

Joint Report of the Chief Executive and Head of Finance & Fundraising

Subject: Draft Budget Planning 2024/25

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- The Draft Revenue and Capital budgets for 2024/25 and forecast 2025/26 to 2027/28
- The Draft 2024/25 Levy on Pembrokeshire County Council
- Prudential Indicators for the Capital Programme
- An Investment Strategy, Reserves & Treasury Management Policy Statements for 2024/25.

The Draft Revenue and Capital Budgets for 2024/25 and Forecasts 2025/26 to 2027/28

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Introduction

This Draft Revenue & Capital Budget for 2024/25 is a crucial part of the Authority's strategic planning and performance framework. Key financial decisions need to be set in the context of a plan that looks beyond the next financial year and a more effective linking service and financial planning over the medium to longer term is required. The process is an established part of the budget setting process and provides a forecast of the cost of continuing to provide existing levels of service and the resources that are likely to be available to the Authority over the period. It also identifies any shortfalls and sets out how this will be managed. Regular review and update is essential to ensure the budget process takes full account of any changes in the National Park grant and funding streams, changes in Welsh Government objectives for the Authority and current strategic and service delivery priorities.

Objectives

The objectives of the Draft Revenue and Capital Budgets for 2024/25 are:

- I. To ensure priorities are identified
- II. To provide projections of spending and income
- III. To provide projections for our capital spend
- IV. To provide a robust framework to assist the decision making process.
- V. To test sensitivity of and apply risk analysis to projections.

Strategy

The development of the Authority's Draft Revenue and Capital budgets for 2024/25 has taken place during a sustained challenging period for the public sector with pressure on the National Park Grant (NPG) and ensuing Levy on the Pembrokeshire County Council. The Authority approved Budget 2023/24 concluded that the Authority's future financial outlook was likely to continue to be challenging over the next few years as the impact of cumulative reductions in core funding is felt.

Economic uncertainty caused by the cost of living crisis, Brexit, the Ukraine War and the pandemic has impacted inflation with the UK experiencing high inflation rates and increasing bank interest rates.

High inflation has been caused by a series of big shocks to the economy.

1. Covid pandemic - While people had to stay at home, they started to buy more goods rather than services. But the people selling these goods have had problems with the supply chain leading to higher prices – particularly for goods imported from abroad.
2. Russia's invasion of Ukraine - This led to large increases in the price of gas. It also pushed up the price of food. Poor harvests in other countries made the situation worse.
3. A big fall in the number of people available to work - That was linked to the Covid pandemic. It's meant that employers have had to offer higher wages to attract job applicants. Many businesses have had to increase their prices to cover those costs. That includes firms in the services sector, where wages are the largest part of business costs.

However, inflation started to fall in 2023 with a reduction from over 11% in October 2022 to just under 3.9% in November 2023. The October 2022 rate was the highest in over 40 years (the CPIH National Statistic series begins in January 2006). The

rate in November 2023 was the lowest since March 2022. Note lower inflation doesn't mean prices drop - it means they rise less quickly.

The Bank of England expects inflation to keep on falling in 2024 and reach a 2% target in the first half of 2025. Although the prices of some food products are likely to rise faster than this. Energy bills have reduced as gas prices have fallen. Higher interest rates will also help to bring inflation down further as they will reduce the amount of overall spending in the economy. Inflationary pressures however remain in the economy influenced by unsettled conditions in the Middle East and high NMW settlements due in April 24.

Over the past two years higher inflation has led to higher than expected pay awards. This increased cost, combined with flat line settlements from the Welsh Government and the levy has contributed towards the Authority facing a deficit with a need to consider options such as reducing the scale of the business, as well as strategies for growing the business and mitigating even further financial risk and impact.

Meeting the financial pressures requires a rigorous approach to identifying efficiencies, maximise non-core funding streams opportunities and the reprioritisation of spending within services. Accordingly, the Authority will adopt the clear strategy which will involve:

- I. Maintaining a balanced budget position.
- II. Strong financial management: The Authority controls and monitors the actual position of the authority on a regular basis setting out actions to correct any emerging issues.
- III. Asset maintenance: the Capital Programme should ensure adequate programmes of maintenance to sustain values of key assets, especially income-generating assets.
- IV. Maximise resource base: the Authority will ensure the best use of physical and other assets including staff time.
- V. Value for money: continuous review of budgets to ensure resources are targeted on key objectives and deliver value for money.
- VI. Maximise income streams while at the same time minimising the financial risks to the Authority.

Key Assumptions

The Draft Revenue and Capital budgets for 2024/25 have been prepared in accordance with the budget strategy and as previously discussed by Members in budget workshops. In calculating the net cost of continuing existing services, the budget planning has been based on the following assumptions and factors:

- NPG & Levy remain flatlined as at 2023/24 levels for 2024/25, 2025/26 & 2026/27.
- Pay award for 2024/25 estimated at 3% with increased costs of approximately £154k. Most authorities are working on a 3% predicted pay rise for 2024/25. (WG using 3.7%, down from the original 5% predicted).
- Excludes salary regrading costs which are yet to be determined but covered by earmarked reserves
- Gas and Electricity costs will increase by 5% for 24/25 onwards. Other expenditure subject inflation to at 3%.
- SLSP projects implemented and overhead and delivery support applied.
- Car park and centre income increase of £280k as a result of a 40% increase in charges.
- Additional Planning Fee Income of £21k (10%) less increased statutory advertising costs of £30k
- Additional Interest on Bank Deposits of £110k
- Additional Centre trading Income of £125k
- Contribution to Local Authority Toilet maintenance of £110k
- Continued Contract Hire & rental hire savings of £25k (because of introducing Electric Vehicles into fleet).
- Increase in provision of £20k for Insurance costs.
- Prudent use of reserves to support revenue expenditure and to balance the budget deficit.
- The budget has been prepared on the assumption the deficit will be balanced by earmarked reserves so that general reserves will remain within the recommended level of £750k.

Revenue Budget 2023/24

The revenue budget for 2023/24 was approved in February 2023 as shown in Appendix 1. As discussed in the December 2023 budget workshop the Authority's finances for the current financial year have been subject to significant uncertainty.

2023/24 Budget Forecast	£000's	£000's
Original budget deficit		-375
Movements:		
Additional / Reduced Costs		
Staff Cost pay award	-168	
Staff Cost Vacant posts	100	
H&S costs/Training	-30	
Unplanned capital costs - chiller	-35	
		-133
Additional / Reduce Income		
Car Park Income	-40	
Net Centre Income	150	
Bank interest	110	
		220
Transfer from reserve to cover pay award		168
Contribution to capital – unplanned capital		35
Revised revenue forecast Surplus / Deficit		-85

The table above shows the current forecast for the 2023/24 is a deficit of £85k and explains the movement from the original deficit position of £375k. As a result, the General Reserve balance is expected to remain at £1,142k after meeting the deficit. Capital Receipts, used to support capital expenditure in the year, are expected to remain as projects have not progressed as expected. Earmarked Reserves are expected to decrease to £4,235k as at the end of the 2023/24 financial year giving a forecast total useable reserves of £5,766k as at the end of March 2024.

National Park Grant (N.P.G) & Levy

The Welsh Government published its Draft Budget 2024-25 in December 2023, and it has been confirmed that the N.P.G. for the National Parks would remain at the 2023/24 level. The Welsh Government is expected to debate and publish the Final Budget 2024-25 in March 2024. While the expected NPG / Levy will remain unchanged from the 2023/24 level it is worth noting the total reduction between 2010/11 and 2023/24 in cash terms has been £285k effectively year on year. Further when the consumer prices index is applied the overall reduction in real terms since 2010/11 equates to 43.9% or circa £2m.

