

NEW FOREST NATIONAL PARK AUTHORITY

AUTHORITY MEETING – 28 MARCH 2007

BUDGETARY CONTROL REPORT FOR THE PERIOD TO 28 FEBRUARY 2007

Report by: Pat Higgins, Chief Finance Officer

Summary:

This paper reports the actual expenditure for the 11 months to 28 February 2007, together with a current forecast of expenditure on the General Fund for the financial year 2006/07.

Recommendation

To note the current budget forecast for the National Park Authority.

Resources:

Routine

Paper:

NFNPA 167/07: cover paper

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1 Introduction

- 1.1 This report records the actual expenditure for the 11 months to 28 February 2007, together with a current forecast of the expenditure on the General Fund for the financial year 2006/07.

2 General Fund current position

- 2.1 The current detailed forecast for the General Fund budget is attached as **Annex 1** to this report. The summary shows an under-spend of £842,223 between the adjusted budget profile and actual expenditure for the period to 28 February 2007.
- 2.2 The current approved budget is £4,224,606 following approval by the Authority at its meeting in February to transfer £110,000 and £293,000 to the Sustainable Development Grant and General Fund Reserves respectively, for under-spends in 2006/07. A further £100,000 was transferred to the General Fund Reserve for Interest earnings.
- 2.3 The main reasons for the variations to date are as follows:
- 2.3.1 The provision for salaries shows a net under-spend of £228,000 after setting off the net cost of employing temporary agency staff to cover for permanent posts until appointments have been made.
- 2.3.2 Other main areas of under-spend against profile are:

	(£)
▪ Historic and listed buildings - grants and supplies	18,000
▪ Natural Environment – supplies and services	11,000
▪ Communications - supplies and services	38,000
▪ Spatial Planning - supplies and services	7,380
▪ Listed Buildings – supplies and services	27,000
▪ Training and Staff Development	29,000
▪ Member Services - supplies and services	11,000
▪ South Efford House – Premises	12,000

▪ IT Infrastructure	59,000
▪ Allocable Central Overheads	93,000
▪ Amenity Trees	10,000
▪ Sustainable Development Fund	9,500
▪ Start-up costs	223,000

2.3.3 These are offset by overspend against profile for:

▪ Transport and Traffic Management supplies	£13,000
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2.3.4 Income from Planning Application Fees (and sales of copies) is currently £247,000 against a profiled budget for the period to the end of February of £220,000, a net increase of £27,000.

2.4 Although no budget provision was originally made for investment interest, £100,000 has been forecast by the end of the financial year; the income to date currently stands at £96,090.

3 Forecast of Out-turn for 2006/07

3.1 Expenditure to the end of February is £2.882 million, against the current approved budget of £4.224 million, showing an under-spend of £1.342 million. Although some budget profiles assumed a greater rate of spend towards the end of the year, it is unlikely that substantial expenditure will now occur in the last few weeks of the year.

3.2 Although expenditure will be closely monitored to the end of the year, the forecast under-spend is likely to be £1.1 million. The final out-turn for 2006/07 will be reported as part of the Final Accounts report for consideration by the Authority.

3.3 No proposals are included at this stage of the year for virements or transfers to reserves; however, as part of the Financial Strategy approved by the Authority in February, under-spends from 2006/07 may be used to set up specific reserves (such as Sustainable Development Grant Reserve) or set aside in the General Reserve to meet future years' expenditure.

3.4 Specific proposals will be reported to members for formal approval, as part of the Final Accounts report, but will also be reflected in proposals for the budget for 2007/08. The forecast reserves position, assuming an under-spend of £1.1 million at the end of the financial year, is as follows:

	(£)
▪ Sustainable Development Fund Reserve	110,000
▪ General Fund Reserve	2,245,618

4 Recommendation

To note the current budget forecast for the National Park Authority.

ANNEX 1

**FORECAST FULL YEAR REVENUE EXPENDITURE 2006/07
AND ACTUAL FOR THE PERIOD APRIL 2006 TO FEBRUARY 2007**

	FULL YEAR FORECAST					PERFORMANCE TO FEBRUARY			
	1	2	3	4	5	6	7	8	% of
	Original Budget	Previous Variations	New Variations	Forecast Outturn	Notes	Profiled Budget	Actual to Date	Actual to Profiled	Profile Spent
	£000s	£000s	£000s	£000s		£000s	£000s	£000s	
Conservation of Natural Environment	415	-40	0	375	1	294	225	-69	77
Conservation of Cultural Heritage	684	-110	0	574	2	447	324	-123	0
Recreation Management	222	-20	0	202	3	160	128	-32	80
Promoting Understanding, Information, Interpretation and Education	585	-21	0	564	4	469	341	-128	73
Traffic & Transport	118	0	0	118		85	86	1	101
Ranger Services	9	-2	0	7	5	2	3	1	150
Development Control	746	-40	0	706	6	618	465	-153	75
Forward Planning	398	-20	0	378	7	337	249	-88	74
Training and Staff Development	47	0		47		44	15	-29	34
Corporate Management and Administration	1,403	0	0	1,403		1,269	1,047	-222	83
Holding Accounts		-150	0	-150	8				
Service Expenditure	4,627	-403	0	4,224		3,725	2,883	-842	77
Interest Earnings	0	-100	0	-100	9	-92	-96	-4	0
Net Expenditure	4,627	-503	0	4,124		3,633	2,787	-846	77
Transfer to (from) Specific. Res.	0	110	0	110	10	0	0	0	0
Transfers to (from) General Res.	393	396	0	789	11	0	0	0	0
TOTAL REVENUE	5,020	3	0	5,023		3,633	2,787	-846	77