

Committee: FINANCE AND RESOURCES

Date: 28 September 2021

Report: FINANCIAL PROGRESS REPORT -
FOR THE YEAR ENDING 30 JUNE 2021

Purpose of the Report

1. To provide Members with information on the financial performance of the National Park Authority for the three months from 1 April to 30 June 2020.

Recommendations

2. Members are recommended to 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 2021/22 Objective 35 'Plan and manage the Authority's work so as to make the most effective use of its resources, including generating sufficient income to maintain expenditure at the same level as 2014/15 in real terms across the extended National Park area, equating to income sufficient to support expenditure of £8.1m.

Introduction

4. **Appendix 1** provides a detailed picture of performance against budget, analysed by Programme, Corporate Employment and Central costs.

Appendix 2 provides information on virements and budget movements for the quarter. This lists additional income streams, additional costs and minor adjustments to the budget.

Appendix 3 provides delegated decisions on contracts made in the period from 1 April 2021 to 30 June 2021; these details are included by way of governance best practice.

Performance Summary

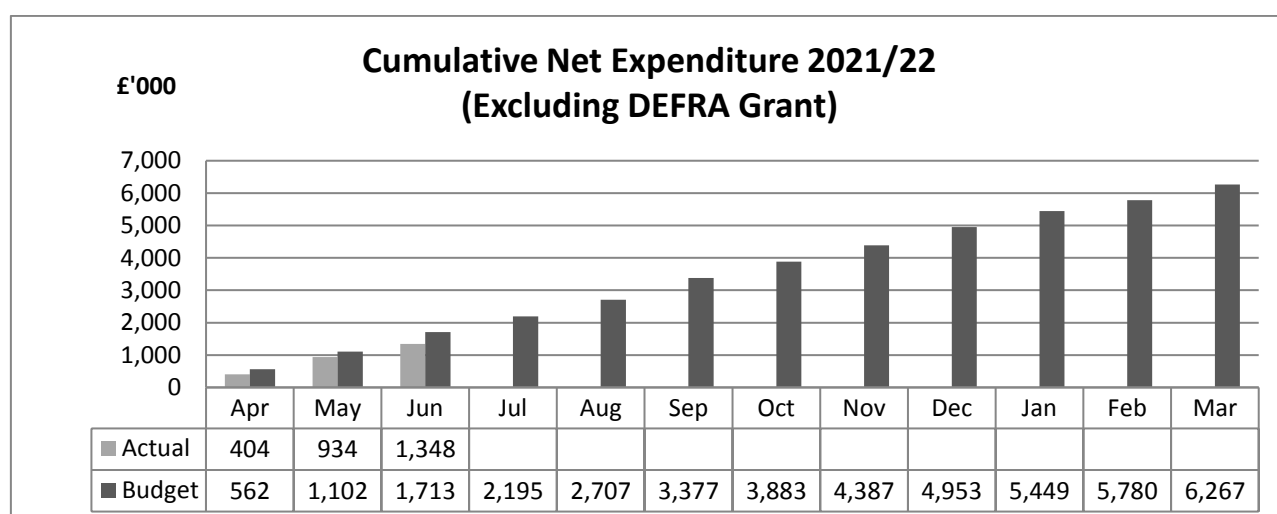
5. The overall net position for the three months to 30 June 2021 is a favourable variance against budget of **£365k**. This comprises of £93k extra net income and

£272k lower expenditure; Budget Managers have not indicated any issues so far.

Note that the Farming in Protected Landscapes (FiPL) and Woodlands Nature for Climate (NfC) budgets are not shown in this paper as the project details need to be finalised to produce the budget costings. The funding for FiPL this financial year is £1.3m, and the NfC will be in the region of £930k. The FiPL programme runs for three years, and NfC for four years.