	£000's			% Reduction
	2010/11	2023/24	Total	
NPG	3,463	3,249	-214	
Levy	1,154	1,083	-71	
Total Cash Funding Reduction	4,617	4,332	-285	-6.1%
Consumer Prices Index				
	2010/11	Nov 2023		
	92.2	130.0		-37.8%
Total Reduction				-43.9%

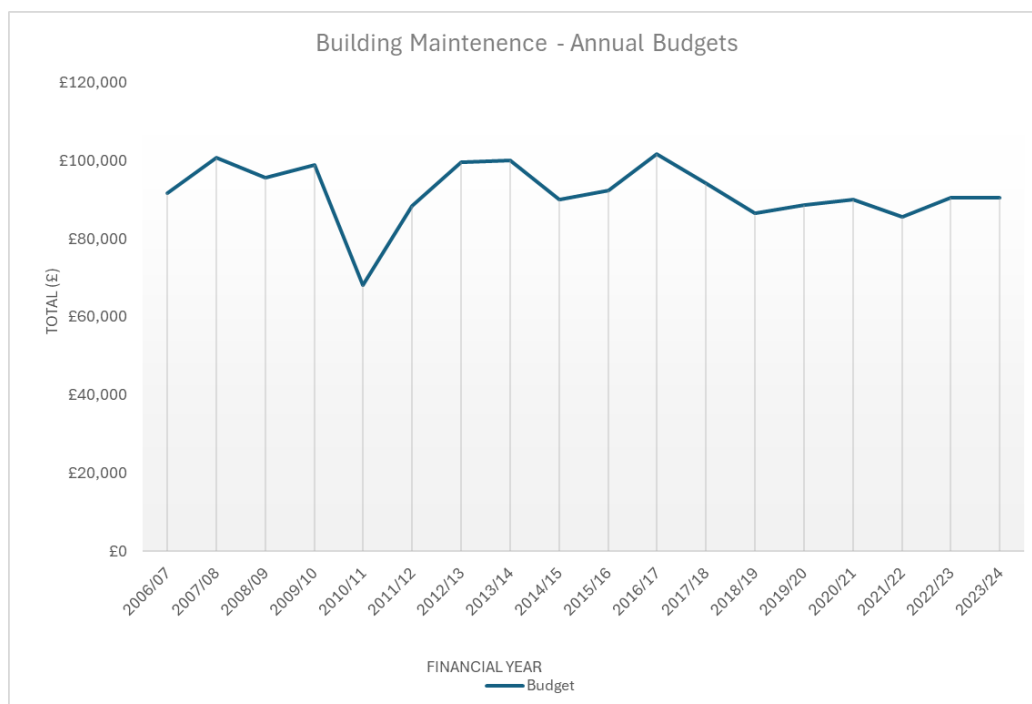
Savings, Efficiencies and Additional Authority Generated Income

The Authority has countered the reduction in core funding by controlling costs, reducing its operating cost base, increasing income from other sources including Information and Heritage centres, car parks and attracting project specific grants from various organisations.

The Authority's high level cost structure is illustrated in the table below, with the data taken from the published statements of accounts. As a percentage of total costs, employee costs have reduced. This has been a major source of budget saving in recent years and without these the Authority would have faced some significant difficulties in balancing its budget. From 2010/11 staff costs have remained flat lined but this hides the falling numbers of Full Time Equivalents (FTE's) against the impact of salary, national insurance, and pension contribution increases. The average number of staff, measured in terms of FTE's has reduced in general since 2011/12, but has seen an increase in 2022/23 due to grant funded specific projects and the appointment of fixed term posts. This also explains the increase in costs for supplies, services and grants. Despite this, the table shows savings in Premises related and Transport and Travel costs over the period. In fact, as an example, the building maintenance budget has fallen in real terms over the last 18 years – see graph below:

	2010/11		2018/19		2019/20		2020/21		2021/22		2022/23		Movem	Movem
	£000's	%	£000's	%	£000's	%	£000's	%	£000's	%	£000's	%	ent	ent
Employees (ex settlements)	4,114	60%	3,696	59%	3,968	62%	4,140	62%	4,379	57%	4,695	56%	581	14%
Premises related	907	13%	662	11%	729	11%	717	11%	1,043	14%	975	12%	68	7%
Transport & Travel	299	4%	198	3%	198	3%	196	3%	264	3%	220	3%	-79	-26%
Supplies, Services and Grants	1,489	22%	1,666	27%	1,526	24%	1,625	24%	1,988	26%	2,464	29%	975	63%
TOTAL REVENUE COST	6,809	100%	6,222	100%	6,422	100%	6,678	100%	7,674	100%	8,354	100%	1,545	100%

Yearly Average Staffing Levels (Full Time Equivalent)											
2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
135	134	133	125	123	120	124	123	129	126	133	136

