

# Broads Authority

14 March 2025

Agenda item number 10

## Financial performance and direction

Report by Director of Finance

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### Purpose

This report provides a strategic overview of current key financial issues and items for decision.

### Broads Plan context

Financial performance underpins all the strategic objectives of the Broads Plan.

### Recommended decision

- i. To note the latest position on the National Park Grant settlement for 2025/26.
  - ii. To note the actual income and expenditure figures and prudential indicators.
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# 1. Introduction

- 1.1. This report covers three items: the latest update on the National Park Grant settlement for 2025/26, consolidated income and expenditure and quarter three prudential indicators for 2024/25.

# 2. National Park Grant Settlement 2025/26

- 2.1. The Authority has received notification of the indicative settlement for the ten English National Parks. Disappointingly the National Park revenue grant (RDEL) for all English National Parks is going to be cut by 8% from £48.8 million to £44.8 million.
- 2.2. That will be offset by a one-year allocation of £15 million of capital funding (CDEL).
- 2.3. At this stage the ten parks do not know what their individual allocations will be. However, our ability to shift expenditure from revenue to capital appears to be quite limited. We are exploring the avenues for increasing capital expenditure.

# 3. Overview of actual income and expenditure

**Table 1**

Actual consolidated income and expenditure by directorate to 31 January 2025

<b>Directorate</b>	<b>Profiled latest available budget £</b>	<b>Actual income and expenditure £</b>	<b>Actual variance £</b>
Income	(8,087,013)	(8,516,404)	+ 429,391
Operations	3,979,692	3,233,539	+ 746,153
Strategic Services	1,592,176	1,354,601	+ 237,575
Finance & Support Services	2,158,810	2,365,749	- 206,939
Projects, Corporate Items and Contributions from Earmarked Reserves	(995,719)	(649,458)	- 346,261
<b>Net (Surplus) / Deficit</b>	<b>(1,352,054)</b>	<b>(2,211,973)</b>	<b>+ 859,919</b>

- 3.1. Core navigation income is above the profiled budget at the end of month ten. The overall position as at 31 January 2025 is a favourable variance of £859,919 or a 63.6% difference from the profiled LAB. This is principally due to:

- An overall favourable variance of £429,391 within income:

- National Park Grant is £500,000 above the profiled budget due to the additional revenue and capital funding from DEFRA confirmed after the budget was set in January 2024.
- Hire Craft Tolls is £35,351 below the profiled budget.
- Private Craft Tolls is £101,333 below the profiled budget.
- Short Visit Tolls and Other Toll income is £1,290 below the profiled budget.
- Investment income is £67,365 above the profiled budget.
- An underspend within Operations relating to:
  - Construction, Maintenance and Ecology salaries is £70,266 under the profiled budget due to the budgeted pay award (£1,925 per Full Time Equivalent (FTE)) being less (£1,290 per FTE) than what was agreed by the unions. The forecast has been updated to reflect this.
  - Equipment, Vehicle and Vessels is £284,405 under the profiled budget due to capital items that were originally due to be funded from the earmarked reserves being funded from DEFRA capital grant. There has also been income that has been transferred to the earmarked reserves as a result of selling old equipment and vehicles, this had not been budgeted for.
  - Practical Maintenance is £28,151 under the profiled budget partly due to timing issues and the delays of work at Potter Heigham and Martham. The forecast has been updated for this. This has been offset by a timing difference on the works at Hoveton Riverside Park starting earlier than profiled.
  - Waterways and Recreation Strategy is £85,937 under the profiled budget due to timing differences on the Access for All grant money from DEFRA being received and spent.
  - Ranger Services is £249,682 under the profiled budget on salaries due to the pay award. The Ranger launch replacement has been delayed until 2025/26. There have also been timing differences on the launch repairs.
  - Safety is £28,970 under the profiled budget due to delays in the Head of Safety Management post being filled. The new post holder started in September and the forecast has been adjusted to reflect the vacancy.
  - Premises is £11,132 under the profiled budget due to a timing difference on repairs and maintenance at the Dockyard.
  - Project funding is £11,010 over the profiled budget.
- An underspend within Strategic Services relating to:
  - Development Management is £13,990 under the profiled budget due to the delays in Development Manager post being filled and the pay award. The new

post holder started in September. There has also been additional income received from the Land Registry to support the local land charges; this has been transferred to the earmarked reserves. Planning income is also behind the profile.

