

CAIRNGORMS NATIONAL PARK AUTHORITY

Title: DRAFT CORPORATE PLAN 2004-2007

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Purpose

To seek agreement to a draft corporate plan covering the period 2004-2007, for submission to Scottish Ministers in early December.

Recommendations

That members agree:

- that the attached draft corporate plan be submitted to Scottish Ministers in early December in accordance with requirements set out in our draft Management Statement and Financial Memorandum;
- that in submitting the document, we make clear a number of caveats, as follows:
 - At such an early stage of the Park's existence it is difficult to be precise about detailed actions and objectives as these must inevitably flow from the National Park Plan which will take a further 18-24 months to develop.
 - Further, delivery of many outcomes will be achieved in partnership – how funding is allocated between different public agencies can be complicated, and again is difficult to be precise about at this stage;
 - Nevertheless, the Board has devoted time over the last few months to developing a clear sense of long-term strategic objectives, and has talked to partners and communities in the Park. The result is this document, and while it will clearly need to be updated as the thinking develops, it represents our current vision of the CNPA's direction in the next three years, and our current best estimate of the funding needed to deliver that.

Executive Summary

The CNPA, like any other Non Departmental Public Body, is required to submit a corporate plan to Scottish Ministers, setting out its aims and objectives for the next 3 years and the core funding required to deliver these. A draft of the CNPA's first corporate plan is attached for approval, prior to submission to Ministers in early December.

DRAFT CORPORATE PLAN 2004-2007

Introduction

1. As a Non Departmental Public Body, the CNPA receives its core funding from Scottish Ministers. The framework document which sets out the relationship between the CNPA and the Scottish Executive (The Management Statement and Financial Memorandum) requires the CNPA to submit a corporate plan each year, covering the next three years. The corporate plan is required to set out:
 - The CNPA's key objectives and associated key performance targets for the forward years, and its strategy for achieving those objectives;
 - A review of the CNPA's performance in the preceding financial year, together with comparable outturns for the previous 2 years, and an estimate of performance in the current year;
 - Alternative scenarios to take account of factors which may significantly affect the execution of the plan but which cannot be accurately forecast;
 - Other matters as agreed between the Department and the CNPA.
2. The corporate plan is a key document for two reasons. First, it is in effect the CNPA's "bid" for funds for the next 3 years. It explains to Ministers what the organisation aims to achieve, and how much core funding it needs to do this. Second, it is the definitive guide for staff in setting their priorities and defining their jobs. Every member of staff will have a job description which is drawn directly from the objectives and actions set out in the corporate plan.
3. The process of putting together a corporate plan – the "planning process" – can be complex and resource intensive. It entails:
 - Thinking forward and deciding the long term strategies for the organisation;
 - Translating those into outcomes and actions plans;
 - Monitoring progress;
 - Re-reviewing the plan.
4. It is a continuous process. The corporate planning process for the CNPA will be developed over the next one to two years, and needs to strike the right balance between resources and time put into the process, and the benefits delivered from it. There will in due course be a close relationship between the corporate plan, which sets out the objectives and actions of the National Park Authority, and the National Park Plan which will set out the objectives and actions for the whole Park and which will be delivered by a range of partner organisations. Clearly one of the key objectives of the CNPA will be to ensure the preparation and implementation of the National Park Plan.

Where We Are Now

5. In this the first year of the CNPA, clearly many of the requirements of a corporate plan cannot be met – there are no previous years to report on, and there is not yet a National Park Plan from which many of the CNPA's objectives will derive. However, the Park Board has from its very early days been aware of the importance of developing a clear long term vision of what it wanted to achieve for the National Park and what sort of

organisation it wanted to be. It has therefore had a number of discussion sessions on these issues, and spent time talking to communities (local communities and communities of interest) and taking briefings from other stakeholder organisations.

6. The attached draft corporate plan has been put together by drawing on those discussions; the experience elsewhere of new National Parks and how they develop and deliver their remit (Loch Lomond & The Trossachs being the best example); the advice from SNH to Ministers on how a CNPA might develop; and our founding legislation which sets out our statutory duties. The plan comprises two parts – the description of our aspirations and objectives, and an estimate of our funding needs to deliver those. Both must be viewed with the recognition that at this early stage of our existence the CNPA's objectives and planned actions may be modified over the next few years as the National Park Plan is put together. It is also important to recognise that estimates of funding needs can be made more precisely as time passes and the CNPA's relationship with other organisations becomes clearer.

