YORKSHIRE DALES NATIONAL PARK AUTHORITY **ITEM 5**

Committee: **FINANCE AND RESOURCES**
Date: **5 March 2024**

Report: **DRAFT BUDGET 2024/25**

Purpose of report

1. To seek approval for:

- the draft 2024/25 Budget and the associated Reserves Strategy; and
- the indicative draft budgets for 2025-26 and 2026-27 and related actions.

Recommendation

2. That Members approve the draft budget for 2024/25 and indicative budgets for 2025/26 and 2026/27 (**Appendix 1**), and the Reserves Strategy (**Appendix 5**), for submission to the full Authority for final approval.

Strategic Planning Framework

3. The information and recommendations contained in this report are consistent with the Authority's strategic planning framework, and in particular:

- **Corporate Plan 2023-2024**
  Objective 30: Plan and manage the Authority's work so as to make the most effective use of its resources.

Background

4. The Authority is required to produce a balanced budget for the financial year ahead. This budget, together with projections for the following two years, constitute the Authority's Three-year Medium Term Financial Strategy (MTFS).

Overall position

5. The main features of the proposed MTFS are:

- A balanced budget has been produced for 2024/25.
- The Government core **Revenue** Grant remains static at £5229.8k, but the total £5729.8k includes an additional £500k **Capital** Grant for 2024/25. No formal

DEFRA grant agreement has been received at the time of writing this report, but the additional funding has been publicly announced.

- The 2025/26 and 2026/27 core grant includes the additional £500k, and assumes this will be added to the budget as revenue grant. Should this not be the case savings or extra income would need to be found: £257k in 2025/26 & £433k in 2026/27.
- The total planned expenditure for 2024/25 is **£13.1m**. This is significantly 'over-achieving' against our objective (£9.7m) for the year.
- The planned expenditure will support the delivery of most of the Authority's objectives and ambitions approved by Members in December, notably:
    - Provide £2m of funding to the National Park's farmers and landowners through Defra's Farming in Protected Landscapes programme;
    - Continue the Tees-Swale project – restoring peatland, hay meadows, woodland and other priority habitats across Swaledale and Arkengarthdale;
    - Promote the understanding and enjoyment of the National Park by facilitating The Cheese festival and Dark Skies Festival;
    - Implement the Coast to Coast National Trail through the National Park;
    - Provide new, externally-funded Education and Outreach projects: Championing National Parks for everyone (led by Peak District Mosaic), and National Citizen Service project (led by YDMT);
    - Facilitate an extensive volunteers programme, young ranger, 'upskill downdale' youth engagement programme, and apprenticeships, developing skills that lead to employment in the environmental sector;
    - Employ a new Creative Content Producer to manage the increasing prioritisation of video within social media to reach younger audiences;
    - The further development of the Hawes to Garsdale multi use route;
    - Continue to provide an efficient and effective Development Management service, that meets Government targets;
    - Prepare a new Local Plan for the whole National Park, and submit it to the Planning Inspectorate for public examination;
    - Produce a new National Park Management Plan, giving priority to tackling the climate and nature emergencies;
    - Continue to provide quality visitor facilities and experiences at Dales Countryside Museum and the four National Park Visitor Centres;
    - Invest in new microphones and installation of screens in committee and meeting rooms to improve facilities.
- The 2024/25 budget includes the planned use of £543k of Earmarked Reserves for IT, Estates, Plant and planned multi-year projects e.g. the Tees-Swale: Naturally Connected project, and the development of the Langcliffe Ranger base.

6. There are a number of potential projects in the pipeline that are not currently included in the draft Budget proposals. These include; a further initiative following on from the 'Generation Green' initiative, a further expansion of our youth work and a possible project to promote active travel in the Park. In addition, several significant accessibility projects are in the pipeline for 2024-25. The second tranche of the accessibility grant from Defra is expected. This will match fund two projects: Smardale/Waitby improvements and Aysgarth accessibility route. The latter along with Cautley accessibility bridge are dependent on successful Farming in Protected Landscapes applications, and the first on a successful bid to the National Lottery Heritage Fund by Eden Rivers Trust. As such, these schemes are not included in the budget at this stage.

Key features of the budget

7. The Opportunities Fund has not been needed, and has been set at zero for all three years. Instead, a reserve of £500k will be set aside for match funding bids or project opportunities in future years.

8. Staff pay increases have been set at 4% for 2024/25, 3% for 2025/26 and 2% for 2026/27; each 1% above or below this equates to approximately £50k budget.

9. The vacancy factor remains at 2.5% which equates to a required saving of £122k in 2024/25. Although savings on salaries have been much higher in 2023/24 it is hoped that the Authority will be facing less turmoil in the jobs market in the coming years.

10. Members will be aware how quickly the context regarding our finances can change and how significant some of those factors can be in our future planning. In developing the 2024/25 budget, and the wider three-year MTFS, we have had to make some assumptions based on the best information we have available currently. (see **Appendix 2**)**.**

11. Major savings which were already identified as part of forward planning that are embedded into this budget are:

- the National Park Centre at Hudson House is now being managed as a Partnership Centre to match similar centres in other parts of the National Park.
- the Rights of Way programme, an Authority priority, costs over £1m per year. This is a significant sum and, in view of the financial pressures facing the Authority, unsustainable. Moreover, the statutory responsibility for this work rests with the Highways Authorities. Funding has been sought from the two unitary Authorities with statutory duties for Rights of Way maintenance, and funding of £33k has been secured from Westmorland & Furness Council rising to £45k over three years. No funding has been secured from North Yorkshire Council. Therefore, the programme will be reduced by approximately £45k, and maintenance works on the North Yorkshire network will be cut accordingly.
- Introducing more reliable car park machines that take cards only, reducing the frequency and cost of the cash collection service.

12. As well as the changes highlighted above in, in order to reach a balanced budget for 2024/25, a number of savings have been identified which will impact on our work programmes. Further details of these can be found in **Appendix 3.**

Beyond 2024/25

13. Members will note from the detail above that the ability to deliver the Authority's objectives through a fully costed set of work programmes is very positive. The late announcement of additional government funding, as with the previous financial year (£440k), does feel a little 'hand to mouth' but nonetheless it does represent good news. However, the position beyond 2024/25 does not look so positive. This is for two reasons – one largely within our control, the other less so.

14. The Authority's objective - **to maintain spending in real terms at 2014/15 levels** - would require expenditure of £10.0m in 2025/26 and £10.2m in 2026/27. The projected budgets are currently £8.9m and £8.5m respectively. This reflects the fact that the 'Farming in Protected Landscapes' programme, and the 'Grow Back Greener' project are both scheduled to end in March 2025. New funding streams will need to be identified in order to fill this gap. Members will be aware that a number of significant projects are in development. Whilst there is nothing yet concrete, previous experience suggests that additional funding will be secured over the next 12 months.

15. The second issue relates to the continuing uncertainty over the Country's public finances in general and NPA finances in particular. This is not a new phenomenon but one that looks more uncertain than ever for the period following what is likely to be an election year. Of course no one can predict what awaits us beyond the next financial year but the point for Members to note is that our MTFS assumes that the core grant level from 2025/26 onwards remains at the 2024/25 level - £5,729.8m. This includes the £500k uplift in grant recently announced by the Secretary of State. Should this funding be cut from 2025/26, then all of the Authority's plans and ambitions face a degree of uncertainty.

The Draft Budget: Detail

16. Detailed information on all programme and corporate activity budgets is contained within the following appendices:

- **Appendix 1**: **Draft Medium Term Financial Strategy 2024/25-2026/27.** The detailed budget for 2024/25 and projections for the following two years.
- **Appendix 2**: **Budget assumptions: Costs and income.** The key assumptions that underpin the projections. The estimates are considered to be robust, and additional explanations are provided where there is any significant level of uncertainty.
- **Appendix 3**: **Significant budget changes**. Those parts of the 2024/25 budget that have changed significantly from the indicative figures presented last year.
- **Appendix 4: Work Programme Budgets**. Detailed proposals for each work programme.

- **Appendix 5**: **Reserves.** Details of the planned use of a number of our earmarked and General Reserves.
- **Appendix 6**: **Risks**: significant issues that may affect the budget in 2024/25.

Equality Impact Assessment

17. An Equality Impact Assessment has been completed for this report and the proposals it describes, with specific reference to the protected characteristics prescribed by the Equalities Act 2010. This assessment concluded that the proposals have no adverse impact with respect to equalities.

Conclusions

18. This year's budget is an important preparatory step towards securing our longer-term objectives and financial future. The Authority is on a firm footing for 2024/25 due to the additional Capital Funding provided by DEFRA, and a plethora of externally-funded projects. However, significant further work will still be needed in 2024 to identify and secure new project funding and income streams. Further – if the additional DEFRA funding of £500k is not continued beyond 2024/25 - further cuts will need to be made in order to put the Authority on a more robust financial footing from 2025/26.

