

## **MOUNT EDGCUMBE JOINT COMMITTEE**

### **Joint Clerks**

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#mountedgcumbe

Published Thursday, 10 July 2014

## **MOUNT EDGCUMBE JOINT COMMITTEE**

**DATE: FRIDAY 18 JULY 2014**  
**TIME: 10.00 AM**  
**PLACE: MOUNT EDGCUMBE HOUSE, CREMYLL**

### **Committee Members-**

#### **Plymouth City Councillors-**

Councillors Churchill, Damarell, McDonald, Mrs Pengelly, Peter Smith (Joint Chair), Stark and Vincent.

#### **Cornwall Councillors-**

Councillors Austin, Candy, Ellison, Frank, Hannaford (Joint Chair), Hobbs and Trubody.

#### **Co-opted Members-**

Sir Richard Carew Pole BT, Cdr Crocker, Mr D L Richards and T Savery.

**Members of the Committee are invited to attend the above meeting to consider the items of business overleaf.**

Tracey Lee and Richard Williams  
Joint Clerks

# **MOUNT EDGCUMBE JOINT COMMITTEE**

## **AGENDA**

### **PART I – PUBLIC MEETING**

#### **1. NOTE THE APPOINTMENT OF JOINT CHAIRS**

The Joint Committee will be asked to note the appointment of the Joint Chairs.

#### **2. APOLOGIES**

To receive apologies for non-attendance submitted by Joint Committee Members.

#### **3. DECLARATIONS OF INTEREST**

Members will be asked to make any declarations of interest in respect of items on this agenda.

#### **4. MINUTES**

**(Pages 1 - 6)**

To confirm the minutes of the meeting held on 28 February 2014 as a correct record.

#### **5. CHAIR'S URGENT BUSINESS**

To receive reports on business, which in the opinion of the Chair, should be brought forward for urgent consideration.

#### **6. REVENUE BUDGET MONITORING 2013/14**

**(Pages 7 - 32)**

The Joint Committee will receive a report on revenue budget monitoring 2013/14.

#### **7. OVERVIEW OF THE YEAR TO DATE**

The Joint Committee will receive a presentation on the overview of the year to date.

#### **8. MOUNT EDGCUMBE MEANS BUSINESS UPDATE**

**(Pages 33 - 50)**

The Joint Committee will receive an update report on Mount Edgcumbe means business.

#### **9. EXEMPT BUSINESS**

To consider passing a resolution under Section 100A(4) of the Local Government Act 1972 to exclude the press and public from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act, as amended by the Freedom of Information Act 2000.

## **PART II (PRIVATE COMMITTEE)**

### **PART II (PRIVATE MEETING)**

#### **AGENDA**

#### **MEMBERS OF THE PUBLIC TO NOTE**

that under the law, the Panel is entitled to consider certain items in private. Members of the public will be asked to leave the meeting when such items are discussed.

**10. REVENUE BUDGET MONITORING 2013/14 (E3) (Pages 51 - 64)**

The Joint Committee will receive a report on revenue budget monitoring 2013/14.

**11. MOUNT EDGCUMBE CAR PARKING CHARGES (E3) (Pages 65 - 68)**

The Joint Committee will receive a report on Mount Edgcumbe car parking charges.

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**Mount Edgumbe Joint Committee****Friday 28 February 2014****PRESENT:**

Councillor Hannaford, Joint Chair, in the Chair.

Councillors Austin, Mrs Beer, Ellison, Frank, Hobbs, Monahan (substitute for Councillor K Foster), Peter Smith (Joint Chair), Trubody and Vincent.

Co-opted Representatives: Cdr Crocker and Mr D L Richards.

Apologies for absence: Councillors Candy, Mrs Foster, Ken Foster, Haydon and Penberthy and Sir Richard Carew Pole Bt. And Mr T Savery.

Also in attendance: David Bennett (Accountant PCC), Ian Berry (Park Manager PCC ), Nick Butcher (Head Gardener/Ranger PCC ), Peter Marsh (Interim Corporate Director for Environment), David Marshall (Business Development Mount Edgumbe House and Country Park, Plymouth City Museum and Art Gallery PCC), Nicola Moyle (City Curator Museum and Archives PCC), Leigh Parker (Accountant CC ), Steve Pickering (Consultant CC ) and Helen Wright (Democratic Support Officer).

The meeting started at 10 am and finished at 11.10 am.

*Note: At a future meeting, the committee will consider the accuracy of these draft minutes, so they may be subject to change. Please check the minutes of that meeting to confirm whether these minutes have been amended.*

**11. DECLARATIONS OF INTEREST**

There were no declarations of interest made by members in accordance with the code of conduct.

**12. MINUTES**

The Joint Committee agreed that the minutes of the meeting held on 19 July 2013 are confirmed as a correct record.

**13. CHAIR'S URGENT BUSINESS**

There were no items of Chair's urgent business.

**14. REVENUE BUDGET MONITORING 2013/14**

The Strategic Director for Place submitted a monitoring report on the revenue budget 2013/14 which highlighted the following main areas –

- (a) overview of the monitoring variations 2013/14;
- (b) background 2013/14;

- (c) 2013/14 revenue monitoring variations;
- (d) budget risk.

In response to questions raised by the Joint Committee, it was reported that –

- (e) the revenue budget monitoring 2013/14 report outlined the position as at the end of January 2014 and as such eligibility of the Bellwin Scheme had not been highlighted;
- (f) interim catering arrangements were currently in place within the Stables café.

The Joint Committee noted the report.

15. **MOUNT EDGCUMBE REVIEW 2013-2014**

The Strategic Director for Place submitted a report on the review of Mount Edgumbe 2013/14 which highlighted the usage of both the park and the house, events and key activities that included –

- (a) the key events –
  - three Wishes Faery Festival;
  - classic Car Rally;
  - Cornwall Military Vehicles Trust Annual Rally;
  - Christmas Fayre (had seen an increase in the number of visitors by 1000 bringing the total number of people attending the event to 6004);
- (b) filming in the Park –
  - Mike Leigh Turner film;
  - David Dimbleby;
  - Two Hungry Sailors;
- (c) the general use of the park;
- (d) the importance of the contribution and support made by both the Friends of Mount Edgumbe Park and the volunteers;
- (e) weddings;
- (f) Metta Catharina Exhibition;
- (g) Higher Level Stewardship;
- (h) adverse weather conditions (during the recent storms the sea wall at Cremyll and Barnpool had been damaged); officers were

currently looking to secure funding from the Bellwin Scheme in order to undertake the necessary repair works.

In response to questions raised by the Joint Committee, it was reported that –

- (i) there had been a reduction in the footfall during the summer months due to the good weather;
- (j) the two constituent authorities did not own the moorings at Barn Pool.

The Mr Crocker, the Chair of the Friends of Mount Edgumbe Park, advised that to date the Friends had contributed £213,000 to the park for various items and schemes.

The Joint Committee wished to give a vote of thanks to the Friends of Mount Edgumbe and the volunteers for their help and support.

The Joint Committee noted the report.

## 16. **MOUNT EDGCUMBE MEANS BUSINESS**

The Strategic Director for Place submitted a report on Mount Edgumbe Means Business which provided an update on the transformational change review which had been originally reported to the Joint Committee in July 2013. The report highlighted the following key areas –

- (a) the vision statement –
  - the unique selling point for Mount Edgumbe was the wealth of history and stories of famous historical figures associated with the Estate over the centuries;  
  
the history of Mount Edgumbe provide a unique opportunity to stand out from the competition.  
  
The vision would focus on celebration the story of the Earl of Mount Edgumbe family to highlight local history and develop the park into an anchor attraction for the Rame Peninsula;
- (b) phase one of the business plan to be completed by April 2014, included -
  - creating a 'buzz' aimed specifically to encourage further investment from small businesses and in turn attract and secure larger investment for phase two by external funding partners;
  - continued development of the Barrow Centre as a visitor attraction for the park by stimulating commercial lettings and property lettings;

- a capital investment programme to create facilities for the Barrow Centre;
  - delivery of a number of schemes, including –
    - ▶ installation of a quality wifi system;
    - ▶ creating an aggressive marketing plan;
    - ▶ review of branding in the park;
    - ▶ purchase a land train;
- (c) the events scheduled for 2014/15, included –
- the Smugglers Market;
  - Three Wishes Faery Fest;
  - Classic and American Car Rally;
- (d) phase two of the business plan to be completed by April 2016, included –
- working in partnership with key transport providers to implement a number of improvements for accessing the park;
  - establishing a commercially viable visitor information centre for the Rame Peninsula combined with a one stop shop for wedding services;
  - the completion of a number of property renovations for holiday accommodation, including –
    - ▶ Cremyll Lodge;
    - ▶ English Garden House;
    - ▶ eco huts;
    - ▶ caravan and camping facilities;
- (e) the nine key strategic drivers included -
- review of governance arrangements;
  - establish the overall brand;
  - partnership working with the Friends of Mount Edgumbe.

In response to questions raised by the Joint Committee, it was reported that –

- (f) work was being undertaken to find an organiser for the Smugglers Market;
- (g) at this stage, it was unclear how the South West Peninsula City Deal would impact on Mount Edgumbe;



- (h) work continued with the ferry operator to improve existing services and encourage additional ferry services.

The Joint Committee agreed –

- (1) to note the progress made to date and initiatives undertaken to drive income and reduce costs, in a way that is sensitive to the park and the historic landscape in which it sits;
- (2) that a report on the South West Peninsula City Deal and the Neighbourhood Plan is submitted to its next meeting.

