

DRAFT MINUTES OF THE FINANCE AND DELIVERY COMMITTEE MEETING of

THE CAIRNGORMS NATIONAL PARK AUTHORITY

**held via Lifesize Video Conferencing,
on 26 February 2021 at 2pm**

PRESENT

William Munro (Chair)

John Kirk

Ian McLaren (Vice-Chair)

Anne Rae Macdonald

Eleanor Mackintosh

Xander McDade

In Attendance:

Grant Moir, CEO

David Cameron, Director of Corporate Services

Daniel Ralph, Finance Manager

Apologies: None

Welcome and Apologies

1. Everyone was welcomed to the meeting.

Declarations of Interest

2. There were no declarations of interest.

Minutes of Last Meeting – Approval

3. The draft Minutes of the meetings on 13 November 2020 were approved with no amendments.
4. The minute of the confidential meeting of 13 November 2020 relating to the development of the Cairngorms Peatland Programme was approved with no amendments.

Matters Arising

5. The Chair provided an update on the Action Points from the previous meeting including:

From November 2020

- a) **At Para 5i) – Closed** – Director of Corporate Service had circulated pay structure information.
- b) **At Para 14i) – Closed** - CEO circulated information after the Crown Estate meeting.
- c) **At Para 17i) – Open** - Lessons learned from TGLP project when available, to be brought to the Finance & Delivery Committee in a confidential session.
- d) **At Para 6a) – Closed** - large scale multi funded projects were brought to the Board at their informal session on 22nd January 2021.
- e) Board Members Induction on ongoing projects – **Open** – being considered.

From February 2021

- f) Finance training – **Open** – To be implemented following completion of work on Board development conversations.

6. **Action: As noted in updates.**

Declaration of Interests

7. There were no interests declared.

Finance Monitoring: 10 Months to 31 January 2021 (Paper I)

8. Daniel Ralph, Finance Manager, introduced Paper I which presents a summary overview of income and expenditure for the 10 months to 31 January, 2021. The key budget figure for staffing remains broadly in line with budget expectations, while there was some ongoing lag of expenditure against budget for operational plan and project investments. This position is relatively normal at this stage of the financial year, although somewhat exacerbated in the current year as a consequence of COVID19 delivery delays. Overall, the projected outturn remained very much on target, with current projections showing a small excess of income over expenditure of £22,000, equivalent to 0.32% of total income under management in the year.
9. The Finance & Delivery Committee discussed the paper and made the following comments and observations:

- a) Members welcomed the forecast outturn position and congratulated management for their oversight of the financial and resource deployment over an extremely challenging year.
- b) Members referenced the project costs highlighted in the Annex to the paper and the impact of these costs on the overall position. Officers explained that offsetting income for these project costs is set out in the income section of the paper, with that presentation allowing a more transparent summary comparison of the overall financial impact of significant projects and programmes on the Authority's financial position.

10. **Following a detailed discussion of the current monitoring position and outturn estimates, the Finance & Delivery Committee noted the outturn for the 10 months to 31 January, 2021.**

11. **Action: None.**

2021/22 Budget Development (Paper 2)

- 12. The Chair in introducing this agenda item highlighted in particular the element of the paper headed Strategic Considerations which set out the role of the Committee at this stage of the budget development process around development of Board strategy, scrutiny of planning and assurance. The Chair highlighted to members he felt this set out very succinctly the areas around which members should seek to focus their consideration of the budget development prior to consideration of the fuller budget proposals at the full Board meeting in March.
- 13. David Cameron, Director of Corporate Services, introduced Paper 2 which set out the development of the Authority's budget for 2021/22. The Director of Corporate Services, in following up the Chair's comments on the focus for members, drew members' attention to two key assumptions on vacancy savings estimates and the potential for over-programming in developing the budget for the year ahead which had been drawn out in the paper. The Director of Corporate Services highlighted that members views on these key assumptions would be welcome in guiding the further development of budget estimates prior to submission to the Board.
- 14. The Finance & Delivery Committee discussed the paper and made the following comments and observations:
 - a) Members agreed the structure of the paper was clear and helpful in supporting consideration of the budget development and also highlighting key areas for members' scrutiny and strategic financial planning.

- b) Members agreed the proposed approach to incorporating estimated vacancy savings within the budget estimates was appropriate. While the value of vacancy savings was increased over previous budget levels, the increase in the total staffing numbers and potential for delay in recruitment and some turnover impacting budget requirement in the year was agreed as justifying the approach proposed.
- c) Members agreed that the budget proposed to the Board should not incorporate a significant level of over-programming. Members agreed that recent years had highlighted the benefit of close monitoring of budget commitment levels and the capacity for the Board and management team to work on identifying appropriate areas of budget reallocation in year was a more effective approach to resource management than to introduce over-programming at the outset of the year.
- d) Members asked whether the figures showing significant changes in operational delivery were inclusive of all staff and other associated costs. The Director of Corporate Services confirmed that these were estimated total costs of all expenditure for each programme of activity.

15. Following detailed consideration of the budget proposals and estimates, the Finance & Delivery Committee:

- a) **Agreed the budget approach to include vacancy savings as set out in the paper and not include an over-programming value.**
- b) **Agreed there were no further specific actions identified from a Board perspective which required to be incorporated into the budget estimates.**

16. Action:

- i. **Budget estimates to be developed in line with discussions for presentation to Board meeting in March.**

AOCB

17. There were no other items of business.

Date of Next Meeting

18. The next scheduled Finance and Delivery Committee meeting will take place on Friday 14 May 2021.