

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

3 February 2014

Budget Estimate 2014/15

1.	Purpose of the Report
1.1	To provide Members with an opportunity to consider and comment upon the draft of the proposed budget for 2014/15.
1.2	To inform Members of the delegated decision taken in relation to employer contributions to the North Yorkshire Pension Fund (NYPF) following the conclusion of the actuarial review in 2013.

2. Background

- 2.1 The Authority is required to approve a balanced budget for the financial year 2014/15 prior to 31 March 2014.
- 2.2 **Appendix 1** to this report is the draft budget for 2014/15. This will be presented to Authority on 24 March 2014 for approval, subject to any amendments requested by Members at this meeting or which may arise in the next month. Item 9 on the agenda and the forthcoming Members' Evening Seminar will allow essential discussion on the financial position from 2015/16 onwards.

3. Financial Settlement

- 3.1 The table below details the impact of the original settlement for the financial period 2011/12 to 2014/15. These figures were used to formulate the Business Plan for the period 2012 – 2015.

	2010/11 Original	2010/11 Revised June 2010	2011/12	2012/13	2013/14	2014/15
National Park Grant (including SDF)	£5,703,438	£5,428,266	£5,136,475	£4,844,687	£4,552,897	£4,261,106
% Annual Change		-5% In year (excluding SDF)	-5.4%	-5.7%	-6.0%	-6.4%
£ Annual Change		-£275,172	-£291,791	-£291,788	-£291,790	-£291,791
% Total Reduction		-5%	-21.5%			
£ Reduction		-£275,172	-£1,167,160			

3.2 On 20 December 2013 the Authority received notification of an additional 2.1% reduction (on top of the 6.4% already notified in December 2010) in National Park Grant (NPG) in 2014/15 and a further 1.7% cut in 2015/16. The NPG grant for 2014/15 is therefore £4,165,232 in 2014/15 and an indicative figure of £4,092,793 for 2015/16. These sums came with caveats of possible further reductions. A copy of the letter is attached as **Appendix 3** to this report. The table below details the impact of this revised information on the NPG.

	2010/11 Original	2010/11 Revised June 2010	2011/12	2012/13	2013/14	2014/15 Revised	2015/16
NPG (including SDF)	£5,503,438	£5,228,266	£5,136,475	£4,844,687	£4,552,897	£4,165,232	£4,092,793
% Annual Change		-5% In year (excluding SDF)	-5.4%	-5.7%	-6.0%	-8.5%	-1.7%
£ Annual Change		-£275,172	-£291,791	-£291,788	-£291,790	-£387,665	-£72,439
% Total Reduction		-5%	-24.2%				-1.7%
£ Reduction		-£275,172	-£1,263,034				-£72,439

3.3 At the November meeting of this Committee and the Authority Meeting in December Members discussed a budget for 2014/15 which had assumed an additional 2% cut in 2014/15. As a result the difference between the actual and assumption is minimal. Members also agreed that the approach should be to make 'one-off' cuts in 2014/15 to rebalance the budget with a view to having a fundamental review of base budgets for future years from 2015/16 onwards.

4. Proposed Budget

4.1 The detailed proposed budget for 2014/15 is at **Appendix 1**. Officers will continue to verify the estimates between now and March Authority and any further updates will be reported. Due to a number of factors including the timing of the settlement announcement, the earlier date of this committee and key staff absence it is likely that more work will be undertaken in this period than has been necessary in previous years. In order to facilitate the process for next year Officers will be reverting to setting a later date in February for this committee meeting.

4.2 The table below summarises this.

	2013/14 Re Budget £000's	2014/15 Budget £000's
Gross Expenditure	6,668.7	5,529.4
DEFRA Grant	(4,552.9)	(4,165.2)
Other Income	(1,473.1)	(1,168.6)
Transfer to (from reserves)	(642.7)	(155.6)
Release of Provision	0.0	40.0
Net Expenditure	0.0	0.0

4.3 The original 2014/15 budget was included in the Medium Term Financial Strategy within the Business Plan. This represented a significant reduction on earlier years following the end of the Moorsbus, changes to the Education Service and Rights of Way Delegation agreement, distribution of publications, and the final year of pay protection for staff in Development Management and Visitor Centres, whose grades had been changed following restructuring. The savings generated from staff changes since 2011/12 have exceeded £400k.

