

NFNPA RAPC 601/26

NEW FOREST NATIONAL PARK AUTHORITY

RESOURCES, AUDIT AND PERFORMANCE COMMITTEE – 7 SEPTEMBER 2026

APRIL-JULY BUDGETARY CONTROL REPORT 2026/27

Report by: Nigel Stone, Director of Resources & Operations (CFO) and Tom Knott, Finance & Sustainable Procurement Officer

Purpose:

This report provides a summary of financial performance up to the end of July 2026, the first four months of the 2026/27 financial year.

1. Introduction

- 1.1 This report provides a summary of financial performance in the first four months of 2026/27, 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 2026/27 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.

2. Current Position

- 2.1 The overall income and expenditure budgets for 2026/27 are £8.21m, as shown in Annex 1. This includes £1.6m from capital projects and £1.86m from Authority-led partnership projects (externally-funded).
- 2.2 The overall expenditure position shows £2.3m spend over the first four months of the financial year (28% of budget). Without the capital and partnership projects, spend was £1.6m from a budget of £4.8m (34%).
- 2.3 The overall income position shows £3.6m received (44% of budget) over the first four months of the financial year. Without the capital and partnership projects, income was £2.4m from a budget of £4.8m (49%).

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 four 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. Capital budget spend is low during this period as projects are still be sought, developed and/or finalised.

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 2026/27 is £20,000 and we have £38,000 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 £4,000 has been claimed.

6. Developer Contributions

- 6.1 As detailed in Annex 5, during the first four months of the financial year a further £85,000 has been received in respect of developer contributions and £1,000 spent or allocated.
- 6.2 As Members are aware, a very significant proportion of the remaining Affordable Housing contributions will soon be utilised to fund a pair of homes at the site in Burley (for which the procurement of a building contractor was recently completed and works are scheduled to begin in September).

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 revised budget approved in July 2026.

8. Treasury Management Position

- 8.1 The end-of-July Treasury Management position projects that the Authority will receive around £130-150,000 from interest on its investments and holdings this year (an overall return of around 4%); this is currently ahead of the original budget projection for £110,000, a full analysis will be provided in the half-year report.

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 2026/27 we will receive over £1.85m 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 £54 from funders / partner organisations. On average, over the last five years, we have generated a further £29 from funders / partner organisations.

10. Capital Projects

- 10.1 In July the Authority approved the overall capital budgets for utilising the £1.4m of core capital funding and £0.15m of capital access funding. Officers have been scoping out a number of projects and potential projects under these workstreams and an update will be provided to Members within the confidential part 2 session of this meeting.

11. Recommendation

It is recommended that Members:

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

Papers:

NFNPA/RAPC 601/26	Budgetary Control Report
NFNPA/RAPC 601/26 Annex 1	Budget Monitoring
NFNPA/RAPC 601/26 Annex 2	2026/27 Budget Formats
NFNPA/RAPC 601/26 Annex 3	Programme Fund
NFNPA/RAPC 601/26 Annex 4	Authority-led Partnership Projects
NFNPA/RAPC 601/26 Annex 5	Developer Contributions and Reserve Balances

Equality and Diversity Implications:

There are no specific equality or diversity implications arising out of this report.

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Annex 1

Budget Monitoring 2025/26

Summary Accounts for the period 1 April – 31 July 2026

	Original Budget	Payments to date	% of Budget Spent
	£000	£000	
<u>Expenditure:</u>			
Employee Costs (Salary, Travel, Pensions etc)	3,169	1,005	31%
Programme Fund	690	79	11%
Sustainable Communities Fund	20	4	20%
Strategy & Planning	100	50	50%
Central Costs (split below)	812	473	58%
Subtotal	4,791	1,611	34%
Capital Budgets (split below)	1,560	26	2%
Authority-led Partnership Projects	1,855	677	36%
Total Expenditure	8,206	2,314	28%
<u>Income:</u>			
Defra National Park Grant (Revenue)	-4,725	-2,363	50%
Planning Income	-564	-166	29%
Shared Services	-252	-98	39%
Income Generation (inc Affordable Housing)	-90	-11	12%
Investment & Interest Income	-110	-48	44%
Net Contribution to Other Earmarked Reserves (estimated)	950	317	33%
Subtotal	-4,791	-2,369	49%
Defra Capital National Park Grant & Access Funding	-1,560	-780	50%
Authority-led Partnership Projects	-1,855	-427	23%
Total Income	-8,206	-3,576	44%

