

PLYMOUTH CITY COUNCIL
MOUNT EDGCUMBE JOINT COMMITTEE

Subject: Revenue Outturn 2011/12
Committee: Mount Edgumbe Joint Committee
Date: 27 July 2012
Joint Chairs: Councillor Peter Smith, Plymouth City Council
Councillor Trubody, Cornwall Council
Cabinet Member: Councillor Peter Smith, Plymouth City Council
Councillor Double, Cornwall Council
CMT Member: Director for Place, Plymouth City Council
Senior CC officer Assistant Head of Service, Waste and Environment,
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Ref: ME
Key Decision: No
Part: I

Purpose of the report:

This report presents the outturn for 2011/12 and an update on the financial position of the Joint Committee for financial year 2012/13.

Members' attention is drawn to the confidential information referred to in item 10 which is considered to be commercially sensitive.

Corporate Plan 2012-2015:

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**

As per the report that went to the Joint Committee in February this year's outturn came in on budget.

Other Implications: e.g. Child Poverty, Community Safety, Health and Safety, Risk Management and Equality, Diversity and Community Cohesion:

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

Recommendations and Reasons for recommended action:

It is recommended that the Joint Committee notes the report.

Alternative options considered and reasons for recommended action:

None

Background papers: Mount Edgumbe 2011 budget setting

Sign off:

Fin		Leg		HR	N/A	Corp Prop	N/A	IT	N/A	Strat Proc	N/A
Originating SMT Member David Draffan											

1. INTRODUCTION

- 1.1 The first part of this report confirms to the Joint Committee that the Outturn for 2011/12 came in on budget. The second part highlights a potential 10k adverse variance in 2012/13.
- 1.2 Variations are reported in the appendices and broken down by park operation that reflects 50% of the budget agreed by each constituent authority of £237,000 each in 2011/12 and £192,000 in 2012/13.

2. 2011/12 MONITORING VARIATIONS

- 2.1 The December report to the Joint Committee forecast that Mount Edgcumbe would run to budget for the 2011/12 financial year and this was the case. There was many variations throughout the year that were explained at each meeting.

3. 2012/13 BACKGROUND

- 3.1 After large overspends in financial years 2009/10 and 2010/11 the Mount Edgcumbe Officers Working group planned various initiatives to bring the budget back to the original plans that each authority is to contribute £192,000 towards the running of the park making a total budget of £384,000. These plans included increasing last year's contributions by £45,000 per authority on a one-off basis to give the park management time to implement these initiatives. The majority of these initiatives have come to fruition but some have experienced small delays, particularly the procurement and installation of the Marquee to enable the park to offer a quality wedding venue. Due to this delay income targets for weddings are unlikely to be met which is why we are forecasting a 10k potential short fall this year which management are working at ways of reducing to enable the park to run to budget this year.

4. 2012/13 MONITORING VARIATIONS

- 4.1 Last year the plans were to have up to 4 weddings in the marquee at up to £4,000 each, at this time due to the delay in installation it is unlikely there will be any weddings in the Marquee this financial year so we are forecasting a £15,000 adverse variation on events income.
- 4.2 During last year the Belvedere room hosted many courses predominantly from Plymouth City Council HR department. Unfortunately these will not be run this year so we are forecasting £2,315 adverse variation on Belvedere bookings.
- 4.3 After analysing the detail in the budget we believe we can save £7,315 against budgeted spend on a combination of Purchase and Maintenance of equipment, fuel costs and some pest control work.
- 4.4 To summarise all the variations we are forecasting are within the Mount Edgcumbe House operating budgets. Total of £17,315 income shortfall offset by £7,315 expenditure savings making a total of £10,000 forecast adverse variation to budget.

5 BUDGET RISK

- 5.1 There is one projection that has been incorporated within the outturn figures that has a high risk of change that members should note.
- 5.2 Trenninow Chalet rent review. Budget was set on a 50 per cent rise in rental income which would mean a new annual fee in the region of £1050 per chalet. Draft report from Humberts

recommends £1100 per chalet however this has still to be agreed by the Chalet owners so if new rent is below £1050 there will be a pressure as we have accrued additional income at this level because the price rise should be backdated to 2011/12.

6 RECOMMENDATIONS

- 6.1 It is recommended that the Joint Committee notes the report