17. **EXEMPT BUSINESS**

Agreed that under Section 100A(4) of the Local Government Act 1972 to exclude the press and public from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part I of Schedule 12A of the Act, as amended by the Freedom of Information Act 2000.

18. **REVENUE BUDGET MONITORING REPORT (E3)**

Further to minute 14, the Strategic Director for Place submitted a confidential report on the revenue budget monitoring 2013/14.

The Joint Committee noted the report.

19. **MOUNT EDGCUMBE MEANS BUSINESS (E3)**

Further to minute 16, the future position relating to the subsidy provided to Mount Edgumbe by the two constituent authorities was noted. Work was being undertaken to streamline the decision making process, where possible, to ensure the effective and efficient operation of the business.

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**PLYMOUTH CITY COUNCIL**

**Subject:** Revenue Budget Monitoring 2013/14

**Committee:** Mount Edgumbe Joint Committee

**Date:** 18 July 2014

**Joint Chairs:** Councillor Peter Smith, Plymouth City Council  
Councillor Hannaford, Cornwall Council

**Cabinet Member:** Councillor Peter Smith, Plymouth City Council  
Councillor Hannaford, Cornwall Council

**CMT Member:** Anthony Payne, Strategic Director for Place, Plymouth City Council  
Peter Marsh, Interim Corporate Director for Environment

**Author:** Ian Berry, Mount Edgumbe Park Manager, David Bennett,  
Senior Accountant Plymouth City Council

**Contact:** Tel: 01752 822236  
E-mail: ian.berry@plymouth.gov.uk

**Ref:** ME

**Key Decision:** No

**Part:** I

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**Purpose of the report:**

This report presents an final outturn position of Mount Edgumbe for financial year 2013/14.

Members' attention is draw to the confidential information referred to in item 9 which is considered to be commercially sensitive.

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**The Brilliant Co-operataive Council Corporate Plan 2013/14 – 2016/17:****Plymouth City Council:**

This monitoring report links to delivering the priorities within the Council's corporate plan.

**Cornwall Council:**

Business Plan Immediate Priorities: Use of resources and performance management

Environment, Planning and Economy Directorate Plan priorities:

Creating a Green Cornwall

Creating Better Places to Live

Delivering Excellent Services

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**Implications for Medium Term Financial Plan and Resource Implications:  
Including finance, human, IT and land**

The January forecast in 2013/14 was an overspend of £28,000 which after continued efforts by management team to only spend on essential items and some increases in income during the last quarter the final outturn is £15,605 overspent an improvement of £12,395 in the quarter

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**Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:**

Increased risk management will need to take place to manage the impact of the challenging financial position.

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**Equality and Diversity:**

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**Recommendations and Reasons for recommended action:**

It is recommended that the Joint Committee notes the report.

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**Alternative options considered and reasons for recommended action:**

None.

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**Background papers:** Mount Edgumbe 2011 budget setting. MEJC report 19/07/2013

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**Sign off:**

|                                      |  |     |  |    |     |           |     |    |     |            |     |
|--------------------------------------|--|-----|--|----|-----|-----------|-----|----|-----|------------|-----|
| Fin                                  |  | Leg |  | HR | N/A | Corp Prop | N/A | IT | N/A | Strat Proc | N/A |
| Originating SMT Member David Draffan |  |     |  |    |     |           |     |    |     |            |     |

## **1. INTRODUCTION –**

- 1.1** This Report has been produced to update the Joint Committee with the Outturn position as at 31 March 2014.
- 1.2** Variations are reported according to the difference between actuals and budget in Appendix A and are broken down by park operation that reflects 50 percent of the budget agreed by each constituent authority of £157,000 each. As this is the outturn report I have excluded the Metta Catherina cost centre because this is grant funded cost centre so has no budgets but actuals with the grant income matching the expenditure. Appendix A has the table used to explain variations plus two other tables showing

## **2. 2013/14 MONITORING VARIATIONS - OVERVIEW**

- 2.1** In June the co-chairs of Mount Edgcumbe Joint committee agreed an overspend of £28,000 for this financial year, this was down to reductions in wedding/event income streams and details were given in the June meeting. In the last 3 months the staff at Mount Edgcumbe have restricted spend to only essential work required and looked at increasing revenue wherever possible. The result of this is an outturn position of £15,605 over budget but an improvement of £12,395 from the forecasted position.

## **3. 2013/14 BACKGROUND**

- 3.1** After large overspends in financial years 2009/10 and 2010/11 the Mount Edgcumbe Officers Working group planned various initiatives to bring the budget back to the original plans that each authority contribute £192,000 towards the running of the park making a total budget of £384,000. These plans included increasing 2011/12's contribution by £45,000 per authority on a one off basis to give the park management time to implement these initiatives. The majority of these initiatives have come to fruition and in 2011/12 the park ran to budget. However some initiatives experienced delays, particularly the procurement and installation of the Marquee to enable the park to offer a quality wedding venue. In spite of these delays the park almost achieved a balanced budget in 2012/13 with final out turn £390,728 against the £384,000 budget. In January 2013 Cornwall council announced plans to cut the subsidy by 66k a year over next 3 years which was unrealistic in such a small timescale and senior managers in both authorities agreed a 70k net reduction in budget to £314,000 for 2013/14 financial year. Steve Pickering has been brought in to look at options for the park to improve current income streams and introduce new ones, using the capital receipt from the sale of Picklecombe Cottage to fund the improvements needed to enable these new income streams.

## **4. 2013/14 REVENUE MONITORING VARIATIONS – to be read with Appendix A**

- 4.1 Mount Edgcumbe House Outturn £8,871 Over budget – Mainly overspends on premise and transport costs partially offset by additional income**
- Increase in premises costs of almost 12k of this 10k is utility increase of which 5k is recharged to users plus a large water leak in Polhawn that has now been rectified. Refuse collection and skip hire charges also increased
  - Transport overspend of just over one thousand pounds is Increase in maintenance cost of plant and vehicles as they get older
  - Income overperformed by over 3k. Additional income of 26k includes 13k of staff time recharged to Metta Caterina project, 5k for various utility recharges to businesses

operating in the park and National Coastwatch for Rame head facility. 4k from Filming for Mike Leigh's film on the artist Turner. Donations and other non wedding related rents also over performed. This is offset by 23k shortfall in two income strands, 7k on house admissions income and 16k on wedding event room hire.

#### 4.2 Mount Edgcumbe Park Outturn - £7,869 savings – Mix of savings on premise related costs and supplies and services

- Due to the pressures on the budget only essential maintenance on land, roads and paths has been carried out over the past 6 months. This has led to a reduction in suppliers used to carry out grounds maintenance and materials used to do this

#### 4.3 Mount Edgcumbe trading Outturn £14,603 Over budget – Main variations are related to income budgets not realised and a write off

- Income more than £7k lower than budget due to reduction in Orangery functions booked and commission received from caterer.
- Problems with caterers led to contract being terminated early and 7.5k being written off.

### 5. FUTURE BUDGET

5.1 Whilst this years outturn is still above the budget of £314,000 (£157,000 per authority) the table below shows the reduction in financial support given during the past 3 years and budgeted for next year. If 2014/15 budget is hit the support will have dropped by £190,000 in four years as the staff continue to work on initiatives to reduce the subsidy needed from both Councils by increasing the various income strands. The budget for next year has decreased from £314,000 to £284,000 as a result of the expected increase in income from new investment in the park using the capital receipt received for Picklecombe cottage

|                            | Actual<br>2011/12 | Actual<br>2012/13 | Actual<br>2013/14 | Budget<br>2014/15 |
|----------------------------|-------------------|-------------------|-------------------|-------------------|
| Expenditure                | 829,298           | 770,390           | 788,446           | 786,208           |
| Income                     | -355,298          | -379,661          | -458,841          | -502,208          |
| Net Cost of operation      | 474,000           | 390,728           | 329,605           | 284,000           |
| Income as % of expenditure | 43%               | 49%               | 58%               | 64%               |

### 6. Small bodies Audit

6.1 Appendix B contains the small bodies audit that needs to be approved by the committee. This year the Internal audit report in Appendix C has graded one area as "Improvements required" This is in "Section 3. Area Covered: Risks to objectives are not identified or managed" The reason for this is in previous reports they recommended "As a minimum, at least once each year members of the Joint Committee should consider the risks to their business objectives through the formal presentation of the risk register for discussion." Previously this had been discussed at MEOW meetings but in 2013/14 these meetings stopped so risks are no longer formally identified or discussed. We are therefore recommending resurrecting a 'Risk register' for the committee to view and discuss at the next Joint Committee meeting

**RECOMMENDATIONS**

It is recommended that the Joint Committee:

- a) Notes the report.
- b) The accounts are recommended for approval for Annual small bodies return (appendix B) and to resurrect a 'Risk register' to be reviewed at least once a year
- c) The Annual Governance Statement is recommended for approval for Annual small bodies return

