

Committee: FINANCE AND RESOURCES

Date: 8 February 2022

Report: DRAFT BUDGET 2022/23

Purpose of report

1. To seek approval for the draft 2022/23 Budget for the National Park Authority and the associated Reserves Strategy. The three years of projected budgets included here make up the Authority's Medium Term Financial Strategy (MTFS).

Recommendation

2. That Members approve the draft budget for 2022/23 and indicative budgets for 2023/24 and 2024/25 (**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 objective 35**, '*Plan and manage the Authority's work so as to make the most effective use of its resources*' and action 35.5, to '*Prepare the Medium Term Financial Strategy (MTFS; Three Year Budget) for 2022/23 to 2024/25*'.

Introduction

4. The draft budget set out in this paper is something of a contradiction, containing as it does:

- A positive message, with the most ambitious programme of expenditure in the Authority's history (**£11.2m**), supported by new external funding and the extensive use of reserves. This is the result of significant additional project-specific grant income now in place for 2022/23, a return to (at least) pre-pandemic levels of visitor-related income, and the availability of reserves to balance what would otherwise be a significant deficit. This has allowed the Authority to address some areas where we were under significant pressure as an organisation and to expand resources in programmes which Members have set as priorities for the Authority (as well as being priorities for Government).
- A negative message, with projections beyond the end of 2022/23 showing that the level of spending is unsustainable without some action being undertaken. From 2023/24, on current projections, the growing budget deficit linked to the continuation of the current scale of our spending plans is unsustainable. This isn't a new threat, with the projections in our 2020/21 and 2021/22 budgets clearly showing looming

long-term deficits, but we are nearing the crunch-point where action is needed; it is proposed to deal with this in the coming year. It should be understood that the scale of the necessary budget adjustment is likely to require a reduction in our services and work programmes from 2023/24 onwards.

The proposed budget for 2022/23

5. The budget presented here will enable the delivery of the Authority's objectives, which were approved in December and which will underpin the Action Plan for 2022/23.

6. The budget contains a number of assumptions about levels of income and costs, including inflation rates. A detailed analysis of these assumptions – and the history of the accuracy of these predictions in past years – was included in the Financial Resilience Assessment presented to this committee last December, so is not repeated here, although a summary of key assumptions is included at **Appendix 2**.

7. Two assumptions which have been built into the budget need highlighting, because any significant variance from them would have a material effect on the budget. At the date of this report:

- DEFRA had not issued a core grant settlement letter for 2022/23, although it had indicated that a flat settlement – i.e. at 2021/22 value, without any allowance for inflation - is likely for the next three years.
- The national local government pay settlement for 2021/22 had not been resolved and negotiations with the unions may continue into 2022/23; the budget currently assumes a 2% rise each year, including for 2021/22.

8. Were either of these assumptions to prove incorrect and to create a significantly worse outcome, we are likely to be able to cover the shortfall for 2022/23 with the use of the Contingency Reserve held for such purposes.

9. The main features of the proposed Budget for 2022/23 are:

- Projected expenditure matches income, supplemented by the planned use of **£0.67m** of Reserves. The latter comprises £0.23m of Earmarked Reserves, which were created to fund specific activities (including capital investment in Premises, IT and Plant & Equipment), plus **£0.44m** of our General (unallocated) Reserve.
- Income Generation: our objective for the coming year (in line with our Income Generation Strategy) is to generate income sufficient to support expenditure of at least **£8.5m**. Planned expenditure in this budget totals **£11.2m**, significantly 'over-achieving' against this target; our income generation performance, particularly in relation to external funding bids, remains very strong.
- Some presentational changes have been made to this year's budget, following Members reclassification of our programme structure. The previous **Land Management** programme has been deconstructed into *Farm Conservation*, *Biodiversity* and *Trees & Woodlands* programmes, and the **Access for All**

programme has been divided between the *Recreation & Health* and *Education & Outreach* programmes.

The Draft Budget: Detail

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

- **Appendix 1: Draft Budget (Medium Term Financial Strategy 2022/23-2024/25).** This shows the detailed budget for 2022/23 and projections for the following two years. Each program budget includes the cost of employing the officers directly involved in its delivery. Overhead costs are shown under the heading 'Corporate Employment and Central Costs'.
- **Appendix 2: Budget assumptions.** This identifies the 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. Note that the vacancy factor (a projection of likely savings in staffing costs) has been increased this year, to 2.5% (compared to last year's 1.5%), in response to a significant increase in staff turnover.
- **Appendix 3: Significant budget changes.** This lists those parts of the 2022/23 budget that have changed significantly from the indicative figures presented in the 2021/22 MTFS. Note in particular that a number of new staff posts are included that will help us to deliver our priority programmes and, for example, the continuation of temporary summer ranger posts, which have proven so valuable in helping to deal with visitor management issues.
- **Appendix 4: Work Programme Budgets.** A full set of budget proposals, one for each programme.
- **Appendix 5: Reserves.** The draft budget makes planned use of a number of our earmarked and General Reserves in 2022/23. This Appendix sets these commitments out in more detail.
- **Appendix 6: Risks:** issues that may affect the budget in 2022/23.

Prospects for 2023/24 and beyond.

11. The prospect of future deficits from 2022/23 isn't a new one, being the compound result of:

- Ongoing cuts to the value of our Defra Core grant; this includes the impact of settlements with no allowance for inflation.
- Increasing rates of general inflation; the 12-month CPI figure stood at 4.6% in November 2021.

- A larger staff cohort: we now employ 143 Full Time-Equivalent (FTE) staff, compared to 127 in 2009, the year before Defra started to reduce the value of our core grant.

12. The Budget for 2022/23 incorporates a deficit of **£444k**, which will be covered by our existing General (unallocated) Reserve. This deficit is projected to grow to **£678k** by 2023/2024 and to **£801k** by 2024/2025; we are likely to have used the majority of our unallocated reserves to balance the 2022/23 budget, so will no longer have that option for dealing with deficits in future years.

13. At this stage, it is unclear how significant any adjustments to budgets beyond 2022/23 may need to be, because of uncertainties over many budget assumptions, including inflation, national pay awards, bank interest and future pension contribution rates, as well as prospects for external income and the potential impact of the Landscape Review. Establishing a base-line for any proposed action will be an early requirement.

Equalities Impact Assessment

14. An Equalities 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

15. As last year, this is very much a 'one year' budget, with significant work needed in 2022/23 to secure our longer-term objectives and financial future from 2023/24.

16. The Draft Budget may be subject to further revision before it is submitted to the Authority for final approval on 29 March 2022. Potential adjustments include a different level of actual Defra grant to that assumed, confirmation of pay increases for 2021/22, and confirmation of further externally-funded projects. Any such changes will be highlighted within the accompanying report to be submitted to the Authority meeting in March.

