

**RAPC 543/24**

## **NEW FOREST NATIONAL PARK AUTHORITY**

### **RESOURCES, AUDIT AND PERFORMANCE COMMITTEE – 9 SEPTEMBER 2024**

#### **APRIL - JULY BUDGETARY CONTROL REPORT 2024/25**

**Report by:** Nigel Stone, Head of Resources (Chief Finance Officer) and Tom Knott, Finance & Sustainable Procurement Officer

**Purpose:**

This report provides a summary of financial performance up to the end of July 2024, the first four months of the 2024/25 financial year.

#### **1. Introduction**

- 1.1 This report provides a summary of financial performance in the first four months of 2024/25, providing detail on potential variances and the responses to them. **Annex 1** sets out the summary financial position; **Annex 2** includes indicative splits of the 2024/25 budgets across the four aims and the statutory accounting format; further detail is then provided on the Programme Fund (**Annex 3**), Authority-led Partnership Projects (**Annex 4**) and Developer Contributions / Reserves (**Annex 5**).

#### **2. Current Position**

- 2.1 The overall income and expenditure budgets for 2024/25 are £6.59m, as shown in Annex 1. This includes £1.9m from Authority-led partnership projects (externally-funded).
- 2.2 The overall expenditure position shows £1.75m spend over the first four months of the financial year (27% of budget). Without the partnership projects, spend was £1.48m from a budget of £4.68m (32%).
- 2.3 The overall income position shows £1.45m received (22% of budget) over the first four months of the financial year. Without the partnership projects, income was £1.26m from a budget of £4.68m (27%).

#### **3. Budgetary Review Process**

- 3.1 All budget holders were requested to scrutinise their budgetary positions and provide details of known or potential early over- or underspends; key responses and outcomes are included in section 4 below.

#### **4. General Budget Analysis**

- 4.1 Overall the figures after four months of the financial year, shown in detail in Annex 1, are all largely still on track.

Current Net Position: no significant variations to report – we will review again at end of Q2.

- 4.2 As previously noted, a number of small savings often occur across budget lines which cumulatively will aid the financial position towards the end of the year. The pay award for 2024/25 has yet to be agreed and paid out (current national employers' offer is the greater of £1,290 or 2.5% per full-time employee; this is to be the subject of a union ballot of its members in September).

#### **5. Sustainable Communities Fund (SCF) Monitoring**

- 5.1 The SCF budget for 2024/25 is £30,000 and we have £36,000 in the SCF Reserve which has previously been allocated to projects but yet to be formally claimed following completion of the relevant works. After four months of the year a total of £8,000 has been claimed.

#### **6. Developer Contributions**

- 6.1 As detailed in Annex 5, during the first four months of the financial year £416,000 of funds have been received in respect of developer contributions and £84,000 spent.
- 6.2 As Members are aware, a significant proportion of the remaining Affordable Housing contributions will likely be utilised shortly to fund a pair of homes at the site in Burley.

#### **7. Reserves Position**

- 7.1 As detailed in Annex 5, the General Fund Reserve remains at £350,000 and is currently projected to do so until the end of the financial year.
- 7.2 Earmarked reserves are being utilised in line with the budget approved in March 2024.

#### **8. Treasury Management Position**

- 8.1 The early Treasury Management position projects that the Authority will receive around £120-140,000 from interest on its investments and holdings this year (at a return of around 4.4%); this matches the original projection of £130,000. As previously, a full review of the position will be undertaken and presented within the half-year budgetary control report.

## 9. Partnership Projects

As Members will be aware, we have been highly successful over the last year in bidding for external funding to leverage our core Defra grant; it is estimated that in 2024/25 we will receive over £1.9m in this partnership projects funding as detailed in Annex 4.

This year, for every £1 the Authority is contributing to these partnership projects, it will generate a further £41 from funders / partner organisations. On average, over the last five years, we have generated a further £24 from funders / partner organisations.

