

Public Document Pack

Peak District National Park Authority

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Our Ref: A.1142/74

Date: 28 May 2015



NOTICE OF MEETING

Meeting: **Audit Resources & Performance Committee**

Date: **Friday 5 June 2015**

Time: **10.00 am**

Venue: **The Board Room, Aldern House, Baslow Road, Bakewell**

SARAH FOWLER
CHIEF EXECUTIVE

AGENDA

1. **Apologies for Absence**

2. **Urgent Business**

3. **Public Participation**

To note any questions or to receive any statements, representations, deputations and petitions which relate to the published reports on Part A of the Agenda.

4. **Members Declarations of Interest**

Members are asked to declare any disclosable pecuniary, personal or prejudicial interests they may have in relation to items on the agenda for this meeting.

5. **Specific Reserves (A.13392/JNF) (Pages 1 - 12)**

15 mins

Appendix 1

Appendix 2

Appendix A

Appendix B

Appendix C

Appendix D

Appendix E

Duration of Meeting

In the event of not completing its business within 3 hours of the start of the meeting, in accordance with the Authority's Standing Orders, the Authority will decide whether or not to continue the meeting. If the Authority decides not to continue the meeting it will be adjourned and the remaining business considered at the next scheduled meeting.

If the Authority has not completed its business by 1.00pm and decides to continue the meeting the Chair will exercise discretion to adjourn the meeting at a suitable point for a 30 minute lunch break after which the committee will re-convene.

ACCESS TO INFORMATION - LOCAL GOVERNMENT ACT 1972 (as amended)

Agendas and reports

Copies of the Agenda and Part A reports are available for members of the public before and during the meeting. These are also available on the website www.peakdistrict.gov.uk.

Background Papers

The Local Government Act 1972 requires that the Authority shall list any unpublished Background Papers necessarily used in the preparation of the Reports. The Background Papers referred to in each report, PART A, excluding those papers that contain Exempt or Confidential Information, PART B, can be inspected by appointment at the National Park Office, Bakewell. Contact Democratic Services on 01629 816200, ext 362/382. E-mail address: democraticservices@peakdistrict.gov.uk.

Public Participation and Other Representations from third parties

Anyone wishing to participate at the meeting under the Authority's Public Participation Scheme is required to give notice to the Director of Corporate Resources to be received not later than 12.00 noon on the Wednesday preceding the Friday meeting. The Scheme is available on the website www.peakdistrict.gov.uk or on request from Democratic Services 01629 816362, email address: democraticservices@peakdistrict.gov.uk, fax number: 01629 816310.

Written Representations

Other written representations on items on the agenda, except those from formal consultees, will not be reported to the meeting if received after 12noon on the Wednesday preceding the Friday meeting.

Recording of Meetings

In accordance with the Local Audit and Accountability Act 2014 members of the public may record and report on our open meetings using sound, video, film, photograph or any other means this includes blogging or tweeting, posts on social media sites or publishing on video sharing sites. If you intend to record or report on one of our meetings you are asked to contact the Democratic and Legal Support Team in advance of the meeting so we can make sure it will not disrupt the meeting and is carried out in accordance with any published protocols and guidance.

The Authority uses an audio sound system to make it easier to hear public speakers and discussions during the meeting and to make a digital sound recording available after the meeting. The recordings will usually be retained only until the minutes of this meeting have been confirmed.

General Information for Members of the Public Attending Meetings

Aldern House is situated on the A619 Bakewell to Baslow Road, the entrance to the drive is opposite the Ambulance Station. Car parking is available. Local Bus Services from Bakewell centre and from Chesterfield and Sheffield pick up and set down near Aldern House. Further information on Public transport from surrounding areas can be obtained from Traveline on 0871 200 2233 or on the Traveline website at www.travelineeastmidlands.co.uk.

Please note that there is no catering provision for members of the public during meal breaks. However, there are cafes, pubs and shops in Bakewell town centre, approximately 15 minutes walk away.

To: Members of Audit Resources & Performance Committee:

Chair: Cllr A McCloy
Vice Chair: Cllr C Furness

Mr P Ancell	Mrs P Anderson
Mrs F Beatty	Cllr D Birkinshaw
Cllr D Chapman	Cllr D Greenhalgh
Mr Z Hamid	Cllr P Harrison
Cllr Mrs G Heath	Mr R Helliwell
Ms S Leckie	Cllr S Marshall-Clarke
Cllr C McLaren	Clr Mrs L C Roberts
Mrs E Sayer	Cllr Mrs N Turner
Cllr D Williams	

Constituent Authorities
Secretary of State for the Environment
Natural England

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5. **SPECIFIC RESERVES (A.13392/JNF)**

Purpose of the Report

For Members to approve the reason for and level of Specific Reserves being held by the Authority.

1. **Key Issues**

- The total of the reserves has increased by £422,697 compared to 2013/14.
- The Restructuring Reserve has been increased by £200,000 to accommodate potential transition costs arising from challenges in the next Spending Review period, which is considered to be the minimum viable level for this reserve.
- The ICT reserve has been temporarily increased to help finance one off transition costs planned in 2015/16 for ICT infrastructure.
- The opportunity has been taken to increase the Minerals and Legal Reserve with funds from the Planning and Legal budgets.

Recommendation

2. **1. That the Committee notes the objectives set out for each reserve and endorses the current policy.**

How does this contribute to our policies and legal obligations?

3. The Authority has the following overall policy for the Specific Reserves.

(a) that a specific reserve can be established as a means of ironing out peaks and troughs in a rolling programme of expenditure, linked to a service's need to maintain specific categories of assets or address certain business risks.

(b) that the reserves should not entirely replace use of the general reserve and capital receipts reserve for major issues.

The Chief Finance Officer welcomes the use of these Specific Reserves as a means of helping services manage their expenditure programmes over the longer term period. The specific reserves, together with the capital receipts reserve and general reserve, continue to form an important component of the Authority's financing. The Asset Management Plan, revenue budgets, risk management, and the Capital Strategy all help to inform the future direction and nature of these reserves. The levels of the reserve vary, and help budget holders to supplement their annual revenue or capital budgets without drawing on corporate funds. The reserves also offer an opportunity and incentive for budget holders to plan expenditure programmes over longer time periods than one year – this is helpful where expenditure on the underlying assets can be high but infrequent, making budgetary provision during any one year difficult. In addition, and this is increasingly pertinent, where services have clear financial objectives, the reserves allow short term surpluses and shortfalls arising in any one year to be managed in order to meet the financial objective over a longer business planning cycle.

Budget holders are encouraged to manage their budgets in order to make appropriations to the reserves wherever possible within the remit of their programmes as set out in Appendix 2; they have also been asked by Resource Management Team to take specific account of maintenance issues in proposals for their use.

Background

- 4 This report sets out the uses, levels and future resourcing requirements for the Specific Reserves established by the Authority over a number of years; this report is prepared annually. Appendix 1 shows the historical and current level of specific reserves; Appendix 2 sets out their justification.
- 5 The current year's balance will be £1,359,009, assuming that committee endorse the recommendations on appropriations to these reserves following in the outturn paper, and that they are content with the objectives of the specific reserves set out in this report.
- 6 Expenditure from the reserves in the 2014/15 year was as follows:

£10,702 from the Cycle Hire Reserve, to support the outturn overspend position.
- 7 Income to the reserves in the year is as follows:

£7,000 appropriated to the Aldern House Reserve to support the ongoing maintenance of the property.

£7,500 to the Design Reserve reflecting the move to a trading service and the ability to replace equipment and underwrite any trading shortfall in the future.

£16,500 to the Car Parks and Facilities Reserve for improvements to toilets prior to consideration of charging for their use in certain areas

£69,000 to the ICT Reserve for part financing the transition from an owned to a leased ICT infrastructure model.

£70,000 to the Minerals and Legal Reserve, in support of a programme of supporting our land management policies through public inquiry and the court systems.

£244,399 to the Restructuring Reserve; in support of the Authority's Managing Change policies, as it is considered that a number of employee redundancies are probable in the next Spending Review period, and the current level of the reserve (before this appropriation) is inadequate, and there is no support from Defra for these costs.

£19,000 to the Trails Reserve to support Monsal Trail Health & Safety expenditure and is likely to be used to address issues arising from the general inspection currently underway.

Proposals

- 8 The committee is asked to approve the recommendation in order that the annual accounts can be properly prepared and signed by the Chief Finance Officer before the statutory deadline (30th June).
- Are there any corporate implications members should be concerned about?**
9. **Financial:** The issues are covered in the report.

