

**HOWARDIAN HILLS  
AREA OF OUTSTANDING NATURAL BEAUTY  
JOINT ADVISORY COMMITTEE  
5 NOVEMBER 2012**

**AONB BUDGET**

**1.0 PURPOSE OF REPORT**

1.1 To receive details of expenditure during 2011/12 and to consider anticipated budgetary needs for 2013/14.

**2.0 2011/12**

2.1 Details of the final income and expenditure account for 2011/12 are set out in Appendix 1 and Appendix 2 provides a breakdown of actual expenditure. Details of countryside management projects funded are in Appendix 3, with details of Sustainable Development Fund projects in Appendix 4.

2.2 Appendix 1 includes the budget figures prepared in October 2010, to allow Members to compare the actual budget against that predicted. It should be borne in mind that the budget prepared in October each year is then adjusted and refined, to take account of likely changes in income and expenditure. These revisions are shown in the 'December 2010' column of Appendix 1 and formed the basis of the grant allocation proposal submitted to Defra. The final budget, following the receipt of grant offer letters etc., is shown in the 'September 2011' column.

2.3 There were some significant variations between the Estimated and Actual spends on a number of budget heads, with the overall profile of the budget showing a 12% underspend. This calculation excludes the income and expenditure associated with the Rural:Urban Schools Twinning Project, as the claims/payments schedule for this project does not easily fit into the standard financial year format. Despite the reduced expenditure, we still managed to submit a full claim for the Defra grant, under the Single Pot arrangement.

2.4 Staffing:

- This budget showed a small overspend, due to Liz Bassindale's Maternity Leave payments and the recruitment costs associated with back-filling the post. The overspend was reduced to some extent due to the fact that Francesca Pert started one month after Liz went on Maternity Leave, and was also on a lower payscale point.

2.5 Office:

- No significant deviation from budget provision.

2.6 Partnership Running Costs:

- No significant deviation from budget provision.

2.7 PR/Events/Research:

- No significant deviation from budget provision.

2.8 Sustainable Development Fund:

- This budget only spent 51% of its provision.

- This was principally due to the lack of applicable projects coming forward for implementation within the year, and a reduced and less experienced staff resource available to generate new projects.

#### 2.9 AONB Enhancement – Natural Environment:

- This budget spent 128% of its provision.
- Two large hedgerow restoration schemes were completed, at Baxtonhowe and Firby. In total 2,462m of hedgerow was planted, either as completely new hedges or as gapping-up.
- A major wall restoration scheme was completed at Scackleton, with scrub clearance for another project near Brandsby also undertaken. A total of 195m of wall was refurbished.
- The routine Exmoor pony grazing programme and annual SINC management tasks were completed.
- Volunteers completed significant rhododendron removal in Park Wood Fishponds SINC.

#### 2.10 AONB Enhancement – Historic Environment:

- This budget only spent 32% of its provision and was the principal reason for the overall budget underspend.
- The only significant projects completed were final works on the restoration of the 3-pot limekiln in Scar Wood near Gilling, and restoration of 5 traditional direction signs near Oulston, Hushwaite and Yearsley.
- At the beginning of the year it had been planned to provide considerable resources to repair two sets of Listed gate pillars near Welburn, complete a major scheme to protect the Scheduled long barrow near Grimston, and to use some of our Reserves in the event that there was progress with the gate lodges at Howsham Hall.
- The gate pillars at Welburn were subsequently 100% funded by the Ryedale LEADER scheme, there were insufficient staff resources to develop the project at Grimston and inevitably there was no progress at Howsham Hall.
- The underspend was partly used to fund Natural Environment projects.

#### 2.11 Enjoying the AONB:

- On-going maintenance/improvement work was carried out on Rights of Way furniture by the County Council, but without any recourse to JAC funds.
- The most significant projects completed this year were repairs to the churchyard wall at Bulmer and the installation of a new set of steps into Stonegrave Minster churchyard.
- The other main areas of expenditure were the programme of litter picking carried out around the AONB during the summer months by the Basics Plus team, our annual contribution to the CAN DO Lime & Ice Project and match funding contributions towards Ryedale LEADER-funded projects at Ampleforth and Barton-le-Street.