Michelle Clyde
Head of Finance & Resources

Richard Burnett
Director of Corporate Services / Treasurer

17 January 2022

Medium Term Financial Strategy 2022/23-2024/25

	2021/22	2022/23	2023/24	2024/25
	BUDGET	BUDGET	BUDGET	BUDGET
	NET	NET	NET	NET
	£000's	£000's	£000's	£000's
PROGRAMME BIDS				
Staff Cost	706.0	760.1	802.5	824.2
Programme Cost	69.5	59.7	59.9	60.2
Income	(247.3)	(270.0)	(270.0)	(270.0)
Development Management Total	528.2	549.8	592.4	614.4
Staff Cost	390.6	506.7	524.9	330.5
Staff income	(140.4)	(228.7)	(224.5)	(123.2)
Programme Cost	195.5	1,486.8	1,171.0	127.0
Income	(89.0)	(1,423.8)	(1,118.0)	(79.0)
Farm Conservation Total	356.7	341.0	353.4	255.3
Staff Cost	139.1	147.2	158.1	161.4
Staff income	0.0	0.0	0.0	0.0
Programme Cost	104.2	120.8	120.5	121.4
Income	(32.5)	(69.5)	(70.5)	(71.5)
Biodiversity Total	210.9	198.5	208.2	211.3
Staff Cost	487.7	509.9	591.6	611.0
Staff Income	(103.5)	(107.6)	(129.2)	(132.8)
Programme Cost	712.7	569.0	532.7	531.0
Income	(283.4)	(281.1)	(277.5)	(274.9)
Rights of Way Total	813.5	690.2	717.5	734.3
Staff Cost	124.6	105.9	103.8	107.4
Programme Cost	66.0	41.0	41.0	105.0
Income	(20.0)	0.0	0.0	0.0
Development Planning Total	170.6	146.9	144.8	212.4
Staff Cost	33.5	92.4	101.3	104.8
Staff Income	0.0	0.0	0.0	0.0
Programme Cost	40.0	42.0	20.0	15.0
Income	0.0	0.0	0.0	0.0
Recreation & Health Total	73.5	134.4	121.3	119.8

	2021/22 BUDGET NET £000's	2022/23 BUDGET NET £000's	2023/24 BUDGET NET £000's	2024/25 BUDGET NET £000's
Staff Cost	156.7	193.7	211.4	216.9
Staff Income	(57.3)	(41.7)	(46.1)	(48.3)
Programme Cost	42.3	49.6	42.9	42.9
Income	(11.3)	(11.9)	(11.9)	(11.9)
Education & Outreach Total	130.4	189.6	196.3	199.6
Staff Cost	141.9	277.8	211.5	218.2
Staff income	(20.0)	(130.3)	(67.3)	(68.7)
Programme Cost	65.2	621.0	791.9	732.6
Income	(5.5)	(561.2)	(732.2)	(672.8)
Trees & Woodlands Total	181.6	207.3	203.9	209.2
Staff Cost	85.3	88.3	96.2	99.0
Programme Cost	176.5	141.0	168.0	174.3
Income	(63.8)	(94.9)	(85.9)	(85.9)
Dales Countryside Museum Total	198.0	134.4	178.3	187.4
Staff Cost	136.5	137.5	152.9	159.9
Programme Cost	96.5	96.5	56.5	56.5
Income	(50.0)	(50.0)	(30.0)	(30.0)
Historic Environment Total	183.0	184.0	179.4	186.4
Staff Cost	0.0	0.0	0.0	0.0
Programme Cost	506.5	1,023.3	109.6	3.7
Income	(437.5)	(866.0)	(132.1)	0.0
Landscape Features Total	69.0	157.3	(22.5)	3.7
Staff Cost	190.1	184.1	198.9	203.4
Staff Income	(30.6)	(0.6)	0.0	0.0
Programme Cost	127.8	137.1	147.4	131.2
Income	0.0	(4.0)	0.0	0.0
Volunteers and Apprentices Total	287.2	316.6	346.3	334.6

	2021/22 BUDGET NET £000's	2022/23 BUDGET NET £000's	2023/24 BUDGET NET £000's	2024/25 BUDGET NET £000's
Staff Cost	104.2	108.9	119.6	123.8
Staff Income	0.0	0.0	0.0	0.0
Programme Cost	100.0	32.1	32.1	32.1
Income	0.0	0.0	0.0	0.0
Tourism Total	204.2	141.0	151.7	155.9
Staff Cost	299.2	317.6	346.3	355.8
Programme Cost	253.9	300.0	307.8	308.1
Income	(235.8)	(311.1)	(311.1)	(311.1)
National Park Centres Total	317.2	306.5	343.0	352.8
Staff Cost	36.7	37.9	41.0	41.8
Programme Cost	185.0	175.0	175.0	175.0
Income	0.0	0.0	0.0	0.0
Sustainable Development Total	221.7	212.9	216.0	216.8
Staff Cost	68.8	72.1	79.9	84.4
Programme Cost	314.2	318.5	326.8	337.4
Income	(605.8)	(764.7)	(727.6)	(727.6)
Car Parks & Toilets Total	(222.8)	(374.2)	(320.8)	(305.8)
Staff Cost	113.6	60.4	65.6	67.2
Programme Cost	47.0	59.5	47.0	47.0
Income	(30.0)	(30.0)	(30.0)	(30.0)
Recreation Management Total	130.6	89.9	82.6	84.2
PROGRAMME SUMMARY				
TOTAL GROSS PROGRAMME COSTS	6,317.3	8,873.3	7,955.6	6,710.0
TOTAL PROGRAMME INCOME	(2,463.9)	(5,247.0)	(4,263.8)	(2,937.6)
TOTAL PROGRAMME SPEND	3,853.4	3,626.3	3,691.7	3,772.4

	2021/22	2022/23	2023/24	2024/25
	BUDGET	BUDGET	BUDGET	BUDGET
	NET	NET	NET	NET
	£000's	£000's	£000's	£000's
CORPORATE EMPLOYMENT & CENTRAL COSTS				
Conservation of the Natural Environment	119.1	129.0	131.3	135.3
Promoting Understanding and Enjoyment	113.1	103.3	113.9	118.5
Communications and Interpretation	177.4	183.3	198.2	202.2
Communications & Corporate - Ranger Services	70.9	73.1	78.7	80.2
Development Planning	0.0	0.0	0.0	0.0
Corporate Services	938.6	997.1	1,084.4	1,111.8
Vacancy Factor	(61.0)	(108.0)	(115.3)	(117.6)
Other Employee Costs - Corporate Management	18.5	18.6	18.7	18.8
Other Employee Income - Corporate Management	0.0	0.0	0.0	0.0
TOTAL CENTRAL GROSS COSTS	1,376.7	1,396.4	1,509.8	1,549.2
TOTAL CENTRAL INCOME	0.0	0.0	0.0	0.0
Total Corporate Employment Costs	1,376.7	1,396.4	1,509.8	1,549.2
Support Services	195.4	212.9	206.2	215.2
Support Services Income	(24.0)	(30.0)	(42.0)	(46.0)
CEO Support	4.8	7.8	5.0	5.1
CEO Support Income	0.0	0.0	0.0	0.0
Legal Services	30.8	24.1	24.6	25.1
Legal Services Income	(20.0)	(23.0)	(23.0)	(23.0)
Office Accommodation	106.9	113.2	118.1	123.3
Office Accommodation Income	(12.5)	(12.5)	(12.5)	(12.5)
Office Buildings Maintenance	72.5	33.7	25.9	68.1
Health & Safety	8.0	8.1	8.2	8.3
Member Costs	136.6	131.3	132.5	133.6
IT Licences, Consumables and Support	156.3	230.8	279.0	183.9
Communications	59.4	60.4	76.3	62.3
Communications Income	(0.4)	(0.4)	(0.4)	(0.4)
Training	60.1	60.1	60.1	60.1
TOTAL CENTRAL GROSS COSTS	830.9	882.3	936.0	885.0
TOTAL CENTRAL INCOME	(56.9)	(65.9)	(77.9)	(81.9)
Total Central Costs	774.0	816.4	858.1	803.1

