

CAIRNGORMS NATIONAL PARK AUTHORITY

EXPENDITURE JUSTIFICATION

1. Title

Rothiemurchus Interim Management Agreement 2007-2008
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2. Expenditure Category

Operational Plan goal	12	Code	8120701	Project	
Public benefits produced by land managers (goal description)				Grant	✓
Core or Project spend		Code		Consultancy	

Is this spend to be funded from an existing budget line, existing line with additional funds or is it a totally new spend?	£ 20,000	Existing budget	✓
	£ 30,000 *	Additional budget	✓
	£	New budget	

* this amount has already been paid from the 2006-07 Operational Plan budget

3. Description

- Brief overview of project/activity
- Specific elements for which support is sought (if not whole project/activity)

<p>Rothiemurchus estate extends to almost 10,000 hectares and lies at the entrance to the very popular Glen More part of the Park in Badenoch and Strathspey. It is an exceptional estate with the whole area lying within the National Park and the Cairngorms National Scenic Area. Furthermore, 90% of its area is designated specifically for its very high nature conservation interest as Site of Special Scientific Interest, with much of that falling within the Cairngorms Special Protection Area and Special Area of Conservation. This high quality environment and its accessible location has encouraged a heavy demand by up to 300,000 visitors per annum. These include walkers, climbers, cross country and ski mountaineers, horse riders, cyclists, family and educational groups, military, land managers and international delegations. The need to safeguard and enhance the natural and cultural heritage interests of the Estate, manage visitor pressure and make best use of the opportunity to foster enjoyment and understanding of the environment has led to 2 main initiatives.</p>
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In March 1998 SNH and the Estate entered into a 30 year Management Agreement. This provided a vehicle by which SNH was able to deliver its discretionary financial support to the Estate for a range of visitor management and biodiversity related services. In addition, habitat and various access projects have also been funded through Forestry Commission Scotland grants, and through agri-environment grants. The two latter funding sources are currently in abeyance as regards new schemes, pending the launch of tier three Land Management Contracts under the Scottish Rural Development Programme. Highlands and Islands Enterprise has also contributed to various capital and business development initiatives. A review of the SNH grant by SNH Main Board in 2002 concluded that, pending the establishment of the CNPA, SNH should continue to support the Estate in the delivery of various public benefits, but in doing so, staff should be more stringent in securing value for money; improve the Estate's capacity to deliver the programme; ensure a better balance between public and private objectives and secure a better acknowledgement of SNH support. The support has been very much based on quantifying and quality controlling inputs and outputs. The agreement has been capped at about £150,000 per annum, with £30,000 of that being for transactional costs of managing and monitoring the agreement. The latest work programme came to an end on 28 February 2007.

The second initiative was the establishment of the Rothiemurchus Concordat and associated Steering Group. This was established on 17 January 2000. The Concordat articulates a shared vision for the long term management of the natural and cultural heritage, forestry, recreation and community interests of the Estate within the context of an economically viable estate business. The Steering group includes all key public sector bodies with an interest in the Estate and the public benefits it provides. It includes the Estate, CNPA, SNH, the Scottish Executive, FCS, Highland Council, Inverness and East Highland Local Enterprise Company, Historic Scotland and Communities Scotland. The chair of the Concordat was initially held by the Scottish Executive, but has transferred to CNPA. It meets annually to review and co-ordinate public support to the estate. Over the last 2 years SNH has intimated that with effect from 1 March 2007, there should be an expectation of a significantly reduced level of funding from them, if any at all.

The Group recently commissioned a report into the public benefits supplied by Rothiemurchus and the support mechanisms that might be needed to support them. This reported in October 2006. Key findings were that public support to date has been fragmented and opaque, has carried a high transactional cost and has been focussed too much on inputs and outputs as opposed to outcomes. In response, the Group has agreed in principle that it should endeavour to develop an integrated public sector support mechanism based on outcomes and key performance indicators as a means of determining achievement. It has also been agreed that this process should be led and managed on behalf of all interests by the CNPA.

Over the last 6 months, CNPA in collaboration with SNH, have been in negotiation with the Estate to come to an interim agreement for one year (1 March 2007 until 28 February 2008) as a preliminary to negotiating a longer term agreement for future years. The interim agreement is in recognition that, with FCS and SEERAD grants being in abeyance at present, there are really only two bodies available to give support for a reduced programme this year. It was thus decided that we should concentrate on setting a sound foundation in place for the future, based on the principle of identifying outcomes and key performance indicators, and that these should concentrate on maintaining and enhancing ongoing services through revenue type support, rather than looking at capital projects (which could be added if they materialise in the course of the year). The foundation is thus to be laid in this year by CNPA and SNH, with anticipation of a more comprehensive programme and a greater range of funders in the coming years.