4.4 The current forecast budget has been amended to include the following one off 'emergency' reductions to discretionary budgets to balance the budget, as proposed in November, prior to confirmation of the grant position. As previously discussed, the intention is to re-balance the budget from 2015/16 onwards by re-instating a good proportion of the reduced discretionary budgets. The table below gives the detail, reasoning and context behind the proposed one-off further reductions. The figures themselves are the ones provisionally agreed by Members in December.

Budget Area	2012/13 Original Budget	Reduction 2014/15	Comment –
Transport	£100,000	£50,000	This reduction will leave £50,000 allocated to target outreach support to assist people in accessing the National Park following the cessation of Moorsbus. Work is underway with target groups and minibus brokerage to identify the most effective means.
Vacancy Management – Staff Savings	N/A	£75,000	This approach was agreed at Authority on 16 December 2013 and is in addition to the staff savings which had already been identified in the MTFs. This equates to 2.4% of the salary budget.
Grants - Traditional Boundary Scheme	£100,000	£65,000	This represents a 65% reduction in this grant scheme which has been made available across the park for works to hedgerows and stone walls that contribute to landscape quality. The development of a national small capital scheme as part of the new national agri-environment schemes (from 2016) may provide some alternative funding. Hedgerow works within priority areas may be funded via the Connectivity budget. The reduction in grant funding will allow some staffing resource to be redeployed to delivering the Connectivity priority.
Grants – SDF current and past years	£152,000	£90,000	This represents a significant (59%) reduction in this grant scheme for 2014/15 which will significantly reduce the scale and scope of the work the National Park can support. The remaining £62k will be prioritised for tourism and local distinctiveness and community grants, whilst the environmental innovation fund will not be delivered for a minimum of one year.
Grants – PAWS	£110,000	£20,000	This represents an 18% reduction in this grant scheme which will mean less PAWS restoration work can be delivered in 2014/15. However, the remaining budget of £90k still represents a significant resource for delivering the ancient woodland restoration and tree planting work.

Budget Area	2012/13 Original Budget	Reduction 2014/15	Comment –
Grants - Connectivity	£190,000	£40,000	This represents a 21% reduction in this grant scheme which will mean that delivery of Habitat Connectivity in 2014/15 will have to be more targeted. However, the remaining budget of £150k still represents a significant resource for delivering this priority. The Conservation Department will look to draw down external funding to supplement the reduction in this and the PAWS budgets wherever possible.
Grants – Moorland	£28,300	£ 5,000	A minor reduction to this budget will have a small impact on the authority's ability to support restoration of moorland outside of area covered by national agri-environment. Much of the Park's moorland is now in agri-environment agreement and other externally funded projects have helped fund restoration e.g. blanket bog work with Yorkshire Peat Partnership.
Access Routes and Works	£239,750	£50,000	These budgets fund management, maintenance and improvement of the rights of way network and the Authority's recreation/access properties such as car parks and toilets. This reduction will require a postponement of some programmed non essential works and a reduction in expenditure on public rights of way maintenance (partly in line with the rights of way delegation agreement with the County Council which is under review and which will contain reduced responsibility for some rights of way structures)
Conservation Areas and Historic Buildings	£55,200	£15,000	This represents a 27% reduction in the historic buildings and conservation areas grant budgets which will reduce the amount of positive improvement work to the built heritage of the Park. Nevertheless, the remaining budget still represents a significant funding pot available and is in line with a voluntary reduction in staffing in this area.
Subscriptions and Publications	N/A	£ 5,000	
Advertising	£33,300	£10,000	Substantial savings can be achieved in advertising costs, by reducing the need to advertise all conservation area planning applications in local newspapers.
Other Minor Savings	N/A	£32,000	
Total		£457,000	

- 4.5 In addition to the savings identified above it is anticipated that a further £40k could be released from the Balance Sheet Provisions relating to prior year grant commitments for projects, which will not now be completed, subject to confirmation, which will facilitate a 'one off' transfer to reserves which can be released into the budget in 2014/15 to reduce the deficit.

