Yorkshire Dales National Park Authority Item 8

Finance & Resources Committee

25 February 2025

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

Purpose of the Report

1. To provide Members with details of the financial performance for the period 1st April 2024 to 31st December 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).

Introduction

4. This report provides an overview of the Authority's financial performance for the first nine months of 2024/25, and highlights any significant variances (those with a value of >£10k) from the budgeted profile. 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 November to 31st December 2024. This lists additional income, additional costs, Matched 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 November 2024 to 31st December 2024; this is in accordance with the reporting requirements of the Financial Regulations and for governance best practice.

Performance Summary

5. The overall message in these figures shows the Authority is generally 'on course' to utilise its allocated financial resources to deliver its work programmes for 2024-25

6. The financial position at the end of December shows a net 'underspend' compared to profile of **£869k.** However, the detail that makes up that figure needs to be examined in order to understand the true picture. Key things for Members to be aware of are:

    a. The income target at 31 December 2024 was £8.4m. £8.7m was received, a positive variance of £0.3m. Rights of Way; Farm Conservation and Recreation and Health were all ahead of target; whilst Education & Outreach was behind, these are all timing issues. Additional income was earned in Retail and Bank Interest; whilst Development Management and Trees & Woodlands had a shortfall.

    b. The expenditure budget at 31 December 2024 was £9.4m, actual expenditure was £8.9m, an 'underspend' of £0.5m. The variance was due to spending being ahead of schedule on Farm Conservation: an overspend on Retail (covered by additional retail sales); and underspends in most other programmes.

7. Although there are number of work programmes behind schedule, most will be complete by year-end; small underspends are expected in Trees & Woodlands, Biodiversity, and Historical Environment. Where Budget Managers have indicated there are potential variances in their budgets, they have been noted in the detailed analysis of income and expenditure variances in **Appendix 2**.

8. Overall, with the information we know now, we are estimating an underspend of between £100k and £300k on the £15.3m budget. This includes additional income generated above the original projection of between £80k - £185k. The range in income is due to a large minerals planning application which may be received before year end.

9. Members should be aware that we continue to face problems with a shortage of available contractor and materials. Consequently, there have been issues negotiating contract sign offs for capital projects which have caused delays. Cost have increased above initial estimates, as the building trade inflation is running much higher than 'average inflation'. **Appendix 3** provides further information on additional allocations to the budget, and their sources, where the additional costs have not been covered by savings in other areas. There are also a number of programme budget reductions where budget Managers have indicated the funds will not be spent, which have been returned to the general reserves.

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 December 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 DECEMBER 2024 Quarter 3 - Month 9	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	583.5	546.0	***37.5***	F
Programme Costs	60.2	48.3	46.4	2.0	F
Income	(319.2)	(238.8)	(174.9)	***(63.9)***	A
Development Management Total	**520.4**	**393.0**	**417.4**	***(24.4)***	A
Staff Costs	488.9	366.7	311.9	***54.8***	F
Programme Costs	3,065.6	1,264.3	1,442.8	***(178.5)***	A
Income	(3,146.4)	(1,449.8)	(1,479.9)	***30.1***	F
Farm Conservation Total	**408.1**	**181.2**	**274.8**	***(93.6)***	A
Staff Costs	216.7	162.5	155.3	7.3	F
Programme Costs	113.7	95.1	53.0	***42.1***	F
Income	(142.5)	(83.7)	(105.5)	***21.8***	F
Biodiversity Total	**187.9**	**173.9**	**102.7**	***71.2***	F
Staff Costs	498.6	373.9	362.8	***11.1***	F
Programme Costs	2,568.2	1,258.6	966.8	***291.8***	F
Income	(1,664.3)	(722.5)	(999.9)	***277.4***	F
Rights of Way Total	**1,402.4**	**910.1**	**329.7**	***580.4***	F
Staff Costs	147.5	110.6	109.3	1.3	F
Programme Costs	105.7	60.5	50.1	***10.4***	F
Income	(15.0)	0.0	0.0	0.0	A
Development Planning Total	**238.2**	**171.1**	**159.4**	***11.7***	F
Staff Costs	164.5	122.1	115.0	7.1	F
Programme Costs	507.0	193.1	164.1	***28.9***	F
Income	(507.6)	(267.2)	(300.1)	***32.9***	F
Recreation & Health Total	**163.9**	**48.0**	**(20.9)**	***68.9***	F
Staff Costs	369.7	249.2	190.0	***59.2***	F
Programme Costs	100.5	68.3	49.0	***19.3***	F
Income	(285.7)	(159.5)	(114.3)	***(45.2)***	A
Education & Outreach Total	**184.5**	**158.0**	**124.7**	***33.4***	F