19. The Draft Budget may be subject to further minor revisions before it is submitted to the Authority for final approval on 26 March 2024. Any such changes will be highlighted within the accompanying report to be submitted to the Authority meeting in March.

Michelle Clyde
Head of Finance/Treasurer
5 February 2024

Medium Term Financial Strategy 2024/25-2026/27

	2023/24 BUDGET NET £000's	2024/25 BUDGET NET £000's	2025/26 BUDGET NET £000's	2026/27 BUDGET NET £000's
PROGRAMME BIDS				
Staff Cost	743.5	771.7	798.2	819.1
Programme Cost	59.9	60.2	60.4	60.6
Income	(320.0)	(321.5)	(322.0)	(322.0)
Development Management Total	**483.4**	**510.4**	**536.6**	**557.7**
Staff Cost	591.9	690.4	432.1	415.6
Staff income	(269.5)	(349.5)	(88.7)	(62.7)
Programme Cost	1,241.3	2,561.1	18.0	13.0
Income	(1,188.3)	(2,503.1)	(15.0)	(10.0)
Farm Conservation Total	**375.4**	**399.0**	**346.4**	**355.9**
Staff Cost	187.4	202.7	177.1	181.6
Staff income	(28.2)	(51.4)	(22.3)	0.0
Programme Cost	100.5	126.3	128.5	130.1
Income	(70.5)	(74.0)	(76.2)	(77.8)
Biodiversity Total	**189.3**	**203.7**	**207.1**	**233.9**
Staff Cost	574.1	718.5	702.9	665.7
Staff Income	(123.1)	(304.9)	(256.3)	(140.7)
Programme Cost	559.8	1,036.5	722.9	650.0
Income	(307.5)	(467.8)	(472.6)	(428.1)
Rights of Way Total	**703.4**	**982.2**	**696.9**	**746.9**
Staff Cost	141.7	147.5	119.6	112.2
Programme Cost	41.0	81.0	66.0	26.0
Income	0.0	(15.0)	0.0	0.0
Development Planning Total	**182.7**	**213.5**	**185.6**	**138.2**
Staff Cost	101.7	108.5	112.9	115.2
Staff Income	(1.3)	0.0	0.0	0.0
Programme Cost	83.2	141.3	21.6	15.0
Income	(58.2)	(120.3)	(6.6)	0.0
Recreation & Health Total	**125.4**	**129.5**	**127.9**	**130.2**

	2023/24 BUDGET NET £000's	2024/25 BUDGET NET £000's	2025/26 BUDGET NET £000's	2026/27 BUDGET NET £000's
PROGRAMME BIDS				
Staff Cost	263.6	305.0	264.7	198.4
Staff Income	(96.8)	(144.7)	(91.9)	(20.8)
Programme Cost	43.7	64.4	56.6	31.0
Income	(12.7)	(35.1)	(26.7)	0.0
Education & Outreach Total	**197.8**	**189.6**	**202.6**	**208.6**
Staff Cost	323.8	291.2	163.1	153.0
Staff income	(196.3)	(149.3)	(15.4)	0.0
Programme Cost	776.9	676.9	52.6	52.6
Income	(742.2)	(629.8)	(5.5)	(5.5)
Trees & Woodlands Total	**162.2**	**189.0**	**194.8**	**200.1**
Staff Cost	94.4	100.2	103.9	106.8
Programme Cost	125.7	120.3	148.6	119.5
Income	(87.4)	(89.7)	(89.7)	(89.7)
Dales Countryside Museum Total	**132.8**	**130.9**	**162.8**	**136.6**
Staff Cost	134.0	144.5	196.4	201.7
Staff income	0.0	(20.5)	(66.3)	(45.6)
Programme Cost	94.5	64.5	56.5	56.5
Income	(68.0)	(38.0)	(30.0)	(30.0)
Historic Environment Total	**160.5**	**150.5**	**156.6**	**182.7**
Programme Cost	3.7	23.7	3.7	3.7
Landscape Features Total	**3.7**	**23.7**	**3.7**	**3.7**
Staff Cost	203.4	213.8	221.0	226.6
Programme Cost	128.0	126.6	133.7	121.4
Income	(10.0)	(6.0)	0.0	0.0
Volunteers and Apprentices Total	**321.4**	**334.5**	**354.7**	**348.0**
Staff Cost	118.8	124.9	128.8	131.4
Programme Cost	20.0	20.0	20.0	20.0
Tourism Total	**138.8**	**144.9**	**148.8**	**151.4**

	2023/24 BUDGET NET £000's	2024/25 BUDGET NET £000's	2025/26 BUDGET NET £000's	2026/27 BUDGET NET £000's
PROGRAMME BIDS				
Staff Cost	350.4	363.2	376.1	386.6
Programme Cost	343.2	356.2	341.3	344.9
Income	(340.1)	(347.1)	(347.1)	(347.1)
National Park Centres Total	**353.5**	**372.3**	**370.3**	**384.4**
Staff Cost	41.4	43.1	44.3	45.2
Programme Cost	155.0	155.0	155.0	155.0
Sustainable Development Total	**196.4**	**198.1**	**199.3**	**200.2**
Staff Cost	80.0	87.8	90.2	92.1
Programme Cost	474.5	333.8	319.9	321.9
Income	(943.1)	(951.3)	(951.3)	(951.3)
Car Parks & Toilets Total	**(388.5)**	**(529.6)**	**(541.1)**	**(537.3)**
Staff Cost	65.5	67.7	70.0	71.4
Programme Cost	16.0	11.0	11.0	11.0
Recreation Management Total	**81.5**	**78.7**	**81.0**	**82.4**
PROGRAMME SUMMARY				
TOTAL GROSS PROGRAMME COSTS	**8,282.7**	**10,339.4**	**6,317.4**	**6,054.9**
TOTAL PROGRAMME INCOME	**(4,863.1)**	**(6,618.8)**	**(2,883.5)**	**(2,531.2)**
TOTAL PROGRAMME SPEND	**3,419.6**	**3,720.7**	**3,433.9**	**3,523.7**
CORPORATE EMPLOYMENT & CENTRAL COSTS				
Conservation of the Natural Environment	128.9	134.8	138.6	141.4
Promoting Understanding and Enjoyment	111.2	117.1	120.4	122.9
Communications and Interpretation	197.3	202.9	210.0	215.7
Ranger Services	79.2	85.6	87.8	89.5
Corporate Services	1,031.4	1,036.0	1,068.1	1,092.0
Vacancy Factor	(115.2)	(122.5)	(123.0)	(122.7)
Other Employee Costs - Corporate Management	19.9	20.6	20.9	20.9
TOTAL CENTRAL GROSS COSTS	**1,452.7**	**1,474.6**	**1,522.9**	**1,559.6**
TOTAL CENTRAL INCOME	**0.0**	**0.0**	**0.0**	**0.0**
Total Corporate Employment Costs	**1,452.7**	**1,474.6**	**1,522.9**	**1,559.6**

	2023/24 BUDGET NET £000's	2024/25 BUDGET NET £000's	2025/26 BUDGET NET £000's	2026/27 BUDGET NET £000's
CORPORATE EMPLOYMENT & CENTRAL COSTS				
Support Services	304.4	241.3	238.7	243.0
Support Services Income	(255.5)	(210.0)	(163.5)	(163.5)
CEO Support	9.9	4.0	4.1	4.2
Legal Services	30.9	25.2	25.9	26.8
Legal Services Income	(17.0)	(17.0)	(17.0)	(17.0)
Office Accommodation	165.1	130.0	134.6	138.8
Office Accommodation Income	(14.5)	(18.1)	(18.1)	(18.1)
Office Buildings Maintenance	40.2	453.0	53.0	30.2
Health & Safety	8.1	6.6	6.8	6.9
Member Costs	122.7	162.7	137.4	143.6
IT Licences, Consumables and Support	254.3	163.0	369.8	176.8
Communications	98.8	71.8	59.2	61.7
Communications Income	(23.4)	(3.0)	(3.0)	(3.0)
Training	60.1	69.1	63.1	63.1
TOTAL CENTRAL GROSS COSTS	**1,094.5**	**1,326.6**	**1,092.7**	**895.1**
TOTAL CENTRAL INCOME	**(310.4)**	**(248.1)**	**(201.6)**	**(201.6)**
Total Central Costs	**784.1**	**1,078.5**	**891.1**	**693.5**
BUDGET SUMMARY				
DEFRA National Park Grant Income	**(5,229.8)**	**(5,729.8)**	**(5,729.8)**	**(5,729.8)**
Other Income	**(5,173.5)**	**(6,866.9)**	**(3,085.1)**	**(2,732.8)**
Total Income	**(10,403.3)**	**(12,596.7)**	**(8,814.9)**	**(8,462.6)**
Gross Expenditure	**10,829.9**	**13,140.6**	**8,932.9**	**8,509.6**
In-Year Deficit	**426.6**	**544.0**	**118.0**	**46.9**
Opportunities Fund	**60.0**	**0.0**	**0.0**	**0.0**
In-Year Deficit after Opportunities Fund	**486.6**	**544.0**	**118.0**	**46.9**
FUNDED BY:				
Matched Funding from Specific Reserves	**(278.0)**	**(60.0)**	**(9.3)**	**(42.7)**
Capital Expenditure Funded from Reserves	**(138.7)**	**(482.7)**	**(108.7)**	**(4.2)**
General Balancing Reserve Movement	**(69.9)**	**(1.3)**	**0.0**	**0.0**
% Ratio - Salary Costs to Gross Income	**52.8%**	**46.6%**	**62.9%**	**64.9%**
Non-DEFRA income % of Total Income	**49.7%**	**54.5%**	**35.0%**	**32.3%**

Appendix 2

Budget assumptions: Costs and income

1. Defra Grant

Defra's grant settlement letter for 2024/25 had not been received by the date this report was completed. However, DEFRA has indicated a 'flat settlement' Revenue Grant, and an additional new Capital Grant of £500k in 2024/25. DEFRA has indicated that it will use this inflated figure as the baseline to negotiate further years' funding (so all revenue grant) in 2025/26 and 2026/27. However, if the future years' funding remains flat excluding the additional £500k, savings or additional income would need to be found of £258k in 2025/26 and £433k in 2026/27.

