

North York Moors National Park Authority Finance, Risk Audit and Standards Committee

25 November 2013

Second Quarter Finance Update

1. Purpose of the Report

- 1.1 To provide Members with an update on the financial performance of the Authority for the period from 1 April 2013 to 31 October 2013.

2. Background

- 2.1 This report provides the quarterly update to Members required by the Authority's Financial Regulations:

"4.4.4. Budget Monitoring Statements, including a forecast for the full financial year shall be submitted to each quarterly meeting of the Authority's Finance, Risk, Audit and Standards Committee".

- 2.2 This is the second detailed update on the 2013/14 budget that Members have received since the budget was approved by Authority in March 2013.

3. Performance

- 3.1 The **Appendix** to this report shows the total spend against the updated budget for 2013/14 to 31 October 2013. The overall position is that expenditure is £251.8k behind profile but income is also £191.7k behind the anticipated level at this stage of the year. The table below summarises the performance against budget for the second quarter of 2013/14.

	CUMULATIVE TO 31 OCTOBER 2013			
	2013/14 RE BUDGET	BUDGET	ACTUAL	VARIANCE
	£000's	£000's	£000's	£000's
Gross Expenditure	6768.7	4,018.6	3766.8	(251.8)
DEFRA Grant	(4,552.9)	(2,276.5)	(3,414.7)	(1,138.3)
Other Income	(1,473.1)	(944.7)	(753.0)	191.7
Transfer from reserves	(742.7)			
Net Expenditure	-	-	(400.9)	(1,198.4)

The **Appendix** to this report provides further detail and explanations for any significant variances.

- 3.2 The predicted level of reserves at the end of the financial year is currently £885k. This was the figure reported to the August meeting of FRASC following a number of movements of reserves in relation to dealing with the York Potash planning application, building works at Sutton Bank and the release of the funds for projects delayed in 2012/13.

3.3 The table below details the performance against income targets in year.

Income Type	2013/14 RE Budget £000's	Cumulative to 31 October 2013		
		Budget Year To Date £000's	Actual £000's	Variance £000's
Grants (excluding NPG)	(499.3)	(277.1)	(40.7)	(236.4)
Retail Sales	(175.2)	(95.4)	(143.6)	48.2
Planning Income	(211.7)	(123.5)	(133.3)	9.8
Car Parking	(369.0)	(311.4)	(279.4)	(32.0)
Miscellaneous	(185.5)	(121.1)	(147.2)	26.1
Investment Income	(32.4)	(16.2)	(9.8)	(6.4)
Total Income	(1473.1)	(944.7)	(754.0)	(190.7)

3.4 Grant income is behind profile partly due to delays in receiving grant income – income due from claims relating to the second quarter of the financial year has not yet been received. In addition, a debtor of £85.5k for the European Coast Alive claim remains outstanding and has therefore significantly reduced the figure for grants. The claim has been submitted and Officers have been assured that there is expected to be no issue with payment, although the processing of the claim is slow. The fees collected for the ANPA Conference, totalling approximately £38.7k, are included in the miscellaneous income figure and this has therefore inflated this figure. However, a debtor from 2012/13 of £35.1k has reduced the figure for miscellaneous income which, in practice, is £22.7k ahead of the profiled target at 31 October 2013.

4. Financial and Staffing Implications

4.1 There are no significant financial and or staffing implications to this report.

5. Sustainability and Legal Implications

5.1 There are no sustainability or legal implications arising from this report.

6. Recommendation

6.1 That Members note the content of this report.

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Background documents to this report

File Ref.

Business Plan 2012-2015
Use of Reserves Report – National Park Authority 28 September 2009
Accounts and Audit (England) Regulations 2011
SI 2011 No 817 – Communities and Local Government Website

