
CAIRNGORMS NATIONAL PARK AUTHORITY

FOR INFORMATION

Title: 2014/15 BUDGET MANAGEMENT UPDATE

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Purpose

This paper presents a brief update to Board on the Management of the 2014/15 budget following approval of the budget, including an over-programmed element, by the Board at its meeting in March 2015. This high level overview presented to Board complements the more detailed and regular financial monitoring arrangements discharged through the Board's Finance and Delivery Committee.

Recommendations

The Board is requested to note:

- a) The improvement in the budget over-programmed position from £0.3 million to £0.089 million at the end of October;**
- b) That the Finance and Delivery Committee continues to monitor the budget position on a regular basis and will aim to oversee delivery of an outturn within targets as in previous financial years.**

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Strategic Context

1. The budget and operational plan for 2014/15 represents the final year of delivery against the current 2012 to 2015 Corporate Plan.
2. The Board meeting in March 2014 agreed the budget for the current financial year, 2014/15, with total income forecast at £4.7 million and total initial expenditure projections of £5.0 million. The budget for the year hence incorporated an initial over-programming level of £0.3 million, whereby additional income would have to be secured to finance proposed activities or some slippage or reduction in expenditure plans found to balance the financial outturn by the end of the year.
3. The Board recognised the risks around over-programming given the relatively high level of financial commitments made to some existing key projects and required that the Management Team exercise close control and monitoring of the budget position and take corrective action to deliver an outturn within established targets.
4. The Board also recognised that over-programming the initial budget prior to the commencement of the year helps ensure that the Authority is able to continue to respond to delivery opportunities at short notice should funding become available.
5. As at the end of October 2014, we have been able to secure additional income toward funding projects of £52,000 together with securing £159,000 in managing staff vacancies and control of other areas of expenditure including some reductions in required operational plan provisions. In total we have therefore reduced the budget over-programming level by £0.211 million by the end of month seven of the financial year. Further potential expenditure reductions have been identified and being pursued, however at this point not firm enough to build into figures.

Implications

6. There are no direct resource implications arising from this information paper.
7. From the perspective of reputational implications, the Authority is again seeking to demonstrate that it is able to respond quickly to deliver priority activities when funding becomes available, while it is also effectively and efficiently managing its available resources.

Success Measures

8. Success of our budget setting and management practices will again be measured by our achieving an outturn target of between +1% and -2% of income.

Version	
0	Initial Drafting
0.1	DC initial draft for review 15 Nov 14
1	Board Submission
1.1	DC review including update to month 7 results per Finance Committee

Supporting Information

Annex I: 2014/15 Budget Summary Approved by Board in March 2014

	2013/14 Budget forecast (£m)	2014/15 Budget forecast (£m)
Grant and Fee Income	4.601	4.686
Expenditure		
Core Budgets	3.158	3.662
Operational Plan	1.540	1.328
Total Expenditure	4.698	4.990
Net Expenditure	-0.097	-0.304
Note:		
Sensitivity Analysis - Movement by 1% in:		£000
- Pay awards		30
- Inflationary price increases		4
- Grant in aid movements		45