- Strategy and Projects Salaries is £228,571 under the profiled budget due to the Active Travel England Grant income being received ahead of expenditure taking place and timing differences on the peat restoration project and FiPL.
- Volunteers is £20,829 under the profiled budget due to a reduction in Volunteer Supervisor hours and increase in administrative support. The forecast has been updated to reflect this.
- Visitor Services is £37,378 above the profiled budget due to charging at Reedham Quay not commencing due to delays with the lease.
- Strategic Services Management and Administration is £11,509 under the profiled budget due to a temporary reduction in hours. The forecast has been updated to reflect this.
- An overspend within Finance and Support Services relating to:
  - National Park Grant expenditure is £462,080 above the profiled budget due to the additional revenue and capital funding from DEFRA confirmed after the budget was set in January. This is offset by the favourable income variance above.
  - Legal is £47,546 under the profiled budget due to timing differences.
  - Asset Management is £34,422 under the profiled budget due to a vacancy between June and August for the Asset Officer. The forecast has been updated to reflect this. There is also a timing difference on expenditure.
  - Premises Head Office is £10,127 above the profiled budget due to the delay in the downsizing project. The forecast has been updated to reflect this.
  - Finance and Insurance is £64,656 under the profiled budget due to a timing difference on external audit costs and salaries as a result of the pay award and vacancies at the start of the financial year.
  - Collection of Tolls is £11,674 under the profiled budget due to the pay award and a timing difference on printing costs.
  - ICT is £79,656 under the profiled budget due to timing differences on the tolls replacement system and the finance system coming in under budget.
- An adverse variance within reserves relating to:
  - Plant, Vessels and Equipment is under the profiled budget due to the equipment now being funded via the DEFRA capital grant.

- Property is over the profiled budget due to the timing differences on Hoveton Riverside Park works.
- Computer Software is under the profiled budget due to minimal spend so far on the upgrade to the tolls system and the finance system coming in under budget.
- Medium Term Financial Planning is under the profiled budget due to the timing differences on Yare House.

3.2. The charts at Appendix 1 provide a visual overview of actual income and expenditure compare with both the original budget and the LAB.

## 4. Latest available budget

4.1. The Authority’s income and expenditure is monitored against the latest available budget (LAB) for 2024/25. The LAB is based on the original budget for the year, with adjustments for known and approved budget changes such as carry-forwards and budget virements. Full details of movements from the original budget are set out in Appendix 2.

**Table 2**

Adjustments to consolidated LAB

Item	Authorisation reference	Amount £
Original budget 2024/25 – surplus	Broads Authority 26/01/24 Agenda item number 10	(129,045)
Approved budget carry-forwards	Broads Authority 10/05/24 Agenda item number 10	27,080
<b>LAB as at 31 January 2025</b>	n/a	<b>(101,965)</b>

## 5. Overview of forecast outturn 2024/25

5.1. Budget holders have been asked to comment on the expected income and expenditure at the end of the financial year in respect of all budget lines for which they are responsible. A summary of these adjustments are given in the table below:

**Table 3**

Adjustments to Forecast Outturn

Item	Amount £
Forecast outturn surplus as per LAB	(101,965)
Adjustments reported 24/01/25	(240,336)
Increase to Hire Craft income	(176)

Item	Amount £
Decrease to Private Craft income	1,405
Increase to Investment income	(60,000)
Increase to Ranger expenditure for removal of wrecks	71,793
<b>Forecast outturn surplus as at 31 January 2025</b>	<b>(329,279)</b>

## 6. Reserves

- 6.1. The Property Reserve contains the income from land rental at Oulton Broad and the piling at Reps bank. The Plant, Vessels and Equipment reserves contains the income from the sale of the old vehicles, JCBs and trailers. It has also funded four vehicles. The Premises Reserve has funded the final items for Reedham Quay hut replacement and feasibility reports for the Dockyard solar project. The Computer Software reserve has funded the work on the new tolls and finance systems. The Heritage Lottery Fund, Catchment Project and UK Communications contains the income and expenditure relating to those projects. The Medium-Term Planning reserve has funded the additional expenditure for the reconfiguration of Yare House and External Funding & Partnership working.

