

CAIRNGORMS NATIONAL PARK AUTHORITY

FOR DISCUSSION

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

**Prepared by: DAVID CAMERON, DIRECTOR OF CORPORATE
SERVICES**

Purpose

This paper presents an update on the Authority's performance to date in working towards delivery of strategic objectives established in the 2018 to 2022 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.

The paper also presents the latest version of the Strategic Risk Register, following ongoing review and mitigation action by the Management Team and review by the Audit and Risk Committee.

Information is presented on delivery against the Corporate Plan only in this paper. Updates on delivery of the National Park Partnership Plan for 2017 to 2022 are presented separately at different points of the year.

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.**
- c) **Review and comment on the risk register for completeness in coverage of current strategic risks and adequacy of mitigation actions.**

STRATEGIC RISK MANAGEMENT AND MONITORING CORPORATE PERFORMANCE – FOR DISCUSSION

Strategic Context

1. The Authority's Corporate Plan, <http://cairngorms.co.uk/wp-content/uploads/2018/07/CNPACorporatePlan2018-2022.pdf> describes how we will contribute to the delivery of the Cairngorms National Park Partnership Plan (NPPP).
2. 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 increased wellbeing and sustainable and inclusive 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 6 of the Scottish Government's 11 National Outcomes agreed within the National Performance Framework.
3. 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 as an integral part of the Corporate Plan. The information presented with this paper follows those agreed Key Performance Indicators (KPIs).

Strategic Policy Considerations

4. The Authority's Corporate Plan makes reference to our contribution to National Outcomes. In most cases the corporate performance indicators do not present a direct measure of contribution to the specific outcomes. Rather, 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

5. The Board considered and approved the new strategic risk register supporting delivery of the 2018 to 2022 Corporate Plan at its meeting in June 2018. The Board also endorsed the Authority's Strategic Risk Management Strategy at the same meeting.
6. The strategic risk register is regularly reviewed and updated by both the Audit and Risk Committee and the Management Team with the Board considering the position

on strategic risk management at the same time as it considers these Corporate Performance reports. The Strategic Risk Register is a dynamic document. Risks will be removed when their likelihood of occurrence and / or their potential impact is assessed to have declined sufficiently through management and implementation of mitigation or circumstances change in the Authority's wider operating environment. The current version of the strategic risk register is set out for consideration as an Annex to this paper.

7. Responding to feedback from internal audit, the risk register now analyses the proposed risk mitigation actions between "preventative" and "remedial" action: respectively establishing management activities designed to prevent the risk from taking happening and seeking to minimise the impact of a risk should it occur. This categorisation is intended to assist the Board and Management Team better assess the adequacy of actions proposed to manage risk.
8. The Board are invited at this point to review the current version 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.

Implications

9. 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 change over the period since these monitoring reports were last presented to the Board.
10. Our strategic risk management process and practices build on existing methods already reviewed and approved by Audit & Risk Committee and evaluated by internal and external audit. Our strategic planning and corporate performance monitoring reporting was also subject to internal audit review as part of the 2018/19 internal audit programme and received a "clear" internal audit report. The internal auditors, BDO, gave a "substantial" (highest) rating to both the design and operational effectiveness of these performance monitoring processes.
11. 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.

12. 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

13. 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.
 14. Effective risk management processes ensure that risks that may impact on success are identified, managed and / or monitored appropriately to support delivery of Corporate objectives. Risk management processes also assist in evaluating opportunities for action and in determining the Authority's approaches to most effectively realising those opportunities.
 15. The work in bringing these processes together therefore forms a key aspect of the Authority's strategic management processes.
 16. The progress shown in the Corporate Performance qualitative and quantitative updates are themselves presenting the success measures in the Authority's deliver of its approved corporate objectives.
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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. Corporate KPIs complementing the qualitative updates on performance are set out in Annex 2 presented with this paper. A commentary on the current status of these KPIs is also presented. More information on the highlights and issues arising over the course of Corporate Plan delivery to date is presented in the following sections of this paper.

