

CAIRNGORMS NATIONAL PARK AUTHORITY

FOR DECISION

Title: CNPA CORPORATE PLAN 2012-15

Prepared by: Management Team

Purpose

To set the priorities for work of the CNPA over the next 3 years.

Recommendation

That the Board approve the draft Corporate Plan for 2012-15, specifically:

- a) The proposed 8 programmes:
- b) The allocation of funds across those programmes.

Executive Summary

A proposed Corporate Plan is presented showing how the CNPA will deploy its resources over the next 3 years:

- a) We will continue to coordinate work across a range of issues- the economy, environment and community- delivering sustainable development through 8 programmes of work.
 - b) We are a small organisation; we do not have large amounts of capital to invest in major infrastructure projects, but we can “punch above our weight” by continuing to concentrate on leveraging in effort and funding, bringing partnerships together and bringing funds into the Park. We will aim to repeat recent performance of a leverage of 1:4 in the top 20 projects we fund.
 - c) Our work will make a contribution, along with that of many partners, to the new Cairngorms National Park Partnership Plan which sets out the shared long term vision of “an outstanding National Park, enjoyed and valued by everyone, where nature and people can thrive together”.
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CNPA CORPORATE PLAN 2012-15 – FOR DECISION

Introduction

1. The Corporate Plan fulfils a number of functions:
 - a) It explains (primarily to Ministers) how we will spend our Grant in Aid (GIA) from Scottish Government (along with any other income we lever in). A Corporate Plan generally covers 3 years, as that is the period for which GIA is allocated. In our case, there is a strong argument for ensuring our Corporate Plan and National Park Plan run together. With both Plans starting up this year (2012), we have the opportunity to keep the two synchronised, so we propose that we prepare a Corporate Plan for 3 years, but update it each year so it becomes a rolling 3 year Plan, with any significant adjustments made in light of Scottish Government spending reviews (normally every three years).
 - b) It explains (primarily for partners) how we will support the delivery of the National Park Partnership Plan.
 - c) It is approved by Scottish Ministers (the Environment Minister specifically), and is then the basis on which we are given our GIA. It is the basis on which we report annually.
 - d) It is essentially strategic, setting out the broad direction of our work over a three year span. Within each year more detail about that year's delivery is set out in the Operational Plan.

What has changed since last Corporate Plan

2. We and the Park are now 9 years old, with one National Park Plan cycle completed. Having become established, and made significant progress in overcoming some of the early suspicions, there is evidence that people expect us to take a stronger and clearer lead; our coordination and partnership-forming work is appreciated in many quarters. This new corporate plan is very much aimed at our delivering this leadership and coordinating role.
3. The current economic climate, politically and publicly, is the top priority. Our proposed corporate plan (and National Park Partnership Plan) reflects that.
4. Public sector funding cuts put pressure on everyone's budgets, increasing the need for pooling our efforts and resources to get better outcomes. Effective partnership is more important than ever.
5. Achievements realised through the last Corporate Plan give us a new platform on which to build. Paper 8 today provides a review of what was achieved over these last 4 years. Some of the streams of work will continue (e.g. delivering an excellent planning service and developing opportunities for outdoor recreation), while others (entry point signage) are essentially completed. In many cases, the same issues remain to be addressed (such as raising awareness and understanding of the National Park, and promoting recreation), but we are altering our emphasis to take account of progress over recent years, and the benefit of tackling the issue in a different way.

The focus on people getting involved is one such example, reflecting our recently developed Communications and Engagement Strategy.

6. The draft Corporate Plan for 2012-15, at Annex 1, shows how we will deliver our contribution to the new National Park Partnership Plan. We are concentrating our efforts on the things we are well placed to do, and on a number of particularly important factors. The overview of this Corporate Plan is therefore as follows:
 - a) We continue to coordinate work across a range of issues- the economy, environment and community- delivering sustainable development.
 - b) We are a small, efficient organisation; we do not have large amounts of capital to invest in major infrastructure projects, but we can “punch above our weight” by continuing to concentrate on levering in effort and funding, bringing partnerships together and bringing funds into the Park. We will aim to repeat the past year’s performance of a leverage of 1:4 in the top 20 projects we fund.
 - c) Developing the Cairngorms National Park visitor experience remains essential, and this will be reflected in the work of capitalising on the Cairngorms Brand, an extremely valuable asset, with potential long term benefits for the Cairngorms National Park (as opposed to the Park Authority).
 - d) The long term strength and sustainability of the Park lies in people feeling connected with it – ensuring the place is looked after into the future will only be achieved if people value it and want to contribute;
 - e) We recognise the importance of planning and development management, both as a means of delivering wider objectives (housing, economic development, protecting sensitive sites) and also as service that interacts directly with the public.
 - f) We continue to work on developing an excellent path network and a culture of responsible behaviour towards recreation in the Park.
 - g) Landscape is key to this area’s attractiveness, and while much of it is perceived as wild, is it also managed. We will continue to work with land managers to ensure production of food, timber, attractive landscapes, habitats for wildlife, clean water, etc. - in other words, all the things that make this place special.

