

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

1 February 2021

Budget 2021/22

1. Purpose of the Report

- 1.1 This report is intended to provide Members with the proposed final 2021/22 budget and an update on any changes made to the proposed budget since it was presented to full National Park Authority in December.

2. Final Budget Proposal

- 2.1 A draft budget was proposed to this committee in November and full National Park Authority in December. There have been no significant changes to those budget proposals, which can be found in the appendices.
- 2.2 £22.8k of the unallocated reserve is proposed to be used to help balance the budget in 2021/22. Deficits from 2022/23 will be addressed through the new management plan process.

2.3

	21/22
Income	9326
Expenditure	-9349
Deficits from reserves	-22.8

- 2.4 The £351.2k of mitigation proposed in the report before Christmas has now been applied to the budgets in the appendices. The list of mitigations can be found in appendix 4.
- 2.5 Recharges have also now been applied to the final budgets; this has no impact on the bottom line, but ensures that all support costs are recharged to the end services.
- 2.6 Of the significant 21/22 risks highlighted in that report, there has been no change in the interim which has changed the assumptions and figures within the budget. However points to note are below.
- 2.7 DEFRA grant is still assumed to be a freeze, with no confirmation yet received regarding the 21/22 settlement. The potential for additional funding via the Agricultural Transition Plan is not currently included as more details are required on this than are currently available.
- 2.8 Pay award remains at 2% as there has been no confirmation on what this is expected to be yet. With much of the public sector facing a freeze in pay, it may be that the Local Government arrangements could follow suit, but at this stage it is prudent to assume an increase in pay.

- 2.9 The country is now in a further lockdown period, but it is hoped that the current level of restrictions will be lifted by the end March 2021 as the vaccine rolls out. Therefore, the assumption built into the budget that our facilities will be open all year in 2021/22 remains the same, although this will continue to be monitored as an ongoing substantial risk.
- 2.10 On the 1 January 2021, the UK left the European Union with a trade deal agreed. There are currently no financial impacts as a result of this, but any trends in supplier costs will be monitored and forecasted in year if appropriate.
- 2.11 S106 figures are now available and have been updated in the budget and an expected income and spend of £1.9m has been added to the budget. This has no impact on the bottom line but increases the overall spend for the Authority to £9.4m in 21/22.

3. **Next Steps**

- 3.1 Final sign off of the 2021/22 budget at member level following this meeting is at the National Park Authority meeting in March.

4. **Recommendations**

- 4.1 Members are asked to note the updates in the paper since the December National Park Authority draft and comment ahead of onward transmission of the budget to Full National Park Authority in March.

Contact Officers
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Chief Financial Officer

Appendix 1

Appendix 1 Budget by Function	20/21 Original Budget	20/21 Revised Budget	2021/22 Budget
Income	£k	£k	£k
Conservation Of Cultural Heritage	515	550	94
Conservation Of The Natural Environment	1049	1250	755
Corporate Management	210	181	220
Development Control	305	230	270
Forward Planning	15	15	17
Promoting Understanding	1081	914	397
Rangers & Volunteers	0	0	0
Recreation Management	858	546	903
Polyhalite	2300	2440	2,288
Resources (DEFRA Grant)	4382	4382	4,382
Total Income	10715	10508	9,326

Expenditure			
Conservation Of Cultural Heritage	-791	-769	-360
Conservation Of The Natural Environment	-1788	-1915	-1,592
Corporate Management	-421	-402	-300
Development Control	-753	-770	-787
Forward Planning	-353	-292	-229
Promoting Understanding	-2233	-2163	-1,580
Rangers & Volunteers	-841	-800	-856
Recreation Management	-1338	-1385	-1,357
Polyhalite (S106)	-2300	-2440	-2,288
Total Expenditure	-10818	-10936	-9,349

Deficit	-103	-429	-23
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Appendix 2

Appendix 2 Budget by Subjective	2021/22 Budget
Income	£k
Other Grants	839
Sales	234
Lettings	92
Booking Fees	65
Car Park Income	651
Planning Fees	270
Other Income	120
Donations & Sponsorship	47
Investment Income	10
Capital Receipts	16
External Match Funding	212
S106 staff recharge	100
DEFRA Grant	4,382
S106 Income	2,288
Total Income	9,326
Expenditure	
Employees	-3,636
Premises	-389
Transport	-181
Supplies & Services	-1,953
Grants	-345
Third Party	-377
Contribution to reserves	-150
Inflation contingency	-30
S106 Spend	-2,288
Total Expenditure	-9,349
Deficit	-23

Appendix 3

Appendix 3 : Reserve Summary	20/21 Opening Position	Cont from Reserve	Cont to Reserve	20/21 Closing Position	Cont from Reserve	Cont to Reserve	21/22 Closing Position	Cont from Reserve	Cont to Reserve	22/23 Closing Position	Cont from Reserve	Cont to Reserve	23/24 Closing Position
Emergency Reserve	385	-111		274		97	371			371			371
TELI Match Funding	381	-381		0			0			0			0
Section 106 Reserve	628	-400		228			228			228			228
Restricted and Committed Reserves	1,394	-892	0	502	0	97	599	0	0	599	0	0	599
Capital : Sutton Bank Visitor Centre	50	-50		0			0			0			0
Capital : Vehicle Replacements	60	-63	75	72	-80	75	67	-58	75	84	-146	75	13
Capital : IT Replacements	55	-104	75	26	-50	75	51	-96.5	75	29.5	-77.25	75	27.25
Capital : Office Building Works	280			280	-50		230	-115		115	-115		0
Projects : Ryevitalise Match Funding	153	-40		113	-55		58	-22		36	-36		0
Projects : Asset Income Generation	80	-25		55	-55		0			0			0
Projects : Climate change post	18	-4.5		13.5	-13.5		0			0			0
Projects : Car park machines	115	-115		0			0			0			0
Projects : Disability access routes	8	-8		0			0			0			0
Pension Smoothing Reserve	0		10	10		57	67		71	138	-30		108
Allocated to support 20/21	115	-115		0			0			0			0
2019/20 carry forwards	52	-52		0			0			0			0
Committee Approved Reserves	986	-576.5	160	569.5	-303.5	207	473	-291.5	221	402.5	-404.25	150	148.25
General Unallocated Reserve	198	-36		162	-120.2		41.8			41.8			41.8
Total	2,578	-1,505	160	1,234	-424	304	1,114	-292	221	1,043	-404	150	789

Appendix 4

Appendix 4 – Budget Mitigation Area of Spend	Budget Reductions Applied	Proposed 2021/22 Budget
Biodiversity action plan (no longer required)	-13.0	0.0
Connectivity	-75.0	100.0
PAWS	-20.0	60.0
Traditional Boundary Scheme	-25.0	35.0
Archive Services	-3.0	0.0
Historic Buildings Grants	-25.0	25.0
Committee Costs	-10.0	66.0
Corporate overheads (e.g. printing / postage)	-20.0	53.0
Volunteers	-15.0	98.0
Rangers overheads budgets	-5.0	138.0
Rosedale access route	-4.0	5.5
Tourism grant	-56.0	0.0
Village improvement grant	-30.0	26.0
Admin Apprentice	-10.0	0.0
Target Outreach net saving	-3.6	14.4
Community Champions	-0.6	0.9
Access works budget	-16.0	120.0
Contingency	-20.0	30.0