FUNCTION	BUDGETARY CHANGES								Col.7 Original Budget	Col.8 Comments
	Qtr 1 2013/14 Revised Estimate	Col. 2. Proposed Virements	Col.3 Col 2 + Col 1 Revised Annual Estimate	Col.4 Profile to end October 2013	Col.5 Actual to end October 2013	Col.6= Col.5-Col.4 Variance to end October 2013	Col. 7 2013/14 Projected Outturn	Col. 8 2013/14 Projected Variance		
Conservation Natural Environment										
Woodlands & Trees	11,440.0		11,440.0	6,720.0	(11,600.0)	(18,320.0)	11,440.0	0.0	11,440.0	Creditors Outstanding from 12/13, 2011/12 (Forestry Commission)
Income	(2,500.0)		(2,500.0)	(1,470.0)	0.0	1,470.0	(2,500.0)	0.0	(2,500.0)	
Net Expenditure	8,940.0	0.0	8,940.0	5,250.0	(11,600.0)	(16,850.0)	8,940.0	0.0	8,940.0	
Moorland	46,700.0		46,700.0	23,120.0	18,240.0	(4,880.0)	46,700.0	0.0	46,700.0	
Income	(35,650.0)		(35,650.0)	(25,250.0)	(24,920.0)	330.0	(35,650.0)	0.0	(35,650.0)	
Net Expenditure	11,050.0	0.0	11,050.0	(2,130.0)	(6,680.0)	(4,550.0)	11,050.0	0.0	11,050.0	
Wetlands & Water	108,940.0		108,940.0	66,980.0	53,006.0	(13,974.0)	108,940.0	0.0	99,960.0	
Income	(100,340.0)		(100,340.0)	(58,590.0)	(9,053.0)	49,537.0	(100,340.0)	0.0	(100,340.0)	
Net Expenditure	8,600.0	0.0	8,600.0	8,390.0	43,953.0	35,563.0	8,600.0	0.0	(380.0)	
Farmed Land	411,000.0		411,000.0	244,330.0	25,260.0	(219,070.0)	411,000.0	0.0	419,980.0	Agreements are in place - it is anticipated that the expenditure will be in the latter part of the year.
Income	(6,680.0)		(6,680.0)	(3,920.0)	(7,540.0)	(3,620.0)	(6,680.0)	0.0	(6,680.0)	
Net Expenditure	404,320.0	0.0	404,320.0	240,410.0	17,720.0	(222,690.0)	404,320.0	0.0	413,300.0	
Coast	33,540.0		33,540.0	19,530.0	17,819.0	(1,711.0)	33,540.0	0.0	52,540.0	
Income	(10,000.0)		(10,000.0)	(5,810.0)	(8,463.0)	(2,653.0)	(10,000.0)	0.0	(10,000.0)	
Net Expenditure	23,540.0		23,540.0	13,720.0	9,356.0	(4,364.0)	23,540.0	0.0	42,540.0	
Biodiversity and Wildlife Conservation	58,990.0		58,990.0	34,380.0	17,244.0	(17,136.0)	58,990.0	0.0	11,200.0	
Income	0.0		0.0	0.0	(324.0)	(324.0)	(324.0)	(324.0)	0.0	0.0
Net Expenditure	58,990.0	0.0	58,990.0	34,380.0	16,920.0	(17,460.0)	58,666.0	(324.0)	11,200.0	
Conserv Nat Env (Emp)	320,570.0		320,570.0	187,020.0	207,779.0	20,759.0	320,570.0	0.0	294,960.0	
Income	0.0		0.0	0.0	9,654.0	9,654.0	0.0	0.0	0.0	Debtor
Recharges	135,530.0		135,530.0	0.0	0.0	0.0	135,530.0	0.0	135,530.0	
Gross Expenditure	1,126,710.0		1,126,710.0	582,080.0	327,748.0	(254,332.0)	1,126,710.0	0.0	1,072,310.0	
INCOME	(155,170.0)		(155,170.0)	(95,040.0)	(40,646.0)	54,394.0	(155,494.0)	(324.0)	(155,170.0)	
NET TOTAL	971,540.0	0.0	971,540.0	487,040.0	287,102.0	(199,938.0)	971,216.0	(324.0)	917,140.0	
Conservation Cultural Heritage				0.0						
Buildings	40,000.0		40,000.0	23,310.0	(1,127.0)	(24,437.0)	54,000.0	14,000.0	40,000.0	
Income	0.0	0.0	0.0	0.0	(4,000.0)	(4,000.0)	(14,000.0)	(14,000.0)	(14,000.0)	
Net Expenditure	40,000.0	0.0	40,000.0	23,310.0	(5,127.0)	(28,437.0)	40,000.0	0.0	40,000.0	
Archaeology	122,430.0		122,430.0	71,400.0	47,803.0	(23,597.0)	122,430.0	0.0	29,100.0	This includes £35.1k debtor carried forward from 2012/13 for the HLS scheme.
Income	(83,930.0)		(83,930.0)	(42,010.0)	18,939.0	60,949.0	(83,930.0)	0.0	(600.0)	
Net Expenditure	38,500.0	0.0	38,500.0	29,390.0	66,742.0	37,352.0	38,500.0	0.0	28,500.0	
Enhancement Schemes	102,990.0		102,990.0	60,870.0	87,550.0	26,680.0	102,990.0	0.0	101,280.0	Income from LEADER - grants claimed quarterly
Income	(87,340.0)		(87,340.0)	(50,960.0)	(44,456.0)	6,504.0	(87,340.0)	0.0	(87,340.0)	
Net Expenditure	15,650.0	0.0	15,650.0	9,910.0	43,094.0	33,184.0	15,650.0	0.0	13,940.0	
Conservation Areas	15,200.0		15,200.0	8,890.0	(2,980.0)	(11,870.0)	15,200.0	0.0	15,200.0	Underspend relates to creditors from 2012/13. £13.6k commitments currently on the system
Local Culture & Tradition	5,750.0		5,750.0	5,360.0	(1,000.0)	(6,360.0)	5,750.0	0.0	5,750.0	
Conserv Cult Her (Emp)	79,930.0		79,930.0	46,660.0	55,210.0	8,550.0	79,930.0	0.0	78,520.0	
Recharges	65,550.0		65,550.0	0.0	0.0	0.0	65,550.0	0.0	65,550.0	
Gross Expenditure	431,850.0		431,850.0	216,490.0	185,456.0	(31,034.0)	445,850.0	14,000.0	335,400.0	
INCOME	(171,270.0)		(171,270.0)	(92,970.0)	(29,517.0)	63,453.0	(185,270.0)	(14,000.0)	(87,940.0)	
NET TOTAL	260,580.0	0.0	260,580.0	123,520.0	155,939.0	32,419.0	260,580.0	0.0	247,460.0	
Recreation Management										
P.R.O.W.S.	32,350.0		32,350.0	18,920.0	25,916.0	6,996.0	32,350.0	0.0	32,210.0	Leader Community Access
Income	(26,160.0)		(26,160.0)	(15,260.0)	73,361.0	88,621.0	(26,160.0)	0.0	(26,160.0)	
Net Expenditure	6,190.0	0.0	6,190.0	3,660.0	99,277.0	95,617.0	6,190.0	0.0	6,050.0	Outstanding debtors - Coast Alive
National Trails	114,540.0		114,540.0	66,890.0	65,987.0	(903.0)	114,540.0	0.0	113,660.0	Cleveland Way etc
Income	(114,460.0)		(114,460.0)	(65,660.0)	(17,420.0)	48,240.0	(114,460.0)	0.0	(114,460.0)	
Net Expenditure	80.0	0.0	80.0	1,230.0	48,567.0	47,337.0	80.0	0.0	(800.0)	Grant claimed from Natural England annually
Access to Open Land	400,410.0		400,410.0	252,550.0	169,966.0	(82,584.0)	400,410.0	0.0	363,700.0	Hole of Horcum contract carried forward and reduced expenditure offset by reduced income from NYCC (£50k) net of £30k income for apprentices netted from expenditure
Income	(49,000.0)		(49,000.0)	(28,560.0)	3,056.0	31,616.0	(49,000.0)	0.0	(69,000.0)	
Net Expenditure	351,410.0	0.0	351,410.0	223,990.0	173,022.0	(50,968.0)	351,410.0	0.0	294,700.0	Reduced Income re ROW Contribution from NYCC (£50K) offset by income previously netted off from expenditure £30k for apprentices)
Visitor Mgt & Facilities	51,560.0		51,560.0	30,100.0	17,797.0	(12,303.0)	51,560.0	0.0	51,560.0	
Car Parks	105,480.0		105,480.0	61,660.0	53,711.0	(7,949.0)	105,480.0	0.0	111,030.0	
Income	(369,000.0)		(369,000.0)	(311,360.0)	(281,159.0)	30,201.0	(350,831.0)	18,169.0	(369,000.0)	
Net Expenditure	(263,520.0)	0.0	(263,520.0)	(249,700.0)	(227,448.0)	22,252.0	(245,351.0)	18,169.0	(257,970.0)	
Public Transport	203,520.0		203,520.0	118,730.0	126,474.0	7,744.0	203,520.0	0.0	195,610.0	
Income	(40,000.0)		(40,000.0)	(23,310.0)	(15,902.0)	7,408.0	(40,000.0)	0.0	(40,000.0)	
Net Expenditure	163,520.0	0.0	163,520.0	95,420.0	110,572.0	15,152.0	163,520.0	0.0	155,610.0	
Recreation (Emp)	220,000.0		220,000.0	128,360.0	118,209.0	(10,151.0)	220,000.0	0.0	213,780.0	
Recharges	248,710.0		248,710.0	0.0	0.0	0.0	248,710.0	0.0	248,710.0	
Gross Expenditure	1,376,570.0		1,376,570.0	677,210.0	578,060.0	(99,150.0)	1,376,570.0	0.0	1,330,260.0	
INCOME	(598,620.0)		(598,620.0)	(444,150.0)	(238,064.0)	206,086.0	(580,451.0)	18,169.0	(618,620.0)	

