

Budget Monitoring: Quarter I 2021/22

Name of Committee	Audit and Scrutiny Committee
Date	23 July 2021
Report Author	Elaine Standen
Job title	Finance Manager
Contact details	elaine.standen@beacons-npa.gov.uk
Purpose of Report	To inform Members of performance against budget for the first quarter of 2021/22
List of Enclosures	Enclosure 1: Budget Monitoring Summary to 30/6/2021 Enclosure 2: Project Financial Scorecard Q1 2021/22
Recommendation	a) That Members consider the report

1.1 Introduction

The budget as presented includes provision for the senior management team posts and other new roles originally anticipated to start during the quarter. It is subject to revision when the final senior team structure and start dates of roles are confirmed. Departmental titles are based on the departments as envisaged at estimate approval stage.

The Budget Monitoring Summary (Enclosure 1) indicates that 49% of the budget has been spent, or committed; a total of £875,056 has been committed to date. This compares to 50% spent or committed at the same time last year.

Quarterly figures for each department are summarised below:

Department	Full Year Budget (Net) 2021/22	Actual to end Q1 2021/22	Committed 2021/22	Net Budget remaining 2021/22	Net Budget Spent and Committed	%
	£000	£000	£000	£000		
Chief Executive's Department and Support Services	1,407	335	282	790		43
Landscape and Nature Recovery *	1,192	372	148	672		24
People and Communities	747	169	68	510		31
Business Development and Fundraising **	334	81	82	171		49
Planning	911	178	43	690		24
Capital projects	627	(20)	252	395		37
Capital Grant Reserves applied	(571)	0	0	(571)		0
Other (including transfers to and from earmarked reserves)	(592)	(7)	0	(585)		1
Total	4,055	1,108	875	2,072		49
Revenue Grant and Levies	(4,055)	(1,085)	0	(2,970)		
Transfer to General Reserve	90	0	0	90		

* includes Warden Service

** includes Education Team

1.2 Principal Budget Variances

Chief Executives Department

Commitments for more than one year include pool vehicles and a payment in advance for the webcasting facility which will be accrued to future years over the life of the lease at the year-end. The HR commitments include consultants commissioned to support the senior team recruitment. A budget adjustment is required to fund the expected cost in 2021/22.

Legal costs arising from current matters relating to property will require additional budget to be provided before the year end. IT commitments include Microsoft licensing for the authority. Rates have been paid for the full financial year on HQ.

Nature Recovery and Landscape Management

Substantial additional resources have been budgeted for post-covid visitor management, Sustainable Landscapes, Sustainable Places projects, and Nature Recovery Action Plan delivery. Much of these resources are time-limited and must be claimed by 31 March 2022. Details of the larger budget revisions for new projects are provided in the Budget Monitoring Enclosure. Project set-up and procurement is under way but spend will be largely in Q2-Q4.

People and Communities

Two EU-funded project grant claims are outstanding; a total of some £88,000 was accrued to 2020/21 and has not yet been received. There has been no expenditure of the SDF grant funding to date, in line with previous years. A temporary SDF Officer role to help promote the fund and support applicants is due to start this month. Two members of the small Communities team are currently acting up, limiting capacity for the implementation of some projects.

Business Development and Fundraising

Education and Visitor Services income has been significantly impacted by continuing Covid 19 restrictions as services are gradually re-opened at visitor sites and schools begin to return to outdoor activities. Welsh Government support for re-opening and the extra cost of visitor management is being claimed under the Hardship Fund (also available to local authorities) for the first two quarters of the year..

Planning

Additional staffing resources in the Development Management team, including contracted support need to be built into the budget. Income reflects the increase in activity and planning caseloads. S106 receipts of some £31k have been received to date. A further budget adjustment is pending in Heritage to support the implementation of the Historic Environment Action Plan.

Capital Schemes

See also the enclosed Q1 projects scorecard (enclosure 2) for an overview of project spend and financial progress. A significant increase in the capital programme has been funded by additional Welsh Government grants, principally the Sustainable Landscapes, Sustainable Places Grant, to which all three Welsh NPA's were invited to apply. A total of just under £900,000 has been provided in funds which must be applied by 31 March 2022; the related budget virement

details are provided on the Budget Monitoring Summary enclosure. Grant funds include support for additional project management and administration costs.

Other

Planned transfers include the use of Welsh Government funding (provided in advance and set aside in reserves) for a range of projects. Some £677,000 of reserved revenue funding is due to be applied in 2021/22.

1.3 Conclusion

Substantial new resources have been provided for key priorities in the year. The bulk of these are time limited and there is a risk that not all the funding potentially available will be spent by the year end. While senior vacancies continue, the delivery of all planned projects may prove challenging. A further update of some budgets may be needed as decisions are made on the staff structure.

RECOMMENDATION:

- a) That Members consider the report and enclosures.**