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10. **Risk Management:** There is a small risk that without clear programmes of work, the specific reserves are not actively managed and the funds are not therefore effectively used for National Park purposes. This report makes clear that the reserves are actively managed and are frequently used. There is conversely a risk that the reserves are insufficient to meet the many liabilities each reserve is set up to address – this is mitigated if services retain the incentive to plan for and make appropriations to the reserves at the year end, where budgetary constraints or trading conditions allow. Without specific reserves the General reserve would need to be set at a much higher level. The Specific Reserves also provide an essential cushion to protect the Authority's financial position in the light of challenges in the next Spending Review period.
 11. **Sustainability:** The extent to which specific reserves can be sustained depends on resource allocation decisions in budgets, overall resource levels, actual performance during the year, and the ability of services to request appropriations to reserves at the year end.
 12. **Consultees:** Budget holders responsible for managing their respective Reserves have been consulted on this report. Resource Management Team have agreed the appropriations on the 12th May 2015, for recommendation to Members in the outturn report.
 14. **Background Papers** (not previously published)

None

Appendices

Appendix 1: Specific Reserves Totals

Appendix 2: Specific Reserves Strategies

Report Author, Job Title and Publication Date

Juliet Farmer, Finance Officer, 22 May 2015

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APPENDIX 1

Peak District National Park Authority

Specific Reserves

Code	Active Reserves	Bal at 31/3/08	Bal at 31/3/09	Bal at 31/3/10	Bal at 31/3/11	Bal at 31/3/12	Bal at 31/3/13	Bal at 31/3/14	Bal at 31/3/15
		<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Proposed</i>
981001	Car Parks and Associated Facilities	45,504	65,504	65,504	65,504	65,504	65,504	45,504	62,004
981002	Trails Reserve	38,704	38,704	38,704	38,704	28,704	18,704	55,704	74,704
981003	Aldern House	53,789	53,789	39,320	30,197	30,197	0	10,000	17,000
982004	Information & Communications	63,731	98,731	183,731	76,936	50,000	50,000	50,000	119,000
982006	Warslow Reserve	15,586	25,586	25,586	586	12,218	17,460	15,966	15,966
982007	Design Equipment	16,742	16,742	6,742	742	18,582	22,582	25,882	33,382
982008	Visitor Services Development	64,446	106,446	94,446	94,446	94,446	111,146	111,146	111,146
982009	Woodlands Reserve	38,140	3,140	3,140	3,140	3,140	18,140	18,140	18,140
982010	Cycle Hire Trading Reserve	39,490	43,490	43,490	38,490	13,490	13,490	20,000	9,298
982012	Vehicle Reserve	0	6,854	11,854	16,854	16,854	18,009	18,009	18,009
982013	Planned Maintenance Reserve	20,000	15,000	8,845	18,845	18,845	18,845	18,845	18,845
982014	Minerals Reserve	-	-	-	383,459	353,459	353,459	353,459	423,459
982015	Restructuring Reserve	-	-	-	340,316	279,009	214,048	154,657	399,056
982016	North Lees Reserve	-	-	-	-	-	-	10,000	10,000
982017	Minor Properties Reserve	-	-	-	-	-	-	10,000	10,000
982018	Conservations Acquisitions	0	0	0	0	0	0	19,000	19,000
		396,132	473,986	521,362	1,108,219	984,448	921,387	936,312	1,359,009

Code	Defunct Reserves	Bal at 31/3/08	Bal at 31/3/09	Bal at 31/3/10	Bal at 31/3/11	Bal at 31/3/12	Bal at 31/3/13	Bal at 31/3/14	Bal at 31/3/15
		<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Proposed</i>
982005	LHH Development	24,424	24,424	15,845	0	0	0	0	0
982011	Joint Portal	0	0	0	0	0	0	0	0
		24,424	24,424	15,845	0	0	0	0	0

	Overall Total	420,556	498,410	537,207	1,108,219	984,448	921,387	936,312	1,359,009
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APPENDIX 2

SPECIFIC RESERVES: (Strategies Underlined)

Name of Reserve: CAR PARKS AND ASSOCIATED FACILITIES

The purpose of the Reserve is to provide top-up funding for large maintenance or emergency projects that cannot be funded entirely from the annual budget.

The car parks and associated facilities reserve remains crucial. This next year it will help fund the partial resurfacing and drainage improvements at Tideswell Dale Car Park and will also help fund the rolling programme of pay and display machine upgrades. The reserve needs to include a reasonable sum to cover potential emergencies too and may also be utilised for environmental improvements to the car parks and the services provided. With the recent increase in parking charges and focus on our brand image, it is even more important that the car parks remain well maintained. The appropriation into the reserve in the outturn will help to support refurbishment of a toilet block to justify and support a future charging proposal.

Name of Reserve: TRAILS (High Peak, Tissington, Monsal and Thornhill)

The purpose of the Reserve is to provide for emergency projects and to build up the reserve for future planned maintenance and repair work where there are significant financial liabilities. It is essential that the Trails reserve is available to help with emergency projects on the trails, in order to ensure the safety of users. Emergency funding for trails structures is periodically required due to the large number of high retaining walls. Adverse weather conditions can, and have, revealed hidden weaknesses that must be repaired promptly for public safety reasons.

There is a huge maintenance liability associated with the trails, given the number of bridges and viaducts, as well as the tunnels. The reserve is required to help fund certain essential maintenance works associated with these assets, ie ongoing tunnel repointing. The 6-yearly general inspection of structures is currently underway and is likely to result in a substantial work programme that cannot be funded from the annual budget.

Future funding requirements for Millers Dale & Monsal viaducts are likely to be beyond the scope of this reserve and will have to be planned for corporately.

Name of Reserve: ALDERN HOUSE

The purpose of this reserve is to help with unexpected or exceptional remedial works and to fund work undertaken to achieve our accommodation outcomes. The maintenance element of the revenue budget for Aldern House allows for a minimal amount of essential maintenance to be undertaken. Any expenditure outside of this is unfunded and requires additional allocations. This specific reserve is needed as a contingency to support this work and to help fund repair works or environmental improvements which cannot be met from the revenue budget. An extensive programme of external repairs and redecoration was begun early in 2012 which emptied the reserve and the appropriation of £7,000 attempts to restore a minimum level of capability in the reserve.

Name of Reserve: INFORMATION AND COMMUNICATIONS TECHNOLOGY (ICT) FUND

The specific reserve supports the implementation of the Authority's Information Management Strategy and Capital Programme 2014-2019. The reserve will be used to supplement the Capital Strategy funding as needed, and is capped at £50,000; however in 2015/16 the core infrastructure reaches the end of its life and is proposed to move to a leased rather than an owned infrastructure base, with managed services. This will be easier to sustain, is more secure, and is a more flexible model should volumes change. The temporary increase in the reserve will allow the transition to be financed.

Name of Reserve: WARSLOW ESTATE RESERVE

The Reserve is used as support to the revenue budget for large capital or maintenance projects, being either new development, essential maintenance / refurbishment. Examples would be the refurbishment of farm houses and cottages, erection of new farm buildings (particularly manure storage facilities to meet modern regulations) and the restoration of other buildings to enhance their conservation and commercial opportunities. The cost of such work cannot usually be wholly met from the estate revenue budget. The Reserve has been much depleted in recent years but is gradually being built up again from small financial surpluses for other projects on the Estate. With over 150 buildings, the Warslow Moors Estate is always likely to require unplanned or significant expenditure for as long as it is under the management of the Authority.

Name of Reserve: NORTH LEES ESTATE RESERVE

The Reserve is used as support to the revenue budget for large capital or maintenance projects, being either new development, essential maintenance / refurbishment. Examples would be improvements to the campsite, and developments in managing the Estate under the new business plan. It is anticipated that in 2015/16 the reserve will be used to part fund repair and alterations to the existing modern farm building to ensure it meets animal welfare standards.

Name of Reserve: MINOR PROPERTIES RESERVE

The Reserve is used as support to the revenue budget for large capital or maintenance projects, being either new development, essential maintenance / refurbishment. The portfolio of minor properties is quite diverse and the maintenance revenue budget is very small.

Name of Reserve: DESIGN EQUIPMENT

There are two distinct areas that reserves are needed for:

The first area is following the decision to fund the design team posts through income generation model it is necessary for a reserve to be in place to;

- To enable the computer systems, software, and staff training to be upgraded and replaced when necessary as no central IT funding is available to do this.
- sick leave
- staff training (both the cost of the courses and to cover the lost income while they are attending) to meet the authority's commitment for all staff to receive 4 FTE training days a year
- to cover lost income while staff attend team meetings or other corporate events (eg staff roadshows).

- Toil leave and carried forward annual leave (there is significant time accumulated here which will impact this year on income generation potential).

The second area is to ensure that the design team's salaries is underpinned as part of their income targets. This will ensure that should income decline during a year for whatever reason the team's salary costs will be underwritten from their own reserves at no risk to the Authority.

Name of Reserve: VISITOR SERVICES DEVELOPMENT

The overall Strategy for use of this reserve is related to the raising of standards and quality of the Visitor Services. This arose from the Park Management Information Centres' Development Strategy and Programme approved in July 1998 (Min 46/98).

1. To raise the quality of our Services, to better promote understanding and enjoyment of the National Park, reduce our environmental impacts and increase sales potential.
2. To improve accessibility of information, services and facilities for visitors.
3. To enable match funds to be available to support external funding and partnership bids.

