

Lake District National Park Authority

2025/26 Financial and Performance Summary

The audited 2025/26 Statement of Accounts were approved on 30 September 2026. The accounts are an important document which on an annual basis sets out the Authority's actual financial position and performance. The accounts are prepared following the rules set out for all local authorities by the Chartered Institute of Public Finance and Accountancy (CIPFA). CIPFA's rules are based on International Financial Reporting Standards (IFRS), adapted for UK local authorities.

Reporting under the CIPFA accounting framework is important to ensure consistency between organisations. However, it can lead to accounting statements that may be quite technical and difficult for non-specialists to interpret. This is where external audit provides the crucial function of independent expert review of the statements. The full set of audited statements is available on our website here:

[Statement-of-Accounts 2025-26](#)

Now the 2025/26 statements have been audited, there are some areas of the accounts that are worth highlighting. A key distinction in local government accounts is between "usable" and "non-usable" reserves. Usable reserves relate to the financial resources that the Authority can use to spend on delivering services. Non-usable reserves relate to accounting adjustments which are required to follow the CIPFA code but which are not resources that the Authority can use.

The largest elements of these unusable reserves generally relate to pension accounting and capital accounting, and in particular movements in the underlying value of the pension fund or property assets. Due to rules set out by central government, these types of transaction are mostly kept separate from day to day income and expenditure and cannot be used by the Authority.

Key financial outcomes for 2025/26

Table 1 below is an extract from the Statement of Comprehensive Income and Expenditure, showing the income and expenditure on delivery of services, year on year.

- Both income and expenditure were lower in 2025/26 than for 2024/25. This was largely due to reductions in Farming in Protected Landscapes and Historic Building Renovation Grant allocations from DEFRA. This



reduced both income and expenditure by £3.2m (these were unusually high in 2024/25).

- After adjusting for the impact of FiPL and HBRG, the overall net cost of service delivery was higher by £240k in 2025/26 than in 2024/25. This is due to a number of reasons, including
 - Some costs in 2024/25 were relatively low. These were particularly seen within the Strategy and Rangers services, largely relating to vacant posts. The net cost of this service was £1,560k in 2024/25 which increased to £2,259k, largely because vacant posts were filled, in 2025/26. The 2025/26 figure is comparable to the net cost in 2023/24 of £2,115k.
 - Income across Visitor Services also reduced, but running costs reduced even more. The reduced net cost of Brockhole (c£500k) and increased net income from car parking, toilets and Coniston Boating Centre (£150k in total) led to an increased contribution from Visitor Service overall.
 - There was also the underlying pressure of pay awards and inflation on costs generally, including the significant rise in employers' national insurance.

Overall, although net cost was higher than in the prior year, it was within what we had planned for; we stayed within budget and contributed c£350k to our General Reserve (general contingency which is not project or service specific), with other usable reserve balances remaining largely the same (see also Table 2 balance sheet extract).

Table 1: Extract from Comprehensive income and expenditure statement

2024/25				2025/26		
Gross Exp	Gross Income	Net Exp		Gross Exp	Gross Income	Net Exp
£000	£000	£000		£000	£000	£000
947	(166)	781	Executive Board & Legal	1,011	(160)	851
2,908	(680)	2,228	Resources	2,905	(590)	2,315
5,704	(5,861)	(157)	Visitor Services	4,579	(5,403)	(824)
540	0	540	People	561	(6)	555
478	(137)	341	Communications	575	(152)	423
1,100	(555)	545	Development Management	1,484	(986)	498
8,999	(7,439)	1,560	Strategy & Rangers	6,050	(3,791)	2,259
72	(60)	12	Non Distributed Costs	74	(62)	12
20,966	(15,116)	5,850	Cost of Services	17,239	(11,150)	6,089



Table 2 shows a summarised version of the balance sheet. The “net worth” of the Authority increased by £1.2m over the year to £43.9m. Most of this movement, year on year, related to items linked to “un-usable reserves”, including revaluations of property and the pension fund and other capital transactions.

Table 2: Summary of Balance sheet

31/03/2025		31/03/2026	
£000		£000	
39,086	Long Term Assets	39,714	
8,993	Current Assets	8,594	
(3,362)	Current Liabilities	(2,519)	
(2,009)	Long Term Liabilities	(1,899)	
42,708	Net Assets	43,900	
Usable Reserves			
644	Capital Receipts Reserve	667	
245	Capital Grants Unapplied Reserve	245	
3,586	Earmarked Reserves	3,591	
1,568	General Reserve	1,914	
6,043		6,417	
Unusable Reserves			
13,404	Revaluation Reserve	13,495	
24,249	Capital Adjustment Account	24,928	
(275)	Accumulated Absences Account	(252)	
(713)	Pension Reserve	(688)	
42,708	Total Reserves	43,900	

- The “useable” financial resources available to the Authority to support service delivery increased by c£370k. This was largely seen as an increase to the General Reserve to £1.91m.
- This increase to the General Reserve was c£160k better than the Medium Term Financial Plan forecast, which anticipated a General Reserve balance of £1.75m by the end of 2025/26. This means that there is £160k more general resource available to the Authority (than budgeted) for 2026/27.

Key performance outcomes for 2025/26

The financial resources are used to deliver the Authority’s Business Plan. The 2025-2028 Business Plan (revised September 2025) included 19 key actions to help deliver our priorities for the Lake District.

- Fifteen of these actions (79 per cent) had a green (complete) status at the year end, as the planned work for 2025/26 had been substantially delivered. The remaining four actions had a red (not complete) status. The elements of work which were not completed for these actions were rolled forwards into the 2026-2027 Business Plan.



- The 2025-2028 Business Plan also included 21 additional key actions to help deliver service objectives. Eighteen of these (86 per cent) had a green (complete) status at the year end. The other three actions had a red (not complete) status, with the outstanding work now due to be completed in 2026/27.

A summary of the status of Business Plan actions at the end of 2024/25 and 2025/26 is shown in the table below

Table 3: Summary of Performance

	March 2025			March 2026		
	Total	Green status	Red status	Total	Green status	Red status
Key actions to deliver our priorities for the Lake District	17	11	6	19	15	4
Key actions to deliver service objectives	20	17	3	21	18	3
Total	37	28 (76%)	9 (24%)	40	33 (83%)	7 (17%)

The full details of performance against the business plan are available on our website here: [Performance-and-Risk-Monitoring-report-Q4-2025-26.pdf](#)

Financial outlook

The Authority has faced a challenging few years, including an 8.2% reduction in core revenue grant for 2025/26, compounded by increased employers NI contributions.

We have had to make hard decisions, such as the leasing out of our Brockhole site, but pro-active management of our service delivery and focusing resources on our key priorities has allowed us to set balanced budgets and deliver against our Business Plan within a resilient financial model.

For the 2026/27 budget setting round, DEFRA provided an indicative three year settlement, giving some level of confidence of no further cuts to grant funding over the next two year years. In addition, a significant reduction in our pension costs puts us in a good position to set balanced budgets for at least the next two years. There are still medium term risks around grant and whether the pension rebates will continue at the current levels, however, we are in a relatively good position compared to prior years.

DEFRA also provided a one-off revenue grant of £1.72m which was a welcome and unexpected boost to resources. This will help the Authority deliver additional work over the next few years and support it's long term financial resilience.

Gavin Capstick, CEO

Pete Notley, S151 Officer



**Lake District
National Park**