	2021/22 BUDGET NET £000's	2022/23 BUDGET NET £000's	2023/24 BUDGET NET £000's	2024/25 BUDGET NET £000's
BUDGET SUMMARY				
DEFRA National Park Grant Income	(5,229.8)	(5,229.8)	(5,229.8)	(5,229.8)
Other Income	(2,520.8)	(5,312.9)	(4,341.7)	(3,019.5)
Total Income	(7,750.6)	(10,542.7)	(9,571.5)	(8,249.3)
Gross Expenditure	8,524.8	11,152.0	10,401.3	9,144.2
In-Year Deficit/(Surplus)	774.3	609.2	829.8	894.9
Opportunities Fund	60.0	60.0	60.0	60.0
In-Year Deficit/(Surplus) after Opportunities Fund	834.3	669.2	889.8	954.9
FUNDED BY:				
Matched Funding from Specific Reserves	(280.5)	(113.6)	(60.0)	(60.0)
Capital Expenditure Funded from Reserves	(131.1)	(111.7)	(151.8)	(94.2)
General Balancing Reserve Movement	0.0	0.0	0.0	0.0
Deficit in year (for 2022/23, to be funded from the General Reserve)	422.7	443.9	677.9	800.7
% Ratio - Salary Costs to Gross Income	53.0%	47.7%	56.0%	64.1%

Budget assumptions about costs and income

1. Defra Grant

Defra's grant settlement letter for 2022/23 had not been received by the date this report was completed. The assumption has been made in this budget that the grant will continue at the same level as in 2021/22.

2. Staff Costs

Staff costs have been modelled in detail across the next 5 years to give advance warning of 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 as follows, together with the previous predictions for the same years as calculated in January 2021.

% Salary Costs to Gross Income	2022/23	2023/24	2024/25	2025/26	2026/27
Projections as at January 2022	47.7%	56.0%	64.1%	72.3%	73.4%
Projections as at January 2021	54.7%	55.6%	66.1%	62.4%	-

Members had adopted an indicative measure for this ratio of 50% - 55%, so the above figures suggest a developing problem from 2023/24. Pay levels continue to rise annually, and because we are now assuming flat levels of Defra grant, the ratio of staff costs to gross income is rising progressively. Note that these values are likely to fall if we achieve further success in income generation which are not wholly matched by staff cost increases.

These calculations take account of the following factors:

- (i) **National Insurance Employer Contributions:**
National increase of 1.25% from 2022/23, an additional ~ £26k p.a.
- (ii) **The National Pay Award for Local Government:**
For the purposes of modelling pay inflation from 2022/23 onwards we have assumed an annual increase of 2%. This increases the salaries budget by ~ £91k in 2022/23, £98k in 2023/24 and £97k in 2024/25 (cumulatively, £286k). Given the rise in the cost of living and inflation rates it is difficult to second guess if we may actually see larger future pay awards; however, looking back over the past 10 years, the largest pay award was in 2019/20 at 2.75%, with several years at 1% or with a pay freeze, so 2% is a not-unreasonable guesstimate.
- (iii) **North Yorkshire Pension Fund Contributions:**
Following the triennial valuation of the Authority's share of the North Yorkshire Pension Fund's assets and liabilities in 2019, our employer contribution rates were set at 13.5% for 2022/23. This followed a period where a 'high returns' investment strategy was pursued, the success of which reduced contribution requirements in

the medium term. The Fund Manager subsequently adopted a lower risk investment strategy (to lock those returns in), and the contribution rate is projected to increase to 20.9% in 2023/24, a value that is close to that experienced in 2019, prior to the 2019 valuation.

(iv) **Expenses**

Restrictions during the Covid-19 pandemic have changed the way we work; reliance on public transport, overnight accommodation and face to face meetings have all decreased significantly, to be replaced by zoom and teams-hosted meetings. This has saved staff time, money, and decreased carbon emissions. The expenses budget has been decreased by £19k to reflect these changes, but will be reviewed when the work situation returns to something resembling 'normal', although such costs are not expected to return to pre-pandemic levels.

(v) **Vacancy Factor**

The vacancy factor had been set at 1.5% to reflect the low levels of staff vacancies in the recent past; this trend has now altered and the Authority is experiencing a larger number of staff changes. The vacancy factor has been increased to 2.5% to take account of this, increasing the projected staff saving from £69k to £108k.

(vi) **New/Extended posts and Increased hours**

- a. Development Management - Temp Officer 1.0 FTE for 6 months £21k 2022/23.
- b. Development Management – 4 officers combined increases 0.8 FTE ~ £38k p.a.
- c. Rights of Way - Temporary Summer Ranger Posts x 2 £8k 2022/23.
- d. Rights of Way – Maintenance Officer 0.2 FTE ~ £5k p.a.
- e. Biodiversity - Wildlife Conservation Officer 0.5 FTE ~ £20k p.a.
- f. National Park Centres ~ £13k p.a.
- g. Recreation & Health - Access Officer additional 4 hours ~ £5k p.a.
- h. Education & Outreach - Education Support Officer 1 FTE ~ £28k p.a., part funded by decreased hours in PA and Volunteer posts
- i. Education & Outreach - Education Officer post 1 FTE ~ £37k p.a.
- j. Volunteers & Apprentices - Apprentice Ranger net cost ~ £7k 2022/23; the balance being funded by YDMT.
- k. Volunteers & Apprentices - Young Ranger Officer 0.6 FTE ~ £25k p.a.
- l. Corporate - Human Resources Officer 0.5 FTE ~ £13k p.a.
- m. Corporate - Information Technology Officer (extend 1-year contract in 2021/22) 1 FTE ~ £37k p.a.
- n. Corporate - GIS Officer 0.35 FTE ~ £13k p.a.

(vii) **Funded Posts (net zero cost to the Authority)**

- a. Farm Conservation - Farming in Protected Landscapes (FiPL) x 3, plus additional staff costs funded by DEFRA.
- b. Farm Conservation Officer x 2, extended beyond previous 2024 project end date, matched by new income sources.
- c. Rights of Way - Three Peaks Ranger – increased to full time for 6 months and income increased to match.
- d. Biodiversity - Conservation Support Officer 0.5 FTE, paid for with savings from the Biodiversity budget (NB: the latter budget has effectively been increased by an equivalent amount, courtesy of S106 income).

- e. Trees & Woodlands - Grow Back Greener Posts x 2, plus additional hours funded by Woodland Trust.
- f. Trees & Woodlands - Woodland Officer post additional 7 hours, externally funded by Grow Back Greener Woodland Trust.
- g. Trees & Woodlands - Woodland Project Officer extended past 31/3/25 project end-date, matched by new income sources.
- h. Trees & Woodlands - Woodland Creation Officer, funded by White Rose Forest.

