



# For discussion

**Title:** Budget monitoring

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## Purpose

This paper sets out an overview of the Park Authority's budget management position at the end of April - month 1 of the 2024 / 25 financial year.

## Recommendations

The Resources Committee is asked to:

- a) Consider the budget management position for 2024 / 25.

## Overview

1. Annex 1 provides a summary of expenditure against the profiled budget. The budget has been profiled using the prior year's spending patterns as a model. It is early in the year yet, and meaningful trends in expenditure have not been established. However, actual spend is 5% lower (£24k) than anticipated against the phased budget for this first month of the year.

## Budget changes

2. To date there have been no changes to the budget presented to the Board in March 2024.

## Staff and Board

3. The budgeted investment in staff over the year is a key element of the budget, at £5.625 million equivalent to 43.3% of the total expenditure budget resourced by Scottish Government funding. The position against this budget figure of the first month's payroll therefore represents a key test of the robustness of this significant budget figure.
4. Expected budget for payroll in April after allowing for 2024 / 25 pay awards not yet having been implemented, is £420k including employers' national insurance and



pension contributions. Actual value of payroll and associated costs for April is £409k: a favourable variance of £11k against budget (2.6% under budget).

5. The budget allows for performance related increments, and an award designed to increase pay by 10% over the two years from April 2023. Providing the final award remains at this level, the budget would appear to be realistic.
6. As is always the case, the finance team and Senior Management Team will play close attention to this budget position over the early months of the year to determine whether any budget reallocations are needed.

### **Programme management**

7. Project costs relate to the Cairngorms 2030 programme. The committee will recall that an annual contribution to the programme of £450k is to be made to the programme by the Park Authority and has been included in the 2024 / 25 budget.
8. The first claim against this project has been submitted and we await feedback and remittance of funds by the National Lottery Heritage Fund (NLHF). At this stage we do not anticipate that there will be any impacts from the programme on the central budget for the Park Authority.

### **Overheads**

9. Currently, running costs are marginally below budget: an underspend of £8k against the phased budget.

### **Operational plan**

10. Similarly, operational plan expenditure shows an underspend of £6k against the phased budget.
11. There has been no expenditure to date against the 2024 / 25 peatland restoration budget. This is in line with expectations. In this initial quarter of the year, it is anticipated that most of the significant expenditure will contribute to the finalisation of projects contracted in 2023 / 24.



12. The budget towards our 'People' aims shows an overspend of £12k against the phased budget. Much of this expenditure relates to the early purchase of stocks of uniform and equipment for our ranger teams (seasonal and voluntary).

## Summary

13. The key points arising from the review of the financial position at the end of April 2024 are:

- a) The budget has been profiled using the 2023 / 24 results as a model.
- b) Initial indications are that the payroll budget provided for the year will be sufficient, providing the annual award is made at the budgeted level.
- c) Expenditure on the Cairngorms 2030 programme has commenced. The first claim has been submitted.
- d) Running costs are within the phased budget.
- e) Operational plan expenditure is within the phased budget.
- f) There has been no expenditure to date against the 2024 / 25 peatland restoration budget. Most of the initial expenditure on peatland restoration is expected to contribute to the finalisation of projects contracted in 2023 / 24.

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## Annex 1

### Summary of expenditure against the profiled budget

CAIRNGORMS NATIONAL PARK AUTHORITY							
Resources Committee: Paper 1, Annex 1. 19 May 2024							
YEAR ENDING 31 MARCH 2025							
ACTUAL v BUDGET 30 APRIL 2024							
	Annual budget	Budget adjustments	Outturn forecast	Phased budget to 30 April 24	Actual at 30 April 24	(Under)/ over phased budget	% of Outturn forecast
<b>Board fees</b>	191,990		191,990	14,324	15,197	874	8%
<b>Staff costs</b>	5,625,667		5,625,667	419,711	409,120	(10,591)	7%
	<b>5,817,657</b>	<b>0</b>	<b>5,817,657</b>	<b>434,035</b>	<b>424,317</b>	<b>(9,717)</b>	
<b>Project costs</b>							
Project costs	2,520,000		2,520,000	93,500	60,657	(32,843)	2%
Project costs recoverable	(2,520,000)		(2,520,000)	(93,500)	(60,657)	32,843	2%
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Running costs</b>							
Other staff and board costs	263,119		263,119	13,617	14,933	1,316	6%
Facilities costs	373,140		373,140	28,623	23,737	(4,886)	6%
IT and professional costs	345,510		345,510	16,332	12,345	(3,987)	4%
	<b>981,769</b>	<b>0</b>	<b>981,769</b>	<b>58,572</b>	<b>51,015</b>	<b>(7,557)</b>	
<b>Operational plan (net)</b>							
Peatland restoration	3,050,000		3,050,000	483	0	(483)	0%
Nature & climate	811,000		811,000	16,060	10,084	(5,976)	1%
People	290,000		290,000	4,507	16,170	11,663	6%
Place	860,000		860,000	4,802	2,982	(1,820)	0%
Corporate	1,064,500		1,064,500	9,214	1,216	(7,998)	0%
Communications	225,500		225,500	10,107	8,360	(1,747)	4%
Contribution to Cairngorms 2030	450,000		450,000	0	0	0	0%
	<b>6,751,000</b>	<b>0</b>	<b>6,751,000</b>	<b>45,174</b>	<b>38,813</b>	<b>(6,361)</b>	
<b>Total expenditure</b>	<b>13,550,426</b>	<b>0</b>	<b>13,550,426</b>	<b>537,780</b>	<b>514,145</b>	<b>(23,635)</b>	<b>4%</b>
<b>Other income</b>	<b>(250,000)</b>		<b>(250,000)</b>	<b>(1,065)</b>	<b>(973)</b>	<b>92</b>	<b>0%</b>
<b>Cash expenditure</b>	<b>13,300,426</b>	<b>0</b>	<b>13,300,426</b>	<b>536,715</b>	<b>513,172</b>	<b>(23,543)</b>	<b>4%</b>
<b>Grant-in-aid drawn down</b>	<b>(13,301,000)</b>		<b>(13,301,000)</b>	<b>(1,000,000)</b>	<b>(1,000,000)</b>	<b>0</b>	<b>8%</b>
<b>Net cash expenditure/ (income)</b>	<b>(574)</b>	<b>0</b>	<b>(574)</b>	<b>(463,285)</b>	<b>(486,828)</b>	<b>(23,543)</b>	