take place over the next six months.
- *Glorious Cotswolds Grasslands* – it isn't anticipated that the project will have either a beneficial or adverse impact on the core operating budget.
- *Cotswolds Champions (Rail Corridor Enhancement)* – it isn't anticipated that the project will have either a beneficial or adverse impact on the core operating budget.
- *Thames Water Smarter Catchments* – our involvement in the programme will include the employment of two new roles (Education Officer and Community Outreach Officer). The funding will cover a 15% contribution to the core budget.

OCTOBER 2021