In the long term, the value in retaining a base level of £50,000 reserve is that it provides a resource to continue to upgrade and improve services through a rolling development programme. Currently, the reserve is above the base level at £111,000, and future budget pressures with raised income targets mean the reserve level is justified. Development proposals at Castleton Visitor Centre, improvements at Bakewell Visitor centre and essential repairs to the roof structure / water feature at the Moorland Centre are being considered, subject to a report to Members prior to any expenditure being incurred.

Name of Reserve: WOODLANDS RESERVE

This reserve allows the operation of a rolling programme of acquisition and disposal, so that the Authority can achieve important benefits for woodland biodiversity, landscape enhancement and public access. The NPA owns or leases over 100 small woodlands throughout the National Park.

They include some of the most conspicuous landscape features in the National Park on the tops of hills and alongside busy roads, as well as limestone dale woods that are important for biodiversity, and 29 woodlands that have been Dedicated for Open Access under the CROW Act. Park Management Committee approved a rolling programme of acquisitions and disposals in November 1994 (Minute 160/94) to ensure that only those woodlands in need of special protection were managed. A review of the woodlands is currently underway with a view to disposing of a significant number. It is planned to dispose of 6 woods in the summer of 2015 with a further 6 to 10 in the autumn.

Name of Reserve: CONSERVATION ACQUISITIONS FUND

This reserve was created for the purchase of land of conservation importance. The concept of this reserve is retained as part of the Asset Management Plan process to help support any rolling programme of acquisitions and disposals (sales with covenants or from leases) related to conservation matters. The appropriation of £19,000 from slippage in financial year 2013/14 allowed for the cashflow impact of temporarily holding and financing land acquisitions to be accommodated, pending subsequent disposals.

Name of Reserve: CYCLE HIRE TRADING RESERVE

The purpose of this reserve is to provide a fund to cover any operational shortfall and to help with developments to maintain and improve the Cycle Hire Centre buildings

The reserve is needed to continue with improvement work identified in the Cycle Hire Review and Business Plan, to act as a buffer against any unexpected repairs/maintenance or poor operational performance which cannot be met from the revenue budget during the year as well as funding future investment programs in order to upgrade and improve the quality of the Service. The reserve may also be required to insulate the cycle hire building at Derwent. As identified in the cycle hire ARP report, a programme of marketing, advertising and branding of the cycle hire service is to be carried out during the 2015-16 season which the reserve will help to fund.

Furthermore, although the Cycle Hire Review and Business Plan recommends the reserve should remain at a level between 3% and 5% of the income target (£15,000), the continually increasing cost of supplies which are essential to the successful operation of the service means this should be set as a minimum level.

Name of Reserve: VEHICLE RESERVE

The purpose of this reserve is to help to support the maintenance requirements of vehicles owned and operated by the Authority.

The Authority's fleet is no longer predominantly leased and is now owned by the Authority, using borrowing powers to purchase vehicles. The Business Case approved by Resource Management Team and Services Committee includes estimates for average maintenance per vehicle per year. In any given year the maintenance demands should even out between vehicles, but in the earlier years it is likely that maintenance requirements will be lower than when vehicles reach the end of their operating life. Therefore, it is important that the maintenance budgets are ring-fenced and carried forward to ensure that there is cover for heavier maintenance costs as the fleet gets older. The availability of the reserve and its use will also support the business case assumptions by ensuring that resources for running the fleet are found from within the budgets and parameters set out in the original business case. Where possible, the Authority will use the flexibility of ownership and this reserve to make judgements on when vehicles should finally be replaced, and enabling vehicles potentially to be used beyond their planned 8 year life, subject to considering the environmental cost of manufacture against reliability / residual values & technological improvements in emissions and pollution. The amount in the reserve will be reviewed each year to ensure coverage of future liabilities; it is considered that the reserve is at a reasonable level and no requests have been made to increase it.

Name of Reserve: PLANNED MAINTENANCE RESERVE

The purpose of this reserve is to help to support the maintenance requirements of Authority properties not specifically addressed above

Budget holders have been asked to ensure that they budget each year for planned maintenance, in conjunction with the Property Support Manager, and ring-fence appropriate sums from budgets at the start of each year. The Property Support Manager will then help manage a programme of maintenance accordingly. It is accepted that the scope for ring-fencing sums for maintenance varies according to individual budgets, and constraints on achieving financial objectives can restrict the sums capable of being planned in advance. Where income appears likely to exceed budgets Heads of Service have been encouraged to ensure that this additional income is earmarked to enable essential maintenance expenditure to be carried out; and where funds

remain at the year end appropriations to specific reserves are intended to allow longer term planning for maintenance using these funds. Where there is not an existing reserve, but there is a maintenance requirement for underlying assets (e.g. Ranger briefing centres within the Field Service) this reserve is intended to be operated for allowing a small amount of maintenance to be carried out for higher priority items. It is intended that budgets set at the beginning of the year for planned maintenance will be ring-fenced and if underspends occur against the maintenance programme, the funds remaining will be allocated to this reserve.

Name of Reserve: MINERALS AND LEGAL RESERVE

The purpose of this reserve is to help support the Authority's planning policies for minerals throughout the legal process.

Resource Management Team monitor the call on the Authority's resources in the Minerals Finance Plan, which aims to forecast estimated expenditure on cases likely to be required on a 3 year rolling horizon. When resources are required they are approved by committee and allocated to this reserve; expenditure from the reserve follows specific Authority resolutions. RMT in January 2015 considered the overall minerals and legal issues facing the Authority and concluded that the reserve at its current level was justified. The funds within the reserve are currently approximately 50% of possible costs; however these costs are measured based on a worst case basis and in practice the provision at this percentage of funding has been sufficient based on results to date. RMT will receive reports in future from the Director of Planning.

Name of Reserve: RESTRUCTURING RESERVE

The purpose of this reserve is to cover transitional expenditure arising from the probable need to make significant savings in the Spending Review period up to 2018/19.

The creation and use of the reserve was approved by the Authority in June 2010 (paragraph 14 g of that report), to fund changes in the staff establishment, to finance possible invest to save business cases and possible exit strategy / transition costs. Any use of the reserve is subject to a business case to Resources Management Team (if the matter is delegated) and use of the value for money criteria for deciding on whether changes in staffing create long term revenue savings. The reserve will be required to finance further transitional costs, although it is considered that the reserve at its current level will need to be restricted to redundancy and superannuation shortfall costs only. Random samples of the termination costs of approximately 30 FTE staff across the current 200 FTE staff vary between £350,000 - £600,000, based purely on statutory redundancy entitlements and superannuation shortfall payments.

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6. 2014-2015 OUTTURN (A.137/22/PN)

Purpose of the Report

1. This report explains the outturn for 2014/2015 and seeks approval of the necessary appropriations to or from reserves, together with approval of unspent funds and overspends to be carried forward into the 2015/16 financial year. These approvals are required in order that the Authority's accounts can be signed off by the 30th June deadline.

Key Issues

- There have been a number of small overspends and underspends / additional income which balance out overall; there are no significant overspends; this means that reserve levels have been protected at planned levels, and it is also proposed that the Re-structuring reserve is added to.
- The Cycle Hire deficit of £10,000 was in line with the prediction in the March committee report and represents a significant improvement from the previous year's trading.
- The £33,000 reduction in the North Lees estate budget cost was not achieved, with some transitional one –off costs being incurred in the tenancy transition and the farmhouse refurbishment, as part of the new business plan. The campsite was also not able to achieve its increased income target.
- The National Park Grant for 2014/15 was reduced by 8.51% and with savings of £577,000 required, the approved budget was not structurally balanced, requiring a planned contribution from General Reserve of £63,000. This contribution has been made; the approved budget for 2015/16 was structurally balanced so this is a one-off allocation and not a recurring drain on the Reserve.
- At midyear review stage there were no major concerns, but the potential variances in the North Lees budget, sponsorship target, Warren Lodge rental, shortfall in investment receipts, and recruitment costs for the new Chief Executive were noted. Probable over achievement of income estimates (planning fees & car parks) and a number of one-off contingencies / savings were identified as mitigating these, although no formal virements were made.
- There are concerns that the Re-structuring reserve may not be sufficient to accommodate the costs of transition in the next Spending Review period. Therefore it is recommended that the reserve is supplemented by £200,000, by transferring £100,000 from the General Reserve and allocating £100,000 from the overall outturn underspends / additional income.
- The Authority received two generous bequests totalling £33,000 in the year and these are appropriated to restricted reserves in the name of the donor pending decisions on allocating these funds in line with any conditions contained within the legacies.
- The level of slippage has remained high, and Resource Management Team has reviewed the slippage requests and recommends that £85,000 of slippage is re-directed to support further investment and transitional work. The recommended allocations are covered in paragraph 9 below. Appendix D contains the remaining slippage requests and incorporates these recommended sums as well.
- A number of specific reserve requests are also made in support of budget holders achieving their business plans. These are contained within Appendix D also, and are reported to committee in the separate Specific Reserves report.
- The Authority's reserve position is maintained at the levels shown in Appendix E for three main purposes:-
 - 1) allowing a limited degree of one-off resilience either in coping with existing challenges and liabilities, to safeguard National Park policies without immediately requiring resources to be found from diminished revenue budgets.