**Table 4**

Consolidated earmarked reserves

Reserve name	Balance at 1 April 2024 £	In-year movements £	Current reserve balance £
Property	(1,139,087)	207,830	(931,257)
Plant, Vessels and Equipment	(639,560)	3,324	(636,236)
Premises	(431,177)	16,097	(415,080)
Planning Delivery Grant	(277,134)	15,363	(261,771)
Upper Thurne	(249,820)	(14,888)	(264,708)
Heritage Lottery Fund	(12,535)	(105,602)	(118,137)
Catchment Partnership	(70,186)	(6,120)	(76,306)
Computer Software	(183,114)	26,123	(156,991)
UK Communications	(3,926)	771	(3,155)
Medium Term Planning	(495,024)	44,370	(450,654)
<b>Total</b>	<b>(3,501,563)</b>	<b>187,268</b>	<b>(3,314,295)</b>

## 7. Prudential Indicators

- 7.1. The Capital, Treasury and Investment Strategy 2024/25, approved 15 March 2024, included the key prudential indicators necessary for an authority that has borrowing. The prudential indicators are designed to support and record local decision making in a publicly accountable manner. At the beginning of each year, estimates for the prudential indicators are set and agreed by members. In the past actual indicators were compared to the estimates once the annual accounts are produced in May each year. The updated code requires these prudential indicators to be reported quarterly and are set out in table 5 below.

**Table 5**

Prudential Indicators 2024/24

<b>Prudential Indicator</b>	<b>Opening 01/04/24 £</b>	<b>Estimate 31/03/25 £</b>	<b>Q3 Actual £</b>
Capital expenditure	0	1,482,000	359,878
Authorised limit for external debt	900,000	900,000	900,000
Operational Boundary	800,000	800,000	800,000
Capital Financing Requirement	92,510	635,500	63,846
Debt balance	94,008	756,743	65,344

## 8. Conclusion

- 8.1. The forecast position for the year suggests a surplus within the National Park and the Navigation budget. This would result in a National Park Reserve balance of approximately £942,000 and a Navigation Reserve balance of £697,000 at the end of 2024/25 (before any year-end adjustments). This would mean that both reserves would be above the recommended levels, with National Park at 24.1% and Navigation at 15.9%. Year-end transfers of interest to the earmarked reserves, closure of the Heritage Lottery Fund reserve and repayment of the National Park loan will mean National Park will rise to approximately 26.2% and Navigation reduce to 12.7%. This will be highly dependent on the level of interest received.

