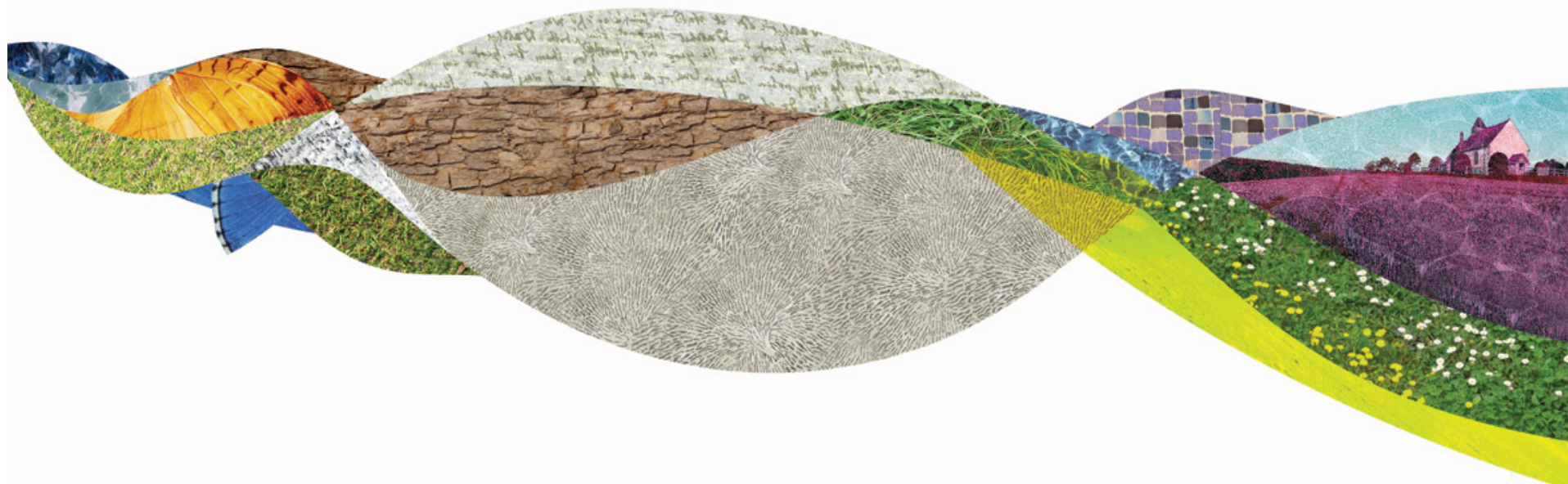


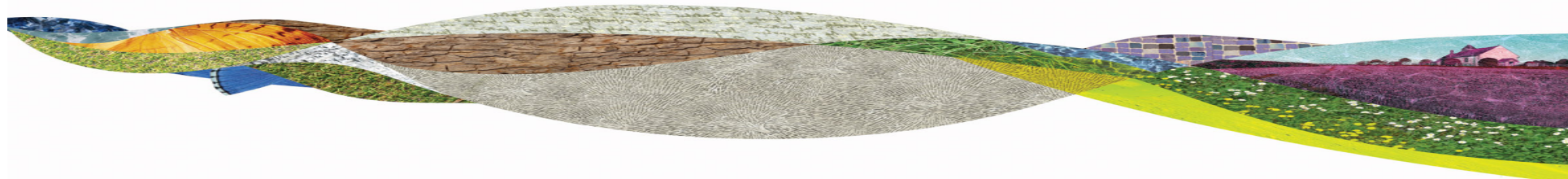
2017-18 Budget and Medium Term Financial Strategy

