Yorkshire Dales National Park Authority Item 10

Finance & Resources Committee

01 October 2024

Financial Performance Report 1st April 2024 – 31st August 2024

Purpose of the Report

1. To provide Members with details on the financial outturn for the period 1st April 2024 to 31st August 2024.

Recommendations

2. That Members note the contents of the report.

Strategic Planning Framework

3. The information and recommendations contained in this report are consistent with the Authority's statutory purposes and its approved strategic planning framework:

    - **Corporate Plan objective 30**:
      Plan and manage the Authority's work so as to make the most effective use of our resources, including generating sufficient income to maintain expenditure at the same level as 2014/15 in real terms across the extended National Park (2024/25: £9.7m).

Background

Financial Performance

4. This report provides an overview of the Authority's financial performance for the first five months of 2024/25, and highlights any significant variances (those with a value of >£10k) from the budgeted profile.

5. The detailed financial performance results are set out in **Appendix 1**, which provides a comparison between the budget and the actual results.

6. The overall message in these figures is that things are looking positive and generally 'on course'. The financial position at the end of August is a very small net 'underspend' compared to profile of **£149k.** However, this does mask some

more detailed information on both income and expenditure variances. Key things for Members to be aware of:

a. The income target at 31 August 2024 was £4.6m, £4.4m was received. The variance was mainly due to FIPL and Grow back Greener being behind target, whilst Rights of Way was ahead of target, additional income was earned in Retail and Bank Interest, and the Planning Fees were behind target. More detail on all the income variances can be found in **Appendix 2**.

b. The expenditure budget at 31 August 2024 was £4.5m, actual expenditure was £4.2m, leaving an 'underspend' of £0.3m. Again, the variance was due mainly to FiPL and Grow Back Greener being behind target, and Rights of Way ahead of target. At this stage, these are all timing issues rather than 'real' underspends.

7. For the detailed analysis of income and expenditure variances for each work programme see **Appendix 2**.

8. The salaries budget for 2024/25 assumes a pay increase of 4%. An offer of £1290 per scale point has been presented by the Employers and is being considered by Employee representatives. Consequently, the total salaries budget appears to be underspent by £181k. The pay award issue should be resolved shortly: UNISON are currently balloting their members on the offer.

9. £23k was recharged at 31st August 2024 to the FIPL project from Officers in other sections providing specialist advice or administration support, this saving will show against the salaries costs in the individual programmes those Officers are charged to.

10. As the previous two points affect most programme budgets, variances in salaries are only specifically mentioned in **Appendix 2** if that section was holding a vacancy.

11. Additional detail is included in the appendices:

- **Appendix 1** provides a detailed picture of performance against budget, analysed by Programme and Corporate Employment & Central costs.
- **Appendix 2** provides an explanation of variances (income or expenditure) from the budget having a value of >£10k.
- **Appendix 3** provides information on virements and other budget movements during 1st April 2024 to 31st August 2024. This lists additional income, additional costs, Opportunities Fund allocations and other minor adjustments to the budget.
- **Appendix 4** is a record of delegated decisions in relation to contracts awarded in the period from 1st April 2024 to 31st August 2024; these details are included by way of governance best practice.

Conclusion

12. The first five months of the financial year tends to have some large variances caused by the reversal of the prior year debtors and creditors. The invoices and income should be received early in the year to match these reversed entries, but some suppliers and grant bodies are slow with their paperwork. We are still working through these and the variances should resolve by year end. However, where Budget Managers have indicated there are potential issues with their budgets, these have been noted in **Appendix 2**.

13. Members should also note that the acquisition of a plot of land at Langcliffe Quarry was completed in July 2024 and development of the replacement ranger base is due to start soon.

Michelle Clyde
Head of Finance

Appendix 1

Detailed Analysis of 2024/25 Budget Performance

This table presents the financial results for the period 1st April 2024 to 31st August 2024. Analysis of component lines which include variances greater than £10k is included at Appendix 2. Variances against budget are identified. Income is shown bracketed, in line with accounting convention, and adverse variances are also shown bracketed.

