

**CAIRNGORMS NATIONAL PARK AUTHORITY
FINANCE AND DELIVERY COMMITTEE**

FOR DISCUSSION

**Title: FINANCE MONITORING: 10 MONTHS TO
31 JANUARY 2017**

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Purpose

To present a summary review of income and expenditure for the 10 months to 31 January 2017 to the Finance and Delivery Committee.

Recommendations

The Finance and Delivery Committee is requested to:

- a) Note the results of the 10 months period to 31 January 2017;**
- b) Note the position on projects.**

Executive Summary

1. The main report to the Committee is contained in Annex I
2. Annex I shows the 3 main components of the Corporate Plan - Core and Operational Plan and 2 projects, LEADER and the Tomintoul & Glenlivet Landscape Partnership – as well as a consolidated position which will be the basis for the preparation of the Park Authority’s annual accounts.
3. Annex 2 is a month by month summary of the financial information in Annex I for other income, wages and salaries and operating costs generally.
4. Annex 3 is the analysis of the Operational Plan by “theme”, showing both expenditure and income. The summary information now includes committed spend, where documentation is in place, and where a commitment to spend has been identified but documentation has not yet been prepared i.e. on new projects staffed by recently recruited project offers.
5. Annex 4 is a high level summary of the main components of “other board and staff costs”, “facilities costs” and “IT and professional costs”.

Overview

6. The financial position for the 10 months to 31 January is broadly as expected with no stress flags showing on the high level information – Annex 1. There is some indication of inadequate budgets for some of the costs in Annex 4 which will be resolved by vires within the relevant cost heading.

Other Income and Operational Plan

7. At 31 January £3,492 (2 invoices) was outstanding. Share of planning fees to 31 December (Highland Council and Aberdeenshire Council) invoiced and paid within January.
8. Income is attributed to the Operational Plan when it is matched funding, a recovery of operational plan expenditure, or directly linked to a Theme, e.g. contributions to planning fees and is noted in Annex 3.

Board and staff costs

9. Staff costs incurred for the six months are within plan for the year. Modest underspend on Board salaries projected due to resignation of a board member at 31 December 2016.

Operational plan

10. Annex 3 summarises the expenditure and income per Theme within the Operational Plan and now shows commitments.
11. All Themes payments to date and expenditure committed are in line with expectations. Heads of Service have until 10 February to fully commit their budgets.
12. Conservation and land management, Planning and Communications have the most budget remaining to commit and are on track to complete the exercise by the 10th February.
13. Corporate Services shows an over commitment. This is due to an accrual being made to cover the costs of the election of a new Board member for the Aberdeenshire ward following the resignation of Katrina Farquhar.

Projects

LEADER

14. Payment in full has now been received against all claims for administration costs made to 30 September 2016. The claim for the quarter to 31 December has been made and payment is expected to be paid in April, post current financial year end.

15. The intervention rate for the quarter 4 Admin claim has yet to be set and will be before the year end.
16. The first project payment was made in December, 2016. At time of writing confirmation on the claim mechanism for project advances is still awaited, but is expected to be via the "LARCS" system.
17. Payments from the Small Grants Programme, administered by the LEADER team on behalf of the Cairngorms LAG, now total, £15,796 or 79% of the original funds.

Tomintoul & Glenlivet Landscape Partnership.

18. The only costs incurred since the last report to committee represents the first payment for the newly in post Development Manager. Projected spend is currently behind the initial project forecasts and revised cash flows will be prepared by the end of the financial year. A reduction in budgeted costs, and contributions is likely but the net effect will be neutral.
19. A separate report on the Landscape Partnership will be delivered as paper 2.

CORE costs

20. Board and staff costs: a modest underspend is now projected following the resignation of Katrina Farquhar. Similarly an underspend is also expected on staffing costs, though this in part will be offset by an expected increase in the staff benefits provision, based on untaken leave and flexi at the year end, which is allocated to staff costs.
21. Other board and staff costs: overall on plan with travel and subsistence being higher than budget both for year to date and full year. This will be covered by savings in other lines, specifically pool cars which will underspend, due in part to the change in fleet supplier in the summer of 2016.
22. Facilities cost: overall on plan with rent costs showing a red flag but this is due to landlord billing cycles and will match budget come year end. The stress point noted in the last position paper on water rates is reducing due to credit notes being issued due to the new supplier's use of estimated readings. The telephony costs are being reviewed and are likely to reduce in 2017/18 as the number of BT lines will be reduced due to the Lync system which is VOIP. Maintenance costs are now overall within budget for the year though additional costs are expected on the bio-mass system by the year end.
23. IT and professional costs: overall on plan. The variance on the audit fee line is due to the full provision for the external audit which is expected to be at last year's fee level.

Grant-in-Aid

24. All Grant in Aid has been received as originally profiled, together with the additional amounts agreed with Scottish Government.

25. Additional capital grant-in-aid of £50,000 for the initial fit out costs of the new office extension will be paid out by Scottish Government in March.

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31 January 2017

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