(viii) **Staffing Savings**

- a. Farm Conservation – Net saving in staffing changes £7k 22/23, £15k 23/24, £11k 24/25.
- b. Rights of Way - Net saving in staffing changes ~ £14k p.a.
- c. Trees & Woodlands - Net saving in staffing changes, £16k 22/23, £9k 23/24, £3k 24/25.
- d. Volunteers & Apprentices - Apprentices – income of £4k added for incentive payments 2022/23.

3. **Overheads**

Inflation on corporate overheads has been applied at variable rates depending on the particular item. Costs for office overheads have been projected in line with normal levels of office occupancy, although actual costs will be reduced should there be a continuation of home working.

4. **Income from Fees & Charges**

Projections for income from fees and charges (planning fees and the related S106 income, pre-application advice fees, net retail profits, car parking income, renewables, DCM admissions) have been made in line with pre-Covid performance. However, where it is likely that the levels of certain types of income will remain depressed in 2022/23 or where there might longer term downward pressure, projections have been adjusted accordingly.

Note that the 2022/23 budget allows for the continuation of a temporary halt in charging for the use of public toilets at Grassington, a change that was put in place in response to the Pandemic. At this stage, it is assumed that this source of income will be reintroduced in 2023/24 (so is part of our projections for those years) but if this approach changes (e.g. if charging were to be abandoned permanently), a proposal will be put before Members, given that the original decision to introduce charges was made by Members.

Bank interest has been increased to £24k (+£5k) 2022/23, £36k (+£16k) 2023/24, £40k (+£19k) 2024/25, this is based on an interest rate achieved by our investing activities via NYCC of 0.6% in 2022/23, 0.9% in 2024/25, and 1.0% onwards on an average balance of £4m. Performance depends on the Bank of England interest rate and maintaining a consistent bank balance.

5. **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, available at Members request. At present, all such expenditure is funded from

Earmarked Reserves (see **Appendix 5**), which avoids the pressure of having to find this money from within annual programme budgets.

Significant Budget Changes

The changes below cover non-salary related differences of £10k or more between the indicative budgets reported in March 2021 for 2022/23 and the budget now proposed.

1. Farm Conservation

- Farming in Protected Landscapes project, £1,345k new expenditure and matching income
- Tees Swale project, additional £10k expenditure and matching income from Yorkshire Water

2. Biodiversity

- Dry Rigg Quarry Natural Environment, additional £37k expenditure and matching income
- Budget reduction to fund ½ admin post detailed in the salaries section, £18k

3. Education & Outreach

- Tees Swale project, additional £12k cost and matching income
- Generation Green, interim costs for April 2022, £7k (an additional year of funding from May 2022 to continue this project is likely but not confirmed at the date of this report)

4. Trees & Woodlands

- Grow Back Greener capital project, additional £556k cost and matching income

5. Dales Countryside Museum

- Business rates saving of £36k, due to Covid-related reductions

6. Historic Environment

- Historic Environment Record project, £40k additional costs (funded by Legacy Reserve) and £20k income

7. Landscape Features

- Westmorland Dales project, £78.5k additional cost (re-profiled budget; the net total contribution from the authority over the course of the four-year project remains unchanged, at £300k)

8. Car Parks & Toilets

- Increased car park income by £94k, to account for the increased usage during the pandemic and small increase in daily rates.
- Reduced toilet income, the turnstiles at Grassington will not be re-instated during 2022/23 due to the pandemic; -£12.5k.

9. Central Costs

- Increase in insurance, audit fees and cleaning £11.5k
- IT Capital budget requirement reduced by £29k, the Microsoft upgrade and machine replacements were brought forward from 2022/23 to 2021/22.

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 a return to high levels of service, including the comprehensive pre-application advice service, and regular free 'planning surgeries'. The only substantive change is that projected income has been returned to pre-Covid levels.

Development Management		2021/22	2022/23	2023/24	2024/25
		£	£	£	£
Staff	Expenditure	706,028	760,133	802,493	824,237
IT Maintenance	Expenditure	15,453	15,685	15,920	16,159
Admin, Training & Consultancy	Expenditure	30,000	20,000	20,000	20,000
Applications	Expenditure	23,000	23,000	23,000	23,000
	Income	(195,300)	(225,000)	(225,000)	(225,000)
Pre-Application Advice Service	Income	(30,000)	(25,000)	(25,000)	(25,000)
Minerals Applications & Monitoring	Income	(10,000)	(10,000)	(10,000)	(10,000)
Search Fees	Income	(12,000)	(10,000)	(10,000)	(10,000)
Enforcement	Expenditure	1,000	1,000	1,000	1,000
Programme	Expenditure	69,453	59,685	59,920	60,159
	Income	(247,300)	(270,000)	(270,000)	(270,000)
Net Total (including staff)		528,181	549,818	592,414	614,396

FARM CONSERVATION

Programme Activities:

- Support 'High Nature Value' farming in the National Park
- Deliver the 'Catchment Sensitive Farming' programme to help reduce agricultural pollution in the Swale and Ure catchments
- Deliver programmes of support to improve natural flood management and water quality

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.

Support farmers and landowners to restore and manage landscape-scale mosaics of priority habitats so that: 30% of the priority habitats outside nationally-designated wildlife sites are in good condition by 2024

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 90% of all rivers achieve 'good ecological status' by 2027.

Work with farmers in Wensleydale to demonstrate the benefit of 'high nature value', low-input farm systems through a 5-year trial of a 'payment by results' approach to agri-environment funding.

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 (NPMP objective A1), we will (subject to final funding confirmation):

- continue to deliver Natural England's 'Catchment Sensitive Farming' initiative in the National Park, helping farmers tackle water quality issues and access grants for works to help reduce pollution (NPMP objective C3).
- work with the Farmer Network and others to launch a farm and estates 'open day' programme from spring 2022 (NPMP objective B11).

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 Foundation for Common Land's national 'Our Common Cause' project, taking action to conserve and enhance the natural and cultural heritage of several Commons within the National Park.
- implement Defra's proposed 'Farming in Protected Landscapes' programme, which will support upland farmers to make improvements to the natural environment, cultural heritage and public access on their land as part of the post-Brexit transition to a new system of farm payments (NPMP objective A1).