6. The following table lists the net variances (includes income and expenditure), in each of the programmes and central budgets.

| Programme | Annual Budget | YTD Budget | YTD Actual | YTD Variance | Favourable/ Adverse |
|-------------------------------------|---------------|-------------|-------------|--------------|---------------------|
| Development Management | 528 | 129 | 128 | 1 | F |
| Land Management-Biodiversity | 717 | 169 | 151 | 18 | F |
| Rights of Way | 875 | 337 | 315 | 22 | F |
| Access For All | 234 | 82 | 51 | 32 | F |
| Dales Countryside Museum | 162 | 29 | 14 | 15 | F |
| Historical Environment | 194 | 41 | 35 | 7 | F |
| Development Planning | 181 | 33 | 34 | (0) | A |
| Landscape Features | 77 | 53 | 25 | 28 | F |
| Volunteers & Apprentices | 305 | 84 | 77 | 7 | F |
| Tourism | 214 | 108 | 26 | 82 | F |
| National Park Centres | 308 | 50 | 45 | 6 | F |
| Car Parks-Toilets | (215) | (84) | (177) | 93 | F |
| Sustainable Development | 371 | 23 | 18 | 5 | F |
| Visitor Management | 131 | 39 | 31 | 9 | F |
| Central Costs | 2182 | 618 | 576 | 42 | F |
| Total Variance on Programmes | 6267 | 1713 | 1348 | 365 | F |



7. In order to investigate the underlying figures, income and expenditure is analysed separately below and variances of £10k or over are highlighted.

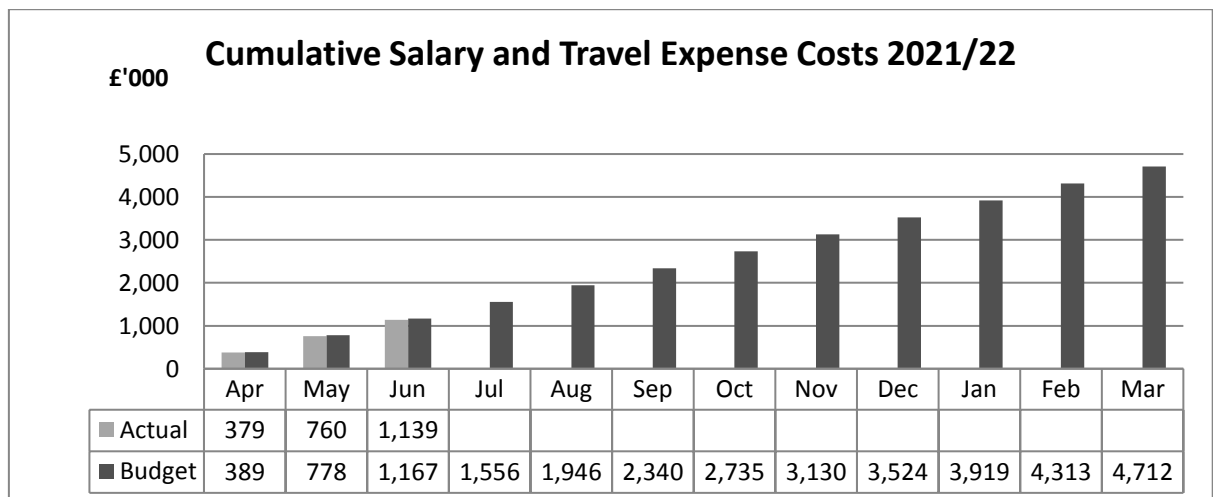
Expenditure

8. The significant variances to be aware of in expenditure at 30 June 2021 are:
- Land Management** programme had total underspends of £30k in various areas, the largest being £10k Biodiversity, £10k Community Wildlife, £18k Farmed Land, and an overspend of £13k in Landscape Management Partnerships for Natural Capital Accounts.
 - Access for All** programme had a £32k underspend in various areas, the largest being Recreation £11k and Outreach £15k.
 - Dales Countryside Museum** programme had a £20k underspend, mainly in the Maintenance budget.
 - Landscape Features** programme had a £30k underspend, split between the various Westmorland Dales sub projects.
 - Tourism** programme had a £82k underspend, £70k for international cycling events contributions, and the rest for subscriptions.
 - Central Costs** were underspent by £39k, spread amongst a number of sub sections, the largest being Maintenance £15k and Training £10k.

The majority of the above should be timing differences due to assumptions when profiling the budget proving to be different in reality, and they should be resolved. The Central costs will be examined further to ascertain whether the differences relate to timing issues or genuine lower office overheads.