FUNCTION	BUDGETARY CHANGES							
	Qtr 1 2013/14 Revised Estimate	Col. 2. Proposed Virements	Col.3 Col 2 + Col 1 Revised Annual Estimate	Col.4 Profile to end October 2013	Col.5 Actual to end October 2013	Col.6= Col.5-Col.4 Variance to end October 2013	Col. 7 2013/14 Projected Outturn	Col. 8 2013/14 Projected Variance
Gross Expenditure	350,190.0		350,190.0	947,520.0	893,504.0	(54,016.0)	322,880.0	(27,310.0)
INCOME	(47,400.0)		(47,400.0)	(27,450.0)	(33,185.0)	(5,735.0)	(45,400.0)	2,000.0
NET TOTAL	302,790.0	0.0	302,790.0	920,070.0	860,319.0	(59,751.0)	277,480.0	(25,310.0)
Gross Expenditure	6,768,750.0		6,768,750.0	4,018,630.0	3,766,758.0	(251,872.0)	6,819,326.0	50,576.0
Gross Income	(1,473,110.0)		(1,473,110.0)	(944,720.0)	(753,027.0)	191,693.0	(1,527,647.0)	(54,537.0)
NET TOTAL	5,295,640.0	0.0	5,295,640.0	3,073,910.0	3,013,731.0	(60,179.0)	5,291,679.0	(3,961.0)