#### 2.12 Young People's Activities:

- Full-day Junior Ranger Club sessions were held in April, June, October and December.
- The first full year of the Rural:Urban Schools Twinning Project was completed, with 16 Round 1 visits held, together with 3 Round Two visits as well.

#### 2.13 At the end of the financial year 2011/12 there was a carry-forward into 2012/13 of £48,616:

- With hindsight, it was unrealistic to expect to spend our full budget *and* £12,500 of our Reserves during a year in which one member of staff was on Maternity Leave. Especially so when the project earmarked for those resources (Howsham Hall gate lodges) is one that has been particularly difficult to progress.
- As a result therefore, far from using £12,500 of our Reserves we actually *increased* them by a very similar figure.
- £7,000 has been allocated to Natural Environment projects in 11/12.

- The remainder will be kept for use on projects in future years, to bolster what will be declining resources for projects, in line with a strategy prepared in April 2012 and agreed with North Yorkshire County Council's Finance section (as the accountable body for the AONB Partnership). In line with the JAC's views expressed in April 2012 however, the Reserves will be used in combination with funds from other bodies wherever possible, to ensure maximum leverage and efficiency.

### **3.0 2012/13**

3.1 The agreed budget for the current year amounts to £215,510. Details of this are set out in Appendix 5 and all the major partners' contributions to the budget have been confirmed. The budget does not include the balance of the Reserves of £48,616 from 2011/12, although Members will note that £7,000 has already been allocated, as described in paragraph 2.13 above.

3.2 As usual it is too early in the financial year to make any reliable prediction of anticipated final expenditure during 2012/13:

- The figures presented in Appendix 5 are where we stand at the minute, although we continue to take new funding opportunities if they arise and are appropriate.
- Following the significant underspend in 2011/12, a realistic strategy to use our Reserves wisely to offset reducing Defra and NYCC funding over the three year period until the end of the current Comprehensive Spending Review (CSR) period was developed. This aims to balance project resources much more realistically with available staff resources, whilst also maintaining the amount of funding available to complete on-the-ground projects. £7,000 of Reserves is therefore earmarked for use in 2012/13.
- The Single Pot arrangement means that Defra funding is spread across nearly all the budget heads, but we are free to move it around as the year goes on.

3.3 Staffing:

- Due to a number of complexities that have occurred during this year it is difficult to accurately predict the out-turn figure at this time. It is likely however that the budget will be underspent by approximately £2,500.

3.4 Office and Partnership Running Costs:

- It is anticipated that the out-turns will be close to the budget provisions.

3.5 PR/Events/Research:

- The AONB Newsletter and Annual Report have largely been completed.
- There will be an overspend of approximately £2,900 on this budget, which is principally due to the need to hire external contractors to carry out the Visitors and Users Survey. We had hoped to complete more of this in-house, but with Francesca Pert leaving and no other staff resources available a snap decision needed to be made if the survey was to be completed during the summer school holiday period.
- The overspend will be offset somewhat by the £1,000 budget provision for work on the revision of the AONB Management Plan. This was a contingency sum, and the Visitors and Users Survey is principally to inform the Management Plan review anyway.

3.6 Sustainable Development Fund:

- £7,500 of the £20,000 budget has been formally allocated. One further project has been submitted for funding, but even with that it is likely that approximately £11,000 of this budget will remain unspent.
- We have however received a significant number of applications for projects to be funded in 2013/14, so the indicative budget provision for that year has been increased.

### 3.7 AONB Enhancement (Natural Environment):

- The £21,000 budget has already been over-allocated by £5,000, with known projects accounting for a further £12,000 in anticipated expenditure. It is however unlikely that all these projects will be completed during this financial year, although we believe the majority will be. The overspend will be balanced against anticipated underspends on the SDF and Historic Environment budgets.
- The most significant projects so far this year include chipping rhododendron brush cut by the volunteers in Park Wood Fishponds SINC, a major wall restoration project at Brandsby and a further major wall repair scheme due to start in Oulston.
- Projects in the pipeline include in-field and boundary tree planting at a variety of locations, undergrounding of a cross-field BT line, a variety of hedge restoration schemes and more chipping of rhododendron.