9. **Authority Employee Costs** £28k underspend

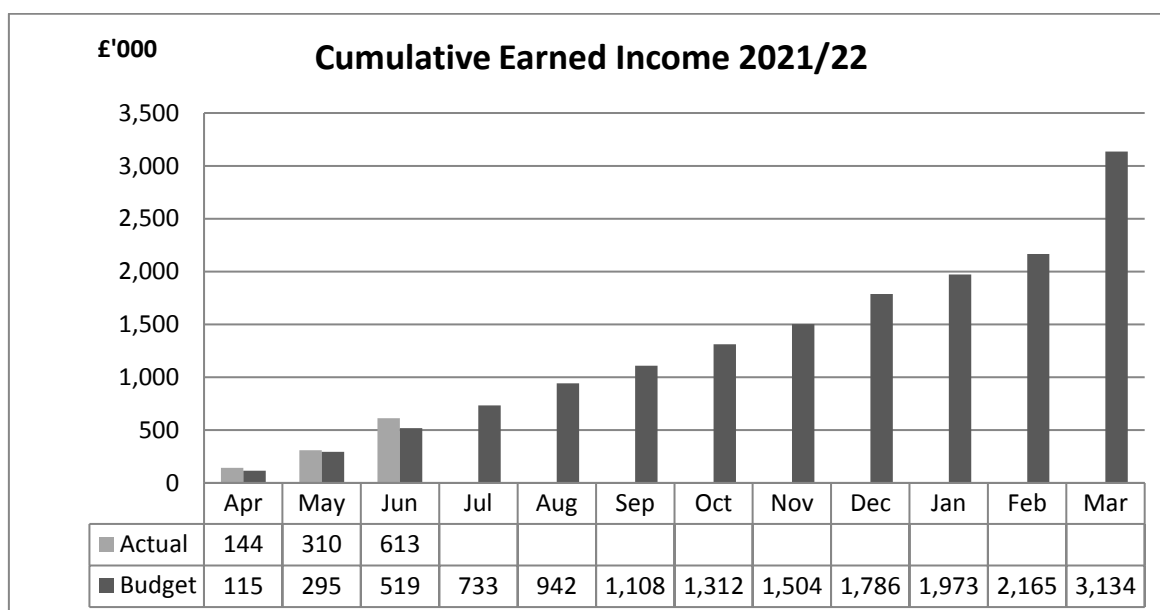
Staff expenses are £10k underspent due to the extensive use of video conferencing which has significantly reduced travel costs. The remainder is due to a small number of vacant posts.



Income

10. Earned Income comprises all income other than the National Park Core Grant from DEFRA.

- Total earned income for the three months to 30 June 2021 was £613k, £93k behind the budget projection of £519k (£1k rounding difference), the net result of both positive and negative variances. Programmes with income variances of more than £10k are listed in paragraph 11. Paragraphs 12 to 15 describe performance on the Authority's major 'cash income' earnings.

