

	<p style="text-align: center;"><b>Inter-Sessional Meeting of the Council</b></p> <p style="text-align: center;"><i>Draft 2027 Forecast Budget and Five-Year (2026 – 2030) Budgeting Plan</i></p>	<p style="text-align: right;">CNL_IS(25)03rev<sup>1</sup></p>
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## ***Draft 2027 Forecast Budget and Five-Year (2026 – 2030) Budgeting Plan***

### **Purpose**

The Council tasked the Secretary to prepare a Forecast Budget for 2027 and a five-year Budgeting Plan for 2026 – 2030, to facilitate a discussion at the Council inter-sessional Meeting, scheduled for 10 and 11 December 2025, [CNL\(25\)80rev](#).

This document presents options for a 2027 Forecast Budget (Table 1, Annex 1) for consideration by Council. These options are supported by an updated five-year (2026 – 2030) Expenditure and Income Projection or ‘Budgeting Plan’ (Table 2 – 4, Annexes 2 – 4).

### **Background**

Forecasts of the UK Consumer Price Index (CPI) for 2026, published by HM Treasury, currently average around 3.1%, with a range of 2.0% to 4.0%. A budget increase aligned with this rate would not represent a real-terms increase. Forecasts for the Retail Price Index (RPI) are higher, indicating potentially greater cost pressures.

The 2026 draft budget was reviewed, revised, and approved at the 2025 Annual Meeting with a focus on supporting the Secretariat’s hosting of the 2026 Annual Meeting, while ensuring the overall budget increase remained aligned with projected inflation. The agreed 2026 budgeted expenditure (£735,330) represents a 3.1% increase compared to that in the 2025 Budget (£713,220). The Secretary identified cost savings within the draft budget, specifically in Annual Meeting expenses and other budget areas, as outlined in the Report of the FAC ([CNL\(25\)04](#)). The 2026 budget necessitated a review of all non-fixed budget line items, leading to the deferral or reduction of potential spending on budget line items such as the Intern Programme, Travel, and Communications. The adopted 2026 budget was documented in [CNL\(25\)47](#).

A Review of accounts at the start of November indicates that the Working Capital Fund, the Contractual Obligation Fund, and the Recruitment Fund are all below their respective ceilings of £200,000, £250,000, and £60,000, at £197,500, £39,000, and £36,000, respectively.

### **Meeting Model impact on 2027 – 2030 forecast budgets**

The development of the Forecast Budget is constrained by Council’s decision to cap the 2027 budget at the 2026 total budget level plus inflation, as outlined in [CNL\(25\)80rev](#), paragraph 4.17. While the use of a standard inflation figure lends consistency to budgetary forecasting, it makes it challenging to accommodate occasional significant cost increases, such as the Secretariat’s hosting of an annual meeting.

For example, the agreed 2026 budget necessitated the reduction of specific agreed-upon programs, including the establishment of an internship program and expenditures to support the delivery of NASCO’s Communications Strategy. Although the Secretariat has hosted the Annual Meeting only four times in the past 25 years (2006, 2012, 2017 and 2023), each instance has represented a substantial unplanned expense.

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<sup>1</sup> 11 December 2025: Titles of Tables 2 – 4 amended to state ‘Forecast Budgets of 2027 – 2030’.

Furthermore, the cost of hosting the NASCO Annual Meeting has risen considerably, with a large portion attributed to Audio-Visual (AV) services and the support of hybrid meeting formats.

At the 2025 Annual Meeting, the Acting President noted that no Party / jurisdiction had offered to host the 2027 Annual Meeting and that NASCO must make budgetary provisions for future meetings, [CNL\(25\)80rev](#), paragraph 4.15.

To help mitigate annual budgetary spikes, the Secretariat recommends that Council consider establishing an Annual Meeting Fund. The Secretariat proposes capping the fund at £60,000, reflecting the estimated cost of the 2026 Annual Meeting model plus inflation, and funding it through annual contributions from the Parties, starting in 2027 with a contribution of £20,000.

Additionally, a proposal to allocate part of the fund to assist host Parties / jurisdictions, particularly with expenses related to hybrid meeting formats, may be both timely and relevant, given the growing demand for flexible participation. Consideration could be given to providing grants of up to £10,000 to a hosting party to offset hybrid meeting costs.

The proposal offers several key benefits. First, it would enhance NASCO's ability to maintain balanced multi-annual forecast budgets, helping to mitigate budgetary spikes linked to the Secretariat's responsibility for hosting the Annual Meeting. Second, it would protect core NASCO activities from being compromised by internal budget reallocations. Finally, the proposal could encourage more Parties to volunteer as hosts, through the provision of funding, fostering greater shared responsibility and engagement.