1 APRIL 2024 To 31 AUG 2024 Quarter 2 - Month 5	REVISED ANNUAL BUDGET	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	YEAR TO DATE VARIANCE	Favourable /Adverse
Programme Bids	**£'000**	**£'000**	**£'000**	**£'000**	
Staff Costs	779.4	322.3	297.4	***24.8***	F
Programme Costs	60.2	34.0	15.3	***18.8***	F
Income	(329.2)	(134.0)	(100.9)	***(33.0)***	A
Development Management Total	**510.4**	**222.3**	**211.7**	***10.6***	F
Staff Costs	488.9	203.7	164.3	***39.4***	F
Programme Costs	2,794.2	562.4	348.0	***214.4***	F
Income	(2,882.0)	(499.3)	(205.1)	***(294.1)***	A
Farm Conservation Total	**401.1**	**266.9**	**307.2**	***(40.3)***	A
Staff Costs	216.7	90.3	82.6	7.7	F
Programme Costs	134.7	75.1	29.9	***45.2***	F
Income	(139.4)	(65.3)	(62.2)	(3.1)	A
Biodiversity Total	**212.0**	**100.0**	**50.3**	***49.8***	F
Staff Costs	498.6	207.7	202.0	5.8	F
Programme Costs	1,664.8	270.4	299.7	***(29.3)***	A
Income	(780.3)	(19.0)	(169.0)	***149.9***	F
Rights of Way Total	**1,383.0**	**459.1**	**332.7**	***126.4***	F
Staff Costs	147.5	61.5	59.0	2.5	F
Programme Costs	105.7	25.3	23.0	2.3	F
Income	(15.0)	0.0	0.0	0.0	
Development Planning Total	**238.2**	**86.7**	**81.9**	4.8	F
Staff Costs	166.9	68.3	56.9	***11.4***	F
Programme Costs	254.8	70.6	42.3	***28.3***	F
Income	(289.8)	(238.7)	(239.2)	0.5	F
Recreation & Health Total	**131.9**	**(99.8)**	**(140.0)**	***40.2***	F
Staff Costs	305.0	127.1	96.0	***31.1***	F
Programme Costs	123.3	56.5	26.7	***29.7***	F
Income	(238.7)	(61.7)	(50.6)	***(11.1)***	A
Education & Outreach Total	**189.6**	**121.8**	**72.1**	***49.7***	F

1 APRIL 2024 To 31 AUG 2024 Quarter 2 - Month 5	REVISED ANNUAL BUDGET	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	YEAR TO DATE VARIANCE	Favourable /Adverse
Programme Bids	**£'000**	**£'000**	**£'000**	**£'000**	
Staff Costs	291.2	121.3	105.4	***15.9***	F
Programme Costs	676.9	38.8	178.0	***(139.1)***	A
Income	(779.0)	(38.4)	59.0	***(97.5)***	A
Trees & Woodlands Total	**189.0**	**121.7**	**342.4**	***(220.7)***	A
Staff Costs	100.2	41.8	39.9	1.9	F
Programme Costs	128.0	46.2	43.4	2.8	F
Income	(89.7)	(48.7)	(45.9)	(2.9)	A
Dales Countryside Museum Total	**138.5**	**39.2**	**37.4**	1.8	F
Staff Costs	144.5	60.2	55.0	5.2	F
Programme Costs	89.5	29.3	24.7	4.6	F
Income	(83.5)	(20.0)	(26.3)	6.3	F
Historical Environment Total	**150.5**	**69.4**	**53.3**	***16.1***	F
Staff Costs	0.0	0.0	0.0	0.0	
Programme Costs	23.7	10.0	2.6	7.4	F
Income	0.0	0.0	0.0	0.0	
Landscape Features Total	**23.7**	**10.0**	**2.6**	7.4	F
Staff Costs	213.8	89.1	86.1	2.9	F
Programme Costs	129.6	58.3	56.8	1.6	F
Income	(6.0)	(1.5)	(2.3)	0.8	F
Volunteers & Apprentices Total	**337.5**	**145.9**	**140.6**	5.3	F
Staff Costs	147.0	59.1	52.5	6.5	F
Programme Costs	22.2	7.7	2.1	5.6	F
Income	0.0	0.0	0.0	0.0	
Tourism Total	**169.2**	**66.8**	**54.6**	***12.1***	F
Staff Costs	363.2	151.3	147.7	3.6	F
Programme Costs	363.8	183.7	216.4	***(32.7)***	A
Income	(347.1)	(202.4)	(264.5)	***62.1***	F
National Park Centres Total	**379.9**	**132.6**	**99.6**	***33.0***	F
Staff Costs	43.1	17.9	17.3	0.7	F
Programme Costs	307.8	53.7	43.9	9.8	F
Income	0.0	0.0	0.0	0.0	
Sustainable Development Fund Total	**350.9**	**71.7**	**61.2**	***10.5***	F
Staff Costs	87.8	36.6	34.4	2.1	F
Programme Costs	381.7	199.5	222.7	***(23.2)***	A
Income	(951.3)	(546.0)	(546.2)	0.2	F
Carparks & Toilets Total	**(481.8)**	**(310.0)**	**(289.1)**	***(20.9)***	A