Author: Emma Krelle

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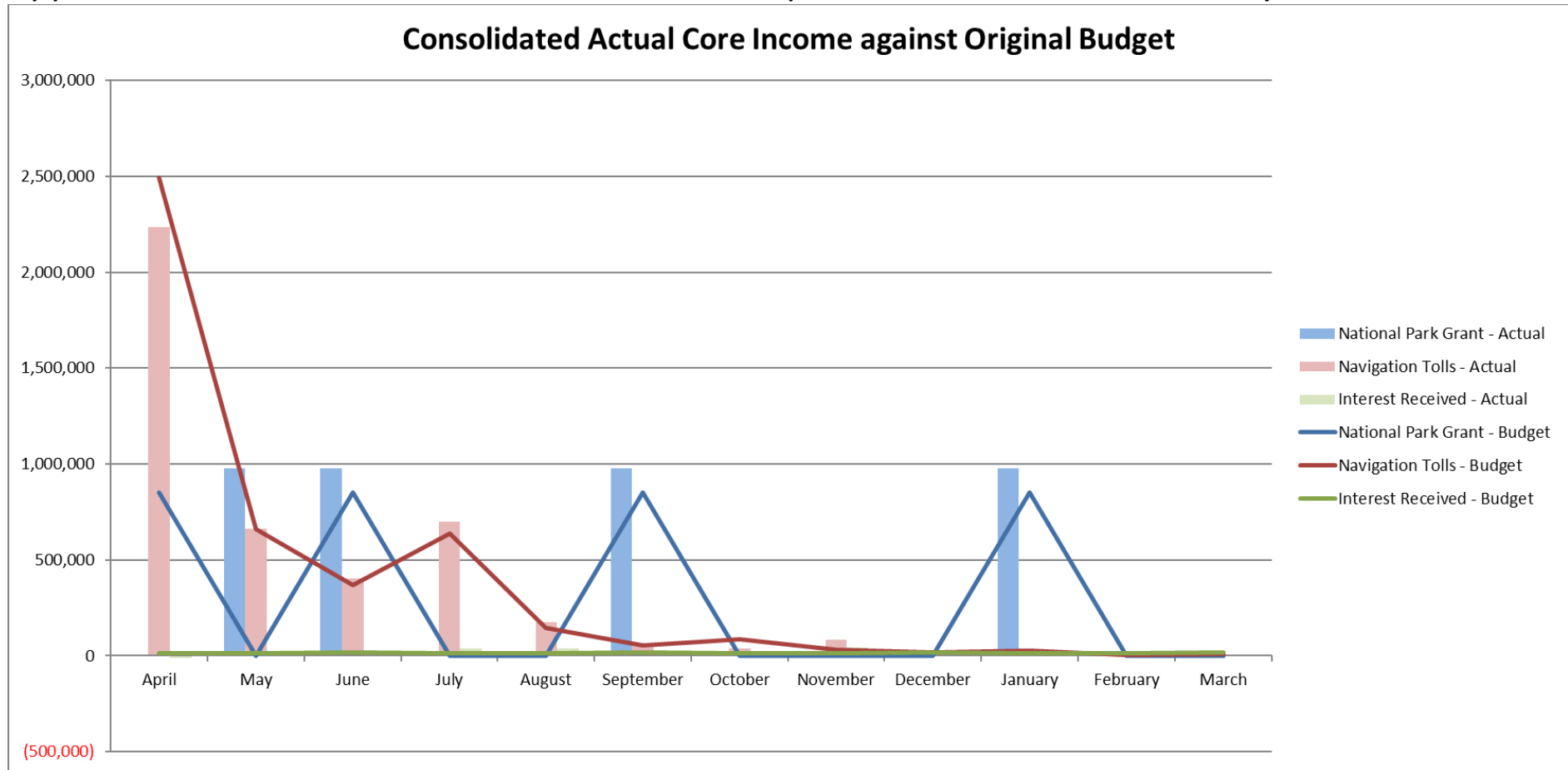
[Broads Plan](#) strategic objectives: All

Appendix 1 – Consolidated actual income and expenditure charts to 31 January 2025

