

RAPC 541/24

NEW FOREST NATIONAL PARK AUTHORITY

RESOURCES, AUDIT AND PERFORMANCE COMMITTEE – 3 JUNE 2024

BUDGET UPDATE 2024/25

Report by: Nigel Stone, Head of Resources (CFO)

1 Purpose

- 1.1 The purpose of this report is to provide the Resources, Audit and Performance Committee with a number of budgetary updates relating to the 2024/25 financial year.

2 Defra Core Funding

- 2.1 Within the 2024/25 budget seen by this Committee in March and then latterly approved by members at full Authority, we highlighted the pledge from Defra back in November 2023 to provide an additional £10m of capital funding to protected landscapes in 2024/25 and beyond. Shortly after the Authority's budget was approved, we received confirmation from Defra of this funding.
- 2.2 As expected, the new funding will be shared equally between National Park Authorities and National Landscapes, a total of £5m each, and our £5m is to be shared equally between the ten English NPAs – so we would receive a capital grant of £0.5m in addition to our core £3.25m revenue grant. Given the current defra/npa grant agreements only cover up to the end of 2024/25, it is only this specific year which was confirmed, although clear indications have been given that the funding uplift would be ongoing.
- 2.3 Further discussions have since taken place between the NPAs and Defra, regarding the ever increasing difficulties being faced with our, unchanged for five years / decreasing in real-terms, core revenue budgets, plus the generally low annual capital spend amongst the NPAs. Defra have therefore now agreed to instead provide each NPA with a £250,000 revenue uplift and a £250,000 capital grant for 2024/25 (again with no written promise for future years, but a clear message that this would then be ongoing). So in 2024/25 it has been confirmed we will receive a revenue grant of £3.5m plus an additional £0.25m capital grant.

- 2.4 The Strategic Leadership Team have considered the additional funding pots, revenue and capital, with an agreed strategy to look at areas of our budget which have been hit hardest by the recent real-terms reductions and/or those areas which would constitute longer-term, invest-to-save ideas. We now ask members of the Committee to approve the following suggested amendments/additions to the 2024/25 budget:

Capital

£30,000	ICT Replacements – delayed by funding reductions and invest to save (physical hardware becoming virtual)
£40,000	Pool Car – we reduced down to one pool car but really need two, electric so will also reduce travel emissions
£80,000	Ranger Vehicle Replacements – again delayed by budget pressures, a number of the ranger vehicles are past-due for replacement and starting to increase in maintenance costs
£50,000	Website Replacement – our current site is over 5 years old and not considered fit for purpose
£50,000	TBC / Land improvements for Nature Recovery – strategic interventions on nature recovery sites (similar to our investment in RSPB Franchises)

Revenue

£100,000	Base / Facilities Project – to procure support from consultants around our future office & space requirements, including full engagement with staff and members – invest to save
£45,000	Staffing – maintain our access/volunteering staffing level following the end of the coast-path funding; provide adequate cover for three current maternities (one-off); support further apprenticeship opportunities
£5,000	Educational Travel Grants – Increase our grant to £250 per visit, as evidenced in the latest costs of such visits for schools
£25,000	Nature Recovery, Spatial Plans for Nature – invest in development of a report, similar to the recent ARUP Waterside example, related to another area of the National Park
£25,000	HR / H&S / Branded Clothing – to cover rise in recruitment numbers & cost, to provide app / fob technology to those who are lone working and continue our branded clothing for staff/members (following the end of the free Columbia kit deal)
£50,000	Initially underwrite the £50k income generation target within the 2024/25 budget – to be released as the income is generated. Funding to be earmarked to support Commoning / Nature Recovery / Climate / Green Finance themes.

- 2.5 Given the potential for future annual capital funding, the Chief Finance Officer will draft a Capital Procurement Strategy, to be brought to a future meeting of this Committee for consideration/approval. This will include clear criteria for selecting and appraising opportunities around capital assets such as land or housing ownership.

3 New Educational Visits Funding (up to £75,000)

- 3.1 The Authority has recently been made aware of a likely new pot of funding to be set aside in 2024/25 for educational visits - a whole day or overnight, within protected landscapes, for young people from underprivileged backgrounds. As a National Park Authority, we will be eligible to receive a proportion of this funding pot to deliver day visits via schools, likely direct by our education and rangers teams, and to also offer educational overnight stays (again via schools) in partnership with existing local providers. All travel costs are included within eligible scheme expenditure. Our share of the funding could be up to £75,000 to be split equally between day / overnight offerings.

4 Resources and Facilities Task and Finish Group

- 4.1 Following approval in March by this Committee for the establishment of a 'Resources and Facilities' Task & Finish Group, Officers will shortly be inviting all members of the Authority to put their names forward. We require 4 or 5 members to work with the Executive Leadership Team around the future budgets, and in particular the impact of our future facilities/base requirements which will need to be taken forward over the summer and autumn period.
- 4.2 The Authority is still pressing Defra to provide funding for the facilities project (as it has for all other National Parks over the years), however we do need to consider other financial options should this not be forthcoming – for example the use of a loan / debt facility to purchase (which is particularly tricky at the moment given the high interest rates) or continuing to rent/lease space.

5 Recommendation

It is recommended that members approve the 2024/25 budget amendments as set out within the report.

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