

Q1 FINANCIAL AND OPERATIONAL PERFORMANCE 2020/21

Summary: To provide the Board with an update on the financial position of the organisation and the reforecast to year end.

Recommendation: That the Board notes the various updates.

Reviewed by the Executive Committee: Yes / No

If yes, the Committee's comments: The Committee welcomed the changes to the financial reporting and commentary. They noted the Key Performance Indicators and accepted the variances.

Report by: Ann Wyatt – Head of Finance
Andy Parsons – Chief Executive Officer

1. FINANCE

Based on the actual figures for Q1 and the reforecast to year-end, it is anticipated that:

- Income for the year will be in the region of £983k (COVID 19 Reforecast £934k and Original Budget £998k).
- Expenditure to year end will be £1,156k (COVID 19 Reforecast £1,098k and Original Budget £1,157k).
- At year end there will be a net deficit on the income and expenditure account for the year prior to any reserves transfers of £173k (COVID 19 Reforecast £163k and Original Budget £160k).
- Net transfers from reserves totalling £182k will be made into the General Fund resulting in a year end General Fund balance of £56k.
- Including the designated (ear-marked) reserves of £24k, year-end free reserves will be in the region of £80k (£71k 2019/20 Financial Statements) and total reserves £553k (£536k 2019/20 Financial Statements).
- The forecast year-end free reserves represent 72% of the target of £110k.

The reforecast presents a cautious position to year-end which is sensible as we move into Q3 and Q4 over the winter when the future impact of COVID 19 is unknown.

2. OPERATIONS

- The Key Performance Indicators (KPIs) will help to monitor progress against the three-year Business Plan 2020-23.
- It should be noted that the KPIs are measured against original budgets and annual work programme outputs not the Covid-19 impacted forecasts. This will allow the Board to better understand the full impact of Covid-19 on our operations.

Key Points

- KPI1 Training Days – the target is for everyone to have a minimum of four training/development days per annum (averaging one per quarter). Only two employees

achieved that in Q1 so the KPI is currently red. This isn't a surprising result given the situation and the trend may continue into Q2/Q3.

- KPI2 Process Improvements Identified and Implemented – the target is eight per annum (averaging two per quarter). There have been five in Q1 so the KPI is blue. The new processes are as follows:
 - Planning statistics; Paperless Board meetings; Remote working and meetings; Health and safety policy and process; Employee performance review and development planning
- KPI3 Value of Externally Funded Projects – both the Glorious Cotswolds Grasslands and Cotswolds Champions projects are performing as expected.
- KPI4 Number of People Directly Engaged – this KPI has been most affected by Covid-19 and is currently red.
- KPI5 New Partnerships – the target is eight per annum (averaging two per quarter). One new partnership has been established in Q1 and so amber.
- KPI6 Useable Reserves – the target by year-end is £63.7k (58%) and the new forecast is £79.6k (72%) so it is currently blue.

Supporting documents

- Appendix A. Reserves Movements and Forecast Position Report
- Appendix B. Income and Expenditure Report
- Appendix C. Key Performance Indicators

OCTOBER 2020