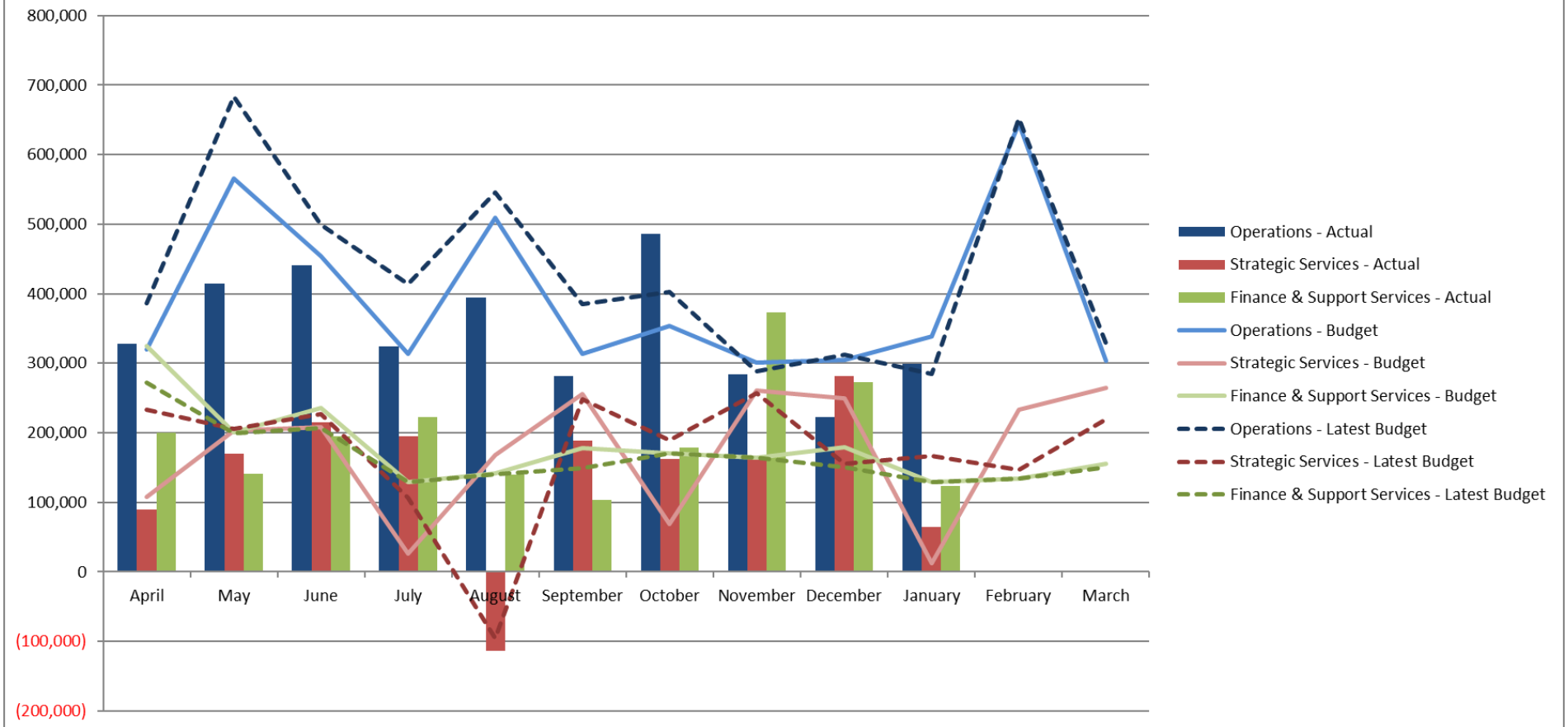
Appendix 2 – Financial monitor: Consolidated income and expenditure 2024/25



# Appendix 1 – Consolidated actual income and expenditure charts to 31 January 2025



### Consolidated Net Actual Expenditure against Original and Latest Budget



## Appendix 2 – Financial monitor: Consolidated income and expenditure 2024/25

**Table 1**  
Income

Row labels	Original budget (Consolidated) £	Budget adjustments (Consolidated) £	Latest available budget (Consolidated) £	Forecast outturn (Consolidated) £	Forecast outturn variance (Consolidated) £
<b>Total Income</b>	<b>(8,129,008)</b>	<b>0</b>	<b>(8,129,008)</b>	<b>(8,616,996)</b>	<b>487,988</b>
National Park Grant	(3,414,078)	0	(3,414,078)	(3,914,078)	500,000
Hire Craft Tolls	(1,436,000)	0	(1,436,000)	(1,405,312)	-30,688
Private Craft Tolls	(3,006,000)	0	(3,006,000)	(2,904,676)	-101,324
Short Visit Tolls	(60,000)	0	(60,000)	(60,000)	0
Other Toll Income	(32,930)	0	(32,930)	(32,930)	0
Interest	(180,000)	0	(180,000)	(300,000)	120,000