- 2) helping to underwrite the consequences of adverse variances against budget in times of greater uncertainties in income trading or central funding allocations
- 3) providing the resources necessary to ensure that the one off costs of transition in the next Spending Review period can be afforded.

The Reserves are an essential cushion as the Authority prepares to meet the challenges in the next Spending Review period.

- Areas to watch in 2015/16 are primarily budgets whose income targets have been stretched, or have risks of achieving them based on historical performance. These are the Cycle Hire service, the North Lees Estate, the Footpaths team, and the extension of pre-application advice charging.

Recommendation

2. 1. **That the outturn be noted, and the slippage requests and specific reserve appropriations shown in Appendix D be approved.**

How does this contribute to our policies and legal obligations?

3. The Accounts and Audit Regulations 2011 require the Chief Finance Officer to sign the annual accounts by the 30 June. This report has been written therefore to allow the Audit, Resources & Performance Committee to agree recommendations on the movement of funds to and from reserves, which will need to be incorporated into the annual accounts. The government has consulted on earlier completion of accounts for Local Authorities and is minded to legislate that the accounts should be audited and signed off by 31st July rather than 30th September, from the 2017/18 year. The consequence of this is that the Chief Finance Officer will need to prepare and certify the accounts by 31st May (one month in advance of the current position) and therefore the timing of this meeting will need to change in the future to (approximately) the first week of May in order to achieve the deadline. The outturn information in this report is based on the budget report agreed in February 2014 and is structured accordingly, to facilitate cost control and accountability for resources within the broad functional headings agreed for all National Parks. The service / divisional responsibilities within Appendix A and C reflect the line management structure at the time the budget is agreed, although some sub-headings are retained to maintain understanding of the costs of some discrete activities, which helps interpretation.
4. There were periodic budget monitoring meetings of the Management Team with the Head of Finance together with the four appointed Budget Monitoring Members at key stages of the year. Variances from the agreed budget and forecasts are discussed during this meeting, together with updates on the anticipated level of reserves and movements in the budget arising from in-year committee resolutions.

Background

5. The approved budget for 2014/15 was based on the level of National Park Grant confirmed by Defra on December 20th 2013, which confirmed a £592,669 (8.51%) cut to the agreed level of National Park Grant. As part of coping with the resource reductions in the Comprehensive Spending Review Members had previously approved a total of £270,000 of savings in the 2010/11 year, a further £446,000 of savings to take effect in the 2011/12 year, £386,000 in 2012/13; £357,000 in 2013/14, and £577,000 in 2014/15, totalling £2,036,000.
6. The March 2014 meeting also approved the Chief Finance Officer's report under the Prudential Code for Capital Finance, setting prudent borrowing limits for the 2014/15 year of £1.8m. In August 2006, in accordance with Services Committee Minute 41/05,

the Authority borrowed £697,000 to finance the Aldern House Project, and in December 2009 £500,000 for the replacement of vehicles (Minute 22/08 in March 2008): total debt of £1,197,000. No further external borrowing has taken place to date, and the total outstanding external debt at 31st March 2015, after repayments to date, is now £657,067. Repayments are made half yearly and are a fixed amount, with a proportion covering the interest payable, and the remainder, in increasing proportion over the repayment period, repaying the original capital sum. A number of further borrowing approvals have been agreed since then totalling £295,990; these have been financed internally from internal cash balances. They are:-

Committee / RMT Minute	Date	Approval	Reason	Annual charge to budget	Ending
ARP 41/12	20/07/2012	£108,812	Aldern House Biomass boiler	£8,000	2032/33 (20 years)
N/A Head of Service	16/05/2012	£9,192	Replacement vehicle Learning Team	£1,311	2019/20 (7 years)
RMT 70/12	31/07/2012	£19,480	Litter Service vehicle replacement (from lease to owned)	£2,770	2019/20 (7 years)
RMT 63/12	31/07/2012	£98,506	Borrowing for landlord elements of Big Fernyford Farm refurbishment	£5,758	2037/38 (25 years)
ARP 11/15	23/01/2015	£60,000	Showers and camping facility improvements at North Lees campsite	c.£4,500	2030/31 (15 years)

The annual charge to the budget is based on the same principle as external debt, in that the service is charged annually a fixed amount, with a proportion covering interest (based on the prevailing fixed rate from the Public Works Loan Board at the time the sum is advanced) and the remainder repaying the original capital sum, over a term reflecting the nature of the underlying asset and its life. At some point external debt might need to be raised to cover any outstanding amounts but currently it is more cost effective to use internal funds.

- The Budget Monitoring Group met during the year and paid close attention to trading income, that being the least controllable element within baseline budgets; there were no significant areas of concern which would merit reporting to Committee during the year.

Base Rates remained the same for the whole year at 0.5%, and investment receipts were affected by these continuing low rates of return, as well as a fall in cash holdings from £4.7m to £3m. Despite this the interest earned was £30,065, £13,969 above the previous year's total, a reflection of the new Treasury Management arrangements with North Yorkshire County Council. There was still a shortfall of £19,935 against the budget estimate, as this estimate had assumed the Authority would benefit from slight improvement in interest rates by now. The budget for 2015/16 was approved with a revised downwards adjustment to the interest receipt expectation, to £30,000.

- At the outturn stage it is sometimes possible to make temporary resource allocations, based on actual results, although it is anticipated that these opportunities are likely to diminish. The current year's outturn does however show that there is a small sum (£100,000) available for allocation, after taking account of slippage requests and specific reserve requests. It is recommended that this sum is appropriated to the Restructuring reserve. Any other sums needing to be found for other priorities would need

to be funded from disallowing slippage or specific reserve requests. The table overleaf illustrates how these “outturn” resources have varied in the past few years:-

	2014-15	2013-14	2012-13	2011-12
Midyear Review allocation	0	80,000	117,800	173,000
Surplus available for allocation (after provisions, contingencies and planned budget surpluses)	100,000 (plus £85,000 slippage re- directed) = £185,000	30,000 (plus £83,000 slippage re- directed) = £113,000	149,016 (plus £37,000 already set aside) = £186,000	441,000
Slippage approved	518,984	815,229	764,752	806,786

9. Resource Management Team (RMT) discussed the outturn figures and slippage recommendations on the 12th May and supported the increase in the Restructuring Reserve. They also considered that £85,000 of the original slippage requests could be used for a different purpose as follows, and these revised requests have been incorporated into Appendix D:-

Focus	Total
Capacity to accelerate property disposals and new income generation	£44,000
Brand development on the ground	£15,000
Change management capacity	£26,000

10. The main points in the appendices are summarised as follows:

Reserve Levels (Appendix E)

- (a) General Reserve: The General Reserve exists to accommodate unforeseen circumstances and was £730,452 in March 2014. After supporting the 2014/15 budget and allowing for a re-allocation of £100,000 into the Re-structuring reserve, this is reduced to £567,924. This includes a cash contingency of £304,000 in case there are difficulties in approving or underwriting the 2016/17 budget. Without this sum the Reserve would be about £263,924.

The level of the General Reserve needs to take account of about 8 principal variable factors – contingent liabilities; the quality of budgetary control; loss of key staff, policy or delivery changes; the extent of demand-led services; unidentified future budget savings; significant capital projects; and the availability of other reserves. Generally the Authority only has one or two of the above factors to consider in any one year; however up to six are currently relevant.

A general fund at the £300,000 level is considered to be adequate, given that there are specific reserves and contingencies also available. The external auditors consider the adequacy of the Authority’s reserve levels as part of their overall audit opinion and it is an important component of their financial viability assessment.

- (b) Specific Reserves: Subject to decisions at this meeting, the level of specific reserves overall has risen by £423,000. The reserves are being operated in accordance with agreed policies, allowing services to draw from and add to their reserves in line with their longer term programmes, as reported in the previous report. If the Minerals & Legal and Restructuring reserves are not included (as they are recent elements) the levels of the remaining Specific Reserves are £536,494 (£428,196 previous year). In the context of the last 8 years in the table in Appendix 1 of the Specific Reserves report, the average level is about £400,000, although the individual amounts in reserves vary according to their usage.

