

Mount Edgumbe Joint Committee



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|--------------------------|-------------------------------------------------|
| Date of meeting: | 20 November 2020 |
| Title of Report: | Mount Edgumbe Revenue Monitoring 2020/21 |
| Lead Member: | Councillor Peter Smith (Deputy Leader) |
| Lead Strategic Director: | Anthony Payne (Strategic Director for Place) |
| Author: | Christopher Burton, Mount Edgumbe Park Manager |
| Contact Email: | Chris.Burton@plymouth.gov.uk |
| Your Reference: | 2020/21 |
| Key Decision: | No |
| Confidentiality: | Part I - Official |

Purpose of Report

This report presents the Q2 position of Mount Edgumbe for the financial year 2020/21 and outlines progress to confirm the 2021/22 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 financial position for Mount Edgumbe is set out in section one of the report.

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.

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If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.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:

| | | | | | | | | | | | |
|----------------------------------------------------------------------------------|----------------------|-----|--------------------------------|------------|---------------------------------------|----|---------------------------------------|------------|---------------------------------------|---------------|---------------------------------|
| Fin | pl.20. 21.1 39 | Leg | 3370 9A/A C/10/ 11/20 | Mon Off | Click here to enter text. | HR | Click here to enter text. | Asset s | Click here to enter text. | Strat Proc | Click here to enter text. |
| Originating Senior Leadership Team member: David Draffan | | | | | | | | | | | |
| Please confirm the Strategic Director (Anthony Payne) has agreed the report? Yes | | | | | | | | | | | |
| Date agreed: 06/11/2020 | | | | | | | | | | | |
| Cabinet Member approval: Councillor Peter Smith email 11 November 2020 | | | | | | | | | | | |
| Date approved: 11/11/2020 | | | | | | | | | | | |

Section I**I.1 Q2 Revenue Position - Financial summary**

| Business Type | Activities | | | 2020/21 Budget | | | 2020/21 LF | | | Variation to net Budget £'000 | Comments |
|-----------------------|---------------|-----------|---------------------|----------------|-------------|-------|------------|-------------|-------|----------------------------------|-------------------------------------------|
| | Previous Year | As at Now | Increase / decrease | Income | Expenditure | Net | Income | Expenditure | Net | | |
| | | | | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| Staffing & Operations | | | | (53) | 577 | 524 | (50) | 551 | 502 | (22) | |
| House | 7,542 | 0 | (7,542) | (41) | 43 | 2 | 0 | 39 | 39 | 37 | House closed due to Coronavirus |
| Gardens | | | | 0 | 13 | 13 | 0 | 9 | 9 | (4) | |
| Grounds | | | | (27) | 108 | 81 | (26) | 98 | 72 | (9) | |
| Trading Activities: | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Conferences | 9 | 0 | (9) | (8) | 1 | (7) | 0 | 0 | 0 | 7 | No Bookings due to Coronavirus |
| Rents | 40 | 40 | 0 | (185) | 28 | (157) | (165) | 28 | (137) | 20 | 43 units available currently 40 Units let |
| Chalets | 81 | 81 | 0 | (74) | 0 | (74) | (74) | 0 | (74) | 0 | Chalets are let on a 21 year Lease |
| Parking | | | | (94) | 3 | (91) | (74) | 3 | (71) | 20 | N/A |
| Special Events | 19 | 0 | (19) | (41) | 28 | (13) | (8) | 8 | 0 | 13 | Cancelled due to Coronavirus |
| Holiday Lets | 1065 | 596 | (44) | (107) | 63 | (44) | (72) | 55 | (16) | 28 | Days occupied - Max poss 183 days per let |
| Glamping | 75 | 66 | (9) | (10) | 5 | (5) | (7) | 5 | (1) | 3 | Days occupied - Max 109 per hut |
| Weddings | 25 | 3 | (22) | (40) | 6 | (34) | 0 | 6 | 6 | 40 | Weddings postponed due to Coronavirus |
| Filming | 0 | 0 | 0 | (1) | 0 | (1) | (1) | 0 | (1) | 0 | |
| Misc. Activities | | | | (5) | 0 | (5) | (5) | 0 | (5) | 0 | No Measurable comparison |
| Total Operations | | | | (686) | 876 | 190 | (481) | 803 | 322 | (132) | |
| Subsidy | | | | | | | | | | | |
| Cornwall CC | | | | (95) | 0 | (95) | (161) | 0 | (161) | 66 | |
| Plymouth CC | | | | (95) | 0 | (95) | (161) | 0 | (161) | 66 | |
| Total | | | | (190) | 0 | (190) | (322) | 0 | (322) | 132 | |
| Deficit / (surplus) | | | | | | 0 | | | 0 | (0) | |

1.2 Commentary

COVID-19 has had a significant impact on our 2020-21 budget from the start of the new financial year to now and may continue until March. We have been responding to managing and mitigating the financial impact on operations.

In line with central government's lockdown guidance, the house and Earl's Garden have remained closed since April, weddings have been postponed wherever possible, events and glamping were suspended until the 4th July.

We are reporting an additional budget forecast requirement of £132k: and in addition there remains a potential financial risk of £0.0260k – see section four below – as a result of visitors staying at home and therefore not using the car parks plus a loss of rental income also due to the impact of the pandemic.

Section 2

2.1 Revenue budget planning 2021/22

Budget setting continues for 2021-22. The level of joint authority subsidy has yet to be finalised, and a review is underway to assess the likely impact of existing and future income streams for Mount Edgumbe – this includes the new holiday properties coming on stream later this year and next year, the Trenninow chalets and the revenue implications of proposed new capital projects. It is expected that the new budget will be agreed in the New Year.

2.2 Revised Budget Forecast 2020/21 (impact of Coronavirus)

| Business Type | September LF 2020/21 Budget | | |
|-------------------------|-----------------------------|-------------|--------------|
| | Income | Expenditure | Net |
| | £'000 | £'000 | £'000 |
| Staffing & Operations | (50) | 551 | 502 |
| House | 0 | 39 | 39 |
| Gardens | 0 | 9 | 9 |
| Grounds | (26) | 98 | 72 |
| Trading Activities: | 0 | 0 | 0 |
| Conferences | 0 | 0 | 0 |
| Rents | (165) | 28 | (137) |
| Chalets | (74) | 0 | (74) |
| Parking | (74) | 3 | (71) |
| Special Events | (8) | 8 | 0 |
| Holiday Lets | (72) | 55 | (16) |
| Glamping | (7) | 5 | (1) |
| Weddings | 0 | 6 | 6 |
| Filming | (1) | 0 | (1) |
| Misc. Activities | (5) | 0 | (5) |
| Total Operations | (481) | 803 | 322 |
| Subsidy | | | |
| Cornwall CC | (161) | 0 | (161) |
| Plymouth CC | (161) | 0 | (161) |
| Total | (322) | 0 | (322) |

Section 3

3.1 Approved capital programme

| Project | Funding | Prior Year £ | 2020/21 £ | 2021/22 £ | Total £ |
|---------------------------------|-------------------|-----------------|--------------|--------------|------------|
| Mount Edgumbe Cremyll Car Park | Service Borrowing | 66,775.00 | | 3,225.00 | 70,000.00 |
| Mount Edgumbe Commercialisation | Service Borrowing | 447,982.50 | 188,487.50 | 200,000.00 | 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 Edgumbe | |
|---------------|--------------------------------------------------------------------------------|
| Rental income | Estimated risk of £26,000. of written off rent income invoices due to COVID19. |

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