**Table 2**  
Operations

Row labels	Original budget (Consolidated) £	Budget adjustments (Consolidated) £	Latest available budget (Consolidated) £	Forecast outturn (Consolidated) £	Forecast outturn variance (Consolidated) £
<b>Total Operations</b>	<b>4,940,486</b>	<b>159,580</b>	<b>5,100,066</b>	<b>4,913,773</b>	<b>186,293</b>
<b>Construction and Maintenance Salaries</b>	<b>1,662,930</b>	<b>0</b>	<b>1,662,930</b>	<b>1,610,110</b>	<b>52,820</b>
Salaries	1,662,930	0	1,662,930	1,610,110	52,820
Expenditure	0	0	0	0	0
<b>Equipment, Vehicles &amp; Vessels</b>	<b>615,400</b>	<b>0</b>	<b>615,400</b>	<b>615,400</b>	<b>0</b>
Income	(1,200)	0	(1,200)	(1,200)	0
Expenditure	616,600	0	616,600	616,600	0
<b>Water Management</b>	<b>80,500</b>	<b>0</b>	<b>80,500</b>	<b>80,500</b>	<b>0</b>
Expenditure	80,500	0	80,500	80,500	0
<b>Land Management</b>	<b>(20,885)</b>	<b>0</b>	<b>(20,885)</b>	<b>(20,885)</b>	<b>0</b>
Income	(78,235)	0	(78,235)	(78,235)	0
Expenditure	57,350	0	57,350	57,350	0
<b>Practical Maintenance</b>	<b>693,965</b>	<b>152,080</b>	<b>846,045</b>	<b>746,045</b>	<b>100,000</b>
Income	(26,425)	(38,025)	(64,450)	(64,450)	0
Expenditure	720,390	190,105	910,495	810,495	100,000
<b>Waterways and Recreation Strategy</b>	<b>56,660</b>	<b>0</b>	<b>56,660</b>	<b>55,800</b>	<b>860</b>

Row labels	Original budget (Consolidated) £	Budget adjustments (Consolidated) £	Latest available budget (Consolidated) £	Forecast outturn (Consolidated) £	Forecast outturn variance (Consolidated) £
Income	(82,851)	0	(82,851)	(82,851)	0
Salaries	50,260	0	50,260	49,400	860
Expenditure	89,251	0	89,251	89,251	0
<b>Ranger Services</b>	<b>1,423,906</b>	<b>0</b>	<b>1,423,906</b>	<b>1,421,233</b>	<b>2,673</b>
Income	0	0	0	0	0
Salaries	1,053,156	0	1,053,156	978,690	74,466
Expenditure	370,500	0	370,500	442,293	-71,793
Pension Payments	250	0	250	250	0
<b>Safety</b>	<b>147,170</b>	<b>0</b>	<b>147,170</b>	<b>121,210</b>	<b>25,960</b>
Income	(500)	0	(500)	(500)	0
Salaries	92,170	0	92,170	61,210	30,960
Expenditure	55,500	0	55,500	60,500	-5,000
<b>Premises</b>	<b>123,920</b>	<b>7,500</b>	<b>131,420</b>	<b>131,420</b>	<b>0</b>
Income	(2,600)	0	(2,600)	(2,600)	0
Expenditure	126,520	7,500	134,020	134,020	0
<b>Operations Management and Administration</b>	<b>156,920</b>	<b>0</b>	<b>156,920</b>	<b>152,940</b>	<b>3,980</b>
Salaries	150,820	0	150,820	149,440	1,380

Row labels	Original budget (Consolidated) £	Budget adjustments (Consolidated) £	Latest available budget (Consolidated) £	Forecast outturn (Consolidated) £	Forecast outturn variance (Consolidated) £
Expenditure	6,100	0	6,100	3,500	2,600
<b>Project Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Pension Payments	0	0	0	0	0

