

Mount Edgumbe Joint Committee



Date of meeting:	15 November 2024
Title of Report:	Mount Edgumbe Budget Monitoring 2024/25
Lead Member:	Councillor Jemima Laing (Deputy Leader, and Cabinet Member for Children's Social Care, Culture and Communications)
Lead Strategic Director:	Karime Hassan (Interim Strategic Director for Growth)
Author:	Christopher Burton, Mount Edgumbe Park Manager
Contact Email:	Chris.Burton@plymouth.gov.uk
Your Reference:	2024/25 Q2
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

This presents the Q2 position of Mount Edgumbe for the financial year 2024/25

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:

Former years joint authority subsidy budgets were removed 2022/23 onwards.

The target budget ongoing remains a breakeven position, whereby circa £1.1m of income is currently budgeted to meet £1.1m of costs.

Opportunities to maximise existing and future income streams continues to be balanced against the need to meet rising costs.

Financial Risks

A forecast 2024/25 £0.080m adverse variation would be subsidised equally by Plymouth CC and Cornwall CC. There are further risks that may increase the forecast level of overspend. Details are summarised in 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.

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If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.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

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. 24.25. 118	Leg	LS/00 0019 66/1/ AC/5/ 11/24	Mon Off	N/A	HR	N/A	Asset s	N/A	Strat Proc	N/A
-----	-----------------------	-----	--	------------	-----	----	-----	------------	-----	---------------	-----

Originating Senior Leadership Team member: Karime Hassan

Please confirm the Strategic Director(s) has agreed the report? Yes

Date agreed: 06/11/2024

Cabinet Member approval: Councillor Jemima Laing (Deputy Leader, and Cabinet Member for Children's Social Care, Culture and Communications)

Date approved: 07/11/2024

Section I**I.1 Q2 Revenue Position 2024/25 - Financial summary**

Business Type	2024/25 Budget			2024/25 Forecast			Variation to net Budget	Comments
	Income	Expenditure	Net	Income	Expenditure	Net		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Staffing & Operations	(15)	637	622	(15)	634	619	(3)	Salary savings
House	(27)	62	35	(36)	64	28	(7)	Insurance claim income
Gardens	0	14	14	(6)	20	14	0	
Grounds	(27)	158	131	(16)	152	136	5	Grant funding
Trading Activities:								
Alpacas	(9)	8	(1)	(8)	7	(1)	0	
Conferences	(1)	1	0	0	0	0	0	
Rents	(179)	45	(134)	(179)	60	(119)	15	Electricity cost
Chalets	(387)	0	(387)	(387)	0	(387)	0	
Parking	(108)	7	(101)	(86)	12	(74)	27	Adverse weather and delay in planned fee increase
Special Events	(27)	14	(13)	(27)	14	(13)	0	
Holiday Lets	(231)	125	(106)	(200)	122	(78)	28	Booking/Income pressure
Glamping	(16)	11	(5)	(10)	10	0	5	Forecast to not achieve net income target
Weddings	(70)	15	(55)	(60)	15	(45)	10	Booking/Income pressure
Filming	(1)	0	(1)	(1)	0	(1)	0	
Misc. Activities	(2)	3	1	(2)	3	1	0	
Total Operations	(1,100)	1,100	0	(1,033)	1,113	80	80	
Subsidy								
Cornwall CC			0			40	40	
Plymouth CC			0			40	40	
Total Deficit / (surplus)			0			80	80	

1.2 Commentary

The breakeven target budget, whereby circa £1.1m of income was budgeted to meet £1.1m of costs, is currently forecast not to be achieved in 2024/25.

A forecast £0.080m adverse variation will be subsidised equally by Plymouth CC and Cornwall CC. This £0.080m variation is largely due to increased energy cost, Holiday let income and parking pressures. Poor weather at key periods and delays in a planned fee increase has resulted in parking income targets being unachievable this year.

The context for this adverse position is that tourism in the South West is down. This downturn has particularly impacted outdoor based attractions with tourists instead preferring to plan activities not impacted by unreliable weather.

Section 2

2.1 Revenue budget planning 2025/26

Initial budget planning work is underway for 2025/26. The joint authority subsidy was removed for 2022/23, and this will be the target ongoing. Opportunities to maximise existing and future income streams continues to be balanced against the need to meet rising costs.

Section 3

3.1 Approved Capital Programme

Project	Funding	Prior Year	2024/25	2025/26	Total
		£'000s	£'000s	£'000s	£'000s
Mount Edgcumbe Orangery Toilets	Service Borrowing & FOME Contribution	122	13	0	135
Mount Edgcumbe Play Park	FOME Contribution & Revenue Contribution	20	0	0	20
Mount Edgcumbe Deerfield Carriages	Service Borrowing	5	53	0	58
Mount Edgcumbe English Garden House	FOME Contribution, Historic England Grant & DEFRA Grant	0	326	0	326
Mount Edgcumbe Marquee	Development Funding	0	20	0	20
		147	412	0	559

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. However, £12,500 of this Capital Receipt had to be used to purchase a new flatbed truck. This is not yet on the Capital Programme as it is currently going through the CPOG Approval process. This then leaves £176,500 of Capital Receipt available. £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 must 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.

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.

Works have now begun on the Deerfield Carriages project. Two horses have now 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.

The English Garden House project was approved in September 2024 and works are currently underway. This is being financed from a £20k contribution from FOME, £50k grant from Historic England and £256k grant from DEFRA. This project must be completed by 31st March 2025 as per the grant terms & conditions.

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.

Mt Edgcumbe financial risks		£'000s
Achieving the 2024/25 target break-even budget	There are further risks that may increase the forecast level of overspend. This includes repairs and maintenance, with most budgets having been exhausted at this period of the year.	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.