### 3.8 AONB Enhancement (Historic Environment):

- £7,400 of the £25,000 budget has been formally allocated, with a further £12,500 of projects in the pipeline.
- These include works to protect the long barrow at Grimston (for which English Heritage funding may also be available), restoration of the Listed gates and railings of Newburgh Park near Oulston Lodge and a small contribution towards repairs of a Listed farm barn near Newburgh.
- The main projects allocated funding so far this year are a contribution to the Ryedale LEADER Small-Scale Enhancements Scheme, excavation work on the Gilling Castle park pale and a mill building by the Yearsley Moor volunteers and a grant towards repairs to the well-head on Crayke village green.

### 3.9 Enjoying the AONB:

- The £5,000 budget has already been over-allocated by £500. £3,500 of this is our contribution to the CAN DO Lime & Ice Project this year, for the community archaeological research project centred on Yearsley Moor. Principal activity due for this penultimate year is the installation of seats depicting some of the historical aspects of the area.
- The Basics Plus group are continuing to clear litter from well-used lay-bys and the AONB Gateway Sign locations are being trimmed regularly.
- Other projects funded include a contribution towards the Ryedale Rural Community Awards scheme, which included a significant number of applicants from within the AONB.

### 3.10 Young People's Activities:

- This primarily consists of the Rural:Urban Schools Twinning project. Because the LEADER years run as calendar years, and we have elected to only do 6-monthly claims, and because the Heritage Lottery Fund provide 50% of their total grant up-front, it is extremely difficult to present figures that compare realistically with the rest of the AONB annual budget. The project however is on-track in delivering its programme of activities, and expenditure is following the agreed budget profile.
- A programme of Junior Ranger Club events is being delivered very cost-effectively, in partnership with the Castle Howard Arboretum.

3.11 Wherever an underspend is indicated in the above paragraphs, money will be moved as necessary to ensure that it is used to best effect and that a full claim can be submitted to Defra for their contribution.

3.12 The target for 2012/13 is to reduce our Reserves balance by £7,000, as per the strategy approved by North Yorkshire County Council. We are currently on-target to achieve that, but with the

main period of grant activity now approaching it is certain that some projects will fall by the wayside whilst others as yet unknown will emerge or be pursued.

#### **4.0 2013/14**

- 4.1 An estimate of anticipated expenditure during the next financial year is shown in Appendix 5. Although the anticipated level of graduated cut in Defra and NYCC funding is known for the forthcoming year, it will be late in this financial year before the exact position of all the funding partners is known.
- 4.2 Although the Single Pot arrangement means that strictly there is no longer any distinction between Core and Project budgets, those terms have been used in Appendix 5 to enable the JAC to see the split between Staff/Office costs and project work. It should however be noted that Defra will only fund a maximum of 75% of the Core Costs, and so this distinction must still be borne in mind during the budget-setting process.
- 4.3 Staffing:
- Staff costs are predicted to return to their normal level. The AONB Officer post will be filled by Liz Bassindale (0.8 FTE) and a secondee from the North York Moors National Park Authority (0.2 FTE).
  - No inflation pay award has been factored-in.
- 4.4 Office costs:
- The running costs for the office have been increased slightly in comparison to 2012/13.
  - This assumes that the lease on the AONB Team office is renewed in December 2013 (with a likely rent increase and associated Agent's fees)
- 4.5 Partnership Running Costs:
- An increase in budget provision compared to 2012/13, to cover the increased NAAONB subscriptions for a trial 2-year secondment of the two former Regional Co-ordinators to the national NAAONB Team.
- 4.6 PR/Events/Research:
- A broadly similar budget provision compared to 2012/13.
  - The AONB Newsletter and Annual Report will continue to be published and distributed – we feel that this is good value for money in keeping local residents and partner organisations informed of opportunities to become involved in AONB management.
  - A series of mountain bike guided leaflets are in the process of production. Should they reach the print stage, this will be colour copies of a leaflet produced in-house.
  - Provision has been made to create three new display banners. The existing ones are now seven years old and somewhat dated, whilst we don't have a banner that showcases the community projects that we fund. Any new banners will also have the AONB Family branding incorporated on them.
- 4.7 AONB Management Plan:
- A modest sum has been included for this, to cover the costs of producing and distributing the draft revised Plan on CD in Autumn 2013. The costs of producing the final version of the Plan will fall into 2014/15.
- 4.8 Sustainable Development Fund:
- Based on potential projects, an allocation of £25,000 is proposed.
  - Four relatively significant projects are known of, although of course whether these come through to full application stage, and for what level of funding, is currently unknown.

