

NFNPA RAPC 553/25

NEW FOREST NATIONAL PARK AUTHORITY

RESOURCES, AUDIT AND PERFORMANCE COMMITTEE – 3 FEBRUARY 2025

Q3 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 December 2024, the first nine months of the 2024/25 financial year.

1. Introduction

- 1.1 This report provides a summary of financial performance in the three quarters 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 purposes & duty 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 £4.02m spend over the first nine months of the financial year (61% of budget). Without the partnership projects, spend was £3.24m from a budget of £4.68m (69%).
- 2.3 The overall income position shows £4.29m received (65% of budget) over the first nine months of the financial year. Without the partnership projects, income was £3.51m from a budget of £4.68m (75%).

3. Budgetary Review Process

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

4. General Budget Analysis

- 4.1 Overall the figures after nine months of the financial year, shown in detail in **Annex 1**, are largely still on track and no significant issues have emerged of which Members need to be made aware of at this time. An additional column has been added to the main table in Annex 1 to show the projected outturn (final) position of each major budget line. The national staff pay award for 2024/25 was agreed in late October and paid out in the November salaries.

Current Net Position: Balanced Budget.

- 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.

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 nine months of the year a total of £10,000 has been claimed.

6. Developer Contributions

- 6.1 As detailed in Annex 5, during the first nine months of the financial year a further £768,000 has been received in respect of developer contributions and £92,000 spent or allocated.
- 6.2 As Members are aware, a very significant proportion of the remaining Affordable Housing contributions will likely be utilised 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 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 end-of-December Treasury Management position projects that the Authority will receive around £160,000 from interest on its investments and holdings this year (an overall return of around 4.6%); this is £30,000 more than the budget projection due to the slower fall in interest rates available than was originally expected.

9. Partnership Projects

- 9.1 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.
- 9.2 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:

NFNPA/RAPC 553/25	Budgetary Control Report
NFNPA/RAPC 553/25 Annex 1	Budget Monitoring
NFNPA/RAPC 553/25 Annex 2	2024/25 Budget Formats
NFNPA/RAPC 553/25 Annex 3	Programme Fund
NFNPA/RAPC 553/25 Annex 4	Authority-led Partnership Projects
NFNPA/RAPC 553/25 Annex 5	Developer Contributions and Reserve Balances

Equality and Diversity Implications:

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

Annex 1

Budget Monitoring 2024/25

Summary Accounts for the period 1 April – 31 December 2024

	Original Budget	Payments to date	% of Budget Spent	Projected Outturn
	£000	£000		
<u>Expenditure:</u>				
Employee Costs (Salary, Travel, Pensions etc)	3,081	2,288	74%	3,050
Programme Fund	220	123	56%	210
Sustainable Communities Fund	30	10	33%	30
Strategy & Planning	95	81	85%	120
Central Costs (split below)	913	651	71%	843
Capital Budgets (split below)	344	91	26%	344
Subtotal	4,683	3,244	69%	4,597
Authority-led Partnership Projects	1,904	779	41%	
Total Expenditure	6,587	4,023	61%	

<u>Income:</u>				
Defra National Park Grant	-3,751	-2,835	76%	-3,751
Defra Access for All	-94	-94	100%	-94
Planning Income	-375	-255	68%	-350
Shared Services	-244	-144	59%	-234
Income Generation (inc Affordable Housing)	-40	-28	70%	-35
Investment & Interest Income	-130	-119	92%	-160
Contribution to/(from) Other Earmarked Reserves	-49	-37	76%	27
Subtotal	-4,683	-3,512	75%	-4,597
Authority-led Partnership Projects	-1,904	-776	41%	
Total Income	-6,587	-4,288	65%	

Central Costs Split

	Latest Budget £000	Payments to Date £000	% of Budget Spent
Secretariat	46	42	91%
Human Resources	82	72	88%
ICT Services	200	200	100%
Member Services	68	47	69%
Finance & Audit Services	78	37	47%
Accommodation	235	169	72%
Business Support (e.g. insurance, printing, stationery)	104	75	72%
Facilities Project	100	9	9%
TOTAL	913	651	71%

Capital Budgets Split

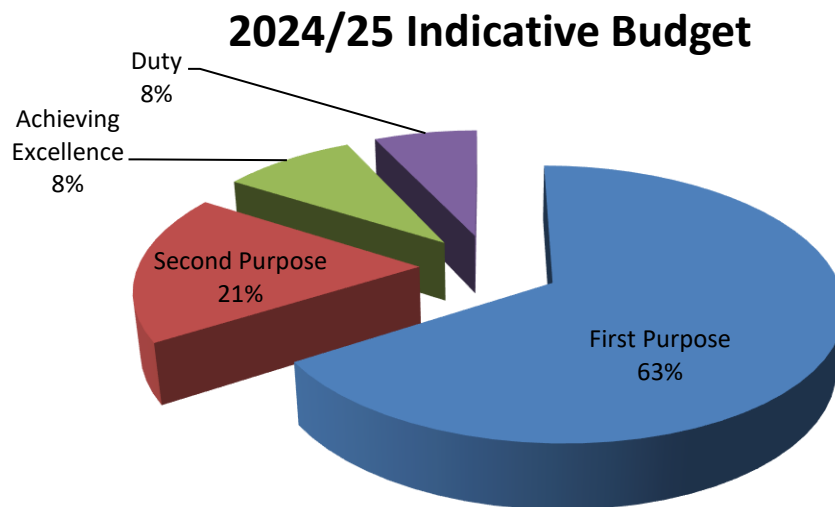
	Original Budget £000	Payments to Date £000	% of Budget Spent
ICT Renewals and Replacements Fund	40	40	100%
Website Update	40	0	0%
Vehicle Replacements	120	8	7%
Land / Improvements for Climate and Nature Recovery (if available)	50	0	0%
Access for All – Pedall Bikes	32	32	100%
Access for All – Footpath Improvements	62	11	18%
TOTAL	344	91	26%