Col.7 Original Budget	Col.8 Comments
312,040.0	
(47,400.0)	
264,640.0	
6,232,630.0	
(1,409,780.0)	
4,822,850.0	

FUNCTION	BUDGETARY CHANGES							Col. 7 2013/14 Projected Outturn	Col. 8 2013/14 Projected Variance	Col.7 Original Budget	Col.8 Comments
	Qtr 1 2013/14 Revised Estimate	Col. 2. Proposed Virements	Col.3 Col 2 + Col 1 Revised Annual Estimate	Col.4 Profile to end October 2013	Col.5 Actual to end October 2013	Col.6= Col.5-Col.4 Variance to end October 2013	Col. 7 2013/14 Projected Outturn				
Funded by:											
NPG & LOCAL AUTHORITY	(4,552,900.0)		(4,552,900.0)	(2,276,460.0)	(3,414,672.0)	(1,138,212.0)	(4,552,900.0)	0.0	(4,552,900.0)		
From / To Reserves	(742,740.0)		(742,740.0)				(742,740.0)	0.0	(742,740.0)		
	(5,295,640.0)	0.0	(5,295,640.0)	(2,276,460.0)	(3,414,672.0)	(1,138,212.0)	(5,295,640.0)	0.0	(5,295,640.0)		
Budget After Grants & Levies	0.0	0.0	0.0	797,450.0	(400,941.0)	(1,198,391.0)	(3,961.0)	-3,961	(472,790.0)		
General Reserves											
General Reserves	22,750.0		22,750.0								
Planning LDF reserve	51,800.0		51,800.0								
Visitor centre Reserve	10,000.0		10,000.0								
Building & Property	53,000.0		53,000.0								
Capital spend on vehicles	33,400.0		33,400.0								
Emergency Reserve	220,000.0		220,000.0								
Business Plan Allocation 14/15	150,000.0		150,000.0								
Earmarked Reserves											
Conservation Reserve	42,200.0		42,200.0								
Tourism Reserve	0.0		0.0								
Miscellaneous	51,850.0		51,850.0								
SDF & Community Initiatives Reserve	250,000.0		250,000.0								
Leader Community Access Project	0.0		0.0								
Total Reserve b/f	885,000.0	0.0	885,000.0	0.0		0.0					