Issues to Consider

Work Across a Broad Front

7. The Corporate Plan reflects the breadth and nature of our statutory remit “to ensure the National Park aims are collectively achievedin a coordinated way”. This coupled with expectations, means we have to operate and take an interest in a wide range of issues. And as a small organisation, the only sensible way of doing this is to concentrate on “enabling”, i.e. create the capacity in others, using the capacity in other public agencies, and coordinating activities to ensure that the many interested partners get involved in delivering together what is needed to make this an outstanding National Park for visitors and for residents. We were not set up with the capacity to do this on our own; and arguably this more collective approach is a more sustainable approach in any event,

8. Our scope to concentrate on a very small number of priorities is therefore limited – nevertheless, by creating 8 programmes of work each with a stated purpose, we have given some clarity of focus to this broad remit and made sure we concentrate our efforts appropriately – on adding value, bringing partnerships together, making things happen in the interests of the National Park that would not happen without us (and the corollary of not duplicating the activities of others). For example, we know we can bring our experience to bear on the issue of developing skills, but our work in this area is proposed to be tightly focused on young people and on land based work in the National Park(see today’s Board paper on Skills and Training) while also avoiding duplicating training offered by others.

Leverage of money and effort

9. We have made good progress over the years, supporting COAT (Cairngorms Outdoor Access Trust) and CBP (Cairngorms Business Partnership) to become established and very effective delivery agents. We propose to continue to support these organisations. They have been very effective at using our funding (and other support) to lever in other funds. Last year over the top 20 projects the CNPA was involved in, our funds in effect achieved leverage of 1:4.
10. Extending the approach, the Corporate Plan includes work to build capacity of a wildlife partnership in much the same way. The HLF bid aimed at the Glenlivet/Tomintoul area will similarly aim to lever in money and effort.

Budget Analysis

11. The new Corporate Plan period from 1 April 2012 spans a period of significant restrictions on public sector finances. The Authority’s grant-in-aid allocations from Scottish Government for the new Spending Review period has been relatively well protected, in part in recognition of the significant leverage we create in the use of our funding within the Park. While the Authority’s grant reduced by slightly over 2% each year from 2012/13 to 2014/15, this reduction is significantly lower than many other bodies in the public sector. Table One illustrates the changes in grant funding to the Authority over the spending review period.

Table One: Changes in Grant in Aid Funding Expected 2011/12 to 2014/15

	2011/12 Actual (£000)	2012/13 Proposal (£000)	2013/14 Plan (£000)	2014/15 Plan (£000)
Grant in Aid	4,756	4,646	4,566	4,436
Change in funding		-110	-80	-130
Cumulative change in funding		-110	-190	-320

12. We have regularly updated and discussed with Finance Committee the general direction of the Authority’s financial forecasts and consequent resource plans.

Core Running Costs

13. In addition to the declining grant over this 3 year forward period, the Authority must also consider the impact of cost increases on its budgets. We have been successful over the previous four years in implementing efficiency savings from “core” running costs and this in turn has allowed increasing proportions of the Authority’s finances to be allocated against Operational Plan projects investing in the National Park. However, in the majority of areas where efficiency measures have been implemented, budget levels are now at a point where further reduction does begin to pose significant risk of ineffectiveness in our operations. Our forward financial plans therefore include provision for some modest, inflation driven increases in operational costs over the new Corporate Plan period.
14. Forward financial forecasts for direct income – grant in aid and planning fees – and core expenditure are set out in Table 2. Note that figures set out in table 2 for 2011/12 Draft Actual remain subject to audit.

