
CAIRNGORMS NATIONAL PARK AUTHORITY

FOR INFORMATION

Title: Corporate Monitoring Framework

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Purpose

To present a revised corporate monitoring framework to the Board, and to present the results of the first update on progress against organisational objectives on the basis of this framework.

Recommendations

The Board is asked to note the report, and to raise any questions on the update provided.

Members are also invited to provide any feedback on the revised format of the update report, in particular the format of Annex 1, either direct to David Cameron or at the meeting.

Executive Summary

This paper presents the revised corporate monitoring framework to the Board, and presents the results of the first update on progress against organisational objectives on the basis of this framework.

The corporate monitoring framework now takes its lead from the 46 strategic, corporate plan achievements, rather than presenting a more operationally focused analysis and update on individual activities as previous update reports have done. In focusing corporate monitoring reports to the Board at the more strategic level of corporate plan achievements, it is intended that members are able to maintain an oversight on whether longer-term objectives remain on track to be delivered, and provides a means of identifying any key obstacles or issues currently arising which pose a risk to delivery of those achievements.

The first assessment of progress made toward delivery of the corporate plan achievements, as set out in Appendix 1, highlights a substantial minority of areas which are categorised as amber and hence with some increased risk over their delivery. This situation is not particularly surprising: the assessment as at 31 July 2008 is only 4 months into delivery of a number of challenging

achievements over a three year period. It is, therefore, to be expected that a number of issues or obstacles to delivery of corporate plan achievements will be identified at an early point in the three year Corporate Plan period.

Therefore, no individual achievements are highlighted for specific note by the Board at this early stage in the process of securing Corporate Plan achievements by March 2011. Members' attention is drawn to the point that all achievements under the priority for action to make housing more affordable and sustainable to help meet the needs of people living in the Park are classified as amber and at some increased risk of non-delivery.

The Corporate Plan also highlights, in a draft outcome agreement, the manner in which the Authority believes it can most effectively contribute to the Scottish Government's agreed national outcomes. The Authority's corporate plan has established that the organisation can make a contribution to 9 of the 15 national outcomes. Officers have reached an initial agreement with colleagues in Scottish Government that the Authority should seek to adopt a single Key Performance Indicator (KPI) for each of the 9 national outcomes within the national performance framework to which the Authority has identified that a significant contribution can be made through the activities in the National Park. These KPIs have been identified within a revised version of the Authority's balanced scorecard model for monitoring organisational performance, although some work remains to be done in establishing baseline levels and current measures of performance.

Work to date on the KPIs incorporated into the balanced scorecard does highlight significant increased risk over the achievement of the target to reduce carbon emissions from vehicle based business travel.

Exceptions from other target levels set out in the balanced scorecard at 31 July 2008 are noted in the variation of Operational Plan expenditure from budget (-8.1%); a failure in 1 instance to meet the 20 day response requirement for Freedom of Information responses; and an increase in the level of staff turnover above the 5% accepted tolerance level. None of these exceptions suggest any wider organisational issues or failures in systems.

CORPORATE MONITORING FRAMEWORK – FOR INFORMATION

Background

1. Over the course of the last three years, the Board has received a series of quarterly updates on the delivery of each year's Operational Plan, together with a number of overview and theme reports on the delivery the 2005 to 2008 Corporate Plan objectives.
2. The Board has also received quarterly updates on organisational performance through the "balanced scorecard" performance assessment model. The balanced scorecard presents a combined summary report on the financial, human resource, governance and risk management aspects of the Authority's operations together with an update on progress on the priority service delivery areas.
3. The Management Team have now reviewed the Authority's performance management and monitoring systems in light of:
 - a) Agreement of the National Park Plan by Ministers in March 2007.
 - b) Establishment of the Scottish Government's National Performance Framework, "Scotland Performs", and the identification within that of a set of 15 national outcomes to which all public sector bodies will contribute.
 - c) The Authority's adoption of a new Corporate Plan for 2008 to 2011. The new corporate plan sets out the organisation's agreed approach to ensuring coordinated delivery of the National Park Plan. The Corporate Plan also establishes the means by which the Authority will make a contribution to achievement of the Scottish Government's 15 national outcomes.
4. This paper presents the revised corporate monitoring framework to the Board, and presents the results of the first update on progress against organisational objectives on the basis of this framework.

2008 to 2011 Corporate Plan

5. The Corporate Plan for 2008 to 2011 highlights 46 achievements which the Authority aims to deliver by the end of that planning period. These achievements each make a contribution to delivery of one of the National Park Plan priorities for action, or to essential corporate activities. For the majority of the 46 achievements, annual milestones are also set out in the Corporate Plan in order to provide some means of assessing each year whether overall activity is on track to deliver the

targeted achievement by the end of the three year corporate plan period.

6. The corporate monitoring framework now takes its lead from these 46 strategic, corporate plan achievements, rather than presenting a more operationally focused analysis and update on individual activities as previous update reports have done. In focusing corporate monitoring reports to the Board at the more strategic level of corporate plan achievements, it is intended that members are able to maintain an oversight on whether longer-term objectives remain on track to be delivered, and provides a means of identifying any key obstacles or issues currently arising which pose a risk to delivery of those achievements.
7. The Management Team will continue to review a more detailed Operational Plan delivery update three times each year, in order to ensure that the overall range of activity agreed by the Board remains in line with expectations.