**Table 3**  
Strategic Services

Row labels	Original budget (Consolidated) £	Budget adjustments (Consolidated) £	Latest available budget (Consolidated) £	Forecast outturn (Consolidated) £	Forecast Outturn Variance (Consolidated) £
<b>Total Strategic Services</b>	<b>1,937,140</b>	<b>0</b>	<b>1,937,140</b>	<b>1,909,968</b>	<b>27,173</b>
<b>Development Management</b>	<b>488,080</b>	<b>0</b>	<b>488,080</b>	<b>483,318</b>	<b>4,763</b>
Income	(90,500)	0	(90,500)	(90,500)	0
Salaries	514,580	0	514,580	483,530	31,050
Expenditure	64,000	0	64,000	90,288	-26,288
Pension Payments	0	0	0	0	0
<b>Strategy and Projects Salaries</b>	<b>323,370</b>	<b>(3,500)</b>	<b>319,870</b>	<b>315,370</b>	<b>4,500</b>
Income	(711,758)	0	(711,758)	(811,758)	100,000
Salaries	370,740	0	370,740	373,610	-2,870
Expenditure	664,388	(3,500)	660,888	753,518	-92,630
<b>Biodiversity Strategy</b>	<b>8,520</b>	<b>0</b>	<b>8,520</b>	<b>8,520</b>	<b>0</b>
Income	0	0	0	0	0
Expenditure	8,520	0	8,520	8,520	0
<b>Human Resources</b>	<b>175,850</b>	<b>0</b>	<b>175,850</b>	<b>174,140</b>	<b>1,710</b>
Income	0	0	0	0	0
Salaries	107,750	0	107,750	106,040	1,710

Row labels	Original budget (Consolidated) £	Budget adjustments (Consolidated) £	Latest available budget (Consolidated) £	Forecast outturn (Consolidated) £	Forecast Outturn Variance (Consolidated) £
Expenditure	68,100	0	68,100	68,100	0
<b>Volunteers</b>	<b>83,620</b>	<b>0</b>	<b>83,620</b>	<b>69,520</b>	<b>14,100</b>
Salaries	67,120	0	67,120	53,020	14,100
Expenditure	16,500	0	16,500	16,500	0
<b>Communications</b>	<b>381,460</b>	<b>3,500</b>	<b>384,960</b>	<b>379,580</b>	<b>5,380</b>
Income	(250)	0	(250)	(250)	0
Salaries	312,660	0	312,660	307,280	5,380
Expenditure	69,050	3,500	72,550	72,550	0
<b>Visitor Centres and Yacht Stations</b>	<b>336,160</b>	<b>0</b>	<b>336,160</b>	<b>349,460</b>	<b>-13,300</b>
Income	(251,000)	0	(251,000)	(231,000)	-20,000
Salaries	459,840	0	459,840	453,140	6,700
Expenditure	127,320	0	127,320	127,320	0
<b>Strategic Services Management and Administration</b>	<b>140,080</b>	<b>0</b>	<b>140,080</b>	<b>130,060</b>	<b>10,020</b>
Salaries	135,680	0	135,680	127,510	8,170
Expenditure	4,400	0	4,400	2,550	1,850
<b>Strategy and Projects</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Expenditure	0	0	0	0	0



**Table 4**

## Finance &amp; Support Services

Row labels	Original budget (Consolidated) £	Budget adjustments (Consolidated) £	Latest available budget (Consolidated) £	Forecast outturn (Consolidated) £	Forecast Outturn Variance (Consolidated) £
<b>Total Finance &amp; Support Services</b>	<b>2,143,815</b>	<b>283,889</b>	<b>2,427,704</b>	<b>2,901,844</b>	<b>-474,140</b>
<b>National Park Grant</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>500,000</b>	<b>-500,000</b>
Expenditure	0	0	0	500,000	-500,000
<b>Legal</b>	<b>145,000</b>	<b>0</b>	<b>145,000</b>	<b>145,000</b>	<b>0</b>
Income	(5,000)	0	(5,000)	(5,000)	0
Expenditure	150,000	0	150,000	150,000	0
<b>Governance</b>	<b>261,710</b>	<b>0</b>	<b>261,710</b>	<b>259,620</b>	<b>2,090</b>
Salaries	201,710	0	201,710	197,410	4,300
Expenditure	60,000	0	60,000	62,210	-2,210
<b>Chief Executive</b>	<b>135,700</b>	<b>0</b>	<b>135,700</b>	<b>133,900</b>	<b>1,800</b>
Salaries	134,700	0	134,700	132,900	1,800
Expenditure	1,000	0	1,000	1,000	0
<b>Asset Management</b>	<b>130,090</b>	<b>0</b>	<b>130,090</b>	<b>115,370</b>	<b>14,720</b>
Income	(25,300)	0	(25,300)	(25,300)	0
Salaries	56,590	0	56,590	41,870	14,720
Expenditure	98,800	0	98,800	98,800	0