1 APRIL 2024 To 31 AUG 2024 Quarter 2 - Month 5	REVISED ANNUAL BUDGET	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	YEAR TO DATE VARIANCE	Favourable /Adverse
Programme Bids	**£'000**	**£'000**	**£'000**	**£'000**	
Staff Costs	67.7	28.2	25.9	2.4	F
Programme Costs	11.0	5.8	4.5	1.3	F
Income	0.0	0.0	0.0	0.0	
Recreation Management	**78.7**	**34.0**	**30.4**	3.6	F
Programme Summary					
Total Programme Gross Costs	11,333.4	3,413.5	3,102.2	***311.4***	***F***
Total Programme Income	(6,931.0)	(1,875.1)	(1,653.2)	***(221.9)***	***A***
Total Programme Net Cost	**4,402.4**	**1,538.4**	**1,449.0**	***89.5***	***F***
Corporate Employment and Central Costs	**£'000**	**£'000**	**£'000**	**£'000**	
Conservation and Communities Staff Costs	134.8	56.2	54.8	1.4	F
Conservation and Communities Staff Income	0.0	0.0	0.0	0.0	
Park Management Staff Costs	383.5	162.3	152.3	***10.1***	F
Corporate Staff Costs	1,036.0	431.7	429.3	2.4	F
Corporate Staff Income	0.0	0.0	0.0	0.0	A
Vacancy Factor 2%	(122.5)	(51.0)	0.0	***(51.0)***	A
Other Employee Related Costs	20.6	7.3	13.9	(6.5)	A
Other Employee Related Income	0.0	0.0	0.0	0.0	
Total Corporate Employment Net Costs	***1,452.5***	***606.5***	***650.2***	***(43.7)***	***A***
Support Services	247.3	126.5	1.2	***125.3***	F
Support Services Income	(210.0)	(54.2)	(70.8)	***16.7***	F
CEO Support	4.0	0.6	2.6	(2.0)	A
CEO Support Income	0.0	0.0	0.0	0.0	A
Legal Services	25.2	20.0	33.0	***(13.1)***	A
Legal Services Income	(17.0)	(7.1)	(12.6)	5.5	F
Office Accommodation	130.0	56.9	46.7	***10.2***	F
Office Accommodation Income	(18.1)	(5.1)	(6.3)	1.2	F
Health and Safety	8.6	3.7	4.3	(0.6)	A
Members	162.7	80.1	72.2	7.9	F
Members Income	0.0	0.0	0.0	0.0	A
IT Licences, Consumables and Support	221.7	119.0	200.0	***(81.0)***	A
Communications and Web Services	71.8	37.0	20.7	***16.3***	F
Communication Income	(3.0)	0.0	1.0	(1.0)	A
Land Holdings and Maintenance	67.0	42.8	35.4	7.4	F
Land Holdings and Maintenance Income	0.0	0.0	0.0	0.0	
Training	69.1	29.1	19.1	9.9	F
Training Income	0.0	0.0	(0.6)	0.6	F
Total Central Net Costs	***759.2***	***449.2***	***345.9***	***103.4***	***F***