## 10. Recommendation

**It is recommended that Members:**

- 1 note the current income and expenditure position, including the potential savings and pressures identified.**

### **Papers:**

RAPC 543/24	Budgetary Control Report
RAPC 543/24 Annex 1	Budget Monitoring
RAPC 543/24 Annex 2	2023/24 Budget Formats
RAPC 543/24 Annex 3	Programme Fund
RAPC 543/24 Annex 4	Authority-led Partnership Projects
RAPC 543/24 Annex 5	Developer Contributions and Reserve Balances

### **Equality and Diversity Implications:**

The budgets, as contained within this report, fund all our New Forest Voices and other works to develop and further equality, diversity and inclusion. There are no specific equality or diversity implications arising out of this report.

### **Contact:**

Nigel Stone  
Head of Resources (Chief Finance Officer)  
Tel: 01590 646655  
Email: [nigel.stone@newforestnpa.gov.uk](mailto:nigel.stone@newforestnpa.gov.uk)

**Annex 1**

**Budget Monitoring 2024/25**

**Summary Accounts for the period 1 April – 31 July 2024**

	Original Budget	Payments to date	% of Budget Spent
	£000	£000	
<b><u>Expenditure:</u></b>			
Employee Costs (Salary, Travel, Pensions etc)	3,081	962	31%
Programme Fund	220	49	22%
Sustainable Communities Fund	30	8	27%
Strategy & Planning	95	45	47%
Central Costs (split below)	913	361	40%
Capital Budgets (split below)	344	56	16%
<b>Subtotal</b>	<b>4,683</b>	<b>1,481</b>	<b>32%</b>
Authority-led Partnership Projects	1,904	272	14%
<b>Total Expenditure</b>	<b>6,587</b>	<b>1,753</b>	<b>27%</b>

<b><u>Income:</u></b>			
Defra National Park Grant	-3,751	-934	25%
Defra Access for All	-94	-70	75%
Planning Income	-375	-132	35%
Shared Services	-244	-45	18%
Income Generation (inc Affordable Housing)	-40	-10	25%
Investment & Interest Income	-130	-50	38%
Net Contribution to Other Earmarked Reserves (estimated)	-49	-16	33%
<b>Subtotal</b>	<b>-4,683</b>	<b>-1,257</b>	<b>27%</b>
Authority-led Partnership Projects	-1,904	-198	10%
<b>Total Income</b>	<b>-6,587</b>	<b>-1,455</b>	<b>22%</b>

### **Central Costs Split**

	<b>Original Budget £000</b>	<b>Payments to Date £000</b>	<b>% of Budget Spent</b>
Secretariat	46	19*	41%*
Human Resources	82	28	34%
ICT Services	200	144*	72%*
Member Services	68	20	29%
Finance & Audit Services	78	2	3%
Accommodation	235	95*	40%*
Business Support (e.g. pool cars, insurance, clothing, stationery)	104	53*	51%*
Facilities Project	100	0	0%
<b>TOTAL</b>	<b>913</b>	<b>361</b>	<b>40%</b>

\* Figures include significant annual invoices paid in advance (e.g. memberships, licences, business rates, insurance premium).