Central Costs Split

	Latest Budget £000	Payments to Date £000	% of Budget Spent
Secretariat	50	40*	80%*
Human Resources	67	23	34%
ICT Services	210	148*	70%*
Member Services	71	27	38%
Finance & Audit Services	99	10	10%
Accommodation	210	167*	80%*
Business Support (e.g. insurance, printing, stationery)	105	58*	55%*
TOTAL	812	473	58%

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

Capital Budgets Split

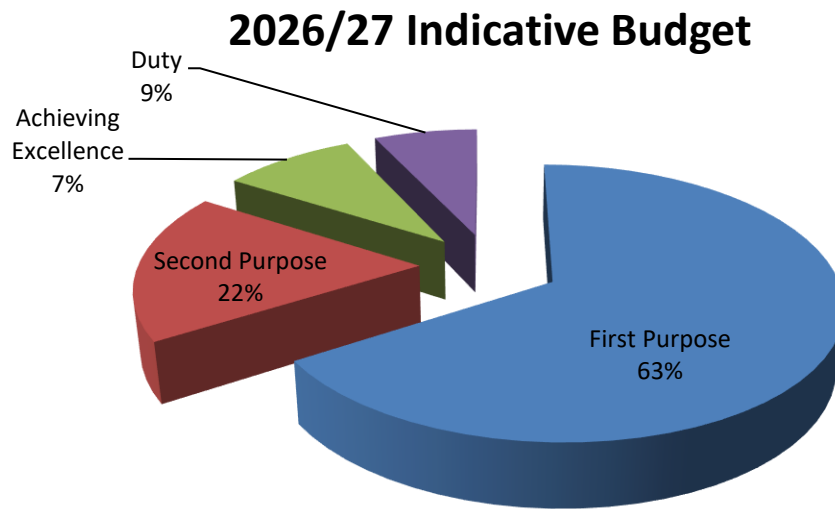
	Original Budget £000	Payments to Date £000	% of Budget Spent
Website Update	30	10	33%
ICT Renewals	57	14	25%
Foxlease Rental Properties	420	0	0%
Income Generation and/or Land improvements for Climate and Nature Recovery	900	0	0%
Access Capital	153	2	1%
TOTAL	1,560	26	2%

Annex 2

2026/27 Original Revenue Budget (£4.79m – not including partnership projects) shown as ‘Purposes, Duty and Achieving Excellence’

	First Purpose*	Second Purpose	Duty	Achieving Excellence
	£000	£000	£000	£000
Employee Costs (allocated)	2,092	538	254	285
Programme Fund (approximation)	246	320	124	-
Sustainable Communities Fund (approximation)	12	6	2	-
Strategy & Planning	100	-	-	-
Central Costs (allocated)	536	138	65	73
TOTAL	2,986*	1,002	445	358

*Includes all costs directly related to the Planning Service



2026/27 Budget revenue position in Authority's formal reporting format

	Budgeted Net Cost of Services 2025/26		Actual Expenditure April - Dec	Actual Income April - Dec	Net Actual April - Dec
	£000		£000	£000	£000
Conservation of the Natural Environment	583		282	-35	247
Conservation of Cultural Heritage	226		94	-6	88
Recreation Management and Transport	324		162	-17	145
Promoting Understanding	552		246	0	246
Rangers, Estates and Volunteers	198		99	-45	54
Development Control	1,082		641	-166	475
Forward Planning and Communities	466		183	0	183
Corporate and Democratic Core	454		179	-6	173
SUBTOTAL	3,885		1,886	-275	1,611
National Park Grant	-4,725			-2,363	
Investment & Interest Income	-110			-48	
Use of Reserves	950			317	
TOTAL	0			-2,369	