1 APRIL 2024 To 31 AUG 2024 Quarter 2 - Month 5	REVISED ANNUAL BUDGET	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	YEAR TO DATE VARIANCE	Favourable /Adverse
	£'000	**£'000**	**£'000**	**£'000**	
SUMMARY					
National Park Grant	(5,729.8)	(2,614.9)	(2,614.9)	0.0	
Other Income	(7,179.1)	(1,941.5)	(1,742.5)	***(198.9)***	***A***
Total Income	(12,908.9)	(4,556.4)	(4,357.4)	***(198.9)***	***A***
Gross Expenditure	13,793.2	4,535.6	4,187.5	***348.0***	***F***
Net expenditure (excluding National Park Grant)	6,614.1	2,594.1	2,445.0	***149.1***	***F***
In-Year Deficit/(Surplus)	**884.3**	**(20.8)**	**(169.9)**	***149.1***	***F***

Appendix 2

Analysis of programme, corporate and central costs

Net variances (including income) of over £10k are detailed below; where the net variance is less than £10k, but individual components within it exceed £10k, an explanation is also included.

Programme Net Costs

Development Management: **Favourable variance of £11k**
The income was lower than budget by £33k as a result of a fewer number of planning applications. The expenditure was underspent by £19k, mainly relating to software maintenance which is a timing issue.

Farm Conservation: Adverse variance of £40k
Farming in Protected Landscapes (FIPL) income was behind profile by £274k, expenditure was also behind profile by £225k.

In FIPL, £2.6m has been committed to projects and it is expected to bring the programme in on budget with a minor under or overspend. Further funding totalling £275k has been offered from Defra above the original allocation for new projects. £284k has been spent in the first 5 months of the year, and the programme will be closely monitored.

Biodiversity: Favourable variance of £50k
Expenditure was behind profile by £53k, £20k relates to the Community Wildlife Fund and £26k to species expenditure. Some delays to species projects mean there may be an underspend on this budget.

Rights of Way: Favourable variance of £124k
Income was ahead profile by £150k, it is made up principally from: Pennine Trails £58k (this project is very hard to profile as it is reliant on third party claims); and Three Peaks £79k (£61k relating to a legacy which was carried forward from the prior year). Expenditure was ahead of profile by £24k, this is made up principally from the Coast to Coast (CTC), which was ahead of profile by £99k, and Pennine Trails, which was behind profile by £58k. Both are externally funded and are expected to be fully spent in year.

Recreation & Health: Favourable variance of £40k
Expenditure is underspent by £40k, this includes three delayed projects Active Travel £10k, BMW project £10k, and ERT Smaredale £20k. These are timing issues and are expected to resolve.

Education & Outreach: Favourable variance of £50k
Income was behind profile by £13k, and expenditure was behind by £30k; of which £15k relates to Generation Green 2. Salaries were underspent by £31k, principally due to vacancies. There are a number of smaller projects behind profile.

Trees & Woodlands: Adverse variance of £221K
Income was £97k behind profile and expenditure was £123k behind profile, mainly relating to Grow Back Greener projects from 2023/24 which are still not fully signed off. There was also a Woodland Creation Officer Vacancy.

Historical Environment: Favourable variance of £16k
Income is ahead of profile by £6k and expenditure is behind by £5k.

National Park Centres: Favourable variance of £33k
Retail sales have generated an additional £20k of net income. Expenses were behind profile which is a timing issue.

Sustainable Development Fund: Favourable variance of £11k
Grants payments are behind by profile.

Car Parks & Toilets: Adverse variance of **£21k**
Expenses are overspent by £25K, additional expenses of £16k were charged due to the extension of the car park cash collection contract due to the delayed arrival of card only car park machines. Income is on target.

Corporate & Central Costs

Corporate Employment Costs: Adverse variance of £44k
This budget category houses the 'Vacancy factor' of £51k, which is a projection of expected savings likely to be made through staff vacancies for the whole Authority (the actual savings are scattered through the Programme budgets). The 'real' underspend on 'corporate' salaries was £7k.

