# CAIRNGORMS NATIONAL PARK AUTHORITY

## FOR DISCUSSION

**Title:**            **STRATEGIC RISK MANAGEMENT AND MONITORING CORPORATE PERFORMANCE**

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## Purpose

This paper presents an update on the Authority's performance over the 2016/17 financial and operational year, the second year of the current Corporate Plan.

The paper focuses on delivery against the Key Performance Indicators adopted as measures of performance in delivery of our Corporate Plan, while highlighting by exception any significant constraints, risks or shortcomings on planned delivery.

Information is presented on delivery against the Corporate Plan only. As the National Park Partnership Plan has now come to an end, there will be a full report on delivery of the NPPP for 2012 to 2017 presented to the September Board meeting.

## Recommendations

**The Board is asked to**
a) **Review the update on corporate performance and strategic risk management set out in this paper.**
b) **Highlight any achievements or exceptions which, from a strategic leadership perspective, Board members believe are of particular significance to the delivery of the Authority's strategic objectives.**

# STRATEGIC RISK MANAGEMENT AND MONITORING CORPORATE PERFORMANCE – FOR DISCUSSION

## Strategic Context

1. The Authority's Corporate Plan,
   http://cairngorms.co.uk/wp-content/uploads/2015/09/CorporatePlan2015_2018Final1.pdf
   describes how we will contribute to the delivery of the Cairngorms National Park Partnership Plan (NPPP).  The Corporate Plan also sets out how the CNPA will support the Government's central purpose: 'to focus the Government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth' and delivery of the Programme for Government.  To this end, the plan highlights (page 13) that the work of the Authority makes a contribution to 9 of the Scottish Government's 16 National Outcomes agreed within the National Performance Framework.

2. A corporate performance framework is required to measure the extent to which we succeed in delivering the priorities agreed in the corporate plan and make the desired contributions to wider national government strategies.  The Board agreed the Authority's corporate performance framework at its meeting in December 2015.  The information presented with this paper follows that agreed format.

## Strategic Policy Considerations

3. The Authority's Corporate Plan makes reference to our contribution to National Outcomes.  While in most cases the corporate performance indicators do not present a direct measure of contribution to the specific outcomes, they are agreed to represent an appropriate "proxy" indicator, whereby our demonstration of achievement in a specific area of the Authority's operations is accepted as a reasonable measure of our contribution to wider national or portfolio objectives.

## Strategic Risk Management

4. The Board considered and approved the new strategic risk register supporting delivery of the 2015 to 2018 Corporate Plan at its meeting in December 2015.

5. The strategic risk register has been reviewed and updated by both the Audit and Risk Committee and the Management Team since it was last considered by the Board.  The current version of the strategic risk register is set out for consideration at Annex 2 to this paper.

6.    The Board are invited at this point to review the draft of the Strategic Risk Register; identify any potential strategic risks not currently included; comment on the draft assessment of significance of risks identified and adequacy of proposed mitigation. Between the presentation of the strategic risk register to the Board in June and December each year, the oversight of the Strategic Risk register is undertaken by the Audit and Risk Committee and Management Team.

## Implications

7.    Both the Corporate Performance Monitoring Framework and Strategic Risk Register have been developed with a view to managing and limiting the staff time resource required to support the administration of these processes, while ensuring that the processes themselves are fit for purpose in managing risk to which the Authority is exposed and measuring our success in achieving agreed corporate priorities.  We are aiming to make best use of data already collected by ourselves and our partners and hence tap into existing work rather than create new, often costly, data collection processes. Some indicators have data collected annually or over longer periods. Therefore not all indicators will have changed over the six months since these monitoring reports were last presented to the Board.

8.    Our strategic risk management process and practices build on existing methods already reviewed and approved by Audit and Risk Committee and evaluated by internal and external audit.

9.    Our risk management processes require staff to reference the agreed strategic risks in developing specific strategies and policies and tailor their plans accordingly, to both ensure these policies and strategies are not impacted by the recognised risks and also help manage these risks.

10.   In taking forward actions and projects to help deliver Corporate Plan priorities, Directors and their Heads of Service are expected to ensure that operational plans and / or project plans where required are covered by more specific risk registers and risk management practices.

## Success Measures

11.   Implementation of an effective Corporate Performance Monitoring System is an essential component of enabling identification of success in delivery of the Board's agreed Corporate Plan.  Effective risk management processes ensure that risks that may impact on success are identified, managed and / or monitored appropriately.

12.  The work in bringing these processes together therefore forms a key aspect of the Authority's strategic management processes.

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**Supporting Information:**
**Update on Corporate Plan Monitoring**

1.    A summary of the Authority's Corporate Plan monitoring information is presented in Annex 1.  More information on the highlights and issues arising over the course of 2016/17 is presented in the following sections of this paper.

