

CAIRNGORMS NATIONAL PARK AUTHORITY FINANCE COMMITTEE

FOR INFORMATION

Title: REVIEW OF TEN MONTHS TO 31st JANUARY 2010

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Purpose

The purpose of this paper is to present a summary review of income & expenditure for the 10 months to 31st January 2010 and a projection of the financial outcome for the year to 31st March 2010. The paper also reviews net Operational Plan expenditure over the same period.

Recommendations

The Finance Committee is requested to:

- a) Note the results for the 10 months to the end of January 2010 and the projected outcome for the 12 months to 31st March 2010.
- b) Note the further analysis of net Operational Plan expenditure by programme for the 10 months to 31st January 2010 and the projected outcome, by programme, for the year to 31st March 2010.

Executive Summary

- a) Table 1 shows the financial results for the CNPA over the ten months to 31st January 2010. This period resulted in a gain of £132k against a planned gain of £67k (the £65k variance representing 1.5% of income).
 - b) The £65k surplus is reflected mainly in savings of £56k on core salary costs.
 - c) The projected outcome for the year to 31st March 2010 is a surplus of £13k, which represents a positive variance of £59k against the revised budget for the year.
 - d) The budget figures for the year to date and outcome for the current 12 months represent the result of the Park Authority's mid-term budget review. This review ensured that budgets were suitably allocated to programme activities and that any planned over spend was reduced to manageable levels.
 - e) £50k of additional core cost savings, above required efficiency levels, are included in the year's Core Operating Costs budget. This means efficiency savings of £140k are being targeted, rather than the required £93k.
 - f) Programme activity will be monitored over the last 2 months of the year, with any slippage being covered by suitably identified expenditure from 2010/11 planned expenditure being brought forward where possible.
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REVIEW OF TEN MONTHS TO 31/01/2010 – FOR INFORMATION

Table 1. Results for the 10 months to 31st January 2010:

CNPA		10			12		
2009/10		Jan-10	Jan-10	Jan-10	Mar-10	Mar-10	Mar-10
Operating Cost Statement		Actual	Budget	Variance	Projected	Budget	Variance
£000's		Ytd	Ytd	Ytd	12 mths	12 mths	12 mths
Income							
Grant in Aid and Other income	a)	3,810	3,815	-5	4,836	4,862	-26
Operational Plan income	f)	495	517	-22	671	671	0
Total Income	a)	4,305	4,332	-27	5,507	5,533	-26
Expenditure							
Board and Staff Salary costs	b)	1,922	1,978	56	2,342	2,398	56
Other Board and Staff costs	c)	188	201	13	230	243	13
Office Running costs	d)	181	174	-7	216	209	-7
IT and Professional Support		107	109	2	129	131	2
Core Operating Costs		2,398	2,462	64	2,917	2,981	64
Operational Plan Expenditure	f)	1,727	1,756	29	2,520	2,541	21
Depreciation		48	47	-1	57	57	0
Total Expenditure		4,173	4,265	92	5,494	5,579	85
Recognised Gain/-Loss	e)	132	67	65	13	-46	59
Notes							
	a)	Planning fee income for the year is projected to be £20k below target, with bank interest received a further £6k less.					
	b)	The current saving of £56k on Salary costs is projected to remain for the year. £49k of this saving is on Staff Salaries with £7k relating to Board costs.					
	c)	£8k of the current saving comes from Other Board costs with the remaining £5k relating to Staff recruitment costs. These are expected to remain for the year.					
	d)	The £7k currently over spent is from higher than budgeted Office Maintenance costs which are not likely to be recovered during the year. These costs include reception refurbishment, document storage and office caretaker costs.					
	e)	As at 31/01/10, a small surplus of £13k is projected. This position is being monitored over the last 2 months of the year to ensure budgets are spent as expected and that any possible slippage is managed appropriately.					
	f)	See Table 2 analysis.					

Table 2. Net Operational Plan expenditure for the 10 months to 31st January 2010:

<u>CNPA Operational Plan</u>		10			12		
<u>2009/10</u>		Jan-10	Jan-10	Jan-10	Mar-10	Mar-10	Mar-10
<u>Expenditure Summary</u>		Actual	Budget	Variance	Projected	Budget	Variance
£000's		Ytd	Ytd	Ytd	12 mths	12 mths	12 mths
Operating Cost Statement							
Operational Plan Income	f)	495	517	-22	671	671	0
Operational Plan Expenditure	f)	1,727	1,756	29	2,520	2,541	21
		1,232	1,239	7	1,849	1,870	21
Operational Plan Programmes							
1. Biodiversity and Landscapes	g)	120	114	-6	175	170	-5
2. Land Management Support	h)	120	149	29	170	190	20
3. Sustainable Deer Management		4	4	0	12	12	0
4. Outdoor Access		215	207	-8	300	295	-5
5. Sustainable Tourism & Business	i)	220	214	-6	350	362	12
6. Affordable Sustainable Housing	l)	30	29	-1	42	42	0
7. Awareness and Understanding	j)	200	214	14	418	438	20
8. Communications	g)	62	81	19	101	113	12
9. Planning	k)	67	49	-18	83	66	-17
10. Corporate Services		0	0	0	4	4	0
Exceptional Local Plan costs	l)	194	178	-16	194	178	-16
		1,232	1,239	7	1,849	1,870	21
Net Operating Cost		1,232	1,239	7	1,849	1,870	21
Notes							
		g) £5k vired from Communications budget to fund LBAP leaflet publication.					
		h) Business case for £20k further contribution to Clim-ATIC project currently being developed for approval.					
		i) 2009/10 Visitor Survey final report due in June 2010, £12k contract balance remaining.					
		j) Under spends are currently projected of £10k in Visitor Information work and the same in Brand Usage. Alternatives for this budget spend are being investigated.					
		k) Costs associated with the Aviemore Design Framework are expected to result in an over spend of £17k.					
		l) Local plan costs are shown separately as additional budget has been taken from all other programmes to cover this expenditure. Local Plan costs are normally budgeted for within Affordable Sustainable Housing.					

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