

HAMPSHIRE COUNTY COUNCIL

Report

Committee/Panel:	Sir George Staunton Country Park Joint Management Committee
Date:	14 May 2012
Title:	Financial Outturn 2011/12
Reference:	3890
Report From:	Report of the Treasurer

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1. Introduction

- 1.1. This report presents the draft financial outturn position for Sir George Staunton Country Park for 2011/12.
- 1.2. The Park has made a surplus and therefore positive contribution to reserves of £19,147 in 2011/12, thereby reducing the deficit on the reserve account. As anticipated in the last monitoring report this is lower than the surplus target set at revised budget stage. However against the backdrop of funding reductions and an economic downturn affecting visitor attractions nationally any contribution to reserves driven by a 19% increase in visitor numbers is an achievement for the Park.

2. 2011/12 Outturn

- 2.1. The revised budget surplus (transfer to reserves) was set at £30,799. The outturn position is summarised in Appendix A, which shows an in-year surplus of £19,147. This has reduced the existing deficit in reserves from £99,427 to £80,280.
- 2.2. A more detailed breakdown of 2011/12 performance is contained in Appendix B. This indicates the performance achieved both by category of income and expenditure and by each operational; and commercial sector of the park
- 2.3. Expenditure has been well controlled, resulting in a £12,453 underspend, which is mainly in the supplies and services area of costs.

- 2.4. All contributions from partners have been received in line with the projections in the budget.
- 2.5. Income has been underachieved by £24,105 (3.38%), giving the main reduction in outturn against budgeted surplus. The income from Sales and other charges is the area where income is below anticipated levels.

3. 2011/12 Performance

- 3.1. The tables below compare the outturn in 2011/12 with the 2011/12 budget and the outturn in 2010/11.
- 3.2. Expenditure in the operational and commercial sectors of the Park has been kept within the budgeted levels as detailed in Table 1 below. The Landscaped Gardens and Parkland was under spent by £16,976 due to a reduced level of match funding grant income received. Education and Community were under spent by £26,587 mainly due to the same reason. The Management area of the parks expenditure was overspent by £31,305. The main areas of overspend are marketing £5,900, premises costs £5,870 and supplies and services by £16,138.

	2011/12		2010/11
	Budget	Outturn	Outturn
Management	333,700	365,005	350,432
Ornamental Farm	117,000	115,074	102,654
Landscaped Gardens & Parkland	103,200	86,224	106,272
Gardens & Glasshouses	108,300	103,308	102,800
Education & Community	106,700	80,113	63,908
Gift Shop	61,900	68,046	118,503
Membership & Entrance	64,200	70,067	0
Conference & Events	400	391	-2,456
Catering	13,000	7,718	23,372
TOTAL	908,400	895,947	865,485

Table 1: Expenditure by activity

- 3.3. The breakdown of expenditure by category is detailed in Table 2. The overall costs of running the Park have come in under budget by £12,453.
- 3.4. Compared to 2010/11 costs have increased by 3.5% in 2011/12. All types of expenditure have achieved an underspend.

	2011/12		2010/11
	Budget	Outturn	Outturn
Employees	554,200	553,054	567,425
Premises	83,200	82,429	82,632
Transport and Plant	47,000	44,601	44,575
Supplies and Services	224,000	215,862	171,243
TOTAL	908,400	895,947	865,485

Table 2: Expenditure by category

- 3.5. Table 3 below, shows the income figures for 2011/12. The overall income received by the park has increased from 2010/11 by £32,713 (3.70%). This has been achieved despite the reduced partner contributions of £19,209. However, the overall performance was £24,105 below budget targets. This was mainly due to low receipts for grant and sponsorship income.
- 3.6. The grant income that was budgeted for will still be received but in 2012/13, when the park staff have the capacity to complete the work for which the grants have been received.

	2011/12		2010/11
	Budget	Outturn	Outturn
Partner Contributions	226,599	226,599	245,808
Other Grants & Sponsorship	95,300	78,061	78,419
Sales	137,700	148,184	126,267
Catering	18,000	11,972	8,186
Entrance Charges	390,700	394,171	341,964
Other Fees and Charges	70,900	56,107	82,187
TOTAL	939,199	915,094	882,381

Table 3: Income by category

- 3.7. While the income figures for 2011/12 are below budgeted levels, it is encouraging that the overall income generated has improved on last year, particularly in the current economic climate. The revised budget was set with a challenging income target reflecting a step-increase in income, anticipated from the installation of the Play Zone. However a delay in the opening of the attraction to February half term means the full benefit of this will only be felt within 2012/13.
- 3.8. A further breakdown of the income and expenditure for the Shop is contained in Appendix C. Shop expenditure exceeded the budget by £6,146, whilst income was below budget by £7,007. However sales continue to make gross profit of 59%.