<u>Conservation</u>

2.    *Area of new native woodland* – Forestry Commission Scotland has indicated that they have received applications for a total of 3022 ha of new native woodland since 2012 in the National Park. This is in line with the target to achieve 5000 ha of woodland expansion by 2018. There is additional natural regeneration that is not currently captured in the data.

3.    *Number of Capercaillie* – Capercaillie continue to be a serious concern. Lek counts have been carried out across their range during April/May 2017 but the full results have not yet been collated. 2016 figures indicated relatively stable numbers of adult birds but productivity was 0.24 chicks per hen, considerably lower than the 1.1 chick/hen target. The Capercaillie Framework remains a high conservation priority and the bid to the Heritage Lottery Fund to assist £3.5m of critical conservation work is due to be submitted in June.

4.    *Status of designated sites* – Out of the 426 sites surveyed, a total of 345 features are reported by Scottish Natural Heritage as being in favourable or recovering condition (81%), reflecting the national position. Further work to deliver site targets and integrate with wider landscape scale management is set out in the Agenda for Action in the new National Park Partnership Plan.

<u>Visitor Experience</u>

5.    Visitor Satisfaction:  we have no additional data to suggest that the satisfaction recorded in last visitor 2015 survey has declined.

6.    Walking for Health participation is showing a moderate improvement since we have taken over the park wide management of the project and we are confident that we will be closer to 2018 target. More direct involvement indicates that the number of active 'health walk' groups is 24 not as previously stated in 30's.

*Visitor Experience – Exception Reporting*

7.      We are still awaiting data from partners on length of path upgraded or extended but understand that we are on target.

8.      The measure of number of people using key paths in the park as measured is not expanding as much as aimed for despite the National Park getting more visitors. However, this is most likely because four of the five people counters managed by partners have suffered break downs in the year and therefore a result of errors in the data rather than underlying issues in terms of level of usage. We are working with partners to try and ensure that this data is accurate.

Rural Development

9.      Number of visitors to the Park in 2017 is estimated at 1.77 million; an increase of 90,000 over the previous year. This is the initial estimate and may be subject to change.

10.     CNPA staff have reviewed delivery of the Sustainable Tourism Strategy and led the review of the Tourism Action Plan through the Cairngorms Tourism Partnership (CTP). A new Tourism Action Plan has now been developed with the CTP and the re-application process is underway.

11.     The Make it Yours Project has delivered a range of materials and presentations to businesses. This includes a tear-off map pad which has been delivered to businesses and feedback is now being sought to inform future iterations and possible sponsorship of the map.

12.     A Regional Marketing Strategy for the Cairngorms National Park has been produced by VisitScotland (VS) in a similar format to other Regional Strategies it has produced. This is a first for the CNP and has been developed with CNPA staff in conjunction with the CBP and CTP. Funding for annual marketing campaigns has supported collaborative campaigns with VS and CBP and has achieved positive results. CBP have been successful in drawing in both Growth Fund and private funding from Caledonian Sleeper. The current collaborative campaign has resulted in production of high quality digital imagery and video to support digital campaigns. The regional strategy can now be used in working with community groups in helping them develop their own approach to marketing and tapping into wider opportunities.

13.     CNPA continues to support the communities of Tomintoul and Glenlivet through the Development Trust and delivery of key projects. A review of the Regeneration

Project is underway and monitoring and performance indicators reviewed to measure success.  The Tomintoul and Glenlivet Landscape Partnership Bid has been successful and work is ongoing to support delivery of the project and the Development Trust.

14. We have provided feedback and advice to Transport Scotland to inform the A9 Dualling project which has helped to inform final route options.  We have responded to all projects within the National Park at Stage 2.  The Stage 3 reports are currently under development and required CNPA input is being assessed at present.  CNPA is also working with a wider tourism group on potential opportunities for maximising the visitor experiences.

15. CNPA have supported the development of a Community Broadband Scotland (CBS) supported aggregation scheme for the Cairngorms National Park, including leading on the registration of Cairngorms Community Broadband Ltd with Companies House (registered company SC549740).  This company will take forward community interests as the lead organisation in the establishment of community broadband services.  The Cairngorms Community Broadband Project led by the company continues to receive CNPA staff support.

*Rural Development – Exception Reporting*

16. While there are no exceptions to report on the KPIs for rural development activities, it is worth noting that the risk register at risk A11 notes some increasing risks for the Cairngorms LEADER programme as a consequence of uncertainties emerging over interpretation of eligibility guidance for the programme.  The Cairngorms LEADER programme continues to be delivered under the management of the Cairngorms Trust and is now around 60% committed.  However, should these uncertainties not be resolved they could interrupt the delivery of the remainder of the programme.

Communications

17. The Cairngorms Nature BIG Weekend (13 & 14 May) has received extremely positive feedback and a full evaluation report will be prepared in June.

18. Active Cairngorms has over 2,380 social media followers on [AC Twitter](#) and [AC Facebook](#) plus 333 CN e-bulletin subscribers.

