

Cobtree Manor Estate Budgets 2018/19

Final Decision-Maker	Cobtree Manor Estate Committee
Lead Head of Service	Head of Regeneration & Economic Development
Lead Officer and Report Author	Paul Holland, Senior Finance Manager (Client)
Classification	Public
Wards affected	Boxley

Executive Summary

The report sets out the current budgets for 2018/19 for the four operational areas of the Estate, and provides an update on a number of factors that will impact upon them.

This report makes the following recommendations to this Committee:

1. That the current budgets for 2018/19 be noted.
2. That an updated set of budgets be reported to the next meeting of the Committee.
3. That in future draft budgets should be reported to the Committee for consideration.

Timetable

Meeting	Date
Cobtree Manor Estate Committee	25 April 2018

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1. INTRODUCTION AND BACKGROUND

- 1.1 The Chairman has requested that this report be brought before the Committee to enable Members to review the budgets that have been set for 2018/19. The report sets out the budgets, provides some background information on how they were determined, some factors that need to be considered and sets out the options for future consideration of budgets.

2. BUDGETS 2018/19

- 2.1 The budgets for the four operational activities of the Estate are set out at **Appendix 1**. A summary of the overall position is shown in the table below:

Cobtree Golf Course	-£101,710
Cobtree Manor Park	£33,560
Kent Life	-£35,490
Cobtree Café & Visitor Centre	£62,230
Operational Surplus	-£41,410

- 2.2 The budgets are set using a combination of factors, the primary ones being inflationary increases, known contract sums, calculation of staff and other recharges, and forecasts of income. They are included in the figures submitted to the Council as part of the Heritage, Culture and Leisure Committee budgets for consideration. However those figures do not include any rechargeable costs or the entries that eliminate the share of Cobtree budgets that do not form part of the total Council budget, so the figures in the table above are just the operational budgets for the Estate. A reconciliation between the Cobtree Manor Estate budgets and the Council budgets can be provided for Members.
- 2.3 Members will be aware that the management of the café will shortly be passed to an external contractor. At the time of setting the budgets the timing of this was still not certain therefore the budgets shown at present reflect the current arrangements, and will need to be updated and amended when the contractor takes over the operation. This will improve the current position as the Council will be receiving a guaranteed rental income from the contractor.
- 2.4 Other budgets will be amended and updated following a review of the 2017/18 outturn figures that are shown elsewhere on this agenda. This will mean increasing the budget for grounds maintenance in the Manor Park, adding in budgets to reflect the situation with exempt VAT payments, and updating the budget for car park income following the decision to increase charges.

- 2.5 The figures for staff recharges will also need to be revised once the proposed Service Level Agreement with the Council is agreed.
- 2.6 The proposal to move the budgets and financial transactions of the Trust to a separate General Ledger system (Sage) is now in the early stages of being progressed, and Members will be updated on this in future reports.
- 2.7 It is proposed that an updated set of budget figures be brought to the next Committee meeting once the various factors set out above have been dealt with. These will also be presented as part of the more detailed financial position reports that will be presented to the Committee at regular intervals.
- 2.8 In previous years the budgets have not been brought to the Trust for consideration prior to their inclusion in the overall Council budget. However, in practical terms the Committee has agreed key elements of the budget such as the letting of contracts and car park income.
- 2.9 It is proposed that in future the draft budgets are brought before the Committee at an early stage prior to their inclusion in the Council budgets. This would give Members the opportunity to review and comment on them.

3. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 3.1 It is recommended that the Committee note the contents of this report, agree to receive an updated set of budgets at the next meeting, and review draft budget figures in the future.

4. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 4.1 Officers will continue to monitor the budgets and make adjustments where necessary.

5. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	The operation of the Estate directly supports the objects of the Trust and the Council's strategic objective to ensure there are good leisure and cultural attractions in the Borough.	Head of Regeneration & Economic Development
Risk Management	Good budgetary control enables financial performance to be	Senior Finance

	monitored and for future costs to be assessed more accurately.	Manager (Client)
Financial	There is a financial risk to the Trust if the operations cost more than predicted or fail to generate sufficient income to cover the costs of running them estate.	Senior Finance Manager (Client)
Staffing	There are no additional implications arising from this report.	
Legal	There are no additional implications arising from this report.	
Privacy and Data Protection	There are no additional implications arising from this report.	
Equalities	There are no additional implications arising from this report.	
Crime and Disorder	There are no additional implications arising from this report.	
Procurement	There are no additional implications arising from this report.	

6. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

- Appendix 1: Cobtree Manor Estate Budgets 2018/19

7. BACKGROUND PAPERS

None.