

RAPC 571/25

NEW FOREST NATIONAL PARK AUTHORITY

RESOURCES, AUDIT AND PERFORMANCE COMMITTEE – 8 SEPTEMBER 2025

APRIL - JULY BUDGETARY CONTROL REPORT 2025/26

Report by: Nigel Stone, Head of Resources (Chief Finance Officer) and Tom Knott, Finance & Sustainable Procurement Officer

Purpose:

This report provides a summary of financial performance up to the end of July 2025, the first four months of the 2025/26 financial year.

1. Introduction

- 1.1 This report provides a summary of financial performance in the first four months of 2025/26, providing detail on potential variances and the responses to them. **Annex 1** sets out the summary financial position; **Annex 2** includes indicative splits of the 2025/26 budgets across the four aims and the statutory accounting format; further detail is then provided on the Programme Fund (**Annex 3**), Authority-led Partnership Projects (**Annex 4**) and Developer Contributions / Reserves (**Annex 5**).

2. Current Position

- 2.1 The overall income and expenditure budgets for 2025/26 are £7.07m, as shown in Annex 1. This includes £1.3m from Authority-led partnership projects (externally-funded).
- 2.2 The overall expenditure position shows £1.97m spend over the first four months of the financial year (28% of budget). Without the partnership projects, spend was £1.61m from a budget of £5.74m (28%).
- 2.3 The overall income position shows £1.53m received (22% of budget) over the first four months of the financial year. Without the partnership projects, income was £1.40m from a budget of £5.74m (24%).

3. Budgetary Review Process

- 3.1 All budget holders were requested to scrutinise their budgetary positions and provide details of known or potential early over- or underspends; key responses and outcomes are included in section 4 below.

4. General Budget Analysis

- 4.1 Overall the figures after four months of the financial year, shown in detail in Annex 1, are all largely still on track.

Current Net Position: no significant variations to report – we will review again at end of Q2.

- 4.2 As previously noted, a number of small savings often occur across budget lines which cumulatively will aid the financial position towards the end of the year. The pay award for 2025/26 of 3.2% has recently been agreed and was paid out in the August salary payrun (therefore the figures in this report do not currently include these costs).

5. Sustainable Communities Fund (SCF) Monitoring

- 5.1 The SCF budget for 2025/26 is £30,000 and we have £47,000 in the SCF Reserve which has previously been allocated to projects but yet to be formally claimed following completion of the relevant works. After four months of the year a total of £14,000 has been claimed.

6. Developer Contributions

- 6.1 As detailed in Annex 5, during the first four months of the financial year £186,000 of funds have been received in respect of developer contributions and zero spent.
- 6.2 As Members are aware, a significant proportion of the remaining Affordable Housing contributions will likely be utilised shortly to fund a pair of homes at the site in Burley.

7. Reserves Position

- 7.1 As detailed in Annex 5, the General Fund Reserve remains at £350,000 and is currently projected to do so until the end of the financial year.
- 7.2 Earmarked reserves are being utilised in line with the budget approved in March 2025.

8. Treasury Management Position

- 8.1 The early Treasury Management position projects that the Authority will receive around £130-150,000 from interest on its investments and holdings this year (at a return of around 3.5%); this matches the original projection of £140,000. As previously, a full review of the position will be undertaken and presented within the half-year budgetary control report.

9. Partnership Projects

As Members will be aware, we have been highly successful over the last year in bidding for external funding to leverage our core defra grant; it is estimated that in 2025/26 we will receive over £1.3m in this partnership projects funding as detailed in Annex 4.

This year, for every £1 the Authority is contributing to these partnership projects, it will generate a further £46 from funders / partner organisations. On average, over the last five years, we have generated a further £25 from funders / partner organisations.

10. Recommendation

It is recommended that Members:

- 1 note the current income and expenditure position, including the potential savings and pressures identified.**

Papers:

RAPC 571/25	Budgetary Control Report
RAPC 571/25 Annex 1	Budget Monitoring
RAPC 571/25 Annex 2	2025/26 Budget Formats
RAPC 571/25 Annex 3	Programme Fund
RAPC 571/25 Annex 4	Authority-led Partnership Projects
RAPC 571/25 Annex 5	Developer Contributions and Reserve Balances

Equality and Diversity Implications:

The budgets, as contained within this report, fund all our New Forest Voices and other works to develop and further equality, diversity and inclusion. There are no specific equality or diversity implications arising out of this report.

