

Financial Overview

Each year, we support our expenditure with four main sources of funds:

- National Park Grant from the Department for Environment, Food and Rural Affairs
- Other Local Authority special grants from the Department for Communities and Local Government
- Income generation from sales and charges for our services
- Additional funds from grant bodies and partnerships

During the financial year we allocate expenditure to 8 functional headings in accordance with the Best Value Accounting Code of Practice (as shown in the overall financial statement in Annex 7 of this plan). The financial information covers four years:

- Resources used in 2008/09 and 2009/10
- Our budgeted expenditure and income for 2010/11
- Our planned requirements for 2011/12 based on estimates of funding available

Following confirmation of National Park Grant allocations in December 2007 we were able to draw up a three year financial plan for the 2008/9 – 2010/11 spending review period, based on inflationary increases in National Park Grant of 4.2%, 2.75%, and 2.75% respectively. These increases were justified by the Minister because of the huge value and impact National Parks were having across a whole range of important issues. Planning figures for the next Spending Review period from 2011/12 to 2013/14 remain uncertain, although the Authority has been able to prepare a three year business plan based on a number of funding scenarios. Some of these scenarios necessarily consider further efficiencies, finding new ways of doing work, and reductions in services or staffing. We continue to work with partners to secure extra funds for new initiatives to meet our National Park purposes, and we are also looking at other possible ways of increasing our income or sharing our costs.

The most significant are:

- A shared approach with the Royal Society for the Protection of Birds and National Trust to managing the Eastern Moors Estate
- A successful bid to the European Life + programme (Moorlife) with our moorland partners, extending further the restoration work carried out in the first five year programme, with a £5.7m expenditure programme over the next 5 years, 75% of which is externally funded by European monies
- A £2.25m cycling project funded by Cycling England extending and developing cycling infrastructure between Buxton and Bakewell, with ambitions to link through to Matlock.

The matched funding is provided either in cash or through in-kind contributions from our baseline resources, and our partnership and external funding work attracts nearly £5 in outside funds for every £1 of our own resource used.

We continue to be prudent in our approach to financing capital expenditure from our borrowing powers, setting an overall borrowing limit of £1.9m up to 2012/13 (with financing costs about 3% of overall net income). These limits will be revised when work on the capital strategy is progressed, assessing our need for capital expenditure on assets over a 10-20 year period, informed by our work on the Asset Management Plan and our need to ensure that the Authority's asset base is financially sustainable. The availability of borrowing enables us to manage our long term assets more cost effectively, based on the principles of sound investment, rather than the in-year constraints caused by financing capital wholly from the revenue budget. The two main investments for which funds have been borrowed - refurbishment of Aldern House to create more space / cessation of leased premises – and replacement of a leased vehicle fleet with an owned fleet – are examples of invest to save expenditure with both providing future revenue savings from the initial investment.

Contract Statement

There have been no individual contracts awarded during the past year which involve a transfer of staff.