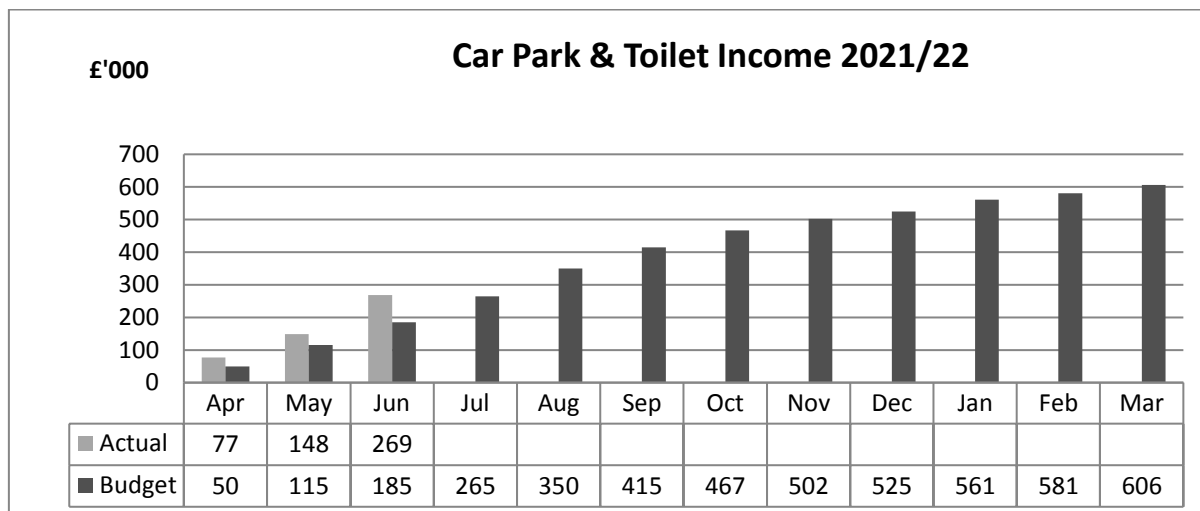


11. The significant variances to be aware of in income at 30 June 2021 are:

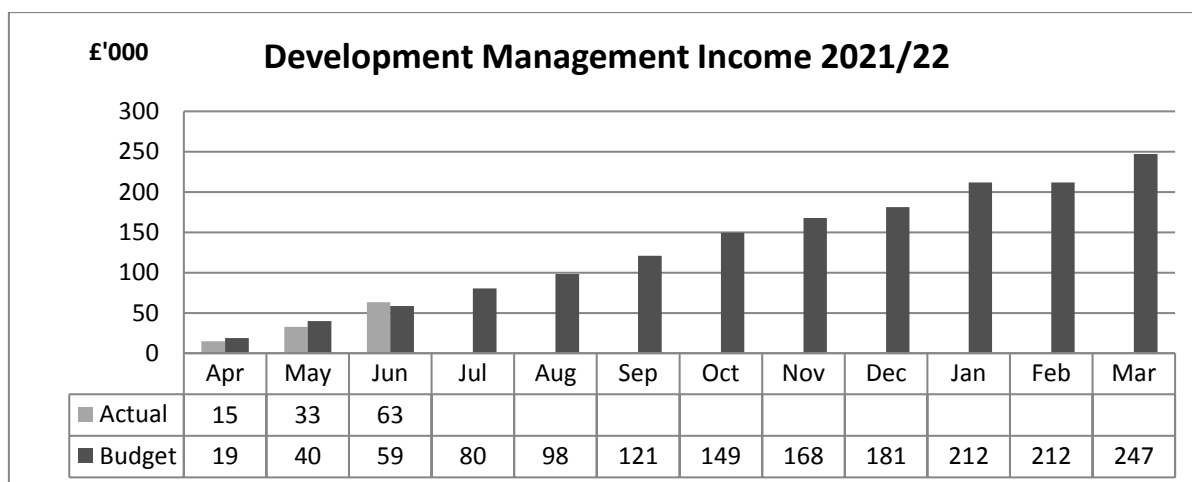
- Car Park & Toilets** programme generated £84k additional income against budget, the annual budget was revised down by £60k in 2021/22 to reflect the expected impact of further Covid-19 restrictions which have not materialised.
- Rights of Way** programme received income in advance of £16k, for Three Peaks and Pennine Trails.
- Landscape Management** programme had £15k budgeted for the Trees & Woodlands White Forest project which had not yet been received.

Items b. and c. are timing differences due to assumptions when profiling the budget proving to be different in reality and should be resolved; the car park income is looking like it will be significantly ahead of the target this year.

