

Mount Edgcumbe Joint Committee



Date of meeting:	31 July 2020
Title of Report:	Mount Edgcumbe Revenue Outturn 2019/20
Lead Member:	Councillor Peter Smith (Deputy Leader)
Lead Strategic Director:	Anthony Payne (Strategic Director for Place)
Author:	Christopher Burton, Mount Edgcumbe Park Manager
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Your Reference:	2019/20
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

This presents the final outturn position of Mount Edgcumbe for the financial year 2019/20 and confirms the 2020/21 budget.

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:

The 2020/21 budget has been built into the medium term financial plan and will be used to update both Authorities for budget monitoring

Carbon Footprint (Environmental) Implications:

None

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.

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Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.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)						
	If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.						
	1	2	3	4	5	6	7

Sign off:

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Originating Senior Leadership Team member: David Draffan											
Please confirm the Strategic Director (Anthony Payne) has agreed the report? Yes Date agreed: 21/07/2020											
Cabinet Member approval: Councillor Peter Smith (by email dated 17 July 2020) Date approved: 17/07/2020											

Section I**I.1 Revenue outturn 2019/20 - Financial summary**

Business Type	Activities			2019/20 Budget			2019/20 Outturn			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	(59)	570	511	(16)	
House	8,030	7,542		(41)	41	0	(38)	56	18	18	Visitor admissions
Gardens				0	13	13	(5)	7	2	(11)	
Grounds				(27)	102	75	(39)	106	67	(8)	
Trading Activities:											
Conferences	16	9	-50%	(8)	5	(3)	(1)	0	(1)	2	Bookings
Rents	39	40	3%	(185)	28	(157)	(159)	32	(127)	30	40 Units let 43 Total
Chalets	81	81	-	(76)	0	(76)	(73)	0	(73)	3	Units let 21 year Lease from 2020
Parking				(94)	3	(91)	(89)	3	(86)	5	N/A
Special Events	18	19	6%	(41)	31	(10)	(41)	27	(13)	(3)	Does not include SAT park run
Holiday Lets	651	1065	64%	(121)	63	(58)	(117)	82	(35)	23	Days occupied -Max poss 183 days per let
Glamping	115	75	-34%	(11)	5	(6)	(8)	4	(4)	2	Days occupied -Max 109 per hut
Weddings	26	25	-4%	(26)	8	(18)	(31)	4	(27)	(9)	Wedding Functions
Filming	2	0	-100%	(1)	0	(1)	(0)	0	(0)	1	
Misc. Activities				(5)	0	(5)	(4)	0	(4)	1	No Measurable comparison
Total Operations				(689)	879	190	(663)	892	229	39	
Subsidy											
Cornwall CC				(95)	0	(95)	(115)	0	(115)	20	
Plymouth CC				(95)	0	(95)	(115)	0	(115)	20	
Total				(190)	0	(190)	(229)	0	(229)	39	
Deficit / (surplus)						0			0	0	

1.2 Commentary

Key variations to budget can be summarised as:

Staffing and Operations

The amalgamated outstanding principal on capital borrowing terms have been extend to 25 years giving an in year saving.

House

Additional costs for lift repairs, removal of asbestos & fire extinguisher testing.

Gardens

Saving on supplies and services

Rents

Shortfall due to vacant properties & Electricity costs

Holiday lets

New lets for 2019/20

Section 2

2.1 Revenue budget planning 2020/21

Business Type	2020/21 Budget		
	Income	Expenditure	Net
	£'000	£'000	£'000
Staffing & Operations	(53)	582	529
House	(41)	43	2
Gardens	0	13	13
Grounds	(27)	103	76
Trading Activities:			
Conferences	(8)	1	(7)
Rents	(185)	28	(157)
Chalets	(74)	0	(74)
Parking	(94)	3	(91)
Special Events	(41)	28	(13)
Holiday Lets	(107)	63	(44)
Glamping	(10)	5	(5)
Weddings	(40)	6	(34)
Filming	(1)	0	(1)
Misc. Activities	(5)	0	(5)
Total Operations	(686)	876	190
Subsidy			
Cornwall CC	(95)	0	(95)
Plymouth CC	(95)	0	(95)
Total	(190)	0	(190)

2.2 Revised Budget 2020/21 (impact of Coronavirus)

Business Type	LF 2020/21 Budget		
	Income	Expenditure	Net
	£'000	£'000	£'000
Staffing & Operations	(53)	576	523
House	0	39	39
Gardens	0	13	13
Grounds	(27)	91	64
Trading Activities:			
Conferences	0	0	0
Rents	(165)	28	(137)
Chalets	(74)	0	(74)
Parking	(74)	3	(71)
Special Events	(41)	28	(13)
Holiday Lets	(86)	63	(23)
Glamping	0	5	5
Weddings	(12)	6	(6)
Filming	(1)	0	(1)
Misc. Activities	(5)	0	(5)
Total Operations	(538)	853	315
Subsidy			
Cornwall CC	(158)	0	(158)
Plymouth CC	(158)	0	(158)
Total	(315)	0	(315)

Our first quarter position for Mt Edgcombe shows that COVID-19 is having a significant impact on our 2020-21 budget with an additional budget forecast of £125k: in line with central government's lockdown guidance, the house has remained closed since April, weddings have been postponed wherever possible, and all holiday lets, events and glamping have been suspended until the 4th July. In addition there remains a potential financial risk of £106k – see section four below – as a result of visitors staying at home and not using the car parks and a loss of rental income also due to the impact of the pandemic.

Section 3**3.1 Approved capital programme**

Project	Funding	Prior Year £	2019/20 £	2020/21 £	Total £
Mount Edgcombe Cremyll Car Park	Service Borrowing		66,775.00	3,225.00	70,000.00
Mount Edgcombe Commercialisation	Service Borrowing	372,159.28	75,823.22	388,487.50	836,470.00

Section 4**4.1 2020/21 Risk Register**

Risks are recorded below to reflect those activities that may happen and could affect the monitoring position.

Mt Edgcumbe		£'000s
Rent income	Written off rent income invoices due to COVID19.	0.086
Car parking & special events.	<u>Car parking</u> Forecast variation above assumed £20k loss. As the summer months are when much of the income is received, there remains a strong risk that more cars stay away than assumed in forecast above, estimated at £10k <u>Special Events</u> Net effect of cancellation of events incl. Green Man and Rally at an estimated net £10k loss	0.020

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

Mount Edgcumbe Income, Expenditure and Subsidy