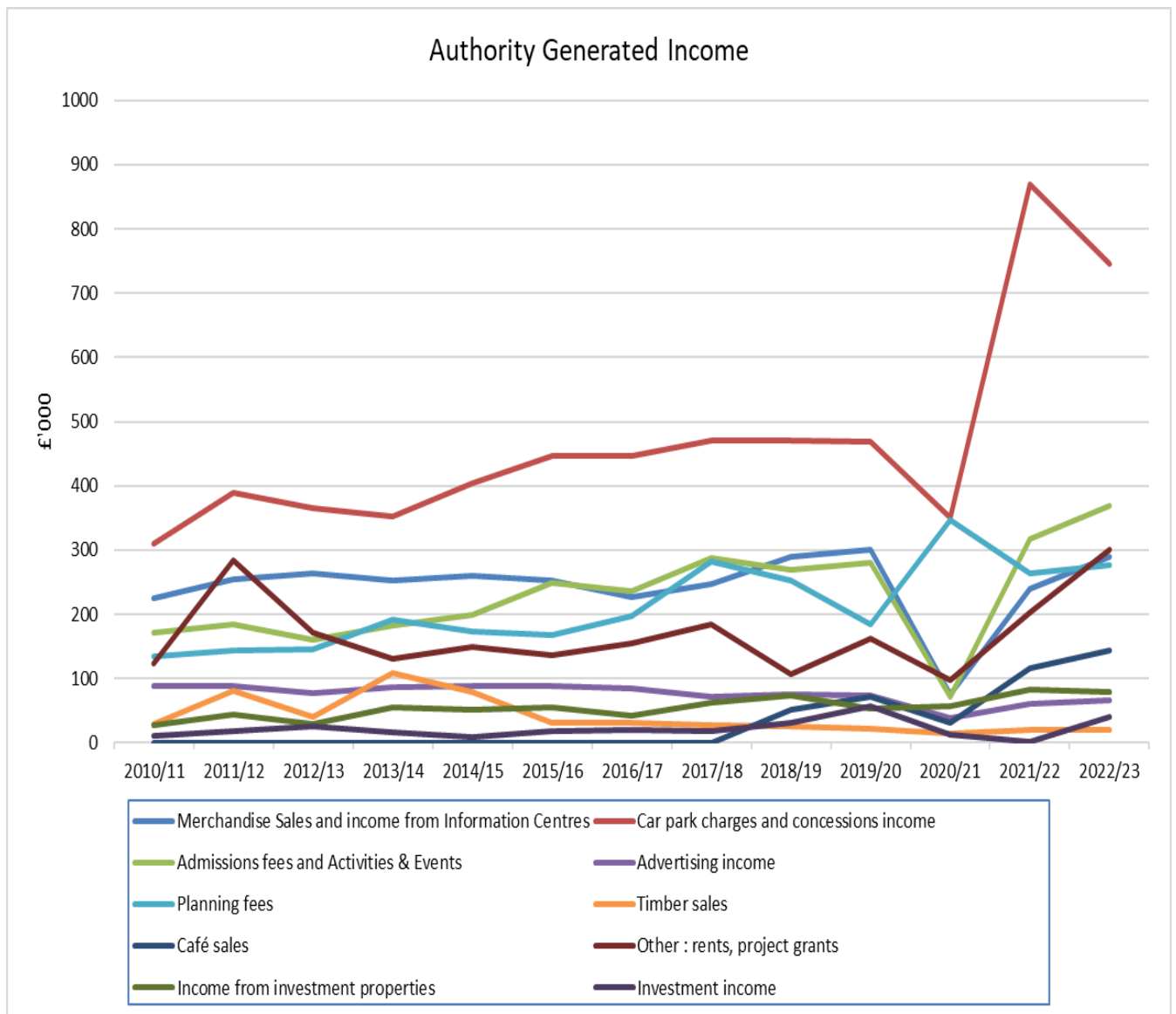


The reduction in core funding has meant the Authority’s requirement to generate increased income to fund core activities is of greater importance. The table below shows that actual authority generated income has increased by £1,212k from 2010/11 to 2022/23 with most sources of income improving but with advertising and timber sales notably declining.

AUTHORITY GENERATED INCOME 2010/11 to 2022/23

AUTHORITY GENERATED INCOME	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	Movement	Movement
Merchandise Sales and income from Information Centres	225	255	263	252	260	252	227	248	289	300	75	239	289	64	28%
Car park charges and concessions income	309	390	365	353	404	446	447	470	470	468	350	869	745	436	141%
Admissions fees and Activities & Events	172	185	161	182	200	249	237	287	269	280	71	317	369	197	115%
Advertising income	88	88	77	87	88	88	85	72	75	74	38	60	67	-21	-24%
Planning fees	135	144	146	192	173	168	197	283	253	184	347	264	277	142	105%
Timber sales	30	81	40	109	79	31	31	28	25	22	15	20	21	-9	-30%
Café sales	0	0	0	0	0	0	0	0	51	72	31	117	144	144	282%
Other : rents, project grants	123	285	172	131	149	136	154	185	107	163	97	203	300	177	144%
Income from investment properties	28	45	29	56	51	55	42	62	74	54	57	83	80	52	186%
Investment income	11	19	26	16	10	19	21	19	31	57	13	2	41	30	273%
TOTAL LOCAL INCOME	1,121	1,492	1,279	1,378	1,414	1,444	1,441	1,654	1,644	1,674	1,094	2,174	2,333	1,212	108%

The graph below illustrates the above.



Please note – 20/21 was the pandemic year with 21/22 an exceptional year of trading following reopening and continued restriction of foreign travel.

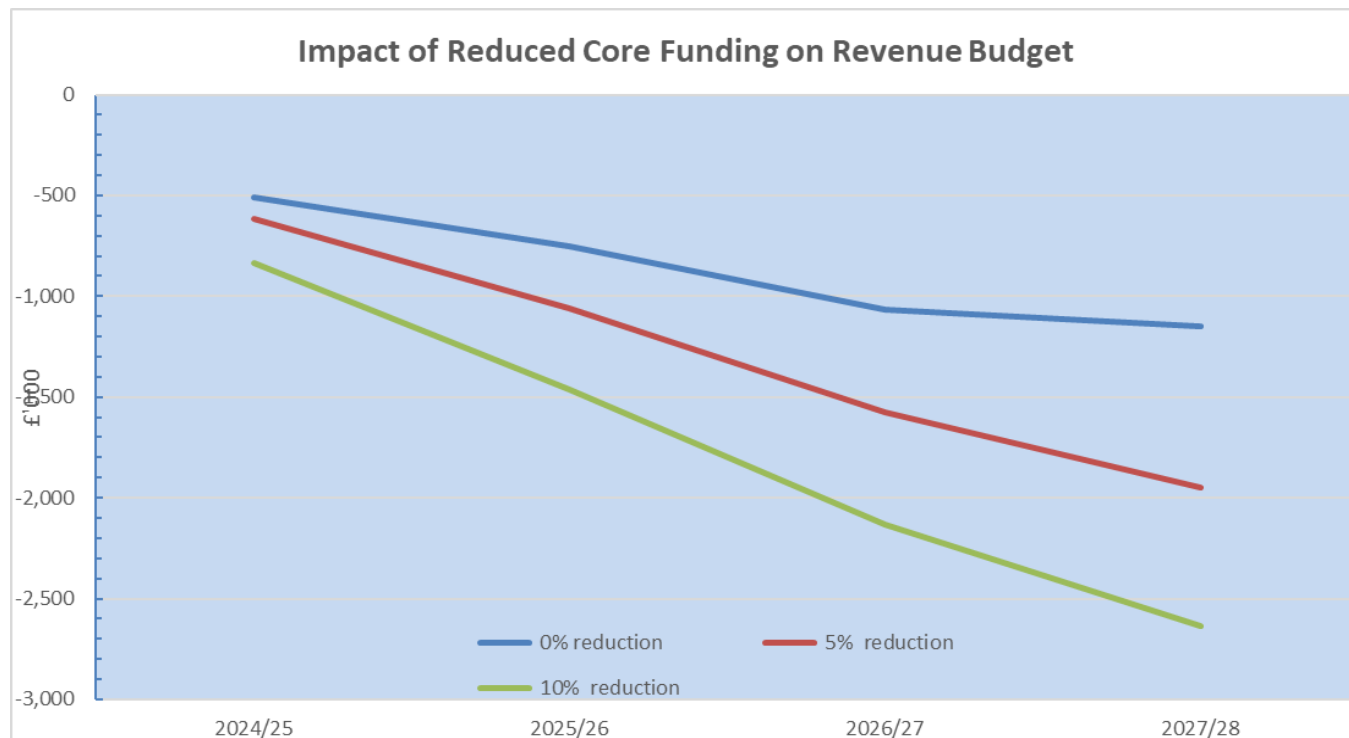
Summarised Revenue Budget 2024/25 and forecast for 25/26 to 27/28

	Draft Budget	Forecast Budget		
Draft Budget	2024/25	2025/26	2026/27	2027/28
	£000's	£000's	£000's	£000's
Baseline gross expenditure	7,802	8,028	8,269	8,517
Payrise/Inflation etc	225	241	248	256
Other Items	-512			
Local Generated & Grant Income	-2,653	-3,165	-3,228	-3,293
Gross Budget	4,863	5,103	5,289	5,480
NPG	3,250	3,250	3,250	3,250
Levy	1,083	1,083	1,083	1,083
SLSP Support	130	130		0
Contribution to PCC	110	110	110	0
Surplus / - Deficit	-509	-750	-1,066	-1,147

The summarised revenue budget for 2024/25 is shown in the above table and details were discussed in the December 2023 budget workshop. The table shows an operating budget deficit of £509k (23/24: deficit £375k) and the budget is balanced by utilising specific earmarked reserves. However, it is expected that during 2024/25 the deficit will also be managed by continuing with efficiency savings together with an income generating strategy. The full breakdown of the departmental budgets and service area budget are shown in Appendix 2.