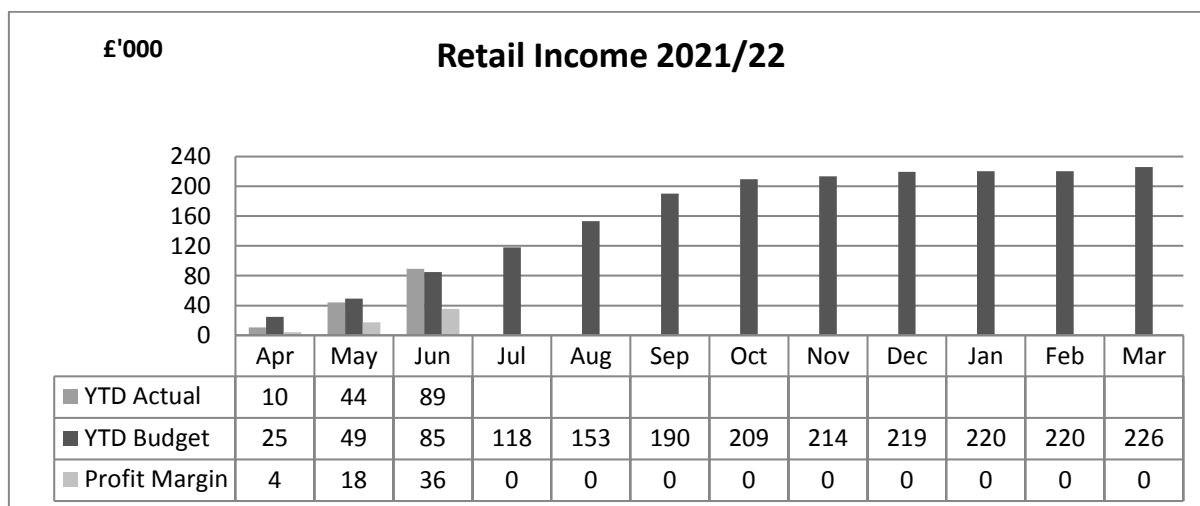
12. Car Park Income



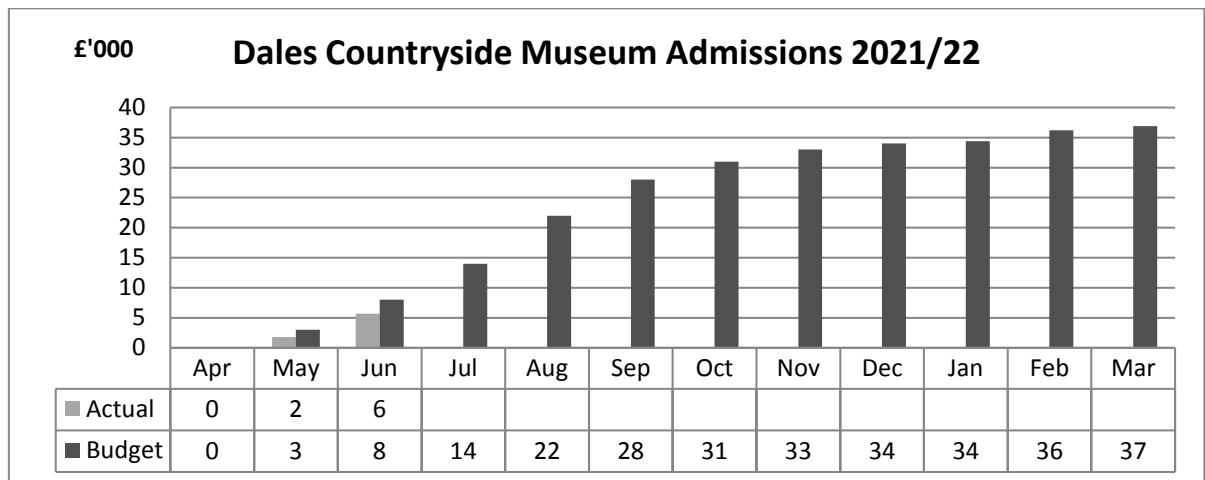
13. Development Management Income



14. Retail Income (Gross)



15. Dales Countryside Museum Admissions



Michelle Clyde
Head of Finance
 26/07/2021

Appendix 1

Detailed Analysis of 2021/22 Budget Performance

| 1 APRIL 2021 To 30 JUNE 2021 Quarter 1 - Month 3 | REVISED ANNUAL BUDGET | YEAR TO DATE BUDGET | YEAR TO DATE ACTUAL | YEAR TO DATE VARIANCE |
|---|-----------------------------|---------------------------|---------------------------|-----------------------------|
| Programme Bids | £'000 | £'000 | £'000 | £'000 |
| Priority Programmes | | | | |
| Staff Costs | 706.0 | 176.5 | 167.7 | 8.8 |
| Programme Costs | 69.5 | 11.6 | 23.8 | (12.2) |
| Income | (247.3) | (58.6) | (63.1) | 4.5 |
| Development Management Total | 528.2 | 129.5 | 128.4 | 1.1 |
| Staff Costs | 671.1 | 167.8 | 166.8 | 0.9 |
| Programme Costs | 418.4 | 64.6 | 36.0 | 28.6 |
| Income | (372.2) | (63.5) | (51.5) | (12.0) |
| Land Management-Biodiversity Total | 717.3 | 168.9 | 151.3 | 17.6 |
| Staff Costs | 427.7 | 106.9 | 105.1 | 1.8 |