2. Staff Costs

Staff costs have been modelled in detail across the next 5 years to identify potential affordability problems. The projections include the estimated national pay increase, pay-band progression, employer Pension and National Insurance contributions, and a saving due to temporary vacancies (vacancy factor). Projections for the ratio of staff costs to gross income are shown below, together with the previous predictions for the same years as calculated in January 2023.

% Salary Costs to Gross Income	2024/25	2025/26	2026/27	2027/28	2028/29
Projections as at January 2024	47%	63%	65%	67%	68%
Projections as at January 2023	61%	68%	69%	71%	

Members had adopted an indicative measure for this ratio of 50% - 55%, so the above figures suggest a potential problem developing from 2025/26. Whilst pay levels continue to rise annually, the issue is that external income is currently projected to fall significantly from 2025/26. All recent experience is that these figures will look less problematic in 12 months' time; as new grants and income streams are secured. To illustrate the point, Members will see that the current projection for 24/25 now looks considerably better than it did this time last year, and this has been borne out in each of the last 5 years. However, given the long lead in time for big projects (such as Lottery funding), it may take until 2026/27 to get the ratio back comfortably below 55%.

3. Staff/Member Pay

Estimated salary increases have been kept at:

2024/25: 4%
2025/26: 3%
2% thereafter

4. Overheads

Inflation on corporate overheads has been applied at variable rates depending on the particular item. Inflation is lower than the previous year, in particular for utilities.

5. Income from Fees & Charges

Projections for income from fees and charges are realistic based on prior years.

6. Capital Expenditure

The Authority's capital expenditure comprises investment in Property, IT and Plant & Equipment, for which detailed schedules have been prepared covering the next five years. These are available at Members' request. At present, £500k is funded from the new Government Capital Grant and the remainder is funded from Earmarked Reserves (see **Appendix 5**) This approach avoids the pressure of having to find this funding from within annual programme budgets.

Appendix 3

Significant Budget Changes

The changes below highlight significant budgetary changes (increases and reductions) between the indicative budgets approved by the Authority in March 2023 (for 2024/25), and the revised budget now proposed.

Staffing

1. The National Pay Award for Local Government:

The national pay award for 2023/24 was budgeted at 5% across the board. The pay settlement agreed was actually £1925 per scale point to scale point 38, (increases between 9.5% to 4%), and an increase of 3.88% for scale point 39 and above.

There were also a number of savings due to changes in staff hours and scale points. This means an overall net saving of £9k in 2024/25, £15k in 2025/26 and an additional cost of £15k in 2026/27.

2. Increased staffing costs

- Extension of additional resource to support production of the Local Plan: £27k in 2024/25 and £9k in 2025/26.
- New post: Creative Content Producer: £34k p.a.

3. Funded Posts (net zero cost to the Authority)

- Education & Outreach - Championing National Parks: £41k in 2024/25 and £51k in 2025/26.

4. Staff Savings

- The post of Interpretation Officer has been deleted as part of the savings identified through the Visitor Services Review, saving up to £40k p.a.
- Reception reconfiguration, saving up to £34k p.a.

5. Additional Income for Staffing

- The Coast to Coast project income of £85k in 2024/25 and £69k in 2025/26 covers Ranger time and other administration and management costs. Corresponding expenditure to increase capacity in the Ranger team to take on the project has increased Ranger staff costs by £24k p.a., leaving net income of £61k in 2024/25, and £45k in 2025/26.

6. Total Staffing

- The combined result of the above staffing changes equates to net savings of £79k in 2024/25 and £88k in 2025/26, and a net additional cost of £12k in 2026/27.

Work Programmes

7. Farm Conservation

- Farming in Protected Landscapes has an increased budget of £1.3m (both costs and income) taking the total budget to £2.5m in 2024/25.
- New Regenerative Farming research project in 2024/25 is £100k, with £95k of external funding.

8. Rights of Way

- Right of way core budget and income; North Yorkshire Council is not providing any funding for the works in their area of the park: reduced by £45k p.a.
- Ranger base overheads (this assumes that the new Ranger base will be operational from 2025/26): saving £22k p.a.
- Ranger base: £400k capital expenditure (funded by allocated reserves).
- Multi User Routes: £360k in 2024/25.
- Coast to Coast Implementation: £336k project over 2024/25 and 2025/26, with matched income to cover project costs and overheads of £391k.

9. Development Planning

- Clapham Neighbourhood Plan: costs and income of £15k to fund a local referendum in 2025/26.

10. Trees & Woodlands

- 'Grow Back Greener' project: reduction of £46k in costs and income in 2024/25.

11. Educations & Outreach

- Championing National Parks project: two-year project in 2024/25 and 2025/26 £46k cost and £49.1k income to cover project costs and overheads.

12. Historical Environment

- Barn repairs: additional support to manage 10 barn restoration projects in 2024/25 £20k cost.

13. National Park Centres and Retail

- Hudson House added as a partnership centre: £10k p.a.
- 75th and 70th Anniversary events programme: £10k in 2024/25.

14. Car Parks & Toilets

- Carpark machines capital costs: £20k, this is in addition to the £40k allocated in 2023/24 in order to allow replacement of the existing machines, rather than an upgrade.
- Cash collection contract cost: £10k in 2024/25 to continue the full collection until the new machines are in place.
- Net income from Podpoint Electric Vehicle chargers: saving £18k p.a.

15. Central Costs

- Support services – reduction in storage and overhead costs: saving £28k p.a.
- Office accommodation – utilities cost: saving £24k p.a.
- Bank Interest income increase: saving £60k in 24/25, £24k thereafter.
- IT - re-negotiation of the Microsoft 365 licences: saving £14k p.a.,
- IT - capital items: HR/Payroll system estimated cost £30k and mobile handset refresh, estimate £26k; both in 2025/26.
- Members conference room new audio and screen equipment. Cost £25k in 2024/25.
- Interpretation - consultant to survey and catalogue the Authority's 270 interpretation panels within the National Park: £15k cost in 2024/25.
- Reception relocation building works: cost £20k

Work Programme Budgets **Appendix 4**

See separate PDF

Appendix 5

Reserves Strategy

1. The Authority holds Reserves for two purposes:

    - **To help to manage budget risk, by providing financial 'insurance' in case of:**
        - contingencies such as a major legal cost or the interim funding needed to cope with a reduction in National Park Grant from Defra;
        - Inaccurate budget estimates or loss of external funding streams.

    - **To support delivery by:**
        - funding investment requirements;
        - enabling us to take advantage of appropriate project opportunities.

2. This Strategy covers the Authority's **Usable** Reserves. These are Reserves backed by cash and are therefore available to spend on the purposes for which they have been established. At the date of this report, the value of the Authority's Usable Reserves is **£3635.2k.**

The Strategy

3. It is proposed that the Authority's Reserves be maintained in line with the table below. Full details of each Reserve, and the purpose for which it is maintained, have not been included here but are available at Members' request.

4. Reserves will be spent over the following five years to cover the projects and capital spending indicated; the costs of which are included in the main budget.

5. The position at year-end (31 March 2024) will inevitably be different from that shown below, after taking into account the following events:

    - A temporary reserve will be created to contain any carry-forward budgets that are required to complete activity started but not finished in 2023/24, this is normally in the region of £400k to £600k and covers those projects which do not neatly fit into the financial year, this budget will come from underspends in 2023/24.

    - The balance of the reserve for the ongoing woodland monitoring obligations until 2030 will be increased by the value attributed to 2023/24 new capital projects completed in year, this balance was not known at the time of writing this report.

    - It is unlikely that the position at year-end will exactly match the set budget which this estimation is based on. The General Fund will be modified in line with the net 2023/24 year-end financial balance (after taking account of carry-forward budgets).