- 3.9 Visitor numbers have continued to rise in 2011/12, increasing from 112,203 in 2010/11 to 134,008 in 2011/12, some 19.4%.
- 3.10 The increase in visitor numbers will not necessarily be matched by the same percentage increase in income, as the rise in park membership sales increases the amount of repeat visitors, which produces no increase to entrance charges although may impact on 'secondary spend'.
- 3.11 The number of membership sales has also increased by 1,074, from 3,200 in 2010/11 to 4,274 in 2011/12.
- 3.12 The number of members visits increased from 16,666 to 26,811, an increase of 10,145 visits. This indicates that on average a member uses Staunton six times per year.
- 3.13 The installation of the car park machine in late August 2011 has produced income of £20,225, which when netted off against refunds on admission charges, resulted in net income of £5,665.

4. Looking Ahead

- 4.1. The budget for 2012/13 is currently being reviewed, with the intention of reducing costs even further and maximising income to ensure a greater return to reserves and paying off the deficit. The Park management team are looking at every aspect of the Park's performance to seek improvements and efficiencies.
- 4.2. The current budget for 2012/13 in Appendix D indicates £31,971 contribution to reserves. To ensure this target is met each member of the team will complete regular budget monitoring to ensure they all remain within budget, or early warnings are given of any shortfall to ensure measures can be put in place to offset possible overspends.
- 4.3. With the increased membership affecting the revenue received from entrance charges the Park is dependent on increasing new business, therefore further increasing associated and secondary income. The marketing and promotion of the Park and in particular its new attractions must be of primary importance in 2012/13 to ensure the contribution to reserves is maximised.
- 4.4. With the new play equipment now installed, it is hoped this will encourage new visitors to the park.

5. Recommendation

- 5.1. That the JMC endorse the content of this report.

6. Section 100 D – Local Government Act 1972 – background papers

The following documents disclose facts or matters on which this report, or an important part of it, is based and has been relied upon to a material extent in the preparation of this report. NB this list excluded:

1. Published works.
2. Documents which disclose exempt or confidential information as defined in the Act.

TITLE	FILE
None	*

SIR GEORGE STAUNTON COUNTRY PARK

Appendix A

REVENUE PERFORMANCE 2011/12

Outturn 2010/11	Revised Budget 2011/12 £	Outturn 2011/12 £	Variance 2011/12 £	
Expenditure				
683,413	Employees	554,200	553,054	1,146
70,115	Premises	83,200	82,429	771
39,154	Transport	47,000	44,601	2,399
<u>320,281</u>	Supplies & Services	<u>224,000</u>	<u>215,862</u>	<u>8,138</u>
<u>1,112,963</u>	Gross Expenditure	<u>908,400</u>	<u>895,947</u>	<u>12,453</u>
Income				
375,422	Entrance Charges	390,700	394,171	(3,471)
<u>482,562</u>	Sales and Other Charges (incl Events)	<u>321,900</u>	<u>294,324</u>	<u>27,576</u>
<u>857,984</u>	Total Income	<u>712,600</u>	<u>688,495</u>	<u>24,105</u>
254,978	Net Expenditure	195,800	207,452	(11,652)
<u>(18,016)</u>	Transfer to/(from) reserve	<u>30,799</u>	<u>19,147</u>	
<u>236,962</u>	Total to be financed by Local Authorities	<u>226,599</u>	<u>226,599</u>	
Funded by				
218,240	Hampshire County Council	208,373	208,373	0
5,737	East Hampshire District Council	5,754	5,754	0
11,982	Havant Borough Council	11,727	11,727	0
557	Horndean Parish Council	545	545	0
<u>446</u>	Rowlands Castle Parish Council	<u>200</u>	<u>200</u>	<u>0</u>
<u>236,962</u>		<u>226,599</u>	<u>226,599</u>	<u>0</u>
Reserve Account				
(6,142)	Balance at 1 April 2007	(99,427)	(99,427)	
<u>(213)</u>	add: Interest	<u>(994)</u>	<u>0</u>	
(6,355)		(100,421)	(99,427)	
<u>(18,016)</u>	less: transfer (to)/from revenue	<u>30,799</u>	<u>19,147</u>	
<u>(24,371)</u>	Balance at 31 March 2008	<u>(69,622)</u>	<u>(80,280)</u>	