| Programme Costs | 894.7 | 236.1 | 232.3 | 3.8 |
| Income | (447.3) | (6.2) | (22.2) | 16.0 |
| Rights of Way Total | 875.0 | 336.8 | 315.2 | 21.7 |
| Staff Costs | 191.1 | 47.8 | 47.4 | 0.3 |
| Programme Costs | 121.7 | 34.5 | 3.2 | 31.3 |
| Income | (78.7) | 0.0 | 0.0 | 0.0 |
| Access For All Total | 234.2 | 82.3 | 50.6 | 31.7 |
| Total Priority Gross Costs | 3,500.1 | 845.8 | 782.3 | 63.5 |
| Total Priority Income | (1,145.5) | (128.3) | (136.8) | 8.5 |
| Total Priority Net Cost | 2,354.6 | 717.5 | 645.5 | 72.0 |
| Adequate Programmes | | | | |
| Staff Costs | 85.3 | 21.3 | 21.2 | 0.1 |
| Programme Costs | 158.6 | 39.8 | 20.1 | 19.7 |
| Income | (81.8) | (32.5) | (27.6) | (4.9) |
| Dales Countryside Museum Total | 162.1 | 28.7 | 13.7 | 15.0 |
| Staff Costs | 136.5 | 34.1 | 35.3 | (1.2) |
| Programme Costs | 107.8 | 7.8 | (0.7) | 8.4 |
| Income | (50.0) | (0.7) | (0.1) | (0.6) |
| Historical Environment Total | 194.3 | 41.2 | 34.6 | 6.6 |
| Staff Costs | 124.9 | 31.2 | 31.0 | 0.2 |
| Programme Costs | 78.0 | 2.2 | 2.7 | (0.4) |
| Income | (21.6) | 0.0 | 0.0 | 0.0 |
| Development Planning Total | 181.2 | 33.5 | 33.7 | (0.2) |