		ESTIMATED BALANCE @ 31/3/24
No	**Reserve Description**	**£'000**
1	Contingency Reserve - 10% gross budgeted expenditure 24/25	1312.0
2	Carry Forward Budgets	TBN
3	IT Equipment	260.6
4	Property	603.0
5	Plant & Equipment	134.0
6	Access for All	30.6
7	Tees-Swale - Naturally Connected	50.0
8	Attracting Younger People	19.3
9	Earmarked legacies	140.8
10	B4RN Shares	101.0
11	Hawes to Garsdale multi use route	240.0
12	External Funding Match Bid Reserve	500.0
	Estimated Earmarked Reserves Balance	3392.3
	Estimated General Fund Reserve	*243.9*
	Estimated Total Usable Reserve Balance (based on current budget)	3635.2

Appendix 6

Risks associated with the Draft Budget

Risk	Impact	Likelihood	Control / Mitigation
1. Longer term plans are unaffordable	High	High/moderate	Projections indicate that our plans for 2025/26 and 2026/27 are affordable in their current form, but programme cuts will be needed if the new £500k income from DEFRA is not added to the baseline of the Authority's core grant.
2. Staff costs in excess of budget	High	Moderate	Staff turnover may not generate the saving from vacancies built into the budget, of £123k. At the time of preparing this budget, the Local Government pay award for 2024/25 had not yet been agreed. For every additional 1%, the Authority's staff costs would rise by ~£50k pa.
3. Inflation greater than projected	Moderate	Moderate	Specific rates of inflation, appropriate to each overhead, have been used to prepare the budget. The current situation is changeable and will be monitored, so that more substantial increases in inflation can be taken onto account should the budgeted rates prove to be too low.
4. Unidentified costs missing from budget.	Low	Low	Any significant problems could be managed through a call on the General or Contingency Reserve.
5. Failure to achieve earned income projections.	Moderate	Low	Achievement of targets is kept under continuous review. The most significant 'earned income' target is car parking, for which our projection for 2024/25 assumes a continuation of the performance seen in 2023/24. The increasing contribution from external grant income to our budgets isn't necessarily accompanied by increased risk: the majority of such income is linked to related expenditure, and if that spending doesn't happen to its planned extent, less grant income will be accessed, but with no overall net *financial* impact (although the gross income result reported at year end would be lower than is currently projected).
6. Failure to deliver objectives within Corporate Plan	High	Low	Closely managed process, with scheduled in-year reviews. Where additional spending is required to achieve delivery, budget can be made available from the General Reserve or – if necessary - from redirecting resources from lower priority programmes.
7. Insufficient Reserves to cover spending plans	High	Low	Managed through the Reserves Strategy (see Appendix 5).

DEVELOPMENT MANAGEMENT

Programme Activities:

- Provide a comprehensive pre-application planning advice service
- Process planning applications
- Monitor development and take enforcement action where necessary
- Deal with minerals applications and monitor minerals operations
- Carry out land charge searches

Corporate Plan objectives:

Provide an efficient development management service that supports appropriate opportunities for economic and community development whilst helping to conserve and enhance the special qualities of the National Park, including ensuring that 65% of minor and 80% of 'other' planning applications are being determined within eight weeks and at least 80% of applicants are satisfied with the service provided.

Budget Proposal:

The budget is based on continuing to provide high levels of service for the core DM functions (with an 'adequate' enforcement and minerals service). This includes a comprehensive pre-application advice service, and regular free 'planning surgeries'.

Development Management		**2023/24** £	**2024/25** £	**2025/26** £	**2026/27** £
Staff	**Expenditure**	**743,508**	**771,708**	**798,202**	**819,090**
IT Maintenance	Expenditure	15,920	16,159	16,402	16,648
Admin, Training & Consultancy	Expenditure	20,000	20,000	20,000	20,000
Applications	Expenditure	23,000	23,000	23,000	23,000
	Income	(270,000)	(270,000)	(270,000)	(270,000)
Pre-Application Advice Service	Income	(30,000)	(31,500)	(32,000)	(32,000)
Minerals Applications & Monitoring	Income	(10,000)	(10,000)	(10,000)	(10,000)
Search Fees	Income	(10,000)	(10,000)	(10,000)	(10,000)
Enforcement	Expenditure	1,000	1,000	1,000	1,000
Programme	**Expenditure**	**59,920**	**60,159**	**60,402**	**60,648**
	Income	**(320,000)**	**(321,500)**	**(322,000)**	**(322,000)**
Net Total (including staff)		**483,428**	**510,367**	**536,603**	**557,737**

FARM CONSERVATION

Programme Activities:

- Support 'High Nature Value' farming in the National Park.
- Run the 'Catchment Sensitive Farming' programme to help reduce agricultural pollution in all river catchments within the YDNP boundary.
- Run the 'Farming in Protected Landscapes' programme of support to help farmers prepare for the move to the new Environmental Land Management schemes from 2024.

Corporate Plan objectives:

During Brexit transition, support farmers and landowners to continue to deliver a range of public benefits through national agri-environment scheme agreements and other similar initiatives, including the Farming in Protected Landscapes programme.

Deliver a co-ordinated 5-year programme of investment to support nature recovery through the Tees-Swale: naturally connected programme, and identify other potential landscape-scale 'nature recovery areas'.

Work with farmers and landowners to improve the condition of the Aire, Eden, Lune, Ribble, Swale, Ure and Wharfe so that at least 70% of all rivers achieve 'good ecological status' by 2025.

Work with farmers and landowners to deliver landscape-scale natural flood management projects in the Aire, Eden, Ribble; Lune; Swale, Ure, and Wharfe catchments.

Budget Proposal:

The proposed budget will enable the Authority to continue to drive forward an ambitious and practical programme of funding and advice to farmers and landowners across the National Park to support high nature value farming.

In addition, to supporting farmers to take-up national agri-environment schemes we will:

- continue to deliver Natural England's 'Catchment Sensitive Farming' initiative across the National Park, helping farmers tackle water quality issues and access grants for works to help reduce pollution (NPMP objective C3).
- run year 4 of the 'Farming in Protected Landscapes' programme, providing grants of over £2m to farmers to make improvements to the natural environment, cultural heritage and public access on their land (NPMP objective A1);
- run a research project with the other protected landscape bodies in North Yorkshire to assess the benefits of regenerative farming in the uplands.

We will also work with local partners to implement three major externally-funded initiatives:

- continue the multi-million pound Tees-Swale: Naturally Connected programme (led by the North Pennines AONB), supporting high nature value farming systems to deliver nature recovery on a grand scale across Swaledale and Upper Teesdale (NPMP objective C1);
- support the Yorkshire Wildlife Trust and Woodland Trust to develop and implement the 'Ure Dales' Landscape Recovey project in Wensleydale;
- support York City Council (and others) to implement a 5-year programme of measures to demonstrate natural flood management in the Swale, Ure, Nidd and Ouse catchments (NPMP objective D5).

Farm Conservation		**2023/24**	**2024/25**	**2025/26**	**2026/27**
		£	£	£	£
Staff	**Expenditure**	**461,428**	**488,883**	**432,083**	**415,632**
	Income	**(139,036)**	**(147,903)**	**(88,667)**	**(62,710)**
Agri-Environment Service	Expenditure	3,000	3,000	3,000	3,000
		(5,000)	(5,000)	(5,000)	(5,000)
Catchment Sensitive Farming	Expenditure	50,000	50,000	5,000	5,000
	Income	(50,000)	(50,000)	(5,000)	(5,000)
Rejenerative Farming	Expenditure		100,000		
	Income		(95,000)		
Farming in Protected Landscapes	Direct Staff Expenditure	130,507	201,562	0	**0**
	Advice & Admin Income	(130,507)	(201,562)	0	**0**
	Other Advice & Admin Costs	12,683	66,761		
	Other Advice & Admin Income	(12,683)	(66,761)	0	0
	Capital Expenditure	1,026,648	2,216,354		
	Income	(1,026,648)	(2,216,354)	0	0
Northern Upland Chain LNP	Expenditure	5,000	5,000	5,000	5,000
Tees-Swale: Naturally Connected	Expenditure	144,000	120,000	5,000	0
	Income	(94,000)	(70,000)	(5,000)	0
Programme	**Expenditure**	**1,241,330**	**2,561,115**	**18,000**	**13,000**
	Income	**(1,188,330)**	**(2,503,115)**	**(15,000)**	**(10,000)**
Net Total (including staff)		**375,392**	**398,980**	**346,417**	**355,922**

BIODIVERSITY

Programme Activities:

- Through the Yorkshire Dales Biodiversity Forum, prepare and implement plans for nature recovery, including surveys and monitoring
- Run the Swinden and Dry Rigg quarry Natural Environment Funds
- Through the local Raptor group coordinate monitoring and roost protection
- Run species-specific nature recovery projects

Corporate Plan objectives:

By 2025 draw up and adopt a plan for monitoring species that are sensitive to landscape-scale changes in habitat.