Central Costs: Favourable variance of £103k
The following expenditure was behind profile:
Support Service £125k; (primarily £61k Audit, £52k Insurance); Land Holdings & Maintenance £10k (mainly comprising Bainbridge Office Reconfigure); Communications and Web services £16k (mainly for consulting costs to perform an audit of interpretation boards which is in hand).

The following expenditure was ahead of profile: Legal £13k, this is likely to be overspent this year due to a number of major projects, but we may receive costs as part of a legal case which could bring this down; IT £81k, this is a profiling issue and should resolve.

Interest Income was ahead of profile by £17k.

The Ministry of Housing, Communities and Local Government (formerly DLUHC) have allocated a grant of £5.9k to assist with the cost of external audit, this payment relates to the costs from 2023/24.

Appendix 3

Virements

Virements are additions, transfers or reductions to the original figures reported in the Medium Term Financial Strategy (Budget) which were approved by Members in March 2023. The following are Virements made during the period 1st April 2024 to 31st August 2024.

Additional income or savings are denoted as bracketed figures (£'000) in line with accounting practice.

Additional Income (£28.1k)

	Programme	Cost	Income	Total
Ingleborough HLF NT	Historical Environment		(25.0)	(25.0)
Green Lanes	Rights of Way	4.4	(7.6)	(3.1)
EDI Grant	Education & Outreach	1.5	(1.5)	0.0
Forest Holidays Grant	Education & Outreach	1.0	(1.0)	0.0
Tom Lord Income for travel	Education & Outreach	2.8	(2.8)	0.0
Generation Green 2	Education & Outreach	51.3	(51.3)	0.0
Regenerative farming additional budget	Farm Conservation	7.0	(7.0)	0.0
FIPL Increase in allocation	Farm Conservation	22.5	(22.5)	0.0
Active Travel Grant	Recreation & Health	100.0	(100.0)	0.0
BMW Reach Out and Recharge	Recreation & Health	65.0	(65.0)	0.0
Wildlife Nature Recovery contribution	Biodiversity	14.0	(14.0)	0.0

Budget Adjustments Net Saving (£2.4k)

	Programme	Cost	Income	Total
Insurance price increase	Corporate	6.0		6.0
Hand Dryer Maintenance saving	Toilets	(8.4)		(8.4)

Match Funding Reserve

The Match Funding Reserve is £500k, this fund is primarily to be used for match funding on projects to bring in external income to complete our objectives. There were no allocations in the period 1st April 2024 to 31st August 2024.

Earmarked Reserves Movements

Members have previously approved a number of Earmarked Reserves for specific pieces of work. During the year, a transfer from Reserves is made into the budget to cover this expenditure. This is a technical adjustment rather than an additional budget requirement. No reserve movements have been made to August 2024.

Up to £80k has been ‘provisionally earmarked’ from the legacies reserve for the mainly FIPL funded Cross Keys Bridge project - Cautley, to underwrite the project due to complications regarding the crane weight requiring an overbridge which has increased the costs. If alternative funding is found this will be used. A further £28k has been earmarked for the Apprentice programme for an additional Corporate Apprentice.

Appendix 4

Delegations, 1st April 2024 to 31st August 2024

Delegations are required where less than three quotes are received, where only one quote is sought, or where the lowest bid was not accepted.

Description	Approved	Date
Coast to Coast White Mossy Hill Highway surface improvements (Helicopter Lift) Heli-lift are the only known lifting company that can lift a maximum weight of 1.9tonne and whom provide this service within the required geographical location. Because of the specialist nature of the task, only one quote was sought and a contract was accepted for £94.77 per tonne, estimating a contract cost of £80k for 300-500 lifts. The costs will be wholly reimbursed by Natural England.	Clare Burrows Monitoring Officer	12th April 2024
Committee Room Audio The solution proposed by Audioworks, the current supplier, addresses the Authority's current needs and provides Members and officers with an upgraded system which they are familiar with, which can be implemented with minimal training, ensuring continuity of service. It also offers scalability and additional functions if required in the future. Significant and demonstrable benefits in service or value for money are likely to be obtainable, the contract value was £25,420.	Clare Burrows Monitoring Officer	17th April 2024
Committee Rooms - Teams room solutions with linked projection. Enquiries were made to several hardware suppliers and solution specialists. Visavvi were the only contractor who could demonstrate the capability to deliver all the requirements and variations within the timeframe required. Awarding to a single provider considerably reduces risk ensuring the separate planned systems all have compatible technologies. Significant and demonstrable benefits in service or value for money are likely to be obtainable, the contract value was £31,833.	Clare Burrows Monitoring Officer	18th April 2024

