

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

---

**FOR DISCUSSION**

**Title: FINANCE MONITORING: 2 MONTHS TO  
31 MAY 2016**

**Prepared by: Daniel Ralph, Finance Manager  
David Cameron, Director of Corporate Services**

**Purpose**

To present a summary review of income and expenditure for the 2 months to 31 May 2016 to the Finance and Delivery Committee.

**Recommendations**

**The Finance and Delivery Committee is requested to:**

- a) Note the results of the 2 months period to 31 May 2016;**
- b) Note the position on projects.**

**Executive Summary**

1. The main report to the Committee is contained in Annex I. This is a revised format of reporting internally which dovetails with the high-level information provided monthly to the Sponsoring Department within Scottish Government and the Authority's senior management team.
2. The information provided shows the 3 main components of the Corporate Plan - Core and Operational Plan and 2 projects, LEADER and the Tomintoul & Glenlivet Landscape Partnership – and a consolidated position. The consolidated position can be derived at any time, not solely at month ends, and is compared with the budget forecast for the year to assess progress towards the planned outturn for the financial year.
3. The reporting will be at a higher level than previously given to the board with only specific issues or material variances highlighted to the committee.
4. Coloured flags are shown which indicate (1) flag 1: whether expenditure and income to date is considered on track for the period under review and (2) flag 2: whether the budgeted/forecast outturn will be met. The flags will reflect a traffic light monitoring – green (on track), amber (issues in delivery identified) and red (issues likely to impact the outturn in terms of spend or income or timing of delivery identified).

5. Annex 2 is a month by month summary of the consolidated financial information in Annex 1.
6. As the financial year progresses further information will be given to back up the flag positions, to indicate either stress points or where milestones in performance have been achieved. Changes (vires) to the original budget agreed by the Board on 11 March 2016 will also be brought to the Committee's attention.
7. Annex 3 is the analysis of the Operational Plan by Theme, showing both expenditure and income.

### **Overview**

8. For the two months to 31 May the position is as would be expected early in the finance year. All flags are green as is to be expected at this early stage in the financial year.

### **Other Income**

9. At the time of drafting the report only £165 remains outstanding from other income invoiced in the 2 months to 31 May.
10. Income is attributed to the Operational Plan when it is matched funding, a recovery of operational plan expenditure, or directly linked to a Theme, eg contributions to planning fees.

### **Board and staff costs**

11. Staff costs incurred for the two months are within plan.

### **Operational plan**

12. Annex 3 summaries the expenditure and income per Theme within the Operational Plan.
13. Actual expenditure incurred to date is in line with expectations.
14. Future monitoring reports to the Committee will also include in Annex 3 not only actual expenditure to date but "committed" expenditure. This is a definite commitment/obligation to spend with the necessary internal paperwork and authorisation in place. This will give a more accurate indication of progress in the Operational Plan expenditure.

## Projects

### LEADER

15. Payment has now been received against 2 claims made in the year to 31 March 2016. Both claims were paid in full. A further 4 claims are currently being reviewed and payment is expected in full in June or early July.
16. Recoveries from LEADER are now recognised on a monthly basis, for a proportion of staff and administration expenses, recoverable from Scottish Government. The basis of the claims remains unchanged: quarterly in arrears on defrayed costs at an intervention rate calculated monthly.
17. The first round of awards for LEADER funding has been considered and the first payments are expected in quarter 3, 16/17.
18. Payments from the Small Grants Programme, administered by the LEADER team on behalf of the LAG, now total, £7,500 or 38% of the original funds.

### Tomintoul & Glenlivet Landscape Partnership

19. The amount due from the Heritage Lottery Fund (HLF) for the quarter to 31 March 2016 is still outstanding at the time of drafting this report. This is expected to be received by mid-June. Claims made to Highland and Island Enterprise (HIE) for expenditure defrayed by 31 March have been received.
20. The Development phase is nearing completion and final claims will be made to HLF and HIE by the end of June.
21. The Delivery Phase budgets and cash flows have now been submitted to HLF for their consideration over the summer with a decision expected in September.

### CORE costs

22. Other board and staff costs, facilities cost, and IT and professional costs are on plan.
23. It should be noted that, as the emphasis for reporting is now on the outturn for the year, prepayments are only recognised to the extent that they are both material and straddle a year end. As an example facility costs include the full financial year's costs for rates and refuse collection. Previously, prepayments would have been recognised on a monthly basis which would have "smoothed" the cost allocation over the year. This new approach also makes it easier to automate cash flows projections using the accounting software.
24. As this reporting is higher level than previously only specific issues or material variances will be highlighted to the committee. Typically, this will be by reporting by exception on actual or anticipated adverse outturns by budget line: where budgeted costs have proved to be inaccurate or where material unplanned or unexpected costs are expected.

## **Grant in Aid**

25. All Grant in Aid has been received as originally profiled.
26. 45% of the total capital element of the grant-in-aid for the year was profiled for draw down by 31 May. This has been drawn down as profiled and 83% applied: additional software and hardware on the Lync phone system, new desktop PCs. The remaining spend has been profiled.

**Daniel Ralph**  
**David Cameron**  
**31 May 2016**

[danielralph@cairngorms.co.uk](mailto:danielralph@cairngorms.co.uk)  
[davidcameron@cairngorms.co.uk](mailto:davidcameron@cairngorms.co.uk)