Work with moorland managers and other key stakeholders to devise and implement a local approach to end illegal persecution of raptors, including independent and scientifically robust monitoring, and co-ordinated Hen Harrier nest and winter roost site protection.

Budget Proposal:

The proposed budget will enable the Authority to continue to drive forward an ambitious and practical programme of support to farmers, landowner and local communities for nature recovery projects. In addition to providing specialist information to support implementation of national and local agri-environment schemes and projects), we will:

- provide grants for projects to restore nature in areas affected by quarrying operations in Wharfedale and Ribblesdale.
- work with partners on the Local Biodiversity Forum to implement the new Nature Recovery Plan for the National Park.
- work through the local Raptor Group to coordinate monitoring and roost site protection (NPMP objective C5).
- provide specialist advice and assistance to the three Landscape Recovery Grant projects being developed by local partner organisations and farmers in the National Park (NPMP objective C1c).

Biodiversity		**2023/24**	**2024/25**	**2025/26**	**2026/27**
		£	£	£	£
Staff	**Expenditure**	**187,415**	**202,727**	**177,140**	**181,628**
	Income	**(28,167)**	**(51,381)**	**(22,316)**	**0**
Biodiversity Ranger Vehicles	Expenditure	5,237	7,609	7,609	7,609
Nature Recovery	Expenditure	27,300	47,200	47,200	47,200
	Income	(2,500)	(2,500)	(2,500)	(2,500)
Local wildlife grants	Expenditure	68,000	71,521	73,694	75,323
	Income	(68,000)	(71,521)	(73,694)	(75,323)
Programme	**Expenditure**	**100,537**	**126,330**	**128,502**	**130,131**
	Income	**(70,500)**	**(74,021)**	**(76,194)**	**(77,823)**
Net Total (including staff)		**189,285**	**203,655**	**207,132**	**233,936**

RIGHTS OF WAY

Programme Activities

- Routine Rights of Way maintenance
- Pennine Way and Bridleway maintenance
- Lead Authority for the management of the Pennine National Trails Partnership
- Replacement and maintenance of bridges and stepping stones
- Other large engineering capital projects
- Diversion of Rights of Way under Town and Country Planning Act (T&CP Act)
- Path Order applications (diversions not under T&CP Act) and creation agreements

Corporate Plan objectives:

Benefit a wide variety of users by raising the standard of all public rights of way so that, on average, 90% are 'easy to use'.

Maintain and promote the Pennine Trails and other recognised long-distance routes, and implement the Coast-to-Coast path as a National Trail through the National Park by 2025.

Budget Proposal:

The Rights of Way network is key to providing opportunities for a wide range of people to enjoy the special qualities of the National Park. The Authority currently has delegated responsibility from North Yorkshire, Lancashire and Westmorland and Furness Councils for maintenance of public Rights of Way. It has a 5 year Maintenance Plan with associated targets, agreed by Members, outlining how it will meet these responsibilities. The Authority also manages the National Trails (Pennine Way, Pennine Bridleway) partnership, involving 14 local authorities. Implementation of the Coast to Coast path is funded by Natural England and the Authority is working with partners and stakeholders to bring this route up to National Trail standard. External funding is also secured for maintenance work on bridges and promoted routes. The actual scale of income and corresponding expenditure, in any year, for these projects is difficult to predict as it depends on successful applications to several possible funding sources. The Authority will receive some funding from Westmorland and Furness for the statutory maintenance work it undertakes on their behalf.

Rights of Way		**2023/24**	**2024/25**	**2025/26**	**2026/27**
		£	£	£	£
Staff	**Expenditure**	**519,073**	**524,114**	**543,221**	**604,315**
	Income	**(68,037)**	**(75,130)**	**(77,437)**	**(79,304)**
Ranger Vehicles, Workshops	Expenditure	132,321	147,149	137,775	138,430
National Trails Partnership	**Expenditure Staff**	**55,061**	**57,710**	**60,153**	**61,413**
	Staff Income	**(55,062)**	**(57,710)**	**(60,153)**	**(61,413)**
	Grant Expenditure	256,489	329,910	329,910	329,910
	Income	(271,489)	(346,429)	(346,429)	(346,429)
Coast to Coast	**Expenditure Staff**	**0**	**136,638**	**99,510**	**0**
	Staff Income	**0**	**(172,065)**	**(118,676)**	**0**
	Project Expenditure	0	50,000	50,000	0
	Project Income	0	(50,000)	(50,000)	0
Plant & Equipment	Expenditure	6,000	6,000	57,000	28,000
Legal Orders	Expenditure	4,000	4,000	4,000	4,000
	Income	(6,000)	(8,000)	(8,000)	(8,000)
RoW Routine Maintenance	Expenditure	131,000	114,400	119,200	124,700
	Income	0	(33,400)	(38,200)	(43,700)
Green Lanes Maintenance	Expenditure	30,000	25,000	25,000	25,000
	Income	(30,000)	(30,000)	(30,000)	(30,000)
Multy User Routes	Expenditure		360,000		
Programme	**Expenditure**	**559,811**	**1,036,459**	**722,885**	**650,040**
	Income	**(307,489)**	**(467,829)**	**(472,629)**	**(428,129)**
Net Total (including staff)		**703,356**	**982,187**	**696,875**	**746,923**

DEVELOPMENT PLANNING

Programme Activities:

- Produce and monitor the National Park Management Plan
- Produce and monitor the Local Plan and associated Supplementary Planning Documents
- Implement planning policies and support partners to deliver affordable housing and bring under-occupied housing back into use.

Corporate Plan objectives:

Work with neighbouring authorities to produce a single, updated Local Plan for the whole of the National Park by 2025, which will help achieve the vision and objectives in the National Park Management Plan

Encourage and facilitate high quality proposals for new housing in a range of tenures, sizes, types and prices, such that around 85 new dwellings are approved each year including identifying measures to reduce the proportion of under-occupied properties.

Budget Proposal:

The budget will fund the remaining work needed to complete the new Local Plan by 2025, including the cost of the statutory Local Plan Examination.

As well as developing new policy, the budget includes funding to implement the existing Local Plan. This includes supporting the work of the new unitary councils to reduce the number of under-occupied properties, and build more affordable housing. It also includes the one-off costs of running a local referendum on the Clapham Neighbourhood Plan.

Finally, the budget includes the small annual costs of running the National Park Management Plan Steering Group, who will be updating the Management Plan during 2024.

Development Planning		**2023/24**	**2024/25**	**2025/26**	**2026/27**
		£	**£**	**£**	**£**
Staff	**Expenditure**	**141,674**	**147,512**	**119,551**	**112,240**
Local Plan policy	Expenditure	30,000	55,000	55,000	15,000
Local Plan implementation	Expenditure	10,000	25,000	10,000	10,000
	Income	0	(15,000)	0	0
National Park Management Plan	Expenditure	1,000	1,000	1,000	1,000
Programme	**Expenditure**	**41,000**	**81,000**	**66,000**	**26,000**
	Income	**0**	**(15,000)**	**0**	**0**
Net Total (including salaries)		**182,674**	**213,512**	**185,551**	**138,240**

RECREATION & HEALTH

Programme Activities

- Promote and waymark ‘easy’ walks and ‘access for all’ publications; improve routes for people with limited ability and families
- Promote opportunities and recreational activities for people to enjoy the special qualities of the National Park to benefit their health and well-being;
- Run ‘inform and inspire’ activities to raise awareness of recreational opportunity, encourage responsibly visiting and promote understanding.

Corporate Plan objectives:

Increase and promote opportunity for people with a disability to access the National Park so that by 2026, 15% of visitors using the Miles without Stiles routes self-Identify as having a disability or long term health condition.

Maintain the National Park as a place where a true sense of tranquillity, remoteness and solitude can be found, and retain Dark Skies Reserve status.

Run a cohesive programme of inspirational, participatory activities that attract at least 4,000 people each year to find out more about the National Park’s special qualities.

Promote and encourage responsible cycling, enabling the development of two ‘cycle hubs’, and working with local Highway Authorities and other partners to undertake the work necessary to develop at least one further family-friendly cycling route by 2026.

Budget Proposal:

This programme actively develops and promotes, for all, the recreational and health benefits of being in the National Park. It includes improvements to create access for all ‘miles without stiles’ routes that will benefit families with pushchairs, people with limited mobility and mixed ability parties. Defra provided ‘in-year’ funding for improvement work in 2022/23, and further funding is expected in 2024/25, with additional funding expected through a NHLF project led by the Eden Rivers Trust. These and other ‘easy’ walks, are actively promoted, as well as broader opportunities for walking, cycling and horse riding. Outdoor providers are commissioned to run recreational activities in the National Park which are attractive to those who wouldn’t otherwise access them. It includes a programme of engagement activities, that are inspirational and help participants understand more about the National Park and how to visit responsibly. This programme also includes the work to retain Dark Sky Reserve status, and the ‘Creatively Connected’ Arts Council / Tees Swale funded engagement project.

