

North York Moors National Park Authority

Monday 29 June 2026

Item 12, Budget 2026/27

1. Purpose of the report

- 1.1 To update the approved budget for the additional one-off Defra revenue (RDEL) funding of £1.72m received in 2026/27 and the earned income surplus that will result and provide detail of delivery from the S106 Woodsmith Landscape and Ecology fund for 2026/27.

2. Background

- 2.1 In April 2026, Defra provided final confirmation of a one-off £17m RDEL allocation for the English National Park Authorities. This was split on an even basis between all 10 bodies, resulting in an allocation for North York Moors NPA of £1.72m.
- 2.2 The NPA's Defra RDEL grant, confirmed in the March 2026 Budget, was £4.042m. For 2026/27 only this is increased to £5.762m. The additional RDEL from Defra falls under the same rules as the core RDEL, with a requirement that it is used to further statutory purposes and national priorities whilst delivering value for money. Key stipulations from Defra include:
- Essential that the full £1.72m can be spent in year, but an expectation that this will likely free up a surplus of earned income.
 - Must deliver value for money, with consideration of how to maximise longer-term benefits for the Authority in terms of financial resilience and ability to deliver statutory purposes and national priorities.
 - That the spend must not be repercussive and lead to additional liabilities for the Authority in future years.
- 2.3 The budget was approved in March 2026. This paper is not intended to replace that approval, but to seek approval to allocate an additional one-off £1.72m of RDEL funding which has been allocated by Defra for the 2026/27 financial year and consequent earned income impacts.
- 2.4 There are no other changes to the March 2026 budget other than the addition of this funding and the associated expenditure as laid out in this report.

3. Budget summary (Revenue and Capital combined)

- 3.1 The table below illustrates the overall budget position with the additional funding added into the March 2026 approved budget.

-	25/26 Original budget £k	26/27 March approved budget £k	26/27 Revised June Budget £k
Income	13,478	15,433	17,153
Expenditure	-13,537	-17,813	-18,078
Surplus / (Deficit)	-59	-2,380	-965
Cont. (to)/from reserves	59	1,330	1,330
Internal borrowing	0	1,050	1,050
Surplus / (-Deficit)	0	0	1,455

3.2 This report is not intended to reiterate the detail of the March report. There are therefore only two appendices to the report: **appendix 1** which lays out the budget by Defra headings including the additional funding and **appendix 2** which specifically details the additional spend requiring approval.

3.3 The additional £1.72m of RDEL has been added into the table above and is fully allocated against in-year activities. An additional £408k of spend is proposed over three years with £265k of this in 2026/27. This is from the earned income surplus. Details of this can be found in Section 4.3.

3.4 The additional funding will result in £1.455m of surplus earned income which will be allocated to reserves at the end of the year. Of this £142.5k will be ringfenced to fund the posts subject to approval of the recommendations in this paper.

4. Allocation of additional RDEL

4.1 The £1.72m has therefore been fully allocated in year to the following activity.

Area of Spend	£k	Comment
Conservation Core Salaries	120	Supporting the conservation core delivery
Corporate Salaries	306	Funding key elements of corporate support
Planning Service Delivery	364	Funding the Development Management service delivery.
Visitor Centres	214	Funding the costs of running visitor centres
Ranger Teams	524	Funding the ranger team staff costs for the year.
Car park running costs	150	Covering the regular annual costs of car park management
Outdoor Learning	42	Contribution to the outdoor learning service
Total	1,720	-

4.2 As a result, the above releases £1.7m of previously allocated earned income. The Senior Leadership Team has collated proposals and considered them against a set of relevant criteria which are set out below.

- **Financial resilience.** Opportunities should be assessed on their ability to contribute to long-term financial resilience. This could either take the form of material reductions in long-term revenue spend (i.e invest now to save later) or additional income generation (invest now to grow earned income or diversify funding)
- **Wider organisational resilience.** Whether opportunities support the long-term operational resilience of the National Park Authority – for example, whether they alleviate process or administrative burdens, support workforce productivity and/or reduce liabilities
- **Deliverability.** Can the opportunity be delivered within 1 to 3 financial years to avoid creating future liabilities beyond this spending review period?
- **Contribution to delivering nature recovery/ 30x30.** Does the opportunity support our ability to meet PLTOF targets related to nature recovery and/or 30 by 30. It is clear that this is increasingly where Defra sees the focus of its investment in protected landscapes.

4.3 Directors have identified a number of proposals for which we are seeking approval at this meeting. These are set out at appendix 2 along with further explanation of their rationale. The majority of these proposals are in 2026/27, but two relate to additional multi-year posts, which will require funding in 2027/28 and 2028/29. For those costs in future years, there is a recommendation that the value of those proposals is ringfenced in reserves from the end of year surplus position.

4.4 Directors have also identified a number of other opportunities to optimise use of the additional earned income that will be freed up as a consequence of this one-off RDEL allocation. These opportunities require further discussion with Members and include:

- Reducing borrowing requirements on the new headquarters.
- Bolstering our staff resource in relation to farming and land management
- Health and wellbeing pump prime fund to open up future opportunities
- Funding to support the preparation of a new minerals and waste plan
- Increasing the reach and impact of our engagement work with children and young people

Further discussion on these opportunities with Members is welcomed.