1 APRIL 2024 To 31 DECEMBER 2024 Quarter 3 - Month 9	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	218.4	182.2	***36.1***	F
Programme Costs	680.9	289.0	235.1	***54.0***	F
Income	(729.0)	(59.8)	24.4	***(84.1)***	A
Trees & Woodlands Total	**243.0**	**447.7**	**441.7**	6.0	F
Staff Costs	100.2	75.2	74.7	0.5	F
Programme Costs	193.6	148.5	84.3	***64.2***	F
Income	(93.2)	(79.7)	(73.1)	(6.6)	A
Dales Countryside Museum Total	**200.7**	**144.0**	**85.8**	***58.2***	F
Staff Costs	144.5	108.3	104.5	3.8	F
Programme Costs	79.5	72.5	39.7	***32.8***	F
Income	(93.5)	(44.7)	(41.9)	(2.9)	A
Historical Environment Total	**130.5**	**136.1**	**102.3**	***33.8***	F
Staff Costs	0.0	0.0	0.0	0.0	A
Programme Costs	8.7	13.7	3.1	***10.6***	F
Income	0.0	0.0	0.0	0.0	A
Landscape Features Total	**8.7**	**13.7**	**3.1**	***10.6***	F
Staff Costs	213.8	160.4	158.2	2.1	F
Programme Costs	158.1	112.7	115.2	(2.4)	A
Income	(24.9)	(16.3)	(18.5)	2.2	F
Volunteers & Apprentices Total	**347.0**	**256.8**	**254.9**	1.8	F
Staff Costs	147.0	109.3	99.0	***10.4***	F
Programme Costs	22.2	17.2	5.9	***11.3***	F
Income	0.0	0.0	0.0	0.0	A
Tourism Total	**169.2**	**126.5**	**104.9**	***21.6***	F
Staff Costs	363.2	272.4	279.4	(7.0)	A
Programme Costs	369.7	304.6	328.5	***(24.0)***	A
Income	(347.1)	(316.0)	(408.3)	***92.3***	F
National Park Centres Total	**385.8**	**260.9**	**199.6**	***61.3***	F
Staff Costs	43.1	32.3	32.3	0.1	F
Programme Costs	267.8	87.1	69.9	***17.2***	F
Income	0.0	0.0	0.0	0.0	A
Sustainable Development Fund Total	**310.9**	**119.4**	**102.1**	***17.3***	F
Staff Costs	87.8	65.8	65.0	0.8	F
Programme Costs	381.7	317.0	329.2	***(12.2)***	A
Income	(951.3)	(821.4)	(824.6)	3.2	F
Carparks & Toilets Total	**(481.8)**	**(438.6)**	**(430.4)**	(8.1)	A

