

**CITY OF PLYMOUTH
MOUNT EDGCUMBE JOINT COMMITTEE**

Joint Chairs: Councillor T Beer, Plymouth City Council/
Councillor G Trubody, Cornwall Council

SMT Members: Director of Community Services
Director of Corporate Support

Cornwall Council Officer: Head of Environment and Heritage Service, Cornwall Council

Subject: Revenue Outturn 2010/11 incorporating Statement of Accounts 2010/11

Committee: Mount Edgcumbe Joint Committee

Date: 24 June 2011

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Ref: ME

Part: I

Executive Summary:

The Mount Edgcumbe Joint Committee revenue accounts for 2010/11 have now been finalised subject to final audit. This report presents the outturn for this Joint Committee and compares this with the latest forecast.

**Corporate Plan 2011-2014:
Plymouth City Council:**

This monitoring report links to delivering the priorities within the Council's corporate plan.

Cornwall Council:

Business Plan Immediate Priorities: Use of resources and performance management
Environment, Planning and Economy Directorate Plan priorities:
Creating a Green Cornwall
Creating Better Places to Live
Delivering Excellent Services

**Implications for Medium Term Financial Plan and Resource Implications:
Including finance, human, IT and land**

The net 2010/11 revenue actual at year end is £0.303m, a small reduction from the forecast deficit of £0.308m reported in February. A Joint Committee report presented on 10 December 2010 recommended a number of options to address an ongoing operating deficit in 2011/12. Together with Constituent Authority approval to increase financial support to £0.474m from £0.384m in 2011/12 will produce a balanced budget. The challenge in 2011/12 will be to ensure operations are contained to approved level of constituent authority support, and proposals through the business plan and work by

Mount Edgumbe Officers Working Group to align operations to future Constituent Authority support levels no greater than £0.384m and to increase the Joint Committee's level of reserves.

Other Implications: e.g. Section 17 Community Safety, Health and Safety, Risk Management, etc.

- Increased risk management will need to take place to manage the impact of the challenging financial position.

Recommendations & Reasons for Recommended action:

It is recommended that the Joint Committee:

- a) notes the report.
- b) notes that constituent authority accounts have reflected the additional financial support required for 2010/11 to address the revenue shortfall.
- c) the statement of accounts be recommended for approval.
- d) annual governance statement be recommended for approval.

Background Papers: Mount Edgumbe 2010/11 Business Plan, 2010/11 Monitoring

Sign Off

Fin	SA CoSF LA1112 001	Leg	LT8773	HR	N/A	AM	N/A	IT	N/A
Originating SMT Member				James Coulton					

MOUNT EDGCUMBE JOINT COMMITTEE

Mount Edgumbe Joint Committee – 24th June 2011

REVENUE BUDGET OUTTURN 2010/11

1. INTRODUCTION

- 1.1. The Mount Edgumbe revenue accounts for 2010/11 have been finalised, subject to final audit and this report compares the outturn position with the Joint Committees final estimate as noted in February.
- 1.2. Variations are reported in Appendix A broken down by park operation.

2. 2010/11 REVENUE PROVISIONAL OUTTURN – JOINT COMMITTEE

- 2.1. The Joint Committee's revenue provisional outturn position for 2010/11 as presented in Appendix A and can be summarised as follows:-

	£'000
Total operating expenditure	1,355
Less: General receipts	658
Contribution from constituent authorities	<u>394</u>
Deficit 2010/11 (shared equally by constituent Authorities)	<u>303</u>

3. 2010/11 REVENUE OUTTURN VARIATIONS

- 3.1. As reported to previous Joint Committees the forecast budget for 2010/11 anticipated a budget shortfall of £308k, with provisional outturn reflecting a favourable variance of £5k, an explanation of the various budget movements is detailed below.
- 3.2. Final costs for core house and park operations reflect an improvement of (£16k). There were adverse variations against core staffing £2k and grant monies from grant monies for the Sudden Oak Death scheme £10k, offset by utility/cleaning underspend (£6k), curtailing spend for equipment/grounds maintenance (£6k), transport (£2k); advertising (£4k) and increased income through use of facilities, land rents, car parking and donations (£10k).
- 3.3. The operating deficit for the Stables increased by £6k at year end to £23k, and reflected additional spend from February not incorporated in the previous forecast part of which related to events held in March. As catering was concentrated to the Stables complex this removed trading risks from the Orangery which had a minor variation at year end.
- 3.4. Retail activities at Barrow Shop had an increased deficit of £6k at year end identified through year end stock take, this is an area of trading risk that will continue to be reviewed and reported through monitoring.

4. **ANNUAL RETURN FOR THE YEAR ENDED 31 MARCH 2011**

- 4.1. Approval is required to the above statement which is attached in appendix B for submission to external audit by auditors appointed by the Audit Commission. There has been a significant change with the value of fixed assets through the reclassification of assets and revaluations of the outbuilding complex.
- 4.2. Members' approval is required to Section 2 Annual Governance Statement and a 'YES' response to the eight statements made. The Internal Audit has identified sound operational review of risks takes place which has been documented within progress reports regularly reported to the Joint Committee.
- 4.3. The Internal Audit report gives the Audit Opinion that the overall financial arrangements are of a good standard. Points have been raised regarding the need for appropriate action to increase Joint committee's level of reserves and review risks.

5. **RECOMMENDATIONS**

- 5.1. It is recommended that -
 - a) notes the report.
 - b) notes that constituent authority accounts have reflected the additional financial support required for 2010/11 to address the revenue shortfall.
 - c) the statement of accounts be recommended for approval;
 - d) annual governance statement be recommended for approval.