
CAIRNGORMS NATIONAL PARK AUTHORITY

FOR DISCUSSION

Title: CAIRNGORMS FUND

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Purpose

This paper presents a follow up discussion on the potential development of a charitable entity to receive and distribute financial donations to the benefit of projects within the National Park and delivery of the National Park Partnership Plan (NPPP).

Strategic Context

1. The proposal of a “Cairngorms Fund” was last considered by the Board at its meeting in December 2013. Members may wish to refer to the previous paper, at: <http://cairngorms.co.uk/resource/docs/boardpapers/13122013/CNPA.Paper.6034.Board.Paper.3.Cairngo.pdf>
2. At that time, members agreed that further development of the proposal should be deferred pending their consideration of the wider governance issues implicit in the evolving model of the Authority operating through a range of community and charity delivery partners.
3. The Board held its strategic governance review session on 14 March 2014.
4. As the establishment of a “Cairngorms Fund” is not in itself a NPPP or Corporate Plan priority, no further work has been prioritised on this project until this point in time. With the review of the Authority’s third party delivery arrangements now undertaken, and having developed a sense of the legal issues arising through such arms length operations, it now seems timely to revisit the potential development of some form of organisational entity able to receive and distribute voluntary donations and / or revenues which may be generated through any form of “payback” or voluntary contribution schemes.

5. The potential to integrate the activities envisaged for a charitable fund or trust mechanism in the Cairngorms with the activities of the LEADER LAG was an option highlighted in the paper to the Board in December 2013. The ongoing development of the arrangements around the new Cairngorms LEADER programme, considered elsewhere on the agenda for this Board meeting, makes this a particularly suitable point at which to revisit the idea of developing a mechanism for effective stewardship of voluntary donations. There is a strong potential that the LEADER Local Action Group's will set up an incorporated body as a facet of improved management and governance of the Cairngorms Local Development Strategy and LEADER programme delivery. Therefore, there is an opportunity for the Board at this stage to consider the potential to explore the development of an incorporated entity established to suit LEADER purposes also undertaking the role envisaged for a Cairngorms Fund, and hence avoid some expansion in the number of entities taking a role in delivery within the NPPP.

Recommendations

6. The Board are asked to consider the merit of seeking the Cairngorms Local Action Group's incorporated body to widen its potential remit and take on the roles required to effectively and transparently administer the receipt and disbursement of voluntary contributions and financial donations, and effectively to subsume the responsibilities that had previously been considered to be delivered by a Cairngorms Fund or Trust.

Strategic Policy Considerations

7. Previous Board discussions on the subject of developing a Cairngorms Fund or Trust have been generally supportive of the idea and of the contribution that could be made by such an entity to sustainable delivery of the NPPP. Members' concerns in this regard have tended to be over the potential set up and running costs of such an entity, the addition to the increasing number of organisations and entities that the Board supports or sponsors in some way in delivering the NPPP priorities, and the need to ensure that the Memorandum and Articles of Association of such an entity were carefully considered and fit for purpose.
8. The evolution of the Cairngorms LEADER Local Action Group (CLAG) to deliver the new LEADER programme in 2014 to 2020 and likelihood of the CLAG itself establishing an incorporated entity to enhance governance and programme operations affords the Authority the opportunity to combine and integrate its support for the CLAG with its general desire to have an effective mechanism in place for stewardship of any voluntary contributions and donations made toward

delivering NPPP priorities. Requesting the CLAG to incorporate this strand of activity within its operations would avoid additional organisational entities being established, be more efficient in terms of total set up and running costs, and would seem to afford a logical step for both the CLAG and CNPA in combining varying strands of potential project funding together.

9. The views of the initial members on this potential development have been canvassed on the basis of this option identified in the December 2013 Board paper at the first meeting of the new CLAG on 31 July. CLAG members were generally positive about this potential broadening of the role of the CLAG's incorporated body and of the fit of this development with their wider work in determining appropriate project funding within set fund eligibility parameters.

Strategic Risk Management

10. Seeking new means to provide for funding directed toward NPPP priorities helps mitigate strategic risk #1 – insufficient funding.
11. Combining the development work underpinning the establishment of a Cairngorms Fund with the development work already underway to underpin establishment and delivery of the 2014-2020 LEADER programme also helps to mitigate strategic risk #2 – insufficient staff capacity to deliver on expectations.

Implications

12. Generally, the proposal to integrate development of a mechanism and entity which could effectively and transparently handle financial donations and voluntary contributions made toward delivering NPPP priorities has positive resource implications. Much of the developmental work could be taken on by the LEADER Administration team as an element of their work required to establish the CLAG as an incorporated entity. Support from CNPA would be required on the LEADER project, which moves toward achievement of an NPPP and Corporate priority, and the integration of the Cairngorms Fund development within the scope of the LEADER project therefore avoids adding further cost and time which would be incurred were an entity separate to the CLAG established.
13. Presentational and reputational gains may also be realised through the set up and running of a fund through a CLAG sponsored body. Communities over the past years have developed an awareness of LEADER and the CLAG as a grouping which is independent of the Authority. Combining development of a Fund with an existing grant awarding mechanism such as LEADER could assist in making clear from an

early stage that the receipt and management of any donations to the Fund is independent of the CNPA.

Success Measures

14. Success of a Cairngorms Fund will initially be measured on the basis of the level of contributions made to it.
15. Complementary success measures are the total number of projects which are initiated as a consequence of the availability of funding from the Fund and also the gross investment made in the Cairngorms NP as a result of the Fund acting as a source of match funding to attract other inward investment to the National Park.

Supporting Information

Supporting information is set out in the earlier Board papers on this subject:

<http://cairngorms.co.uk/resource/docs/boardpapers/13122013/CNPA.Paper.6034.Board.Paper.3.Cairngo.pdf> (December 2013)

<http://cairngorms.co.uk/resource/docs/boardpapers/31082012/CNPA.Paper.5222.Board.Paper.5.Common..pdf> (August 2012)

The background to the development of the 2014-2020 LEADER programme linked to the proposals set out in this paper is also set out in a paper for consideration elsewhere on this current Board meeting agenda.

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September 2014

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