

**MINUTES of MEETING of the
FINANCE COMMITTEE of**

**THE CAIRNGORMS NATIONAL PARK AUTHORITY
held in Glenmore Lodge, Glenmore
on 6th August 2010 at 9.00am**

Present:

Eleanor Mackintosh (Chair)	Mary McCafferty
Dave Fallows	Richard Stroud
David Green	

In Attendance:

Jane Hope, Chief Executive
David Cameron, Head of Corporate Services
Pete Crane, Senior Visitor Services Officer
Alistair Hight, Finance Manager

Apologies

None

Welcome and Apologies

1. The Chair welcomed everyone to the meeting.

Minutes of Meeting 14th May 2010

2. The minutes of the meeting were agreed without amendment.

Matters Arising

3. There were three matters arising:
 - a) Further to paragraph 11, it was confirmed that the CNPA Annual Accounts had been laid before Parliament slightly in advance of the deadline of the 31st July.
 - b) Further to paragraph 16, David Cameron reported that the service level agreement with Aberdeenshire Council on planning gain had been signed off and agreed.
 - c) It was noted there had been a confidential discussion on the accommodation review as part of the meeting on the 14th May; the minutes of this were also agreed.

Scottish Government Guidance on Public Spending (Paper 1)

4. David Cameron introduced the paper which highlighted the current guidance emerging from the Scottish Government on the management of resources, and in the light of this, set out the CNPA's current approaches to ensure that it was ready to respond to anticipated future funding reductions. Paragraph 3 set out the essence of the general guidance issued on the management of resources and its implications for the CNPA. Paragraph 4 set out the further guidance which had been issued from the Scottish Government specifically on the management of staff numbers. The upshot of this guidance was in essence a strong presumption against external recruitment. It was noted in response to a question that this did not represent any conflict with employment legislation.
5. The remainder of the paper set out the internal controls already in place and exercised by the CNPA to deal with the requirements set out in this guidance. It was noted that as a result of existing internal control systems the CNPA was well placed to manage its way through the expected financial constraints over the coming few years.
6. A number of points were made in discussion:
 - a) The CNPA had a good story to tell on this; benchmarking studies showed that the CNPA was relatively speaking efficient compared with other NDPBs, added to which it was leading the way in developing new approaches to shared services with the other National Park Authority. There was a paper due to go to the Audit Committee on the Benchmarking Study and it was agreed this should go to the Finance Committee as well.
 - b) Following on from this, the point was made that there were three strands to presenting the story of the Cairngorms National Park;
 - i. What National Parks are doing for Scotland in delivering Scottish Government outcomes;
 - ii. What the Cairngorms National Park Authority does; and
 - iii. Efficiency as an organisation in terms of shared services and benchmarking studies.
 - c) It was noted that voluntary severance schemes needed careful thought, and previous experience showed that they could end up more expensive in the short term. This was recognised, and it would be important to do a cost benefit analysis; nevertheless, the CNPA had to consider every available tool, provided it was cost effective.
 - d) The matter of joint procurement was discussed and it was noted that some of the CNPA's procurement was done through the central contacts of CGCoPE (Central Government Centre of Procurement Expertise) which was for all NDPBs to tap into. Working jointly with Local Authorities had been considered several years ago (for example on joint procurement of audit services) but so far it had not been progressed. It was also noted that the CNPA were looking at joint working with Loch Lomond and the Trossachs NPA. In addition to the potential efficiencies of joint procurement, it was also noted that for the CNPA in particular there was the additional factor of procuring locally if possible.
7. **The Committee noted the contents of the paper with approval.**

Review of Operational Planning Expenditure Commitments 2010 – 2013 (Paper 2)

