

# Mount Edgcumbe Joint Committee



Date of meeting:	22 November 2019
Title of Report:	<b>Revenue Budget Monitoring 2019/20</b>
Lead Member:	Councillor Peter Smith (Deputy Leader)
Lead Strategic Director:	Anthony Payne (Strategic Director for Place)
Author:	Christopher Burton, Mount Edgcumbe Park Manager
Contact Email:	Chris.Burton@plymouth.gov.uk
Your Reference:	n/a
Key Decision:	No
Confidentiality:	Part I - Official

## Purpose of Report

This report presents an update of the financial position for the Mount Edgcumbe Joint Committee for financial year 2019/20.

## Recommendations and Reasons

It is recommended that Joint Committee:

- Notes the financial position contained in the report along with the risks, issues and any mitigating actions
- Notes the capital programme and proposals to be presented to Plymouth City Council's Investment Board

## Alternative options considered and rejected

None.

## Relevance to the Corporate Plan and/or the Plymouth Plan

This monitoring report links to delivering the priorities within the Council's Corporate Plan.

## Implications for the Medium Term Financial Plan and Resource Implications:

A forecast nil variation to budget was reported to the Joint Committee and the final outturn is a nil variation to budget.

## Carbon Footprint (Environmental) Implications:

n/a.

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

\* When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.

Monitoring of commercial project delivery times and ensuring they perform in accordance with budgets set, with continued focus to sensibly capitalise on existing assets, to generate new and / or more income as soon as possible.

**Appendices**

\*Add rows as required to box below

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
		1	2	3	4	5	6	7
A	Briefing report title							
B	Equalities Impact Assessment (if applicable)							

**Background papers:**

\*Add rows as required to box below

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
	1	2	3	4	5	6	7

**Sign off:**

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Originating Senior Leadership Team member: Nicola Moyle											
Please confirm the Strategic Director(s) has agreed the report? Yes Anthony Payne Date agreed: 13/11/2019											
Cabinet Member approval: [electronic signature (or typed name and statement of 'approved by email/verbally')] Councillor Peter Smith Date approved: 14/11/2019											

**Section I****Revenue outturn 2018/19 - Financial summary**

Business Type	Activities			2019/20 Budget			2019/20 Forecast			Variation to net Budget	Comments
	Previous Year	As at Now	Increase / decrease	Income	Expenditure	Net	Income	Expenditure	Net		
			%	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Staffing & Operations				(53)	580	527	(53)	593	540	13	
House	8,030	7,410	-8%	(41)	41	0	(41)	41	0	0	Visitor admissions
Gardens				0	13	13	0	13	13	0	
Grounds				(27)	102	75	(27)	102	75	0	
Trading Activities:										0	
Conferences	16	6	-66%	(8)	5	(3)	(8)	5	(3)	0	Bookings
Rents	39	42	8%	(185)	28	(157)	(185)	28	(157)	0	42 Units let 43 Total
Chalets	81	81	0%	(76)	0	(76)	(76)	0	(76)	0	Units let 21 year Lease from 2020
Parking				(94)	3	(91)	(110)	3	(107)	(16)	N/A
Special Events	18	13	-37%	(41)	31	(10)	(41)	31	(10)	0	Does not include SAT park run
Holiday Lets	651	702	8%	(121)	63	(58)	(121)	66	(55)	3	Days occupied -Max poss 183 days per let
Glamping	115	125	9%	(11)	5	(6)	(11)	5	(6)	0	Days occupied -Max 109 per hut
Weddings	26	24	-8%	(26)	8	(18)	(26)	8	(18)	0	Wedding Functions
Filming	2	0	-100%	(1)	0	(1)	(1)	0	(1)	0	
Misc. Activities				(5)	0	(5)	(5)	0	(5)	0	No Measurable comparison
Total Operations				(689)	879	190	(705)	895	190	0	
<b>Subsidy</b>											
Cornwall CC				(95)	0	(95)	(95)	0	(95)	0	
Plymouth CC				(95)	0	(95)	(95)	0	(95)	0	
Total				(190)	0	(190)	(190)	0	(190)	0	
Deficit / (surplus)						0			0	0	

## 1.2 Commentary

Key variations to budget can be summarised as:

- £13k Additional staffing
- (£16k) Additional Parking income
- £2.8k Utilities pressure Lady Emma's Cottage

### Staffing & operations

Salary cost increase pressure due to per temps working on projects.

### Trading activities

Holiday Lets:

- New lets completion slower than original timetable, due to additional works required. Income re-profiled during budget preparation.

Parking:

- Income increased by higher parking tariffs and new parking machines have been introduced.

### Subsidy

Remains at £95k per-authority in 2019/20 but future years subject to ongoing review. Please see appendix I for prior year subsidy trend analysis.

## Section 2

### 2.1 Revenue budget planning 2020/21

Budgets are a work in progress due to joint authority subsidy yet to be finalised and review carried-out of commercial project delivery timetable. Budgets will progress savings targets, future income streams (includes parking and events) and revenue implications of capital projects proposed.

## Section 3

### 3.1 Approved capital programme

Scheme	Funding	Prior year spend £	19/20 Budget £	Total Scheme £
Commercialisation	Loan (50% CCC & 50% PCC)	372,159.28	264,310.72	636,470
Cremyl Car Park	Loan (50% CCC & 50% PCC)		70,000.00	70,000
		372,159.28	334,310.72	706,470

## Section 4

### 4.1 Risk Register

Risks are recorded below to reflect those activities that may happen and could affect the monitoring position, but are not currently included in the latest forecast.