Table 2: Direct Income and Core Expenditure Forecasts to 31 March 2015

	2011/12 Draft Actual (£000)	2012/13 Proposal (£000)	2013/14 Plan (£000)	2014/15 Plan (£000)
Direct Income: Grant in Aid and Planning fees	4,796	4,681	4,601	4,471
Board and Staff Salaries	2,240	2,292	2,340	2,387
Other Board and Staff expenditure	211	200	202	204
Office Running expenditure	238	239	241	243
IT and Professional Support	146	149	150	152
Core Expenditure	2,835	2,880	2,933	2,986
Core Expenditure as proportion of Direct Income	59%	62%	64%	67%

15. The combination of declining core grant together with increasing cost pressures therefore combines over the three year period to increase the proportion of direct income available to the Authority supporting core expenditure.
16. However, it should be borne in mind when considering this analysis that investment of staff and Members time, skills and expertise is in itself a crucial element of successfully delivering the Authority’s Corporate Plan objectives and through those,

making an effective, successful contribution to delivery of the National Park Partnership Plan.

Staffing Provision

17. Management Team have assessed the overall balance between financial and staff resource investment required to deliver objectives. Financial contributions into projects are crucial in making priority actions within the Park happen. Equally, having sufficient staff resources to inform and influence the development and implementation of these projects and activities is just as vital.
18. We have agreed a monitoring guideline ceiling with Finance Committee of staff expenditure of 53% of total income, which includes the Authority's own, direct income plus other "indirect" project contributions received - to reflect a role of the Authority in acting as "host" employer of many project staff.
19. Over the last few years of the existing Corporate Plan period, we have been managing our staff levels downward, as existing plans and projects come to completion, and to create some flexibility in budgets to recruit into new posts where required in delivery of the new Corporate Plan priorities – anticipating that variations in qualifications, experience and skills mix may be required going forward. Hence expenditure on staffing at the end of 2011/12 is £2.1 million compared with total income including project contributions (£0.6 million) of £5.4 million, giving staff costs of only 39% of total income in comparison with the agreed monitoring ceiling of 53%. At the end of 2011/12 staff headcount was 59, equivalent to 52.5 full time equivalents (FTE), compared with a position at 31 March 2010 of 66 headcount and 61.3 FTE.
20. Our assessment of future Corporate Plan delivery is for a limited number of additional staff to be required to meet future delivery priorities, with an increase of 4 staff forecast in 2012/13 and a further 1 in 2013/14. In particular we are proposing to strengthen staffing through posts on: Wildlife Partnership, Land Management Support, Special Place (temporary post focused on design), Broadband connectivity. Without these posts, we will need to review the scope of the Plan.
21. The forward projections therefore confirm, even with allowing for only a relatively low level of third party project contributions into future years, that staffing cost projections remain within the established guideline agreed with Finance Committee throughout the Corporate Plan period.
22. To summarise the budget analysis, Table Three presents the split over the Corporate Plan period between planned expenditure on core areas and on Operational Plan projects (i.e. across the 8 programmes).

Table Three: Analysis of Core and Operational Plan Expenditure over Period to 31 March 2015

	2011/12 Actual (£000)	2012/13 Proposal (£000)	2013/14 Plan (£000)	2014/15 Plan (£000)
Total Direct Income (Table 2)	4,796	4,681	4,601	4,471
Core Expenditure (Table 2)	2,835	2,880	2,933	2,986
Forward Staffing requirement to deliver Corporate Plan objectives	-	107	147	150
Total Core Expenditure	2,835	2,987	3,080	3,136
Operational Plan Budget	1,961	1,694	1,521	1,335
Total Planned Operational Expenditure	1,961	1,712	1,742	1,760
Operational Plan: Current Variation from Forecast Resources	0	-18	-221	-425
Note: Staffing levels as Proportion of total income over period	39%	44%	48%	50%

Planning for Additional Funding Availability

23. As a final point on resources, it is worth highlighting that the Authority and its partners have proven themselves able to deliver on projects at short notice where funding becomes available. A total of £0.4 million in additional funding was secured over the last 4 months of 2011/12 (equivalent to around 8% of original grant in aid for the year) and successfully spent against agreed projects. We will continue to ensure, along with key delivery partners, that we have a stock of projects within the Park that are ready to start should additional funding become available. This also ties in with an ongoing culture within the Authority of targeting leverage and joint funding for activities, and into plans to develop rolling, three year budgets where projects phased for forward years can be readily brought forward if funding opportunities present themselves.