Sensitivity Analysis and Forecasts 2024/25 to 2027/28

The chart and table beneath show the revenue position for the years 2024/25 to 2027/28 under a flat lined and 5% and 10% cut to core funding and shows the potential deficit position by 2027/28:



£'000	2024/25		2025/26		2026/27		2027/28	
	5%	10%	5%	10%	5%	10%	5%	10%
Baseline gross expenditure	7,802	7,802	8,028	8,028	8,269	8,269	8,517	8,517
Payrise/Inflation etc	225	225	241	248	248	248	256	256
Other Items	-512	-512	0	0	0	0	0	0
Local Generated & Grant Income	-2,653	-2,653	-3,165	-3,165	-3,228	-3,228	-3,293	-3,293
Gross Budget	4,863	4,863	5,103	5,103	5,289	5,289	5,480	5,480
NPG	3,087	2,925	2,933	2,632	2,786	2,369	2,647	2,132
Levy	1,029	975	978	877	929	790	882	711
SLSP Support	130	130	130	130	0	0	0	0
Surplus / - Deficit	-616	-833	-1,062	-1,463	-1,573	-2,130	-1,950	-2,637

Draft Capital programme

Draft Capital Programme 2024/25	Draft Budget	Funded by EMR	Capital Receipts/Grants
Carew Causeway Repairs	32,000	32,000	
Castell Henllys Improvement Programme	50,000	50,000	0
Green Room Redevelopment Project	463,287	122,287	341,000
Carew Castle Enhancement & Interpretation	42,675	42,675	
Carew Castle Visitor Access	32,000	32,000	
Decarbonisation / Net Zero feasibility for our Buildings inc PV & EV	150,000	150,000	
OYP security upgrade	20,000		20,000
Newport Sands Development	150,000		150,000
Llanion Park H&S	5,000		5,000
Porthgain Hoppers	5000	5000	
Fleet	22,846		22,846
Total	972,808	433,962	538,846

The Authority's Capital program is an essential part of the Authority financial planning and is based on the Authority's corporate objectives, operational need, making prudent investments and the availability of internal and external funding. Details of the capital programme are:

- **Carew Castle Causeway.**
Under the Reservoirs Act the Authority has statutory duty to undertake the repairs as instructed by the Reservoirs Inspectorate. The Causeway has undergone many phases of major and minor repair works to prevent / minimise water leakage through the structure from the mill pond which is accepted as an ongoing and permanent issue. Under direction from Reservoirs Engineer, the repairs programme has been reviewed for the next 5 years with an estimated cost of works to be £154,520 to be phased as follows:
 - 23/24 £82,850
 - 24/25 £31,620

- 25/26 £36,450
- 26/27 £1,800
- 27/28 £1,800

There are sufficient earmarked reserves to meet this planned expenditure.

- **Castell Henllys Programme.**

This is planned works for improvements to drainage, wood pellet store and access ramps.

- **Green Room Redevelopment Project.**

In September 2021 the Authority approved expenditure on the redevelopment of the “Green” room which holds Authority committee meetings. The current facilities are comprised of a series of Portacabins installed over twenty years ago which are reaching their end of life. Options & costs are to be presented to Members in March 2024.

- **Carew Castle Enhancing Visitor and Interpretation.**

Improvements to the physical access and interpretation on-site will add to the visitor experience and understanding of Pembrokeshire’s historical and cultural heritage. It will allow access to as much of the Castle as possible and help increase visitor numbers.

- **Carew Castle Access.**

Following enhancements to the visitor experience at Carew Castle the Authority will prioritise a range of additional physical infrastructure works to improve the accessibility of the site for visitors with mobility problems and/or for families with pushchairs.

- **Decarbonisation / Net Zero feasibility for our Buildings/Fleet.**

This includes detailed surveys of the Authority’s buildings to advise on opportunities for refurbishments and renewals to ensure our buildings contribute to meeting our Net zero objectives. This fund includes photovoltaic (PV) generation projects and decarbonising our vehicle fleet. This work will contribute towards reducing the costs of running the Authority.

- **Oriel y Parc (OYP) security upgrade**

This cost is to replace & upgrade security equipment at the venue.

- **Newport Sands Development**

This is to meet the costs of developing car park & toilet facilities at Newport Sands, funded by the SLSP project. This is a phased project to be completed in 2025-26.

- **Llanion Park Health & Safety**

This is to meet essential H&S costs at the Llanion Park

- **Porthgain Hoppers**

This spend is to provide a feasibility report for a 5 year improvement programme.

Financial Reserves and Balances.

The Authority is required to keep a prudent level of working balances to maintain adequate cash flows to meet planned and unexpected expenditure. The General Reserve is a reserve created from prior years underspends and is available for any approved expenditure. As a minimum this reserve should be 5% of the net budget and following a review in 2022/23 it is considered prudent to set the reserve level at £750k, the basis for this being approximately three months' salary costs. Earmarked Reserves are reserves that have been built up from revenue funding over a number of years and have been set aside for specific projects. The Capital Reserve balance is made from the receipts of the Authority's capital disposals in prior years and as such these funds are restricted for the use on capital expenditure.

The table that follows shows the anticipated cash-based reserves as at the end of 2023/24 together with the projected balances as at the end of the 2024/25. The General Reserves balance as at the end of the 2023/24 & 2024/25 financial year is expected to be £1,142k after allocating earmarked reserves to meet the deficit.

The Capital Receipts Reserve is used to partially fund capital expenditure is expected to fall from £389k at the end of 2022/23 to Nil by the end of 2024/25.

The balances on the Earmarked Reserves are appropriate at the current time and, to partially fund the Capital program and the revenue deficit, are expected to fall from the current balance of £4,937k as at 31 March 2023 to a forecast of £3,292k by 31st March 2025. The graph shows the forecasted downward trend in reserves.

Cash Reserves

£000's

	Actual Year end Position		Actual Year end Position		Actual Year end Position		Forecast Year end Position		Forecast Year end Position
	2020/21	Movement 2021/22	2021/22	Movement 2022/23	2022/23	Movement 2023/24	2023/24	Movement 2024/25	2024/25
General Reserves	1,008	133	1,141	1	1,142		1,142	0	1,142
Capital Receipts	370	19	389		389		389	-389	0
Unapplied Capital Grants				319	319	-319			
TOTAL	1,378		1,530		1,850	-319	1,531	-389	1,142
Earmarked Reserves:									
Receipts In Advance	3,249	-778	2,470	-295	2,175	-345	1,831	-130	1,701
Authority Created Reserves	1,353	1,232	2,585	176	2,761	-357	2,404	-813	1,591
Total	4,602	454	5,056	-119	4,937	-702	4,235	-943	3,292
Total cash reserves	5,980	454	6,586	-119	6,787	-1,021	5,766	-1,332	4,434



Conclusion

The draft Welsh Government 2024/25 budget published in December 2023 indicates that the National Park Grant for 2024/25 will remain unchanged from that awarded in 2023/24. Like many other public sector and third sector organisations, the Authority continues to face considerable increase in costs due to inflationary pressures

combined with reduced core income. These two factors have put the Authority in the difficult position of setting an operating budget deficit for 2024/25 of £509k.

However, in the short term, the Authority's cash reserve position provides a cushion to address this deficit. It is also worth noting that the revenue forecasts beyond 2024/25 are equally as challenging. The financial situation will therefore need to be managed by;

- where appropriate, discontinuing certain activities,
- improved efficiencies,
- cost savings,
- reviewing opportunities to generate income
- seeking sources of grant aid.