Topic	2019/20 Risk Details	Risk Value £000s	Risk H/M/L	Mitigation £000s
VAT to be charged on wedding packages	HMRC advice re 4 year backdated £34k repayment due. 19/20 & future bookings need to comply.	£28k	H	34k total pressure to be funded: 6k remaining historical reserve balance <b>14k PCC pressure</b> <b>14k CCC pressure</b> Potential for £28k pressure to be reduced through proactive efforts to delay or reduce other 19/20 revenue spend. This will be reassessed at month 9 and 19/20 forecast possibly amended.
Overspend of 18/19 capital programme, currently without approved funding solution	Former year £650k capital project for Cremyl Quay has overspent the EA grant funding available by £52k.  Cornwall Council has advised that £26k is now due from PCC to fund 50%.	£52k	H	Decision now required regarding how overspend is to be funded. PCC & CCC Capital Finance teams to progress.

## Section 5

### 5.1 Recommendations

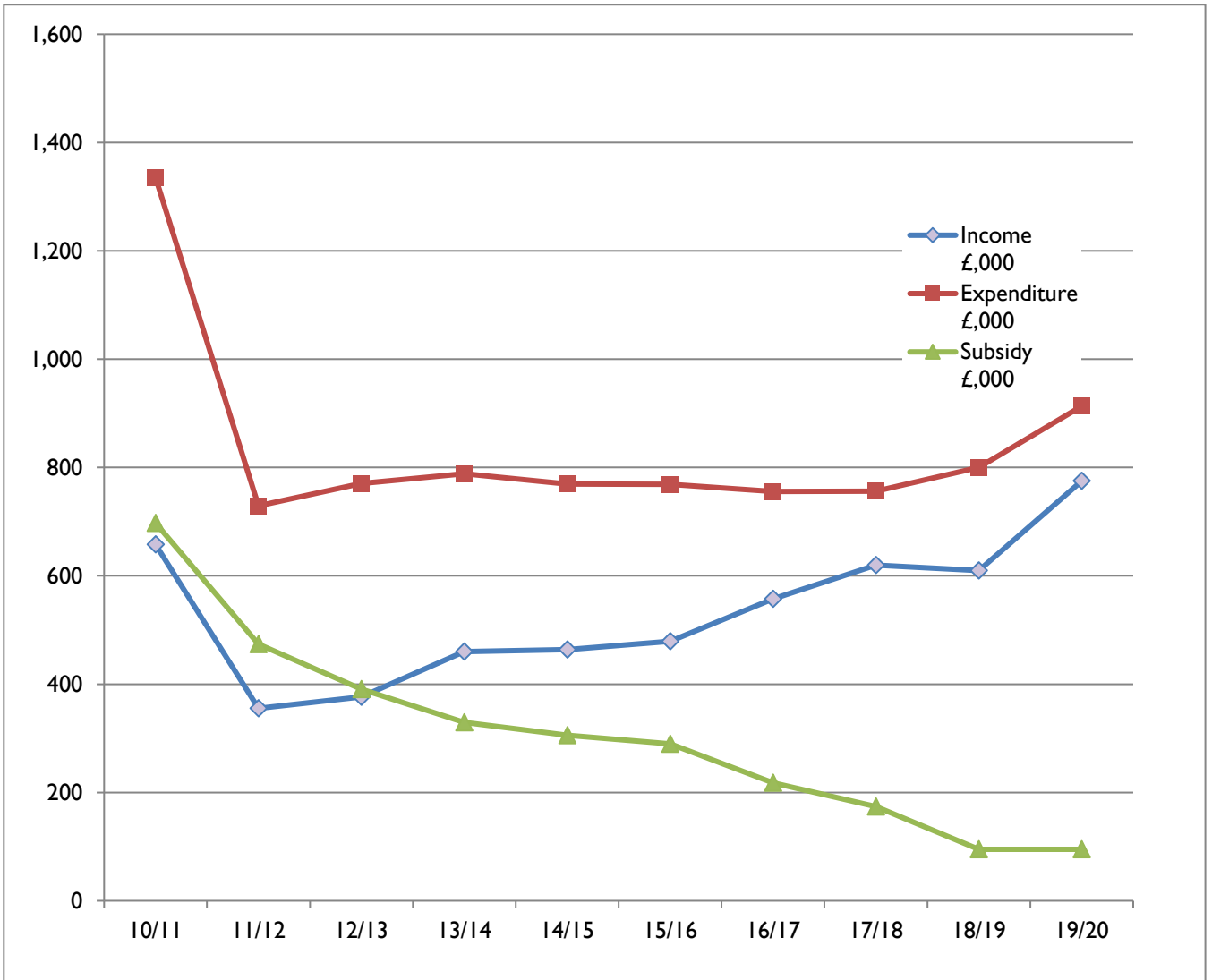
It is recommended that Joint Committee:

- Notes the financial position contained in the report along with the risks, issues and any mitigating actions
- Notes the capital programme and proposals to be presented to Plymouth City Council's Investment Board, subject to a detailed business case

**Appendix I**

**1.0 Income & Expenditure V's subsidy**

Financial performance over the last 10 years.



**Note**

Financial year 2019/20 represents projected income and expenditure, based on current budgeted projects. It is also expected that as more commercial income is achieved the subsidy will be reduced.