- (c) Capital Reserve: The Capital Receipts reserve in this report started the year at £425,597, and there were no sale receipts during the year. The reserve was used to support previously authorised Environmental works carried out in 2014/15 (Minute 58/11), and the partially completed alterations at Aldern House to allow for re-letting of vacant space (ARP Minute 52/14). A number of disposal receipts are anticipated in 2015/16 and the level of the reserve, after existing commitments have been spent, is anticipated to be in the region of £950,000 at March 2016. This will allow for approximately £800,000 of investment expenditure, subject to a minimum level of £150,000 being retained until there is greater certainty over the Spending Review figures.
- (d) Slippage Reserve: This Reserve operates differently from the other reserves in the sense that the funds do not remain within the reserve if they are required in the following year: basically the amount of slippage approved in Appendix D is temporarily held on the balance sheet on 31st March and is then immediately allocated into the budgets upon committee approving the slippage amount. The National Park Grant Memorandum which the Department of Environment, Food and Rural Affairs (Defra) uses to govern National Park finances states that “The Department will consider the level of end-year cash balances in assessing grant for subsequent years. In doing so it will take account of a NPA’s need to maintain appropriate working balances and contingency provision and of factors which may necessitate the deferral of expenditure around the year end in order to safeguard value for money.” It is this final purpose for which slippage is recognised as an essential tool for managing National Park finances over financial years. The level of slippage fluctuates year on year and the 2014/15 level is £603,984 which is approximately 94% of its long term average of £641,000. The levels are expected to reduce as baseline resources diminish and the one-off allocations are spent.
- (e) Matched Funding Reserve:
This reserve was created to protect funds committed to partnership projects. The Authority’s annual contributions to these projects tend to be allocated on a straight line basis across the years of the project to facilitate budget planning, and the actual expenditure pattern is often very different between years: this, together with the accounting requirement to allocate partner income to expenditure proportionately to the contributions originally determined in the application means that unspent Authority funds committed to the projects in contracts with funding bodies need to be ring-fenced and carried forward to match expenditure, when required in future years, in order to fulfil the commitment. During this Spending Review this reserve has also been used to ring fence funds approved for re-allocation. The reserve level is expected to drop to a low level in the next three years as these one off sums are spent.

Revenue Account & Services

11. Appendix A, Column F, shows the final budget surplus or deficit arising from each service, after appropriations to and from reserves and slippage requests have been taken into account, and is useful to refer to along with the comments below, which only pick out the larger variances.
- (a) The Policy budget variances are explained by the slippage requests to allow ring-fenced resources to be carried forward.
- (b) The £255,000 core costs of the Moors for the Future team were recovered, based on partnership contributions to core costs and recovery of costs from projects towards supporting the core team. The Authority’s contribution was £93,000. The budget is consistent with the operational plan presented to ARP Committee members in Minute 05/15 in January 2015.

- (c) Of the Recreation facilities the car parks' budget contributed £26,000 additional income above budget, reflecting the new car park fee structure; strong continuing performance from concession income also led to an increase above budget of £19,000. The Trails' budget was underspent by £19,000, which is being appropriated to the Trails Reserve to help finance future maintenance costs. North Lees campsite's performance was similar to the previous year, and hence was not able to achieve the higher income target set for 2014/15 by £12,000.
- (d) Estate properties overall achieved an £18,000 surplus, with the Eastern Moors Estate benefiting from a decrease in the contribution to the partnership in the fifth year of the lease, despite the loss of rental income at Warren Lodge. The Minor properties budget also achieved a surplus of £16,000, from reduced expenditure requirements. The Warslow estate balanced its budget. The North Lees estate suffered a loss of £24,000 mainly because of one-off transition costs arising from the refurbishment of North Lees farmhouse (which is now tenanted) and transitional costs in the agricultural tenancy; these costs will not recur in 2015/16. The North Lees budget for 2014/15 was reduced by £35,000 in 2014/15 as part of trying to move the estate towards recovery of its full cost. From 2015/16, as reported in the February budget report, the Trails, Warslow and North Lees Estates incorporate all the relevant assets on the estate (eg car parks, toilets, concessions, etc) and the budgets are managed as a single entity under one manager for each estate.
- (e) The Planning Service fee-based planning applications in £ terms were £33,000 above the previous year, and pre application advice fees achieved £23,000, compared to an estimate of £20,000. Overall the service therefore had a surplus, after vacancy savings, of £54,000, of which £25,000 is appropriated to the Minerals and Legal Reserve.
- (f) The Planning Policy budget is set at a level which allows for a long term average expenditure on statutory plan processes. The underspend is not required to be carried forward.
- (g) The Field Service remained within budget across the budget heads and benefitted from reductions in expenditure on Volunteer Rangers, vacancy savings in the Area and footpath teams, and a small saving in the Access and Rights of Way team. The Volunteers and Footpaths teams achieved their income targets.
- (h) Visitor centre sales were £20,000 higher than the previous year with overall sales in the region of £469,000. Gross profit increased by £10,000 on similar margins. Staff costs increased slightly by £3,000. This performance is after a £135,000 cut in net budget since 2011/12. The net budget target was met.
- (i) The Cycle Hire Service produced a year end result in line with the estimate in the March ARP report, with a £11,000 deficit compared to the forecast of £9,000. This is a significant improvement of £42,000 compared to the previous year, which reported a deficit of £53,000. The deficit is financed from the contingency sum set aside in the Cycle Hire reserve. Progress on the 2015/16 action plan will be reported to the July committee.
- (j) In its fourth full year of operation the Learning Team exceeded its target income of £80,000 by £12,000 with the overall budget of £137,000 balanced at the end of the year.
- (k) The ICT budget was underspent at the end of the year with a view to carrying funds forward into the ICT specific reserve in order to help finance a change in the

ICT strategy and the provision of ICT infrastructure, options which are being considered and reported to RMT in June.

- (l) The capital “overspend” shown under Aldern House relates to the approved Aldern House infrastructure project (ARP Minute 52/14), the funding of which is appropriated from the Capital Reserve; the project is on target for completion in 2015/16 within the original budget.
- (m) The Legal Services funds ring-fenced for legal actions which were not required in 2014/15 are carried forward into the Minerals and Legal Reserve. The service also added £15,000 of additional income above budget from its new charging regime for Section 106 agreements, together with recovery of cost awards.
- (n) The Design service achieved an income surplus against target in its third full year of trading, requesting a small surplus into the Specific Reserve.
- (o) The corporate overhead recovery fund is managed by the Director of Corporate Resources and collects the agreed recharges levied against all externally funded projects who have staff in post, which support the extra demands placed on Corporate Support Services (finance, legal, IT, HR, property, communications) as a result of these activities. The demands are assessed by the director and commitments have been agreed for 2015/16 onwards – hence the remaining sum is requested as slippage to help meet the agreed demands in 2015/16 and 2016/17. It is in the nature of this fund that the charges to projects occur in advance of the supporting allocations so there is usually a timing difference between the income being received in the fund, and the subsequent expenditure.
- (p) The Corporate Management budget was overspent because of the costs of the recruitment exercise for the new Chief Executive, and the fact that the sponsorship target (external funds from the National Parks initiative) was not achieved.
- (q) The Projects in Appendix A are separately shown away from the “core” budgets as they all rely on either Partnership or external grant funding and are ring-fenced for those purposes. The expenditure on these projects can be substantial and the Authority’s cash contribution – often small in relation to the grant funding - is shown in the budget, or may be represented by in-kind contributions. If a project is entirely externally funded / has in-kind contributions, then the budget will show as zero – and also the outturn position (i.e. net expenditure) will be zero, illustrating that the gross expenditure has been fully balanced by the external income. Although this is the most appropriate presentation in respect of the overall impact on the budget, it does not of course show the actual expenditure of each project. Projects with expenditure over £150,000 have all been approved by ARP (or its predecessor) Committee; the smaller projects over £50,000 are approved by Resource Management Team in line with Standing Orders. If Members wish to see more analysis the Head of Finance will provide detailed breakdowns on request. The comments section of Appendix A highlights the principal funder and the total expenditure of the larger projects.
- (q) Within the Matched Funding appropriations cost centre is the £33,000 bequests figure mentioned above, for allocation into their respective Restricted reserves.

12. The current policy on under and overspends at year end is longstanding and was confirmed by Resources Committee on 19 July 2002 and is as follows:

- overspends are carried forward and found from service budgets the following year unless there are extenuating circumstances
 - For underspends or surpluses remaining at year end, budget holders may bid for slippage (where commitments have already been made) or where specific reserves exist, for the balance to be appropriated to these reserves.
 - All other underspends or surpluses are allocated to general reserve.
13. The RMT has reviewed the circumstances surrounding any overspends, and is content that where these have occurred, they are capable of being contained within overall service or divisional responsibilities and no recommendations are put forward for these overspends to be carried forward and retrieved from next year's service budgets.
14. The following appendices are provided to give a full analysis of the outturn:
- Appendix A
A variance analysis which highlights the individual service under or overspends, together with the impact of the proposed slippage and reserve requests on the overall figures – based on over and underspends from Appendix C. Column F shows the final balance of surpluses and deficits, with the total surplus or deficit at the bottom being the impact on the general fund. It should be noted that an "underspend" may arise from additional income earned above budget.
- Appendix B
The outturn in the form in which the committee approves the annual budget, by functional heading. The functional headings are as required in the National Park's Service Expenditure Analysis, under the Grant Memorandum and Best Value Code of Accounting Practice.
- Appendix C
The outturn in the form in which budget responsibility is allocated and monitored during the year. This Annex is used as the basis for RMT decisions on over and underspends, as it reflects directorate and service head budget responsibilities. A full analysis of income and expenditure by service/function and by type of income and expenditure is available on request to the Head of Finance.
- Appendix D
D (i) lists the recommended slippage requests put forward by service heads and Directors for carry forward of unspent funds into the 2015/16 budget. D (ii) lists the recommended appropriations to or from specific reserves. D (iii) contains the overspends proposed to be carried forward against the 2015/16 service or project budget, if any.
- Appendix E
Shows the level of the Authority's cash reserves, after all the above adjustments.
15. There may be some late adjustments arising from final provisions and system reconciliations, Any final changes in the figures between this report and the final position will be reported to Members in the accounts report.
16. The financial information presented to Members appears in three forms to meet internal and external requirements:
- Budgets are agreed by Members in functional heading format (Appendix B) and these allocations are then structured into budgetary responsibilities reflecting the existing divisional structure (Appendix C). An administration overhead model is agreed as the basis for recharging administration service costs and for

understanding the behaviour of overhead costs but is not shown as part of the budget allocation and monitoring process as the costs are controlled by Corporate Resources Service Heads in their discrete budgets. These management accounts are the basis for decision making and reporting to Members, as in this report.