Conservation and Land Management - Highlights

2. Work continues to progress relatively well across all priorities within the Conservation and Land Management elements of the Plan. A number of indicators around key work areas continue to be assessed as "amber" in the risk rating either as a consequence of assessment data still to be sourced, or performance to date falling slightly below target levels
3. While the Authority continues to be successful in securing funding for our work on peatland action, the 1,565 hectares covered by current project activities or under feasibility remains below the 1,000 hectares each year target for peatland restoration set in the corporate plan. This is mainly around contractor capacity and timescale issues.
4. Similarly, work on forestry is progressing while estimated data suggests that actual planting of areas of new woodlands is roughly on target to meet the 1,000 hectares per year.

Conservation and Land Management – Exception Reporting

5. Wildlife crime continues to be highlighted as an exception in this round of performance reporting, as incidents continue to occur in the Park. The raptor trackers developed jointly with BTO and SNH will be deployed in 2020.

Visitor Experience - Highlights

6. Four of five KPIs in this area of the Authority's corporate plan activity are currently assessed as on track and "green" in our risk based assessments of progress.
7. Funding and planning consents have now been secured to complete construction of the Speyside Way extension in 2019 with an opening in Spring 2020. Work is progressing with Newtonmore on installing a start/finish sculpture in the village

8. The Mountains and The People Project, led by the Outdoor Access Trust for Scotland, have now completed around 84% of planned path upgrades in the Cairngorms part of the project.
9. The Volunteer Ranger project continues to be successful, meeting all of its LEADER funding targets having trained 26 volunteers to date with 12 more volunteers scheduled for training in Spring 2020 as compared with an annual target of 8 trained volunteer rangers.
10. CNPA now has ten partnership agreements with Local Information Centres providing information for visitors to the National Park

Visitor Experience – Exception Reporting

11. The current interruption to service at Cairngorm Mountain remains a key issue for the Cairngorms visitor infrastructure and tourism economy. We are working as closely as possible with Highlands and Island Enterprise (HIE) and other stakeholders on this matter, and reviewing the wider impacts of this on the Cairngorm and Glenmore Strategy, while recognising that HIE are very much in the lead in planning for the future of Cairngorm Mountain.
12. Current STEAM data indicates that the tourism impact in the southern and eastern areas of the Cairngorms National Park is declining from prior year levels rather than increasing toward the target of 25% of the total visitor economy.

Rural Development - Highlights

13. Following completion of the consultation on the proposed Local Development Plan in April, the Board formally approved responses in August 2019. The respective 'Schedule 4' documents have now been submitted to Department of Planning and Environmental Appeals for examination. We expect to get confirmation of the timetable for the Examination in near future.
14. The consultation on the Economic Action Plan took place between July and September 2019. Over the summer period, the Convener and local Board members met with over 50 businesses on a one-to-one basis to listen to views about how the economy was working within the Park. Meetings also took place with several business associations and with organisations such as the Cairngorms Business Partnership and environmental NGOs. A summary of views received will be presented to the Board in December along with the final Economic Action Plan for approval.
15. CNPA's objection to the Dalraddy to Slochd section of the A9 has been maintained due to lack of provision for non-motorised users. Pre-Inquiry meeting is due to take

place on 3 December. Meanwhile CNPA is working with TS on proposals for new off road cycle route between Carrbridge and Aviemore.

16. The Cairngorms LEADER Programme has now achieved full commitment of its programme funds allocation, and the Cairngorms Trust, leading the programme, has successfully bid for £67k additional funding allocation from resources recovered from other LEADER areas (2.3% increase on original programme allocation) to finance additional project activities. The Cairngorms LEADER programme includes funding of almost £1.5 million of economic development and farm diversification project value supporting projects targeting economic development actions within the Cairngorms. The LEADER programme has also delivered one of the Authority's corporate KPIs of numbers of people entering community development activities for the first time, with monitoring statistics showing 237 people getting involved in such voluntary community activities for the first time.

