

HAMPSHIRE COUNTY COUNCIL

Report

Committee/Panel:	Sir George Staunton Country Park Joint Management Committee
Date:	23 June 2014
Title:	Final Accounts 2013/14
Reference:	5928
Report From:	Report of the Honorary Treasurer and Park Manager

Contact name: Jane Lovett, Finance Business Partner
 Kerry Bailey, Countryside Park Business Manager

Tel: 01962 847518 **Email:** Jane.Lovett@hants.gov.uk
 02392 453405 Kerry.Bailey@hants.gov.uk

1. Introduction

- 1.1. The purpose of this report is to present the financial outturn position for Sir George Staunton Country Park for 2013/14.
- 1.2. The Park made a contribution to reserves of £189,000 in 2013/14, £106,316 higher than the budgeted contribution of £88,000. This contribution means that the carried forward deficit has been cleared and that £107,000 is now held in reserves. In summary the trading position for 13/14 was as follows:

	£000's
Income (Partner Contributions & Trading Income)	1,058
Revenue Expenditure	<u>869</u>
Contribution to reserves	<u>189</u>

- 1.3. Expenditure was well controlled in all areas, resulting in below budget outturns; in addition, income was overall higher than assumed with income from entrance charges exceeding the budget by 8.5%.

2. 2013/14 Revenue Outturn Position

- 2.1. The outturn position is summarised in Appendix A. Appendix B analyses the outturn for each area of the Park.
- 2.2. The following variations to the revised budget are detailed below
- 2.3. Employee costs were £23,000 lower than allowed for in the revised budget. This was the result of later than expected recruitment to the administrator position as well as not having a need to draw on the overtime contingency.
- 2.4. Premises costs were lower than expected, resulting in an underspend of £20,300 against the revised budget.
- 2.5. Plans to plant new rose and herb gardens costing £6,400 were delayed, in part due to the poor weather during the winter and more recently due to the high number of visitors that the Park has attracted during the first quarter of 2014. The completion of path works to the lambing barn has also been delayed, as has maintenance work on the play barn, which was expected to cost £6,000.
- 2.6. Fencing works to the Portsmouth Water Company land and the back car park were only partially completed during 2013/14, with £9,000 of the £16,000 Single farm Payment Scheme (SPS) funding spent. The balance of these funds will be claimed in 2014/15 following the completion of the works.
- 2.7. Contract cleaning and refuse collection expenditure was also under budget by £3,600.
- 2.8. Transport expenditure was £12,000 lower than the budget of £47,400. This was partially the result of no charges being levied by HCC for vehicle hire relating to March 2014, saving the Park £1,800.
- 2.9. Capital works in the parkland area were not carried out in 2013/14, resulting in a saving of £4,300 in associated transport and plant costs. This saving has, however, also had an effect on income received.
- 2.10. Further underspends were achieved across the park for hire of plant (£1,900), fuel costs (£800), repairs and maintenance of plant (£1,200), farm purchase of tools and equipment (£1,600) and other less significant underspends.
- 2.11. The supplies and services budget was underspent by £24,200, with underspends achieved in the Management and Marketing and Education areas of the Park, offsetting higher than expected spend on retail stock (£11,100) and on the Parkland site (£6,300).
- 2.12. The most significant underspends against the Management and Marketing budget were IT costs charged by HCC (£5,200) as these costs were expected

- to rise when they were actually reduced, uniform costs (£2,500), advertising following plans to run a major bus campaign early in 2014/15 (£3,200), and publicity and promotions (£3,200). Plans to double the cash collection frequency were not implemented, the insurance level for holding cash was increased instead and the expected increase in costs incurred for the collection of income of £5,800 did not therefore occur.
- 2.13. Costs incurred against the Education budget were £14,500 lower than budgeted, the most significant variances being workshop expenses (£2,000) and general materials (£3,900) as well as lower costs on the SITA Waste Company car park paths project (£6,200). The car park project will be completed in 2014/15.
- 2.14. Grants and Sponsorship income was £15,000 lower than projected. Landscaped Gardens & Parkland did not receive £11,000 of anticipated grants, related to Higher Level Stewardship funded works as weather constraints and staff changes meant this work could not be carried out. £6,100 of this grant will be received in 2014/15, however the capital element will not be achieved. The Farm did not receive its full match funding grant income in 2013/14, £7,000 will be claimed on completion of the fencing project work in 2014/15. Additional grant funding of £3,000 was received by Education which included funding from Portsmouth Water Company for a marketing flyer.
- 2.15. The budgeted sales target was exceeded by £12,300. The Ornamental Farm made an additional £12,700 in the sale of animals and feed whilst the Gardens exceeded the budgeted income by £2,300 through the sale of plants.
- 2.16. Sales from the shop were £2,700 lower than targeted, with an average mark up of 60%.
- 2.17. Catering for children's parties achieved net income of £1,000 whilst the Park received no income from the HC3S catering concession run in the Park tearooms.
- 2.18. Entrance charge income significantly exceeded expectations, with £40,800 more income generated than anticipated. The sale of Cultural All passes accounted for an extra £8,300, whilst the Park's in house membership scheme brought in an additional £11,700. Income from daily entrance charges was also higher than expected, resulting in an additional £20,800 of income, a 7% increase against budget.
- 2.19. There were 34,646 more visitors in 2013/14 compared with 2012/13, with an increase in March alone of over 6,000 compared with the same month last year. Total visitor numbers were 27,223 higher than budgeted.
- 2.20. Membership sales have increase in number from 5,755 in 2012/13 to 7,023 in 2013/14, an increase of 1,268, with member visits increasing from 31,845 to

41,060, an increase of 9,215. This indicates that an average member visits Staunton six times per year.

