

**EXMOOR NATIONAL PARK AUTHORITY****5 FEBRUARY 2002****BUDGET FOR 2002/03 AND THE ISSUE OF THE LEVY****Report of Chief Finance Officer****Purpose of Report:**

To note the National Park Grant settlement for 2002/03 and approve the issue of the levy on the four local authorities.

**Legal Implications:**

The National Park Authorities (Levies) (England) Regulations 1996 (SI 1996 No. 2794) as amended by the 1996 Amendment Regulation (SI 1996 No. 2976) apply to any levy of a National Park Authority for any financial year on or after 1 April 1997.

**RECOMMENDATION:**

The Authority is recommended to:

- (i) NOTE and warmly welcome the National Park Grant settlement for 2002/03
- (ii) APPROVE the issue of levy to the four local authorities; £262,033 to Somerset County Council and to West Somerset District Council, £104,813 to Devon County Council and to North Devon District Council.

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**1. INTRODUCTION**

1.1 Notification was received from the Department for Environment, Food and Rural Affairs (DEFRA) in a letter dated 21 January 2002 that the increase in the overall budget for the English National Parks for next year (2002/03) will be £3.573m producing a budget total of £31.493m. This is a rise of 12.8% on this year's budget.

1.2 DEFRA has indicated that there are two reasons for this particularly large increase:

- (i) the impact of foot and mouth disease; and
- (ii) the need to prepare for the implementation of the new statutory right of access to open countryside under the Countryside and Rights of Way Act which is a top ministerial priority.

1.3 Members will be particularly interested in the following paragraph extracted from the DEFRA letter of 21 January 2002:

“In reaching their decision on the distribution of grant, Ministers took account of advice from the Countryside Agency that 80% should be allocated according to the funding formula used last year, with the remaining 20% allocated on a discretionary basis. The Agency also recommended that a floor of 2.5% and a ceiling of 10%

should be applied. The final allocation differs from that suggested by the Agency mainly because Ministers decided on a larger overall settlement. The allocation for each Authority is therefore significantly greater than the Agency suggested, with a ceiling on most increases of 15%, rather than 10%. Because of the particular pressures in Northumberland and its small size, Ministers decided that it should receive an increase above the ceiling. The Broads receives more than the model would suggest, in recognition that it does not reflect the Authority's aquatic responsibilities. Allowance has also been made for Exmoor's relative size and for the particular pressures in the Peak District."

- \* 1.4 A copy of the Press Release is attached at Appendix I together with the table showing the build-up of the 2002/03 alterations. Exmoor has benefited from the flexible approach followed by DEFRA in resource allocation with 20% being allocated on a discretionary basis. The strength of Exmoor's bid and the subsequent discussions with officials has been recognised and reflected in the final settlement for 2002/03 which is warmly welcomed.
- 1.5 Ministers will write separately to the Association of National Park Authorities about the proposed rural recovery plans.
- 1.6 The only area of concern is that no assurances can be given at this stage about funding for 2003/04 and the additional funding provided to deal with the effects of foot and mouth disease will not necessarily continue. Likewise there is no certainty on how funds will be distributed in future years as this is being looked at further in the National Park Authorities review. Exmoor must hope that credence will be given to the representations it has made to the review.

**2. BUDGET AND LEVY**

- 2.1 The allocation for Exmoor for 2002/03 is £2,934,765 which is an increase of £351,923 (13.6%). This allocation, which includes an uplift for the effects of inflation, represents the budget for 2002/03 and detailed budget proposals will be presented to the Resources Committee for their consideration on 5 March 2002.
- 2.2 The budget of £2,934,765 will comprise of National Park Grant of £2,201,073 and a levy on the four constituent local authorities of £733,692. The levy under the Regulations, has to be issued before 15 February 2002 and the four local authorities have agreed that it should be apportioned pro-rata to their number of members on the Authority. The recommendation to the Authority is that based on the agreed formula and the Authority's approved level of expenditure as determined by DEFRA, the levy for 2002/03 be:

	£
Somerset County Council	262,033
West Somerset District Council	262,033
Devon County Council	104,813
North Devon District Council	104,813
	<b>733,692</b>

**C W Burrows**  
**Chief Finance Officer**  
**23 January 2002**