Recreation & Health		**2023/24**	**2024/25**	**2025/26**	**2026/27**
		£	**£**	**£**	**£**
Staff	**Expenditure**	**101,658**	**108,484**	**112,902**	**115,213**
	Income	**(1,298)**	**0**	**0**	**0**
Miles Without Stiles	Expenditure	2,000	77,208	2,000	2,000
Access Income	Income	0	(69,208)	0	0
Recreational Activities	Expenditure	13,000	13,000	13,000	13,000
Creatively Connected Project	Expenditure	58,174	51,062	6,564	
Arts Council/Tees Swale	Income	(58,174)	(51,062)	(6,564)	
Dark Sky Reserve	Expenditure	10,000	0	0	0
Programme	**Expenditure**	**83,174**	**141,270**	**21,564**	**15,000**
	Income	**(58,174)**	**(120,270)**	**(6,564)**	**0**
Net Total (including staff)		**125,360**	**129,484**	**127,902**	**130,213**

TREES & WOODLANDS

Programme Activities:

- Provide funding and advice for new native woodland and woodland management schemes

Corporate Plan objectives:

Through Grow Back Greener and other local funding programmes, support farmers and landowners to create at least a further 225 hectares of native broadleaved and mixed woodland that enhances the National Park's landscape by 2025.

Budget Proposal:

The proposed budget will enable the Authority to continue to drive forward an ambitious and practical programme:

We will support a significant increase in woodland creation in the Park (building on NPMP objective D2). In addition to continuing our longstanding partnership with the Forestry Commission, Woodland Trust, and Yorkshire Dales Millennium Trust, we will also work with local partners to complete the major externally-funded initiatives:

- Complete the final year of the Northern Forest/Woodland Trust's '*Grow Back Greener*' programme in the National Park, supporting the creation of 180 ha of native woodland by 2025.
- As part of the White Rose Forest partnership, promoting and supporting opportunities to plant another 100 ha of woodland in the SUNO catchment.
- Complete the National Lottery-funded *Heart of the Pennines Forest* project, identifying and facilitating the creation of 40ha of native woodland by March 2025.

We will continue to work with National Parks Partnership, Palladium and Nidderdale National Landscape to develop a long-term programme to create new native woodland with private finance.

We will also continue smaller-scale programmes to support the other objectives of the Dales Woodland Strategy relating to woodland management and planting individual field trees.

Trees & Woodlands		**2023/24**	**2024/25**	**2025/26**	**2026/27**
		£	£	£	£
Staff	**Expenditure**	**323,831**	**291,186**	**163,079**	**152,985**
	Income	**(196,334)**	**(149,269)**	**(15,412)**	**0**
Woodland Ranger Vehicle	Expenditure	5,237	7,609	7,609	7,609
Woodland Management	Expenditure	25,000	25,000	25,000	25,000
	Income	(5,500)	(5,500)	(5,500)	(5,500)
Woodland Creation	Expenditure	20,000	20,000	20,000	20,000
	Income	(10,000)	0	0	0
Grow Back Greener	Capital Expenditure	650,000	523,900	0	0
	Capital Income	(650,000)	(523,900)	0	0
Grow Back Greener	Administration Costs	76,698	100,355	0	0
	Administration Income	(76,698)	(100,355)	0	0
Programme	**Expenditure**	**776,935**	**676,864**	**52,609**	**52,609**
	Income	**(742,198)**	**(629,755)**	**(5,500)**	**(5,500)**
Net Total (including staff)		**162,234**	**189,025**	**194,775**	**200,094**

OUTREACH & EDUCATION

Programme Activities

- Deliver a 'formal education' outdoor learning programme for schools, which promotes understanding of the National Park through the national curriculum.
- Provide session activities for family groups and under-represented groups to connect people with nature

Corporate Plan objectives:

By 2024, provide 5,000 people from under-represented groups with activity days that enable them to access the special qualities of the National Park and so increase their understanding, enjoyment, health and well-being.

Through educational and skills-based activities, inspire 1,500 young people from in and around the National Park to explore and enhance their environment each year.

Budget Proposal:

This programme includes the Authority's formal education offer – delivering an outdoor learning programme to primary, secondary and special schools whose catchment includes part of the National Park, and through externally funded projects, such as the Tees Swale working with schools in the urban areas around the National Park. These education sessions are practical and engaging learning experiences that meet the requirements of the National Curriculum; as well as enabling children and young people to develop an informed and inquisitive relationship with the National Park. This budget proposal also includes the Authority's outreach programme which includes a range of projects and programmes such as 'Championing National Parks' to enable people from under-represented communities to experience the health and wellbeing benefits of connecting with nature, cultivate a sense of care for the environment and develop a lifelong relationship with the National Park.

Education & Outreach		**2023/24 £**	**2024/25 £**	**2025/26 £**	**2026/27 £**
Staff	**Expenditure**	**263,575**	**304,962**	**264,681**	**198,360**
	Income	**(96,757)**	**(144,729)**	**(91,923)**	**(20,794)**
Education & Outreach	Expenditure	26,000	26,000	26,000	26,000
	Income				
Dalesbus Support	Expenditure	5,000	5,000	5,000	5,000
Tees Swale	Expenditure	12,700	12,700		
	Income	(12,700)	(12,700)		
Championing National Parks	Expenditure		20,673	25,625	
	Income		(22,353)	(26,745)	
Programme	**Expenditure**	**43,700**	**64,373**	**56,625**	**31,000**
	Income	**(12,700)**	**(35,053)**	**(26,745)**	**0**
Net Total (including staff)		**197,818**	**189,553**	**202,638**	**208,566**

DALES COUNTRYSIDE MUSEUM

Programme Activities

- Maintenance of permanent heritage exhibitions and displays interpreting the wildlife, landscape and cultural heritage of the National Park
- Provide temporary exhibitions, events and workshops
- Museum collection management, in accordance with museum accreditation including provision of access for research
- Schools and family activities
- Provide public access to archive collection and family history material
- Community-based projects and events
- Provision of a café franchise

Corporate Plan objectives:

Use the Dales Countryside Museum and the Historic Environment Record to help local heritage groups to research, record and promote the stories of the National Park area, including completing the enhancement of the Historic Environment Record for the new area of the National Park by 2024.

Budget Proposal:

This programme includes all fixed site costs for the DCM premises (e.g. utilities and rates) including the public toilets, the National Park Centre and Ranger base. Income is generated through admissions, café rent, events and from the biomass boiler through the Renewable Heat Incentive (RHI) scheme. The admission income has been increased slightly from 2023/24 in line with an increase in the admission charge.

Other costs to run the Museum (including a small sum to stage events and exhibitions and replace displays) are shown in the 'non-premises' costs. The Friends of DCM membership offers the option to Gift Aid, which generates income that is used to help with match funding for projects at DCM.

Dales Countryside Museum		**2023/24**	**2024/25**	**2025/26**	**2026/27**
		£	**£**	**£**	**£**
Staff	**Expenditure**	**94,423**	**100,239**	**103,875**	**106,805**
Building Maintenance	Expenditure	18,924	20,970	47,044	15,646
Cleaning & Caretaker	Expenditure	24,977	20,369	21,387	22,456
Rates	Expenditure	2,740	2,877	3,021	3,172
Premises Fixed Costs	Expenditure	55,096	52,092	53,134	54,196
Premices Income	Income	(13,500)	(15,750)	(15,750)	(15,750)
Non-Premises Museum Costs	Expenditure	22,000	22,000	22,000	22,000
Admissions, Café Lease	Income	(72,900)	(72,900)	(72,900)	(72,900)
DCM Projects	Expenditure	2,000	2,000	2,000	2,000
DCM Projects Income	Income	(1,000)	(1,000)	(1,000)	(1,000)
Programme	**Expenditure**	**125,738**	**120,308**	**148,585**	**119,471**
	Income	**(87,400)**	**(89,650)**	**(89,650)**	**(89,650)**
Net Total (including staff)		**132,761**	**130,897**	**162,810**	**136,626**

HISTORICAL ENVIRONMENT

Programme Activities:

- Help people to conserve, maintain and re-use Listed Buildings
- Help people to conserve and maintain Scheduled Monuments, and other heritage sites, structures and features
- Carry out regular surveys of the condition of Listed Buildings and Scheduled Monuments
- Maintain the Historic Environment Record for the National Park

Corporate Plan objectives:

Help local people to restore, repair and - where possible - bring back into use nationally-important historical sites, buildings and structures so that less than 4% of scheduled monuments and listed buildings are considered 'at risk' by 2024

Use the Dales Countryside Museum and the Historic Environment Record to help local heritage groups to research, record and promote the stories of the National Park area, including completing the enhancement of the Historic Environment Record for the new area of the National Park by 2024

Budget Proposal:

The budget remains in line with recent years. Activity will be focused on preventing any worsening in the overall condition of listed buildings and scheduled monuments that are 'at risk' (or may soon become so). This includes delivering a number of heritage projects funded through other programmes (notably, repairs to traditional buildings through FiPL, and works to former metal mines through the Tees-Swale: Naturally Connected programme).