- 4.6 Salary estimates incorporated into the budget estimate have been updated to reflect the current establishment, and have assumed a 1% increase in 2014/15, a three year pay freeze followed by a 1% pay award in 13/14.
- 4.7 Members will be aware that the York Potash project is ongoing and a new planning application is due to be submitted to the Authority in July/August this year. A new Planning Performance Agreement has been signed which should ensure that the costs of providing pre-application advice to the company (including appropriate consultants fees, meetings and the dedicated part-time officer post) will be met. A schedule of regular meetings to discuss aspects of policy and procedure has been agreed and this should ensure that the application will be subject to meaningful and robust preparation, thus enabling it to be considered and determined within the pre-agreed timescale of four months. This 'front-loading' is designed to reduce post-submission time and costs and should result in the majority of the post submission costs to the Authority being met from the planning application fee of £98,000. Current evidence from the work undertaken by the new set of consultants engaged by the company appears to reflect this new more professional approach.

It is likely however, that the Authority will incur costs over and above the PPA and application fee income such as the need for high level legal advice on the committee report, the costs of the in-house dedicated officer post following submission and the need to fund expert agronomy advice to fully understand the claimed benefits of polyhalite as a potash based fertiliser, which is essential to assess the need-element of the major development test. Based on costs incurred during the previous year (which were substantial after the application had already been submitted due to the significant changes made by the applicant) a sum of £30,000 is recommended as an additional budget requirement. Members should note that whereas this additional net figure has been added to the budget the budget at this stage does not include costs or income relating to the expected new application and will be adjusted within the 2014/15 financial year when more details are available. Officers however, have considered the likely costs and income associated with the project.

- 4.8 In 2013/14, the Authority increased its contribution to Welcome to Yorkshire and made a £10,000 subscription payment to the central office and a £10,000 contribution to the work of the local (Scarborough) office in the form of a grant. It is proposed that this level of commitment to both offices is continued for the coming year, to be funded entirely from within existing tourism budgets. Close working with Welcome to Yorkshire will be particularly important over the coming year as we aim to derive the greatest possible benefit from the Tour de France, build on the work of the newly established network of tourism businesses and further build the North York Moors brand. A new Service Level Agreement will be negotiated with both offices.
- 4.9 A number of minor changes which have been made since the report to the November FRASC committee have been reflected in the projections, with the most significant being the potential £30k additional pressure in paragraph 4.7. The table below details the projected deficit and the proposed actions to fund the deficit in the short term;

	£'000
Projected Deficit as at 25 November 2013	552
Additional reduction in NPG following Settlement on 19 December 2013	11
Change relating to Potash Application (paragraphs 4.7-4.7)	30
Additional funding for Helmsley Plan and Whitby Business Park Area Action Plan 2014/15 only	25
Reinstatement and revaluation of rateable properties and potential inflationary pressures on property costs.	21
Adjustment of savings relating to Moorland (double counted)	5
Other net changes as agreed with Budget Managers	9
Revised Deficit	653
Funded by	
Use of Reserves	156
Potential release of un-used provisions	40
In year savings detailed in paragraph 4.4	457
Total	653

4.10 Members will note that this has increased the projected use of reserves from a baseline of £125k to £156k (excluding the release of the un-used provision). Officers are seeking Members views as to whether this should remain as a use of general reserves for the final paper to be presented to Authority in March or whether further savings should be identified. Potential options include;

- Further reduction in the amount allocated for transport
- Further savings to be identified by vacancy management
- Further reductions of discretionary budgets.

4.11 Members should also be aware that the Authority has received over 50% of the debtor relating to the European Union funded Coast Alive project with the remaining balance remaining outstanding as the host authority is still awaiting 'sign off' by the EU. At this stage the Authority is assuming that the balance of the money will be forthcoming at some unspecified time in the future but there is a risk that this may not be received at all or more likely a lower sum will finally be agreed. Further detail is included in the Finance Update at Item 6.