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Programme Bids	**£'000**	**£'000**	**£'000**	**£'000**	
Staff Costs	67.7	50.8	48.4	2.4	F
Programme Costs	11.0	6.0	4.9	1.1	F
Income	0.0	0.0	0.0	0.0	A
Recreation Management	**78.7**	**56.8**	**53.2**	3.6	F
Programme Summary					
Total Programme Gross Costs	12,817.8	7,418.1	6,821.9	***596.2***	***F***
Total Programme Income	(8,319.7)	(4,259.4)	(4,516.8)	***257.3***	***F***
Total Programme Net Cost	**4,498.2**	**3,158.6**	**2,305.1**	***853.5***	***F***
Corporate Employment and Central Costs	**£'000**	**£'000**	**£'000**	**£'000**	
Conservation and Communities Staff Costs	134.8	101.1	101.2	(0.1)	A
Conservation and Communities Staff Income	0.0	0.0	0.0	0.0	A
Park Management Staff Costs	383.5	288.4	283.5	4.9	F
Corporate Staff Costs	1,036.0	777.0	779.0	(2.0)	A
Corporate Staff Income	0.0	0.0	(1.2)	1.2	F
Vacancy Factor 2%	(122.5)	(91.9)	0.0	***(91.9)***	A
Other Employee Related Costs	20.6	16.0	23.9	(7.8)	A
Other Employee Related Income	0.0	0.0	0.0	0.0	A
Total Corporate Employment Net Costs	***1,452.5***	***1,090.7***	***1,186.4***	***(95.7)***	***A***
Support Services	256.1	190.2	92.2	***98.1***	F
Support Services Income	(236.1)	(183.6)	(207.5)	***23.8***	F
CEO Support	4.0	3.3	6.8	(3.5)	A
CEO Support Income	0.0	0.0	0.0	0.0	A
Legal Services	25.2	22.9	50.2	***(27.3)***	A
Legal Services Income	(17.0)	(12.8)	(23.7)	***10.9***	F
Office Accommodation	130.0	102.7	87.3	***15.4***	F
Office Accommodation Income	(18.1)	(13.6)	(11.5)	(2.1)	A
Health and Safety	8.6	5.0	7.5	(2.5)	A
Members	162.7	130.6	113.4	***17.2***	F
Members Income	0.0	0.0	0.0	0.0	A
IT Licences, Consumables and Support	243.7	220.4	253.2	***(32.8)***	A
Communications and Web Services	71.8	47.1	40.6	6.5	F
Communication Income	(3.0)	0.0	0.6	(0.6)	A
Land Holdings and Maintenance	82.7	78.1	85.7	(7.6)	A
Land Holdings and Maintenance Income	0.0	0.0	0.0	0.0	A
Training	69.1	54.1	39.2	***14.8***	F
Training Income	0.0	0.0	(0.6)	0.6	F
Total Central Net Costs	***779.6***	***644.4***	***533.5***	***110.9***	***F***

1 APRIL 2024 To 31 DECEMBER 2024 Quarter 3 - Month 9	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)	(3,922.4)	(3,922.4)	0.0	***A***
Other Income	(8,593.9)	(4,469.4)	(4,760.6)	***291.1***	***F***
Total Income	(14,323.7)	(8,391.8)	(8,682.9)	***291.1***	***A***
Gross Expenditure	15,324.2	9,363.1	8,785.5	***577.6***	***F***
Net expenditure (excluding National Park Grant)	6,730.2	4,893.7	4,024.9	***868.7***	***F***
In-Year Deficit	**1,000.4**	**971.3**	**102.6**	***868.7***	***A***

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: **Adverse variance of £24k**
Planning fee income was lower than budget by £64k - as a result of fewer planning applications. There is a staff vacancy saving of £38k. The vacancies have now been filled.

Farm Conservation: Adverse variance of £94k
Expenditure was ahead of profile for FIPL by £197k, and behind profile by £16k for Tess Swale and Regenerative Farming. Income was behind profile by £48k for Catchment Sensitive Farming, and by £38k for Regenerative Farming research project. FIPL income was ahead of profile by £120k. All of these are simply timing issues.

Salary savings through providing specialist advice to FIPL were £55k.