What we did to get to this point



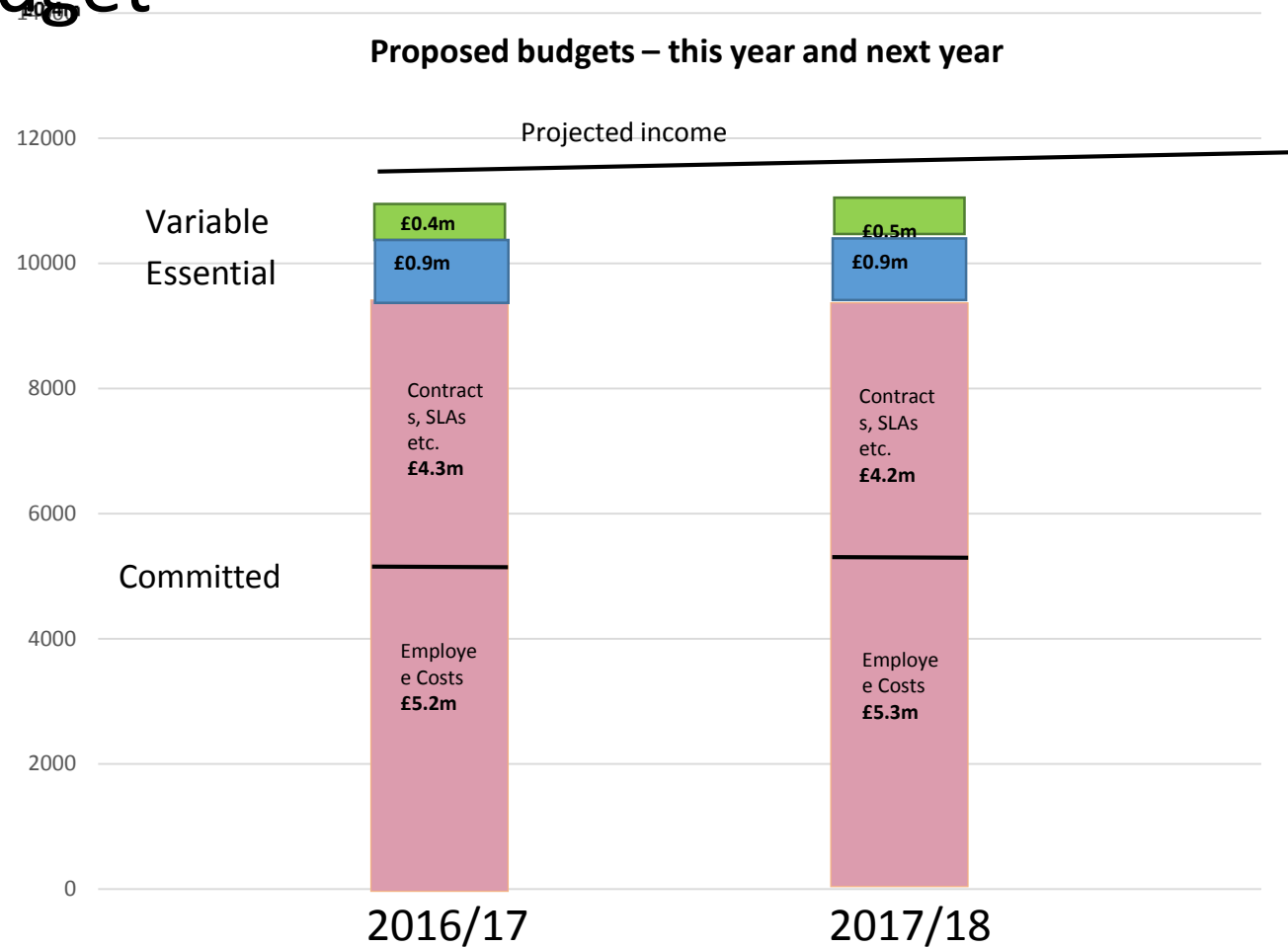


| | |
|--------------|--|
| August / Sep | Information gathering – interviews with all budget holders, extracts taken from payroll – initial figures presented to SMT / OMT |
| October | First Members workshop – focusing on operational budget |
| November | Second Members workshop – focusing on strategic objectives |
| January | Budget and MTFS recommended by Policy and Programme Committee |










Starting point – the 2017/18 operational budget



NB: Excludes all ring fenced external funding






Expenditure forecast over the Medium Term (5 years)

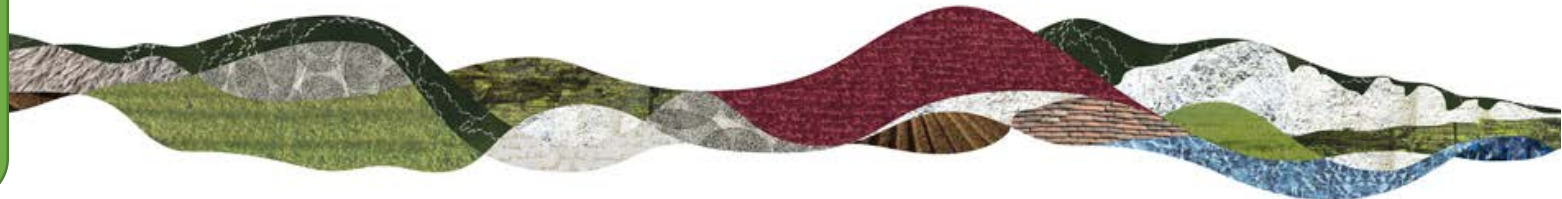
| | £000s | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|---|-------|---------|---------|---------|---------|---------|---------|
|  Employee Costs | | 5,241 | 5,416 | 5,661 | 5,775 | 5,887 | 6,001 |
|  Premises Related | | 279 | 282 | 281 | 281 | 281 | 281 |
|  Transport Related | | 158 | 150 | 170 | 170 | 170 | 170 |
|  Supplies and Services | | 1,913 | 1,973 | 1,999 | 1,900 | 1,900 | 1,900 |
|  Third Party Payments | | 3,221 | 3,057 | 3,027 | 3,027 | 3,027 | 3,027 |
| | | 10,812 | 10,878 | 11,138 | 11,153 | 11,265 | 11,379 |