- The annual financial accounts are prepared in functional heading format, showing less service detail, within broader headings. The revenue account differs by excluding all capital expenditure, replacing this with a depreciation charge representing the amount of capital consumed in the period. Recharges of Corporate Resources costs to front line services are also included, in order to comply with the Local Authority (CIPFA) accounting code of practice.
- The Performance & Business Plan financial information is prepared in accordance with Defra's Grant Memorandum, and is now more closely harmonised with the published annual financial accounts.

Proposals

17. In terms of the Authority's overall financial position, the outturn for the 2014/15 is as presented, and the actions recommended in Appendix D are regarded as an appropriate way of managing the Authority's resources across financial years.
18. Reserve levels have been maintained at the levels required to meet statutory requirements, to provide a prudent level of provision for substantial asset liabilities, and to help support our planning policies in the legal process; they represent limited, and temporary, one-off sources of funds which are essential transitional funds to allow the Authority to respond to the uncertainties in the next Spending Review period.

Are there any corporate considerations Member should be concerned about?

19. **Financial:** The issues have been covered in the report.

20. **Risk Management:**

The Chief Finance Officer has a statutory responsibility under Sections 25 – 28 of the Local Government Act 2003 to report to Members, the Monitoring Officer and external auditors on the robustness of the budget setting and monitoring process, and has an express duty to monitor the budget and underlying assumptions throughout the year, and to take action when significant overspends or shortfalls in income occur. The Annual Governance Statement prepared by the Director of Corporate Resources is reported to and approved by Members. Management Team consider financial risks in the Risk Register during the year.

The External Auditor assesses the financial position of the Authority as part of its annual Value for Money conclusion.

This outturn report and the recommendations arising from it are considered to be evidence of the effectiveness of these processes as they relate to the 2014/15 financial year.

21. **Sustainability:** There are no issues relevant to this report.

Consultees

22. The outturn was discussed and agreed by Resource Management Team (RMT) on the 12th May and prior sight of the appendices to this report was presented to the Budget

Monitoring Group on the 22nd May.

23. **Background Papers** (not previously published)

Full income and expenditure analysis

Appendices

Appendix A - 2014/15 Variance Analysis

Appendix B - 2014/15 Outturn by functional headings

Appendix C - 2014/15 Outturn by services within divisional headings

Appendix D - Slippage and reserve requests

Appendix E - Reserve Levels

Report Author, Job Title and Publication Date

Philip Naylor, Head of Finance / Chief Finance Officer, 27 May 2015

		Col A	Col B	Col C	Col D	Col E	Col F	Col G
		(Overspend)	Underspend	Capital - (overspend) underspend	Slippage requests	Appropriations (to) from reserves	Final Surplus (Deficit)	Main Cause of Variance / Comments
					App D i	App D ii		
Policy								
Policy Mgt	PPM	0	40		(34)		6	Climate change funds and NPMP review funds c/f for 15/16
Transport Policy	PTT	0	0				0	-
Community Policy	PCP	0	1				1	-
External Funding	DBB	0	17				17	Vacancy saving and bid fund not required in 14/15
Recreation Strategy	PRS	0	6				6	-
		0	64	0	(34)	0	30	
Land Management								
Natural Environment Team	CNE	0	6		(8)		(2)	-
Countryside & Economy	CFC	0	14				14	-
Conservation General	CFB	0	24		(1)		23	vacancy saving
Cultural Heritage	CAR	0	19		(15)		4	-
Moors for the Future core costs	RMF	(0)	0				(0)	-
Property & Estates Team	CES	(10)	0			10	(0)	-
-Recreation Facilities	Gp.	0	54	(3)	(14)	(36)	1	deferred maintenance expenditure & higher car park income
-Estates properties	Gp.	0	11	0			11	-
-Woodlands	JAA	0	1	(6)			(5)	-
		(10)	129	(8)	(39)	(26)	46	
Planning								
Planning Service	PDC	0	54			(25)	29	extra planning receipts above expectation, & vacancy savings
Policy Planning	PPP	0	11				11	-
		0	65	0	0	(25)	40	
Field & Enterprise								
Field Services	Gp.	0	48		(6)	(2)	41	vacancy savings & additional income
Field Services, Projects	RAM	0	16		(20)		(4)	-
Edale Centre central costs	GMC	0	0				0	-
Estate Workers	CED/L	0	2				2	-
Visitor Centres	RVC	(0)	0	0			(0)	-
Cycle Hire	CEB	(11)	0			11	(0)	outturn largely as per ARP forecast Jan 2015
Learning and Discovery Team	LD1	0	1		(2)		(1)	
		(11)	68	0	(28)	9	39	
Corporate Resources								
Information Management	AIT	0	47	8		(44)	11	-
Aldern House HQ	AHQ	0	7	(69)		62	0	Aldern House project Capital Fund financed ARP Min 52/14
-Customer Services	AIC	0	6				6	-
Finance	AFS	0	8				8	-
Legal Services	ALE	0	71		(15)	(45)	11	income S.106 agreements & reduced 14/15 legal costs
-Committee & Member Services	Gp.	0	15	0			15	savings in committee printing costs
Communications	RIL	0	6		(6)		1	-
-Design & Photography	RDE	0	8			(8)	0	-
Human Resources	APE	0	11		(11)		1	lower corporate training costs in 14/15
Corporate Management	ACS	(8)	0	(22)	(0)	(6)	(36)	CEO recruitment costs & lower sponsorship receipts
-Corporate Overhead Recovery	ABQ	0	217		(192)	(25)	0	Charges received from projects committed in 15/16-16/17
		(8)	396	(83)	(224)	(65)	16	
Projects - externally funded								
<i>Natural Environment (VNE)</i>								
Ecton Mine Project	VBE	(0)	0				(0)	English Heritage funded
Local Nature Partnership	VBQ	0	3		(2)		1	Natural England funded £700 expenditure
Species-rich Grasslands Trails	VBS	0	0				0	Landfill (SITA) funded £9,000 expenditure
Danebridge Woodland	VBV	(0)	0				(0)	Forestry Commission funded £2,000 expenditure
Dane Valley Wood HLF	VBW	(0)	0				(0)	Heritage Lottery funded £23,000 expenditure
Dane Valley Wood SITA	VBX	0	4		(4)		0	Landfill (SITA) funded £20,000 expenditure
Higher Minnend Farm (FC)	VBY	0	1		(1)		0	Forestry Commission funded £21,000 expenditure
Peak District Farmlands	VBZ	0	0				0	English Heritage funded £3,000 expenditure
Sustainable Development Fund	VBH	0	72		(72)		0	Core grant funded £23,000 expenditure
South West Peak Project	VSW	0	0				0	South West Peak HLF funded £8,000 expenditure
<i>Rural Economy (VEE)</i>								
Rural Business	VC7	0	7		(7)		(0)	Core grant funded £19,000 expenditure
<i>Recreation Projects (VAM)</i>								
Fire Operations Group	VFA	0	13		(13)		(0)	Partnership funding £11,000 expenditure
Access Fund	VFH	0	3		(3)		0	kickstart funds for Access fund
Pedal the Peak	VC9	(5)	0				(5)	Dept of Transport final outturn
Pedal the Peak 2	VT1	(0)	0				(0)	Dept of Transport funding £262,000 expenditure
Events Website	VFJ	0	0				0	-
Peak Park Pedals	VFP	0	1		(1)		0	-
Stepping Stones Project	VFS	0	1		(1)		0	project with Staffordshire Wildlife Trust £2,000 expenditure
<i>Forward Planning Projects</i>								
Village & Communities Officer	VMC	0	55		(55)		0	Core grant & DCLG funded £36,000 expenditure
Rural Enabling Project	VME	0	13		(12)		1	High Peak BC funded
Neighbourhood Planning	VMF	0	1				1	DCLG funded £3,000 expenditure
<i>Education Projects (VED)</i>								
Moorland Discovery	VEF	0	0				0	joint PDNPA / National Trust funded £30,000 expenditure
<i>Corporate (VC)</i>								
MFF - Conservation Plans	VM1	0	0				0	Natural England funded £340,000 expenditure
MFF - Private Lands Project	VM2	0	0				0	Natural England funded £744,000 expenditure
Moors for the Future - projects	VC6	0	1		(1)		(0)	Partners/govt/water co/NT contracts £1,045,000
Moorlife	VC8	(1)	0				(1)	European funded £1,055,000 expenditure
Asset Mgt Revenue Account	VDY	0	6				6	Capital minimum revenue provision holding a/c
Matched Funding Appropriations	VDX	0	39			(33)	6	Provisions & accruals holding a/cs; also bequests received
<i>Transport Projects</i>								
Edale Station	VGL	(0)	0				(0)	car park machine collection for partner authority
Peak Connections	VGO	0	21		(22)		(0)	core grant funded £4,000 expenditure
		(5)	243	0	(193)	(33)	11	
		(34)	964	(91)	(517)	(140)	181	
		(63)			(2)	9	(56)	planned structural deficit financed from general reserve 14/15
		(20)					(20)	shortfall in investment interest receipts
			23				23	release of contingencies
		(117)	987	(91)	(519)	(132)	128	