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# MOUNT EDGCUMBE

## 2013/14 Outturn Report



**PLYMOUTH**  
CITY COUNCIL

**Table 1** Report used to analyse variances. Excludes Metta Catherina grant funded cost centre

| Team 1 Name                         | Detail Code CIPFA                 | Data                 |                          | Difference<br>2013/14 Actual V<br>Budget |
|-------------------------------------|-----------------------------------|----------------------|--------------------------|--|
|                                     |                                   | Sum of 2013/14<br>LE | Sum of 2013/14<br>Actual |  |
| Mount Edgcumbe House                | Employees                         | 361,376              | 360,752                  | -624                                     |
|                                     | Premises                          | 60,296               | 72,071                   | 11,775                                   |
|                                     | Supplies and Services             | 66,336               | 66,444                   | 108                                      |
|                                     | Support Services                  | 14,765               | 14,765                   | 0  |
|                                     | Transport                         | 25,486               | 26,528                   | 1,042                                    |
|                                     | Income                            | -414,590             | -418,019                 | -3,429                                   |
|                                     | <b>Mount Edgcumbe House Total</b> |                      | <b>113,669</b>           | <b>122,540</b>                           |
| Mount Edgcumbe Park                 | Employees                         | 96,772               | 96,406                   | -366                                     |
|                                     | Premises                          | 51,482               | 45,940                   | -5,542                                   |
|                                     | Supplies and Services             | 10,402               | 8,332                    | -2,070                                   |
|                                     | Transport                         | 30                   | 0                        | -30                                      |
|                                     | Income                            | -78,927              | -78,788                  | 139                                      |
| <b>Mount Edgcumbe Park Total</b>    |                                   | <b>79,759</b>        | <b>71,890</b>            | <b>-7,869</b>                            |
| Mount Edgcumbe Trading              | Capital Financing outside NCS     | 0                    | 0                        | 0  |
|                                     | Employees                         | 23,533               | 23,846                   | 313                                      |
|                                     | Premises                          | 0                    | 723                      | 723                                      |
|                                     | Supplies and Services             | 35,673               | 42,573                   | 6,900                                    |
|                                     | Transport                         | 292                  | 0                        | -292                                     |
|                                     | Income                            | -95,926              | -88,968                  | 6,958                                    |
| <b>Mount Edgcumbe Trading Total</b> |                                   | <b>-36,428</b>       | <b>-21,825</b>           | <b>14,603</b>                            |
| <b>Grand Total</b>                  |                                   | <b>157,000</b>       | <b>172,605</b>           | <b>15,605</b>                            |

Table 2

Final outturn including Metta Catherina, actuals in Mount Edgcumbe House artificially High for Employees, Supplies and services and Income actuals

| Team 1 Name                         | Detail Code CIPFA             | Data              |                       | Difference<br>2013/14 Actual V Budget |
|-------------------------------------|-------------------------------|-------------------|-----------------------|---------------------------------------|
|                                     |                               | Sum of 2013/14 LE | Sum of 2013/14 Actual |                                       |
| ☐ Mount Edgcumbe House              | Employees                     | 361,376           | 374,104               | 12,728                                |
|                                     | Premises                      | 60,296            | 72,071                | 11,775                                |
|                                     | Supplies and Services         | 66,336            | 83,157                | 16,821                                |
|                                     | Support Services              | 14,765            | 14,765                | 0                                     |
|                                     | Transport                     | 25,486            | 26,528                | 1,042                                 |
|                                     | Income                        | -414,590          | -448,085              | -33,495                               |
| <b>Mount Edgcumbe House Total</b>   |                               | <b>113,669</b>    | <b>122,540</b>        | <b>8,871</b>                          |
| ☐ Mount Edgcumbe Park               | Employees                     | 96,772            | 96,406                | -366                                  |
|                                     | Premises                      | 51,482            | 45,940                | -5,542                                |
|                                     | Supplies and Services         | 10,402            | 8,332                 | -2,070                                |
|                                     | Transport                     | 30                | 0                     | -30                                   |
|                                     | Income                        | -78,927           | -78,788               | 139                                   |
| <b>Mount Edgcumbe Park Total</b>    |                               | <b>79,759</b>     | <b>71,890</b>         | <b>-7,869</b>                         |
| ☐ Mount Edgcumbe Trading            | Capital Financing outside NCS | 0                 | 0                     | 0                                     |
|                                     | Employees                     | 23,533            | 23,846                | 313                                   |
|                                     | Premises                      | 0                 | 723                   | 723                                   |
|                                     | Supplies and Services         | 35,673            | 42,573                | 6,900                                 |
|                                     | Transport                     | 292               | 0                     | -292                                  |
|                                     | Income                        | -95,926           | -88,968               | 6,958                                 |
| <b>Mount Edgcumbe Trading Total</b> |                               | <b>-36,428</b>    | <b>-21,825</b>        | <b>14,603</b>                         |
| <b>Grand Total</b>                  |                               | <b>157,000</b>    | <b>172,605</b>        | <b>15,605</b>                         |

**Metta caterina**

Grant funded so no budgets for Income or expenditure, net nil cost centre

| Team 1 Name                       | Detail Code CIPFA     | Data              |                       | Difference<br>2013/14 Actual V Budget |
|-----------------------------------|-----------------------|-------------------|-----------------------|---------------------------------------|
|                                   |                       | Sum of 2013/14 LE | Sum of 2013/14 Actual |                                       |
| ☐ Mount Edgcumbe House            | Employees             | 0                 | 13,352                | 13,352                                |
|                                   | Supplies and Services | 0                 | 16,713                | 16,713                                |
|                                   | Income                | 0                 | -30,065               | -30,065                               |
| <b>Mount Edgcumbe House Total</b> |                       | <b>0</b>          | <b>0</b>              | <b>0</b>                              |
| <b>Grand Total</b>                |                       | <b>0</b>          | <b>0</b>              | <b>0</b>                              |



# Small Bodies in England

## Annual return for the financial year ended 31 March 2014

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Small relevant bodies in England with an annual turnover of £6.5 million or less must complete an annual return in accordance with proper practices summarising their annual activities at the end of each financial year.

The annual return on pages 2 to 5 is made up of four sections:

- Sections 1 and 2 are completed by the person nominated by the body.
- Section 3 is completed by the external auditor appointed by the Audit Commission.
- Section 4 is completed by the body's internal audit provider.

Each body must approve this annual return no later than 30 June 2014.

### **Completing your annual return**

Guidance notes, including a completion checklist, are provided on page 6 and at relevant points in the annual return.

Complete all sections highlighted in red. Do not leave any red box blank. Incomplete or incorrect returns require additional external audit work and may incur additional costs.

Send the annual return, together with your bank reconciliation as at 31 March 2014, an explanation of any significant year on year variances in the accounting statements and any additional information requested, to your external auditor by the due date.

Your external auditor will identify and ask for any additional documents needed for audit. Therefore, unless requested, do not send any original financial records to the external auditor.

Audited and certified annual returns will be returned to the body for publication or public display of sections 1, 2 and 3. You must publish or display the audited annual return by 30 September 2014.

It should not be necessary for you to contact the external auditor or the Audit Commission directly for guidance.

More guidance on completing this annual return is available in the Practitioners' Guides for either local councils or internal drainage boards. These publications may be downloaded from the National Association of Local Councils (NALC) or Society of Local Council Clerks (SLCC) websites ([www.nalc.gov.uk](http://www.nalc.gov.uk) or [www.slcc.co.uk](http://www.slcc.co.uk)) or from the members area of the Association of Drainage Authorities website ([www.ada.org.uk](http://www.ada.org.uk)).

Section 1 – Accounting statements 2013/14 for:

Enter name of reporting body here:

MOUNT EDGCUMBE JOINT COMMITTEE

|  | Year ending        |                    | Notes and guidance  |
|--|--------------------|--------------------|---|
|  | 31 March 2013<br>£ | 31 March 2014<br>£ |   |
|  |                    |                    | Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records.                             |
| 1 Balances brought forward                                       | 1,520              | 0                  | Total balances and reserves at the beginning of the year as recorded in the body's financial records. Value must agree to Box 7 of previous year.                                       |
| 2 (+) Income from local taxation and/or levy                     | 390,728            | 329,605            | Total amount of local tax and/or levy received or receivable in the year including funding from a sponsoring body.  |
| 3 (+) Total other receipts                                       | 278,141            | 458,841            | Total income or receipts as recorded in the cashbook less the taxation and/or levy (line 2). Include any grants received here.  |
| 4 (-) Staff costs  | 485,425            | 494,356            | Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and employment expenses. |
| 5 (-) Loan interest/capital repayments                           | 0                  | 0                  | Total expenditure or payments of capital and interest made during the year on the body's borrowings (if any).   |
| 6 (-) All other payments   | 284,964            | 294,090            | Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).  |
| 7 (=) Balances carried forward                                   | 0                  | 0                  | Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6)  |
| 8 Total cash and short term investments                          | 32,906             | 56,634             | The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – to agree with bank reconciliation.                                     |
| 9 Total fixed assets plus other long term investments and assets | 17,381,654         | 18,114,101         | The original Asset and Investment Register value of all fixed assets, plus other long term assets owned by the body as at 31 March  |
| 10 Total borrowings  | 0                  | 0                  | The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).  |

I certify that for the year ended 31 March 2014 the accounting statements in this annual return present fairly the financial position of the body and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer:

SIGNATURE REQUIRED

Date DDMMYY

I confirm that these accounting statements were approved by the body on:

SIGNATURE REQUIRED

and recorded as minute reference:

MINUTE REFERENCE

Signed by Chair of meeting approving these accounting statements:

SIGNATURE REQUIRED

Date DDMMYY

Section 2 – Annual governance statement 2013/14

We acknowledge as the members of  our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31 March 2014, that:

|  | Agreed – |     | 'Yes' means that the body:  |
|--|----------|-----|---|
|  | Yes      | No* |   |
| 1 We approved the accounting statements prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.   |          |     | prepared its accounting statements in the way prescribed by law.  |
| 2 We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.   |          |     | made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.   |
| 3 We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and proper practices that could have a significant financial effect on the ability of the body to conduct its business or on its finances. |          |     | has only done what it has the legal power to do and has complied with proper practices in doing so.   |
| 4 We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.   |          |     | during the year has given all persons interested the opportunity to inspect and ask questions about the body's accounts.  |
| 5 We carried out an assessment of the risks facing the body and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.  |          |     | considered the financial and other risks it faces and has dealt with them properly.   |
| 6 We maintained throughout the year an adequate and effective system of internal audit of the body's accounting records and control systems.   |          |     | arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of the body. |
| 7 We took appropriate action on all matters raised in reports from internal and external audit.  |          |     | responded to matters brought to its attention by internal and external audit.   |
| 8 We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on the body and where appropriate have included them in the accounting statements.                                |          |     | disclosed everything it should have about its business activity during the year including events taking place after the year-end if relevant.                             |

This annual governance statement is approved by the body and recorded as minute reference

dated

Signed by:

Chair

dated

Signed by:

Clerk

dated

\*Note: Please provide explanations to the external auditor on a separate sheet for each 'No' response. Describe how the body will address the weaknesses identified.