Recommendations

That Members:

- **APPROVE in principle the draft budget 2024/25, subject to noting that the NPG/Levy estimate has yet to be confirmed.**
- **NOTE the financial forecasts for 2025/26 to 2027/28.**

Levy on Pembrokeshire County Council

The following statement is the statutory levy statement for Pembrokeshire County Council. Section 71 of the Environment Act 1995, Sub-Section 3, defines the way in which the levy is to be issued and this statement complies with the required format:

<p><u>Levy on Pembrokeshire County Council</u></p>



Parc Cenedlaethol
Arfordir Penfro
Pembrokeshire Coast
National Park

The Authority must authorise the making of a levy of £1,083,329 from Pembrokeshire County Council, in accordance with Section 71 of the Environment Act 1995 and the National Park Authorities (Levies)(Wales)(Regulations) 1995 SI 1995 No.3019 as amended by the National Park Authorities (Levies)(Wales)(Amendment) Regulations 1996:

•	the sum required to meet expenditure for the Authority which will fall to be charged for that year in the Revenue account is		
			£7,625,702
•	making such provision as is appropriate for meeting Contingencies, the expenditure on which would fall to be charged in the Revenue Account		£Nil
•	the sum required to secure the availability to the authority of adequate working balances on its Revenue Account		£Nil
•	the sum required to provide the Authority with other requirements for covering any deficit brought forward from the previous financial year		£Nil

	Sub-total		£7,625,702
	LESS		
•	Section 72, Grant (NPG)	£3,249,986	
•	Income credited to the Revenue Account	£3,292,388	
•	other sums not covered above which are likely to be available in the year	-	£6,542,374
		-----	-----
	Levy requirement		<u>£1,083,329</u>

Members are advised that the official levy requirement must be notified to Pembrokeshire County Council by 15th February. It is recommended that the National Park Authority continue with the current arrangement of 12 equal monthly instalments receivable on or before the 12th of each calendar month, such payments to be received by bank transfer.

Recommendation

That Members AUTHORISE a levy of £1,083,329 (or other appropriate amount as determined on receipt of confirmation of the approved net funding from the WG) from Pembrokeshire County Council for the year 2024/25.

Prudential Code Indicators

The Local Authorities (Capital Finance & Accounting) (Wales) Regulations 2003 require the Authority to have regard to the *CIPFA Prudential Code* in setting annual budgets. Members are asked to consider the advice of the Head of Finance and Fundraising in determining an affordable, prudent and sustainable capital investment programme.

The Prudential Code requires the Authority to consider Prudential Indicators encompassing estimated and actual expenditure and financing, and limits on both. These indicators are intended to support and record local decision making and are not designed to be comparative indicators across local authorities. However, as the Authority is debt free and there are no proposals at this time to undertake further borrowing, due to the capital expenditure plans being financed either by revenue funds, external grant aid or capital receipts, then many of the indicators are not relevant.

The indicators of affordability address the revenue implications of an authority's financial strategy since, as a fundamental principle, all the borrowings of an authority are secured on its future revenue income. The Prudential Code requires the prudential indicators in respect of external debt to be set and revised taking into account their affordability. It is through this means that the objectives of sustainability and prudence are addressed year on year.

The following table sets out the actual capital expenditure that was incurred in 2022/23 together with the estimates of capital expenditure to be incurred for the current and next years that are recommended for approval, along with the actual/estimated net revenue stream for the years:

	Actual 2020/21	Actual 2021/22	Actual 2022/23	Estimate 2023/24	Estimate 2024/25
Capital Expenditure	1,521,000	629,000	465,000	1,460,535	1,008,101
FINANCING COSTS (interest receivable only, no borrowing)	-13,000	-2,000	-41,000	-110,000	-115,000
Net Revenue Funding (NPG/Levy)	4,404,000	4,642,000	4,520,000	4,333,000	4,333,000
Ratio: Financing Costs/Net Revenue Funds	-0.30%*	-0.31%*	-0.91%*	-2.50%*	-2.65%

**As a result of the adoption of IFRS16 in 2020/21, regarding recording leased assets on balance sheet, this indicator may change.*

The negative percentages demonstrate that negative financing costs (i.e. income from investments) are contributing to the Authority's funding resources.

The next indicator is the Capital Financing Requirement. This is an important component of an authority's capital strategy in that it represents capital spending that has not yet been financed by capital receipts, capital grants or contributions from revenue income. The balance is a measure of the underlying need to borrow for a capital purpose. As mentioned above, the draft capital programme does not propose

any borrowing for capital purposes and the Authority should remain debt free for the period, so the Capital Financing Requirement is estimated at £nil for the period up to 31 March 2024.

The prudential indicators for debt relate to the scale of the Authority’s borrowing rather than simply its indebtedness. The Authority will need to set an Authorised Limit that separately identifies borrowing and other long-term liabilities and is intended to establish the outer boundary of the Authority’s borrowing based on a realistic assessment of the risks. This limit is certainly not a limit that the Authority would expect to borrow up to on a regular basis, rather it is a maximum permitted limit available should the need arise during the year in relation to an unexpected need, either for capital or revenue purposes – an example being short-term borrowing pending receipt of external grant. In taking your decisions on this budget report, Members are asked to note that the Authorised Limit determined for 2023/24 will be the statutory limit determined under section 3(1) of the Local Government Act 2003.

Authorised Limit for External Debt	Actual	Actual	Estimate	Estimate	Estimate
	2020/21	2022/23	2023/24	2024/25	2025/26
Borrowing	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Other long term liabilities	0	0	0	0	0

The Authority also needs to set an Operational Boundary for its borrowing, based on probable rather than possible need. Breaches of the Operational Boundary would give early warning for corrective action to be taken to avoid a possible breach in the Authorised Limit of the Authority. As mentioned, the proposed capital programme does not identify the need for external borrowing, and this, coupled with a traditionally steady revenue income stream through the financial year, means that the Operational Boundary for the Authority can be set at a low level. The Chief Financial Officer recommends as follows:

Operational Boundary for External Debt	Actual	Actual	Estimate	Estimate	Estimate
	2020/21	2022/23	2023/24	2024/25	2025/26
Borrowing	250,000	250,000	250,000	250,000	250,000
Long term liabilities	0	0	0	0	0

It is possible that, while an authority’s financial strategy may be affordable in the short term, it is imprudent and unsustainable because in the medium term it would, if pursued, be dependent on the use of borrowing to fund revenue expenditure. For this reason, the Code makes it necessary, if a financial strategy is to be prudent, that it is one in which in the medium-term Net Borrowing is only to be used for capital purposes. This is demonstrated through a comparison of Net Borrowing with the Capital Financing Requirement. Except in the short term, net external borrowing should not exceed the total Capital Financing Requirement in the previous year plus the estimates of any additional Capital Financing Requirements for the current and the next two financial years.

The Head of Finance and Fundraising hereby reports formally that the Authority is complying with this aspect of the Code.

The Maturity Structure of Borrowing indicator is designed to be a control over an authority having large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates. In view of the Head of Finance's recommendation not to raise any long-term borrowing for the period, it is not necessary to set upper and lower limits for the maturity structure of borrowing.

In view of the low level of cash available for investment, it is the Chief Financial Officer's recommendation that only short-term investments are entered into for the period. It is therefore not necessary to set limits on investments to final maturities beyond the year-ends.

Investment Strategy 2024/25

The remainder of this report presents an Investment Strategy for 2024/25 in compliance with statutory guidance and in support of the prudential borrowing system.

Section 12 of the Local Government Act 2003 gives the Authority power to invest for "any purpose relevant to its function under any enactment or for the purposes of the prudent management of its financial affairs". The prudent management of its financial affairs is included to cover investments which are not directly linked to identifiable statutory functions but are simply made in the course of treasury management – being the type of investment undertaken by this Authority. Authorities are required to invest prudently the surplus funds held, with priority given to security and liquidity rather than yield.