Biodiversity: Favourable variance of £71k
Expenditure was behind profile by £49k. £39k relates to the Community Wildlife Fund which is funded by Quarry S106 income, this balance will be carried forward if unspent at year end as it relies on external bidders coming forward with suitable projects. There was additional income generated of £22k which relates to the Peat Partnership.

Rights of Way: Favourable variance of £580k
Expenditure was behind profile by £303k. Mainly as a result of delays to the development of the Langcliffe Ranger Base - £191k, Western Dales ROW was behind by £51k (principally due to delays relating to Cross Keys Bridge - £33k), Pennine Trails by £34k, Coast to Coast by £24k and Southern Dales by £21k; whilst Garsdale to Hawes was ahead of profile by £13k. These are all timing issues.

Income was ahead of profile by £277k. Mainly £122k for National Trails and £70k for ROW which are timing issues. Coast to Coast was ahead of budget by £131k, but delays in the White Mossy Hill project is likely to decrease the final income against Ranger salaries by £25k.

There was additional income of £13k in Definitive Map, and in Three Peaks of £81k which was mainly due to legacy donations, the Three Peaks income will be placed in a reserve at year end for spending on a future project.

Development Planning: Favourable variance of £12k
Expenditure was behind profile by £14k as a result of the delays on the Clapham Neighbourhood Plan. There is an underspend of £40k that earmarked for the Examination of the Local Plan. This will be carried forward into 2025/26.

Recreation & Health: Favourable variance of £70k
Income was ahead of budget by £33k, mainly due to the Creatively Connected project. Expenditure was £36k behind budget, mainly for access projects. These are timing issues.

Education & Outreach: Favourable variance of £33k
Expenditure was under budget by £79k. £59k relates to a vacancy saving. Outreach and well-being is showing an underspend of £19k. Income was behind budget £31k for the Championing National Park for Everyone project, £20k for Generation Green, and we had income in advance from YDMT of £12k.These are mostly timing issues though, there may be a small underspend at year end.

Trees & Woodlands: Favourable variance of £6K
Expenditure was £90k behind budget. £53k relates to Grow Back Greener, and £36k is a saving due to vacancies. Income was £84k behind profile. The main issue is the shortfall in income from Grow Back Greener and the White Rose Forest which related to 23/24. However, any shortfall will be covered from an earmarked reserve for woodlands work.

Dales Countryside Museum: Favourable Variance of £58k
This relates to the delay in replacement of the old station roof which will be complete by year end.

Historical Environment: Favourable Variance of £34k
Expenditure is behind by £37k because of unplanned work to support other, higher priority programme commitments. The budget will likely be underspent by £10k at year end.

Landscape Features: Favourable Variance £11k
The barn restoration advice budget is likely to have a small underspend at year end.

Tourism: Favourable Variance of £24k
There was a £10k saving on salaries due to less hours being spent on Dark Skies than budgeted, and expenditure for tourism delivery projects was £12k behind profile but will be spent on the 10 Year Dark Skies Festival over the winter. This is simply a budget profiling issue.

National Park Centres: Favourable variance of £61k
Retail sales have generated an additional £42k of net income. There is a saving on rates and utilities of £20k.

Sustainable Development Fund: Favourable variance of £17k
Grants payments are currently behind profile. A number of new projects are in the pipeline, so still expecting the remaining budget to be committed by year end.

Corporate & Central Costs

Corporate Employment Costs: Adverse variance of £96k

This budget category contains the ‘Vacancy factor’ of £92k, 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). Recruitment costs are higher than budgeted so there is a likely overspend of £15k.

Central Costs: Favourable variance of £111k

There was additional bank interest of £28k. Savings were made on vehicle costs due to the delay in the delivery of the electrical fleet of £10k; Member costs of £17k due to Secretary of State vacancies; and £15k on utilities. Legal costs were overspent by £27k but court costs of £45k have been awarded in a successful planning prosecution case, so will be £15k underspent at year end.