The future financial planning and approach to dealing with further deductions detailed in paragraph 3 will be discussed at Item 9 on the agenda.

4.12 Whilst it is intended that the budget reductions listed in paragraph 4.4 above will, as far as possible, be reinstated as part of the rebalancing process for 2015/16, it is likely that some of these may become recommendations for permanent reductions. The process will focus on better ways of working and any savings/additional income over and above that required to balance the budget will be available to innovate and assist the Authority into working towards becoming a new model public sector organisation. For example, this may involve allocating resources to fund new posts in areas such as volunteer management and income generation.

4.13 The Authority will ensure that decisions which are taken about the future services of the Authority comply with the requirements of the Equalities Act 2010 and Equalities Impact Assessments will be undertaken again. As agreed by Members previously the results of the 2011 Prioritisation survey will be considered alongside a Member Prioritisation process.

5. Reserves

5.1 The current estimates relating to the use of reserves are detailed in the table above and the estimated reserve position (excluding any transfer to reserves at the end of the 2013/14 financial year) is summarised in the table below:

	2013/14 RE BUDGET £000's	2014/15 £000's
Balance Sheet Reserves as at Jan 14	1607.7	
Estimated Reserves April 14		1,005.0
Use of Reserves (FROM) / TO	(642.7)	(155.6)
Release of Provison	40.0	(40.0)
Predicted Reserve Balance	1,005.0	809.4

5.2 These reserve movements are further summarised in Appendix 2. Members should note that the £250k for SDF and Community Initiatives has now been provisionally allocated to fund the matched funding commitment for the Heritage Lottery funding (HLF) for the This Exploited Land project.

5.3 Directors and the s151 Officer had an in-depth discussion and review of the reserves and the risks they are designed to cover at the away-days in November. The conclusion was that the level of reserves at a predicted year-end balance of approximately £800k remained adequate even with £250k of this allocated to match fund the HLF partnership project, on the understanding that there would be a rebalancing of the budget from discretionary funds in 2015/16. The relative advantages and disadvantages of maintaining a high level of reserves have been regularly discussed with Members over the last few years. Members' views are sought at the meeting as to the future reserves policy.

5.4 Members should be aware that the reserve balance will always vary from this estimate to reflect amounts which are firmly committed to specific projects but not spent due to uncontrollable circumstances such as poor weather impeding the delivery of forestry projects. For the purposes of this discussion these elements are excluded from the estimate.

6. North Yorkshire Pension Fund Triennial Review 2013

6.1 The Authority is an admitted body to the North Yorkshire Pension Fund. The fund is administered by a Pension Fund Committee (PFC) and is subject to a formal valuation of assets and liabilities every three years. This valuation process is termed the "Triennial Valuation" and the latest valuation, dated March 2013 has recently been completed.