Allocation of resources across the 8 programmes

24. Some lines of work require more staff input, others more cash. There is generally an inverse relationship, so on the whole the allocation of resource across 8 programmes is relatively even (see Table below, showing the total estimated resource allocation – calculated from cash, plus imputed cost of staff time). The exceptions are that Planning Service and Organisational excellence attract rather

more resource (18% and 17% each respectively, over the 3 years), simply because of staff time input.

25. In the case of planning, it reflects not only the time of the Development Management staff, but also specialist advisors (notably natural heritage). In the case of Organisational excellence, some of the time is devoted to other organisations (Loch Lomond and the Trossachs National Park and Cairngorms Outdoor Access Trust). It is also worth noting that our Corporate Services functions show up as reasonably efficient in the annual public sector benchmarking exercise. The other 6 programmes are reasonably even, taking between 9 %, and 13% of the total resource. The Brand Programme (at 13%) includes much of the sustainable tourism work, which therefore does not appear under the supporting Business programme (at 9%).

(Note: This calculation of total resource does not give a total cost of delivering particular lines of work; to do that we would need to allocate organisation-wide activities such as corporate services and general communications, across the other programmes.)

Table 4: Allocation of resource across 8 programmes

Estimated Total resource costs (combined staff and cash) £'000	Total over 3 years	%
Prog1 – Brand & visitor experience	1405	13
Prog 2 - Getting Involved	1289	12
Prog 3 - Land Management & conservation	1224	11
Prog 4 - A special Place	992	9
Prog 5 – Opportunities for Recreation	1246	12
Prog 6 – Supporting sustainable Business	962	9
Prog 7 – Organisational Excellence	1753	16
Prog 8 – High Quality Effective Planning Svc	1810	17

Corporate Delivery Plans

26. As outlined in the budget analysis, our scope for efficiency saving is decreasing. We have done well over last 4 years and aim to sustain the efficiencies already implemented. We will continue to share services with Loch Lomond and The Trossachs NPA.
27. There may be some opportunities to look afresh at some Board operations e.g. frequency of board meetings; delegating call-in; putting Planning Committee and formal board business on the same day; making more use of Video Conferencing. These are not proposed at this juncture, as they require deeper consideration, but are just flagged up for possible consideration in the future.
28. On staff operations, we are conscious that as we take on more, our staff capacity has become severely stretched. This has been particularly marked over the last year, as

the consequences of the severance scheme 18 months ago have started to bite. In drawing up this Corporate Plan, we have assessed staff input alongside cash requirements, and conclude that what is presented in this Plan is broadly compatible with the staff levels we have available (bearing in mind such calculations can never be precise).

29. Our recent internal reorganisation has formalised 8 programme manager posts. These will be tasked with ensuring more effective joined up delivery of the operational plan, seeking the synergies that arise from seeing the opportunities to deliver several objectives through one project (e.g. skills and path restoration; development management and the other imperatives of conservation and visitor management). These posts will take collective responsibility for delivery of the operational plan and associated financial management.

Youth Employment

30. We also propose that the CNPA should give its own particular lead on youth employment in the National Park. We propose a Modern Apprenticeship on the administration/ corporate services side. We also propose at least one (initially as a trial) “internship” for a young graduate living in the Park and trying to find a job. The aim would be to provide high quality work experience, probably as a researcher providing support to various streams of work in intelligence gathering and interpretation, but under the direction and mentoring of a member of Management Team. The post(s) would not attract a salary in the usual sense, but would attract payment to at least cover costs.

Performance Monitoring

31. The information paper on delivery of our last Corporate Plan illustrates the use of a small number of Key Performance Indicators that have enabled both NPAs to demonstrate our contribution to the Scottish Government performance framework over period of time. We will review these against the new Corporate Plan to see if these remain relevant and robust – clearly there is merit in continuing to use them in order to develop a significant time-series of data.
32. To complement the quantitative KPIs, we see a continuing benefit in qualitative reporting against milestones for the various lines of work, and against the outcomes for the 8 programmes. As in the past, we envisage reporting 2 or 3 times a year to the Board and Finance Committee

Visibility/Identity

33. The very nature of our role of developing partnerships, coordinating the actions of others, and building capacity in private and voluntary sectors, means that our role is often not understood or appreciated. We are rightly more concerned with the promotion of the National Park and its interests than of the Park Authority; we can therefore tend to become somewhat “invisible”. But it is hard to argue that it is in the public interest to alter this approach which achieves much with relatively little resource. Members of staff and Board consequently need to work particularly hard to get the message across.

