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## CAIRNGORMS NATIONAL PARK AUTHORITY FINANCE & DELIVERY COMMITTEE

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### FOR INFORMATION

**Title: DELIVERING FINANCIAL EFFICIENCIES**

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#### **Purpose**

This paper sets out the Authority's delivery against financial efficiency targets set by Scottish Government as a part of the Government's annual budget processes.

#### **Recommendations**

**The Finance & Delivery Committee is requested to:**

- a) **Note the position on the Authority's delivery of efficiency savings in line with Scottish Government targets from 2016/17 to 2018/19;**
- b) **Note that some efficiency savings have been identified toward the 2018/19 target, and that work will continue to secure the additional efficiencies required to realise the target prior to the end of the financial year.**

#### **Background**

1. The Scottish Government has included an efficiency savings target as part of budget processes for several years. The most recent efficiency savings target levels has been set at 3% for financial years 2016/17 and 2017/18 and this is retained for 2018/19. The efficiency target is set as a percentage of annual grant in aid.
2. The purpose of the efficiency savings target is to release cash through taking efficiency measures which can be retained by organisations for reinvestment. As an efficiency measure, the impact of the cash release measures must not have an adverse impact on service delivery and allow organisations to maintain service outputs and outcomes.

#### **Update on Financial Efficiency Delivery**

3. An update on the Authority's delivery of financial efficiencies against target in 2016/17 and 2017/18 to date is set out in Table One. Details are also provided of cash-releasing efficiencies identified to date to impact in 2018/19 and which will therefore contribute to achievement of the efficiencies target for the current financial year.
4. In considering the summary position set out in Table One, members are requested to note that only relatively significant changes made in resource management in establishing efficiencies have been recorded, in order to minimise levels of

administration and resource consumed by this process. The figures presented are therefore relatively prudent, with the likelihood that additional efficiencies have been secured through other, smaller value adaptations made.

Table One: Summary of Efficiency Savings Achieved Against Target

	2016/17 (£000)	2017/18 (£000)	2018/19 Est (£000)
Grant in Aid	4,335	4,315	4,564
<b>Efficiency Savings Target at 3%</b>	<b>130</b>	<b>129</b>	<b>137</b>
Removal of posts from structure	60	87	-
Re-grading / refocus of posts following vacancy and prior to recruitment	-	11	8
Staff uptake of HR Policies (e.g. flexible working and added leave requests)	-	11	33
Board fees	-	5	10
Income generation	-	-	10
Management of staff vacancies: temporary non-replacement	94	25	46
IT Infrastructure	-	7	20
<b>Total Efficiencies</b>	<b>154</b>	<b>146</b>	<b>127</b>
Excess (Shortfall) in efficiency savings	24	17	(10)
Cumulative Excess (Shortfall) in efficiency savings		41	31

5. As illustrated, the Authority has met efficiency targets in 2016/17 through management of staffing, either through managing vacancies delivering an outturn £94k lower than the pay remit level approved with Scottish Government or through completely removing posts from the structure.
6. The target has also been met for 2017/18 through a variety of measures, again based primarily on staff management.
7. For 2018/19, we estimate some £127k of the required £137k efficiency savings target has already been secured by actions taken. Actions taken are full year effects of prior year efficiency measures, vacancy management and some income generation through the authority's commencement of provision of services to the Scottish Land Commission without increasing our associated cost base. We have also planned for some savings in vacancy management, while unplanned delays in recruitment of planning staff have also led to further vacancy savings. Management also recognise these recruitment delays have also added workload pressures into that team and will manage those pressures pending resolution of recruitment activities.

8. We will continue to monitor all areas of expenditure and seek to secure efficiency savings whenever opportunities arise. We also expect to continue to budget on the basis of securing around 1.5% to 2% in vacancy management over the course of the coming year, which could return between £45k and £60k in operational savings.

**David Cameron, 26 September 2018**  
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