

Mount Edgumbe Joint Committee



Date of meeting:	10 November 2023
Title of Report:	Mount Edgumbe Budget Monitoring 2023/24
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
Contact Email:	Chris.Burton@plymouth.gov.uk
Your Reference:	2023/24 Q2
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

This presents the Q2 position of Mount Edgumbe for the financial year 2023/24

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.

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If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.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

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Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.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	DJN. 23.2 4.13 5	Leg	LS/0 0001 966/ AC/1 /11/2 3.	Mon Off	N/A	HR	N/A	Assets	N/A	Strat Proc	N/A
Originating Senior Leadership Team member: Anthony Payne											
Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed: 31/10/2023											
Cabinet Member approval: Councillor Mark Lowry (Cabinet Member for Finance) <i>approved by email</i>											
Date approved: 01/11/2023											

Section I**I.1 Q2 Revenue Position 2023/24 - Financial summary**

Business Type	2023/24 Budget			2023/24 Forecast			Variation to net Budget	Comments
	Income	Expenditure	Net	Income	Expenditure	Net		
	£'000	£'000	£'000	£'000	£'000	£'000		
Staffing & Operations	(12)	589	577	(12)	600	588	11	Staff salary pressure
House	(24)	62	38	(37)	79	42	4	Temporary staff cost pressure offset by insurance claim income
Gardens	0	14	14	(4)	18	14	0	
Grounds	(27)	152	125	(26)	176	150	25	Repairs & Maintenance – Including Sewage repair works and replacement of Play Equipment
Trading Activities:								
Alpacas	(13)	8	(5)	(11)	8	(3)	2	Income pressure
Conferences	(2)	0	(2)	(2)	0	(2)	0	
Rents	(157)	39	(118)	(157)	35	(122)	(4)	Insurance premiums saving
Chalets	(355)	0	(355)	(355)	0	(355)	0	
Parking	(96)	7	(89)	(96)	7	(89)	0	
Special Events	(46)	30	(16)	(46)	30	(16)	0	
Holiday Lets	(235)	119	(116)	(235)	113	(122)	(6)	Saving from annual borrowing charges
Glamping	(16)	13	(3)	(16)	13	(3)	0	
Weddings	(70)	19	(51)	(70)	19	(51)	0	
Misc. Activities	(2)	3	1	(2)	3	1	0	
Total Operations	(1,055)	1,055	0	(1,069)	1,101	32	32	
Subsidy								
Cornwall CC			0			16	16	
Plymouth CC			0			16	16	
Total Deficit / (surplus)			0			32	32	

1.2 Commentary

The breakeven target budget, whereby circa £1m of income was budgeted to meet £1m of costs, is currently forecast not to be achieved in 2023/24.

A £0.032m adverse variation is subsidised equally by Plymouth CC and Cornwall CC.

This £0.032m variation is largely due to staff salary cost and one-off repair and maintenance cost pressures. Repairs and maintenance pressures include emergency sewage repair works and also the replacement of Play Equipment due to Health & Safety concerns.

Section 2

2.1 Revenue budget planning 2024/25

Initial budget planning work is underway for 2024/25. The joint authority subsidy was removed for 2022/23, and this will be the target ongoing. Opportunities to maximise existing and future income streams for Mount Edgumbe continues.

Section 3

3.1 Approved Capital Programme

Project	Funding	Prior Year	2023/24	2024/25	Total
		£'000s	£'000s	£'000s	£'000s
Mount Edgumbe Cremyll Car Park	Service Borrowing	75	0	0	75
Mount Edgumbe Orangery Toilets	Service Borrowing & FOME Contribution	0	120	0	120
Mount Edgumbe Play Park	FOME Contribution & Revenue Contribution	0	21	0	21
Mount Edgumbe Marquee	Development Funding	0	20	0	20
Mount Edgumbe Mower	Cap Receipts	0	9	0	9
Mount Edgumbe Commercialisation	Service Borrowing	660	7	0	667

3.2 Capital Commentary

Mount Edgumbe 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. The Capital Receipt has been ringfenced to be used as match funding for the bid put forward for a new Marquee.

Approval has been granted for works to begin on the Orangery Toilets in preparation for the 2024 wedding season. This project has been financed by £60k of Service Borrowing and a £60k contribution from the Friends of Mount Edgumbe (FOME). The Service Borrowing repayments will be financed by the income generated from the weddings booked. It was decided that there would be a risk of loss of wedding bookings due to the current state of the Orangery Toilets.

A new Play Park was installed in the Barrow Centre due to the previous equipment being deemed unsafe and unusable. The new Play Park is made from carbon fibre, meaning that the asset will have a longer life than the previous equipment which was made from wood. The project has been financed by a £8k contribution from FOME and the remaining £13k has come from a revenue contribution.

Development Funding has been approved for £20k to cover the costs of works required to submit a bid to CIOS Good Growth Fund for a new wedding marquee. If successful, the project will be financed by the Good Growth Grant and the remaining Cap Receipt. It must be noted that Development

Funding must be repaid if the grant bid is successful. If the project is unsuccessful, all costs related to the project will be classed as abortive costs and will be charged to revenue.

The Mount Edgumbe Commercialisation project is now complete, and the remaining Service Borrowing is no longer required. The forecast has now been reduced to reflect this and no further costs are expected.

Section 4

4.1 2023/24 Risk Register

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

Mt Edgumbe financial risks		£'000s
Achieving the 23/24 target break-even budget	There are further risks that may increase the forecast level of overspend. This includes repairs and maintenance, with budgets having been exhausted at this early period of the year.	tbc
Unsuccessful grant bid for the marquee	If the bid is not successful, the marquee project cannot go ahead, resulting in having to use the current marquee which is in a bad state. This could result in less wedding bookings meaning less income. Also, any expenditure relating to the marquee that is sat in the capital accounts would be classed as abortive costs and would be recharged to revenue.	20 (abortive costs) Loss of wedding income 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.