

# **Dorchester Markets Joint Informal Panel**

## **3<sup>rd</sup> August 2022**

### **Financial Outturn Report 2021/22**

#### **For Decision**

**Portfolio Holder:** Cllr L Miller, Customer and Community Services

**Executive Director:** J Sellgren, Executive Director of Place

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**Report Status:** Public

#### **Recommendation:**

That members of the panel approve the income and expenditure statement for 2021/22.

#### **Reason for Recommendation:**

To enable Members of the Panel to consider and approve the Accounts for the year ending 31<sup>st</sup> March 2022.

#### **1. Executive Summary**

Markets in Dorchester have operated since Anglo Saxon times, and are prescriptive. Under an agreement dated 1984 the markets are managed by Dorset Council for the benefit of Dorset Council and Dorchester Town Council with operational oversight carried out by the Dorchester Markets Joint Informal Panel. The Markets income and expenditure is held within the accounts of Dorset Council. The Panel receives a report on the annual budget and the annual outturn.

#### **2. Financial Implications**

As detailed in the report.

### **3. Well-being and Health Implications**

None.

### **4. Climate implications**

None.

### **5. Other Implications**

None.

### **6. Risk Assessment**

Having considered the risks associated with this decision, the level of risk has been identified as:

Current Risk: LOW as the fall in income was anticipated.

Residual Risk: MEDIUM as there could be a further loss of income.

### **7. Equalities Impact Assessment**

None.

### **8. Appendices**

Appendix 1 – Financial Outturn 2021/22.

### **9. Background Papers**

Financial statements from the Market Operator (Ensors).

#### **1. Budget 2021/22**

- 1.1 The Panel agreed a budget for 2021/22 at a meeting on 27<sup>th</sup> January 2021. The expenditure budget was set at £43,968, with the income budget at £165,165, leaving a budgeted surplus for distribution of £121,197.

#### **2. Outturn 2021/22**

- 2.1 Actual expenditure incurred during 2021/22 totalled £44,619 against a budget of £43,968, resulting in a minor overspend of £651. This was mainly due to higher than budgeted costs incurred against Maumbury Road Public Conveniences.
- 2.2 Included in the £43,968 total expenditure budget was a line for Repairs & Maintenance (R&M) with a budget of £19,600. This line had a nil variance in 2021/22. Actual R&M expenditure incurred

was £4,326, with the balance of £15,274 being transferred into the Market Maintenance Earmarked Reserve.

- 2.3 The total income accounted for during 2021/22 was £130,022 against a budget of £165,165, leaving an income deficit of £35,143. The main underlying reason for this shortfall is the continued effect of the Covid-19 pandemic, particularly on the Cornhill Traders budget. The income deficit also includes an adjustment of £4,824, where an element of income was overstated on the 2020/21 outturn.
- 2.4 Income generated from the Market operator contract with Ensors has seen significant improvement from the 2020/21 outturn. This was to be expected to a certain extent with the easing of national restrictions and lockdowns. Income from the Market operation slightly exceeded the budget, whilst there was a deficit of £6,384 on the budgeted Car Boot income.
- 2.5 For 2020/21, there was a 50% reduction in the budgeted income contribution of £47,824 in relation to Fairfield Car Park income in recognition of the reduced Market activities during restrictions. However, in 2021/22, the full budgeted £48,541 contribution was received from Parking services following the easing of Covid restrictions and return a more normal trading environment.
- 2.6 It was agreed at the previous panel meeting that the outstanding debt in relation to the Cornhill Traders, up to 31/03/22, would be written off. This write off has now been actioned in the accounts. There is therefore a significant shortfall of income against the original budgeted income allocation on the Cornhill Traders account. Monthly invoicing has re-commenced with effect from 01/04/2022 at the existing rate. There are ongoing discussions between the operator and senior officers regarding future rental premiums.
- 2.7 The final net surplus for distribution in 2021/22 was £85,402 against a budget of £121,197, a shortfall of £35,795. The distribution of this is as follows....
  - £13,154 to the Sunday Car Boot Reserve (against a budget of £18,900)
  - £46,961 to Dorset Council (against a budget of £66,493)
  - £25,287 to Dorchester Town Council (against a budget of £35,804)

### **3. Reserves Position 2021/22**

- 3.1 The balance carried forward on the Market Maintenance Earmarked Reserve, as at 31/03/2022, is £42,928. This is comprised of an opening balance of £27,654, plus the unspent R&M 2021/22 budget of £15,274. There were no drawdowns made on this reserve during 2021/22.
  
- 3.2 The balance carried forward on the Sunday Car Boot Earmarked Reserve, as at 31/03/2022, is £28,781. This is comprised of an opening balance of £15,625, plus the 2021/22 top up of £13,156 from the Sunday Car Boot proceeds. Please note, that there is a difference of £2 from the calculated reserve movement due, as the £13,156 was an estimated figure in order ensure the transfer was done as per Dorset Council Closedown of Accounts timetable. The balance will be adjusted to reflect the actual figure during 2022/23. It was agreed that there would no drawdown on the reserve to fund community grant awards during 2021/22. This reserve is used for community awards within the Dorchester locality.

**Footnote:**

Issues relating to financial, legal, environmental, economic and equalities implications have been considered and any information relevant to the decision is included within the report.