SIR GEORGE STAUNTON COUNTRY PARK

Appendix B

OUTTURN 2011/12

	Management	Operations and Education					Commercial				Total	
	Management & Marketing	Ornamental Farm	Landscaped Gardens & Parkland	Gardens & Glasshouses	Membership & Entrance	Education & Community	Total	Gift Shop Trading	Conference and Events	Catering	Total	Net Budget
	£	£	£	£	£	£	£	£	£	£	£	£
Expenditure												
Employees	174,634	74,879	75,060	85,673	67,101	62,098	364,811	13,610	0	0	13,610	553,054
Premises	70,970	375	6,699	3,869	0	0	10,943	230	0	286	516	82,429
Transport & Plant	26,463	8,777	4,075	5,049	0	235	18,136	0	3	0	3	44,601
Supplies & Services	92,939	31,043	390	8,717	2,966	17,780	60,897	54,207	389	7,432	62,027	215,862
Gross Expenditure	365,005	115,074	86,224	103,308	70,067	80,113	454,786	68,046	391	7,718	76,155	895,947
Income												
Entrance Charges	0	0	0	0	394,171	0	394,171	0	0	0	0	394,171
Sales and Other Charges	13,430	46,462	46,815	12,725	228	78,745	184,974	79,993	3,955	11,972	95,920	294,324
Partner Contributions	226,599	0	0	0	0	0	0	0	0	0	0	226,599
Total Income	240,029	46,462	46,815	12,725	394,398	78,745	579,145	79,993	3,955	11,972	95,920	915,094
Net Expenditure	124,976	68,612	39,409	90,583	(324,331)	1,369	(124,359)	(11,946)	(3,564)	(4,254)	(19,764)	(19,147)
Revised Budget:	96,101	83,700	49,200	92,000	(326,500)	7,200	(94,400)	(25,100)	(2,400)	(5,000)	(32,500)	(30,799)
Variance:	28,807	(15,088)	(9,791)	(1,417)	1,900	(5,831)	(30,228)	13,422	(1,164)	746	13,005	11,584

Funded by

Hampshire County Council	208,373
East Hampshire District Council	5,754
Havant Borough Council	11,727
Horndean Parish Council	545
Rowlands Castle Parish Council	200
	<u>226,599</u>

Reserve Account

Balance at 1 April 2011	(99,427)
add: Interest	0
	<u>(99,427)</u>
less: transfer (to)/from revenue	19,147
Balance at 31 March 2012	<u>(80,280)</u>

SIR GEORGE STAUNTON COUNTRY PARK

Appendix C

Shop Detailed Breakdown - 2011/12

		Budget £'s	Outturn £'s
Expenditure	Staff	13,400	13,610
	Premises	500	230
	Equipment & Consumables	3,000	3,889
	Stock		
	Books	1,500	1,774
	Confectionary, Drinks	13,700	14,998
	Seasonal Goods	4,600	4,832
	Toys	12,800	13,901
	Jewellery/Gifts	12,400	14,812
Gross Expenditure		61,900	68,046
Income	Sales		
	Books	4,100	3,755
	Confectionary, Drinks	14,200	13,069
	Toys	22,400	20,603
	Jewellery/Gifts	46,300	42,565
Gross Income		87,000	79,993
Net Income		(25,100)	(11,946)

SIR GEORGE STAUNTON COUNTRY PARK

Appendix D

FORWARD BUDGET 2012/13

Management	Operations and Education						Commercial				Total	
	Ornamental Farm	Landscaped Gardens & Parkland	Gardens & Glasshouses	Sponsorship	Education	Total	Gift Shop	Conference and Events	Catering	Total	Net Budget	
£	£	£	£	£	£	£	£	£	£	£	£	
Expenditure												
Employees	187,100	78,100	96,200	86,500	72,300	333,100	75,700	0	0	75,700	595,900	
Premises	64,800		9,000	5,500	1,000	15,500	1,000	500	1,000	2,500	82,800	
Transport & Plant	30,200	3,000	7,800	3,500	500	14,800		500		500	45,500	
Supplies & Services	84,600	30,700	2,000	10,800	12,200	55,700	52,500	1,500	8,200	62,200	202,500	
Gross Expenditure	366,700	111,800	115,000	106,300	0	86,000	419,100	129,200	2,500	9,200	140,900	926,700
Income												
Entrance Charges					417,300	417,300					0	417,300
Sales and Other Charges	12,000	34,400	69,900	16,000	84,600	204,900	85,000	15,000	16,000	116,000	332,900	
Partner Contributions	208,471					0				0	208,471	
Total Income	220,471	34,400	69,900	16,000	417,300	84,600	622,200	85,000	15,000	16,000	116,000	958,671
Net Expenditure	146,229	77,400	45,100	90,300	(417,300)	1,400	(203,100)	44,200	(12,500)	(6,800)	24,900	(31,971)

Transfer to/(from) reserve

Funded by

Hampshire County Council	191,703
East Hampshire District Council	5,294
Havant Borough Council	10,789
Horndean Parish Council	501
Rowlands Castle Parish Council	184
	<u>208,471</u>

Reserve Account

Balance at 1 April 2011	(80,280)
add: Interest	0
	<u>(80,280)</u>
less: transfer (to)/from revenue	31,971
Balance at 31 March 2012	<u>(48,309)</u>

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	yes/no
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	yes/no
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	yes/no
Corporate Improvement plan link number (if appropriate):	

NB: If the 'Other significant links' section below is not applicable, please delete it.

Other Significant Links

Links to previous Member decisions:		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Direct links to specific legislation or Government Directives		
<u>Title</u>	<u>Date</u>	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

- 1.1. Equality objectives are not considered to be adversely affected by the proposals in this report.

2. Impact on Crime and Disorder:

- 2.1. The proposals in this report are not considered to have any direct impact on the prevention of crime.

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

There are no proposals within the report which will impact on our carbon footprint/energy consumption

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

There are no proposals within the report which will impact on our need to adapt to climate change