



Draft 2019/20 Budget

Paper for noting

1. Purpose
To present the draft 2019/20 budget for review and discussion.
2. Recommendation
To note that the draft 2019/20 budget will balance from a capital perspective and that there are £80k of revenue savings to find as at 11 February 2019.
3. Contribution to National Park Partnership Plan and/or Our 5-Year Plan
The 2019/20 budget process supports the delivery of Our 5-Year Plan by ensuring that financial resource is allocated to priority activities.
4. 2018/19 Out-turn and impact on 2019/20 Budget
The Executive Team have advised that any underspends in 2018/19 are to be allocated to 2019/20 budget pressures: Mountains & The People, IT and other equipment upgrades and annual contributions to key community partners.
5. Draft 2019/20 Budget Overview
The draft budget has been reviewed in detail by the Executive Team and further work will be carried out to create a balanced budget. The spreadsheet at Appendix 1 shows the comparison of the draft 2019/20 budget to the 2018/19 forecast and key points to note are:
 - a. We received a favourable budget allocation from Scottish Government of £1.16 million capital (£200k increased from 2018/19) and £6.52 million revenue (flat).
 - b. The 2018/19 forecast income is unusually high as it includes £151k of court awards in relation to Luss Visitor Centre and Drumlean access case.
 - c. The 2019/20 operational income is expected to be £110k higher than the usual income in 2018/19 because of cost recharges of £37k (no net impact), £48k increase in car park and toilet charging, £20k from the increase in the price of the launch fees and £7k sponsorship income. The car park increases are subject to the success of the car park charging project and the toilet charging increase is subject to effective operation of the turnstiles at both Luss and Balmaha (issues in 2018/19).
 - d. Capital operating costs of £245k for 2019/20 reflect the need to invest in our IT infrastructure and SWAN of £220k and £25k for property improvements associated with, but not funded by, the West Loch Lomond RTIF project. In 2018/19 the capital budget included £32k for ICT hardware and software, £9k for tools and equipment and £196k for property improvements. There were budget requests for similar expenditure as part of the 2019/20 budget and these will be funded by the 2018/19 out-turn management. The capital property improvements in 2018/19 do not require to be repeated in 2019/20.
 - e. 2019/20 revenue operating costs are £79k lower than the 2018/19 forecast and the most significant reduction is in property costs of £97k: we have eliminated the franchise

Chairs and Executive Group

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fee payable in relation to Loch Lubnaig and property repairs and developments have been reduced to the minimum reflecting the work carried out in 2018/19 and the team priority in 2019/20 on project delivery.

- f. Salaries have increased by £372k which includes £200k of pay award costs and some additional posts. The savings target of £200k reflects the reality of the salary budget as vacancies will arise during the year and be managed to deliver the total budget of £5.7 million. During 2018/19 the savings realised were close to £150k so the £200k target is challenging but not unrealistic for 2019/20. We have attributed 18% of the capital budget allocation (£1.16 million) as salary costs associated with capital assets and this percentage is in line with 2018/19.
- g. The draft activities budget for 2019/20 of £966k includes the following:
- Wild Park £69k
 - Land Management, Trees & Woodlands Strategy and TPO project £23k
 - Ranger workboat £50k
 - Place enabling, ORP and path provision £60k
 - Respect £55k
 - Your Park £29k
 - Education and Inclusion £36k
 - West Loch Lomond RTIF £267k
 - Signage for West Loch Lomond RTIF £30k
 - East Loch Lomond RTIF £53k
 - Car Park Charging project £58k
 - Estates projects £95k
 - Litter Infrastructure £15k
 - Visitor Experience Research & Events £30k
 - Grant Scheme £87k
 - Callander's Landscape £9k (our project contribution for 2019/20)

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