



Finance Update

Agenda Item 14

National Park Authority Board Meeting

11 March 2024

Paper for information

1. Purpose.....	1
2. Recommendation(s).....	1
3. Contribution to National Park Partnership Plan and/or Our 5-year Plan.....	1
4. Background.....	1
5. Management Accounts	2
6. Risks	3
7. Statutory Accounts	3
8. Appendices.....	3

1. Purpose

1.1. The purpose of this paper is to present the financial update for the 10 months ended 31 January 2024.

2. Recommendation(s)

2.1. That the Board note this report and the Management Accounts for the period ended 31 January 2024 (Appendix 1).

3. Contribution to National Park Partnership Plan and/or Our 5-year Plan

3.1. Robust financial and budget management underpins the outcomes and priorities of the National Park Partnership Plan and Our 5 year Plan.

4. Background

4.1. The revised budget (referred to as the 'Q2 budget') for 2023/24 was presented to the Board in December 2023. The Management Accounts present the actuals against the full year and year to date revised budget. The prior year actuals are included for reference.

4.2. The Q2 budget shows a revenue deficit of £175k and a capital deficit of £246k. Although a deficit figure is shown, this does not mean that an

overspend is anticipated when the budget is set. The revenue and capital budgets are over-programmed to reflect the fact that slippage is expected in some projects. The majority of project expenditure takes place in the latter half of the year and delivery can be challenging in the winter. The over-programming in the budget is designed to reduce the risk of budget underspend and ensure efficient budget management with the expectation that both overspend positions will be managed down throughout the remainder of the financial year.

5. Management Accounts

- 5.1. Excluding Grant in Aid and Other Public Bodies Grant Income, total income for the 10 months to the end of January 2024 was £785k compared to a year to date Q2 budget of £718k. Higher than budgeted income was generated across slipway income, car parking charges and toilet charging.
- 5.2. Salary costs to the end of January are £5,506k including seasonal costs, £378k below the revised Q2 YTD budget. The saving against budget is as a result of the delayed implementation of the 2023/2024 pay award. This is now finalised and due to be paid to staff in March 2024.
- 5.3. Operational revenue expenditure, excluding Payments to Third Parties, to the end of January totals £1,841k which is £50k above year to date Q2 budget of £1,791k. Our expectation is that we will manage within the full year budget allocation. Year to date operational capital spend at £64k is marginally ahead of the Q2 year to date budget.
- 5.4. Excluding GIA funded projects (Peatland and Nature Restoration), net project spend for the year to date remains low with year-to-date capital expenditure at £418k and revenue expenditure at £244k. Full year targets are capital £2,710k and revenue £569k. However, it should be noted that the rate of spend has picked up in January and plans are in place to further accelerate spend as we move into the final 2 months of the year.
- 5.5. Processes are in place to continually monitor the financial position running into year and to address the key challenge of delivering a balanced financial outturn across both revenue and capital accounts. As of the end of January, the current projected forecast of year end positions is for revenue deficit of £114k (vs £175k in Q2) and for capital a deficit of £312k (vs £246k in Q2) and we note that the capital forecast is heavily impacted by the forecast outturns for Tarbet, Mission Zero and Conic and regular reviews continue. Our expectation continues to be the

delivery of a balanced financial outcome across both revenue and capital accounts.

6. Risks

6.1. Project expenditure at the end of January remains low, with only 15% of the capital activity budget and 42% of the revenue activity budget having been spent. This low level of spend is not unusual at this stage in the financial year given the seasonal nature of project delivery and the large programmes within the budget. However we do note we note that the capital forecast is heavily impacted by the forecast outturns for Tarbet, Mission Zero and Conic and regular reviews continue.

7. Statutory Accounts

7.1. The 2022/23 Statutory Accounts were laid in Parliament on 15th November 2023. Planning has started for the 23/24 annual accounts. Meetings with our external auditors Mazars commenced in January with interim field work commencing March.

8. Appendices

Appendix 1 – Management Accounts to 31 January 2024

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