# Section 3 – External auditor certificate and opinion 2013/14

## Certificate

We certify that we have completed the audit of the annual return for the year ended 31 March 2014 of:

ENTER REPORTING BODY NAME HERE

## Respective responsibilities of the body and the auditor

The body is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The body prepares an annual return in accordance with proper practices which:

- summarises the accounting records for the year ended 31 March 2014; and
- confirms and provides assurance on those matters that are important to our audit responsibilities.

Our responsibility is to conduct an audit in accordance with guidance issued by the Audit Commission and, on the basis of our review of the annual return and supporting information, to report whether any matters that come to our attention give cause for concern that relevant legislation and regulatory requirements have not been met.

## External auditor report

(Except for the matters reported below)\* on the basis of our review, in our opinion the information in the annual return is in accordance with proper practices and no matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met.  
(\*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the body:

(continue on a separate sheet if required)

External auditor signature

External auditor name  Date

Note. The auditor signing this page has been appointed by the Audit Commission and is reporting to you that they have carried out and completed all the work that is required of them by law. For further information please refer to the Audit Commission's publication entitled Statement of Responsibilities of Auditors and of Audited Small Bodies.

Section 4 – Annual internal audit report 2013/14 to

**MOUNT EDGCUMBE JOINT COMMITTEE**

The body's internal audit, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ended 31 March 2014.

Internal audit has been carried out in accordance with the body's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the body.

| Internal control objective  | Agreed? Please choose one of the following |     |               |
|---|--|-----|---------------|
|   | Yes  | No* | Not covered** |
| A Appropriate accounting records have been kept properly throughout the year.   | YES  |     |               |
| B The body's financial regulations have been met, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.  | YES  |     |               |
| C The body assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.  |  | NO  |               |
| D The annual taxation or levy or funding requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.   | YES  |     |               |
| E Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.  | YES  |     |               |
| F Petty cash payments were properly supported by receipts, all expenditure was approved and VAT appropriately accounted for.  |  |     | NOT COVERED   |
| G Salaries to employees and allowances to members were paid in accordance with body approvals, and PAYE and NI requirements were properly applied.  | YES  |     |               |
| H Asset and investments registers were complete and accurate and properly maintained.   | YES  |     |               |
| I Periodic and year-end bank account reconciliations were properly carried out.   |  |     | NOT COVERED   |
| J Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, were supported by an adequate audit trail from underlying records, and, where appropriate, debtors and creditors were properly recorded. | YES  |     |               |

For any other risk areas identified by the body (list any other risk areas below or on separate sheets if needed) adequate controls existed:

*Please see attached report for further details.*

Name of person who carried out the internal audit: R HUTCHINS NAME

Signature of person who carried out the internal audit: *R Hutchins* SIGNED Date: 12/6/14

\*Note: If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

\*\*Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned, or, if coverage is not required, internal audit must explain why not (add separate sheets if needed).

# Guidance notes on completing the 2013/14 annual return

- 1 You must apply proper practices for preparing this annual return. Proper practices are found in the Practitioners' Guides\* which are updated from time to time and contain everything you should need to prepare successfully for your financial year-end and the subsequent audit. Both NALC and SLCC have helplines if you want to talk through any problem you may encounter.
- 2 Make sure that your annual return is complete (i.e. no empty red boxes), and is properly signed and dated. Avoid making any amendments to the completed return. But, if this is unavoidable, make sure the amendments are drawn to the attention of and approved by the body, properly initialled and an explanation is provided to the external auditor. Annual returns containing unapproved or unexplained amendments will be returned unaudited and may incur additional costs.
- 3 Use the checklist provided below. Use a second pair of eyes, perhaps a member or the Chair, to review your annual return for completeness before sending it to the external auditor.
- 4 Do not send the external auditor any information not specifically asked for. Doing so is not helpful. However, you must notify the external auditor of any change of Clerk, Responsible Financial Officer or Chair.
- 5 Make sure that the copy of the bank reconciliation which you send to your external auditor with the annual return covers all your bank accounts. If your body holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree your bank reconciliation to Box 8 on the Accounting statements. You must provide an explanation for any difference between Box 7 and Box 8. More help on bank reconciliation is available in the Practitioners' Guides\*.
- 6 Explain fully significant variances in the accounting statements on page 2. Do not just send in a copy of your detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include a complete analysis to support your explanation. There are a number of examples provided in the Practitioners' Guides\* to assist you.
- 7 If the external auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or you do not fully explain variances, this may incur additional costs for which the auditor will make a charge.
- 8 Make sure that your accounting statements add up and the balance carried forward from the previous year (Box 7 of 2013) equals the balance brought forward in the current year (Box 1 of 2014).
- 9 Do not complete section 3. The external auditor will complete it at the conclusion of the audit.

| Completion checklist – 'No' answers mean you may not have met requirements |  | Done? |
|--|--|-------|
| All sections   | All red boxes have been completed?   |       |
|  | All information requested by the external auditor has been sent with this annual return? Please refer to your notice of audit. |       |
| Section 1  | Approval by the body confirmed by signature of Chair of meeting approving the accounting statements?                           |       |
|  | An explanation of significant variations from last year to this year is provided?  |       |
|  | Bank reconciliation as at 31 March 2014 agreed to Box 8?   |       |
|  | An explanation of any difference between Box 7 and Box 8 is provided?  |       |
| Section 2  | For any statement to which the response is 'no', an explanation is provided?   |       |
| Section 4  | All red boxes completed by internal audit and explanations provided?   |       |

\*Note: Governance and Accountability for Local Councils in England – A Practitioners' Guides, is available from NALC and SLCC representatives or Governance and Accountability for Internal Drainage Boards in England – A Practitioners' Guides, is available from the ADA at The Association of Drainage Authorities, 12 Cranes Drive, Surbiton, Surrey, KT5 8AL or from the NALC, SLCC or ADA websites - see page 1 for addresses.





devon **audit** partnership

## Draft Internal Audit Report

Mount Edgcumbe Small  
Bodies Return 2013-14

Place Directorate

Plymouth City Council

June 2014

**OFFICIAL**

CUSTOMER  
SERVICE  
EXCELLENCE



**Auditing for achievement**

## **Devon Audit Partnership**

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The Devon Audit Partnership has been formed under a joint committee arrangement comprising of Plymouth, Torbay and Devon councils. We aim to be recognised as a high quality internal audit service in the public sector. We work with our partners by providing a professional internal audit service that will assist them in meeting their challenges, managing their risks and achieving their goals. In carrying out our work we are required to comply with the Public Sector Internal Audit Standards along with other best practice and professional standards.

The partnership is committed to providing high quality, professional customer services to all; if you have any comments or suggestions on our service, processes or standards, the Head of Partnership would be pleased to receive them at [robert.hutchins@devonaudit.gov.uk](mailto:robert.hutchins@devonaudit.gov.uk).

## **Confidentiality and Disclosure Clause**

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This report is protectively marked in accordance with the National Protective Marking Scheme. Its contents are confidential and, whilst it is accepted that issues raised may well need to be discussed with other officers within the organisation, the report itself should only be copied/circulated/disclosed to anyone outside of the organisation in line with the organisation's disclosure policies.

This report is prepared for the organisation's use. We can take no responsibility to any third party for any reliance they might place upon it.

## **1 Introduction**

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The Mount Edgcumbe Joint Committee was formed by agreement between Cornwall County Council and Plymouth City Council as joint owners of the Mount Edgcumbe Country Park.

In accordance with Regulation 6 of the Accounts and Audit Regulations 2003 Devon Audit Partnership has carried out a review of the Mount Edgcumbe Joint Committee's financial accounting systems and internal control arrangements in place for the 2013/14 financial year.

## **2 Audit Opinion**

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Good Standard - The systems and controls generally mitigate the risks identified but a few weaknesses have been identified and / or mitigating controls may not be fully applied. There are no significant matters arising for the audit and the recommendations made serve to strengthen what are mainly reliable procedures.

## **3 Executive Summary**

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Overall arrangements are of a good standard. Mount Edgcumbe Joint Committee's focus for 2013/14 has been to drive forward the transformational change of Mount Edgcumbe Park with the objective of securing its future sustainability.

Cornwall County and Plymouth City Councils agreed a total annual contribution of £314k for 2013/14, a £70k reduction from 2012/13.

As part of on-going business planning, budget monitoring and transformation projects risks to objectives are considered, however risks are not formally presented and discussed by the Joint Committee. With the continued uncertainty of Park's future sustainability, pressures on budget and the significant changes from transformational change risk management should be integral to the management decision making and business planning process

The detailed findings and recommendations regarding these issues and less important matters are described in the Appendices. Recommendations have been categorised to aid prioritisation. Definitions of the priority categories and the assurance opinion ratings are also given in the Appendices to this report.