This Strategy also supports CIPFA's *Treasury Management in the Public Services Code of Practice and Cross-Sectoral Guidance Notes*.

The combined Investment Strategy & Treasury Management Policy for 2024/25 follows.

Recommendations

That Members:

ADOPT the Prudential Indicators as presented.

APPROVE the Financial Reserves and the Investment Strategy & Treasury Management Policies for 2024/25 (over).

Background documents

Welsh Government, draft budget proposals 2024/25

The Local Government Act 2003

The Local Authorities (Capital Finance & Accounting) (Wales) Regulations 2018

Statutory Guidance on Local Government Investments

CIPFA's Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes.

For further information please contact Catrin Evans on 01646 624900.



Financial Reserves Policy

1. Purpose

Pembrokeshire Coast National Park Authority is required to maintain adequate financial reserves to meet the needs of the organisation. The purpose of this policy is to set out how the Authority will determine and review the level of its general fund balance and earmarked reserves.

Section 25 of the Local Government Act 2003 requires local authorities to have regard to the level of reserves needed to meet estimated future expenditure when calculating their annual budget requirement. It is the responsibility of the Head of Finance and Fundraising to advise on the level of reserves that should be held, and to ensure that there are clear protocols for the establishment and use of any earmarked reserves.

The Head of Finance and Fundraising is required to advise on an appropriate level of reserves that should be held, based on judgements about matters and taking into account all relevant local circumstances.

2. Reserves

The Authority holds three cash backed reserves: the General Fund, Capital Receipts reserve and Earmarked Reserves.

General Fund

This consists of working balances and general contingency sums which do not have any restrictions as to their use. They can be used to smooth the impact of significant pressures, offset the budget requirement for a finite period if necessary, or held in case of unexpected events or emergencies. It is a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing. It forms part of the General Fund balance.

Capital Receipts

This reserve is a reserve created by the accumulated of funds received from receipts of the Authority's assets. The balances can only be used to fund capital expenditure.

Earmarked reserves

This reserve is a means of building up funds, or earmarked reserves, to meet known or predicted future requirements – these are accounted for separately but remain legally part of the General Fund.

This policy sets out the framework for the use and management of reserves, in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice (CIPFA/LASAAC) and agreed accounting policies. Earmarked reserves will be established on a “needs” basis, in line with planned or anticipated requirements. As outlined in the Financial Regulations, approval to set up a reserve must be sought and Authority and the report which seeks this approval must identify the purpose of the reserve and how it will be used. Expenditure from reserves, outside of planned budgetary expenditure, can only be authorised through the Virement process, as outlined in the Authority’s Financial Standards.

Reserves can only be used once and so should not be held to fund ongoing expenditure. This would be unsustainable as, at some point, the reserves would be exhausted. To the extent that reserves are used to meet short term funding gaps, they must be replenished in the following year. However, earmarked reserves that have been used to meet a specific liability would not need to be replenished, having served the purpose for which they were originally established.

All earmarked reserves are recorded on a central schedule held by Financial Services which lists the various earmarked reserves and the purpose for which they are held and shows the estimated opening balances for the year, planned additions/withdrawals and the estimated closing balance. This schedule of earmarked reserves is detailed below.

CIPFA guidance on Local Authority Reserves and Balances advises that a statement reporting on the annual review of earmarked reserves should be made to Authority, at the same time as the budget is approved.

3. Working balances

The level of general reserves or working balances is a matter of judgement and so this policy does not attempt to prescribe a blanket level. The primary means of building working balances will be through an allocation from the annual budget. This will be in addition to any amounts needed to replenish reserves that have been consumed in the previous year.

Setting the level of working balances is one of several related decisions in the formulation of the annual budget. The Authority must build and maintain sufficient working balances to cover the key risks it faces, as expressed in its corporate risk register.

As a guide, the advice of the S151 Officer is that working balances should be maintained above a baseline minimum level of £750,000. In practice, in determining the precise level of reserves above this minimum, the S151 Officer has considered all of the strategic, operational and financial risks of the authority.

An assessment of these risk assumptions, and relevant factors to be considered to address them, is set out in the table overleaf.

Risk items and issues to be considered

Budget assumptions	Issues to consider
<i>The treatment of inflation and interest rates</i>	<i>The overall financial standing of the authority (e.g. level of borrowing, debt outstanding), including ability to respond to unexpected cost</i>
<i>Estimates of the level and timing of capital receipts</i>	<i>The Authority’s track record in budget and financial management of changes in property market</i>
<i>The treatment of demand-led pressures</i>	<i>The Authority’s capacity to manage in-year budget pressures and strategy for managing demand and service delivery in the longer term</i>
<i>The treatment of planned efficiency savings</i>	<i>The strength of the financial information and reporting arrangements and contingency plans should efficiencies not be achieved</i>
<i>The financial risks inherent in any significant new funding partnerships, major contractual arrangements or major capital developments</i>	<i>The Authority’s virement and end-of-year procedures in relation to budget under/overspends. Risk management of partnership or outsourcing arrangements</i>
<i>The availability of other funds to deal with major contingencies and the adequacy of provisions</i>	<i>The adequacy of the authority’s insurance arrangements to cover major unforeseen risks</i>
<i>The general financial climate to which the authority is subject</i>	<i>External factors such as future funding levels will influence the authority’s ability to replenish reserves</i>

If, in very extreme circumstances, all general reserves were exhausted due to unforeseen spending pressures and commitments within a particular financial year, the Authority would be able to draw down from any uncommitted earmarked reserves to provide short-term resource cover, although this would not be relied upon as the sole solution, and monthly forecasting against budget plans should already have identified that corrective action would be needed and action taken to review in-year budgets.

4. Opportunity cost of holding reserves

In addition to allowing the Authority to manage unforeseen financial pressures and plan for known or predicted liabilities, there is a benefit of holding reserves in terms of the interest earned on funds which are not utilised. This investment income is fed into the budget strategy. However, there is also an “opportunity cost” of holding funds in reserves, in that these funds cannot then be spent on anything else. As an example, if these funds were used to repay debt or support capital investment, the opportunity cost would equate to the saving on the payment of interest and the minimum revenue provision, offset by the loss of investment income on the funds. Using reserves in this way would, however, leave the Authority with fewer funds to either manage unexpected risks or provide

the resources to fund the planned expenditure for which the reserves were originally earmarked.

Given these opportunity costs of holding reserves, it is critical that both the number and amount held in reserves continues to be reviewed each year as part of the budget process, to confirm that they are still required and that the level is still appropriate.

**INVESTMENT STRATEGY and
TREASURY MANAGEMENT POLICY STATEMENT
2024/25**



Investment Strategy & Treasury Management Policy Statement 2024/25

1. INTRODUCTION

1.1. The Authority adopted CIPFA's Code of Practice for Treasury Management in Local Authorities. The Code sets out a framework of operating procedures for both Members and Officers to reduce treasury risk and improve understanding and accountability regarding the Treasury position of the Authority. This Strategy also complies with statutory guidance on Local Government Investments.

1.2. The Authority defines its treasury management activities as:

“the management of the Authority's cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks”.

1.3. This Authority regards the successful identification, monitoring and control of risk to be the most important criteria by which the effectiveness of its treasury management and investment activities will be measured. Accordingly, the major focus of the analysis and reporting of treasury management decisions and transactions will be on their risk implications for the Authority, with priority given to the security and liquidity of its investments.

1.4. This Authority also acknowledges that effective treasury management should provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving best value in treasury management, and to employing suitable performance measurement techniques, but always in the context of effective risk management.