5. **S106 Woodsmith Landscape and Ecology Programme 2026/27**

5.1 In the March 2026 budget paper, the Landscape and Ecology allocation was included at summary level as the S106 agreement year does not commence until 1 May.

- 5.2 This allocation funds a range of projects each year fitting strict criteria as laid out in the S106 agreement. The allocation of this funding to projects is delegated to Officers and proposals are considered by SLT. The allocations for this year have now been determined; a list of these is included in Appendix 3 for Members' information.
- 5.3 The total value of the 2026/2027 Landscape & Ecology contribution is £932k. There are £986k of projects listed Appendix 3 plus £198k allocated to covering staff costs which means that £258k of brought forward balances will be used in addition to the in-year allocation. £6k remains unallocated at this time. Notably, there is a significant contribution of £300k this year as match fund to the Fylingdales peat restoration project.

6. Conclusion

- 6.1 The March 2026 balanced budget has been updated to reflect the additional £1.72m of Defra RDEL funding in 2026/27.
- 6.2 The additional Defra funding has been fully allocated against activities in 2026/27. This has freed up £1.72m of earned income.
- 6.3 Senior Leadership Team has proposed a number of investments against set criteria to optimise use of the surplus funds. These are laid out in **appendix 2**. £408k of the funding has been proposed for allocation. A further £1,312k remains unallocated at this stage and will be subject to future Member approval.
- 6.4 The funding will enable the Authority to address capacity risks, deliver key works and drive process efficiencies that will contribute to ensuring the financial sustainability of the Authority in the longer-term.

7. Financial and staffing implications

- 7.1 The additional funding will allow the Authority to address particular areas of capacity pressure and risk as well as improving processes which will benefit staff. Financial implications are addressed in the body of the report.

8. Contribution to National Park Management Plan

- 8.1 An approved balanced budget is essential to ensuring the deliverability of the Authority's objectives as set out in our Strategy and Business Plan. The additional funding allocations will help the Authority meet its business plan objectives which are essential to Management Plan delivery. Management Plan is due to be refreshed this year and funding is allocated to ensure this can be delivered.

9. Legal and sustainability implications

- 9.1 The Authority has a legal obligation to set a balanced budget each year which is financially sustainable. Proposals help with future financial resilience as well as reducing risk generated by capacity constraints.

10. Recommendations

- 10.1 That Members approve the additional £408k of expenditure over the next three years as laid out in **appendix 2**.
- 10.2 That Members approve the allocation of the surplus of £1.435m as follows:
- £142.5k to be ringfenced in reserves for year 2 and 3 delivery of the proposals as laid out in **appendix 2**.
 - Unallocated balance of £1,312k is ringfenced in general reserves for future allocation to initiatives by Members.

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Appendix 1, 2026/27 Budget summary by Defra headings

-	2025/26 Budget	2026/27 Budget	-
Income	£k	£k	Comment
Conservation Of Cultural Heritage	182	98	Raiding the Bank project coming to an end in 26/27.
Conservation Of the Natural Environment	4,450	4,709	Higher S106 funding plus 30x30
Corporate and Democratic Core	126	107	-
Development Management	506	574	Increase fees and £50k of project funding - one off
Farming in Protected Landscapes	1,047	1,057	-
Forward Planning	0	0	-
Promoting Understanding	1,532	1,563	Increase fees
Rangers & Volunteers	0	0	-
Recreation Management	1,893	1,785	Reduction in external funding secured at this stage, incl lower Cleveland Way funding
Defra Core Revenue Grant	4,042	5,762	-
Defra Capital Grant	1500	1,498	MTFS assumption of reduced capital grant
Total Income	15,278	17,153	-
Expenditure	-	-	-
Conservation - Cultural Heritage	-387	-235	Raiding the Bank project coming to an end in 26/27.
Conservation - Natural Environment	-4,913	-5,207	Increased spend from S106
Corporate and Democratic Core	-2370	-5205	£2.25m increase in the value of build projects
Development Management	-900	-890	Salary increases
Farming in Protected Landscapes	-1,047	-1,057	Assumed same level as prior year - awaiting confirmation
Forward Planning	-149	-147	Salary increases
Promoting Understanding	-2,800	-2,596	Reduction in Defra capital grant delivery
Rangers & Volunteers	-917	-923	Reduction in Defra capital grant delivery
Recreation Management	-1,795	-1,818	Reduction in Defra capital grant delivery
Total Expenditure	-15,278	-18,078	-
Surplus (+)/Deficit(-)	0	-965	-
Contribution from reserves	0	1,331	Reserves contributions - new build (£1.2m), Rye Legacy (£65k) and property manager post (£66k)
Borrowing	0	1,049	Estimated borrowing level for 25/26.
Surplus (+)/Deficit(-)	0	1,455	Earned Income Surplus to Reserves