## **4 Assurance Opinion on Specific Sections**

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The following table summarises our assurance opinions on each of the areas covered during the audit. These combine to provide the overall assurance opinion at Section 2. Definitions of the assurance opinion ratings can be found in the Appendices.

| Areas Covered |   | Level of Assurance    |
|---------------|---|-----------------------|
| 1             | Inappropriate accounting records have been maintained.  | Good Standard         |
| 2             | Payments made do not comply with financial regulations, are not approved, supported by invoices or appropriately accounted for.     | Good Standard         |
| 3             | Risks to objectives are not identified or managed.  | Improvements Required |
| 4             | Budgetary control processes are inadequate  | Good Standard         |
| 5             | Income has not been received, properly recorded or promptly banked.   | Good Standard         |
| 6             | Petty cash payments are not approved, supported by receipts or appropriately accounted for.   | Not Covered           |
| 7             | Salaries are paid without approval and PAYE and NI requirements are not met.  | Good Standard         |
| 8             | Asset and investment registers are incomplete and inaccurate.   | Good Standard         |
| 9             | Periodic and year end bank account reconciliations are not carried out.   | Not Covered           |
| 10            | Accounting statements have not been prepared on the correct basis, agreed to the cash book or supported by an adequate audit trail. | Good Standard         |

The findings and recommendations in relation to each of these areas are discussed in the "Detailed Audit Observations and Action Plan" appendix. This appendix records the action plan agreed by management to enhance the internal control framework and mitigate identified risks where agreed. Management are required to agree an action plan, ideally within three weeks of receiving the draft internal audit report. Written responses should be returned to Brenda Davis (brenda.davis@devonaudit.gov.uk) or Louise Clapton (louise.clapton@devonaudit.gov.uk). Alternatively a meeting to discuss the report and agree the action plan should be arranged with the named auditors.

## **5 Issues for the Annual Governance Statement**

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The evidence obtained in internal audit reviews can identify issues in respect of risk management, systems and controls that may be relevant to the Annual Governance Statement.

In terms of this review we are able to report that there are no issues arising that warrant inclusion in the Annual Governance Statement.

## **6 Scope and Objectives**

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To provide Mount Edgcumbe Joint Committee with an opinion on whether internal control objectives were achieved throughout the financial year.

## **7 Inherent Limitations**

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The opinions and recommendations contained within this report are based on our examination of restricted samples of transactions / records and our discussions with officers responsible for the processes reviewed.

## **8 Acknowledgements**

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We would like to express our thanks and appreciation to all those who provided support and assistance during the course of this audit.

**Robert Hutchins**  
**Head of Partnership**

## Appendix A

**Detailed Audit Observations and Action Plan**

|   |                           |
|---|---------------------------|
| <b>1. Area Covered:</b> Inappropriate accounting records have been maintained.  | <b>Level of Assurance</b> |
| <p><b>Opinion Statement:</b><br/>Mount Edgcumbe Joint Committee have maintained appropriate accounting records throughout the 2013/14 financial year.</p> <p>Plymouth City Council's CIVICA general ledger system is the main accounting system used to record the financial transactions of the Committee, from which budget monitoring reports, financial statements and statutory returns are prepared.</p> <p>A review of the internal controls operating within main accounting system were found to be of a good standard.</p> <p>No observations and recommendations recorded.</p> | <b>Good Standard</b>      |
| <b>2. Area Covered:</b> Payments made do not comply with financial regulations, are not approved, supported by invoices or appropriately accounted for.   | <b>Level of Assurance</b> |
| <p><b>Opinion Statement:</b><br/>Mount Edgcumbe Joint Committee make payments through Plymouth City Council's CIVICA creditors system.</p> <p>A review of internal controls operating within the creditors system were found to be of a good standard.</p> <p>Payments cannot be made without authorised approval, due to automated controls within the system.</p> <p>Payments were found to be correctly recorded with VAT appropriately accounted for and appropriate documentation retained to support each payment.</p> <p>No observations and recommendations recorded.</p>         | <b>Good Standard</b>      |

| <b>3. Area Covered:</b> Risks to objectives are not identified or managed.   |  | <b>Level of Assurance</b>    |   |
|--|--|------------------------------|---|
| <b>Opinion Statement:</b><br>The last risk management report to Mount Edgumbe Joint Committee was made in February 2010. Although Committee minutes do clearly demonstrate that the Joint Committee receive and discuss reports that identify the key issues impacting on its core objectives, with the continuous uncertainty of Mount Edgumbe Parks future and the budget pressures being experienced, risk management should be integral to the business planning to ensure that ongoing and future risks are identified and managed. |  | <b>Improvements Required</b> |   |
| No.  | Observation and implications   | Priority                     | Management response and action plan including responsible officer |
| 3.1  | The last risk management report to Mount Edgumbe Joint Committee was made in February 2010. Whilst it is recognised that the Mount Edgumbe Joint Committee are presented with operational delivery and budget monitoring reports that do communicate the risks to Mount Edgumbe these are not presented in a formal format that enables the overall risks to Mount Edgumbe to be considered and used to inform effective decision making. This was highlighted in the 2011/12 and 2012/13 Internal Audit Report. |                              |   |
| 3.1.1  | <p>As a minimum, at least once each year members of the Joint Committee should consider the risks to their business objectives through the formal presentation of the risk register for discussion.</p> <p>It is important that risk management processes:</p> <ul style="list-style-type: none"> <li>• identify new risks as they occur.</li> <li>• update on-going risks as necessary.</li> <li>• evaluate, update and document control measures to mitigate the risks.</li> </ul>                             | Medium                       |   |

| 4. Area Covered: Budgetary control processes are inadequate   | Level of Assurance   |
|---|----------------------|
| <p><b>Opinion Statement:</b><br/>Revenue and Capital budget monitoring reports were presented to the Mount Edgumbe Joint Committee at its meetings the 2013/14 financial year. The reports highlighted the key financial issues arising and were supported by fully detailed budget monitoring.</p> <p>The 2013/14 budget was formally presented and formally approved by the Joint Committee at its meeting in July 2013. Cornwall County and Plymouth City Council's agreed to continue to equally fund Mount Edgumbe with a total approved budget of £314K for the 2013/14 financial. The level of subsidy has continued to reduce significantly with the decrease of £70,000 from that approved in 2012/13. However to lessen the impact from the cuts to budget, Mount Edgumbe has developed a commercial busy plan which looks to increase its income streams and reduce expenditure.</p> | <b>Good Standard</b> |
| No observations and recommendations recorded.   |                      |

| 5. Area Covered: Income has not been received, properly recorded or promptly banked.   | Level of Assurance   |
|--|----------------------|
| <p><b>Opinion Statement:</b><br/>Mount Edgumbe Joint Committee receives income through Plymouth City Council's CIVICA debtors system and ICON cash receipting system.</p> <p>All expected income was properly recorded and promptly banked. VAT has been correctly accounted for.</p> <p>Overall the level of internal control was found to be of a good standard,</p> | <b>Good Standard</b> |
| No observations and recommendations recorded.  |                      |

| 6. Area Covered: Petty cash payments are not approved, supported by receipts or appropriately accounted for.   | Level of Assurance |
|--|--------------------|
| <p><b>Opinion Statement:</b><br/>We have not provided assurance with regard to petty cash transactions (internal control objective F) as we consider the balance too small to warrant detailed review.</p> | <b>Not Covered</b> |
| No observations and recommendations recorded.  |                    |



|  |                           |
|--|---------------------------|
| <b>7. Area Covered:</b> Salaries are paid without approval and PAYE and NI requirements are not met.   | <b>Level of Assurance</b> |
| <b>Opinion Statement:</b><br>Mount Edgcumbe staff are employed by Plymouth City Council with salary payments made through its iTrent Payroll System.<br><br>A review of internal controls operating within the payroll system were found to be of a good standard. Payments cannot be made without authorised approval and appropriate documentation is retained to support each employee appointment and claim for additions to pay. Payroll expenditure payments were found to be correctly recorded, and PAYE and NI deductions made in accordance with HMRC regulations. | <b>Good Standard</b>      |
| No observations and recommendations recorded.  |                           |

|   |                           |
|---|---------------------------|
| <b>8. Area Covered:</b> Asset and investment registers are incomplete and inaccurate.   | <b>Level of Assurance</b> |
| <b>Opinion Statement:</b><br>An asset register detailing Mount Edgcumbe's fixed assets has been maintained for the 2013/14 financial year.<br><br>A review of internal controls operated to ensure completeness and accuracy of the fixed asset register were found to be of a good standard. | <b>Good Standard</b>      |
| No observations and recommendations recorded.   |                           |

|  |                           |
|--|---------------------------|
| <b>9. Area Covered:</b> Periodic and year end bank account reconciliations are not carried out.  | <b>Level of Assurance</b> |
| <b>Opinion Statement:</b><br>Mount Edgcumbe Joint Committee do not have their own bank account and therefore, we have not undertaken work against control objective I. | <b>Not Covered</b>        |
| No observations and recommendations recorded.  |                           |

|  |                           |
|--|---------------------------|
| <b>10. Area Covered:</b> Accounting statements have not been prepared on the correct basis, agreed to the cash book or supported by an adequate audit trail.   | <b>Level of Assurance</b> |
| <b>Opinion Statement:</b><br>The annual return has been prepared on an income and expenditure basis, with debtors and creditors found to be correctly stated. Figures have been verified to the general ledger system and sufficient financial records have been maintained, providing a complete audit trail. | <b>Good Standard</b>      |
| No observations and recommendations recorded.  |                           |