19. The 'Make it Yours' presentation has been rolled out to 26 organisations and 212 visitor facing staff across the Park.  We have 141 Brand Charter holders and the MIY e-bulletin goes out to 167 subscribers.

20.     The National Park Partnership Plan has been approved by the Board and will be officially launched by the Minister on 1st June.  The Local Development Plan Main Issues report will be prepared for consultation in the autumn.

21.     An MSP survey carried out in December shows 100% have heard of the Cairngorms National Park and a third say they know a fair amount or know it well.  A little under half (43%) are favourable towards the Cairngorms National Park with 51% claiming to be neutral. Both national parks are held in strong regard at the Parliament, stronger than may be expected given the level of awareness compared to other organisations.

22.     In May our 5 main social media accounts had 20,977 followers with an average monthly engagement rate of 5.75% on Facebook and 2.6% on Twitter.  In addition, our Cairngorms News, Cairngorms Nature and Active Cairngorms e-bulletins have a total of 2,991 subscribers.

*Communications - Exception Report*

23.     Website statistics for a <u>9 month period</u> at 1st May 2017 show: 119,510 unique users (166,190), 2.69 average pages visited (2.98), 2.17 average time on site (2:33), 54% bounce rate (49.64%) compared with <u>annual</u> statistics (in brackets) taken from the old website.  Visitor numbers to our website is not performing as well as expected and work is underway to improve our Search Engine Optimisation (SEO) as well as reviewing the content on site.  In addition, we will consider how social media can be better used to drive more traffic to information held on our website.

<u>Corporate Services - Finance</u>

24.     Draft accounts for the 2016/17 financial year show an excess of expenditure over income of £16,000 for the year, a variation of only 0.32% on total turnover of £5.063 million.  External audit work will be undertaken during June 2017 to finalise accounts.

*Finance - Exception Report*

25.     The 2017/18 budget paper presented to and approved by the Board in March 2017 highlighted that levels of project commitments were higher than target as a consequence of the end of Corporate Plan cycle and also a number of longer term high value projects being supported in order to lever significant external resources into the National Park.  The Management Team will commence scenario planning for 2018/19 budgets in June and July 2017.

Corporate Services – Governance

26.   We have continued to support the Cairngorms Trust, the Outdoor Access Trust for Scotland (previously Cairngorms Outdoor Access Trust) and Cairngorms Community Broadband to promote good governance across these key voluntary and charitable organisations in their delivery of NPPP priorities.

*Governance - Exception Report*

27.   Performance on complaints handling and time to respond to information requests remain with an amber rating on our corporate KPIs.  This relates now to relatively old cases which will soon drop out of our 12 month rolling monitoring.  A review of our complaints handling processes has sought to ensure that timeliness of complaints responses improves.  We are now reporting regularly on complaints handling response times to the Audit and Risk Committee and these reports over the last 9 months confirm an improvement in performance.

Human Resource Management

28.   Over the last six months we have seen a fall in the level of formal HR caseloads.  This indicator is therefore green, and an indicator that there are improving levels of staff satisfaction and morale.

29.   We have also successfully supported all recruitment activities to place candidates in vacancies, while management practice has assisted in maintaining low levels of staff absence.

*Human Resource Management - Exception Reports*

30.   We continue to see a few stress linked causes of absence which causes an exception report as a consequence of our target of zero cases.

31.   Staff turnover also has remained higher than our accepted thresholds, which has continued a pattern of staff change over the last few years.  While as a small organisation we only need a few staff leaving the organisation to cause an exception in this KPI, the indicator does highlight some ongoing churn in staffing and consequent risk of disruption in service delivery and achieving goals.  Equally, a degree of staff turnover is also an opportunity for the organisation to consider its staffing and resource needs while managing the risk of disruption and loss of knowledge and expertise.

32. Overall, the Management Team supported by HR continues to give close attention to these matters to ensure risks associated are managed and seek to identify any underlying causal factors which may need resolution. We have also reported on these matters to the Staffing and Recruitment Committee in May. The staff survey results were helpful in informing the wider morale of the organisation and suggest that the current position gives an indication of the tail end of a few more historic issues.

Cross-cutting Indicators

33. We have included two cross-cutting indicators in the corporate performance management framework through which to monitor our performance as an organisation in making a reduction in carbon emissions and hence contributing to climate change goals, and also to equalities work.

34. With regard to the carbon emissions measure, we have taken the opportunity of a new Scottish Government reporting framework to evolve our internal measures from one focused on vehicle based business travel and emissions from that to a more holistic model encompassing electricity, oil and biomass consumption. We have also now incorporated factors such as rail and air travel into the model. The model shows a significant reduction in emissions since the adoption of the 2007/08 baseline for the Authority's original carbon management plan which is far in excess of our original 3% per annum target.

35. Our equalities indicator focuses on the work we undertake and previously highlighted as best practice on equal pay audit and analysis.

36. There are no exceptions to report at this time on the cross-cutting indicators