



<u>Committee and Date</u> Shropshire Hills AONB Partnership  14 June 2016	<u>Item</u>  <b>5</b>
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## BUDGETS

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### Summary

This paper presents current AONB Partnership budgets for 2015-18.

### Recommendation

The Partnership is recommended to comment on the budgets presented.

### Background

The budgets are looked at in detail by the Management Board, and are presented to the Partnership more for information. Some notes are included below.

- i. **Staff costs** – The pension lump sum charged by Shropshire Council has gone up 39% from 2015-16, and National Insurance costs have also increased 39% from 2015-16 following the Government’s amendments on ‘contracted out’ pensions.
- ii. **Office costs** include the first full-year costs for Drovers House. Ongoing running costs are still not exactly known, but it appears the new office is very slightly cheaper than the previous one overall, though the difference is small. Heating bills are much lower but the business rates are significantly higher. Broadband installation cost spread over three years is included.
- iii. **Project budgets** for 2016-17 are more or less self-contained, apart from some small income contributions to the ‘core’ budget, and/or cash match contributions needed from us. Not all of the figures here are fully up to date with the latest detailed project budgets held separately.
- iv. **Earned income.** The ‘Income and Balances detail’ block near the bottom of the table shows the repayment to the Council for support services agreed in principle for 2016-17 and proposed for 2017-18. It also shows an allowance for one-off set-up costs for an independent organisation. This does show a predicted shortfall in the current year, and the need to work hard on additional earned income. The national bid for the Upland Commons project, which was a potential income earner for some years ahead, was unfortunately not successful.
- v. **Reserve.** The AONB Partnership’s reserve of previously earned income held on our behalf by Shropshire Council can be seen in the lower part of the table. The committed part of this is an accounting means of holding early contributions for particular projects, and is not available for other purposes. The unattached reserve has been built gradually over some years and is needed to cover contingencies including possible redundancy costs which are not covered by the Defra grant, project grants or by Shropshire Council. It is also vital sometimes to use as a source of cash match funding for external funding bids.

**List of Background Papers**

None

**Human Rights Act Appraisal**

The information in this report is compatible with the Human Rights Act 1998.

**Environmental Appraisal**

The recommendation in this paper will contribute to the conservation of protected landscapes.

**Risk Management Appraisal**

Risk management has been appraised as part of the considerations of this report.

**Community / Consultations Appraisal**

The topics raised in this paper have been the subject of earlier consultations with Partnership members.

**Appendices**

Appendix 1 Shropshire Hills AONB Partnership Budgets 2015-18