

**Report to:** Charity Committee

**Date of Meeting:** 14 December 2015

**Report Title:** Finance Report

**Report By:** Peter Grace  
Assistant Director - Financial Services & Revenues

---

### **Purpose of Report**

To advise members of the Committee on the current year's financial position.

---

### **Recommendations**

1. To agree the current financial position for 2015/16
2. To agree the revisions to the Business Plan

---

### **Reasons for Recommendations**

The Council has the responsibility for the proper management of the financial affairs of the Trust. In doing so it complies with Accounting Codes of Practice and the high standards required for the accounting of Public money.

A surplus in line with budget expectations is anticipated for 2015/16 in respect of ongoing operations.

---

## Introduction

1. The Foreshore Trust derives its income mainly from car parking and property leases/licences.
2. Appendix 1 attached provides a summarised financial position for 2015/16.

## Financial Position 2015/16

3. The budget agreed in March 2015 identified budgeted income at £1,136K and expenditure at £888K. The estimated surplus for the year being £248K, after direct governance costs, but before distribution of grants, capital charges and before use of reserves.
4. Income is currently anticipated to be £16K over the original budget, expenditure projections are currently £3K less than original budget.

## Business Plan 2015/16

5. The Charity Committee on 27 July 2015, approved an increase in the funding for resurfacing from Robertson Street to the Pier, which resulted in an increase in the main programme project budget from £499k to £537K for 2015/16. There was also agreement to reconsider the landscaping/fountain works and the establishment of a kiosk when there is more certainty of the Trust's financial position.
6. The level of programmed spend will continue to reduce the cash balances held by the Trust for 2015/16, but the Trust will still retain reserves above the minimum level identified within the Reserves Policy – subject to no unexpected calls on the reserves and no reduction in the expected levels of car parking and fee income.
7. The current programme of works is identified in Appendix 2. The Committee has approved expenditure on all these schemes with the exception of the landscaping/water feature works, newly proposed soakaways for the Winch Road project, and the cost of the kiosk has been excluded from the business plan for the present.
8. The spend on the safety signage (RNLI signs) will not occur until 2016/17 and nor the expenditure for the water feature and landscaping - which requires the further approval of the Committee before it can proceed.

## Business Plan 2016/17

9. Main programme: as outlined above, it is recommended that the spend on the RNLI signs is re-profiled to 2016/17 and the £20k for the water feature and landscaping, which requires further approval, is re-profiled to 2016/17 and funding increased to £50k primarily for the water feature. Further proposed projects have been added, these are £25K for additional equipment in the Children's Playground; £20k for a Marine Litter project and £5k for Stade Open Space landscaping. All of these projects are subject to further approval and a report on these new proposed projects will be submitted at a future Charity Committee meeting.

10. Maintenance projects and cyclical repairs: the maintenance budget has been enhanced for the White Rock Baths for 2016/17 for roof level louvres and additional measures to prevent water ingress (if necessary) and by £10k a year for future years to cover ongoing maintenance not covered by the tenant.

## Indicative Budget 2016/17

11. Indicative budget figures for 2016/17 are included within Appendix 1, and the proposed Business Plan which incorporates the changes described above are within Appendix 2.
12. The Budget for 2016/17 will be agreed at the Charity Committee's meeting on the 21<sup>st</sup> of March 2016.

## Indicative Forward Plan

13. The indicative Forward plan has been included within Appendix 3. This identifies projected cash balances for future years and hence affordability of current initiatives and commitments.

## Reserves

14. The total effective cash balances on the Trust accounts at the 31 March 2015 amounted to £1.38m. With the revisions to the business plan, the revised cash balances for future years are estimated as follows :-

£1,09m as at 31st March 2016,  
£1.10m as at 31st March 2017,  
£1.27m as at 31st March 2018,  
£1.44m as at 31st March 2019.

15. The reserves policy identifies £690,000 as the suitable level to maintain given the potential risks faced by the Trust.

---

## Wards Affected - None

---

## Policy Implications

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness	No
Crime and Fear of Crime (Section 17)	No
Risk Management	No

Environmental Issues	No
Economic/Financial Implications	Yes
Human Rights Act	No
Organisational Consequences	No
Local People's Views	No
Anti-Poverty	No

---

### **Additional Information**

Appendix 1 - Financial Monitoring Report  
Appendix 2 - Business Plan - Financial Summary  
Appendix 3 – Indicative Forward Plan

---

### **Officer to Contact**

Peter Grace  
pgrace@hastings.gov.uk  
01424 451503

---