

# **Dorchester Markets Joint Informal Panel**

## **10 July 2024**

### **Financial Outturn Report 2023/24**

#### **For Decision**

**Cabinet Member and Portfolio:**

Cllr G Taylor, Public Health, Environmental Health, Housing, Community Safety and Regulatory Service

**Executive Director:**

Jan Britton, Executive Lead for Place

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**Report Status:** Public

**Brief 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.

**Recommendation:**

That Members of the panel approve the income and expenditure statement for 2023/24.

**Reason for Recommendation:**

To enable Members of the panel to consider and approve the Accounts for the year ending 31<sup>st</sup> March 2024.

## 1. **Budget 2023/24**

- 1.1 The Panel agreed a budget for 2023/24 at a meeting on the 25<sup>th</sup> January 2023. The expenditure budget was set at £45,332, with the gross income budget set at £160,280, leaving a budgeted surplus for distribution of £114,948.

## 2. **Outturn 2023/24**

- 2.1 Actual expenditure incurred during 2023/24 totalled £46,554 against a budget of £45,332, resulting in a minor overspend of £1,222. This was mainly due to higher than budgeted electricity and water costs, from Npower and Water2Business respectively. The monthly water charge significantly increased during the year, following a period of previous charges where the estimated bill was based on typical usage during the pandemic period. This increase has been reflected in the 2024/25 budget, where inflationary uplifts have been applied against these budget lines.
- 2.2 Included in the £45,332 total expenditure budget was a line for Repairs & Maintenance (R&M) with a budget of £19,600. This budget line had a nil variance in 2023/24. Actual R&M expenditure incurred during the year was only £3,033, with the balance of £16,567 being transferred into the Market Maintenance Earmarked Reserve. This treatment is consistent with prior financial years.
- 2.3 The total income accounted for during 2023/24 was £132,294 against a budget of £160,280, leaving an income deficit of £27,986. The main underlying reason for this shortfall is the lower than budgeted returns from the main Market Operator contract (Ensors). In addition, there was a shortfall on the Café rental income due to timing differences with the new tenant lease.
- 2.4 Income generated from the Market Operator contract with Ensors saw a welcome increase from the 2022/23 total of £42,914, with a 2023/24 total of £47,594 (a 10.9% rise in the net income generated). However, the income generated was still significantly below what was budgeted for. The operation of the Market returned the panel £33,908 against a budget of £50,400, while the Car Boot returned the panel £13,686 against a budget of £22,050.

- 2.5 There was an income deficit of £3,550 in relation to the rent of the Café, due to timing differences in relation to the new tenant lease. Total income received for the rents of the Corn Market and the Café was £18,550 against budgeted income of £22,100.
- 2.6 Other income budget lines were either on budget, or had minor variances. For example, the Fairfield Car Park income transfer, and Cornhill Traders income were as per budget. In the case of the Cornhill Traders, the income budget in 2023/24 was reduced following the previously agreed reduction in the monthly premiums.
- 2.7 The final net surplus for distribution in 2023/24 was £85,740, against a net budget of £114,948, a shortfall of £29,208. The distribution of this is as follows....
- £12,317 to the Sunday Car Boot Reserve (against a budget of £19,845).
  - £47,725 to Dorset Council (against a budget of £61,817).
  - £25,698 to Dorchester Town Council (against a budget of £33,286).

### **3. Current Reserves Summary**

- 3.1 The balance carried forward on the Market Maintenance Earmarked Reserve, as at 31/03/2024, is £78,035. This is comprised of an opening balance of £61,468, plus the unspent R&M 2023/24 budget of £16,567. There were no drawdowns made on this reserve during 2023/24.
- 3.2 The balance carried forward on the Sunday Car Boot Earmarked Reserve, as at 31/03/2024, is £13,914. This is comprised of an opening balance of £15,597, plus the 2023/24 top up of £12,317 from the Sunday Car Boot proceeds. There was an in year draw down on the reserve of £14,000 to fund the Community Grants awards.

### **4 Financial Implications**

As detailed in the report.

### **5 Natural Environment, Climate & Ecology Implications**

No impact.

**6 Well-being and Health Implications**

None.

**7 Other Implications**

None.

**8 Risk Assessment**

8.1 HAVING CONSIDERED: the risks associated with this decision; the level of risk has been identified as:

Current Risk: MEDIUM as the Market Operator income is variable.

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

**9 Equalities Impact Assessment**

None.

**10 Appendices**

Appendix 1 – Financial Outturn 2023/24

**11 Background Papers**

Ensors Management Accounts for the period 01/04/2023 – 31/03/2024