

Cobtree Manor Estate Financial Position

Final Decision-Maker	Cobtree Manor Estate Committee
Lead Head of Service	Director of Finance, Resources & Business Improvement – Mark Green
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 covering the activities at the golf course, Kent Life, the Manor Park and the residential properties.

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 Trust.

This report makes the following recommendations to this Committee:

1. That the current financial position be noted.

Timetable

Meeting	Date
Cobtree Manor Estate Committee	22 November 2023

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 Trust as set out when the Council became the Corporate Trustee	Director of Finance, Resources & Business Improvement
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.	Director of Finance, Resources & Business Improvement
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 Trust 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	<p>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.</p> <p>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.</p> <p>There are no further implications arising from this report.</p>	Senior Finance Manager (Client)
Information Governance	The recommendations do not impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council processes.	Senior Finance Manager (Client)

Equalities	The recommendations do not propose a change in service therefore will not require an equalities impact assessment	Senior Finance Manager (Client)
Public Health	There are no additional implications arising from this report.	Senior Finance Manager (Client)
Crime and Disorder	There are no additional implications arising from this report.	Director of Finance, Resources & Business Improvement
Procurement	There are no additional implications arising from this report.	Director of Finance, Resources & Business Improvement
Biodiversity & Climate Change	The implications of this report on biodiversity and climate change have been considered and there are no implications on biodiversity and climate change. A pending decarbonisation study recommendations aims to support areas of the Cobtree Manor Estate to reduce costs from energy consumption, insulate, find low carbon heating solutions, and seek renewable energy options which will save costs in the longer term.	Senior Finance Manager (Client)

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. As these are charitable funds there is a need for robust management and monitoring of the budget.

3. CURRENT FINANCIAL POSITION

- 3.1 The table below summarises the financial position of the Estate as at 31st October 2023. **Appendix 1** provides a more detailed breakdown of the figures.

	Budget for Year 2023/24	Profiled Budget as at 31st October 2023	Actuals as at 31st October 2023	Variance: Underspend (+) Overspend (-)
Golf Course				
Expenditure	£40,660	£23,718	£20,365	£3,353
Income	-£100,240	-£50,140	-£44,777	-£5,363
Net Expenditure (+)/Income (-)	-£59,580	-£26,422	-£24,412	-£2,010
Manor Park				
Expenditure	£267,940	£141,365	£123,715	£17,650
Income	-£189,080	-£98,995	-£91,171	-£7,824
Net Expenditure (+)/Income (-)	£78,860	£42,370	£32,544	£9,826
Kent Life				
Expenditure	£31,760	£18,527	£15,477	£3,050
Income	-£73,130	-£36,565	-£36,567	£2
Net Expenditure (+)/Income (-)	-£41,370	-£18,038	-£21,090	£3,052
Residential Properties				
Expenditure	£16,880	£9,847	£8,486	£1,361
Income	-£30,000	-£17,500	-£15,767	-£1,733
Net Expenditure (+)/Income (-)	-£13,120	-£7,653	-£7,281	-£372
Operational Total	-£35,210	-£9,743	-£20,239	£10,496
Investment Income	-£40,000	-£30,000	-£33,772	£3,772
Interest Paid	£0	£0	£0	£0
Car Park Repayment	£69,650	£0	£0	£0
Total for the Year	-£5,560	-£39,743	-£54,011	£14,268
Net Expenditure (+)/Income (-)				

3.2 This is the current outturn position as at 31st October 2023 and shows a surplus of £20,239 for operational activities. This is £10,496 greater than budgeted for. There are no significant issues to report, but the following points should be noted:

- Golf course income is slightly down on the profiled budget. The budget was set at a time when the new contract had yet to be awarded so this was an assumed figure based on our best estimate of what the contract might be. This figure will be updated when the new budgets are brought to the committee in January.
- Gas and electricity costs at for the café are to be largely recharged to the contractor, but the Estate will retain the charges for the toilets and the staff area. The exercise to calculate the recharges will be done shortly and invoices raised. This will largely eliminate this overspend.
- No invoices have been raised for toilet cleaning to date. Standards are under review and invoices will be raised and paid when standards are more acceptable. This will then largely eliminate the underspend on this budget.
- As outlined in the Estate Update report elsewhere on this agenda, visitor numbers are down this year compared to 2022, and this is reflected in the shortfall in car parking income. This budget will be reviewed to see if it should be reduced slightly, as it was previously increased when visitor numbers were higher during the pandemic.

- The budget for income from the café will also need to be reviewed as this contract has also been re-let since the budgets for this year were agreed.
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4. AVAILABLE OPTIONS

- 4.1 Section 3 - for noting only.
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5. PREFERRED OPTIONS AND REASONS FOR RECOMMENDATIONS

- 5.1 Section 3 - for noting only.
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6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

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

- Appendix 1: Financial Position
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8. BACKGROUND PAPERS

None.