### **Capital Budgets Split**

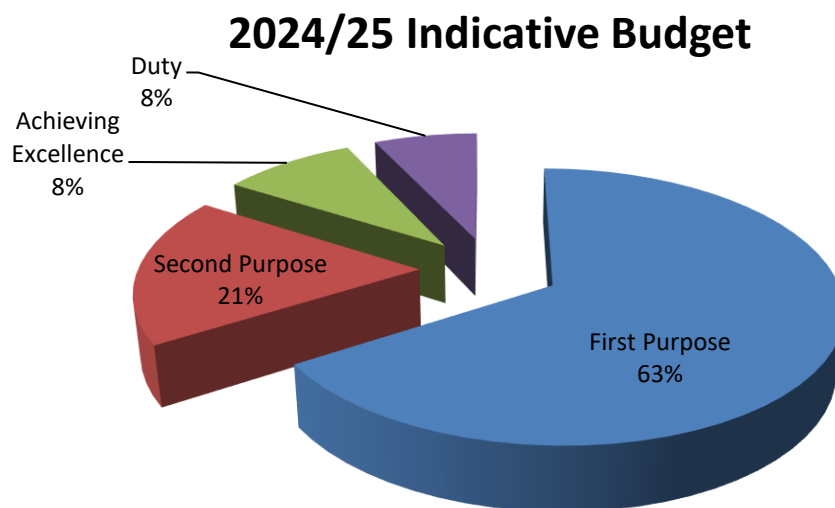
	<b>Original Budget £000</b>	<b>Payments to Date £000</b>	<b>% of Budget Spent</b>
ICT Renewals and Replacements Fund	30	16	53%
Website Update	50	0	0%
Vehicle Replacements	120	0	0%
Land improvements for Climate and Nature Recovery	50	0	0%
Access for All – Pedall Bikes	40	40	100%
Access for All – Footpath Improvements	54	0	0%
<b>TOTAL</b>	<b>344</b>	<b>56</b>	<b>16%</b>

## Annex 2

### **2024/25 Original Budget (£4.68m – not including partnership projects) shown by our Purposes, Duty & Achieving Excellence**

	<b>First Purpose*</b>	<b>Second Purpose</b>	<b>Duty</b>	<b>Achieving Excellence</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Employee Costs (allocated)	2,021	534	249	277
Programme Fund	70	128	22	-
Capital	130	170	14	30
Sustainable Communities Fund (approximation)	18	9	3	-
Strategy & Planning	95	-	-	-
Central Costs (allocated)	599	158	74	82
<b>TOTAL</b>	<b>2,933*</b>	<b>999</b>	<b>362</b>	<b>389</b>

\*Includes all costs directly related to Planning Services



**2024/25 Core budget position in Authority's formal reporting format**

	Budgeted Net Cost of Services 2024/25		Actual Expenditure April - July	Actual Income April - July	Net Actual April - July
	£000		£000	£000	£000
Conservation of the Natural Environment	405		269	-107	162
Conservation of Cultural Heritage	278		93	-5	88
Recreation Management and Transport	366		222	-78	144
Promoting Understanding	562		304	-100	204
Rangers, Estates and Volunteers	212		96	-23	73
Development Control	1,132		465	-132	333
Forward Planning and Communities	502		137	0	137
Corporate and Democratic Core	473		167	-10	157
<b>SUBTOTAL</b>	<b>3,930</b>		<b>1,753</b>	<b>-455</b>	<b>1,298</b>
National Park Grant	-3,751			-934	
Investment & Interest Income	-130			-50	
Use of Reserves	-49			-16	
<b>TOTAL</b>	<b>0</b>			<b>-1,455</b>	

### Annex 3

Programme Fund 2024/25	Original Project Budget	Payments to date	% of Budget Spent	Notes on significant variations
<b>FIRST PURPOSE*</b>	<b>£000</b>	<b>£000</b>		
Ecology and Catchment Co-ordination	12	0	0%	Work with Freshwater Habitats Trust
Natural Environment Evidence Base (HBIC / WRC)	15	2	13%	Invoiced in Q2 and Q3
Climate and Nature Recovery Projects	25	0	0%	
Archaeological Projects and SLAs	10	1	10%	
OTHER (Projects £3,000 or less)	8	6	75%	
<b>FIRST PURPOSE SUBTOTAL</b>	<b>70</b>	<b>9</b>	<b>13%</b>	
<b>SECOND PURPOSE*</b>	<b>£000</b>	<b>£000</b>		
Access Improvements	9	1	11%	
Health and Wellbeing	5	1	20%	
Education (Travel Grants and Resources)	14	3	21%	
Recreation Management	10	4	40%	
Interpretation & Information	8	2	25%	
New Forest Show	6	6	100%	Promotional/educational materials will also be used at future events
Media and Promotion	23	5	22%	
Publications and Advertising	32	9	28%	
Contact Management System	5	1	20%	Contract agreed
Ranger Projects	5	1	20%	
People and Wildlife Ranger Projects	5	2	40%	
OTHER (Projects £3,000 or less)	6	2	33%	
<b>SECOND PURPOSE SUBTOTAL</b>	<b>128</b>	<b>37</b>	<b>29%</b>	