The HER budget for 2024/25 includes an additional £8,000 funding from the 'Our Upland Commons' project to complete an on-going project on the archaeology of Ingleborough's caves.

Historical Environment		**2023/24**	**2024/25**	**2025/26**	**2026/27**
		£	**£**	**£**	**£**
Staff	**Expenditure**	**133,993**	**144,456**	**196,398**	**201,711**
	Income	**0**	**(20,473)**	**(66,327)**	**(45,551)**
Historic Environment IT Maintenance	Expenditure	2,000	2,000	2,000	2,000
Listed Buildings at Risk	Expenditure	18,500	18,500	18,500	18,500
Scheduled Monuments	Expenditure	24,000	24,000	24,000	24,000
	Income	(10,000)	(10,000)	(10,000)	(10,000)
Historic Environment Record	Expenditure	50,000	20,000	12,000	12,000
	Income	(58,000)	(28,000)	(20,000)	(20,000)
Programme	**Expenditure**	**94,500**	**64,500**	**56,500**	**56,500**
	Income	**(68,000)**	**(38,000)**	**(30,000)**	**(30,000)**
Net Total (including staff)		**160,493**	**150,483**	**156,571**	**182,660**

LANDSCAPE FEATURES

Programme Activities:

- Conserve and enhance distinctive local landscapes through Landscape Partnerships
- Repair and restore traditional farm buildings and dry stone walls
- Conserve and enhance Conservation Areas
- Protect important trees

Corporate Plan objectives:

By 2024, secure significant funding to repair, restore, and, where appropriate, find adaptive new uses for traditional field barns, particularly those in Swaledale, Arkengarthdale and Littondale

Budget Proposal:

The budget is dominated by the £3.5 million Westmorland Dales Landscape Partnership, which is being led by Friends of the Lake District, but for which the Authority acts as the 'accountable body'. In 2023/24, the Partnership will complete the 4-year programme of activity under the themes of natural, cultural and connecting heritage. As a result of pandemic, the programme has been extended for 6 months – to the end of 2023.

The Authority will continue its small local barns repair scheme, using funding from a legacy and from the Yorkshire Dales Millennium Trust, as well as supporting other barn restoration projects through Farming in Protected Landscapes.

Finally, the budget includes a small amount of funding for the ongoing work to enhance Conservation Areas, including producing up-to-date character appraisals.

Landscape Features		**2023/24**	**2024/25**	**2025/26**	**2026/27**
		£	**£**	**£**	**£**
Barn Restoration & Repair	Expenditure	0	20,000	0	0
Conservation Area Enhancements	Expenditure	3,700	3,700	3,700	3,700
Programme	**Expenditure**	**3,700**	**23,700**	**3,700**	**3,700**
	Income	**0**	**0**	**0**	**0**
Net Total (including staff)		**3,700**	**23,700**	**3,700**	**3,700**

VOLUNTEERS AND APPRENTICES

Programme Activities

- Volunteers support to Authority programmes
- Supported activities to encourage youth volunteering (age 12 to 29)
- Other initiatives for communities to look after the National Park
- Apprenticeships

Corporate Plan objectives

Give people from all backgrounds an opportunity to enjoy and contribute to the National Park by providing at least 7,000 volunteer days per year, with 15% coming from under-represented groups.

Budget Proposal

The work of volunteers makes a valuable contribution across almost all Authority work areas, and we will continue to work to increase the diversity of opportunity, particularly for young people. A sum is included to support young people (ie under 30 years) to volunteer, through the Young Rangers programme and 'upskill down dale' to supports skills development to help with employment. It also includes delivery with YDMT for the National Citizen Service. Volunteer travel expenses were reviewed in 2022/23 this resulted in a small cost saving, with more volunteers car sharing.

The staff costs below include those apprenticeships provided directly by the Authority.

Volunteers and Apprentices		**2023/24**	**2024/25**	**2025/26**	**2026/27**
		£	**£**	**£**	**£**
Staff	**Expenditure**	**203,412**	**213,834**	**221,007**	**226,584**
	Income	**0**	**0**	**0**	**0**
Ranger Vehicles, apportioned	Expenditure	20,173	24,917	24,917	24,917
Volunteers	Expenditure	55,000	55,000	55,000	55,000
Apprentice staff costs	Expenditure	50,796	38,709	51,816	39,474
Apprentice Grant income	Income	(10,000)	0	0	0
Youth volunteering and young rangers	Expenditure	2,000	2,000	2,000	2,000
National Citizen Service	Expenditure	0	6,000	0	0
	Income	0	(6,000)	0	0
Programme	**Expenditure**	**127,969**	**126,626**	**133,733**	**121,391**
	Income	**(10,000)**	**(6,000)**	**0**	**0**
Net Total (including staff)		**321,381**	**334,461**	**354,741**	**347,976**

TOURISM

Programme Activities

- Development of activities with tourism businesses
- Work with tourism organisations to promote the Yorkshire Dales
- Provide lead and support for Yorkshire Dales National Park Tourism Partnership
- Share good practice through Brilliant Businesses case studies
- Produce National Park visitor economy monitoring and trend data

Corporate Plan objectives

Increase opportunities for visitors to understand and enjoy the National Park, so that by 2026 over 60% of total visitors to the 4 National Park 'Visitor Hubs' go into the Visitor Centre.

Develop and promote events, festivals and attractions based on the National Park's special qualities and local distinctiveness so that at least 10% of visitors each year are coming for the first time.

Budget Proposal

The budget is used to help support tourism in the Dales. Its purpose is to ensure that, through collaboration, the benefits tourism can bring to the area are optimised at the same time as the special qualities of the Dales are safeguarded. It focuses on product development, business support through the 'Distinctly Dales' local distinctiveness project, and 'Brilliant Businesses' case studies, and facilitating the Dark Skies festival and Cheese Festival. It includes use of the STEAM Model and other research to evaluate the economic impact and trends in National Park's visitors.

Tourism		**2023/24**	**2024/25**	**2025/26**	**2026/27**
		£	**£**	**£**	**£**
Staff	**Expenditure**	**118,839**	**124,887**	**128,756**	**131,423**
Tourism Delivery Plan	Expenditure	15,100	15,100	15,100	15,100
Economic Evaluation	Expenditure	4,900	4,900	4,900	4,900
Programme	**Expenditure**	**20,000**	**20,000**	**20,000**	**20,000**
	Income	**0**	**0**	**0**	**0**
Net Total (including staff)		**138,839**	**144,887**	**148,756**	**151,423**

NATIONAL PARK CENTRES AND RETAIL

Programme Activities

- Face to face advice National Park Visitor Centres
- A retail service from National Park Centres
- National Park-specific information and interpretative displays at Cumbria Tourist Information Centres
- Ranger and Volunteer bases

Corporate Plan objectives:

Increase opportunities for visitors to understand and enjoy the National Park, so that by 2026 over 60% of total visitors to the 4 National Park 'Visitor Hubs' go into the Visitor Centre.

Budget Proposal:

This programme includes premises fixed running costs for three of the four flagship National Park Visitor Centres, Grassington, Malham, Aysgarth Falls, (NB Hawes is in the DCM budget); a contribution to the partnership centres Hudson House Reeth, Kirkby Lonsdale, Sedbergh and Kirkby Stephen. The projected retail sales, income and overheads are based on the actual sales achieved in 2023/24.

National Park Centres & Retail		**2023/24 £**	**2024/25 £**	**2025/26 £**	**2026/27 £**
Staff (including HH staff)	**Expenditure**	**350,380**	**363,164**	**376,070**	**386,582**
NPC Fixed Running Costs	Expenditure	65,132	76,143	77,064	78,030
NPC Refurbishment & Visitor Hubs	Expenditure	15,000	25,000	15,000	15,000
NPC Planned Maintenance	Expenditure	16,174	14,932	8,204	9,989
NPC Cleaning	Expenditure	15,853	16,645	17,478	18,352
NPC Uniforms and sundries	Expenditure	2,500	2,500	2,500	2,500
NPC Hudson House Rent	Expenditure	10,546			
NPC Partnership Centres	Expenditure	20,000	30,000	30,000	30,000
NPC Income	Income	(10,070)	(17,070)	(17,070)	(17,070)
Retail Overheads	Expenditure	10,080	10,080	10,080	10,080
Retail Trade	Expenditure	198,000	198,000	198,000	198,000
	Income	(330,000)	(330,000)	(330,000)	(330,000)
Programme	**Expenditure**	**343,215**	**356,231**	**341,255**	**344,881**
	Income	**(340,070)**	**(347,070)**	**(347,070)**	**(347,070)**
Net Total (including salaries)		**353,525**	**372,325**	**370,255**	**384,393**

SUSTAINABLE DEVELOPMENT

Programme Activities:

- Run the Sustainable Development Fund
- Work with Local Enterprise Partnerships to support appropriate economic development

Corporate Plan objectives:

Use the Sustainable Development Fund and other funding sources, to support 15 new local projects each year that bring economic, social and environmental benefits to the National Park.