2. RESPONSIBILITIES

2.1. The responsibilities for Investment & Treasury Management are defined as follows:

- (a) The Authority shall review and consider this Strategy in advance of the start of each financial year.*
- (b) The Head of Finance and Fundraising shall ensure that satisfactory arrangements are in place for the delivery of this Strategy.*

- (c) *The Chief Executive (National Park Officer) shall be responsible for all investment and treasury management activities, for ensuring that these activities are documented and resourced.*
- (d) *The Head of Finance and Fundraising where appropriate, shall ensure all investment and treasury management activities are in accordance with statutory requirements and CIPFA's Code of Practice for Treasury Management in the Public Services, and for ensuring that an annual Treasury Management report is presented to the Performance Review Committee.*

3. APPROVED METHODS OF RAISING FINANCE

3.1. Short Term (up to 1 year):

- *Money markets*
- *Other local authorities*
- *Bank overdraft*
- *Internal funds*

3.2. Long term (over 1 year)

- *Public Works Loans Board*
- *Money Markets*
- *Leasing*

However, other than for short-term cash flow requirements, there are no plans to raise external debt during 2023/24. Notwithstanding this, the Authority is obliged to set limits for external debt - and approved such limits, as follows, in setting the 2023/24 budget in February 2023:

Authorised Limit for External Debt	Actual	Actual	Estimate	Estimate	Estimate
	2020/21	2022/23	2023/24	2024/25	2025/26
Borrowing	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Other long term liabilities	0	0	0	0	0

Operational Boundary for External Debt	Actual	Actual	Estimate	Estimate	Estimate
	2020/21	2022/23	2023/24	2024/25	2025/26
Borrowing	250,000	250,000	250,000	250,000	250,000
Long term liabilities	0	0	0	0	0

3.3 The Maturity Structure of Borrowing prudential indicator is designed to be a control over an authority having large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates. In view of the Chief Financial Officer's recommendation in the 2023/24 budget report not to raise any long term borrowing for the period, it is not necessary to set upper and lower limits for the maturity structure of borrowing. This will be reviewed annually.

4. APPROVED ORGANISATIONS FOR INVESTMENT

- 4.1. *The surplus cash resources of the Authority are such that investment will be limited to specified investments through accounts held with the Authority's Bankers. If surplus cash resources increase significantly in the future, alternative investment sources may be considered and included in this Policy Statement at that time, requiring the formal approval of the Authority.*
- 4.2. *The credit rating of institutions holding the Authority's investment will be checked by the Head of Finance and Fundraising periodically via Standard and Poors' website and a recommendation as to any action necessary in the event of a change in rating shall be made.*
- 4.3. *In terms of Treasury Management, interest rate risk management is a top priority for local authority management. While fixed-rate borrowing and investment can contribute significantly to reducing the uncertainty surrounding future interest rate scenarios, the pursuit of optimum performance may justify, or even demand, retaining a degree of flexibility through the use of variable interest rates on at least part of a treasury management portfolio. Operational Boundaries for the exposure to interest rate risks are set below, to support the target interest receivable on short-term investments (built into the revenue baseline budget) of £10,000.*
- Upper limit for variable rate exposure – 100%
 - Upper limit for fixed interest rate exposure – 75%

This means that the Head of Finance and Fundraising will manage fixed interest rate exposures within the range 0% to 75% and variable interest rate exposures within the range 0%-100%.

- 4.4. *In view of the relatively low level of cash available for investment, it was the Chief Financial Officer's recommendation in the 2023/24 budget report that only short term investments be entered into for the period.*

5. TREASURY MANAGEMENT PRACTICES

5.1. *The following Treasury Management Practices will guide treasury management activities:*

- **TMP1 – Treasury Risk Management.**
Adequate cash balances will be maintained in the Authority's business account to fund the daily payments made from the account. Surplus cash balances will be invested only via minimum risk avenues.
- **TMP2 – Best Value & Performance Measurement**
Treasury management decisions will be made with regard to achieving best value, and performance will be measured in terms of achieving budgetary targets whilst limiting risk.
- **TMP3 – Decision Making & Analysis**
Decisions will be made as and when necessary, in a manner that balances cash requirements with cash surpluses whilst maximising investment returns and minimising risks. These decisions will be

made within the boundaries set by the Authority's treasury management policies and statements.

- **TMP4 – Approved Instruments, Methods and Techniques**
Surplus cash on the Authority's business account will, at the end of every banking day, automatically be transferred to a higher interest No Notice Business Account. The Authority may also transfer funds to other reputable U.K. Financial Institutions which offer more attractive rates of return. These institutions must however have the same or superior Standard & Poors verified credit rating.
- **TPM5 – Treasury Management Organisation**
The Head of Finance and Fundraising will undertake the day-to-day Treasury Management activities, liaising with the Resources Manager and Chief Executive (National Park Officer) to consider longer-term issues as and when necessary.
- **TMP6 – Reporting Requirements**
Performance will be assessed as part of the Authority's budget performance monitoring. A report will be presented at the year-end comparing actual investment income with budgeted income.
- **TMP7 – Budgeting, Accounting, Audit**
Investment income from treasury management decisions is included within the Authority's budgets and accounts and is subject to inspection as part of the annual audit. Interest due on borrowings is also accounted for within the Authority's accounts.
- **TMP8 – Cash and Cash flow Management**
The annual budgeting process will determine expenditure levels and sources of finance. On a daily basis, consideration will be given to the timing of cash receipts and cash payments. The Authority's Bankers telephone banking service and on-line banking service will be used to facilitate daily cash flow reviews.
- **TMP9 – Money Laundering**
Money laundering will not be undertaken by this Authority.
- **TMP10 – Staff Training & Qualifications**
Staff training will be discussed at least within the annual appraisal process, although requests for training will be considered at anytime.
Essential staff qualifications are determined by the Authority as part of the recruitment and selection procedures.
- **TMP11 – Use of External Service Providers**
The Authority will manage its treasury management arrangements without the use of external service providers.
- **TMP12 – Corporate Governance**
The provision for annual reports on treasury management to the Authority's members forms a key part of the corporate governance arrangements in authorities.

This Strategy will be in force for the financial year 2024/25

Appendix 1 - Summarised Revenue Budget 2023/24

	£000's
Baseline gross expenditure	7,047
Payrise/Inflation etc	321
Other Items	-65
Local Generated & Grant Income	-2,465
Gross Budget	4,838
NPG	3,250
Levy	1,083
SLSP Support	130
Surplus / - Deficit	-375
Transfer from reserves	375
Net budget	0