#### 4.9 AONB Enhancement:

- An allocation of £22,400 has been made for Natural Environment Enhancement projects.
- The budget for Historic Environment projects has been decreased, to £17,200. This reflects the number of projects we have in the pipeline, and the possibility of accessing other funding such as the LEADER Small Scale Enhancements Schemes for Ryedale and (for 2013 only) Hambleton as well, and from English Heritage for work on Scheduled Monuments.
- Both of these budget allocations are made possible by the use of Reserves in a structured manner, to maintain our work on-the-ground at a comparable level to 2012/13 despite decreased Defra funding.
- The current funding arrangement for the Native Woodland Development Officer post, with the costs borne by the North York Moors National Park with a small contribution from the AONB JAC, is proposed to continue as the post has now been put on a permanent contract basis by the National Park Authority.

#### 4.10 Access/Recreation and Communities:

- The budget for recreation management work, and for work with communities and volunteers, has been increased slightly.
- The provision for this budget heading also includes our contribution to the sixth and final year of the CAN DO Lime & Ice Project, which is principally funded by the Heritage Lottery Fund. The main activity for this year will be finishing off the Yearsley Moor project, ensuring that all the programmed activity has been completed.

#### 4.11 Children and Young People's Activities:

- Budget provision has been made to continue running the popular programme of Junior Ranger Club days using our own resources. These will be run in partnership with the Castle Howard Arboretum, although we are looking to rotate them around the AONB villages again.
- The Rural:Urban Schools Twinning project will have its third full year, with the large majority of funding coming from the Heritage Lottery Fund and LEADER Programme. £1,000 has been budgeted as our match-funding contribution.

## 5.0 RECOMMENDATION

It is recommended that:

- (a) The details of JAC expenditure during 2011/12 be received for information;
- (b) Partner authorities be asked to consider making financial contributions towards the work of the JAC in 2013/14, in line with Appendix 5 and section 4 of this report.
- (c) The JAC requests that North Yorkshire County Council renew the lease on the AONB Team office at Hovingham, with all costs continuing to be funded by the AONB Partnership.
- (d) The JAC notes the increase in NAAONB subscription for a 2-year trial secondment of the Regional Co-ordinators to the national NAAONB Team, and will monitor the outputs.

**HOWARDIAN HILLS AONB****INCOME AND EXPENDITURE 2011/12****1. INCOME 2011/12**

<b>(a) BUDGET PROVISION</b>	<b>Estimated (Oct. 2010)</b>	<b>Defra Bid (Dec. 2010)</b>	<b>Final (Sept. 2011)</b>	<b>Actual (Year end) £</b>
NE/Defra	119,826	141,695	141,694	141,694
North Yorkshire County Council	35,460	38,421	40,290	40,290
Ryedale District Council	5,115	5,116	5,684	5,684
Hambleton District Council	5,220	5,220	5,800	5,800
Heritage Lottery Fund ( <i>in-year</i> )	10,170	10,170	10,170	7,045
LEADER	10,550	10,550	10,550	10,479
CAN DO	0	0	0	0
FEP preparation fees	2,200	2,200	1,000	0
Forestry Commission	0	0	0	0
English Heritage	0	0	0	0
Donations	0	0	0	0
Reserves	[7,000]	[2,810]	[12,544]	[-12,442]
<b>(b) TOTAL (ESTIMATED) INCOME</b>	<b>(195,541)</b>	<b>(216,182)</b>	<b>(227,732)</b>	<b>198,550</b>

**2. EXPENDITURE 2011/12**  
(see Appendix 2 for full details)**Core Expenditure**

(a) Staffing	94,662	94,662	95,162	96,685
(b) Office	13,500	17,300	17,600	17,313
(c) Partnership running costs	2,000	2,000	2,150	2,119
(d) PR, Events, Research, etc.	4,500	5,500	5,100	5,139
(e) Management Plan	0	0	0	0