Annex 2

2024/25 Original Budget (£4.68m – not including partnership projects) shown as ‘Protect, Enjoy, Prosper & Achieving Excellence’

	First Purpose*	Second Purpose	Duty	Achieving Excellence
	£000	£000	£000	£000
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
TOTAL	2,933*	999	362	389

*Includes all costs directly related to the Planning Service



2024/25 Budget position in Authority's formal reporting format

	Budgeted Net Cost of Services 2024/25		Actual Expenditure Apr - Dec	Actual Income Apr - Dec	Net Actual April - Sept
	£000		£000	£000	£000
Conservation of the Natural Environment	405		601	-338	263
Conservation of Cultural Heritage	278		188	-5	183
Recreation Management and Transport	366		503	-216	287
Promoting Understanding	562		667	-304	363
Rangers, Estates and Volunteers	212		208	-50	158
Development Control	1,132		1,163	-367	796
Forward Planning and Communities	502		345	0	345
Corporate and Democratic Core	473		348	-17	331
SUBTOTAL	3,930		4,023	-1,297	2,726
National Park Grant	-3,751			-2,835	
Investment & Interest Income	-130			-119	
Use of Reserves	-49			-37	
TOTAL	0			-4,288	

Annex 3

Programme Fund 2024/25	Original Project Budget	Payments to date	% of Budget Spent	Notes on significant variations
FIRST PURPOSE*	£000	£000		
Ecology and Catchment Co-ordination	12	12	100%	Work with Freshwater Habitats Trust
Natural Environment Evidence Base (HBIC / WRC)	15	14	93%	
Climate and Nature Recovery Projects	25	0	0%	Allocated to 4&Core Studies (like ARUP)
Archaeological Projects and SLAs	10	3	30%	
OTHER (Projects £3,000 or less)	8	8	100%	
FIRST PURPOSE SUBTOTAL	70	37	53%	
SECOND PURPOSE*	£000	£000		
Access Improvements	9	5	56%	
Health and Wellbeing	5	1	20%	
Education (Travel Grants and Resources)	14	7	50%	
Recreation Management	10	10	100%	
Interpretation & Information	8	4	50%	
New Forest Show	6	6	100%	
Media and Promotion	23	21	91%	
Publications and Advertising	32	12	38%	
Contact Management System	5	1	20%	Contract agreed
Ranger Projects	5	3	60%	
People and Wildlife Ranger Projects	5	2	40%	
OTHER (Projects £3,000 or less)	6	4	66%	
SECOND PURPOSE SUBTOTAL	128	76	59%	

	Original Project Budget	Payments to date	% of Budget Spent	Notes on significant variations
DUTY*	£000	£000		
New Forest Marque	4	0	0%	Grant payment – supplemented by comms and admin staffing support
Sustainable Tourism	5	5	100%	
Sustainable Transport	8	2	25%	
OTHER (Projects £3,000 or less)	5	3	60%	
DUTY SUBTOTAL	22	10	45%	
TOTAL EXPENDITURE	220	123	56%	

* The designation of projects to 'Protect, Enjoy & Prosper' are for illustrative purposes only and do not constitute the total funding allocated to each area by the Authority (see Annex 2)

Authority-led Partnership Projects 2024/25

Annex 4

	Authority Contributions	Partner Financial Contributions	Total Project Budget	Total Payments to date	Payments as % of budget	Notes on significant variations
	£000	£000	£000	£000		
Pedall (Lottery)	0	128	128	91	71%	
LCWIP Capability (Active Travel England)	0	100	100	5	5%	Funds 100% allocated
Artists in Residence (Arts Council England)	0	15	15	15	100%	
YouCAN - Youth for Climate & Nature (Lottery)	10	394	404	302	75%	
Higher Level Stewardship	0	84	84	60	71%	
Health Fellowship Programme	0	36	36	14	39%	£180k of funding over 5 years
Hampshire Greenprint	0	10	10	6	60%	
Forest Farming Group	5	17	22	8	36%	
Species Survival Fund (Defra)	23	431	454	135	30%	
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%	Additional £45k contract let
Landscape Enhancement Initiative Projects (National Grid)	0	25	25	0	0%	
Farming In Protected Landscapes – Grants Fund (Defra)	0	322	322	109	34%	
Land Advice Service	5	55	60	12	20%	
TOTAL	46	1,904	1,950	779	40%	

Annex 5

Developer Contributions:

	Affordable Housing	Open Space	Ecological Mitigation	Transport (via HCC)	Solent Mitigation (via Fareham)
	£000	£000	£000	£000	£000
Starting Balance	831	80	290	0*	0*
Funds Received	65	122	532	0	49
Funds Spent / Released	(5)	(28)	(10)	0	(49)
Current Balance	891	174	812	0*	0*

* 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:

	Starting Balance	Budgeted Movement	Closing Balance
	£000	£000	£000
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
TOTAL	2,253	(49)	2,204