## Definitions of Audit Assurance Opinion Levels

| Assurance                          | Definition  |
|------------------------------------|---|
| High Standard.                     | The system and controls in place adequately mitigate exposure to the risks identified. The system is being adhered to and substantial reliance can be placed upon the procedures in place. We have made only minor recommendations aimed at further enhancing already sound procedures.   |
| Good Standard.                     | The systems and controls generally mitigate the risk identified but a few weaknesses have been identified and / or mitigating controls may not be fully applied. There are no significant matters arising from the audit and the recommendations made serve to strengthen what are mainly reliable procedures.  |
| Improvements required.             | In our opinion there are a number of instances where controls and procedures do not adequately mitigate the risks identified. Existing procedures need to be improved in order to ensure that they are fully reliable. Recommendations have been made to ensure that organisational objectives are not put at risk.   |
| Fundamental Weaknesses Identified. | The risks identified are not being controlled and there is an increased likelihood that risks could occur. The matters arising from the audit are sufficiently significant to place doubt on the reliability of the procedures reviewed, to an extent that the objectives and / or resources of the Council may be at risk, and the ability to deliver the service may be adversely affected. Implementation of the recommendations made is a priority. |

## Definition of Recommendation Priority

| Priority | Definitions  |
|----------|--|
| High     | A significant finding. A key control is absent or is being compromised; if not acted upon this could result in high exposure to risk. Failure to address could result in internal or external responsibilities and obligations not being met.  |
| Medium   | Control arrangements not operating as required resulting in a moderate exposure to risk. This could result in minor disruption of service, undetected errors or inefficiencies in service provision. Important recommendations made to improve internal control arrangements and manage identified risks.                                |
| Low      | Low risk issues, minor system compliance concerns or process inefficiencies where benefit would be gained from improving arrangements. Management should review, make changes if considered necessary or formally agree to accept the risks. These issues may be dealt with outside of the formal report during the course of the audit. |

## Confidentiality under the National Protective Marking Scheme

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| Marking                                 | Definitions  |
|---|--|
| Not Protectively Marked or Unclassified | Documents, information, data or artefacts that have been prepared for the general public or are for the public web pages or can be given to any member of the public without any exemptions or exceptions to release applying, have the classification NOT PROTECTIVELY MARKED. Some organisations will also use the word UNCLASSIFIED for publicly available information. |
| Official                                | The majority of information that is created or processed by the public sector. This includes routine business operations and services, some of which could have damaging consequences if lost, stolen or published in the media, but are not subject to a heightened threat profile.   |
| Secret                                  | Very sensitive information that justifies heightened protective measures to defend against determined and highly capable threat actors. For example, where compromise could seriously damage military capabilities, international relations or the investigation of serious organised crime.   |
| Top Secret                              | The most sensitive information requiring the highest levels of protection from the most serious threats. For example, where compromise could cause widespread loss of life or else threaten the security or economic wellbeing of the country or friendly nations.   |

**PLYMOUTH CITY COUNCIL**

**Subject:** Mount Edgumbe Means Business  
**Committee:** Mount Edgumbe Joint Committee  
**Date:** 18 July 2014  
**Joint Chair:** Councillor Peter Smith, Plymouth City Council/  
Councillor Hannaford, Cornwall Council  
**Cabinet Members:** Councillor Peter Smith Plymouth City Council/  
Councillor Hannaford Cornwall Council  
**CMT Member:** Anthony Payne, Strategic Director for Place

**Author:** Stephen Pickering  
**Contact:** Tel: 07730075946  
E-mail: [steve.pickering@plymouth.gov.uk](mailto:steve.pickering@plymouth.gov.uk)

**Ref:** ME  
**Key Decision:** No  
**Part:** I

**Purpose of the report:**

This report outlines progress to date in respect of the Transformational Change project at Mount Edgumbe.

---

**The Brilliant Co-operative Council Corporate Plan 2013/14 – 2016/17:****Plymouth City Council.**

This report links to delivering the priorities within the Councils Corporate Plan particularly with regard to raising aspirations and providing value to communities

**Cornwall Council**

Business Plan Immediate Priorities: Use of resources and performance management

Environment, Planning and Economy Directorate Plan priorities:

- a) Creating a Green Cornwall
- b) Creating a better place to live
- c) Delivering excellent service

**Implications for Medium Term Financial Plan and Resource Implications:**

There are no resource implications

---

**Other Implications: eg. Child Poverty, Community Safety, Health and Safety and Risk Management:**

N/A

---

**Equality and Diversity:**

---

**Recommendations and Reasons for Recommended Action:**

i) Members note the report.

**Alternative Options Considered & Reasons for Recommended Action:**

N/A

---

**Background Papers:**

N/A

## **1. Introduction**

Towards the end of 2013 Mount Edgcumbe launched a vision statement intended to stimulate discussion and attract commercial interest in the park.

To date, most of the initial ambitious targets and objectives outlined in phase one have either been completed or scheduled for delivery.

The main objective of phase one was to stimulate activity in and around the Barrow Centre and “create a buzz” at Mount Edgcumbe to stimulate confidence that attracts additional external investment into the facilities.

The package included a long list of initiatives which can be summarised as follows:

## **2. Letting of Units**

Following a direct mail shot to over 1,500 local businesses identified as possible future tenants, the park has attracted significant interest from businesses wishing to rent units.

A letting policy has been created to enable the right businesses to be selected that bring a variety of services to increase the overall visitor offer.

To date, a total of 12 new businesses have occupied units around the barrow centre creating employment opportunities for approximately 26 people.

(See appendix for list of businesses now in occupation)

In addition, two specialist event organisers have committed to putting on monthly producers markets and vintage fairs around the Barrow centre area. This provides trading opportunities for approximately 20 – 30 small independent businesses on a regular basis.

Only a few units remain vacant and the management is currently considering a number of applications for prospective users.

The existing Segway tenant located in the Barrow Centre has reported increased sales and has exceeded income targets for the first year of trading. The tenant is now considering investing in further additional activities at Mount Edgcumbe.

### **3. General Improvements**

The external decking and play area at the Barrow centre is almost complete

A one way system for vehicles entering the park has been introduced to encourage cars to park at the Barrow centre car park. Income statistics indicate this is working and that more users now use the Barrow car park rather than Dry Walk.

Various minor schemes to widen paths, cut back bushes and alter fence lines to make the Barrow Centre more open to visitors have been completed.

Works to improve fencing around the Barrow field have been tendered and will commence shortly.

### **4. Aggressive marketing**

Direct mail-shots to business at the beginning of the year resulted in attracting business to the Barrow Centre.

Regular Television advertising on ITV Westcountry has added kudos to the park and created confidence for those wishing to invest their time and efforts into future activities.

Press campaigns and social media activities have seen a significant increase. This is helped by working together with all new tenants in a joint effort to continually promote the park.

Land train – to drive footfall to the Barrow centre. Negotiations have been completed and this train should be built and delivered by end of November, in time for launch at the Christmas event.

### **5. External Stakeholders**

Cremyll ferry reported a substantial increase in passenger numbers during May and June compared to previous year.

The Faery Festival this June saw a substantial increase in the number of visitors to their annual event, and the joint world record attempt saw just under 700 fairies gather on the avenue, which in turn created valuable and positive publicity for the park.

A successful Green Man event was held in early May to celebrate the arrival of Spring and was well attended.

Plymouth Indoor market joined forces with Mount Edgcumbe to create a Smugglers Market event in May as part of the National “Love your local market” campaign.



The park is actively encouraging and supporting a heritage lottery bid being made by a local stakeholder, Cremyll Keel boats, to restore the Lynher Barge. This project is based at Mashfords boat yard and the Lynher Barge is a historic link to partners along the Tamar, and in particular provides a connection to the Cotehele Estate to help tell the story of the Earle of Mount Edgcumbe family.

Assistance will be given by incorporating the Lynher Barge project into future publicity surrounding Mount Edgcumbe and helping them with development of the business planning.

(See appendix for further information about the project)

**6. Visitor information service**

Management are currently discussing proposals to act as agency for selling other local services.

The foyer shop in the main house will be the location of the visitor information service, and will act as a one stop shop for all future services at Mount Edgcumbe.

**7. Cremyll Lodge**

The first property allocated as a holiday letting is near completion and is likely to be delivered under the anticipated budget.

The Cremyll shop unit has received a lot of interest and is currently being marketed as available to let to a commercial tenant.

**8. Phase 2**

Planning for phase 2 of the Mount Edgcumbe Means Business project is currently being finalised and will be the subject of a future report to joint committee members.