- 6.2 A key output of the valuation is an assessment of the rate of contribution that each employer of the Fund must make in order to ensure that the Fund continues to remain solvent in the long term.
- 6.3 In January 2011, the authority approved an employer contribution rate to the Fund for this authority of 16.1% of salary costs. That rate has remained in place for the financial years 2011/12 – 2013/14. This level of contribution has sought to allow the authority to pay off its proportion of the long term fund deficit over a 24 year period ending in 2035. The 16.1% target rate was based on a pay assumption of £2.78m for those members of staff in the pension scheme and consists of two elements;
- Future Service Payments at 11.2% - this element relates to the funding of the liabilities of continuing staff and as such will reduce pro-rata to any reduction in salaries costs
 - Past Service Adjustment at 4.9% - this element relates to the payback of the long term deficit and is not related to current staff and as the staffing budget reduces over time this percentage will not be sufficient to recover the deficit within the required timeframe. As a result this was converted to a pre-determined annual amount.
- 6.4 The decision relating to the future funding rates for the period to take effect for three years from the 1 April 2014 was delegated to the Chief Executive on advice from the section 151 Officer at the meeting of the National Park Authority on 16 December 2013. This decision was taken to allow the impact of the funding settlement to be considered when making the decision and to allow for a response to the Pension Fund Committee by the required deadline of 17 January 2014. The result of the triennial valuation has indicated that the overall funding level has increased from 74% at 31 March 2010 to 82% at 31 March 2013. The impact of this is that the past service adjustment can be decreased from 2010 estimates which can be offset against an increase of the Future Service Payment which has increased to 13.5% of pensionable pay as a result of a number of factors but mainly increased life expectancy levels. This means that the Pension Fund payments do not require an increase in budget over the period and will remain at 448k in 2014/15. This leaves the Authority on track to recover the deficit over the remaining 21 year period to end in 2035. The Authority could consider options to pay additional sums to decrease the recovery period, however, it is not considered conducive to do so at this point in time and as a result the Chief Executive and s151 Officer indicated that this Authority would accept the controlled flexibility option so as to avoid any need to increase the budget estimates during this difficult period. **Appendix 4** to this report summarises the position.
- 6.5 Officers are currently exploring options for payment of the past service payments in advance of the due dates in order to secure a future saving which could offset the lost investment interest caused by reduced cash balances. Officers will update Members on any decisions and the implications of this option when more information becomes available.
7. **Staff Savings**
- 7.1 Prior to the confirmation of the 2014/15 grant Officers and Members had discussed a number of potential mechanisms for identifying further staff related savings. Since that time the target of £75k savings from managing vacancies has been almost achieved.
- 7.2 Following the Members discussion at the November FRASC meeting, staff views will be sought on a range of possible changes to terms and conditions of employment. The feedback from this will be used to determine which, if any of the proposals should go

ahead. While needing to make savings, Officers are mindful of balancing the financial saving with the effect on staff morale.

8. Financial and Staffing Implications

8.1 The financial implications are described in the report.

9. Sustainability and Legal Implications

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

10. Recommendation

That Members;

10.1 note the content of this report and **Appendices**, approve the work undertaken to date on the draft budget, and the further work to be undertaken to finalise the budget before approval in March 2014.

10.2 note the decision taken by the Chief Executive in consultation with the s151 Officer to opt to maintain the estimated Pension Fund contributions for 2014/15 at rate estimated in the 2010 Triennial Valuation.

10.3 provide guidance on the balance between the options detailed in paragraph 4.10 above which will then be factored into the budget to be approved by the March deadline.

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Background documents to this report

File Ref.

Business Plan 2012-2015
Budget Estimate 2014/15 – Finance Risk Audit and Standards Committee 25 November 2013