Farm Conservation		2021/22	2022/23	2023/24	2024/25
		£	£	£	£
Staff	Expenditure	390,603	387,420	393,368	330,474
	Income	(140,379)	(109,420)	(92,942)	(123,177)
Agri-Environment Service	Expenditure	3,000	3,000	3,000	3,000
		(5,000)	(5,000)	(5,000)	(5,000)
Catchment Sensitive Farming	Expenditure	5,000	5,000	5,000	5,000
	Income	(5,000)	(5,000)	(5,000)	(5,000)
Farming in Protected Landscapes	Direct Staff Expenditure	0	119,272	131,528	0
	Advice & Admin Income	0	(119,272)	(131,528)	0
	Other Advice & Admin Costs		14,606	12,350	
	Other Advice & Admin Income	0	(14,606)	(12,350)	0
	Capital Expenditure		1,330,155	1,026,648	
	Income	0	(1,330,155)	(1,026,648)	0
Our Common Cause	Expenditure	10,000	10,000	0	0
Northern Upland Chain LNP	Expenditure	51,000	5,000	5,000	
	Income	(10,000)			
Tees-Swale Project	Expenditure	126,500	119,000	119,000	119,000
	Income	(69,000)	(69,000)	(69,000)	(69,000)
Programme	Expenditure	195,500	1,486,761	1,170,998	127,000
	Income	(89,000)	(1,423,761)	(1,117,998)	(79,000)
Net Total (including staff)		356,724	341,000	353,426	255,297

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:

Support farmers and landowners to restore and manage landscape-scale mosaics of priority habitats

Work with farmers and landowners to achieve and maintain stable or increasing populations for 90% of priority species by 2026, including the UK 'red-listed' upland birds — Black Grouse; Curlew; Hen Harrier; Lapwing; Merlin; Skylark; and Yellow Wagtail — for which the National Park is renowned, and those of international importance

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-

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.
- continue to work with partners on the Local Biodiversity Forum to support nature recovery. This includes completing a new, detailed plan for nature recovery across the National Park.
- continue the rolling 10-year programme of habitat surveys across the National Park (Upper Wharfedale and Littondale).
- work through the local Raptor Group to coordinate monitoring and roost site protection (NPMP objective C5).
- Continue to work through the Northern Upland Chain Local Nature Partnership to promote and secure the recovery of nature across the northern Pennine uplands.

Biodiversity		2021/22	2022/23	2023/24	2024/25
		£	£	£	£
Staff	Expenditure	139,117	147,160	158,134	161,355
	Income	0	0	0	0
Biodiversity Ranger Vehicles	Expenditure	5,237	5,237	5,237	5,237
Nature Recovery	Expenditure	59,000	48,600	47,300	47,200
	Income	(2,500)	(2,500)	(2,500)	(2,500)
Community Wildlife Grants	Expenditure	40,000	67,000	68,000	69,000
	Income	(30,000)	(67,000)	(68,000)	(69,000)
Programme	Expenditure	104,237	120,837	120,537	121,437
	Income	(32,500)	(69,500)	(70,500)	(71,500)
Net Total (including staff)		210,854	198,497	208,171	211,292

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 90% are 'easy to use' by 2023.

Maintain and promote the Pennine Trails and other recognised long-distance routes, and campaign for the Coast-to-Coast footpath to become a National Trail by 2024.

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 Cumbria County Councils for maintenance of 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. 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. NB the routine maintenance annual figure below for 2022/23, includes £30k from money given by Cumbria County Council.

Rights of Way		2021/22	2022/23	2023/24	2024/25
		£	£	£	£
Staff	Expenditure	448,553	468,260	545,320	563,228
	Income	(64,327)	(65,962)	(82,975)	(85,057)
Ranger Vehicles, Workshops	Expenditure	103,305	104,265	105,178	106,137
National Trails Partnership	Expenditure Staff	39,185	41,602	46,272	47,745
	Staff Income	(39,186)	(41,601)	(46,272)	(47,745)
	Expenditure Grants	261,404	260,107	256,489	253,880
	Income	(277,439)	(275,107)	(271,489)	(268,880)
Plant & Equipment	Expenditure	6,000	6,000	6,000	6,000
Legal Orders	Expenditure	4,000	4,000	4,000	4,000
	Income	(6,000)	(6,000)	(6,000)	(6,000)
RoW Routine Maintenance	Expenditure	338,000	194,640	161,000	161,000
	Income	0	0	0	0
Programme	Expenditure	712,709	569,012	532,668	531,017
	Income	(283,439)	(281,107)	(277,489)	(274,880)
Net Total (including staff)		813,495	690,204	717,523	734,308

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

Corporate Plan objectives:

Work with neighbouring authorities to produce a single, updated Local Plan for the whole of the National Park by 2023, 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.

Undertake a 5-year programme of measures to promote the National Park as a place to live for younger, working age households (18-44), including identifying measures to reduce the proportion of under-occupied properties.

Budget Proposal:

The budget will fund the development of the new Local Plan for the whole of the National Park. In addition to the fixed-term increase in staff resources approved in 2020, it includes funding for the range of consultations, statutory reports and studies needed to support the review of policy over the next 2 years.

As well as developing new policy, the budget includes funding to continue to implement the work with district council partners and NYCC to try to attract younger people to move into the area (approved by Members in March 2019). This will include the development of a housing statement and a programme of measures to bring under-occupied properties back into permanent use.

The budget also includes the small annual costs of running the National Park Management Plan Steering Group, and monitoring and reporting progress via the new website.

Development Planning		2021/22	2022/23	2023/24	2024/25
		£	£	£	£
Staff	Expenditure	124,600	105,899	103,812	107,370
Local Plan policy	Expenditure	30,000	30,000	30,000	94,000
Local Plan implementation	Expenditure	35,000	10,000	10,000	10,000
	Income	(20,000)	0	0	0
National Park Management Plan	Expenditure	1,000	1,000	1,000	1,000
	Income				
Programme	Expenditure	66,000	41,000	41,000	105,000
	Income	(20,000)	0	0	0
Net Total (including salaries)		170,600	146,899	144,812	212,370

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 engagement activities (e.g. Go Wild events).

Corporate Plan objectives:

Carry out works to improve access on appropriate public rights of way and establish permissive routes, so that 262km (10%) of public rights of way are suitable for users of all ages and abilities by 2024.

Maintain the National Park as a place where a true sense of tranquillity, remoteness and solitude can be found, and by 2021 obtain Dark Skies Reserve status to enhance and promote enjoyment of its night sky.

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 by supporting world class events that showcase the National Park, enabling the development of four ‘cycle hubs’, and creating at least one further family-friendly cycling route by 2023.

Budget Proposal:

This programme actively develops and promotes, for all, the recreational and health benefits of being in the National Park. It includes undertaking route improvements to create ‘miles without stiles’ routes that will benefit families with pushchairs, people with limited mobility and mixed ability parties. It actively promotes these and other ‘easy’ walks, as well as broader opportunities for walking, cycling and horse riding. It commissions outdoor providers 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 Dark Skies work, an important aspect of which is engaging visitor and residents, and helping them experience and enjoy our night sky. A sum (£12k) is included for undertaking the five year visitor characteristic and perception survey, last undertaken in 2017.

Recreation & Health		2021/22	2022/23	2023/24	2024/25
		£	£	£	£
Staff	Expenditure	33,517	92,406	101,309	104,826
	Income	0	0	0	0
Miles Without Stiles	Expenditure	12,000	2,000	2,000	2,000
Recreational Activities	Expenditure	23,000	35,000	13,000	13,000
Dark Skies Reserve	Expenditure	5,000	5,000	5,000	0
Programme	Expenditure	40,000	42,000	20,000	15,000
	Income	0	0	0	0
Net Total (including staff)		73,517	134,406	121,309	119,826

TREES & WOODLANDS

Programme Activities:

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

Corporate Plan objectives:

Support landowners to create at least a further 450 hectares of native broadleaved and mixed woodland that enhances the National Park's landscape by 2024, with priority given to projects that strengthen habitat networks, increase carbon storage and help to reduce flooding.