Appendix 2 – Surplus Earned Income Proposal

Proposal	2026/27 £k	2027/28 £k	2028/29 £k	Total £k	Comment
Apprentice Support	50			50	Bridge funding to ensure that we can retain the L2 apprentices whilst a full funding structure is sought.
Funding Officer post for 3 years	45	45	45	135	A new post to support the External Funding Manager to augment our ability to assess, bid for and win additional grant funding.
Estates/Asset Manager	17.5	35	17.5	70	Two-year post to support work across the property portfolio, freeing up time for the Commercial Manager to focus on income generating initiatives and to bring cohesion to the approach to property management across the Authority.
HR consultancy	20	-	-	20	External support to deliver key HR initiatives including pay banding review and policy updates.
Social Return on Investment Report	25	-	-	25	Refresh of the work delivered 8 years ago. Business plan objective and provision of data to enable continued delivery.
Cohort 3 Leadership / Managerial Training	20	-	-	20	Running a third session of the valuable Leadership Development training for a further cohort of staff.
Finance support	20	-	-	20	One-off finance support to refine processes and maximise system benefits.
Management Plan Support	15	-	-	15	Additional support for the refresh of the National Park Management Plan.
Cultural Heritage conservation plans	10	-	-	10	To be able to deliver 2 more conservation plans.
Young Ranger Leaders/Family Explorers	13	-	-	13	Bridge funding for this service whilst future funding is secured.
Health and safety baseline work and funding	30	-	-	30	Additional spend requirements to ensure health and safety compliance in both property and tree works.
Total	265.5	80	62.5	408	-
Total Surplus Earned Income	-	-	-	1,720	-
Currently Unallocated	-	-	-	1,312	-

Appendix 3 – Woodsmith S106 Landscape and Ecology Allocation 2026/27

Area of Work	Scope of work	2022-27 Management Plan Reference	£k
PROW/Access	-	-	-
Tramper Project extension	Continue delivery of accessible network around the Sutton Bank area	Objective 15	22.0
Raiding The Bank	Access Project at Sutton Bank to complement Raiding The Bank project	Objective 15	5.0
Woodland Management	-	-	-
Landscape Tree Scheme	Continuation of a long-term project to plant the veteran trees of the future.	Objective 6	- 20.0
Management, creation and enhancement of Natural Environment	-	-	-
Birds on the Edge	Habitat creation and enhancement for a range of marginal species including Turtle Dove, Black Redstart and Yellowhammer.	Objective 6	-7.5
Grazing Programme	Habitat management for enhancing floristic diversity and controlling scrub encroachment at Cawthorne Camp and Sutton Bank with goats	Objective 6	-10.0
Reconnect	Habitat enhancement works on the banks of the River Esk and supporting farming advice	Objective 6	-50.0
Habitat Management Agreements	Support for land management agreements with landowners in the park for special habitats that contribute to biodiversity and bio abundance in the park.	Objective 6	-50.0
Grubs Up Pollinators	Project to improve pollinator connectivity by working with local communities to create wildflower meadows/verges and hedgerow creation	Objective 6	-30.0
Peat Restoration	Contribution to Moor to Restore peat restoration project at Fylingthorpe and Langdale Moor	Objective 6	300.0

Area of Work	Scope of work	2022-27 Management Plan Reference	£k
Village Enhancement Scheme	Small scale grant programme for biodiversity and landscape enhancements in local communities	Objective 6	10.0
Nature Rich Farming	Pilot projects with farms in Bransdale and Raisdale to deliver nature rich farming schemes	Objective 6	21.2
Restoration of degraded heritage assets			-
Building Conservation	Restoration work to preserve and protect historic assets across the National Park.	Objective 11	110.0
Traditional Boundary Signs	Continued project work to repair, reinstall and replace historic signposts and boundary stones within the National Park.	Objective 11	15.0
Historic Environment Grant Scheme	Historic environment grant scheme for work including conservation, archaeological research, post excavation analysis and community projects.	Objective 11	15.0
Grosmont Bridge	Restoration of Grosmont railway bridge 42	Objective 11	50.0
Byland Abbey	Conservation area appraisal to develop plan for conservation activities	Objective 11	20.0
Traditional Boundary Restoration	-	-	-
Traditional Boundary Fund	A scheme to deliver both small scale discreet traditional boundary improvements as well as larger projects to make improvements on a landscape scale.	Objective 11	-90.0
Farming and Traditional Skills	-	-	-
Countryside Worker Apprentice Scheme	Support for a countryside apprentice worker program for 5 apprentices to learn traditional skills such as walling, access enhancement and hedge planting/laying/coppicing.	Objective 18	115.0

Area of Work	Scope of work	2022-27 Management Plan Reference	£k
Cleveland Way Apprentice	Support for the Cleveland Way Apprentice to learn traditional skills such as walling, access enhancement and hedge planting/laying/coppicing to enhance a National Trail	Objective 18	10.0
Tranquillity		-	-
Dark Skies Friendly Lighting Scheme	Working with communities and landowners to reduce the impacts of light pollution by retrofitting dark skies friendly lighting	Objective 9	35.0