

NEW FOREST NATIONAL PARK AUTHORITY

AUTHORITY MEETING – 6 DECEMBER 2007

BUDGETARY CONTROL REPORT FOR THE PERIOD TO 30 SEPTEMBER 2007

Report by: Pat Higgins, Chief Finance Officer

Summary:

This paper reports on the actual expenditure for the six months to 30 September 2007 together with variations to approved budgets and a revised forecast for the out-turn on the General Fund for the financial year 2007/08 (**Annex 1**).

All budgets have been reviewed and re-profiled where appropriate by the budget holders.

Budget variations have arisen as a result of an increase in the Defra core grant for 2005/06 and 2006/07 arising from an error in calculation, and which has yet to be confirmed, and a forecast under-spend within the Development Control budget for cost awards from planning appeals.

The forecast shows the budget over and under-spends to date and the net effect of these transactions on the General Fund Reserve

Recommendation:

To note the current report and approve the transfers to reserve agreed by the Resources and Performance Committee, subject to confirmation of the increase in Defra core grant.

Resources:

Routine

Papers:

NFNPA 219/07:	Cover paper
NFNPA/RPC 38/07 Annex 1:	Revised full year forecast out turn for General Fund for the financial year 2007/08

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1 Introduction

1.1 This report shows the forecast budget variations from the latest approved budget as at 30 September 2007.

2 General Fund current position

2.1 The current approved budget for 2007/08 is £4.36 million.

2.2 The current detailed forecast for the General Fund budget is attached as **Annex 1**. The summary shows a profiled budget of £1.817 million against actual expenditure incurred to date of £1.654 million; the current under-spend against the profiled budget as at 30 September is £0.163 million.

2.3 Of that under-spend however, £30,000 is attributable to non payment of the staff pay award of 2.5% which was agreed after the end of September and £20,000 arising from no call on a contingency budget of £40,000 for award of costs for upheld planning appeals.

2.4 Since the last budgetary control report to the Committee, budget holders have been consulted on expenditure profiles and amendments have been made as necessary. Although at this stage, budget holders are confident that budgets will be spent by the end of the financial year, this position will be closely monitored and further adjustments made to the budget where appropriate.

2.5 The profiled budget for planning fee income for the period showed an expected income level of £124,000, against a budget for the year of £248,000. The actual income to date is £116,000, a shortfall of £8,000. It is not proposed to make any adjustment to forecast income at this stage.

3 Variations to General Fund

3.1 Since the last report, following queries raised by the Authority, Defra has identified a shortfall in the Authority's core grant of £260,000 for 2006/07 and 2007/08. This is yet to be confirmed and is unlikely to be paid until towards the end of the financial year. The additional income has, however, already been reflected in the budget and in the general fund balance as at 30 September 2007.

3.2 It is proposed to remove the current approved budget:

Planning Service: Development Control

Underspend in budget for appeals £40,000

4 Reserves

4.1 **Annex 1** to this report shows the Authority's Reserves as at 1 April 2007 and the position as at 30 September 2007, assuming approval of the adjustments to the approved budget outlined in this report

5 Recommendations

Members are requested to:

- 1 Note the current expenditure position**
- 2 Note the position of the Reserves**
- 3 Approve the items set out in the revised General Fund budget in Annex 1**
- 4 Approve the transfer of the balance of £300,000 to the General Reserve.**

**FORECAST FULL YEAR REVENUE EXPENDITURE 2007/08
AND ACTUAL FOR THE PERIOD APRIL 2007 TO SEPTEMBER 2007**

	FULL YEAR FORECAST					PERFORMANCE TO SEPTEMBER			
	1	2	3	4	5	6	7	8	9
	Original Budget	Previous Variations	New Variations	Forecast Outturn	Notes	Profiled Budget	Actual to Date	Actual to Profiled	% of Profile Spent
	£'000	£'000	£'000	£'000		£'000	£'000	£'000	%
Planning	1,066	-63	-29	974	1	501	423	-78	84
Conservation, Recreation and Sustainable Development	865	280	0	1,145		380	331	-49	87
Understanding and Enjoyment	635	-568	0	67		19	18	-1	95
Information and Visitor Services	255	305	0	560		237	236	-1	99
Member Services	172	0	0	172		76	74	-2	97
Secretariat	195	0	0	195		107	96	-11	90
Corporate Services	342	0	-11	331	2	160	147	-13	92
Information Technology	216	0	0	216		119	127	8	107
Central Overheads	444	0	0	444		122	99	-23	81
Accommodation	248	0	0	248		137	132	-5	96
Development Costs	108	0	0	108		30	27	-3	90
Service Expenditure	4,546	-46	-40	4,460		1,888	1,710	-178	91
Investment and Interest Income	-120	-20	0	-140		-71	-56	15	79
Defra Grant			-260	-260	3				
Net Expenditure	4,426	-66	-300	4,060		1,817	1,654	163	91
Transfer to (from) Specific Reserve	0	26	0	26		0	0	0	0
Transfers to (from) General Reserve	0	40	300	340	4	0	0	0	0
TOTAL REVENUE	4,426	0	0	4,426		1,817	1,654	163	91

Notes:

1 - Planning

It is expected that no costs awarded for upheld appeals will be incurred this financial year and therefore the service budget is being removed

-40

Transfer of budget for Receptionist moving from Corporate Services

11

-29

2 – Corporate Services

Transfer of budget for Receptionist moving to Planning

-11

-11

3 – Defra grant

Additional grant of £260,000 (yet to be received)

-260

-260

4 – Transfers to General Reserve

It is proposed that the additional Defra grant and the surplus arising from the removal of the Planning Appeals budget are transferred to the General Reserve (subject to confirmation from Defra of the additional £260,000)

300

300

Summary of Reserves

	As at 31/03/2007	2007/08 Approved	Estimated 31/03/2008
	£	£	£
Sustainable Development	158,273	-110,000	48,273
Local Development Framework	65,000	-	65,000
Donations	135	-	135
Compliance Officer	-	26,000	26,000
General Reserve	1,130,996	339,870	1,470,866
Developers Contributions	16,783	-	16,783