Revised Corporate Plan Monitoring Framework

8. The revised corporate plan monitoring framework is presented at Annex 1 to this paper. This sets out each of the 46 achievements agreed in the Corporate Plan, together with the associated milestone, where applicable, which gives a sense of progress intended by the end of this financial and operational plan year, at 31 March 2009. A commentary on current performance is also presented.
9. In line with the previous approach to presenting updates on organisational performance, the status of progress made in delivery of each of the 46 achievements has also been graded on a Red / Amber / Green (RAG) traffic light system according to the assessed risk over delivery of intended achievements and outcomes, whereby:
 - (i) Green: actions being delivered broadly in line with timetable and intended milestones/outcomes envisaged in corporate plan.
 - (ii) Amber: there are some changes to the timetable and/or intended delivery plans which pose some risk to delivery of intended outcomes.
 - (iii) Red: changes to timetable and/or delivery plans pose a significant risk to delivery of intended outcomes.
10. This RAG assessment is a relatively standard performance management tool to enable any areas with increased risk of delivery to be more readily identified.

Current Delivery Assessment Exception Report, as at 31 July 2008

11. The first assessment of progress made toward delivery of the corporate plan achievements, as set out in Appendix 1, highlights a substantial minority of areas which are categorised as amber and hence with some increased risk over their delivery. This situation is not particularly surprising: the assessment as at 31 July 2008 is only 4 months into delivery of a number of challenging achievements over a three year period. It is, therefore, to be expected that a number of issues or obstacles to delivery of corporate plan achievements will be identified at an early point in the three year Corporate Plan period.
12. Therefore, no individual achievements are highlighted for specific note by the Board at this early stage in the process of securing Corporate Plan achievements by March 2011.
13. However, members' attention is drawn to the point that all achievements under the priority for action to **make housing more affordable and sustainable to help meet the needs of people living in the Park** are classified as amber and at some increased risk of non-delivery. This risk based analysis will help focus attention of the Management Team in reviewing activity. Indeed, the current status and future delivery plans for the Local Plan process which forms the basis of two of the four achievements in this priority for action has already been considered in some detail by Management Team in May and August.

National Outcomes and Balanced Scorecard Key Performance Indicators (KPIs)

14. The Corporate Plan also highlights, in a draft outcome agreement, the manner in which the Authority believes it can most effectively contribute to the Scottish Government's agreed national outcomes. The Authority's corporate plan has established that the organisation can make a contribution to 9 of the 15 national outcomes.
15. In order to assess the Authority's contribution to these 9 national outcomes, and following discussion with the Sponsor Team, we have reached a general agreement that the Authority should seek to adopt a single Key Performance Indicator (KPI) for each of these 9 outcomes. These KPIs will provide a more quantitative assessment of the work of the Authority, although it must of course be remembered that the KPIs themselves represent a focus on a very narrow range of activity within a much wider ranging set of activities established within the Corporate and annual Operational Plans.

16. The KPIs also, on the whole, present a relatively narrow focus on the activity of the Authority itself and not, therefore, on the wider work being undertaken collectively with partners in the National Park. This work will be picked up in the progression of Park Plan monitoring activities. However, in dialogue with colleagues at Scottish Government, it seems clear that each public sector body is expected to derive a set of measures which shows how that organisation's own activities are contributing to the overall national outcomes and national performance framework.

17. "Scotland Performs", the national performance management and monitoring framework, focuses on assessment of 45 national indicators in order to track progress in delivery of the 15 national outcomes. However, on the whole these national indicators are not suitable to be adopted by the Authority. Consequently, there has been a need to identify suitable "proxy" indicators. These proxy measures must be capable of being identified and evaluated locally, and where a strong link can be demonstrated between the local measure and the national outcome sought.

18. The set of KPIs arising from discussions on this subject have been incorporated into the corporate delivery section of the Authority's balanced scorecard, presented at Annex 2 to this paper. These KPIs and associated monitoring framework have only recently been adopted, and some work remains to complete baseline assessments and evaluate current positions for indicators. Therefore, this initial presentation of the KPIs within the balanced scorecard highlights the nature of the performance management and monitoring framework that has been adopted. Future presentations will provide a fuller update on measured progress against the KPIs.

