



Annex 1

Budget Risks

Risk number	Budget area	Description of risk	Mitigation	Budget allocation 25/26 £'000	Budget allocation 24/25 £'000
1	Funding Nature Restoration Fund	Nature restoration delivery is a key aim for the Park Authority. The availability of funding through the Nature Restoration Fund is uncertain.	Sufficient budget allocation is made to support priority delivery in this area from grant-in-aid (CDEL). Budget allocation of £220k has been made from grant-in-aid to enable this delivery regardless of whether funding is available through NRF.	-	300
2	Funding CLLD	The amount of funding available for Community Led Local Development is uncertain. The expectation is that awards should support mainly capital projects.	Potential interactions between CLLD projects and climate adaptation projects and other grant funding initiatives will be explored to maximise the community benefits achieved through the two funds.	350	300



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3	Staff costs	Staff costs have been modelled at £6million for the year, based on the negotiated three-year pay deal and a full complement of staff. Some posts within the staff cohort are currently vacant but are likely to be filled early in the 25 / 26 financial year.	Vacancy savings and recruitment delays have been significant during 24 / 25 and are expected to result in underspend against the full year payroll budget of around £250,000. Much of this saving resulted from internal recruitment to C2030 posts, with the consequent requirement for external recruitment to backfill core posts.	(200)	(71)
4	Vacancy savings	Vacancy savings become available if recruitment to vacant posts is delayed, either by the Park Authority deliberately, or because of lack of availability of suitable candidates. It is difficult to predict the value of such savings.	Now that the C2030 programme is at full complement, staff movement is expected to be considerably less than in 24 / 25. A prudent estimate of the potential value of vacancy savings has been included in the budget; if savings exceed this amount, budget will be reallocated to enable additional delivery against the Operational Plan.		



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				25/26 £'000	24/25 £'000
5	Climate adaptation fund	The success of this fund in 24 / 25 has raised the expectation that it will be available again in 25 / 26. Competing priorities for budget allocation have restricted the amount of grant-in-aid available to provide this fund. Consequently, applications may exceed available funds.	Potential interactions between CLLD projects and climate adaptation projects will be explored to maximise the community benefits achieved through the two funds.	200	370
6	Running costs	Inflationary pressures, technological improvements and an increased staff cohort combine to present a challenge for cost management.	<p>Inflationary increase of 2.6% has been applied to ongoing running costs.</p> <p>Significant additional ongoing cost (£70,000) is anticipated when our Idox planning database is upgraded to the most recent cloud version.</p> <p>Potential savings in running costs of £70,000 have been identified but have not been incorporated into the budget at this stage of its development.</p>	26 70 -	- 16 -



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7	Contribution to C2030 programme	Delay in funding decisions over C2030 transport projects creates significant risk over their completion by the end of the term of the programme.	Funding of £450k per annum was committed as part of the grant application. Additional contribution from core funding would allow the development of designs and mitigate the risk of further funding delays.	450 338	450 -