3. Looking Ahead to 2014/15

3.1. The revenue budget for 2014/15 is outlined in Appendices A and B and requires unidentified savings of £39,630 to be made to achieve a balanced position.

3.2. This budget has already absorbed a number of pressures including provision for past service pension costs of £31,900 and reduced partner contributions of £40,184.

3.3. If the level of increased income achieved in 2013/14 can be achieved or exceeded in 2014/15, this would clear the currently unidentified savings. A number of other potential ways to meet these savings have already been explored to cover the budget shortfall, which include:

• Staunton membership £4 price increase	£20,000
• Full year savings from staff changes	£7,700
• Share Education Officer post with QECP 50/50	<u>£16,250</u>
	£43,950

All options need further work and discussion and regular monitoring to ensure savings are on track.

4. Recommendation

4.1. That the Joint Management Committee endorse the content of this report.

SIR GEORGE STAUNTON COUNTRY PARK

Appendix A

REVENUE PERFORMANCE 2013/14

Outturn 2012/13		Revised Budget 2013/14 £	Outturn 2013/14 £	Variance 2013/14 £
Expenditure				
539,750	Employees	536,500	513,849	22,650
85,747	Premises	124,900	104,581	20,319
48,508	Transport	47,400	35,299	12,101
<u>252,870</u>	Supplies & Services	<u>240,300</u>	<u>216,101</u>	<u>24,199</u>
<u>926,875</u>	Gross Expenditure	949,100	869,830	79,270
Income				
414,198	Entrance Charges	476,600	517,422	(40,822)
<u>302,340</u>	Sales and Other Charges (incl Events)	<u>347,484</u>	<u>333,708</u>	<u>13,776</u>
<u>716,538</u>	Total Income	<u>824,084</u>	<u>851,130</u>	<u>(27,046)</u>
210,337	Net Expenditure	125,016	18,700	106,316
<u>(1,866)</u>	Transfer to/(from) reserve	<u>82,770</u>	<u>189,086</u>	
<u>208,471</u>	Total to be financed by Local Authorities	<u>207,786</u>	<u>207,786</u>	
Funded by				
191,703	Hampshire County Council	191,703	191,703	0
5,294	East Hampshire District Council	5,294	5,294	0
10,789	Havant Borough Council	10,789	10,789	0
501	Horndean Parish Council	0	0	0
<u>184</u>	Rowlands Castle Parish Council	<u>0</u>	<u>0</u>	<u>0</u>
<u>208,471</u>		<u>207,786</u>	<u>207,786</u>	<u>0</u>
Reserve Account				
(80,280)	Balance at 1 April	(82,146)	(82,146)	
<u>(1,866)</u>	less: transfer (to)/from revenue	<u>82,770</u>	<u>189,086</u>	
<u>(82,146)</u>	Balance at 31 March	<u>624</u>	<u>106,940</u>	

Appendix B

SIR GEORGE STAUNTON COUNTRY PARK

FINAL OUTTURN 2013/14

Management & Marketing	Operations and Education						Commercial				Total	
	Ornamental Farm	Landscaped Gardens & Parkland	Gardens & Glasshouses	Membership & Entrance	Education & Community	Total	Gift Shop Trading	Conference and Events	Catering	Total	Net Budget	
£	£	£	£	£	£	£	£	£	£	£	£	
Expenditure												
Employees	131,440	76,122	82,296	79,127	74,100	56,508	368,152	14,257	0	0	14,257	513,849
Premises	78,218	17,080	1,844	5,797	0	0	24,722	1,608	0	34	1,642	104,581
Transport & Plant	24,654	1,539	3,111	5,995	0	0	10,645	0	0	0	0	35,299
Supplies & Services	69,112	43,529	9,825	5,517	0	21,527	80,397	62,882	0	3,709	66,591	216,101
Gross Expenditure	303,425	138,271	97,076	96,436	74,100	78,034	483,916	78,747	0	3,742	82,490	869,830
Income												
Entrance Charges	0	0	0	0	517,422	0	517,422	0	0	0	0	517,422
Sales and Other Charges	2,496	60,516	38,180	14,891	0	111,455	225,042	99,306	2,157	4,706	106,170	333,708
Partner Contributions	207,786	0	0	0	0	0	0	0	0	0	0	207,786
Total Income	210,282	60,516	38,180	14,891	517,422	111,455	742,465	99,306	2,157	4,706	106,170	1,058,916
Net Expenditure	93,143	77,754	58,895	81,545	(443,322)	(33,421)	(258,549)	(20,559)	(2,157)	(964)	(23,680)	(189,086)

Funded by

Hampshire County Council	191,703
East Hampshire District Council	5,294
Havant Borough Council	10,789
Horndean Parish Council	0
Rowlands Castle Parish Council	0
	<u>207,786</u>

Reserve Account

Balance at 1 April 2013	(82,146)
add: Interest	0
	<u>(82,146)</u>
Add: transfer (to)/from revenue	189,086
Balance at 31 March 2014	<u>106,940</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):	

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.)

DocumentLocation

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:

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

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

- 3.2. 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 the need to adapt to climate change.