

**Report to:** Cabinet

**Date of meeting:** 23 January 2024

**By:** Chief Operating Officer

**Title:** The Conservators of Ashdown Forest – 2023/24 forecast outturn position and updated medium term financial plan including the 2024/25 budget.

**Purpose:** To present the forecast financial position as at the end of 2023/24 and the updated medium term financial plan, with the 2024/25 Core budget for approval.

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## **RECOMMENDATIONS**

**Cabinet is recommended to:**

- 1) note the Quarter 2 budget position for the Conservators' 2023/24 Core Budget;**
  - 2) note the Conservators of Ashdown Forest medium term financial plan; and**
  - 3) approve the 2024/25 Core Budget.**
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### **1 Background**

1.1 This report, at Appendix 1, sets out the financial position of the Conservators of the Ashdown Forest (COAF) for 2023/24, against the approved budget agreed by the Board of Conservators at their meeting on 21 November 2022 and presented to Cabinet in December 2022. It also shows the COAF Medium Term Financial Plan (MTFP).

### **2 Financial Year 2023/24**

2.1 The 2022/23 original budget set out a deficit budget of £114,506, being a surplus on the Core Budget of £25,097, and a deficit on the Countryside Stewardship (CS) budget of £139,603. At the end of September there is a forecast surplus of £12,413 in the Core budget, a small decrease in planned surplus.

2.2 Core budget expenditure is higher than budgeted. Operational expenses have increased, mostly due to the inclusion of the new lead warden salary costs, car park expenses, and the need to undertake additional health and safety training. There was an unbudgeted capital purchase of a new vehicle. The cost of the vehicle was funded by grant income which along with additional funding from Wealden District Council for a new lead warden, and car parking income, has resulted in projected Core unrestricted funding being much higher than forecast.

2.3 The current 2023/24 Core budget projections indicate that no additional contribution from ESCC will be required.

2.4 The current Countryside Stewardship (CS) budget is forecast to overspend by £55,610 this year. This is less than the budgeted overspend of £139,603 and reflects the difficulties that have been had securing contractors to undertake works on the forest. The deficit will be funded from the CS reserve.

## **2024/25 Budget and Medium Term Financial Plan 2024/25 to 2027/28**

2.5 The COAF 2024/25 budget and MTFP is shown at appendix 2. There is a small budgeted surplus in the Core budget. It is therefore unlikely that ESCC will need to make an additional financial contribution as it has been obliged to do for the last two years. CS has a budgeted deficit of £131,530 which reflect a large increase in planned works for 2024/25. The CS deficit will be funded from the CS reserve.

2.6 The CS programme ends at the end of 2025 and the high level of planned expenditure on the CS work programme in 2024/25 reflects the amount of CS work that will be undertaken next year in order to catch up on the backlog. There has been a lack of investment in asset replacement over the last few years and the increase in capital purchases budget is due to the restatement of an on-going asset replacement plan. The increase in CS Recharges income in 2025/26 results from the plan to increase the amount of ranger time spent on CS projects thus maximising the recharge into the Core budget. The CS expenditure and income streams included from 2026/27 are indicative as an application has been made to participate in the replacement landscape recovery project.

### **3 Recommendations**

3.1 Cabinet is recommended to:

- note the Quarter 2 budget position for the Conservators' 2022/23 Core Budget;
- note the Conservators of Ashdown Forest medium term financial plan; and
- approve the 2024/25 Core budget.

**ROS PARKER**

**CHIEF OPERATING OFFICER**

Contact Officer: Jill Fisher

Tel. No. 07701 394955

Email: [jill.fisher@eastsussex.gov.uk](mailto:jill.fisher@eastsussex.gov.uk)

#### LOCAL MEMBERS

Councillors Galley, Howell, Lunn & Georgia Taylor

#### ESCC MEMBERS ON THE BOARD OF CONSERVATORS

Councillor Howell