

Cobtree Manor Estate Financial Position

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

Executive Summary

The report summarises the current financial position of the Estate as at 29 February 2020 covering the activities at the golf course, Kent Life, the Manor Park and the Café/Visitor Centre. It also includes an update on the Service Level Agreement.

Purpose of Report

To update the Committee on the current financial position and any other relevant matters that may impact the financial position of the Charity.

This report makes the following recommendations to this Committee:

1. That the current financial position be noted.
2. That the position on the Service Level Agreement be noted.

Timetable

Meeting	Date
Cobtree Manor Estate Committee	18 March 2020

Cobtree Manor Estate Financial Position

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	The operation of the Estate directly supports the objects of the Charity as set out when the Council became the Corporate Trustee	Head of Regeneration & Economic Development
Cross Cutting Objectives	The operation of the Estate supports the Council's strategic objective to ensure there are good leisure and cultural attractions in the Borough.	Head of Regeneration & Economic Development
Risk Management	There is a potential reputational risk if the facilities are operated poorly. This is addressed in the annual risk management report.	Leisure Manager
Financial	There is a financial risk to the Charity if the operations cost more than predicted or fail to generate sufficient income to cover the costs of running the estate.	Senior Finance Manager (Client)
Staffing	There are no additional implications arising from this report.	Leisure Manager
Legal	Under the Council's Constitution the Committee as Corporate Trustee is responsible for all matters relating to the Charity with the exception of daily management. Law applicable to charities in England and Wales requires the trustee to prepare financial statements for each financial year which give a true and fair view of the Charity's financial activities during the year and of its financial position at the end of the year. This update report assists in meeting those requirements There are no further implications arising from this report.	Team Leader (Corporate Governance), Mid Kent Legal Services
Privacy and Data Protection	There are no specific privacy or data protection issues to address.	Anna Collier Policy and Information Manager
Equalities	There are no additional implications arising from this report.	Anna Collier Policy and Information Manager

Public Health	There are no additional implications arising from this report.	Public Health Officer
Crime and Disorder	There are no additional implications arising from this report.	Head of Regeneration & Economic Development
Procurement	There are no additional implications arising from this report.	Head of Regeneration & Economic Development

2. INTRODUCTION AND BACKGROUND

2.1 This is a regular update report on the financial position of the Estate, which enables the Committee to see how the various areas of activity are performing. The last few years have seen a number of significant financial pressures and issues, and it is important for the future of the Estate that these are addressed and monitored.

3. CURRENT FINANCIAL POSITION

3.1 The table below summarises the position as at 29th February 2020. **Appendix 1** provides a more detailed breakdown of the figures.

3.1.1 Overall Summary Position:

SUMMARY TOTALS

	A	B	C	(B-C)
	Budget for Year 2019/20	Budget to end of February 2020	Actuals to end of February 2020	Variance as at end of February 2020
Golf Course	-£110,390	-£75,020	-£78,428	£3,408
Manor Park	£105,950	£129,045	£83,377	£45,668
Kent Life	-£40,840	-£7,195	-£5,399	-£1,796
Residential Properties	-£10,640	-£9,700	-£10,816	£1,116
Totals	-£55,920	£37,130	-£11,266	£48,396

The table above shows a positive variance of £48,396 for the Committee at the end of February. The budgeted forecast for the year is for an operational surplus of £55,920, compared to a surplus of £35,596 for 2018/19.

Comments on the individual service areas are as follows:

3.1.2 **Cobtree Golf Course** – There are no issues to report at this stage. Mytime have been invoiced for the first three quarters for 2019/20.

3.1.3 **Cobtree Manor Park** – In overall terms the budget for the park shows an underspend. As previously advised, there are some underlying issues with overspends against some budget heads within controlled running costs, but these are offset by underspends in other areas, the most significant one being repairs and maintenance.

Car park income continues to be high, and the profit share element of the café contract has realised more income than was forecast, and these two areas along with the employee costs underspend have covered the issues arising from the areas discussed above.

3.1.4 **Kent Life** - There are no issues to report at this stage. Planning Solutions have been invoiced for the first instalment due for this year.

3.1.5 **Residential Properties**- There are no issues to report at this stage.

4. **SERVICE LEVEL AGREEMENT**

4.1 Members will recall from previous meetings that the format of the agreement was being reviewed to ensure that it accurately reflects the complex nature of the relationship between the Charity and the various Council departments. This is to ensure that the roles of various officers are clarified sufficiently to ensure that no conflicts of interest will arise in their dealings with Charity matters.

4.2 It had been anticipated that a further draft would be available for the Committee to consider at this meeting, however due to other work commitments within Mid-Kent Legal Services it has not yet been finalised, so it is now planned to bring it to the first full Committee meeting in the new municipal year.

5. **AVAILABLE OPTIONS**

5.1 Sections 3 and 4 are for noting only.

6. **PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

6.1 Sections 3 and 4 are for noting only.

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 Officers will continue to monitor the financial position and take appropriate action where necessary.
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8. REPORT APPENDICES

- Appendix 1: Financial Position as at 29th February 2020
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9. BACKGROUND PAPERS

None.