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Annex 1

Budget Monitoring 2025/26

Summary Accounts for the period 1 April – 31 July 2025

	Original Budget	Payments to date	% of Budget Spent
	£000	£000	
<u>Expenditure:</u>			
Employee Costs (Salary, Travel, Pensions etc)	3,099	1,015	33%
Programme Fund	180	76	42%
Sustainable Communities Fund	30	14	47%
Strategy & Planning	90	22	24%
Central Costs (split below)	797	483	61%
Capital Budgets (split below)	1,546	0	0%
Subtotal	5,742	1,610	28%
Authority-led Partnership Projects	1,331	356	27%
Total Expenditure	7,073	1,966	28%

<u>Income:</u>			
Defra National Park Grant (Revenue)	-3,019	-755	25%
Defra National Park Grant (Capital)	-1,393	-348	25%
Defra Access for All (Capital)	-153	0	0%
Planning Income	-600	-164	27%
Shared Services	-228	-30	13%
Income Generation (inc Affordable Housing)	-90	-17	19%
Investment & Interest Income	-140	-49	35%
Net Contribution to Other Earmarked Reserves (estimated)	-119	-40	33%
Subtotal	-5,742	-1,403	24%
Authority-led Partnership Projects	-1,331	-131	10%
Total Income	-7,073	-1,534	22%

Central Costs Split

	Original Budget £000	Payments to Date £000	% of Budget Spent
Secretariat	49	42*	86%*
Human Resources	75	25	33%
ICT Services	195	163*	84%*
Member Services	69	21	30%
Finance & Audit Services	89	30	33%
Accommodation	230	131*	57%*
Business Support (e.g. pool cars, insurance, clothing, stationery)	90	71*	79%*
TOTAL	797	483	61%

* Figures include significant annual invoices paid in advance (e.g. memberships, licences, business rates, insurance premium).

Capital Budgets Split

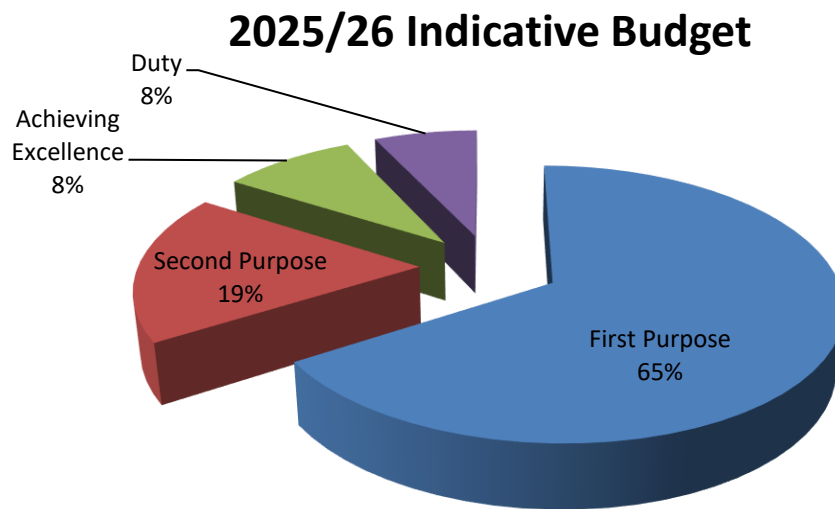
	Original Budget £000	Payments to Date £000	% of Budget Spent
Website Update	50	0	0%
Income Generation and/or Land improvements for Climate and Nature Recovery	1,343	0	0%
Access for All	153	0	0%
TOTAL	1,546	0	0%

Annex 2

2025/26 Original Revenue Budget (£4.20m – not including partnership projects) shown by our Purposes, Duty & Achieving Excellence

	First Purpose*	Second Purpose	Duty	Achieving Excellence
	£000	£000	£000	£000
Employee Costs (allocated)	2,043	541	243	272
Programme Fund	42	116	22	-
Sustainable Communities Fund (approximation)	18	9	3	-
Strategy & Planning	90	-	-	-
Central Costs (allocated)	526	139	62	70
TOTAL	2,719*	805	330	342