	Original Project Budget	Payments to date	% of Budget Spent	Notes on significant variations
<b>DUTY*</b>	<b>£000</b>	<b>£000</b>		
New Forest Marque	4	0	0%	Grant payment – supplemented by comms and admin staffing support
Sustainable Tourism	5	1	20%	
Sustainable Transport	8	0	0%	
OTHER (Projects £3,000 or less)	5	2	40%	
<b>DUTY SUBTOTAL</b>	<b>22</b>	<b>3</b>	<b>14%</b>	
<b>TOTAL EXPENDITURE</b>	<b>220</b>	<b>49</b>	<b>22%</b>	

\*The designation of projects to 'First Purpose, Second Purpose and Duty' are for illustrative purposes only and do not constitute the total funding allocated to each area by the Authority (see Annex 1).

## **Authority-led Partnership Projects 2024/25**

## **Annex 4**

	Authority Contribution s	Partner Financial Contribution s	Total Project Budget	Total Payments to date	Payments as % of budget	Notes on significant variations
	£000	£000	£000	£000		
Pedall (Lottery)	0	128	128	37	29%	
LCWIP Capability (Active Travel England)	0	100	100	0	0%	
Artists in Residence (Arts Council England)	0	15	15	0	0%	
YouCAN - Youth for Climate & Nature (Lottery)	10	394	404	114	28%	
Higher Level Stewardship	0	84	84	38	45%	
Health Fellowship Programme	0	36	36	0	0%	£180k of funding over 5 years
Hampshire Greenprint	0	10	10	0	0%	Project budgets agreed
Forest Farming Group	5	17	22	8	36%	
Species Survival Fund (Defra)	23	431	454	28	6%	
New Routes to Nature – Volunteers (Lottery)	3	112	115	0	0%	
Youth Visits Programme (Defra)	0	75	75	0	0%	
Digital Planning Improvement Fund (MHCLG)	0	100	100	22	22%	
Landscape Enhancement Initiative Projects (National Grid)	0	25	25	0	0%	
Farming In Protected Landscapes – Grants Fund (Defra)	0	322	322	13	4%	
Land Advice Service	5	55	60	12	20%	
<b>TOTAL</b>	<b>46</b>	<b>1,904</b>	<b>1,950</b>	<b>272</b>	<b>14%</b>	

## Annex 5

### Developer Contributions:

	<b>Affordable Housing</b>	<b>Open Space</b>	<b>Ecological Mitigation</b>	<b>Transport (via HCC)</b>	<b>Solent Mitigation (via Fareham)</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Starting Balance	831	80	290	0*	0*
Funds Received	0	117	250	0	49
Funds Spent / Released	0	(28)	(7)	0	(49)
<b>Current Balance</b>	<b>831</b>	<b>169</b>	<b>533</b>	<b>0*</b>	<b>0*</b>

\* Funds paid over to the relevant organisations on an annual basis at year-end. Transport contributions over the previous five financial years have totalled £67,000 and Solent Mitigation £46,000.

### Current Reserve Balances:

	<b>Starting Balance</b>	<b>Projected Movement</b>	<b>Closing Balance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
General Fund Reserve	350	0	350
Earmarked Reserves:			
Revenue Support Reserve	63	0	63
Financial Stability Reserve	396	(44)	352
Capital / Major Projects Reserve	500	0	500
Planning / Risk Reserve	120	25	145
Other (net)	824	(30)	794
<b>TOTAL</b>	<b>2,253</b>	<b>(49)</b>	<b>2,204</b>