Work with farmers and landowners to ensure that at least 70% of all woodland is in active management by 2023, including positive management of conifer plantations to increase suitable habitat for Red Squirrels and Black Grouse.

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 implement two major new externally-funded initiatives:

- Deliver the Northern Forest/Woodland Trust's 'Grow Back Greener' programme in the National Park, supporting the creation of 240 ha of new native woodland by 2025.
- As part of the White Rose Forest partnership, identifying opportunities to plant 125 ha of woodland in the SUNO catchment.

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		2021/22	2022/23	2023/24	2024/25
		£	£	£	£
Staff	Expenditure	141,862	277,834	211,513	218,163
	Income	(20,000)	(130,256)	(67,302)	(68,676)
Woodland Ranger Vehicle	Expenditure	5,237	5,237	5,237	5,237
Woodland Management	Expenditure	30,000	30,000	30,000	30,000
	Income	(5,500)	(5,500)	(5,500)	(5,500)
Woodland Creation	Expenditure	30,000	30,000	30,000	30,000
	Income	0	0	0	0
Grow Back Greener	Capital Expenditure		500,000	650,000	610,000
	Capital Income	0	(500,000)	(650,000)	(610,000)
Grow Back Greener	Administration Costs		55,744	76,698	57,324
	Administration Income	0	(55,744)	(76,698)	(57,324)
Programme	Expenditure	65,237	620,981	791,935	732,561
	Income	(5,500)	(561,244)	(732,198)	(672,824)
Net Total (including staff)		181,599	207,315	203,947	209,223

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 6,000 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 and Generation Green 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. A sum has been included for the continuation of the Generation Green project – subject to confirmation of funding from the Youth Hostel Association. This budget proposal also includes the Authority's outreach programme which includes a range of projects and programmes of activity 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		2021/22	2022/23	2023/24	2024/25
		£	£	£	£
Staff	Expenditure	156,700	193,670	211,427	216,947
	Income	(57,345)	(41,740)	(46,094)	(48,314)
Education & Outreach	Expenditure	37,300	26,000	26,000	26,000
	Income	(11,300)			
Dalesbus Support	Expenditure	5,000	5,000	5,000	5,000
Tees Swale	Expenditure		11,900	11,900	11,900
	Income		(11,900)	(11,900)	(11,900)
Generation Green	Expenditure		6,700		
Programme	Expenditure	42,300	49,600	42,900	42,900
	Income	(11,300)	(11,900)	(11,900)	(11,900)
Net Total (including staff)		130,355	189,630	196,332	199,633

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 back to pre-Covid levels for 2022/23 as it is assumed there will be no further restrictions on opening.

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. The Dialect project with Leeds University, and funded by NHLF will continue for a further year.

Dales Countryside Museum		2021/22	2022/23	2023/24	2024/25
		£	£	£	£
Staff	Expenditure	85,300	88,297	96,197	98,998
Building Maintenance	Expenditure	25,200	13,904	18,612	20,324
Cleaning & Caretaker	Expenditure	31,042	31,639	32,272	32,917
Rates	Expenditure	63,437	30,200	60,400	63,420
Premises Fixed Costs	Expenditure	30,830	31,754	32,707	33,688
Renewable Heating Incentive	Income	(13,500)	(13,500)	(13,500)	(13,500)
Non-Premises Museum Costs	Expenditure	22,000	22,000	22,000	22,000
Admissions, Café Lease	Income	(47,300)	(71,400)	(71,400)	(71,400)
DCM Projects	Expenditure	4,000	11,500	2,000	2,000
DCM Projects Income	Income	(3,000)	(10,000)	(1,000)	(1,000)
Programme	Expenditure	176,508	140,997	167,991	174,350
	Income	(63,800)	(94,900)	(85,900)	(85,900)
Net Total (including staff)		198,008	134,394	178,288	187,447

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, and will give effect to the Cultural Heritage Strategy approved by Members in December 2019. Activity will focus 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 a programme of externally-funded community heritage projects each year, as well as advice and assistance to householders.

For 2022/23 the budget includes one-off funding to enhance the Historic Environment Record for the area that came into the National Park in 2016 (NPMP objective A5). This will involve aerial mapping and is subject to securing match funding from Historic England.

Historical Environment		2021/22	2022/23	2023/24	2024/25
		£	£	£	£
Staff	Expenditure	136,538	137,481	152,870	159,894
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	52,000	52,000	12,000	12,000
	Income	(40,000)	(40,000)	(20,000)	(20,000)
Programme	Expenditure	96,500	96,500	56,500	56,500
	Income	(50,000)	(50,000)	(30,000)	(30,000)
Net Total (including staff)		183,038	183,981	179,370	186,394

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:

Deliver a co-ordinated programme of activity that enhance the distinctive landscape, geology and cultural heritage of the 'Westmorland Dales' (by 2023).

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 2022/23, the Partnership will continue to deliver a programme of activity under the themes of natural, cultural and connecting heritage. Progress with projects is delayed because of the pandemic and will continue with hay meadow restoration and natural flood management; the conservation of traditional farm buildings and the Smardale lime kilns; the second tranche of the Skills for the Future apprentices is underway, further practical and promotional work to improve access for walkers, cyclists and horse-riders, and continuing community engagement through volunteers, arts and schools.

The Authority will complete its trial of a local barns repair scheme, using funding from a legacy and from the Yorkshire Dales Millennium Trust, as well as supporting 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		2021/22	2022/23	2023/24	2024/25
		£	£	£	£
Conservation Area Enhancements	Expenditure	3,700	3,700	3,700	3,700
WMD 1.1 Revealing the Foundations	Expenditure	12,475	6,620		
WMD 1.2 Conserving Species Rich Grassland	Expenditure	15,000	25,068		
WMD 1.3 Reconnecting Woods Trees and People	Expenditure	3,979	0		
WMD 1.4 Changing the course, slowing the flow	Expenditure	29,633	86,897		
WMD 1.5 Sustaining Farming	Expenditure	5,800	5,061		
WMD 2.1 Great Asby scar community archaeol survey	Expenditure	13,097			
WMD 2.2 Little Asby Scar through the keyhole	Expenditure	0	25,715		
WMD 2.3 Digging the past	Expenditure		12,000	2,000	
WMD 2.4 Gamelands stone circle	Expenditure	2,500	1,127		
WMD 2.5 Dry-stone walls	Expenditure	0	15,000	10,000	
WMD 2.6 Traditional Farm Buildings	Expenditure	5,000	75,000		
WMD 2.7 Small-scale Heritage features	Expenditure	2,740	17,678		
WMD 2.8 Our Common Heritage	Expenditure	1,000	9,700		
WMD 2.9 Monuments at Risk	Expenditure	5,000	48,731		
WMD 2.10 A way through from Roman roads to M6	Expenditure	5,000	1,430		
WMD 3.1 Love your landscape	Expenditure	10,000	25,000		
WMD 3.2 Skills for the future	Expenditure	96,500	140,379		
WMD 3.3 Discovering Westmorland Dales	Expenditure	25,000	56,891		
WMD 3.4 Distinctly Westmorland Dales	Expenditure	4,480	14,480		
WMD 3.5 Interpreting Wesmorland Dales	Expenditure	12,000	61,531		
WMD 3.6 Celebrating and engaging	Expenditure	10,000	28,201	10,156	
WMD Westmorland Dales Overheads	Expenditure	243,600	363,126	49,548	
Contingency				34,230	
Westmorland Dales Landscape Partnership	Expenditure	502,804	1,019,635	105,934	
	Income	(437,510)	(866,013)	(132,104)	
Programme	Expenditure	506,504	1,023,335	109,634	3,700
	Income	(437,510)	(866,013)	(132,104)	0
Net Total (including staff)		68,994	157,322	(22,470)	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.