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		Col A	Col B	Col C	Col D	Col E
		Total Budget 2013/14	Outturn	(Overspend)	Underspend	Variance %
A. Conservation Natural Environment						
Countryside & Economy	CFC	331	317	0	14	4%
Conservation General	CFB	258	234	0	24	9%
Property: Woodlands	CFT	48	47	0	1	2%
Natural Environment Team	CNE	210	204	0	6	3%
Property: Estates Team	Gp.	26	19	0	6	25%
Estate - Warslow	CEW	(65)	(64)	(1)	0	1%
Estate - Eastern Moors	CEE	42	24	0	18	43%
Estate - North Lees	CEN	43	66	(22)	0	(51%)
Estate - Minor Properties	CEM	0	(16)	0	16	100%
Moors for the Future Team / Centr	RMF	138	138	0	0	0%
Moorlife	VC8	5	5	(1)	0	(11%)
Moors for the Future Projects	VC6/VM1	4	3	0	1	31%
Conservation Capital	Gp.	0	6	(6)	0	100%
Conservation Projects	Gp.	4	(4)	0	8	209%
		1,043	977	(29)	95	6%
B. Conservation Cultural Heritage						
Cultural Heritage Team	Gp.	217	206	0	11	5%
- Archaeology	Gp.	54	45	0	9	16%
Cultural Heritage Projects	Gp.	0	0	0	0	100%
		271	251	0	19	7%
C. Recreation Mgt & Transport						
Field Services: Cycle Hire	CEB	(23)	(12)	(11)	0	47%
Field Services: Projects	RAM	4	(12)	0	16	411%
Field Services: Pennine Way	RRP	7	0	0	6	97%
Field Services: Footpaths	RRF	21	8	0	13	64%
Field Services: CRoW	RRU	109	106	0	3	3%
Property Service: Trails	CEQ	148	129	0	20	13%
Property Service: Car Parks	CEP,I	(196)	(241)	0	45	(23%)
Property Service: Toilets	CET	127	126	0	1	0%
Property Service: Campsites	CEC	(21)	(8)	(14)	0	64%
Property Service: Hostels	CEH	5	3	0	2	42%
Recreation Strategy	PRS	55	49	0	6	11%
Traffic Policy	PTT	126	126	0	0	0%
Traffic Projects	VTT	24	3	0	21	88%
Recreation Capital	Gp.	0	3	(3)	0	100%
Recreation Projects	Gp.	70	56	0	14	20%
		458	336	(27)	149	27%
D. Promoting Understanding						
Field Services: Visitor Centres	RVC	185	186	(0)	0	(0%)
Communications: Design	RDE	16	8	0	8	48%
Losehill Environmental Education	Gp.	137	136	0	1	1%
Communications	RII	151	144	0	6	4%
Promoting Understanding Capital	Gp.	0	0	(0)	0	100%
Promoting Understanding projects	Gp.	15	15	0	0	3%
		505	489	(0)	16	3%
E. Rangers, Estates Service & Vols.						
Field Services: Mgt	RRA,T	149	144	0	5	4%
Field Services: Estates Workers	CED	40	38	0	2	5%
Field Services: Area Rangers	Gp.	511	491	0	20	4%
Field Services: Patrol Rangers	GP.	64	57	0	7	11%
Field Services: Vehicles	RRV/S	156	164	(8)	0	(5%)
Field Services: Volunteers	RRC	39	39	0	0	0%
		958	932	(8)	35	3%
F. Development Control						
Planning Service Teams	PDC	544	491	0	54	10%
G. Forward Planning & Communities						
Policy & Partnerships	PPP	146	135	0	11	8%
P&P: Inward Investment	DBB	35	18	0	17	48%
P&P: Community Policy	PCP	83	82	0	1	1%
Live Work Rural	VC7	26	19	0	7	27%
Village Officers	VMA-F	68	(1)	0	69	101%
Sustainable Development Fund	VBH	94	23	0	72	76%
P&P: Management	PPM	280	240	0	40	14%
		733	516	0	216	30%
H. Corporate and Democratic Core						
Property Team	Gp.	256	272	(16)	0	(6%)
Aldern House HQ	AHQ	182	175	0	7	4%
Legal Services	ALE	298	228	0	71	24%
- Democratic Services & Members	AME	235	221	0	15	6%
Information Mgt	AIT	530	483	0	47	9%
- Customer Services Team	AIC	292	286	0	6	2%
Finance	AFS	247	239	0	8	3%
Corporate Management	ACS	331	339	(8)	0	(2%)
Corporate Overhead Fund	ABQ	40	(177)	0	217	545%
Human Resources	APE	159	148	0	11	7%
Corporate Capital	Gp.	104	187	(83)	0	(79%)
Asset Mgt Revenue Account	VDY	54	48	0	6	11%
Corporate Projects	Gp.	0	(39)	0	39	100%
		2,729	2,409	(107)	427	12%
Total		7,241	6,402	(172)	1,010	12%

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Peak District National Park Authority 2014/15 Outturn £,000

APPENDIX C

		Col A	Col B	Col C	Col D	Col E
		Total Budget 2014/15	Outturn	Overspend	Underspend	Variance %
Policy						
Policy Mgt	PPM	280	240	0	40	14%
Transport Policy	PTT	126	126	0	0	0%
Community Policy	PCP	83	82	0	1	1%
External Funding	DBB	35	18	0	17	48%
Recreation Strategy	PRS	55	49	0	6	11%
		580	516	0	64	11%
Land Management						
Natural Environment Team	CNE	210	204	0	6	3%
Countryside & Economy	CFC	331	317	0	14	4%
Conservation General	CFB	258	234	0	24	9%
Cultural Heritage	CAR	271	251	0	19	7%
Moors for the Future core costs	RMF	93	93	(0)	0	(0%)
Property & Estates Team	CES	282	292	(10)	0	(3%)
-Recreation Facilities	Gp.	64	10	0	54	84%
-Estates properties	Gp.	20	9	0	11	55%
-Woodlands	JAA	48	47	0	1	2%
		1,576	1,457	(10)	129	8%
Planning						
Planning Service	PDC	544	491	0	54	10%
Policy Planning	PPP	146	135	0	11	8%
		690	626	0	65	9%
Field & Enterprise						
Field Services	Gp.	1,056	1,008	0	48	5%
Field Services, Projects	RAM	4	(12)	0	16	411%
Edale Centre central costs	GMC	45	45	0	0	1%
Estate Workers	CED/L	40	38	0	2	5%
Visitor Centres	RVC	185	186	(0)	0	(0%)
Cycle Hire	CEB	(23)	(12)	(11)	0	47%
Learning and Discovery Team	LD1	137	136	0	1	1%
		1,444	1,387	(11)	68	4%
Corporate Resources						
Information Management	AIT	530	483	0	47	9%
Aldern House HQ	AHQ	182	175	0	7	4%
-Customer Services	AIC	292	286	0	6	2%
Finance	AFS	247	239	0	8	3%
Legal Services	ALE	298	228	0	71	24%
-Committee & Member Services	Gp.	235	221	0	15	6%
Communications	RIL	151	144	0	6	4%
-Design & Photography	RDE	16	8	0	8	48%
Human Resources	APE	159	148	0	11	7%
Corporate Management	ACS	331	339	(8)	0	(2%)
-Corporate Overhead Recovery	ABQ	40	(177)	0	217	545%
		2,481	2,093	(8)	396	16%
Capital						
Recreation Facilities Capital	Gp.	0	3	(3)	0	100%
Forestry Capital	ZAD	0	6	(6)	0	100%
Aldern House Works	Gp.	11	80	(69)	0	(608%)
Carbon Mgt Plan Works	Gp.	0	22	(22)	0	100%
IT Capital	Gp.	93	85	0	8	8%
		104	196	(99)	8	(87%)
Projects - externally funded						
<i>Natural Environment (VNE)</i>						
Ecton Mine Project	VBE	0	0	(0)	0	0%
Local Nature Partnership	VBQ	4	1	0	3	83%
Species-rich Grasslands Trails	VBS	0	(0)	0	0	0%
Danebridge Woodland	VBV	0	0	(0)	0	0%
Dane Valley Wood HLF	VBW	0	0	(0)	0	0%
Dane Valley Wood SITA	VBX	0	(4)	0	4	100%
Higher Minnend Farm (FC)	VBZ	0	(1)	0	1	100%
Peak District Farmlands	VBZ	0	0	0	0	0%
Sustainable Development Fund	VBH	94	23	0	72	76%
South West Peak	VSW	0	(0)	0	0	0%
<i>Rural Economy (VEE)</i>						
Rural Business	VC7	26	19	0	7	27%
<i>Recreation Projects (VAM)</i>						
Fire Operations Group	VFA	5	(8)	0	13	265%
Access Fund	VFH	3	(0)	0	3	107%
Pedal the Peak	VC9	28	33	(5)	0	(16%)
Pedal the Peak 2	VT1	29	29	(0)	0	0%
Events Website	VFJ	0	0	0	0	0%
Peak Park Pedals	VFP	3	2	0	1	42%
Stepping Stones Project	VFS	3	2	0	1	40%
<i>Forward Planning Projects</i>						
Village & Communities Officer	VMC	68	13	0	55	81%
Rural Enabling Project	VME	0	(13)	0	13	100%
Neighbourhood Planning	VMF	0	(1)	0	1	100%
<i>Education Projects (VED)</i>						
Moorland Discovery	VEF	15	15	0	0	3%
<i>Corporate (VC)</i>						
MFF - Conservation Plans	VM1	0	(0)	0	0	0%
MFF - Private Lands Project	VM2	0	(0)	0	0	0%
Moors for the Future - projects	VC6	4	3	0	1	31%
Moorlife	VC8	5	5	(1)	0	(11%)
Asset Mgt Revenue Account	VDY	54	48	0	6	11%
Matched Funding Appropriations	VDX	0	(39)	0	39	100%
<i>Transport Projects</i>						
Edale Station	VGL	0	0	(0)	0	0%
Peak Connections	VGO	24	3	0	21	88%
		365	128	(5)	243	65%
Total		7,241	6,402	(133)	972	12%