Budget Proposal:

The main expenditure remains the Sustainable Development Fund (SDF), which provides grants for local projects that bring economic, social and environmental benefits to the National Park. The Fund has been reduced slightly as part of balancing the 23/24 budget.

While no direct funding is involved, the Authority will also be working with the Local Enterprise Partnerships, new unitary authorities and other protected landscape bodies to identify and support new opportunities for sustainable development in the National Park through Local Growth Plans, devolution deals and the 'Shared Prosperity Fund'.

Sustainable Development		**2023/24**	**2024/25**	**2025/26**	**2026/27**
		£	**£**	**£**	**£**
Staff	**Expenditure**	**41,421**	**43,080**	**44,311**	**45,229**
SDF Grants	Expenditure	155,000	155,000	155,000	155,000
Programme	**Expenditure**	**155,000**	**155,000**	**155,000**	**155,000**
Net Total (including salaries)		**196,421**	**198,080**	**199,311**	**200,229**

CAR PARKS AND TOILETS

Programme Activities

- Manage 10 sites with car parks and toilets
- Maintain and clean public conveniences at these sites
- Manage Authority Property (amenity land, woodlands and agricultural holdings)
- Manage toilet facility charging/donations

Corporate Plan objectives:

No specific objective.

Budget Proposal:

The car parking income reflects the income achieved in 2022/23 and expected in 2023/24. Income is difficult to predict as it varies depending on the weather. We assume there would be a small dip in 2023/24 due to the cost of living crises, but car parking charges were also increased at the start of 2023 to reflect the rising costs of operation, so this was offset.

Expenditure includes cleaning and maintenance of toilets and individual properties, as well as the cost of car park surface repairs. Expenditure also includes cash collection charges, there is a significant decrease in these charges from 2024/25 as the car park machines will be converted to card only, which will need capital investment in the infrastructure to ensure this is possible.

Car Parks & Toilets		**2023/24**	**2024/25**	**2025/26**	**2026/27**
		£	**£**	**£**	**£**
Staff	**Expenditure**	**80,026**	**87,793**	**90,242**	**92,069**
Ranger Vehicle, apportioned	Expenditure	5,237	7,609	7,609	7,609
Car Parks	Expenditure	309,653	165,851	144,323	141,898
Car Parks	Income	(935,068)	(935,068)	(935,068)	(935,068)
Toilets	Expenditure	159,617	160,376	167,971	172,350
Donation & EV Chargers	Income	(8,000)	(16,200)	(16,200)	(16,200)
Programme	**Expenditure**	**474,507**	**333,836**	**319,903**	**321,856**
	Income	**(943,068)**	**(951,268)**	**(951,268)**	**(951,268)**
Net Total (including salaries)		**(388,535)**	**(529,639)**	**(541,123)**	**(537,343)**

RECREATION MANAGEMENT

Programme Activities

- Meet the Authority's statutory duties under the CRoW Act: Open Access – manage restrictions and provide secretariat for the Yorkshire Dales Access Forum
- Pre-existing access management agreements
- Manage the use of recreational motor vehicles on sensitive green lanes
- Work with user groups and organisers of large-scale events re: the Sandford Principle

Corporate Plan objectives:

Maintain 'green lanes' and, where appropriate, manage use by recreational motor vehicles, including enforcing any restrictions imposed by Traffic Regulation Orders.

Work with organisers of large-scale events to ensure they are well run, benefit local businesses, and contribute to the maintenance of the Park's natural capital, for example funding the cost of maintaining the 'Three Peaks' route.

Budget Proposal:

This programme includes monitoring recreational motor vehicle compliance with TROs, and management and use on green lanes; meeting our statutory obligations under the CRoW Act both as a 'relevant authority' for Open Access, and as 'access authority', including providing the secretariat for the Yorkshire Dales Access Forum (LAF). It also includes staff time for liaising with user groups and individuals e.g. concerning voluntary climbing restrictions and breeding birds, and the Three Peaks notification scheme. (Note: the Three Peaks Project and Visitor Payback income are included in the Rights of Way budget). The LAF now has one on-line meeting a year so running costs have been reduced to reflect this.

Recreation Management		**2023/24**	**2024/25**	**2025/26**	**2026/27**
		£	**£**	**£**	**£**
Staff	**Expenditure**	**65,451**	**67,728**	**69,956**	**71,401**
Open Access	Expenditure	5,000	5,000	5,000	5,000
Green Lanes	Expenditure	10,000	5,000	5,000	5,000
LAF	Expenditure	1,000	1,000	1,000	1,000
Programme	**Expenditure**	**16,000**	**11,000**	**11,000**	**11,000**
Net Total (including salaries)		**81,451**	**78,728**	**80,956**	**82,401**

Appendix 5

Reserves Strategy

1. The Authority holds Reserves for two purposes:

    - **To help to manage budget risk, by providing financial 'insurance' in case of:**
        - contingencies such as a major legal cost or the interim funding needed to cope with a reduction in National Park Grant from Defra;
        - Inaccurate budget estimates or loss of external funding streams.

    - **To support delivery by:**
        - funding investment requirements;
        - enabling us to take advantage of appropriate project opportunities.

2. This Strategy covers the Authority's **Usable** Reserves. These are Reserves backed by cash and are therefore available to spend on the purposes for which they have been established. At the date of this report, the value of the Authority's Usable Reserves is **£3635.2k.**

The Strategy

3. It is proposed that the Authority's Reserves be maintained in line with the table below. Full details of each Reserve, and the purpose for which it is maintained, have not been included here but are available at Members' request.

4. Reserves will be spent over the following five years to cover the projects and capital spending indicated; the costs of which are included in the main budget.

5. The position at year-end (31 March 2024) will inevitably be different from that shown below, after taking into account the following events:

    - A temporary reserve will be created to contain any carry-forward budgets that are required to complete activity started but not finished in 2023/24, this is normally in the region of £400k to £600k and covers those projects which do not neatly fit into the financial year, this budget will come from underspends in 2023/24.

    - The balance of the reserve for the ongoing woodland monitoring obligations until 2030 will be increased by the value attributed to 2023/24 new capital projects completed in year, this balance was not known at the time of writing this report.

    - It is unlikely that the position at year-end will exactly match the set budget which this estimation is based on. The General Fund will be modified in line with the net 2023/24 year-end financial balance (after taking account of carry-forward budgets).

		ESTIMATED BALANCE @ 31/3/24
No	**Reserve Description**	**£'000**
1	Contingency Reserve - 10% gross budgeted expenditure 24/25	1312.0
2	Carry Forward Budgets	TBN
3	IT Equipment	260.6
4	Property	603.0
5	Plant & Equipment	134.0
6	Access for All	30.6
7	Tees-Swale - Naturally Connected	50.0
8	Attracting Younger People	19.3
9	Earmarked legacies	140.8
10	B4RN Shares	101.0
11	Hawes to Garsdale multi use route	240.0
12	External Funding Match Bid Reserve	500.0
	Estimated Earmarked Reserves Balance	3392.3
	Estimated General Fund Reserve	*243.9*
	Estimated Total Usable Reserve Balance (based on current budget)	3635.2

Appendix 6

Risks associated with the Draft Budget

Risk	Impact	Likelihood	Control / Mitigation
1. Longer term plans are unaffordable	High	High/moderate	Projections indicate that our plans for 2025/26 and 2026/27 are affordable in their current form, but programme cuts will be needed if the new £500k income from DEFRA is not added to the baseline of the Authority's core grant.
2. Staff costs in excess of budget	High	Moderate	Staff turnover may not generate the saving from vacancies built into the budget, of £123k. At the time of preparing this budget, the Local Government pay award for 2024/25 had not yet been agreed. For every additional 1%, the Authority's staff costs would rise by ~£50k pa.
3. Inflation greater than projected	Moderate	Moderate	Specific rates of inflation, appropriate to each overhead, have been used to prepare the budget. The current situation is changeable and will be monitored, so that more substantial increases in inflation can be taken onto account should the budgeted rates prove to be too low.
4. Unidentified costs missing from budget.	Low	Low	Any significant problems could be managed through a call on the General or Contingency Reserve.
5. Failure to achieve earned income projections.	Moderate	Low	Achievement of targets is kept under continuous review. The most significant 'earned income' target is car parking, for which our projection for 2024/25 assumes a continuation of the performance seen in 2023/24. The increasing contribution from external grant income to our budgets isn't necessarily accompanied by increased risk: the majority of such income is linked to related expenditure, and if that spending doesn't happen to its planned extent, less grant income will be accessed, but with no overall net *financial* impact (although the gross income result reported at year end would be lower than is currently projected).
6. Failure to deliver objectives within Corporate Plan	High	Low	Closely managed process, with scheduled in-year reviews. Where additional spending is required to achieve delivery, budget can be made available from the General Reserve or – if necessary - from redirecting resources from lower priority programmes.
7. Insufficient Reserves to cover spending plans	High	Low	Managed through the Reserves Strategy (see Appendix 5).

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