By 2023 provide at least 20 apprenticeships that focus on the skills that are essential to maintaining the National Park's special qualities.

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.

The staff costs below include those apprenticeships provided directly by the Authority. The apprentices employed through the Westmorland Dales HLF partnership are shown within the Westmorland Dales budget under Landscape Features.

Volunteers and Apprentices		2021/22	2022/23	2023/24	2024/25
		£	£	£	£
Staff	Expenditure	190,064	184,067	198,922	203,369
	Income	(30,626)	(564)	0	0
Ranger Vehicles, apportioned	Expenditure	16,173	16,173	16,173	16,173
Volunteers	Expenditure	44,200	62,450	62,450	62,450
Apprentice staff costs	Expenditure	66,400	57,492	67,728	51,612
Apprentice Grant income	Income	0	(4,000)	0	0
Young Rangers	Expenditure	1,000	1,000	1,000	1,000
Programme	Expenditure	127,773	137,115	147,351	131,235
	Income	0	(4,000)	0	0
Net Total (including staff)		287,211	316,618	346,273	334,604

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

Improve the quality, variety and marketing of the tourism 'offer' to encourage more overnight stays and more visitors in the quieter months, so that the value of tourism grows by at least 5% in real terms by 2024.

Develop and promote new 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, and facilitating the Yorkshire Dales National Park Tourism Partnership, supporting the Destination Management Organisations, continued work around the 'Distinctly Dales' local distinctiveness project, and 'Brilliant Businesses' case studies. It includes Membership of Welcome to Yorkshire, and use of the STEAM Model and other research to evaluate the economic impact and trends in National Park's visitors.

Tourism		2021/22	2022/23	2023/24	2024/25
		£	£	£	£
Staff	Expenditure	104,199	108,933	119,567	123,764
Tourism Delivery Plan	Expenditure	15,100	15,100	15,100	15,100
Welcome to Yorkshire	Expenditure	10,000	12,100	12,100	12,100
Economic Evaluation	Expenditure	4,900	4,900	4,900	4,900
International Cycling Events	Expenditure	70,000	0	0	0
Programme	Expenditure	100,000	32,100	32,100	32,100
Net Total (including staff)		204,199	141,033	151,667	155,864

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 TICs
- Ranger and Volunteer bases

Corporate Plan objectives:

Promote the Yorkshire Dales National Park as a leading sustainable tourism destination, including enhancing the locations of 4 National Park Centres to create 'visitor hubs' that promote local distinctiveness and assist destination promotion for local activities, accommodation, food and itineraries.

Budget Proposal:

This programme includes premises fixed running costs for three of the four flagship National Park Centres, Grassington, Malham, Aysgarth only, (NB Hawes is in the DCM budget); a contribution to the partnership centre at Hudson House Reeth (both staffing and cash); and cash towards running costs for a National Park presence in three Cumbria partnership centres (Kirkby Lonsdale, Sedbergh and Kirkby Stephen). The projected retail sales, income and overheads are based on the actual sales achieved in 2021/22, and are back to pre-Covid levels. New 'orientation' signage developed for Grassington National Park Visitor Centre in 2020 continue to be rolled out to the other hub sites.

National Park Centres & Retail		2021/22	2022/23	2023/24	2024/25
		£	£	£	£
Staff (including HH staff)	Expenditure	299,157	317,551	346,282	355,763
NPC Fixed Running Costs	Expenditure	29,430	23,901	34,678	35,894
NPC Refurbishment & Visitor Hubs	Expenditure	15,000	15,000	15,000	15,000
NPC Planned Maintenance	Expenditure	13,581	19,627	16,026	14,626
NPC Cleaning	Expenditure	16,486	16,991	17,331	17,677
NPC Uniforms and sundries	Expenditure	2,500	2,500	2,500	2,500
NPC Hudson House Rent	Expenditure	10,339	10,339	10,546	10,757
NPC Partnership Centres	Expenditure	21,000	21,000	21,000	21,000
NPC Income	Income	(10,070)	(10,070)	(10,070)	(10,070)
Retail Overheads	Expenditure	10,080	10,080	10,080	10,080
Retail Trade	Expenditure	135,450	180,600	180,600	180,600
	Income	(225,750)	(301,000)	(301,000)	(301,000)
Programme	Expenditure	253,866	300,038	307,760	308,135
	Income	(235,820)	(311,070)	(311,070)	(311,070)
Net Total (including salaries)		317,203	306,519	342,973	352,828

SUSTAINABLE DEVELOPMENT

Programme Activities:

- Run the Sustainable Development Fund
- Work with Local Enterprise Partnerships to support appropriate economic development
- Support Dark Skies Reserve status by providing grants for improvements to external lighting

Corporate Plan objectives:

Use the Sustainable Development Fund and other funding sources, to support 20 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.

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		2021/22	2022/23	2023/24	2024/25
		£	£	£	£
Staff	Expenditure	36,674	37,871	40,972	41,811
SDF Grants	Expenditure	185,000	175,000	175,000	175,000
Programme	Expenditure	185,000	175,000	175,000	175,000
Net Total (including salaries)		221,674	212,871	215,972	216,811

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 has been increased to reflect the income achieved in 2021/22. Income is difficult to predict as it varies depending on the weather and Government travel rules during the pandemic. Income from toilets has been set at zero because turnstiles at Grassington have been removed during the pandemic. Expenditure includes cleaning and maintenance of toilets and individual properties, and cash collection charges from all car parks. There is a small increase to cover the cost of car park surface repairs.

The car park ticket machines allow card payments, including contactless and phone pay. This has some additional costs, but the machines have less cash collection and theft is less likely.

Car Parks & Toilets		2021/22	2022/23	2023/24	2024/25
		£	£	£	£
Staff	Expenditure	68,774	72,111	79,950	84,387
Ranger Vehicle, apportioned	Expenditure	5,237	5,237	5,237	5,237
Car Parks	Expenditure	179,090	183,494	188,110	195,783
Wayleaves	Income	(5,818)	(5,818)	(5,818)	(5,818)
Rents	Income	(4,000)	(4,000)	(4,250)	(4,250)
Parking Fees	Income	(596,000)	(750,000)	(700,000)	(700,000)
Car Parks	Income	(605,818)	(759,818)	(710,068)	(710,068)
Toilets	Expenditure	129,877	129,725	133,445	136,345
Entrance Fees	Income	0	0	(12,600)	(12,600)
Donations	Income	0	(4,900)	(4,900)	(4,900)
	Income	0	(4,900)	(17,500)	(17,500)
Programme	Expenditure	314,204	318,456	326,792	337,365
	Income	(605,818)	(764,718)	(727,568)	(727,568)
Net Total (including salaries)		(222,840)	(374,151)	(320,827)	(305,816)

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). In 2022/23 a sum is included for a partnership project to flag part of the badly eroded access path to Buckden Pike.