Rural Development – Exception Reporting

17. There are no exceptions to report on Rural Development at this point.

Communications

18. The Cairngorms National Park Authority [Annual Review 2018/19](#) has been published on our website along with the Annual Accounts which were laid in Parliament during week commencing 11 November. A consultation on the [Economic Action Plan](#) is complete and the plan has been finalised for Board approval. The [National Park Partnership Plan Annual Review](#) was published in an e-storybook format which has been very successful.
19. The Minister for Rural Affairs and the Natural Environment, Mairi Gougeon, launched the Cairngorms Youth Action Group on 7th October and the Deputy First Minister and Cabinet Secretary for Education and Skills, John Swinney, in his constituency MSP capacity, reopened the Beinn a'Ghlo path near Blair Atholl on 27th September 2019.
20. Bòrd na Gàidhlig approved the second iteration of the [CNPA's Gaelic Language Plan and our annual progress report for 2018/19](#) has been published on our website.

Communications – Exception Reporting

21. There are no exceptions to report on Communications at this point.

Corporate Services - Organisational Development

22. The great majority of Corporate KPIs are shown in Annex 2 to be achieving targets approved by the Board. Only 2 of 17 KPIs show aspects of activity not achieving or ahead of target.

23. There are currently no work related causes of absence under management, addressing an exception reported to the Board in June 2019 when there were two cases under management. There has also been no RIDDOR reportable Health and Safety incidents in the period, which also brings another KPI highlighted as an exception in June back into line with targets.
24. The office extension project was nominated for an Architects Journal design award in Autumn 2019 to follow the nomination from the Royal Incorporation of Architects in Scotland. The Architects leading on design, Moxon Architects, also commissioned a carbon emission assessment for the project development which highlights that the use of Cross Laminated Timber in construction rather than reinforced concrete for a building of similar size gives a saving in carbon emissions of 166 tonnes of CO₂ equivalent – equivalent to a car journey of 20,746km. This carbon savings also equates to operational carbon emissions from use of the building for equivalent of 47 years.
25. In working toward our Corporate Plan aspiration of becoming the best small public sector organisation in Scotland, our IT Apprentice as one of four shortlisted nominees for Highland Business Awards Apprentice of the Year.
26. Our audited accounts for 2018/19 gave an on budget break-even position while our financial position for the current year also is on track to achieve the same result for 2019/20.
27. It is worth highlighting that while our work to continue to reduce carbon emissions from the Authority's business activities remains ahead of target and is assessed as "green", there has been a year on year increase in emissions. This has been investigated and is the result of a one-off spike in air travel linked to specific, time-limited operational activities. The long-term trend in our emissions from the Authority's business activities continues to be downward, with further investment in pool vehicles planned for late in 2019/20 which will further reduce vehicle based emissions.

Organisational Development – Exception Report

28. We do have one instance in the period of a complaint sitting at frontline resolution for longer than allowed under our policies. This is something of a technical lapse as the complaint was resolved by letter within 13 days (compared to a maximum of 20). The omission in procedure being the lack of notification to the complainant that their issue was being fully investigated and that the matter had therefore been escalated to a full complaint investigation.
29. While not a KPI in its own right, the Authority has been judged by the Scottish Information Commissioner to have only partially responded to a Freedom of

Information request: a matter worth noting when reviewing our corporate performance. The judgement was made in these terms as, although the Commissioner found that all information in scope of the request had been voluntarily provided by the time their investigation process had completed and no further action was required, all relevant information had not been identified and provided prior to the matter being referred to the Commissioner. Therefore, only an assessment of “partial compliance” was considered warranted by the Commissioner. The matter has been reviewed internally. We are content that the circumstances around this case led to the shortcomings in identification of information in scope of the request and such circumstances are highly unlikely to occur again. There are no assessed failures or gaps in policy or procedures contributing to this case.

Corporate KPIs and Cross-cutting Indicators

30. Corporate KPIs complementing the qualitative updates on performance are set out in Annex 2 presented with this paper. A commentary on the current status of these KPIs is also presented.

31. The update on KPIs has been graded on this occasion in risk terms.

Strategic Risk Management

32. The Strategic Risk Register is presented at Annex 3 to this paper. This sets out the most recent appraisal of the Authority’s strategic risk management by the Audit and Risk Committee in October 2019 and by Management Team in November 2019.

David Cameron,
on behalf of Management Team and Operational Management Group
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davidcameron@cairngorms.co.uk