19. The current KPIs are also presented against the relevant national outcome in the table below.

Table One: Scottish Government's National Outcomes and Associated Cairngorms National Park Authority (CNPA) Key Performance Indicators

National Outcomes	CNPA Performance Indicators
We value and enjoy our built and natural environment and protect it and enhance it for future generations	An ongoing increase in the number of priority species for which positive action is underway.
We reduce the local and global environmental impact of our consumption and production	An annual reduction in carbon emissions from vehicle based travel.
We realise our full economic	An ongoing increase in the

potential with more and better employment opportunities for our people	number of businesses awarded the CNP brand.
We live in well-designed, sustainable places where we are able to access the amenities and services we need	An ongoing annual increase in the score of approved planning applications against the sustainable design guide criteria. (This measure cannot be deployed until the design guide is fully in place. In the meantime, measures on branding, affordable housing and community action plans provide back-up measures against this outcome).
We live longer, healthier lives	An ongoing annual increase in the number of walks led (or in participation within led walks) within the National Park.
We have tackled the significant inequalities in Scottish Society	Annual increase in the proportion of affordable housing within agreed housing developments
We have strong, resilient and supportive communities where people take responsibility for their own actions and how they affect others	Annual increase in the proportion of Park population covered by community action plans.
We take pride in a strong, fair and inclusive national identity	Annual increase in number of tourist signs in place
Our public services are high quality, continually improving, efficient and response to local people's needs	Achieve an annual 2% cash releasing efficiency saving.

20. While table one implies some direct 1:1 correlation between one of the national outcomes and a specific KPI, in reality the KPIs give some sense of activity across a wider area of activity. For example, while table one sets the KPI on the increase in number of businesses awarded the brand against the national outcome on economic potential, this KPI also gives some indication of work done on sustainability (local and global impact of consumption and production) and living in sustainable places.

21. It is also accepted that the indicators cannot provide a comprehensive measure of all activity and progress made by the authority. This wider sense of activity comes from the more qualitative updates on Corporate Plan delivery as set out in Annex 1. The KPIs

presented here have been developed on the basis of a relatively pragmatic assessment of what datasets are readily available to the Authority and the ease of collecting required information, in order that resource is not diverted from a focus on corporate plan delivery to one of information collection and monitoring.

Balanced Scorecard Exception Report

Financial Management

22. As has been found in each of the last three years of the Authority's operations, the **level of Operational Plan expenditure** is somewhat below that anticipated in phased budgets over the first quarter of the year. This position has been considered by the Finance Committee at its meeting on 8 August, and Committee members noted that the current year situation, while varying from budget, is an improvement on previous years. At this point, there is every expectation that expenditure will be brought back in line with budgets by the end of the year, as has been successfully achieved in previous years, and the outturn forecast therefore remains in line with budget.

Governance and Risk Management

23. One instance of a **Freedom of Information response** being supplied after the required 20 working day turnaround has been recorded in the 12 months to July. This related to a particularly extensive information request which required the Authority's officers to seek approval for release of information from a number of partner organisations. Review of the position does not suggest any underlying issues in the Authority's systems or processes for dealing with Freedom of Information requests.

Human Resource Management

24. Recent **staff turnover** has resulted in this indicator being highlighted as amber, with 6.7% of posts experiencing staffing change in the last 12 month period. This carries with it a consequent disruption to service provision, together with some resource requirements to support new recruitment.

Corporate Plan Delivery

25. While point 18 highlights that most Corporate Plan KPIs still require some work on establishing baselines and current measures, initial work does highlight the significant assessed risk over the measure seeking an **annual reduction in carbon emissions from business mileage**. Measurement of combined Board and staff emissions over the first quarter of 2008/09, indicate that emissions will increase by 8.3 tonnes

(14.5%) over the 2007/08 baseline, if mileage undertaken is repeated at the same rate in the remaining 3 quarters. While a quarterly breakdown of previous years' information on mileages and emissions is not available, there is some expectation that the holiday period over the second quarter will bring a reduction in use, as will future breaks and poorer weather in the second half of the year. There is also encouraging evidence of much greater uptake of rail travel. Further action will be taken to reinforce the target of reducing car mileage and resulting carbon emissions.

26. Therefore, while the scale of divergence of the first quarter from target has resulted in this KPI being classified as red at this point, there is some expectation that the measure will come back toward target as the year progresses.

Next Steps

27. This revised Corporate Plan monitoring report has been also been designed to assist with the introduction of the Board's informal working groups. The overview of corporate plan delivery and organisational performance provided in the report and annexes should enable members to pick up any significant issues or obstacles to delivery of Corporate Plan achievements in discussions, and consider how these might be addressed.
28. The Management Team will continue to develop the monitoring framework of KPIs in conjunction with colleagues in Scottish Government, and populate the balanced scorecard with a full set of baseline and current measures for future presentation to the Board.
29. Further work will also be undertaken on the progression of the National Park Plan monitoring framework. As this progresses, there will be a need to revisit the Authority's own KPIs set out here and seek to ensure that the overall monitoring process is as integrated and clear as possible.
30. The Board's Audit, Finance and Staffing and Recruitment Committees will also continue to exercise an overview of performance in each of their areas of responsibility, and will continue to exercise some control over the risk highlighted in the balanced scorecard report.
31. In the meantime, Board members may wish to note that the Authority's work has been recognised by the Scottish Government as highlighting a good example of seeking to align the Authority's activities with the National Performance Framework and intend to include the Authority's work as a case study in a forthcoming guidance paper. Of course, as

highlighted above, some refinement in our own approach may be required once this guidance is published.

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26 August 2008

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