FUNCTION	Col. 1	Col.2	Col. 3.
	2013/14 Revised Estimate	Draft OE 2014/15	Difference RE 13/14 & OE 14/15
Conservation Natural Environment			
Woodlands & Trees	11,440.0	10,000.0	(1,440.0)
Income	(2,500.0)	0.0	2,500.0
Net Expenditure	8,940.0	10,000.0	1,060.0
Moorland	46,700.0	37,710.0	(8,990.0)
Income	(35,650.0)	(25,250.0)	10,400.0
Net Expenditure	11,050.0	12,460.0	1,410.0
Wetlands & Water	108,940.0	34,390.0	(74,550.0)
Income	(100,340.0)	(24,410.0)	75,930.0
Net Expenditure	8,600.0	9,980.0	1,380.0
Farmed Land	311,000.0	275,000.0	(36,000.0)
Income	(6,680.0)	(6,680.0)	0.0
Net Expenditure	304,320.0	268,320.0	(36,000.0)
Coast	33,540.0	54,680.0	21,140.0
Income	(10,000.0)	(10,000.0)	0.0
Net Expenditure	23,540.0	44,680.0	21,140.0
Biodiversity and Wildlife Conservation	58,990.0	11,000.0	(47,990.0)
Income	0.0		0.0
Net Expenditure	58,990.0	11,000.0	(47,990.0)
Conserv Nat Env (Emp)	320,570.0	297,670.0	(22,900.0)
Income	0.0		0.0
Recharges	135,530.0	135,530.0	0.0
	0.0		0.0
Gross Expenditure	1,026,710.0	855,980.0	(170,730.0)
INCOME	(155,170.0)	(66,340.0)	88,830.0
NET TOTAL	871,540.0	789,640.0	(81,900.0)
Conservation Cultural Heritage			
Buildings	40,000.0	29,170.0	(10,830.0)
Income	0.0	0.0	0.0
Net Expenditure	40,000.0	29,170.0	(10,830.0)
Archaeology	122,430.0	122,962.0	532.0
Income	(83,930.0)	(83,930.0)	0.0
Net Expenditure	38,500.0	39,032.0	532.0
Enhancement Schemes	102,990.0	37,063.0	(65,927.0)
Income	(87,340.0)	(36,000.0)	51,340.0
Net Expenditure	15,650.0	1,063.0	(14,587.0)
Conservation Areas	15,200.0	11,230.0	(3,970.0)
Local Culture & Tradition	5,750.0	2,500.0	(3,250.0)
Conserv Cult Her (Emp)	79,930.0	84,940.0	5,010.0
Recharges	65,550.0	65,550.0	0.0
Gross Expenditure	431,850.0	353,415.0	(78,435.0)
INCOME	(171,270.0)	(119,930.0)	51,340.0
NET TOTAL	260,580.0	233,485.0	(27,095.0)
Recreation Management			
P.R.O.W.S.(1)	32,350.0	0.0	(32,350.0)
Income	(26,160.0)		26,160.0
Net Expenditure	6,190.0	0.0	(6,190.0)
National Trails	114,540.0	115,970.0	1,430.0
Income	(114,460.0)	(113,910.0)	550.0
Net Expenditure	80.0	2,060.0	1,980.0
Access to Open Land	400,410.0	275,200.0	(125,210.0)
Income	(49,000.0)	(19,000.0)	30,000.0
Net Expenditure	351,410.0	256,200.0	(95,210.0)
Visitor Mgt & Facilities	51,560.0	51,900.0	340.0
Specialist Recreation	0.0		0.0
Income	0.0		0.0
Net Expenditure	0.0		0.0
Car Parks	105,480.0	116,700.0	11,220.0
Income	(369,000.0)	(338,000.0)	31,000.0
Net Expenditure	(263,520.0)	-221,300.0	42,220.0
Public Transport	203,520.0	50,000.0	(153,520.0)
Income	(40,000.0)		40,000.0
Net Expenditure	163,520.0	50,000.0	(113,520.0)
Recreation (Emp)	220,000.0	171,140.0	(48,860.0)
Recharges	248,710.0	248,710.0	0.0
Gross Expenditure	1,376,570.0	1,029,620.0	(346,950.0)
INCOME	(598,620.0)	(470,910.0)	127,710.0
NET TOTAL	777,950.0	558,710.0	(219,240.0)
Promoting Understanding			
Visitor Centres	508,500.0	435,020.0	(73,480.0)
Income	(208,350.0)	(211,850.0)	(3,500.0)
Net Expenditure	300,150.0	223,170.0	(76,980.0)