**9. Recommendation**

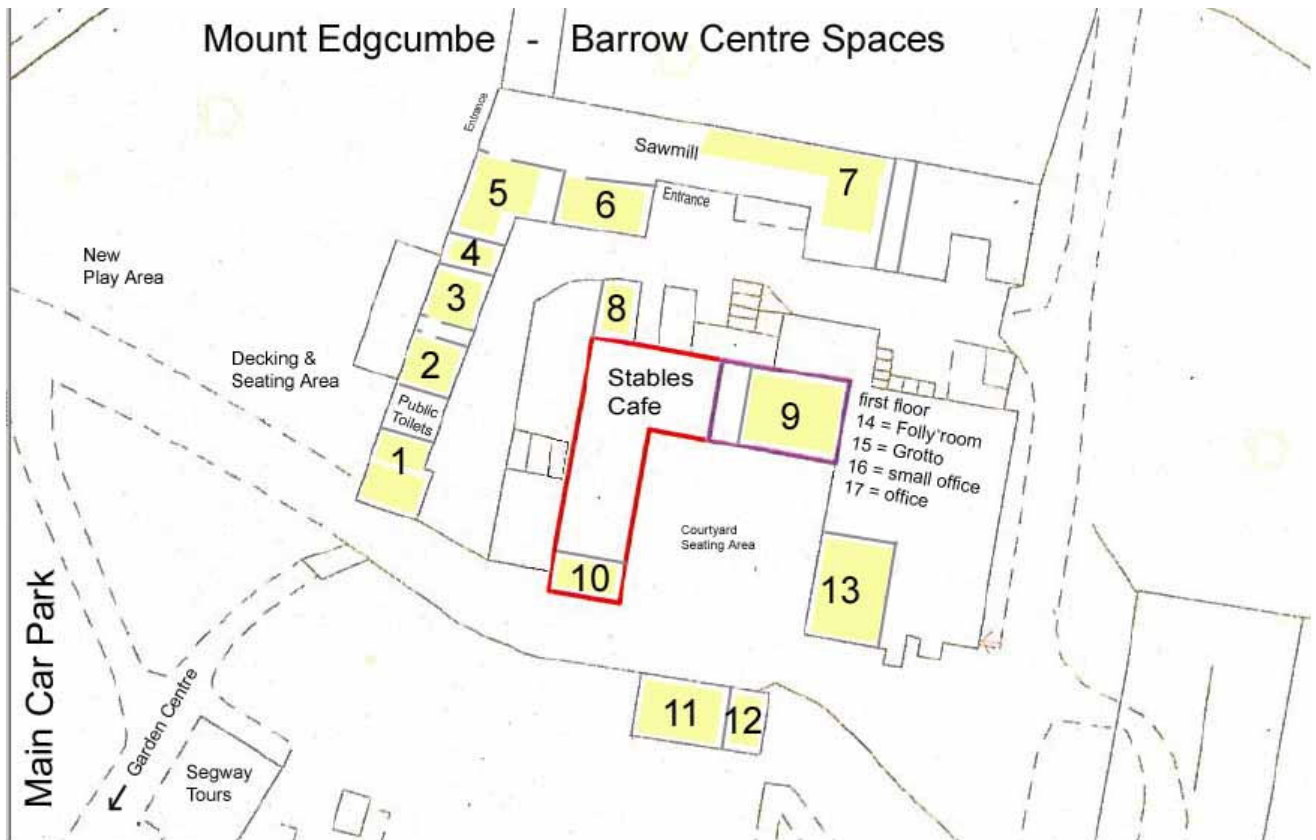
Members note the report.

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## New tenants at Mount Edgumbe 2014

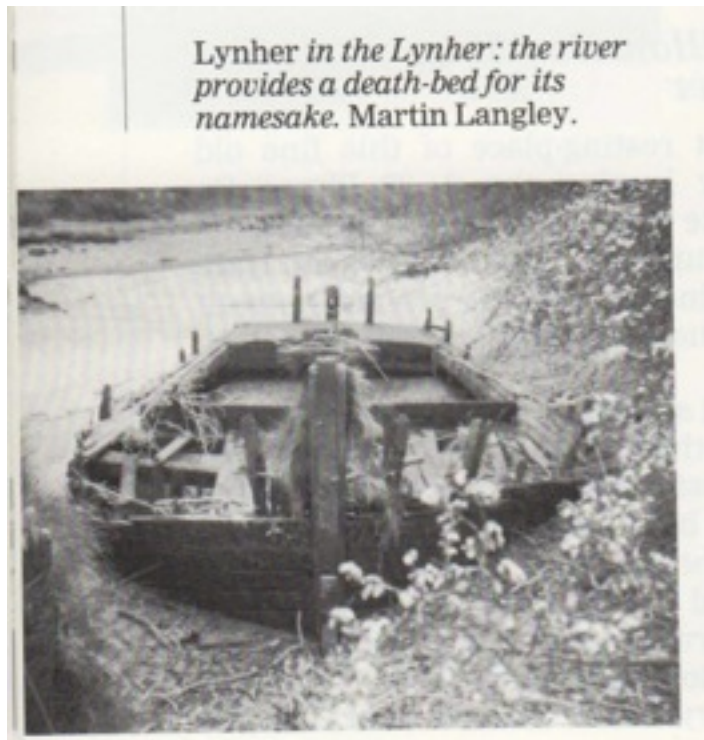
### Barrow Centre

- |              |   |
|--------------|---|
| <b>1</b>     | The Parlour – Ice Cream parlour and sweets        |
| <b>2</b>     | Vacant  |
| <b>3</b>     | Earles Garden Body Care Shop                      |
| <b>4</b>     | The Dog house – specialist pet products           |
| <b>5</b>     | Flyers Disc Golf                                  |
| <b>6</b>     | Wood Whittling Workshop                           |
| <b>7</b>     | Vacant – considering applications for exhibitions |
| <b>8</b>     | Vacant  |
| <b>9</b>     | Upcycled furniture                                |
| <b>10</b>    | X Ray Art and Design                              |
| <b>11</b>    | Fire station exhibit                              |
| <b>12</b>    | Wild Futures - Monkey Sanctuary                   |
| <b>13</b>    | Vacant – currently considering applications       |
| <b>14</b>    | Weaving Studio                                    |
| <b>15</b>    | Natural Navigation                                |
| <b>16</b>    | Vacant  |
| <b>17</b>    | Vacant  |
| <b>Other</b> | Scoots coffee – concession at Barn Pool           |



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# The Lynher Project



From the book “Lost Ships of the West Country” by Martin Langley and Edwina Small, 1978.

## What is the Lynher?

The Lynher is the last of the inside Tamar barges left standing. She is in need of specialist conservation work. The barge is lying in Cremyll Shipyard (Mashfords Yard) on the Hamoaze, the mouth of the river Tamar. Built in 1891 or 1896 (?) by James Goss of Calstock, the barge was used to transport coal, stone and other goods from the upper reaches of the river Tamar down to Plymouth. As a sailing barge she was built expressly to suit the geography of one of the Tamar tributaries, the river Lynher. The Lynher is a narrow river that bends and curls its way from St.Germans creek and it is navigable up to Notter Bridge. The Lynher barge is smack rigged as a gaff cutter. She features an original tabernacle mast system whereas she could sail and also travel under low bridges with the aid of sweeps. Her beamy displacement and shallow draft permits her to sit on the river mud quite comfortably. This is the main reason why the hull of the barge has been preserved: the river Lynher itself looked after its namesake for over three decades before she was resurrected from the mud. Her 60 tonnes capacity cargo hold speaks of days of trade under sail when goods were transported up and down the river. The barge master and the barge boy would live and breathe the river life all year round, providing a lifeline link for the river communities divided by the geography of the Tamar which is particularly warped and eludes land transport systems. Very often this is still the case nowadays, which also accounts for the outstanding natural beauty of the river shores, which are still completely unspoilt.

## **What is the heritage the Lynher Project will focus on?**

The Lynher will be restored and operated by Cremyll Keelboats, a maritime heritage Trust based at Cremyll and specialised in historic vessel conservation techniques and professional sailing.

The Lynher barge, when restored to her original specifications, will return to the river Tamar to provide transport services of people and goods. A special “heritage link” will bring visitors to the two Edgcumbe family homes (Mt.Edgcumbe House & Country Park and Cotehele National Trust Estate) and also link the historic sites of the Barbican and the Royal William Yard in Plymouth to the shores of South East Cornwall whilst delivering a traditional hands-on sailing experience to the public.

A maximum of 12 passengers will experience life aboard this unique inside river barge by sailing her up and down the river, move the tabernacle mast to drift under low bridges with the aid of sweeps and enjoy the outstanding surroundings of the Tamar and tributaries in the most environmentally friendly way. The experience in itself will be formidable with the added bonus of being transported to a different historic site to visit.

## **Marketing strategy**

In co-operation with Mt.Edgcumbe and Cotehele House the Lynher will be advertised through various media and included in brochures, websites and travel books. Passengers will be able to book tickets through the Country Park and the National Trust at Cotehele. A calendar of sailings will be published for each year, planned around the tides. A set of information available aboard will display a selection of sites of interest along the river Tamar & tributaries. The Lynher will have room in her calendar year for other activities based on the heritage of the river Tamar and its tributaries such as:

- Educational activities (in partnership with Colleges, Marine studies institutes, educational charities and social enterprises).
- Private charter (corporate events, private functions, photographic venues, themed days).
- Fair trade under sail ( transport of produce through partnerships with local producers, farm shops and markets).

## **Logistics**

The Lynher will have a choice of moorings which she will be able to use depending on her programme and weather conditions. Thanks to her hull configuration she could sit on the river mud as she was purposely built for this task.

The barge will have the following mooring points for passengers boarding/diseimbarking:

- 1) Cotehele and Morwellham upriver are obvious landing points, as well as Weir Quay and Calstock quay.
- 2) Downriver there is Cremyll, the West Mud area and the Royal William Yard on the Plymouth side (permission has been sought and obtained for these sites).
- 3) The Barbican has a landing pontoon for ferries next to the Mayflower steps – permission to land will be sought from the Cattewater Harbour Commission.

A qualified and experienced captain and mate will be employed and trained for the job. A sponsored place for a volunteer to fill the bosun position will be part of a sail training scheme for young people who demonstrate a strong interest in the maritime training field.