Implications

Financial Implications

34. This corporate plan has been prepared so that it can be delivered within the grant-in-aid funding allocations from the Scottish Government for the next three years. The Finance Committee have considered the budget for the Corporate Plan. A detailed operational plan for 2012/13 will be prepared for approval in July which sets out specific budget allocations for the first year of the Corporate Plan.

Presentational Implications

35. This plan has been prepared primarily for Scottish Ministers and the Scottish Parliament, our partners involved in delivering the National Park Plan and our staff and Board members. While it is not written for the public, it is a publicly available document.
36. It is important therefore to be clear how we explain what we do and what we are trying to achieve, and that we can do this for particular audiences and interests:
- a) **What are we good at?**
 - i. Building partnerships that bring people and organisations together, and lever in funding;
 - ii. Making sure that all 4 aims of the National Park are delivered together (the essence of sustainability)
 - iii. Helping others who live and work in the National Park to take ownership of it and their future in it.
 - b) **How do we explain to various groups of people about how this Corporate Plan will make a difference?**

Businesses:

- a) Greater awareness of the National Park leading to more visitor spend and a sense that the “special-ness” of the Park can help to boost the local economy,
- b) Improved Broadband connectivity – essential to business – in remote areas with currently poor coverage
- c) Help with long term viability, through advice on adapting to Low Carbon economy.
- d) Long –term planning to make sure key visitor destination in the Park is able to absorb growth in visitors, and ensure they have a good experience, while looking after sensitive environment.

Young People

- a) Opportunities for young people to get involved in a way that leads to better employment prospects;
- b) Specific focus on skills and training for young people.

Residents

- a) Unique opportunities, because of being in the Park, of communities getting help to help themselves develop capacity to become free-standing/self supporting.
- b) Regeneration project in one of the communities most in need of a boost,

- c) Communities which understand the planning system and can play their full part.
- d) A planning service which helps to deliver housing and businesses, while keeping this an attractive and distinctive place.

Visitors:

- a) Volunteering opportunities, so we have a Park that people can contribute to, is well cared for, and a source of pride.
- b) Opportunity to give something back (through payback scheme)
- c) Good information about the National Park, before you get here and once you arrive
- d) Excellent network of paths – a great place to walk and cycle.

Land Managers:

- a) Training and advice for land based businesses.
- b) Effective ways of making sure access rights and responsibilities are understood, and applied fairly
- c) Continuing support for Cairngorms Deer Advisory Group (CDAG).

Public Sector Delivery Partners:

- a) Very effective partnerships in place for delivering SG outcomes efficiently, and with good leverage of outside funds.
- b) Some of the best community capacity building and engagement arrangements in Scotland

Key Decision Makers

- a) Very efficient and effective organisation. Shared service arrangements with LL&TT NPA; good quantitative systems to monitor how well we deliver.
- b) Provide corporate support services to voluntary sector.

Implications for Stakeholders

37. The Corporate Plan will demonstrate to all our stakeholders how the Park Authority will make a contribution towards delivering the National Park Plan and how the Park, through our collective delivery of the National Park Plan, will make a contribution to the Scottish Government's National Performance Framework.

Next Steps

38. Subject to the Board's approval, the Corporate Plan will be submitted to Ministers and published for distribution to our stakeholders and interested parties by June 2008.

Options

39. There is no slack" in this proposed Corporate Plan and budget. It provides for work across a broad range of fronts, with our resources fairly evenly spread across the 8 programmes, albeit with slightly more allocated to programmes 7 and 8 (Delivering a High Quality Effective Planning Service, and Delivering Organisational Excellence). To devote more resource to any programme would require this to be found from elsewhere in the Plan. It is the role of the Board to consider whether the Plan as presented strikes the right balance. In preparing it, Management Team have considered alternatives, and are able to discuss at the Board meeting the consequences for delivery of reducing funds in any of the programmes.

40. In practice, of course, there is overlap between the programmes, which tend to be mutually reinforcing, and it is important to remember that in many cases a line of work in one area can simultaneously deliver in another – as in the example of the money devoted to the Mountain Heritage project to deliver path repairs, which also provides skills training and the delivery of 8 qualified apprentices. One of the hallmarks of the approach of the CNPA is to constantly seek these synergies in projects. It follows that in drawing up 8 programmes to give clarity and focus to our work, it has to be remembered that there will always be overlap.

Management Team

26 April 2012