

## MOUNT EDGCUMBE JOINT COMMITTEE

**Joint Chairs:** Cllr Mavin and Cllr Mrs Murray

**CMT Member:** Director for Lifelong Learning  
Director of Corporate Resources

**CCC Officer:** County Treasurer

**Subject:** Revenue Budget – Financial Update

**Committee:** Mount Edgcumbe Joint Committee

**Date:** 29<sup>th</sup> October 2004

**Author:** Steve Snooks, Community Leisure Manager

**Contact:** email: [steve.snooks@plymouth.gov.uk](mailto:steve.snooks@plymouth.gov.uk)  
Telephone: 307129

**Ref:** WE/RO

**Part:** I

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### Executive Summary:

This report presents an update on the financial position of the Joint Committee identifying variations to the Original Estimate and a discussion on 2005/06 budget planning.

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### Corporate Plan:

This report is consistent with the Corporate Plan of monitoring performance against budgets during the year.

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

The overall effect of the variations against the revenue budget listed in the report will leave the account in balance.

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**Other Implications: e.g. Section 17 Community Safety, Health and Safety etc.**  
N/A

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### Recommendations & Reasons for recommended action:

1. It is recommended that the report be noted.
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### Alternative options considered and reasons for recommended action

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**Background papers:** Mount Edgcumbe Revenue Budget Financial update –  
13<sup>th</sup> February 2004

### Sign off:

Fin	RO	Leg		HR		L.P.		IT	
Originating CMF Member									

# **MOUNT EDGCUMBE JOINT COMMITTEE**

**Mount Edgcumbe Joint Committee – 29<sup>th</sup> October 2004**

## **REVENUE BUDGET – FINANCIAL UPDATE**

### **1. INTRODUCTION**

The purpose of this report is:

- 1.1. To present to the Joint Committee the latest monitoring position for 2004/05 - as at 30<sup>th</sup> September 2004 for Mount Edgcumbe detailing significant variations.
- 1.2. To consider guidelines for 2005/06 budget planning.

### **2. 2004/05 REVENUE BUDGET**

2.1. As reported on 13<sup>th</sup> February the approved budget for 2004/05 anticipated a balanced budget. The monitoring is based on an examination of the budget up to 30<sup>th</sup> September 2004 and takes into account all known variations identified and compares the expenditure and income to a profile of the 2004/05 original estimate.

2.2. Appendix A details the actual spend as at 30<sup>th</sup> September, original budget, profiled budget and variations against the latest forecast. The Joint Committee will note that at the 30<sup>th</sup> September, that having profiled certain expenditure/income, a shortfall of £6,750 has accrued to date.

2.3. Appendix A also shows a projection for the full year based on the variations to date and any known future expenditure or income not included in the budget. It is anticipated that the accounts would show funding available for match funding of £5,500, but subject to any approvals by the Committee for additional expenditure elsewhere.

2.4. Members' attention is drawn to more significant variations against the budget:

2.4.1. Salaried staffing costs have increased through the full time employment of the employee dealing with weddings, which had previously been budgeted at 0.4 fte.

2.4.2. Wages for shop, garden and house staff have been profiled seasonally whereby spend at 30<sup>th</sup> September equals 60% of the annual budget. Currently there is a budget pressure through sick pay totalling £7,620 being incurred within the first six months, and a further £8,500 has been identified against extended contract costs for three employees (subject to Joint Committee approval), which will in part be contained within the wage budget with the balance of £4,960 being contained within the overall Mount Edgcumbe account.

2.4.3. A saving of £2,000 against other employee costs has arisen though recruitment advertising being done locally.

2.4.4. Current cleaning spend has exceeded the budget through additional contract cleaning being required through staff sickness.

2.4.5. Additional costs of £3,000 have been incurred through work being financed through the Countryside Stewardship scheme, which in this first year will generate £9,500 additional income.

2.4.6. The equipment budget is forecast to incur an additional £1,200 spend against fire fighting equipment identified in a recent assessment and a further spend of £1,000 is forecast against uniforms (wet weather).

2.4.7. Admission Income profile is based on previous years trends actual income to 30<sup>th</sup> September is showing a favourable variance of £3,000. A further comparison of admission income is contained in Appendix B, which shows actual income up to week 26 to be significantly improved from the generally consistent previous four years.

2.4.8. A projected shortfall of £3,500 against function income is forecast. This is the second full year of this activity, which demonstrates that the budget could have been over optimistic, however with 2005/06 deposits standing at 27 achieving this budget in future years appears attainable. It should be noted that there are also deposits for 7 weddings in 2006/07.

2.4.9. Land rental is likely to show a shortfall of £1,575 at the end of the year through the vacation of the current grazier and new grazing arrangements being introduced.

2.4.10. Car parking income has been profiled against previous income whereby at 30<sup>th</sup> September 2003 £27,445 had been received, as this current income is inline with this a forecast has been calculated based on the 2003/04 outturn which was £5,000 above budget. A comparison of car park income over the past five years is contained in Appendix A.

### **3. 2005/06 BUDGET PLANNING**

3.1. The financial position for 2004/05 is in balance with match funding of £5,500 being identified as accruing at the end of the year.

3.2. The use of the House for weddings continues to establish itself, and in the 2004 season admission income has increased significantly, which will act as a basis for a prudent increase. Car Park income generated in 2004/05 is inline with the previous financial year and will also be increased to reflect this. Income through the Countryside Stewardship Scheme will continue to support sound park management whilst incurring minor additional expenditure. Given that other factors (e.g. inflation increasing income and expense) are likely to be broadly neutral, initial estimates indicate that the 2005/06 budget will remain in balance.

3.3. For budget planning purposes Officers are assuming an inflationary increase to contributions given to the Joint Committee, currently £192,000 a piece.

### **4. RECOMMENDATIONS**

4.1. It is recommended that the report be noted.

**P Stethridge and M Robinson**  
Joint Clerks

**A Broome and F Twynning**  
Joint Treasurers