Hosting costs vary depending on the selected meeting model and location. A discussion on meeting formats is scheduled for the Council inter-sessional meeting in December 2025 ([CNL IS\(25\)01](#), Provisional Agenda).

### **Forecast Budgets 2027 – 2030**

The 2027 Forecast Budget is derived from the 2026 budget, adjusted for inflation. Budget line items for 2027 are estimated using inflation rates or projected costs, informed by experience and current knowledge. It is important to note that forecast budgets are indicative only. The 2027 Forecast Budget will be replaced by a detailed budget following Council's review and approval at the Annual Meeting in June 2026. Forecasts for budgets from 2028 to 2030 follow the same estimation approach.

Table 1 (Annex 1) presents a comparative overview of the 2026 agreed budget and three forecast scenarios for 2027, each illustrating different hosting and funding models for the NASCO Annual Meeting.

In the first scenario, the NASCO Secretariat hosts the 2027 Annual Meeting, using a meeting model similar to that planned for 2026.

The second scenario is based on a Party / jurisdiction hosting the meeting. Compared to the agreed 2026 budget, this scenario would generate a notional surplus of over £50,000, as NASCO would not need to allocate funds for hosting. However, hosting by a Party / jurisdiction would require the Secretariat to travel to the host location, adding an est. £10,000 to the 2027 forecast travel budget.

The remaining notional surplus could be strategically reallocated, for example, £10,000 to support the intern programme (agreed in [CNL\(25\)80rev](#)), £14,000 toward implementing the Communications and Outreach Strategy ([CNL\(25\)80rev](#)), and £21,000 to bolster the Contractual Obligations Fund, which currently stands at £39,000 and aims to reach a ceiling of £250,000.

The third scenario, in which a Party or jurisdiction also hosts the meeting, is financially similar to the second scenario. The key difference is the proposal to establish an Annual Meeting Fund, with a funding ceiling of £60,000 and an initial contribution of £20,000 included in the 2027 forecast budget. As in scenario two, notional surplus funds would be available to support the internship programme, as well as the travel and communications budgetary line items. The contribution to the Contractual Obligations Fund, outlined in scenario two, would be £31,000 (no real increase from the 2026 contribution level).

Tables 2 – 4 (Annexes 2 – 4) provide expanded forecast budgets for each scenario from 2027 to 2030. The overall forecast is based on an estimated inflation rate, with individual line items informed by inflation projections, experience, and historical data.

It should be noted that there is limited flexibility in the budget, with only three expenditure categories for which the allocated budget can be changed:

- Travel & Subsistence
- Meeting
- Communications

These categories are highlighted in *italics* within **Tables 1 – 4** of **Annexes 1 – 4**.

### **Summary**

Following the Council’s decision to base the 2027 Budget on the 2026 total budget plus inflation, the Secretariat has presented options for the 2027 Budgetary Forecast (Table 1, Annex 1). These options account for scenarios in which NASCO or a Party / jurisdiction hosts the Annual Meeting. To prevent budgetary spikes when the Secretariat hosts future meetings, the Secretariat has proposed establishing an Annual Meeting Fund. Tables 2 – 4 (Annexes 2 – 4) present 5-year (2026 – 2030) forecast budgets for each 2027 budgetary option.

Table 1 - 2027 Forecast Budget

		2026 agreed budget	NASCO Host	2027 Forecast Budget Jurisdiction Host	Jurisdiction Host & Annual Meeting Fund
<b>Expenditure</b>					
1.	Staff-related cost	432,650	445,630	455,630 <sup>2</sup>	455,630 <sup>1</sup>
2.	<i>Travel &amp; Subsistence</i>	18,500	18,500	28,500 <sup>3</sup>	28,500 <sup>2</sup>
3.	Research & advice	78,500	80,394	80,394	80,394
4.	Contribution to Working Capital	0	0	0	0
5.	<i>Meetings</i>	56,620	58,319	3,319 <sup>4</sup>	3,319 <sup>3</sup>
6.	Office supplies, printing and translations	12,950	13,339	13,339	13,339
7.	<i>Communications</i>	20,500	21,600	35,600 <sup>5</sup>	35,600 <sup>4</sup>
8.	Headquarters Property	53,510	55,200	55,200	55,200
9.	Office furniture & equipment	1,600	1,600	1,600	1,600
10.	Audit & other expenses	22,500	23,400	23,400	23,400
11.	International Co-operative Research	0	0	0	0
12.	Contribution to Contractual Obligation Fund	30,000	30,000	51,000 <sup>6</sup>	31,000
13.	Contribution to Recruitment Fund	5,000	0	0	0
14.	Training	3,000	4,500 <sup>12</sup>	4,500 <sup>12</sup>	4,500 <sup>12</sup>
15.	Contribution to Periodic Projects Special Fund	0	0	0	0
16.	Contribution to Annual Meeting Fund	0	0	0	£20,000 <sup>7</sup>
	<b>Total</b>	<b>735,330</b>	<b>752,481</b>	<b>752,481</b>	<b>752,481</b>
<b>Income</b>					
17.	Contributions of Contracting Parties	675,330	692,481	692,481	692,481
18.	Interest Received on General Fund	1,000	1,000	1,000	1,000
19.	Income from HQ property	59,000	59,000	59,000	59,000
	<b>Total</b>	<b>735,330</b>	<b>752,481</b>	<b>752,481</b>	<b>752,481</b>