Info & Interp Services	144,310.0	92,300.0	(52,010.0)
Income	(58,370.0)	(36,600.0)	21,770.0
Net Expenditure	85,940.0	55,700.0	(30,240.0)
Education Service	112,060.0	79,640.0	(32,420.0)
Income	(19,000.0)	(17,100.0)	1,900.0
Net Expenditure	93,060.0	62,540.0	(30,520.0)
Info Interp Educ (Emp)	236,560.0	236,800.0	240.0
Income	0.0		0.0
Recharges	256,450.0	256,450.0	0.0
Gross Expenditure	1,257,880.0	1,100,210.0	(157,670.0)
INCOME	(285,720.0)	(265,550.0)	20,170.0
NET TOTAL	972,160.0	834,660.0	(137,500.0)
Rangers & Volunteers			
Ranger Services	246,640.0	257,610.0	10,970.0
Estate Teams	210,800.0	236,750.0	25,950.0
Volunteers	186,400.0	195,910.0	9,510.0
Income	(3,180.0)	(4,040.0)	(860.0)
Net Expenditure	183,220.0	191,870.0	8,650.0
Rangers & Estates (Emp)			
Recharges	189,400.0	189,400.0	0.0
Gross Expenditure	833,240.0	879,670.0	46,430.0
INCOME	(3,180.0)	(4,040.0)	(860.0)
NET TOTAL	830,060.0	875,630.0	45,570.0
Development Control			
Development Control	268,250.0	65,410.0	(202,840.0)
Development Control (Emp)	398,190.0	419,883.0	21,693.0
Recharges	249,040.0	249,040.0	0.0
Gross Expenditure	915,480.0	734,333.0	(181,147.0)
INCOME	(211,750.0)	(211,750.0)	0.0
NET TOTAL	703,730.0	522,583.0	(181,147.0)
Forward Planning			
National Park Mgt Plan	2,850.0	1,000.0	(1,850.0)
Statutory Devt Plans	24,750.0	35,000.0	10,250.0
Local Studies & Plan	34,550.0	34,550.0	0.0
Income			
Net Expenditure	34,550.0	34,550.0	0.0
Minerals Policy			
Sustainable Development Fund	152,400.0	62,400.0	(90,000.0)
Forward Planning (Emp)	174,850.0	166,423.0	(8,427.0)
Recharges	87,430.0	87,430.0	0.0
	0.0		
Gross Expenditure	476,830.0	386,803.0	(90,027.0)
Income	0.0	0.0	0.0
NET TOTAL	476,830.0	386,803.0	(90,027.0)
Corporate and Democratic Core			
Support Staff Costs	453,280.0	448,880.0	(4,400.0)
Office Accommodation	57,900.0	57,650.0	(250.0)
Income	(15,000.0)	(15,000.0)	0.0
Net Expenditure	42,900.0	42,650.0	(250.0)
Support Supplies & Servs	372,530.0	312,150.0	(60,380.0)
Income	(32,400.0)	(15,000.0)	17,400.0
Net Expenditure	340,130.0	297,150.0	(42,980.0)
Contracted in Services	174,870.0	181,075.0	6,205.0
Democratic (Cttee) Costs	81,320.0	76,620.0	(4,700.0)
Corp Mgt & Admin (Emp)	442,400.0	345,060.0	(97,340.0)
Recharges	(1,232,110.0)	(1,232,110.0)	0.0
	0.0		0.0
Gross Expenditure	350,190.0	189,325.0	(160,865.0)
INCOME	(47,400.0)	(30,000.0)	17,400.0
NET TOTAL	302,790.0	159,325.0	(143,465.0)
Gross Expenditure	6,668,750.0	5,529,356.0	
Gross Income	(1,473,110.0)	(1,168,520.0)	
NET TOTAL	5,195,640.0	4,360,836.0	0.0
Funded by:			
NPG & LOCAL AUTHORITY	(4,552,900.0)	(4,165,232.0)	387,668.0
From / To Reserves	(642,740.0)	(195,604.0)	447,136.0
	(5,195,640.0)	(4,360,836.0)	834,804.0
Budget After Grants & Levies	0.0	0.0	0.00

(1)The majority of expenditure on Public Rights of Way is budgeted as either staff costs or 'Access to Open Land'. The budgets allocated here have historically been externally funded. Work will be undertaken during 2014/15 to review the analysis of this expenditure for future years.

FUNCTION	Col. 1	Col.2	Col. 3.	Col.4 Comments
	2013/14 Revised Estimate	Draft OE 2014/15	Difference RE 13/14 & OE 14/15	
General Reserves				
General Reserves	117,750.0	(604.0)	117,146.0	
Planning LDF reserve	51,800.0	(30,000.0)	21,800.0	
Visitor centre Reserve	10,000.0		10,000.0	
Building & Property	38,000.0		38,000.0	
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	(125,000.0)	25,000.0	
Earmarked Reserves				
Conservation Reserve	42,200.0		42,200.0	
Miscellaneous	51,850.0		51,850.0	
SDF & Community Initiatives Reserve	250,000.0		250,000.0	
Provision Release	40,000.0	(40,000.0)	0.0	
Total Reserve b/f	1,005,000.0	-195,604.0	809,396.0	



Department
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Mr Andy Wilson
Chief Executive
North York Moors National Park Authority
The Old Vicarage
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20th December 2013

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Dear Andy,

2014/15 and 2015/16 Budgets

I am writing to inform you that Ministers have now approved your budgets for both 2014/15 and 2015/16, including the late adjustment for Autumn statement.