8. Alistair Hight introduced the paper which set out the extent of future Operational Plan expenditure commitments. Future planned expenditure for budgeting purchases was classified at tier 1 (contractual commitments), tier 2 (Board approved future activity where no contract yet exists), and tier 3 (activities planned from available budgets by Programme Managers where Board approval is either not granted or required and no contractual commitment is in place). The paper concentrated on tier 1 and tier 2 commitments as at 30th June 2010, looking ahead to 31st March 2013. It was noted that future years tier 1 commitments (i.e. those commitments that were contractual) were running at £343k for 2011/12 and £281k for 2012/13. This meant there was still considerable head room in the future years budgets, and provided scope for accommodating cuts which were expected in the spending review in the autumn. It was noted that if the spending review cuts were severe, these would not be found from efficiency savings but would need to be found from the programme, and the current level of commitments provided for that possibility. It was noted there was a substantial commitment to the Cairngorms Outdoor Access Trust (COAT) several years ahead. There were currently no future commitments relating to the Cairngorms Business Partnership, although it was very likely that these would appear given the importance of the CBP as another delivery mechanism for the CNPA.
9. In discussion the following points were made:
- a) COAT was working very well but it was important that the National Park and to some extent the National Park Authority got some publicity from the work they were doing given the significant funding. This was noted and the point was made that better coordination was in hand with CBP and COAT. The point was made that in giving funding the requirements should be formalised that funding partners are acknowledged and that the National Park is acknowledged.
 - b) Work is still progressing on reviewing commitment levels and figures presented in this paper were subject to ongoing revision, with a more detailed mid-year review of all operational plan budgets due in October forming a key mechanism to review accuracy of information. That said, the monitoring and reporting of future commitments as set out in the paper represents a key internal control mechanism in the authority's handling of future budget pressures.
 - c) Officers highlighted that this forward commitment paper would be brought back as a standing item to the Finance Committee.
10. **The Committee noted the paper with approval and requested this be a standing item on future Finance Committee meetings.**

2010/11 First Quarter Review (Paper 3)

11. Alistair Hight introduced the paper which presented a summary review of income and expenditure for the first quarter of the financial year 2010/11. It was noted that the expenditure position was largely as expected.
12. **The Committee noted the contents of the paper with approval.**

Point of Entry Marker Phase 3 Installation (Paper 4)

13. Pete Crane introduced the paper which sought approval for the expenditure of the Point of Entry Marker Project phase 3 installation. The Board had agreed in principle in January 2010 to go ahead with phase 3 of the point of entry markers. Phase 3 was essentially the remaining installations required as a result of the extension of the Park Boundary into north Perthshire. It was noted that there was now considerable difficulty in gaining partner support partly because of the financial climate and partly because of changes in ERDF criteria. The costs in the paper were realistic and pretty well pinned down. It was noted that Perth and Kinross Council were contributing £10,000 which was an amount comparable to the other local authorities in phase 2 of the project. Good progress was being made with the various consents needed for the boulder sites, and there was agreement that the A9 was a “safe” site. It was noted that a saving of £2,250 had already been made on the A9 safety audit so the final approval sought was for CNPA expenditure of £109,000 less £2,250.
14. It was noted that once work started on the point of entry markers this was liable to suddenly raise awareness of the extension of the Park into Perth and Kinross. It was important to keep Members updated so that they could respond to this.
15. Implicit in the approval of expenditure was the use of the contractors Ian Hunter and Whites who had been used in earlier parts of the project. It was noted the Scottish Government was content that this represented a continuation of the project.
16. **The Committee approved the expenditure of £106,750 as set out in the paper.**

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17. David Cameron reported that the CNPA were negotiating a joint E-Planning service to be delivered through and with Loch Lomond and the Trossachs NPA. This cost is likely to be in the region of £50,000 for the initial installation costs for E-Planning – a separate project cost from the £20,000 for co-hosting the Local Development Plan. Some Members noted that other Local Authority E-Planning sites had come into criticism because the public could not see other peoples’ comments/representations. This would be communicated back to the Planning Team.

Date of Next Meeting

18. 29th October 2010, Lonach Hall, 9.00 am.