**Project Expenditure**

(f) Sustainable Development Fund	17,500	20,000	20,000	10,264
(g) AONB Enhancement (Natural environment)	15,621	18,000	24,000	30,793
(h) AONB Enhancement (Historic environment)	17,638	28,000	33,000	10,512
(i) Enjoying the AONB	8,000	8,000	8,000	6,453
(j) Young People's Activities	22,120	22,720	22,720	19,272
<b>(k) TOTAL (ESTIMATED) EXPENDITURE</b>	<b>(195,541)</b>	<b>(216,182)</b>	<b>(227,732)</b>	<b>198,550</b>

**3. 2011/12 INCOME AND EXPENDITURE STATEMENT**

	Income £		Expenditure £
Brought forward from 2010/11	37,698	Expenditure	198,550
Local Authority Partners	51,774	Balance c/f to 2012/13	50,140
Defra	141,694	Heritage Lottery Fund c/f to 2012/13	15,705
CAN DO	0		
Heritage Lottery Fund (in-hand)	22,750		
LEADER	10,479		
Forestry Commission	0		
English Heritage	0		
FEP preparation fees	0		
Donations	0		
	<b>264,395</b>		<b>264,395</b>

(All figures rounded to the nearest £)

**HOWARDIAN HILLS AONB****CORE EXPENDITURE: 2011/12****(a) Staffing (inc. Travelling, Subsistence, Training & Recruitment costs)**

AONB Manager	45,185
AONB Officer	39,975
AONB Assistant	11,525
<b>TOTAL</b>	<b>96,685</b>
Estimated	95,162
Underspend (-) / overspend (+)	+1,523

**(b) Office costs**

Rent/Service Charge & Insurance	7,419
Business Rates	1,840
Utilities (Electricity, water, oil, waste)	886
Cleaning	1,075
Telephones & internet	3,669
Photocopier	497
Furniture/equipment	114
Stationery	1,039
Postage	340
Miscellaneous	434
<b>TOTAL</b>	<b>17,313</b>
Estimated	17,600
Underspend (-) / overspend (+)	-287

**(c) Partnership running costs**

JAC Meetings & room hire	379
NAAONB (subs, Conference)	1,597
Miscellaneous	143
<b>TOTAL</b>	<b>2,119</b>
Estimated	2,150
Underspend (-) / overspend (+)	-31

(d) PR, Events, Research, etc.

AONB Newsletter	2,397
Annual Report	890
AONB Website	60
Ryedale Show	678
Local information & interpretation material	330
Miscellaneous	784
<b>TOTAL</b>	<b>5,139</b>
Estimated	5,100
Underspend (-) / overspend (+)	+39

(e) Management Plan

	0
<b>TOTAL</b>	<b>0</b>
Estimated	0
Underspend (-) / overspend (+)	0

**PROJECT EXPENDITURE: 2011/12**

(f) Sustainable Development Fund

Projects	10,264
Administration	0
<b>TOTAL</b>	<b>10,264</b>
Estimated	20,000
Underspend (-) / overspend (+)	-9,360

(g) AONB Enhancement (Natural Environment)

Native Woodland Development Project	2,500
Projects	28,293
<b>TOTAL</b>	<b>30,793</b>
Estimated	24,000
Underspend (-) / overspend (+)	+6,793

(h) AONB Enhancement (Historic environment)

Projects	10,512
<b>TOTAL</b>	<b>10,512</b>
Estimated	33,000
Underspend (-) / overspend (+)	-22,488

*Please see Appendices 3 and 4 for full details of the projects completed under each of the 3 above programmes, together with their priority in the Action Programme of the Management Plan*

(i) Enjoying the AONB

CAN DO Lime & Ice Project	4,500
Recreation management	650
Volunteer tasks, community work, miscellaneous projects	1,303
<b>TOTAL</b>	<b>6,453</b>
Estimated	8,000
Underspend (-) / overspend (+)	-1,547

(j) Young People's Activities

Junior Ranger Club	248
Rural:Urban Schools Twinning	19,024
<b>TOTAL</b>	<b>19,271</b>
Estimated	22,720
Underspend (-) / overspend (+)	-747

**(k) TOTAL EXPENDITURE 2011/12      £198,550**

