

# Mount Edgumbe Joint Committee



Date of meeting:	12 July 2024
Title of Report:	<b>Mount Edgumbe Revenue Outturn 2023/24</b>
Lead Member:	Councillor Jemima Laing (Deputy Leader, and Cabinet Member for Children's Social Care, Culture and Communications)
Lead Strategic Director:	Anthony Payne (Strategic Director for Place)
Author:	Jozef Lewis (Lead Accountant)
Contact Email:	Jozef.Lewis@plymouth.gov.uk
Your Reference:	2023/24
Key Decision:	No
Confidentiality:	Part I - Official

## Purpose of Report

Presents the final outturn position of Mount Edgumbe for the financial year 2023/24 and confirms the 2024/25 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, including 'spending money wisely', 'providing quality public services', and 'green investment, jobs, skills, and better education'.

## Carbon Footprint (Environmental) Implications:

None

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

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If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.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	Mount Edgcombe Revenue Outturn 2023/24							

**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Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.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If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.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. 24.2 5.03 1	Leg	LS/0 0001 966/ AC/2 /7/24	Mon Off	N/A	HR	N/A	Asset s	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: 03/07/2024

Cabinet Member approval: Councillor Jemima Laing, approved via email

Date approved: 04/07/2024

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

Business Type	2023/24 Budget			2023/24 Outturn			Variation to net Budget	Comments
	Income	Expenditure	Net	Income	Expenditure	Net		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Staffing & Operations	(12)	589	577	(16)	595	579	2	
House	(24)	62	38	(28)	98	70	32	Staff, Energy and Repairs & Maintenance cost pressures
Gardens	0	14	14	(7)	20	13	(1)	
Grounds	(27)	152	125	(50)	183	133	8	Repairs & Maintenance
Trading Activities:								
Alpacas	(13)	8	(5)	(9)	10	1	6	Did not achieve net income target
Conferences	(2)	1	(1)	(1)	0	(1)	0	
Rents	(157)	39	(118)	(190)	62	(128)	(10)	Increased income offset by increased energy costs
Chalets	(355)	0	(355)	(371)	0	(371)	(16)	Increased rental income
Parking	(96)	7	(89)	(89)	14	(75)	14	Adverse weather impacted income
Special Events	(46)	30	(16)	(29)	22	(7)	9	Adverse weather impacted income generating events
Holiday Lets	(235)	119	(116)	(193)	115	(78)	38	Booking/Income reduction
Glamping	(16)	13	(3)	(10)	10	0	3	Did not achieve net income target
Weddings	(70)	19	(51)	(63)	18	(45)	6	Did not achieve net income target
Filming	(1)	0	(1)	(2)	0	(2)	(1)	
Misc. Activities	(2)	3	1	(2)	3	1	0	
<b>Total Operations</b>	<b>(1,055)</b>	<b>1,055</b>	<b>0</b>	<b>(1,060)</b>	<b>1,150</b>	<b>90</b>	<b>90</b>	
<b>Subsidy</b>								
Cornwall CC			0			45	45	
Plymouth CC			0			45	45	
<b>Total Deficit / (surplus)</b>			<b>0</b>			<b>90</b>	<b>90</b>	

## 1.2 Commentary

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

The £0.090m adverse variation is subsidised equally by Plymouth CC and Cornwall CC.

This £0.090m variation is largely due to increased energy and staff salary costs, reduced Holiday let income 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 2024/25

Business Type	2024/25 Budget		
	Income	Expenditure	Net
	£'000	£'000	£'000
Staffing & Operations	(15)	637	622
House	(27)	62	35
Gardens	0	14	14
Grounds	(27)	158	131
Trading Activities:			
Alpacas	(9)	8	(1)
Conferences	(1)	1	0
Rents	(179)	45	(134)
Chalets	(387)	0	(387)
Parking	(108)	7	(101)
Special Events	(27)	14	(13)
Holiday Lets	(231)	125	(106)
Glamping	(16)	11	(5)
Weddings	(70)	15	(55)
Misc. Activities	(2)	3	1
<b>Total Operations</b>	<b>(1,100)</b>	<b>1,100</b>	<b>0</b>

### 2.2 Commentary

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.

The Mount Edgumbe team are to review achievement from commercial activities after the summer period and explore opportunities to maximise grant funding opportunities.

## Section 3

### 3.1 Approved Capital Programme

Project	Funding	Prior Year	2023/24	2024/25	Total
		£'000s	£'000s	£'000s	£'000s
Mount Edgcumbe Cremyll Car Park	Service Borrowing	75	0	0	<b>75</b>
Mount Edgcumbe Orangery Toilets	Service Borrowing & FOME Contribution	0	122	0	<b>122</b>
Mount Edgcumbe Play Park	FOME Contribution & Revenue Contribution	0	20	0	<b>20</b>
Mount Edgcumbe Deerfield Carriages	Service Borrowing	0	5	53	<b>58</b>
Mount Edgcumbe Marquee	Development Funding	0	0	20	<b>20</b>
Mount Edgcumbe Mower	Cap Receipts	0	9	0	<b>9</b>
Mount Edgcumbe Commercialisation	Service Borrowing	660	7	0	<b>667</b>

### 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. The Capital Receipt has been ringfenced to be used as match funding for a bid put forward for a new Marquee. £20k of Development Funding has been approved to cover the cost of works required to submit a grant funding bid for a new wedding marquee. If successful, the project will be financed by Grant and the remaining Cap Receipt. It must be noted that Development Funding has to be repaid once 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.

Approval was 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 Edgcumbe (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.

Works have now begun on the Deerfield Carriages project. A horse has already been purchased and the stables have been built. This project has been fully financed by Service Borrowing with the loan repayments being paid for by the income generated from the Deerfield Carriage rides.

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.

The Mount Edgcumbe Commercialisation and the Mount Edgcumbe Cremyll Car Park projects are now complete with the remaining Service Borrowing no longer being required. The forecast has now been reduced to reflect this with no further costs expected.

**Section 4****4.1 2024/25 Risk Register**

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

<b>Mt Edgumbe financial risks</b>		<b>£'000s</b>
Achieving the 2024/25 target break-even budget	Risk based on breakeven target not having been achieved 2023/24.	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.