<sup>2</sup> Intern Programme included in Staff related costs<sup>3</sup> NASCO Secretariat travel increased to support external hosting of the Annual Meeting<sup>4</sup> Cost of NASCO hosting Annual Meeting removed<sup>5</sup> Budget increase to support Communications and Outreach Strategy<sup>6</sup> Additional nominal surplus funds added to the Contractual Obligation Fund<sup>7</sup> New Annual Meeting Fund setup - £20k annual contribution

Table 2 – Forecast Budgets 2027 – 2030 – NASCO to Host Annual Meeting

		2026 Budget	Forecast 2027	Forecast 2028	Forecast 2029	Forecast 2030
<b>Expenditure</b>						
1.	Staff-related cost	432,650	445,630	458,998	472,768	486,951
2.	<i>Travel &amp; Subsistence</i>	18,500	18,500	18,500	18,500	18,500
3.	Research & advice	78,500	80,394	82,002	83,642	85,315
4.	Contribution to Working Capital	0	0	0	0	0
5.	<i>Meetings</i>	56,620	58,319	60,068	61,870	63,726
6.	Office supplies, printing and translations	12,950	13,339	13,739	14,151	14,575
7.	<i>Communications</i>	20,500	21,600	22,248	22,915	23,603
8.	Headquarters Property	53,510	55,200	55,200	55,200	55,200
9.	Office furniture & equipment	1,600	1,600	14,000 <sup>11</sup>	1,600	1,600
10.	Audit & other expenses	22,500	23,400	24,102	24,825	25,570
11.	International Co-operative Research	0	0	0	0	0
12.	Contribution to Contractual Obligation Fund	30,000	30,000	17,600 <sup>8</sup>	30,000	30,000
13.	Contribution to Recruitment Fund	5,000	0	0	0	0
14.	Training	3,000	4,500 <sup>12</sup>	4,500 <sup>12</sup>	4,500 <sup>12</sup>	4,500 <sup>12</sup>
15.	Contribution to Periodic Projects Special Fund	0	0	0	0	0
	<b>Total</b>	<b>735,330</b>	<b>752,481</b>	<b>770,957</b>	<b>789,972</b>	<b>809,541</b>
<b>Income</b>						
16.	Contributions of Contracting Parties	675,330	692,481	710,957	729,972	749,541
17.	Interest Received on General Fund	1,000	1,000	1,000	1,000	1,000
18.	Income from HQ property	59,000	59,000	59,000	59,000	59,000
	<b>Total</b>	<b>735,330</b>	<b>752,481</b>	<b>770,957</b>	<b>789,972</b>	<b>809,541</b>

<sup>8</sup> Reduction in contribution to Contractual Obligations Fund to purchase NASCO Laptops

Table 3 - Forecast Budgets 2027 – 2030 – Party / jurisdiction to Host Annual Meeting

