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## CAIRNGORMS NATIONAL PARK AUTHORITY FINANCE AND DELIVERY COMMITTEE

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### FOR DISCUSSION

**Title: BUDGET MONITORING 2013/14 - 9 MONTHS TO 31 DECEMBER 2013**

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### **Purpose**

To present a summary review of income and expenditure for the 9 months to 31 December 2013, and a projection for the remaining 3 months to 31 March 2014 to give a forecast outturn position for the year. Also included is a summary of Operational Plan net expenditure covering the same periods.

### **Recommendations**

The Finance Committee is requested to:

Note the results of the 9 months period to 31 December 2013;

- a) Note the analysis of the Operational Plan net expenditure by programme for the 9 months to 31 December 2013;
- b) Note the forecast for the remaining 3 months compared to Plan;
- c) Note the Shovel Ready payments to 31 December, and the revised payment schedule to 31 March 2014;

### **Executive Summary**

1. Annex I, sheet I:A, shows the financial results for the CNPA for the 9 months to 31 December 2013. The surplus for the year to date of £727,000 compares to a budgeted surplus of £391,000. This is again almost entirely due to Operational Plan expenditure being less than budget for the year to date (£344,000). There was £223,000 positive variance on Core expenditure for the year to date.
2. Grant-in-aid, to cover operational costs and capital expenditure together with enhanced capital expenditure (Shovel Ready) was drawn down as forecast;
3. The net income variance is made up as:
  - i. £56,000 Other income (d)
  - ii. £256,000 less net Operational Plan expenditure (e)
  - iii. £22,000 less Core expenditure (f)
4. Other income represents the CNPA's share of planning fee and a contribution from Aberdeenshire Council towards Braemar flood plain work.

5. Operational Plan expenditure was £344,000 less than budget whereas Operational Plan income was £88,000 less than budget.
6. Core expenditure variances per Annex I, A were:
  - a) Board and staff costs £79,000 less than budget;
  - b) Other Board Costs £24,000 higher than budget;
  - c) Office Running Costs were £8,000 higher than budget, and
  - d) IT and Professional Support £25,000 higher than budget.

Material variances (positive [-] and adverse [+]), expressed as a % variation value, actual to budget were:

a) Board meeting and other costs	+15% (£6,600)
b) Training and other HR	+15% (£6,100)
c) Recruitment	+28% (£5,100)
d) Travel and subsistence	+45% (£9,000)
e) Building interior repairs	+333% (£5,900)
f) Agency fees for temporary staff	+100% (£29,500)

7. The anticipated final net position in the forecast is dependent on Operational Income matching forecast and as previously reported this gives additional challenges and risks in delivering the total planned expenditure within budget to the year end. All aspects of income and expenditure remain closely monitored.
8. Annex I:D1, page 2, summarises the net expenditure for the 9 months to 31 December 2013, for each of the 8 Operational Plan programmes noted in the 2012-15 CNPA Corporate Plan.
9. Annex I:D2, also includes an Operational Plan Dashboard showing the net spend, committed and remaining spend.
10. The projections to 31 March 2014 in Annex I:A2 indicates a projected adverse variance of £98,000 from plan. The intention is to end the year in a break even position and a review has been carried out to identify programme costs which may slip or not commence in the year, or exceptionally that can be cutback without impacting effective delivery of the Operational Plan programme outcomes. Annex I:E Operational Plan, Revised, summarises the current identified reallocations and savings following the reclassification of charged in share services costs with Loch Lomond & Trossachs National Park to be applied from 1 January to 31 March 2014.
11. Anticipated underspends have been identified in Programme 2 due to a higher than assumed recovery on LEADER administration costs, and planned underspends on programs 4, 7 and 8.
12. However, the close monitoring of programme costs, as well as CORE expenditure, will continue until the year end to ensure that the final outturn is within the grant-in-aid received from Scottish Government.

13. Shovel Ready Projects:

- a) Section F in Annex I lists the 2013/14 Shovel Ready projects with spend to 31 December, 2013, status as regards planning permission, etc and the anticipated out come by 31 March 2014. All projects are currently on track for the full application of Shovel Ready funds made available from Scottish Government. Of the six projects five are traffic lighted as green and one as amber.

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