The Budget

7. Having stressed that funding estimates are inevitably imprecise at this stage, the following points need to be made about how the budget has been constructed.
 - a) In Annex 1 Column B shows the original budget of £2.01 million agreed by the Board on 27 May 2003. Column C shows a revised version of this budget to take account of some changes in pattern of expenditure that have occurred during the year. These are explained more fully in paper 1 to the Finance Committee (7 November). The total spend remains unchanged, but the major changes in pattern of spend are:
 - Higher costs of staff recruitment than planned (higher advertising costs);
 - Higher costs of office refurbishment
 - Lower costs of corporate ID work
 - Delays in programme spend and hence reductions in this year's spend because of shortage of staff resources to take work forward.
 - b) Columns F, G and H show the projected expenditure for the next three complete financial years (years 2,3, and 4 of the CNPA's existence). Year 1 (2003/04) includes a number of significant one-off items of expenditure associated with getting the organisation set up, namely: recruitment, office refurbishment, corporate id (including website), IT and other equipment, costs of a pay and grading review.
 - c) Against this, a significant growth in staff will have taken place during the first year of the CNPA, with staff numbers growing from 16 on 1 April 2003, to around 40 by April 2004. Continued steady growth in staff numbers is planned over the following two years, with a staffing complement of 60 planned by the end of 2006/07. This is a relatively small number compared with Loch Lomond & The Trossachs (just over 100 permanent staff), or the Lake District (206 staff). Although to be treated with caution, comparisons are shown for interest with the Lake District (second largest NP after Cairngorms) and Yorkshire Dales (similar in size to Loch Lomond & The Trossachs):

	Lake District	Yorkshire Dales	Cairngorms
Area (sq miles)	885	680	1467
Population	42,239	19,654	16,973
Staff	206	110	60 (year3)
Budget	£8.086m	£5.301m	£6m (year3)

(Note: Budget for English NPAs excludes EU funds, grants and sponsorship, but includes central government grant in aid, levy from local authorities, income from sales, fees and charges.)

- d) Staffing costs remain at a constant 40% of the total budget for the CNPA, lower than other NPAs in the UK. This reflects the approach of the Cairngorms NPA in aiming to be an enabling authority, rather than a front line deliverer – hence the CNPA aims to have a smaller number of highly skilled staff who are able to work with and through other partners. The CNPA does not currently plan to employ and manage its own ranger service or visitor centres – it nevertheless will require funds to ensure that the functions of a Park-wide ranger service are delivered through existing services. Another major difference is that the planning function is smaller in the CNPA than in all other UK NPAs.
- e) Other than staffing, running costs in the 3-year budget remain relatively stable and predictable, given that the one-off start-up costs have largely fallen into the previous year 2003/04. The most significant expenditure in the budget over the corporate plan period is the programme expenditure – the expenditure required to “make things happen” through projects, grants, research. This is difficult to predict precisely at this stage because:
- The CNPA is still only 6 months old, and policy and priorities are still being developed. A number of working groups have been set up, involving partners, to help take this work forward;
 - The development of the National Park Plan will be of fundamental importance in setting priorities and direction for the whole Park, and therefore for the CNPA. Preparing the NP Plan will be a consultative and lengthy process, and it will be the middle of the corporate plan period before it is sufficiently firm to determine spending priorities.
 - The amount of funding which the CNPA can lever in from outside sources and from partners to support projects is difficult to predict in advance.
- f) Some policy aims can be identified at this stage, and these are indicated in Annex 2. The precise way in which these aims will be taken forward, and the amount of expenditure required in total, as well as the balance between the amount from partners and the amount from the CNPA, has still to be refined. For the area as a whole, it will be important to avoid loss of additionality – in other words, avoiding the situation in which the CNPA is contributing money to an initiative simply to substitute for the

withdrawal of funding from another public sector body, leading to no net gain of funding coming into the Park area.

- g) In addition there are likely to be other policy aims and initiatives which emerge from the processes of the working groups and the drafting of the NP Plan.
- h) The total expenditure figures grow from £3.8m in 2004/05, to £4.7m the following year to £5.5m in 2006/07 (year 4 of the CNPA's existence). The total budget for LL&TT NPA in year 1 was £4.8m, rising to £5.5m in year 2 – but this was effectively year 5 given that the Interim Committee had existed for 3 years previously to pave the way for the NPA. The CNPA has had to grow more quickly. The CNPA year 4 figure of £5.5m therefore bears comparison with the year 5 figure for LL&TT NPA. It is also worth noting that in its 2002 advice to Ministers on the establishment of a Cairngorms National Park, SNH suggested that by year 3 the CNPA should require core funding of £4.1-£5.5m – our proposals are within that proposed range.

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