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Notes on the 2014/15 Outturn

APPENDIX D

(i) Slippage Requests recommended for carrying forward into next year's service budgets

£0 - pounds

Policy

Climate change one off funds c/f for developing carbon budget for Warslow estate, and other climate change projects	15,000
Review of National Park Management Plan beginning in 15/16; baseline funds c/f to support review	8,000
Business Process Review of performance management	2,250
external support for the giving strategy	4,000
Support to Transport budget for development of sustainable travel product	5,000
	34,250

Land Management

Capacity to accelerate property disposals and new income generation	44,000
Ash dieback - PDNPA contribution to partnership project	8,000
Conservation projects: birds of prey partnership project	1,021
Cultural Heritage: staff cover for absences; annual visit maintenance of sites and monuments record	5,015
Cultural Heritage: scanning of building photographs to facilitate wider usage by teams and tackle storage issues	10,340
	68,376

Development Planning

0

Field & Enterprise

expenditure set aside for maintenance work - landlord property obligations	14,328
Severn Trent Water car park receipts ring fenced for Derwent Valley projects	20,000
Next Steps walks, money originally received from NHS to be used for provision of events planned in 15/16.	781
Ranger materials to be spent next year external funding from UU & National Grid	1,995
Patrol Ranger claims (deferred pending new uniform branding)	1,500
Contribution to footpath work on the Pennine Way	2,687
Learning & Development Team Wifi access at Longdendale site	2,000
	43,291

Corporate Resources

Change management capacity	26,000
Brand development on the ground	15,000
Property corporate overhead allocated to supporting premises related expenditure arising from projects 15/16 onwards	52,704
Support services corporate overhead allocated to support service pressures arising from projects 15/16 onwards	139,386
Legal: part financing of extension to Legal Officer (enforcement) post to 31/03/2016	15,000
HR: corporate training event postponed to April; vocational training for H&S officer; supplement to ICT e-learning programme	5,707
HR: consultancy support for business process review of volunteering across the Authority	4,950
Communications: website improvements	5,587
Enterprise project - "Dragons Den" final payment	364
	264,698

Capital

0

0

Projects

Dane Valley wood project funds c/f VBX SITA funded	3,600
Higher Minnend Farm agency contract funds c/f VBY Forestry Commission funded	1,300
Local Nature Partnership: action plan geodiversity	2,000
Sustainable Development Fund grant scheme ring fenced funds c/f	71,502
Continuation of Rural Business Advisor support: remaining funds	7,054
provision of two courses and conference expenses scheduled for 15/16: partnership fire operations group	12,892
Access fund - seed capital for new fund	3,220
Peak Park Pedals external funding for 15/16 programme of cycle events	1,195
Stepping Stones project; Learning & Discovery team ongoing support for schools in project	1,065
Village and Communities work ringfenced external income to secure officer post and implementation	66,829
Clough Woodlands project (MFF) communications work	1,257
Peak connections remaining funds; development of green travel product	21,455
	193,369

TOTAL SLIPPAGE REQUESTS

603,984

(ii) Reserve Requests recommended for approval and appropriation to/(from) reserves

Appropriation from Cycle Hire Reserve	(10,702)
Appropriation to Design Reserve	7,500
Appropriation to Minerals and Legal Reserve	70,000
Appropriation to Aldern House Reserve	7,000
Appropriation to Restricted Reserves (bequests: Mrs Sheila Streek £30,000 and Margaret Rose Nicholls £3,000)	33,000
Appropriation to Car Park & Associated facilities Reserve	16,500
Appropriation to Trails Reserve	19,000
Appropriation to ICT Reserve	69,000
Appropriation of donations / legacies to Memorial Landscape Fund:	1,623
Appropriation from Matched Funding Reserve - feasibility studies for property, NPE Ltd contribution, marketing & branding	(26,467)
Appropriation from capital reserve - Aldern House project (ARP Minute 52/14); Carbon mgt plan expenditure (ARP Minute 58/11)	(90,675)
Appropriation from slippage reserve - contingency funds not required	(8,500)
Appropriation to Restructuring Reserve for redundancy and superannuation shortfall costs as per Authority Minute 05/10	244,399
	331,678

(iii) Overspends to be carried forward and set against next year's service budget

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Movement on Reserves and Reserve Levels

	Opening Balance 01/04/14	Agreed use 2014/15	contingencies / not allocated / 13/14 overspends clawed back	extra interest receipts above/(below) budget	App C Col D Impact of underspends / income at year end	App C Col C Impact of overspends at year end	App D (ii) Further Reserve requests	App D (i) Slippage requests	Closing Balance 31/03/15	potential use 2015/16	App D (iii) Carry forward of overspends	Balance 31/03/16
General Fund	730,452		(40,058)	(19,937)	971,874	(133,046)	(331,678)	(603,984)	573,623		0	573,623
Capital Reserve	425,597						(90,675)		334,922	615,000		949,922
	1,156,049	0	(40,058)	(19,937)	971,874	(133,046)	(422,353)	(603,984)	908,545			1,523,545
Specific Reserves												
Car Parks & Facilities	45,504						16,500		62,004	(25,000)		37,004
Trails Reserve	55,704						19,000		74,704	(30,000)		44,704
Aldern House	10,000						7,000		17,000			17,000
ICT	50,000						69,000		119,000	(80,000)		39,000
Warslow	15,966								15,966			15,966
Design	25,882						7,500		33,382	(10,000)		23,382
Visitor Services	111,146								111,146	(35,000)		76,146
Woodland	18,140								18,140			18,140
Cycle Hire	20,000						(10,702)		9,298	(9,000)		298
Vehicle Maintenance	18,009								18,009	(5,000)		13,009
Planned Maintenance	18,845								18,845			18,845
Minerals & Legal	353,459						70,000		423,459	(150,000)		273,459
Restructuring	154,657						244,399		399,056	(220,000)		179,056
North Lees	10,000								10,000	(10,000)		0
Minor Properties	10,000								10,000	(5,000)		5,000
Conservation Acquisitions	19,000								19,000			19,000
	936,312	0	0	0	0	0	422,697	0	1,359,009			780,009
Matched Funding	599,887	(104,656)					(26,467)		468,764	(201,000)		267,764
Slippage Reserve	804,729	(678,337)					(8,500)	603,984	721,876	(600,000)		121,876
Restricted Funds	19,518						34,623		54,141	<i>drawn down @ conditions of receipt</i>		54,141
	3,516,495	(782,993)	(40,058)	(19,937)	971,874	(133,046)	0	0	3,512,335	(765,000)	0	2,747,335

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