

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

**THE CAIRNGORMS NATIONAL PARK AUTHORITY
held at Lonach Hall, Strathdon
on 12 March 2004**

Present:

Eleanor Mackintosh
Gregor Rimmell
David Selfridge
Joyce Simpson

In Attendance:

Jane Hope, Interim Chief Executive
Andy Rinning, Head of Corporate Services
Dicken Higgins

Apologies:

Andrew Thin

Minutes of Meeting of 7 November 2003

1. The minutes of the previous meeting were approved. Amendments were made to record Gregor Rimmel and Joyce Simpson under apologies and the figure for the anticipated outturn to read £1.99m. On Action Point 8, Jane Hope reported that the statement of accounts in the Annual Report and papers to the Finance Committee detailing the budget would show a figure for member's allowances. This would provide transparency and enable the costs to be clearly set in the public domain.

Quarterly Finance Update (Paper 1)

2. The Head of Corporate Services introduced the paper which provided the Committee with an overview of the expected outturn for the financial year 2003-04. Final outturn is expected to be £1.998 million, compared to the original budget of £2.006 million approved by the Board in May 2003 and a final allocation of £2 million approved by Scottish Ministers. Spend over the year had been principally directed towards staff salaries, recruitment, corporate ID, website and new computer and telephone systems.

The cost of refurbishment of accommodation at Grantown and Ballater had exceeded the original estimated figure. Recruitment costs had increased significantly above the estimated cost due to higher than expected advertising costs. Savings had been made on the delivery of both corporate ID and website. Programme expenditure of £282K had been included in the original budget but a figure of £159K was considered to be a more realistic outturn. It is anticipated that the current provision of £1.99 will be fully spent. In discussion the following points were made:

- a) In response to a question about allowances for members, the table in the Appendix to the Paper 1 included a line for members salaries and a separate line for members allowances.
- b) In response to a question on Departmental Expenditure Limits (DEL) it was explained this represented the total funds available within the Scottish Executive for allocation within the financial year. The allocation to National Parks was one line in the overall total budget at the disposal of the Scottish Executive. The amount of money allocated in any financial year was based on the proposals contained in the Corporate Plan.
- c) In response to a question on programme expenditure and whether the Park Authority was able to carry forward any underspend to the next financial year, it was explained there was a mechanism in place for end year flexibility and carry forward if that proved necessary. It was considered unlikely that the Park Authority would be seeking to carry forward any funds to the next financial year.
- d) In response to a question about approval to adjust spend between different heads of expenditure, it was explained that the Park Authority had freedom to make such adjustments as it considered appropriate across all expenditure heads within its total allocation of funds.

3. The paper was noted.

CNPA Pension Arrangements (Paper 2)

4. The Head of Corporate Services introduced the paper which provided members with an overview of the pension arrangements negotiated for the Park Authority staff. The provisions of the National Parks Act requires the Park Authority to make provision for pensions in respect of its staff. A number of options were considered and it was concluded that an approach be made to the Cabinet Office for inclusion in the Principle Civil Service Pension Scheme (PCSPS). This appeared to be the most appropriate scheme given the Park Authority received all of its funding from the public monies. The PCSPS is a final salary scheme and pensions are funded by the contributions of existing members. Cabinet Office have confirmed that they are prepared to accept the Cairngorms National Park Authority into the PCSPS and arrangements will be made to include CNPA into Schedule 1 of the Superannuation Act.

- a) In response to a question about contributions, it was explained that CNPA staff will contribute 3.5% of their salary towards their pension and the Park Authority would be required to pay from 12% to 20.5%, depending on the salary levels of staff.
- b) In response to a question on transfer of existing pension rights, it was explained that staff will have the option to request transfer of existing pension rights to the PCSPS if they so wish to adopt that option.

5. The Finance Committee were content to adopt the PCSPS as the pension arrangements for the Park Authority staff.

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6. Members were advised that a paper on delegated limits was being prepared and would be presented at the Board meeting in May.
7. Members of the Committee requested that minutes of the Audit Committee be circulated for information.

Dates of Future Meetings

8. It was proposed that future meetings of the Finance Committee be set to allow for reporting of quarterly budget monitoring. It was agreed that the Committee would meet on 21st May, 27th August and 26th November during 2004.