As you are aware, this has been a difficult process with Defra facing budget cuts of 30% during the current Spending Review, SR10, and a further 9.6% cut for 2015/16, SR13. In addition the Autumn Statement of 5th December informed Departments of a further 1.1% reduction to unprotected budgets for 2014/15 and 2015/16. After taking into account a Ministerial commitment to protect floods maintenance this has translated into a reduction of all other budgets by 1.2%. We have had to make some tough decisions in reaching a balanced budget for both years but have tried to make sure that Defra's key priorities are protected.

Details are as follows:

North York Moors National Park Authority	2014/15	2015/16
Funding	£4,165,232	£4,092,793

Please ensure that these figures are the ones you are working to for your current business planning process.



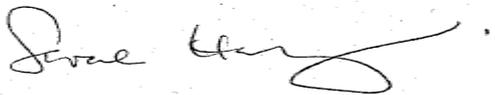
These allocations may be subject to further adjustment as a result of the current work being undertaken across the Network on *Strategic Alignment/One Business*. Any adjustments will only be made as agreed by Network representatives as part of the *One Business* governance structure and endorsed by the Executive Committee and/or the Finance Panel. These budget adjustments will be formally notified to you as and when agreed.

Not surprisingly, I must also signal that the wider fiscal outlook for public finances is still uncertain and there is likely to be continued downward pressure on Government spending. Therefore I must caveat that the budget figures for the next two years could be subject to revision in the event that Defra's budget was materially reduced. Hopefully we can avoid further adjustments to your budget and so you should plan on the above numbers unless advised otherwise. If changes do arise we will ensure that you are notified as soon as possible.

I know that achieving this level of savings will prove challenging and your efforts in getting to this position are very much appreciated. Both the sponsorship and Finance teams are available to work with you on any issues you may have.

Finally, can I just record my thanks to you and your team for all you've done this year and wish you a peaceful Christmas and a happy 2014.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Sarah Hendry', with a long, sweeping flourish extending to the right.

Sarah Hendry
Director
Rural Development, Sustainable Communities & Crops

North Yorkshire Pension Fund - 2013 Valuation

Provisional Results

Employer Number	52
Employer Name	North York Moors National Park
Open / Closed to new members	Open
Employer Type	Scheduled Body
Pensionable pay at valuation date (£000s)	2,470

Valuation Balance Sheet

	31 March 2010 £000s	31 March 2013 £000s
Surplus / (Deficit)	(2,876)	(2,722)
Funding Level	74%	82%

Future Service Contribution Rate

	31 March 2010	31 March 2013
% of pensionable pay	11.2%	13.5%
Estimated 2014/15 contributions (£)*	276,600	333,000

* based on 2013 valuation payroll.

Deficit Contribution Requirements

	31 March 2010*	31 March 2013	Proposed contributions**
2014/15	171,600	145,600	115,200
2015/16	179,700	151,600	119,900
2016/17	188,300	157,800	124,800
2017/18	197,200	164,300	130,000
2018/19	206,600	171,000	135,300
2019/20	216,400	178,000	140,800
Recovery Period (years)	21*	21	21

*The 2014/15 figure is based on the 2013/14 contributions provided by the Fund, with a one year estimated increase in line with the 2010 recovery plan. The recovery period is the period remaining from the 2010 recovery plan

**Allows for market movements since 31 March 2013

	31 March 2010	31 March 2013 baseline	Proposed contributions*
Estimated total 2014/15 employer contributions	448,200	478,600	448,200
	21 year recovery remaining	21 year recovery	21 year recovery

*Allows for market movements to 31 August