*Includes all costs directly related to Planning Services



2025/26 Core budget revenue position in Authority's formal reporting format

	Budgeted Net Cost of Services 2025/26		Actual Expenditure April - July	Actual Income April - July	Net Actual April - July
	£000		£000	£000	£000
Conservation of the Natural Environment	304		303	-93	210
Conservation of Cultural Heritage	233		134	0	134
Recreation Management and Transport	349		197	-14	183
Promoting Understanding	540		333	-30	303
Rangers, Estates and Volunteers	160		69	-24	45
Development Control	802		482	-164	318
Forward Planning and Communities	432		217	0	217
Corporate and Democratic Core	458		231	-17	214
SUBTOTAL	3,278		1,966	-342	1,624
National Park Grant	-3,019			-755	
Investment & Interest Income	-140			-49	
Use of Reserves	-119			-40	
TOTAL	0			-1,186	

Annex 3

Programme Fund 2025/26	Original Project Budget	Payments to date	% of Budget Spent	Notes on significant variations
FIRST PURPOSE*	£000	£000		
Ecology and Catchment Co-ordination	12	0	0%	Work with Freshwater Habitats Trust
Natural Environment Evidence Base (HBIC / WRC)	15	1	7%	Invoiced in Q2 and Q3
Archaeological Projects and SLAs	8	3	38%	
OTHER (Projects £3,000 or less)	7	3	43%	
FIRST PURPOSE SUBTOTAL	42	7	17%	
SECOND PURPOSE*	£000	£000		
Access Improvements	7	4	57%	
Health and Wellbeing	5	0	0%	
Education (Travel Grants and Resources)	10	4	40%	
Recreation Management	5	4	80%	
Interpretation & Information	8	6	75%	
New Forest Show	6	3	50%	Promotional/educational materials will also be used at future events
Media and Promotion	23	17	74%	
Publications and Advertising	32	18	56%	
Contact Management System	5	3	60%	
Ranger Projects	5	1	20%	
People and Wildlife Ranger Projects	4	4	100%	
OTHER (Projects £3,000 or less)	6	2	33%	
SECOND PURPOSE SUBTOTAL	116	66	57%	

	Original Project Budget	Payments to date	% of Budget Spent	Notes on significant variations
DUTY*	£000	£000		
New Forest Marque	4	0	0%	Grant payment – supplemented by comms and admin staffing support
Sustainable Tourism	5	1	20%	
Sustainable Transport	8	0	0%	
OTHER (Projects £3,000 or less)	5	2	40%	
DUTY SUBTOTAL	22	3	14%	
TOTAL EXPENDITURE	180	76	42%	

*The designation of projects to 'First Purpose, Second Purpose and Duty' are for illustrative purposes only and do not constitute the total funding allocated to each area by the Authority (see Annex 1).

Authority-led Partnership Projects 2025/26

Annex 4

	Authority Contributions	Partner Financial Contributions	Total Project Budget	Total Payments to date	Payments as % of budget	Notes on significant variations
	£000	£000	£000	£000		
Pedall (Lottery)	0	190	190	41	22%	
YouCAN - Youth for Climate & Nature (Lottery)	10	225	235	130	55%	
Higher Level Stewardship	0	95	95	34	36%	
Health Fellowship Programme	0	36	36	0	0%	£180k of funding over 5 years
Hampshire Greenprint	0	10	10	2	20%	
Species Survival Fund (Defra)	11	215	226	77	34%	
New Routes to Nature – Volunteers (Lottery)	3	112	115	29	25%	
Landscape Enhancement Initiative Projects (National Grid)	0	75	75	22	29%	
Farming In Protected Landscapes – Grants Fund (Defra)	0	318	318	12	4%	
Land Advice Service	5	55	60	9	15%	
TOTAL	29	1,331	1,360	356	26%	

Annex 5

Developer Contributions:

	Affordable Housing	Open Space	Ecological Mitigation	Transport (via HCC)	Solent Mitigation (via Fareham)
	£000	£000	£000	£000	£000
Starting Balance	867	174	840	0*	0*
Funds Received	181	0	5	0	0
Funds Spent / Released	0	0	0	0	0
Current Balance	1,048	174	845	0*	0*

* Funds paid over to the relevant organisations on an annual basis at year-end. Transport contributions over the previous five financial years have totalled £67,000 and Solent Mitigation £49,000.

Current Reserve Balances:

	Starting Balance	Projected Movement	Closing Balance
	£000	£000	£000
General Fund Reserve	350	0	350
Earmarked Reserves:			
Revenue Support Reserve	89	0	89
Financial Stability Reserve	352	(70)	282
Capital / Major Projects Reserve	557	0	557
Planning / Risk Reserve	170	20	190
Other (net)	1,333	(69)	1,264
TOTAL	2,851	(119)	2,732