Income forecast over the Medium Term (5 years)

| | £000s | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|---|---------------------|---------|---------|---------|---------|---------|---------|
|  | National Park Grant | 9,963 | 10,135 | 10,309 | 10,486 | 10,486 | 10,486 |
|  | Planning Fees | 1,100 | 1,000 | 1,000 | 1,200 | 1,200 | 1,200 |
| | Other – | | | | | | |
| | Investment | 45 | 40 | 45 | 45 | 45 | 45 |
|  | NE Grant | 87 | 87 | 87 | 87 | 87 | 87 |
| | Other Grants | 38 | 38 | 38 | 38 | 38 | 38 |
| | SDC Income | 19 | 19 | 19 | 19 | 19 | 19 |
| | | 11,249 | 11,320 | 11,495 | 11,872 | 11,872 | 11,872 |

Does not include CIL or
Income Generation
through Trust



Potential forward commitments being proposed over the medium term

| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|-----------------------|---------|---------|---------|---------|---------|---------|
| Purpose 1 | | | | | | |
| Farm Pilots (Brexit)+ | | 50 | 50 | 50 | 50 | 50 |
| Purpose 2 | | | | | | |
| Signage* | | 185 | 50 | 50 | | |
| SP (Centurion Way) | 75 | 75 | | | | |
| Duty | | | | | | |
| Apprenticeship Fund | | 15 | 25 | 45 | 60 | 60 |
| Afford. Housing**+ | | 100 | 100 | 100 | 100 | 100 |
| P1, P2 and Duty | | | | | | |
| Income Generation | | 50 | 50 | 50 | 50 | 50 |
| Evid. Based Research | | 30 | 30 | 30 | | |
| | | | | | | |
| Remaining Surplus | 450 | (64) | 52 | 394 | 347 | 233 |

- Subject to Approval by the November and January NPAs

** Initial estimates of the SDNPA cost of unlocking the S106 money. Final figures will be put to the 30 March NPA

+ Output from Member Group

Allocation of remaining strategic reserve

| | | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|------|----------------------------|---------|---------|---------|---------|---------|---------|
| P1 | Landscape and Biodiversity | 450 | (64) | 52 | 394 | 347 | 233 |
| | Cultural Heritage | | | | | | |
| P2 | Walking and Cycling | | | | | | |
| | Learning and Outreach | | | | | | |
| Duty | Tourism | | | | | | |
| | Local Economy | | | | | | |

| | | | | | | | |
|--|--------------------|-----|-----|-----|-----|------|------|
| | Cumulative Reserve | 450 | 386 | 438 | 832 | 1179 | 1412 |
|--|--------------------|-----|-----|-----|-----|------|------|



Establishment of 10 year capital programme



Capital expenditure is used for acquiring capital assets which have a life of more than 1 year and deliver benefits beyond the current year in pursuit of an organisation's goals and objectives.

Capital assets acquired can be either tangible (buildings, land, plant, machinery or vehicles) or intangible (goodwill, intellectual capital, brand value)

The minimum value of a capital asset is £10,000





HM Treasury

THE GREEN BOOK

Appraisal and Evaluation in Central Government

The Treasury Green Book is the definitive guide to investment appraisal in the UK Public Sector.

