

Mount Edgumbe Joint Committee



Date of meeting:	14 July 2023
Title of Report:	Mount Edgumbe Revenue Outturn 2022/23
Lead Member:	Councillor Jemima Laing (Deputy Leader, and Cabinet Member for Children's Social Care, Culture, Events and Communications)
Lead Strategic Director:	Anthony Payne (Strategic Director for Place)
Author:	Christopher Burton, Mount Edgumbe Park Manager
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Your Reference:	2022/23
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

This presents the final outturn position of Mount Edgumbe for the financial year 2022/23 and confirms the 2023/24 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

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 2023/24 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.*

None

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Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.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)						
	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(s) has agreed the report? Yes											
Date agreed: 29/06/2023											
Cabinet Member approval: Councillor Jemima Laing (Deputy Leader, and Cabinet Member for Children's Social Care, Culture, Events and Communications)											
Date approved: 06/07/2021											

Section I**I.1 Revenue outturn 2022/23 - Financial summary**

Business Type	2022/23 Budget			2022/23 Outturn			Variation to Budget	Comments
	Income	Expenditure	Net	Income	Expenditure	Net		
	£'000	£'000	£'000	£'000	£'000	£'000		
Staffing & Operations	(9)	574	565	(66)	564	498	(67)	(£50k) Use of reserve balance (£11k) Staff costs (£6k) Income from donations
House	(34)	43	9	(23)	91	68	59	£29k One-off repair costs £8k Utilities £13k Admissions income £9k Temp staff costs
Gardens	0	14	14	(4)	20	16	2	
Grounds	(27)	151	124	(47)	209	162	38	£25k Repairs and Maintenance including £15k one-off costs. £6k Waste disposal £7k Legal/Survey fees
Trading Activities:								
Alpacas	(8)	8	0	(8)	8	0	0	
Conferences	(2)	1	(1)	0	0	0	1	
Rents	(157)	33	(124)	(175)	57	(118)	6	Increased utility cost offset by increased rent and service recharge income
Chalets	(364)	0	(364)	(340)	0	(340)	24	Loss of chalet rental income
Parking	(91)	7	(84)	(87)	6	(81)	3	Did not achieve income targets
Special Events	(38)	28	(10)	(50)	48	(2)	8	Increased event costs
Holiday Lets	(216)	120	(96)	(210)	122	(88)	8	Rent income and utility pressures
Glamping	(16)	13	(3)	(11)	11	0	3	
Weddings	(50)	17	(33)	(66)	22	(44)	(11)	Weddings exceeded income target
Misc. Activities	(1)	4	3	(2)	3	1	(2)	
Total Operations	(1,013)	1,013	0	(1,089)	1,161	72	72	
Subsidy								
Cornwall CC			0			36	36	
Plymouth CC			0			36	36	
Total Deficit / (surplus)	0	0	0			72	72	

1.2 Commentary

The breakeven target budget, whereby circa £1m of income was budgeted to meet £1m of costs, was not achieved for 2022/23.

A £0.072m adverse outturn variation was subsidised equally by Plymouth CC and Cornwall CC.

This £0.072m variation was largely due to energy pressures. It is also noted that there were various one-off repair and maintenance costs, health & safety cost pressures and a loss of rent income from chalets.

Section 2

2.1 Revenue budget 2023/24

Business Type	2023/24 Budget		
	Income	Expenditure	Net
	£'000	£'000	£'000
Staffing & Operations	(12)	589	577
House	(24)	62	38
Gardens	0	14	14
Grounds	(27)	152	125
Trading Activities:			
Alpacas	(13)	8	(5)
Conferences	(2)	0	(2)
Rents	(157)	39	(118)
Chalets	(355)	0	(355)
Parking	(96)	7	(89)
Special Events	(46)	30	(16)
Holiday Lets	(235)	119	(116)
Glamping	(16)	13	(3)
Weddings	(70)	19	(51)
Misc. Activities	(2)	3	1
Total Operations	(1,055)	1,055	0

2.2 Commentary

The Mount Edgcombe team are to review achievement from commercial activities after the summer period and explore opportunities to maximise grant funding opportunities with support from ED colleagues.

A comprehensive review of all the capital plans is underway with the Capital Finance Team.

Section 3

3.1 Approved Capital Programme

Project	Funding	Prior Year £	2022/23 £	2023/24 £	Total £
Mount Edgcumbe Cremyll Car Park	Service Borrowing	75,234.09	0.00	0.00	75,234.09
Mount Edgcumbe Commercialisation	Service Borrowing	659,979.10	0.00	171,256.81	831,235.91
Mount Edgcumbe Mower	Cap Receipts	0.00	0.00	9,000.00	9,000.00

3.2 Capital Commentary

Mount Edgcumbe have a Capital Receipt available of £198k from the sale of a chalet. £9k of this was used for the purchase of a Mower, leaving £189k remaining for use. It is yet to be confirmed how the Capital Receipt will be used, however it has been decided to use these funds on projects that are not income generating. For example, a refurbishment of the Orangery Toilets.

There also remains £165k of a historical service borrowing approval from a previously approved programme of commercial projects that included the Tree House that did not happen. To be able to divert these funds, Mount Edgcumbe will need to draft an updated commercialisation programme. The latest service borrowing rate is now at 6% meaning that the borrowing of £165k over 10 years would cost approx. £22,418 per annum.

Section 4

4.1 2023/24 Risk Register

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

Mt Edgcumbe		£'000s
Achieving the 23/24 target break-even budget	Risk based on breakeven target not having been achieved 22/23.	tbc

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