| 1 APRIL 2021 To 30 JUNE 2021 Quarter 1 - Month 3 | REVISED ANNUAL BUDGET | YEAR TO DATE BUDGET | YEAR TO DATE ACTUAL | YEAR TO DATE VARIANCE |
|---|--------------------------------------|------------------------------------|------------------------------------|--------------------------------------|
| Programme Bids | £'000 | £'000 | £'000 | £'000 |
| Staff Costs | 0.0 | 0.0 | 0.0 | 0.0 |
| Programme Costs | 923.4 | 95.2 | 64.8 | 30.4 |
| Income | (846.3) | (42.0) | (39.8) | (2.2) |
| Landscape Features Total | 77.1 | 53.2 | 25.0 | 28.2 |
| Staff Costs | 206.2 | 51.6 | 46.5 | 5.1 |
| Programme Costs | 129.9 | 32.0 | 31.5 | 0.5 |
| Income | (30.6) | 0.0 | (1.4) | 1.4 |
| Volunteers & Apprentices Total | 305.5 | 83.5 | 76.5 | 7.0 |
| Staff Costs | 104.2 | 26.0 | 25.6 | 0.4 |
| Programme Costs | 109.9 | 82.1 | 0.1 | 82.0 |
| Income | 0.0 | 0.0 | (0.1) | 0.1 |
| Tourism Total | 214.1 | 108.1 | 25.7 | 82.5 |
| Total Adequate Gross Costs | 2,164.7 | 423.3 | 278.2 | 145.2 |
| Total Adequate Income | (1,030.4) | (75.2) | (69.0) | (6.2) |
| Total Adequate Net Cost | 1,134.3 | 348.2 | 209.2 | 139.0 |
| Limited Programmes | | | | |
| Staff Costs | 299.2 | 74.8 | 73.2 | 1.5 |
| Programme Costs | 273.1 | 91.1 | 93.0 | (1.9) |
| Income | (263.8) | (115.5) | (121.5) | 6.0 |
| National Park Centres Total | 308.4 | 50.4 | 44.7 | 5.7 |
| Staff Costs | 68.8 | 17.2 | 17.0 | 0.2 |
| Programme Costs | 321.8 | 84.3 | 76.9 | 7.3 |
| Income | (605.8) | (185.0) | (270.6) | 85.6 |
| Car Parks-Toilets Total | (215.3) | (83.5) | (176.7) | 93.2 |
| Staff Costs | 36.7 | 9.2 | 9.1 | 0.0 |
| Programme Costs | 334.7 | 13.8 | 9.2 | 4.6 |
| Income | 0.0 | 0.0 | 0.0 | 0.0 |
| Sustainable Development Total | 371.4 | 23.0 | 18.4 | 4.6 |
| Staff Costs | 113.6 | 28.4 | 26.9 | 1.5 |
| Programme Costs | 47.0 | 10.9 | 3.8 | 7.1 |
| Income | (30.0) | 0.0 | 0.0 | 0.0 |
| Visitor Management Total | 130.6 | 39.3 | 30.8 | 8.6 |
| Total Limited Gross Costs | 1,494.7 | 329.7 | 309.3 | 20.4 |
| Total Limited Income | (899.6) | (300.5) | (392.1) | 91.7 |
| Total Limited Net Cost | 595.1 | 29.2 | (82.9) | 112.0 |
| Programme Summary | | | | |
| Total Programme Gross Costs | 7,159.6 | 1,598.8 | 1,369.8 | 229.0 |
| Total Programme Income | (3,075.5) | (504.0) | (597.9) | 94.0 |
| Total Programme Net Cost | 4,084.1 | 1,094.9 | 771.8 | 323.0 |

| 1 APRIL 2021 To 30 JUNE 2021 Quarter 1 - Month 3 | REVISED ANNUAL BUDGET | YEAR TO DATE BUDGET | YEAR TO DATE ACTUAL | YEAR TO DATE VARIANCE |
|---|--------------------------------------|------------------------------------|------------------------------------|--------------------------------------|
| | £'000 | £'000 | £'000 | £'000 |
| Corporate Employment and Central Costs | | | | |
| Conservation and Communities Staff Costs | 119.1 | 29.8 | 28.6 | 1.2 |
| Conservation and Communities Staff Income | 0.0 | 0.0 | 0.0 | 0.0 |
| Park Management Staff Costs | 361.5 | 90.4 | 87.0 | 3.3 |
| Corporate Staff Costs | 938.6 | 234.6 | 220.9 | 13.7 |
| Corporate Staff Income | 0.0 | 0.0 | 0.0 | 0.0 |
| Vacancy Factor 2% | (61.0) | (15.2) | 0.0 | (15.2) |
| Other Employee Related Costs | 18.5 | 3.5 | 3.2 | 0.3 |
| Other Employee Related Income | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL CORPORATE EMPLOYMENT COSTS | 1,376.7 | 343.1 | 339.7 | 3.4 |
| Support Services | 193.7 | 90.4 | 83.1 | 7.4 |
| Support Services Income | (25.3) | (7.3) | (3.9) | (3.4) |
| CEO Support | 4.8 | 0.6 | 8.6 | (8.0) |
| CEO Support Income | 0.0 | 0.0 | 0.0 | 0.0 |
| Legal Services | 30.8 | 19.5 | 17.8 | 1.7 |
| Legal Services Income | (20.0) | (5.0) | (7.3) | 2.3 |
| Office Accommodation | 108.4 | 30.3 | 22.5 | 7.7 |
| Office Accommodation Income | (12.5) | (3.1) | (3.3) | 0.2 |
| Health and Safety | 8.0 | 3.7 | 1.2 | 2.5 |
| Member | 136.6 | 33.1 | 24.7 | 8.5 |
| IT Licences, Consumables and Support | 157.5 | 53.6 | 61.8 | (8.2) |
| Communications and Web Services | 91.7 | 16.2 | 14.3 | 1.9 |
| Communication Income | (0.4) | 0.0 | (0.2) | 0.2 |
| Land Holdings and Maintenance | 72.5 | 27.7 | 12.2 | 15.5 |
| Land Holdings and Maintenance Income | 0.0 | 0.0 | 0.0 | 0.0 |
| Training | 60.1 | 15.0 | 4.8 | 10.3 |
| Training Income | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL CENTRAL COSTS | 805.8 | 274.8 | 236.1 | 38.6 |
| SUMMARY | | | | |
| National Park Grant | (5,229.8) | (1,307.5) | (1,307.5) | (0.0) |
| Other Income | (3,133.7) | (519.4) | (612.6) | 93.2 |
| Total Income | (8,363.5) | (1,826.8) | (1,920.1) | 93.2 |
| Gross Expenditure | 9,400.2 | 2,232.1 | 1,960.4 | 271.8 |
| Net expenditure (excluding National Park Grant) | 6,266.5 | 1,712.8 | 1,347.7 | 365.0 |
| In-Year Deficit/(Surplus) | 1,036.7 | 405.3 | 40.3 | 365.0 |