Appendix 2 – Detailed Budget 24-25

	Draft Baseline Expend 2024/25	Draft Baseline Income 2024/25	Payrise, Inflation Costs	Inflation Other Costs	Utility Costs	Efficiency Savings & Increased Income	Other Adjusts	Draft net Budget 2024/25
Conservation of the Natural Environment	778,990	-154,749	11,160	4,827	146			640,374
Cilrhedyn Woodland Centre	128,070	-39,000	1,666	851	146			91,733
Invasive Species	86,754	-85,636	1,025					2,143
Achub Brith Y Gors (Nature Network Fund)	57,017	-12,387						44,630
National Designated Landscapes	94,804		2,030					96,834
Nature Conservation	403,473	-17,726	6,440	3,622				395,808
Marine Environment	8,871			355				9,226
Conservation of the Cultural Heritage	115,492		2,687	975				119,154
Conservation Areas & Historic Buildings	49,548		1,372	91				51,011
CP10 - Archaeology, Culture & Heritage	65,944		1,315	884				68,143
Development Control	647,725	-212,142	16,417	1,894		30,000	-21,214	462,680
Development Management (inc Mineral Plans)	647,725	-212,142	16,417	1,894		30,000	-21,214	462,680
Forward Planning & Communities	396,489	-100,000	7,445	1,243				305,177
Development Planning	296,489		7,445	1,243				305,177
Sustainable Development Fund	100,000	-100,000						
Promoting Understanding	2,163,668	-944,491	40,754	13,341	9,853	-20,000	-107,000	1,156,124
Head of Regenerative Tourism	52,581		1,529					54,110
Head of Engagement	57,411		1,703					59,114
Tourism & Wellbeing Officer	53,035		1,132	387				54,554
Carew Castle	244,018	-289,835	3,442	2,723	137		-60,000	-99,516
Carew Castle Tea Room	113,675	-110,000	2,500	214		-20,000	-25,000	-38,611
Castell Henllys	253,934	-120,430	5,546	1,387	2,324		-20,000	122,760
Oriel Y Parc, St David's	419,945	-139,501	5,979	1,690	7,392			295,506
Oriel Y Parc Cafe		-20,000						-20,000
Coast to Coast	53,300	-75,000	326	1,958				-19,415
Communications	264,770		5,252	3,295				273,317
SUP9 - Graphic Services	100,780		2,239	669				103,688
Discovery	191,295	-5,307	4,839	601				191,428
Activities & Events	35,108	-2,500	955	126				33,689
Walkability Program	17,100		391	151				17,641
Pemb's Outdoor Schools	43,666		813					44,479
West Wales Walking	82,750	-75,972	921					7,699
First 1000 Days Project	21,538		646					22,184
Roots Project	6,352		191					6,543
Beach Wheelchair & Outdoor Activities Coordinator	11,493		203					11,696
Roots to Recovery	111,322	-99,404	1,366					13,284
Pathways Project	23,242		591	141			-2,000	21,974
SLSP Designated Landscapes Education	6,352	-6,543	191					
Recreation & Park Management	725,013	-912,408	6,051	8,999			-281,700	-344,045
Sustainable Transport	83,513			3,341				86,853
National Trail	237,802	-190,090	1,224	1,952			-1,000	49,888
Access Officer and Rights of Way	138,134	-7,318	2,794	1,707				135,316
Charging Car Parks	264,211	-715,000	1,602	2,000			-280,700	-727,888
Paths & Pollinators Project	1,353		431					1,784
Contribution to PCC toilets								110,000
Rangers, Estates & Volunteers	1,402,732	-165,651	33,035	12,813	192		-21,900	1,261,121
Nature Recovery	156,855		1,703	950			-7,000	152,509
Ranger Services	214,742		5,275	1,287			-2,000	219,304
North Area	365,521		9,372	2,718			-4,000	373,511
West Area	237,914		6,907	2,632	137		-3,000	244,590
South Area	243,347		6,757	2,054	55		-3,900	248,314
Castlemartin Ranger	40,379	-28,914	948	352			-2,000	10,764
Seasonal Tourism Team	22,422		628					23,049
Estates Management (incl. Surplus Properties)	121,552	-136,737	1,445	2,821				-10,919

Democratic Representation & Management	551,433	-6,867	6,309	4,251				555,126
DRM2 - Chief Executive's Office	115,228		3,308	31				118,567
DRM1 - Corporate Activities & Management	86,043	-3,000		2,919				85,961
Democratic Representation	216,703		2,253	1,347				220,302
National Parks Wales	6,158	-3,867	-116	-45				2,130
Corporate Governance	71,302		864	0				72,166
PCNP Trust	6,000							6,000
Future Landscapes Wales	50,000							50,000
Service Management & Support Services	1,657,009	-1,900	30,398	10,348	2,212		20,000	1,717,982
SUP1 - Director Placemaking, Decarbonisation & Engagement	88,185		2,503	77				90,765
SUP3 - Director of Nature Recovery & Tourism	114,184		2,878	63				117,125
Head of Decarbonisation	128,844		3,848					132,606
SUP5 - Reception/Admin Services	86,233		2,057	228				88,519
SUP2 - Performance Management	56,834		1,314	39				58,187
SUP6 - Legal Services	25,000							25,000
SUP7 - Financial Services	256,202		5,085	3,304			20,000	284,592
SUP8 - IT Services	290,582	-100	3,482	3,300				297,264
SUP16 - Parc Llanion Park	102,306		775	1,423	2,212			106,716
SUP12 - General Building Maintenance	100,907			40				100,948
Fund Raising Officer	88,672	-1,800	2,553	68				89,493
Projects Team	97,461		2,344	31				99,836
SUP14 - Pool Vehicles	23,462			276				23,738
HR, Health & Safety, Staff Training	198,136		3,559	1,498				203,192
TOTALS	8,438,551	-2,498,208	154,257	58,691	12,403	10,000	-411,814	5,873,693

Conservation of the Natural Environment	778,990	-154,749	11,160	4,827	146			640,374
Conservation of the Historic & Cultural Env't	115,492		2,687	975				119,154
Development Control	647,725	-212,142	16,417	1,894		30,000	-21,214	462,680
Forward Planning & Communities	396,489	-100,000	7,445	1,243				305,177
Promoting Understanding & Enjoyment	2,163,668	-944,491	40,754	13,341	9,853	-20,000	-107,000	1,156,124
Recreation & Park Management	725,013	-912,408	6,051	8,999			-281,700	-344,045
Rangers, Estates & Volunteers	1,402,732	-165,651	33,035	12,813	192		-21,900	1,261,121
Democratic Representation & Management	551,433	-6,867	6,309	4,251				555,126
Service Management & Support Services	1,657,009	-1,900	30,398	10,348	2,212		20,000	1,717,982
Net Cost of Services	8,438,551	-2,498,208	154,257	58,691	12,403	10,000	-411,814	5,873,693
Depreciation Adjustment	-396,800							-396,800
Interest receivable and investment income		-5,000					-110,000	-115,000
Net Operating Expenditure	8,041,751	-2,503,208	154,257	58,691	12,403	10,000	-521,814	5,361,893
Appropriations								
Pensions interest/expected returns		-912,000						-912,000
Pension Interest Cost on Liabilities		973,000						973,000
Remeasurement of Pension Liabilities		3,788,000						3,788,000
Pension Administration Expenses		14,000						14,000
Remeasurement of Pension Assets		-2,104,000						-2,104,000
Pension Curtailment Non Redistributed		49,000						49,000
Reversal Employer Pension Contrib - MIRS		418,905						418,905
Reversal of Retirement Benefits - MIRS		-693,000						-693,000
Remeasurement of Pension Liabilities		-3,788,000						-3,788,000
Remeasurement Pension Assets - MIRS		2,104,000						2,104,000
Transfers From EMR Invasive Species	-2,143							-2,143
Transfers From EMR Future Landscapes	-50,000							-50,000
Transfers From EMR Designated Landscapes	-96,834							-96,834
Transfers From EMR Outdoor schools	-44,479							-44,479
Transfers From EMR Pathways	-21,974							-21,974
Transfers From EMR Paths & Pollenators	-1,784							-1,784
Transfer from EMR First 1000 Days Project	-22,184							-22,184
NET BUDGET	7,802,352	-2,653,303	154,257	58,691	12,403	10,000	-521,814	4,972,400
Financed by:					225,350		-511,814	
National Park Grant	-3,249,986							-3,249,986
SLSP						-130,000		-130,000
Levy against Pembrokeshire County Council	-1,083,329							-1,083,329
OVERALL FUNDING POSITION	-4,333,315					-130,000		-4,463,315
Deficit / Surplus								509,085