Annex 3

Programme Fund 2026/27	Original Project Budget	Payments to date	% of Budget Spent	Notes on significant variations
MAJOR PROJECTS	£000	£000		
Partnership Plan Development	175	0	0%	
Green Links Studies	100	0	0%	
Income Generation Strategy	80	0	0%	
Organisational Development Strategy	80	0	0%	
OTHER	75	29	39%	
MAJOR PROJECTS SUBTOTAL	510	29	6%	
FIRST PURPOSE*	£000	£000		
Ecology and Catchment Co-ordination	12	0	0%	Work with Freshwater Habitats Trust
Natural Environment Evidence Base (HBIC / WRC)	15	1	7%	
Archaeological Projects and SLAs	8	1	13%	
OTHER (Projects £3,000 or less)	7	2	29%	
FIRST PURPOSE SUBTOTAL	42	4	10%	
SECOND PURPOSE*	£000	£000		
Access Improvements	7	2	29%	
Health and Wellbeing	5	3	60%	
Education (Travel Grants and Resources)	10	4	40%	
Recreation Management	5	2	40%	
Interpretation & Information	8	4	50%	

	Original Project Budget	Payments to date	% of Budget Spent	Notes on significant variations
Media and Promotion	23	13	57%	
Publications and Advertising	32	10	31%	
Contact Management System	5	0	0%	
Ranger Projects	5	1	20%	
People and Wildlife Ranger Projects	4	1	25%	
OTHER (Projects £3,000 or less)	6	4	67%	
SECOND PURPOSE SUBTOTAL	116	44	38%	
DUTY*	£000	£000		
New Forest Marque	4	0	0%	Grant payment – supplemented by comms and admin staffing support
Sustainable Tourism	5	0	0%	
Sustainable Transport	8	0	0%	
OTHER (Projects £3,000 or less)	5	2	40%	
DUTY SUBTOTAL	22	2	9%	
TOTAL EXPENDITURE	690	79	11%	

* The designation of projects to 'First Purpose, Second Purpose & 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 2026/27

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	190	190	62	33%	Multi-year project
YouCAN - Youth for Climate & Nature (Lottery)	10	280	290	135	47%	Core scheme ends in August, a further £120k (included in figures) is available for ending the scheme over the following two months.
Higher Level Stewardship	0	98	98	21	21%	
Health Fellowship Programme	0	36	36	0	0%	£180k of funding over 5 years
Active Travel England (Direct funding)	0	200	200	129	65%	
New Routes to Nature – Volunteers (Lottery)	10	100	110	37	34%	Multi-year project
Landscape Enhancement Initiative Projects (National Grid)	0	400	400	213	53%	Multi-year projects
Farming In Protected Landscapes – Grants Fund (Defra)	0	321	321	58	18%	
Wildlife Rich Habitats (Defra)	0	175	175	0	0%	
Phenology Project (Estee Lauder / South Downs Trust)	0	20	20	10	50%	
Land Advice Service	5	35	40	12	30%	
TOTAL	25	1,855	1,880	677	36%	

Annex 5

Developer Contributions:

	Affordable Housing	Open Space	Ecological Mitigation	Transport (via HCC)	Solent Mitigation (via Fareham)
	£000	£000	£000	£000	£000
Starting Balance	1,048	72	1,179	0*	0*
Funds Received	0	0	84	0	1
Funds Spent / Released	0	0	0	0	(1)
Current Balance	1,048	72	1,263	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 £151,000.

Current Reserve Balances:

	Starting Balance	Projected Movement	Closing Balance
	£000	£000	£000
General Fund Reserve	350	0	350
Earmarked Reserves:			
Revenue Support Reserve	13	0	13
Financial Stability Reserve	0	1,100	1,100
Capital / Major Projects Reserve	500	0	500
Planning / Risk Reserve	170	20	190
Other (net)	1,203	(170)	1,033
TOTAL	2,236	950	3,186