There were overspends on maintenance due to boiler issues. This will likely result in an overspend of approximately £10k by year end.

Support Services was underspent due to audit fees of £69k and training of £15k; IT was overspent by £33k, due to payments in advance for software licences which will be reversed in March. These are all timing issues.

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 November 2024 to 31st December 2024.

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

Additional Income (£54.8k)

Description	Programme	Cost £'000	Income £'000	Total £'000
BNG contribution DEFRA	Biodiversity		(16.8)	(16.8)
BNG contribution DEFRA	Apprentices		(10.0)	(10.0)
Ure Dales project	Biodiversity		(8.0)	(8.0)
Ure Dales project	Historical Environment		(20.0)	(20.0)
Access to Eden Smardale HLF project	Education & Outreach/ Recreation & Health	165.8	(165.8)	0.0
Langcliffe signage NYC funded	Rights of Way Southern Dales	4.5	(4.5)	0.0
DCM Antiquities	DCM	3.5	(3.5)	0.0
Tees Swale	Recreation & Health	0.7	(0.7)	0.0

Adjustments Net Cost £21.0k

Description	Programme	Cost £'000	Income £'000	Total £'000
Ecologist income from YPP lower than profiled	Biodiversity	21.7		21.7
No external income for community heritage projects	Historical Environment	10.0	(10.0)	0.0
Reduced planning fee income	Development Management	10.0		10.0
NUNP contribution not required	Landscape Partnerships	(5.0)		(5.0)
Underspend on Species budget	Biodiversity	(5.0)		(5.0)
Underspend on SDF budget	Sustainable Development	(40.0)		(40.0)
Specialist barns advice not required	Historical Landscapes	(15.0)		(15.0)
70th Anniversary Budget surplus returned	NPC	(4.6)		(4.6)

Description	Programme	Cost £'000	Income £'000	Total £'000
White Rose Forest Income reverse error (put in 2 yrs but only 1 £50k in 23/24)	Trees & Woodlands Salaries Income		50.0	50.0
Performance Manager Shared Post	Corporate	8.9		8.9

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 was one allocation in the period 1st November 2024 to 31st December 2024, leaving the available balance at £455.8k.

Description	Programme	Cost £'000	Income £'000	Total £'000
Aysgarth FIPL funded project	Recreation & Health	17.0		17.0

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. Movements between 1st November 2024 and 31st December 2024 are detailed below:

Reserve	Description	Programme	Cost £'000	Income £'000	Total £'000
ROW Legacies	Cross Keys Bridge Cautley	ROW Western Dales	30.6		30.6
General Legacies	Cross Keys Bridge Cautley	Volunteers & Apprentices	43.6		43.6

A further £33.4k has been 'earmarked' from the legacies reserve for completion of the mainly FIPL funded Cross Keys Bridge project - Cautley, to underwrite additional costs relating to roadside verge works.

Appendix 4

Delegations, 1st November 2024 to 31st December 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. A full list of delegated exceptions can be found in the Financial Regulations.

Description	Approved	Date
Langcliffe Quarry Development This development has been delayed due to legal and planning issues. It is mainly funded by the capital grant from DEFRA which needs to be expended by 31st March 2025. Due to the tight timescales only two contractors were asked to quote instead of tender and the lower of the two contractors who can also meet the timescale was selected at £393,387 Forester Building Contractors.	Clare Burrows Monitoring Officer	2nd December 2024
Coast to Coast White Mossy Hill Highway surface improvements (Flags Supply) The previous contractor terminated the contract due to a lack of supply of reclaimed flags. Due to the shortage in supply and specialist nature of reclaimed flags, the Authority has only been able to identify a very limited number of potential suppliers. Martin Edwards Reclamation Yard can supply a further 300 linear metres of reclaimed flags, to the Authority's required specification, at the cost of £160 per linear metre within the required timescales, this was accepted. The project is funded by Natural England.	Clare Burrows Monitoring Officer	19th December 2024