		2026 Budget	Forecast 2027	Forecast 2028	Forecast 2029	Forecast 2030
<b>Expenditure</b>						
1.	Staff related cost	432,650	455,630 <sup>1</sup>	469,298 <sup>1</sup>	483,377 <sup>1</sup>	497,879 <sup>1</sup>
2.	<b>Travel &amp; Subsistence</b>	18,500	28,500 <sup>2</sup>	28,500 <sup>2</sup>	28,500 <sup>2</sup>	28,500 <sup>2</sup>
3.	Research & advice	78,500	80,394	82,002	83,642	85,315
4.	Contribution to Working Capital	0	0	0	0	8,146 <sup>9</sup>
5.	<b>Meetings</b>	56,620	3,319 <sup>3</sup>	3,418 <sup>3</sup>	3,521 <sup>3</sup>	3,626 <sup>3</sup>
6.	Office supplies, printing and translations	12,950	13,339	13,739	14,151	14,575
7.	<b>Communications</b>	20,500	35,600 <sup>4</sup>	36,668 <sup>4</sup>	37,768 <sup>4</sup>	38,901 <sup>4</sup>
8.	Headquarters Property	53,510	55,200	55,200	55,200	55,200
9.	Office furniture & equipment	1,600	1,600	14,000 <sup>11</sup>	1,600	1,600
10.	Audit & other expenses	22,500	23,400	24,102	24,825	25,570
11.	International Co-operative Research	0	0	0	0	0
12.	Contribution to Contractual Obligation Fund	30,000	51,000 <sup>5</sup>	39,530 <sup>5,7</sup>	52,888 <sup>5</sup>	37,582 <sup>5,10</sup>
13.	Contribution to Recruitment Fund	5,000	0	0	0	0
14.	Training	3,000	4,500 <sup>12</sup>	4,500 <sup>12</sup>	4,500 <sup>12</sup>	4,500 <sup>12</sup>
15.	Contribution to Periodic Projects Special Fund	0	0	0	0	8,146 <sup>11</sup>
	<b>Total</b>	<b>735,330</b>	<b>752,481</b>	<b>770,957</b>	<b>789,972</b>	<b>809,541</b>
<b>Income</b>						
16.	Contributions of Contracting Parties	675,330	692,481	710,957	729,972	749,541
17.	Interest Received on General Fund	1,000	1,000	1,000	1,000	1,000
18.	Income from HQ property	59,000	59,000	59,000	59,000	59,000
	<b>Total</b>	<b>735,330</b>	<b>752,481</b>	<b>770,957</b>	<b>789,972</b>	<b>809,541</b>

<sup>9</sup>Additional nominal surplus added to this Working Capital Fund in 2030<sup>10</sup> 2030 Contractual Obligation Fund has reached its ceiling of £250,000<sup>11</sup> Additional nominal surplus added to this fund in 2030

Table 4 - Forecast Budgets 2027 – 2030 – NASCO Party / jurisdiction to Host Annual Meeting and New Meeting Fund

		2026 Budget	Forecast 2027	Forecast 2028	Forecast 2029	Forecast 2030
<b>Expenditure</b>						
1.	Staff related cost	432,650	455,630 <sup>1</sup>	469,298 <sup>1</sup>	483,377 <sup>1</sup>	497,879 <sup>1</sup>
2.	<b>Travel &amp; Subsistence</b>	18,500	28,500 <sup>2</sup>	28,500 <sup>2</sup>	28,500 <sup>2</sup>	28,500 <sup>2</sup>
3.	Research & advice	78,500	80,394	82,002	83,642	85,315
4.	Contribution to Working Capital	0	0	0	0	0
5.	<b>Meetings</b>	56,620	3,319 <sup>3</sup>	3,418 <sup>3</sup>	3,521 <sup>3</sup>	3,626 <sup>3</sup>
6.	Office supplies, printing and translations	12,950	13,339	13,739	14,151	14,575
7.	<b>Communications</b>	20,500	35,600 <sup>4</sup>	36,668 <sup>4</sup>	37,768 <sup>4</sup>	38,901 <sup>4</sup>
8.	Headquarters Property	53,510	55,200	55,200	55,200	55,200
9.	Office furniture & equipment	1,600	1,600	14,000 <sup>12</sup>	1,600	1,600
10.	Audit & other expenses	22,500	23,400	24,102	24,825	25,570
11.	International Co-operative Research	0	0	0	0	0
12.	Contribution to Contractual Obligation Fund	30,000	31,000	19,530 <sup>7</sup>	32,888	33,875
13.	Contribution to Recruitment Fund	5,000	0	0	0	0
14.	Training	3,000	4,500 <sup>13</sup>	4,500 <sup>12</sup>	4,500 <sup>12</sup>	4,500 <sup>12</sup>
15.	Contribution to Periodic Projects Special Fund	0	0	0	0	0
16.	Contribution to Annual Meeting Fund	0	20,000 <sup>6</sup>	20,000 <sup>6</sup>	20,000 <sup>6</sup>	20,000 <sup>6</sup>
	<b>Total</b>	<b>735,330</b>	<b>752,481</b>	<b>770,957</b>	<b>789,972</b>	<b>809,541</b>
<b>Income</b>						
17.	Contributions of Contracting Parties	675,330	692,481	710,957	729,972	749,541
18.	Interest Received on General Fund	1,000	1,000	1,000	1,000	1,000
19.	Income from HQ property	59,000	59,000	59,000	59,000	59,000
	<b>Total</b>	<b>735,330</b>	<b>752,481</b>	<b>770,957</b>	<b>789,972</b>	<b>809,541</b>

<sup>12</sup> Additional funds to purchase NASCO Secretariat laptops<sup>13</sup> Increase training budget to support new staff Performance and Development Process