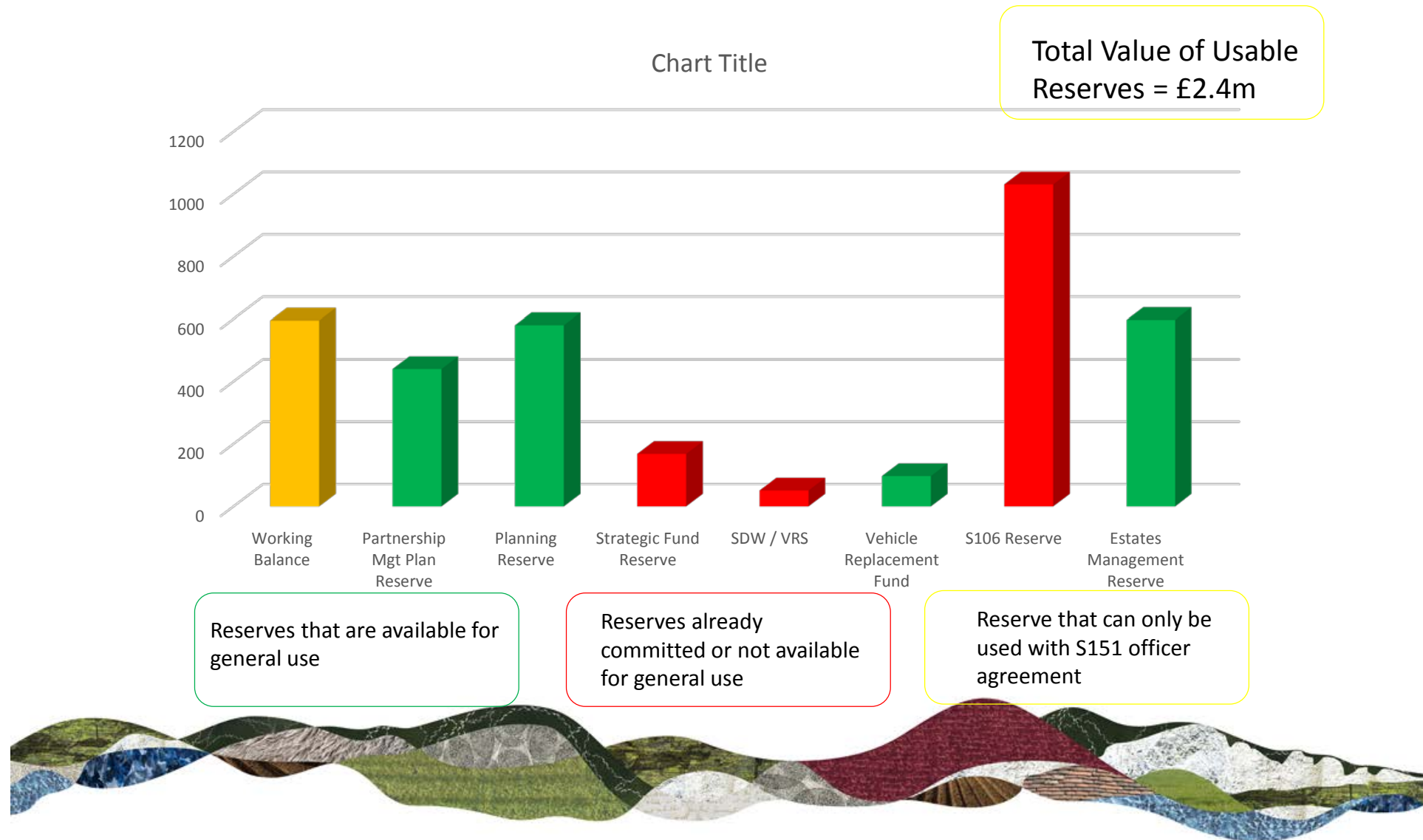
The Green Book recommends that appraisal is carried out on Net Present Value (NPV) basis, which is standard accounting practice and sets a standard discount rate of 3.5% to be used. It also recommends the use of “Monte Carlo” analysis for projects with uncertain cash flows.



SDNPA Criteria

- a) The Project must be strategic – it must be a top priority in one of the 6 Corporate Plan strategies currently under preparation
- b) The project must provide an acceptable rate of return under the Green Book methodology
- c) Provision for management and maintenance has to be made

Reserves





Budget and MTFS Recommendations



- 1). Approve the 2017/18 Revenue Budget as detailed in Section 2 and Appendices 1,2 & 3 of this report.
- 2). Approve the Capital Programme as set out in Section 3 and Appendix 4 of this report
- 3). Approve the use of Reserves as set out in Section 4 and Appendix 5 of this report.
- 4). Note the Medium Term Financial Strategy and resource projections as set out in Section 5 and Appendix 6 of this report
- 5). Note the Supplementary Budget information since Policy and Programme Committee as set out in Appendix 7 of this report