Virements

Virements are additions, transfers or reductions in the period 1st April 2021 to 30 June 2021 to the original budget authorised by Members in March 2021.

Income (net additional income -£95.6k)

Land Management

Raydale project (DEFRA) £54.6k income (£6.3k costs) net income £48.3k
White Rose Forest £15.0k income (£15.0k costs) net £0.0k

Rights of Way

Pennine Trails £15.8k income (£15.8k costs) net £0.0k
Starbotton Bridge Repairs £30.0k income (£30.0k costs) net £0.0k
Tees Swale £16.0k income (£16.0k costs) net £0.0k

Access for All

Tees Swale £10.0k income (£10.0k costs) net £0.0k

Dales Countryside Museum

Restart grant £16.0k income

National Park Centres

Restart Grants Malham, Grassington and Aysgarth £30.0k income

Corporate

Sykes Cottages commission £1.3k income

Adjustments (net saving -£20.6k)

Rights of Way

Reduction in Flood cost to contra overspend in 2020/21 -£13.0k

Dales Countryside Museum

Reduced rates cost (Covid-19 partial relief) -£34.1k

Volunteers

Salaries budget missed from the budget £16.1k

Toilets and Carparks

New electricity supply Kettlewell £2.4k

Central

Mappin subscription £1.1k
Cleaning contract under budgeted £6.9k

APPENDIX 3

Delegations, 1 April 2021 to 30 June 2021

| Description | Approved | Date |
|---|--|----------------|
| <p>Priority Habitat Survey, Wharfedale and Littondale Five consultants were approached but only two quotations were supplied. The lower of the two quotes was accepted. Haycock & Jay £10,974.</p> | <p>Richard Burnett Section 151 Officer</p> | <p>30/4/21</p> |
| <p>Supply of stone flags, Stump Cross & Grassington Three quotes were sought but only one quote were received. This quote was accepted. Steptoe's Yard Limited £44,730.</p> | <p>Richard Burnett Section 151 Officer</p> | <p>4/5/21</p> |
| <p>Simonseat and Embsay, flagging work on pathways Three quotes were sought but only two quotations were supplied. The lower of the two quotes was accepted. Marsdens £8,650.</p> | <p>Richard Burnett Section 151 Officer</p> | <p>12/5/21</p> |
| <p>Yoredale roof repairs Quotations were sought from six suppliers, for repairs to the roof in order to resolve a long-term problem of water ingress within the meeting room/reception area; only one supplier submitted a quote. This quote was accepted. RAM Services £17,801.</p> | <p>Richard Burnett Section 151 Officer</p> | <p>25/6/21</p> |