Row labels	Original budget (Consolidated) £	Budget adjustments (Consolidated) £	Latest available budget (Consolidated) £	Forecast outturn (Consolidated) £	Forecast Outturn Variance (Consolidated) £
<b>Premises – Head Office</b>	<b>148,000</b>	<b>283,889</b>	<b>431,889</b>	<b>451,889</b>	<b>-20,000</b>
Income	0	0	0	0	0
Expenditure	148,000	283,889	431,889	451,889	-20,000
<b>Finance and Insurance</b>	<b>578,070</b>	<b>0</b>	<b>578,070</b>	<b>563,200</b>	<b>14,870</b>
Salaries	285,300	0	285,300	270,430	14,870
Expenditure	292,770	0	292,770	292,770	0
<b>Collection of Tolls</b>	<b>228,380</b>	<b>0</b>	<b>228,380</b>	<b>220,270</b>	<b>8,110</b>
Salaries	215,880	0	215,880	207,770	8,110
Expenditure	12,500	0	12,500	12,500	0
<b>ICT</b>	<b>516,865</b>	<b>0</b>	<b>516,865</b>	<b>512,595</b>	<b>4,270</b>
Income	0	0	0	0	0
Salaries	249,480	0	249,480	245,210	4,270
Expenditure	267,385	0	267,385	267,385	0

**Table 5**

## Projects and Corporate items

Row labels	Original budget (Consolidated) £	Budget adjustments (Consolidated) £	Latest available budget (Consolidated) £	Forecast outturn (Consolidated) £	Forecast Outturn Variance (Consolidated) £
<b>Total Projects and Corporate Items</b>	<b>(83,175)</b>	<b>0</b>	<b>(83,175)</b>	<b>(83,175)</b>	<b>0</b>
<b>Partnerships / HLF</b>	<b>(91,875)</b>	<b>0</b>	<b>(91,875)</b>	<b>(91,875)</b>	<b>0</b>
Income	(121,875)	0	(121,875)	(121,875)	0
Salaries	11,010	0	11,010	11,010	0
Expenditure	18,990	0	18,990	18,990	0
<b>Corporate Items</b>	<b>8,700</b>	<b>0</b>	<b>8,700</b>	<b>8,700</b>	<b>0</b>
Expenditure	8,700	0	8,700	8,700	0

**Table 6**

## Contributions from earmarked reserves

Row labels	Original budget (Consolidated) £	Budget adjustments (Consolidated) £	Latest available budget (Consolidated) £	Forecast outturn (Consolidated) £	Forecast Outturn Variance (Consolidated) £
<b>Total Contributions from Earmarked Reserves</b>	<b>(938,303)</b>	<b>(416,389)</b>	<b>(1,354,692)</b>	<b>(1,354,692)</b>	<b>0</b>
<b>Earmarked Reserves</b>	<b>(938,303)</b>	<b>(416,389)</b>	<b>(1,354,692)</b>	<b>(1,354,692)</b>	<b>0</b>
Expenditure	(938,303)	(416,389)	(1,354,692)	(1,354,692)	0

**Table 7**

Net (Surplus) / Deficit

<b>Row labels</b>	<b>Original Budget (Consolidated) £</b>	<b>Budget Adjustments (Consolidated) £</b>	<b>Latest Available Budget (Consolidated) £</b>	<b>Forecast Outturn (Consolidated) £</b>	<b>Forecast Outturn Variance (Consolidated) £</b>
<b>Grand Total</b>	<b>(129,045)</b>	<b>27,080</b>	<b>(101,965)</b>	<b>(329,279)</b>	<b>227,314</b>