## **The restoration plan & skills training**

Cremyll Keelboats is preparing an application to the Heritage Lottery in order to support the Lynher's restoration project. Her unique heritage as the last of the inside Tamar barges is highly graded by the Heritage Lottery. The project will create employment and training opportunities in the marine sector on the Rame Peninsula, an area with high unemployment statistics, above all among young people, whose primary economy is fuelled by the marine industry. By creating specific training and new employment on the peninsula, the Lynher project will contribute consistently to address some fundamental issues at the heart of the communities of the Tamar river. Boatbuilding and seamanship skills are a craft which is still in high demand nowadays, nonetheless learning patterns are fragmented and lowly funded. By supporting the local community in re-discovering these skills, the Lynher project will directly incentivise the economic growth of the area. It is, however, important to obtain support and match funding from other partners to demonstrate to the Heritage Lottery that the project is valued by the wider community. Cremyll Keelboats is looking for other partners who can contribute to the aims of the Lynher Project and who share the same values. Partners can come from not-for-profit, public or private sector. Please contact the office for further details.

## The sustainability of the Lynher Project in the future

It is fundamental that, when the Lynher is launched again, she will become a sustainable operation producing enough income to maintain herself whilst fulfilling her natural role of heritage link and educational floating platform on the Tamar and its tributaries.



The Lynher at Mashfords, awaiting restoration

Cremyll Keelboats has taken steps in this direction by forging a strong partnership with Mt.Edgcumbe to support the application and the future business plan. Direct benefits to both parties are tangible and clear. Mt.Edgcumbe will widen its offer of attractions to visitors who value the Edgcumbe's and Tamar's unique heritage. The Lynher marketing campaign will be supported by Mt.Edgcumbe thus providing a solid and effective background to the Lynher's commercial operation. A business plan has been prepared by Cremyll Keelboats where valid options are presented to pinpoint the Lynher's position as a commercial operation in the future years after the end of the HLF project. Sensible and sustainable outcomes have been identified in order to produce a project which, it is hoped, will benefit both the communities and the wider public. Heritage tourism will be one of the main assets, the other two being skills training in boatbuilding and seamanship and respect of the environment by alternative ways of transporting goods.



## HLF Application timetable

January 2014 - pre-application has been submitted; consultation with HLF begins

May 2014 – Application is submitted

September 2014 – HLF replies, if approved, the Development Phase starts

September 2015 - Cremyll Keelboats and Partners submit Round 1 to HLF

January 2016 – HLF replies, if approved, the Lynher restoration project starts

March 2018 – HLF the Lynher restoration project ends



1900s River barges under load. From the book “Victorian and Edwardian Sailing Ships”. By Basil Greenhill and Ann Giffard, 1976.

## Advertising campaign & participation of the public

An extensive participation of the public programme will last for the whole duration of the project which is considered to be 26 months circa.

During this period Mt.Edgcumbe and other partners will have the opportunity to advertise their common aims by supporting the participation of the public programme. The programme will include exhibitions, presentations, workshops, lectures and excursions all focus on learning about the trade and shipping days of the Tamar river and its tributaries and the heritage of the Edgcumbe family. It will attract a wide range of people and organisations and create new networks.

High visibility from the very beginning of this campaign will guarantee an effective promotion of the Lynher Project thus amplifying the resonance of the partners’ common aims in order to benefit a wide range of social sectors.

## List of organisations which expressed support in the project

1. Mount Edgcumbe Country Park, part of Plymouth and Cornwall Councils
2. Marine Training Academy Plymouth
3. Tamar Valley AONB
4. Tamar Valley Growers
5. Mashfords Boatyard, Cremyll
6. Falmouth Marine School (part of Cornwall College)
7. Cotehele House, National Trust
8. Pentillie Castle
9. Weir Quay Boatyard
10. Real Ideas Organisation

## Appendix A - Lynher (ref. National Historic Ships Registry)

**Tamar Barge** built 1896 by Goss, James, Calstock



Certificate no

1137

Status

National Historic Fleet

### Propulsion

Primary Propulsion **Sail**      Engine: **Diesel**      Engine year **1975**

### Dimensions

Air Draft **To be confirmed**      Breadth: Beam **17.57 feet (5.36 metres)**

Length: Overall: **51.18 feet (15.61 metres)**      Depth: **3.61 feet (1.10 metres)**

Tonnage: Gross

## 25.00

### History

The Tamar barge LYNHER was built in 1896 by James Goss at Calstock. Such barges carried coal, wood, limestone, sand and dung from Plymouth to Tamar Gardens. At one time she was owned by Mr Brand of Tudeford Post Office and Stores. He employed her bringing up supplies to his shop from Devonport.

For years after this she was engaged in stone carrying from Poldrissick quarries. The quarry owners, the Steed Brothers, had invested in other similar barges BLUE ELVAN, ELIZABETH JANE and TRIUMPH. Her last owner was Captain Sam Daymond of Saltash who re-registered her in 1924 when she was fitted with an engine. It is believed that she was last at work in 1954, though possibly reduced to a dumb lighter. The vessel was abandoned in the mud at Poldrissick quarry on the River Lynher in 1952 and recovered for restoration in 1989.

### Key dates

1. **1896**

Vessel built by James Goss at Calstock, Cornwall.

2. **1924**

Owner based in Saltash, Cornwall, fitted vessel with an engine.

3. **1952**

Vessel abandoned at Poldrissick quarry on the River Lynher.

4. **1989**

Recovered for restoration.

### Bibliography

1. **1988** Lost Ships of the West Country - Langley, M and Small, E
2. **1998** Classic Boat Classic one Lynher
3. **2000** Classic Boat Lifted from the Lynher



## **Appendix B - The river Tamar (From the BBC Discover Devon Files)**

The River Tamar is where Devon ends and Cornwall begins.

The 50 mile long waterway provides a natural county boundary, starting just four miles short of Bude on the north Cornwall coast and flowing south, reaching the sea at Plymouth Sound in south west Devon. At the estuary, the Tamar merges with the rivers Tavy, Plym and Lynher and you can't think of the Tamar in isolation. Together, the Tamar, Tavy and Lynher are a designated Area of Outstanding Natural Beauty.

Flanked by ancient woodland along lengthy stretches, the rivers also provide rare habitat.

The intertidal systems are perfect for mudflats, saltmarshes and reedbeds - all home to birdlife, including the Avocet. The woodlands are also a haven for birds and butterflies as well as rare lichen and orchids.

The Tamar-Tavy Estuary and the Lynher Estuary are both protected Sites of Special Scientific Interest (SSSI) because of the habitat and wildlife. There is important heathland up river as well, where rare birds like the Dartford Warbler can be found.

The location and climate have made the Tamar Valley an important area for market gardening. At the height of the industry, the valley was covered with apple orchards, while cherries, strawberries and daffodils were also produced, not only for local consumption but for cities elsewhere in the country. Market gardening still takes place in the valley, but on a much smaller scale.

The valley is historically important, with evidence of Stone and Bronze Age settlements - especially on the Cornish side of the river. Kit Hill is a good example. All the way up the Tamar, there are magnificent medieval stone arch bridges - some of which are over 500 years old.

### **Plymouth: the growth of a city**

At the mouth of the Tamar, on the Devon side, there is the port city of Plymouth, and Devonport Dockyard. This is where there is a potential clash between industry and naval interests on the one hand, and the environment on the other.

But the two have co-existed for centuries. Devonport Dockyard's origins date back to 1691, when William of Orange commissioned the building of a new dockyard to support the Royal Navy in the Western Approaches.

### **A world heritage site**

The River Tamar has always played an important role in industry and the region's economy.

Mineral extraction was the key industry in the Tamar Valley dating back many centuries, and in 2006, the Cornwall and West Devon's Mining Landscape won World Heritage Site status. Tin, silver, lead, granite and copper were all mined in areas like Lopwell, Bere Alston and Morwellham. In fact, Morwellham Quay on the Devon side of the river was a centre for shipping minerals for 1,000 years. The Quay is now a visitor attraction.

The minerals were transported down the river to the sea until the advent of the railways - and Brunel's amazing Royal Albert Bridge across the Tamar. Isambard

Kingdom Brunel's bridge was an extraordinary feat of Victorian engineering. It was completed in 1859 and it was built to bear the weight of three express trains. It's still the main rail link between Cornwall and the rest of the country. The bridge opened Cornwall up for visitors - as did the Tamar road bridge, built more than a century later.

The Tamar Bridge was opened in 1961, and it was then the longest suspension bridge in the UK. The toll bridge was recently widened at a cost of £34 million. Before such engineering feats were possible, the only way to cross the Tamar was via the little bridges further up the river - or by boat.

An Act of Parliament in 1791 granted the major landowners - like the Earls of Mount Edgumbe and St Germans - permission to operate a ferry across the Tamar between Plymouth and Torpoint. A succession of Torpoint ferries have operated during the past 200 years, and now there are three: the Plym, the Lynher and the Tamar.

Like the Tamar Bridge, the Torpoint Ferries are now run by the a joint committee involving Plymouth City Council and Cornwall County Council.

A smaller ferry, the Cremyll Ferry, also runs from Admirals Hard, Plymouth to Mount Edgumbe, Cornwall. The Cremyll Ferry was first documented way back in 1204 - so 2004 was its 800th anniversary. These days, the Tamar is largely recreational - a place to visit, walk, enjoy a boat trip, and take in the scenery and wildlife. And, of course, it remains the most unique county boundary in England.



**Tamar river barges moored at Cotehele, vintage 1909 print by Sutton Palmer.**

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