Re-profiling and surfacing of an existing footpath at Aysgarth As part of a larger FiPL project, contractors were sought to re-profile and surface a current footpath at the Aysgarth Falls site. Quotation documents were sent to 12 known contractors. A site visit to look at specified work was arranged for all interested parties. Unfortunately, only two contractors provided a written quote for this section of work, the lowest quote was accepted (John Ellerton - £30,157).	Michelle Clyde S151 Officer	13th June 2024
Reprofiling and resurfacing of an existing footpath from the Aysgath Falls NPC As part of a larger FiPL project, contractors were sought to re-profile and resurface the tarmac footpath from the Aysgarth Falls National Park Centre. Quotation documents were sent to 12 known contractors. A site visit to look at specified work was arranged for all interested parties. Unfortunately, only one contractor provided a written quote for this area of the work and was awarded the contract – Steve Marsden £46,460.	Michelle Clyde S151 Officer	13th June 2024
Data collection for active travel planning contract June 2024 – August 2024. Quotations were sought from three suppliers. Only one quote was received - Sustrans - £13, 483 Sustrans were awarded the contract as they could meet the tight deadline to deliver the contract outlined and were the only contactor to quote.	Michelle Clyde S151 Officer	18th June 2024
Coast to Coast White Mossy Hill Highway Surface Improvements Officers sought quotes from three companies for the hire of specific plant equipment, but only one quote met the exact requirements as requested. E & M Fairhurst & Son are familiar with the site and can provide the equipment in the specified time frames, the cost being £950 per week – contract cost approximately £11.4k.	Clare Burrows Monitoring Officer	8th July 2024
Building Works Yoredale Offices Only two suppliers provided quotes to build a new planning office and modify a room off the reception area. The lowest of those was accepted from S Simmonite General Contractors at £12k, other costs will be direct with subcontractors with the whole project budget being £20k.	Clare Burrows Monitoring Officer	7th August 2024
Production of the Dales and Visitor Publications 2025-2027	Clare Burrows Monitoring Officer	29th August 2024

Bow House Digital Ltd our current contractor have built up and maintained excellent relationships with advertisers across both publications. We will be making a fixed contribution of £9,800 annually to meet the cost of the contract (which should not exceed £29,400 over the 3-year contract period). Excess revenue above that which is forecast - is paid back to the National Park Authority. Therefore, only one quote was sought due to the significant and demonstrable benefits in service or value for money likely to be obtainable..		
Regenerative agriculture case studies Three quotes were received but the lowest quote was not accepted and Cumulus Consultants were awarded the contract at £19,350. Cumulus Consultants won the original contract to undertake work to establish a baseline for evidence and an action plan for regenerative farming in York and North Yorkshire on behalf of the 5 Protected Landscapes in North Yorkshire. The contract was secured through an open tender process based on price and quality. The project requires the preparation of up to 10 case studies (2 per protected landscape), which is being let as a separate contract. Having assessed the three quotations, the Project Steering Group recommended awarding the contract to Cumulus. The reasons for this were: 1. Cumulus are already fully engaged in the delivery of the main part of the project. They understand what the brief is for the project and exactly how the case studies will fit in 2. This knowledge and understanding will help save time in the long run and bring this project back on track in terms of delivery. It will save the project manager's and steering group's time as well. Resulting in an overarching cost saving. 3. Cumulus have offered to complete this work before the draft report is finished – this is at an earlier timeline than the lowest bidder. 4. Cumulus will be better placed to write up the case studies in a way that will complement the final report.	Gary Smith Director of Conservation & Community	6th June 2024