Recreation Management		2021/22	2022/23	2023/24	2024/25
		£	£	£	£
Staff	Expenditure	113,593	60,412	65,563	67,191
Open Access	Expenditure	5,000	17,500	5,000	5,000
Green Lanes	Expenditure	40,000	40,000	40,000	40,000
	Income	(30,000)	(30,000)	(30,000)	(30,000)
LAF	Expenditure	2,000	2,000	2,000	2,000
Programme	Expenditure	47,000	59,500	47,000	47,000
	Income	(30,000)	(30,000)	(30,000)	(30,000)
Net Total (including salaries)		130,593	89,912	82,563	84,191

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

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 **£2,912k**.

The Strategy

2. It is proposed that the Authority’s Reserves be maintained in line with **Table 1**, 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.

No	Reserve Description	ESTIMATED BALANCE @ 31/3/22
		£'000
1	Contingency Reserve - 10% gross budgeted expenditure 22/23	1115.2
2	Carry Forward Budgets	TBN
3	IT (Replacement and Upgrade)	233.4
4	Property (Maintenance)	276.9
5	Plant & Equipment	81.0
6	Broadband Loans (incl. accrued Interest)	51.5
7	Access for All	50.0
8	ROW Erosion	13.8
9	Tees-Swale - Naturally Connected	150.0
10	Lune Rivers Trust Loan Commitment (expected to be fully paid back)	0.0
11	Ingleborough Access Project (Natural England)	33.6
12	Swaledale Barns	31.7
13	Attracting Younger People	39.3

No	Reserve Description	ESTIMATED BALANCE @ 31/3/22
		£'000
14	Ribblesdale Premises - South Park Rangers Accommodation	200.0
15	Earmarked legacies	159.4
16	B4RN Shares	30.0
	Estimated Earmarked Reserves Balance	2465.8
	<i>General Fund Reserve</i>	446.4
	Estimated Total Usable Reserve Balance (based on current budget)	2912.2

3. The position at year-end (31 March 2022) will inevitably be different from that shown above, 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 2021/22.
- An additional reserve will be created, to hold the balance of income received – in effect - in advance for this project, to be used to fulfil ongoing woodland monitoring obligations until 2030.
- 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 2021/22 year-end financial balance (after taking account of carry-forward budgets).

4. Future Reserve Movements

Looking forward, and extending the proposed 3-year Medium Term Financial Strategy to our longer term 5 year 'financial planning' time frame (which mirrors the five-year Management Plan cycle), it is anticipated that these various Reserves will be used as shown in **Table 2**. But note that this projection may change fundamentally, in response to the proposed review of the Authority's finances, to take place during 2022/23.

Table 2: Predicted Use of Reserves

No	Reserve Description	Balance	22/23	23/24	24/25	25/26	26/27	Balance
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
1	Contingency Reserve - 10% gross budgeted expenditure 22/23	1,115						1,115
2	Carry Forward Budgets	TBN						0
3	IT (Replacement and Upgrade)	233	(61)	(108)	(8)	(38)	(18)	0
4	Property (Maintenance)	277	(45)	(38)	(80)	(84)	(30)	0
5	Plant & Equipment	81	(6)	(6)	(6)	(57)	(6)	0
6	Broadband Loans (interest will be added each year)	52	(37)	(15)				0
7	Access for All	50						50
8	ROW Erosion	14	(14)					0
9	Tees-Swale - Naturally Connected	150	(50)	(50)	(50)			0
10	Lune Rivers Trust Loan Commitment (expected to be fully paid back)	0						0
11	Ingleborough Access Project Natural England	34	(34)					0
12	Swaledale Barns Reserve	32						32
13	Attracting Younger People	39	(10)	(10)	(10)	(9)		0
14	Ribblesdale Premises - South Park Rangers Accommodation	200						200
15	Earmarked legacies	156	(20)					136
16	B4RN Share	30						30
17	Reserves to Balance 2022/23	444	(444)					0
17	Potential General Reserve Balance	5						5
	Total	2912	(721)	(227)	(154)	(188)	(54)	1,568

Risks associated with the Draft Budget

Risk	Impact	Likelihood	Control / Mitigation
1. Staff costs in excess of budget	High	Moderate	<p>Staff turnover may not generate the saving from vacancies built into the budget, of £108k.</p> <p>At the time of preparing this budget, the Local Government pay award for 2021/22 had not yet been agreed. The initial employer offer was for 1.75%, which was rejected by the unions, and we have assumed a 2% award (and also applied that rate to 2022/23 and beyond). If this proves to be an underestimate, it could add significantly to projected deficits; for every additional 1%, the Authority's staff costs would rise by ~£45k pa.</p>
2. Inflation greater than projected	Moderate	Moderate	<p>Specific rates of inflation, appropriate to each overhead, have been used to prepare the budget. It is not yet clear whether recent – potentially, short term – increases in inflation in excess of the long-term trend represent a permanent change to that trend. The situation will be monitored, so that more substantial increases in inflation can be taken onto account. This may have a limited effect on the 2022/23 budget, but any extra increases in inflation are cumulative (i.e. they compound, over the years), and so could significantly worsen the long term deficit projections within the Medium Term Financial Strategy.</p>
3. Unidentified costs missing from budget.	Low	Low	<p>Any significant problems could be managed through a call on the Contingency Reserve.</p>
4. Failure to achieve earned income projections.	Moderate	Low	<p>Achievement of targets is kept under continuous review. The most significant 'earned income' target is car parking, for which our projection for 2022/23 assumes a continuation of the performance seen in 2021/22.</p> <p>The increasing contribution from external grant income to our budgets (now circa 50%) 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 impact (although the gross income result reported at</p>

Risk	Impact	Likelihood	Control / Mitigation
			year end would be lower than is currently projected).
5. Failure to deliver objectives within Corporate Plan	High	Low	<p>Closely managed process, with scheduled in-year review. 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.</p> <p>Our experience during 2020/21 and 2021/22 has been that the achievement of corporate objectives wasn't significantly hampered by the impact of the pandemic; it is assumed that this situation will continue.</p>
6. Insufficient Reserves to cover spending plans	High	Low	Managed through the Reserves Strategy (see Appendix 5).
7. Longer term plans are unaffordable	High	High	Projections indicate that our plans for 2023/24 and beyond are unlikely to be affordable in their current form. This risk doesn't affect 2022/23, for which we are projecting sufficient general reserves (by the end of 2021/22) to cover that year's projected shortfall, although that does mean that we will have used up a significant proportion of our unallocated reserves to support next year's budget.
8. The Landscapes (Glover) Review	Low	Low	On 15 January, Defra published its proposals on which of the recommendations of this review should be progressed. Once the consultation on these proposals is completed in April, we will be in a clearer position to judge what impact they may have on our budgets. A preliminary reading of the proposals didn't identify any that would have significant financial consequences for the Authority, albeit that this position may change as more details become available.