
CAIRNGORMS NATIONAL PARK AUTHORITY

FOR INFORMATION

Title: 2012/13 BUDGET AND OPERATIONAL PLAN

Prepared by: Alistair Hight, Head of Finance and IT
David Cameron, Corporate Services Director

Purpose

The purpose of this paper is to report on the development of the 2012/13 Budget and Operational Plan.

Recommendations

The Board is requested to:

- a) Review the following paper for information on the Operational Plan 2012/13 and proposed reporting on the Corporate Plan 2012-15.

Executive Summary

This paper sets out budget figures and operational plan investment for 2012/13, drawn from the Corporate Plan 2012-15 approved by the Board in May 2012.

The Corporate Plan 2012-15 divides the Park Authority's operational activity into 8 programmes of work, over which total financial and staffing resources have to be allocated.

Budgets are being developed against the background of reduced Grant-in-aid funding from Scottish Government of £4.646 million, a reduction of £0.11 million on 2011/12 funding levels (-2.3%).

The paper presents the allocation of all resources against the 8 operational programmes with overhead costs allocated on the basis of staff time required by each activity.

Qualitative targets for monitoring performance against Operational and Corporate plans are currently being developed with the intention of reporting twice yearly to the Board in October and March. The first report on this basis will be at the Park Authority's Board meeting on 26 October 2012. Financial reporting against budget continues through the Finance Committee.

2012/13 BUDGET AND OPERATIONAL PLAN FOR INFORMATION

Background

1. The Organisation's Corporate Plan 2012-15 sets out our strategic objectives and what we aim to achieve over this 3 year period. The Operational Plan sets out the detail of how we will do that in a particular year – the activities and associated financial allocations.
2. The Corporate Plan 2012-15, along with the National Park Partnership Plan 2012-17 (NPPP), was approved by the Board at its meeting of 11 May 2012.
3. The Corporate Plan consists of 8 programmes of work, 6 of which are linked to the Park Partnership Plan and 2 of which are related to Planning and Corporate Services.
4. This paper updates the Board on the development of 2012/13 budgets and the operational plan for this year.

Current Activity

5. A summary of overall 2012/13 budget allocation is shown in Table One.

Table One: 2012/13 Budget Summary

	2011/12 Actual £000	2012/13 Budget Proposals £000	Change £000
Board Salaries	159	159	0
Staff Salaries	2,089	2,240	151
Other Board and Staff Costs	201	200	-1
Office Running Costs	236	239	3
IT and Professional Support	178	149	-29
Total Core running costs	2,863	2,987	124
Operational Plan budget	1,939	1,712	-227
Additional capital grant for projects	397	-	-397
Total "cash" based expenditure	5,199	4,699	-500

6. The reduction of £500k expenditure in table one is broadly represented by a £110k reduction in the Authority's Grant-in-Aid for 2012/13 and the removal of £397k additional capital grant received towards the end of the 2011/12 financial year.
7. Total financial and staff resources have been allocated across the 8 operational programmes for 2012/13 as shown in Table Two.

Table Two: Programme Resource Allocation 2012/13

	2012/13 Staff FTE (£000)	2012/13 Operational Budget (£000)	2012/13 Core Budget (£000)	2012/13 Total Expenditure Plan (£000)
Building the Brand	7.6	410	380	790
Getting Involved	4.8	275	240	515
Land Management and Conservation	7.9	130	395	525
A Special Place	6.1	155	305	460
Developing Opportunities for Recreation	3.5	249	175	424
Supporting Sustainable Business	3.4	205	170	375
Organisational Excellence	14.4	83	719	802
High Quality Effective Planning Service	12.1	205	604	809
Total Programme Expenditure	59.8	1,712	2,987	4,699

8. Staff resources have been allocated across programmes on the basis of direct staffing requirements and dependencies from staff involved in other programmes. Organisational Excellence has the largest staff allocation due to the wide range of services covered by the programme. These include the LEADER LAG Team, GIS services and support for COAT as well as corporate services such as Finance, IT, HR, Estates, Legal, Procurement and other shared services.
9. Staffing allocations have been used to absorb core running costs and give a representative total expenditure plan for each programme (detailed resource allocations for each programme are shown in Annex One to this paper).

10. Programme managers have now profiled their budget requirements over the twelve months of the 2012/13 financial year.
11. Work for the year has been continuing in each programme whilst resource budgets have been developed and approved from the Corporate Plan. The 8 Programme Managers meet monthly via the Operational Management Group (OMG) to manage the co-ordination of work between programmes and financial/ staffing resource requirements.

Future Developments

12. The OMG is currently developing performance monitoring targets/ milestones for each programme to allow qualitative reporting to the Board on the Operational Plan 2012/13 and Corporate Plan 2012-15.
13. The intention is to report twice yearly to the Board on progress against these Corporate Plan targets in October and March. The first report on this basis will be in October 2012 when there will be an opportunity for the Board to review 2012/13 performance targets and the progress made against them. Longer term indicators are also being developed to support consideration of whether or not targeted outcomes are being delivered.
14. In future, a rolling 3 year budgeting and performance monitoring system will be developed to encourage continuity and allow targets to converge with the NPPP's targeted 5 year outcomes and key areas of work. As mentioned previously, 6 of the Park Authority's 8 operational programmes are linked directly to the Partnership Plan and will derive their performance targets selectively from it. Performance monitoring and review of the Corporate Plan will ensure that intended outputs remain valid for the 5 year period of the NPPP.
15. The development of rolling plans will also allow the early planning and production of future Operational Plans and budgets. These will be brought to the Board for review and approval in March each year with the 2013/14 Operational Plan due to be presented in March 2013.

Alistair Highet
22 June 2012

alistairhighet@ Cairngorms.co.uk