4. Rationale and Strategic Fit

- Objectives/intended beneficiaries
- Evidence of need and demand
- Fit with National Park Plan/Corporate Plan/other relevant strategies
- Linkages to other activities/projects

The objective for the interim year is to work with the Estate to continue to provide a range of public benefits that have previously been supplied by earlier agreements, but also use the interim year to plan for further, enhanced public benefits to be delivered by a more comprehensive agreement for future years. The establishment of the Concordat Steering Group, and the agreement with the Estate is in recognition of the need to manage the high public pressure arising from 300,000 visitors per year on the natural and cultural heritage, but also to realise the opportunities to enhance their understanding and enjoyment.

The project is in accord with various parts of the National park Plan, and Priorities for Action:

Integrating Public Support for Land Management, 1b, "Move towards public support for land management that is based on specific outcomes and the delivery of high quality public benefits appropriate to the land through simplifying current mechanisms for example through a single contract that draws together a range of objectives and funding sources". The interim year is a significant step in achieving this for an important part of the National park.

The outputs identified in section 8 also fall within the following priorities for action:
Conserving and Enhancing Biodiversity and Landscapes; Providing High Quality Opportunities for Outdoor Access ; Making Tourism and Business more Sustainable; and Raising Awareness and Understanding.

In future years it is anticipated that the agreement will also be able to support forestry, farm and upland management for biodiversity, economy and public enjoyment. Plans for biodiversity and habitat management and an Interpretation Strategy developed in the interim year will help to focus an essential part of the programme for future years. Capital projects will also be identified as necessary with funding coming from a wider range of partners for a wider range of outputs. It is anticipated that the agreement will provide a single, coordinated source of public funding, managed by CNPA but agreed by the Concordat Steering Group.

5. Option Analysis

- Are there other ways in which the above objectives could be achieved?
- If so, why is this the preferred option?

The Rothiemurchus Concordat has been established to streamline and co-ordinate the public funding offered to the Estate in return for an agreed and co-ordinated package of defined public benefits. The CNPA has taken on the lead for the development of the co-ordinated agreement, with the interim year being a significant step in laying the foundation for the future. In view of the abeyance of other funding sources awaiting the advent of Land Management Contracts (tier 3), SNH and CNPA are at present the only bodies able to offer grant toward the continuation of public benefits for the ongoing visitor use and enjoyment of the estate.

6. Risk Assessment

- Are there risks to the CNPA in funding this project/activity?
- Are there risks in the project/activity not being delivered to required timescale/quality?
- Comment on the likelihood of such risks occurring, their potential impact, and (where appropriate) any action that would be taken to mitigate the risks.

The outcomes and key performance indicators will be monitored and assessed to ensure that the public benefits are delivered to the required standard. The terms and conditions of the agreement will ensure that if any services are not delivered to mutual satisfaction, payment will be withheld pro rata.

7. Costs and Funding

- Detail the financial costs of the project/activity
- Detail the sources of funding
- Detail any non-monetary costs to the CNPA (such as Member or staff input)

The package of outputs has been assessed in the light of the estimated costs for their delivery. The overall cost of the package is based on this estimate. It is not, however, intended to monitor inputs as per previous SNH agreements as this is too costly and does not foster a true partnership with the Estate. Instead the key performance indicators will be monitored as appropriate to ensure that the outcomes are on track for delivery (recognising that many outcomes are long term).

The complete package of benefits listed in section 8 will cost £125,000. This cost will be shared between CNPA and SNH. Internal SNH processes are underway to approve their contribution of £75k. Approval for a total CNPA contribution of £50,000 is being sought in this EJJF.

Of the CNPA contribution of £50,000, £30,000 has already been paid to the Estate as an interim payment out of the 2006-07 operational plan budget. This recognised the financial pressure on the Estate of not having an agreement in place to commence on 1 March, while still delivering services for the public benefit. The interim payment was also on the basis that discussions were at an advanced stage and many of the outputs were already being identified which would clearly exceed this value. The payment sought for this financial year is, therefore, £20,000.

8. Deliverables/ Impact Assessment

- What end products/outputs will be delivered?
- How will success be measured?
- How will the project be monitored and what will be the feedback to the CNPA?

A schedule of expected outputs is included in the attached Annex. Exact details may vary but will be in accordance with the Annex.

In summary, areas covered and costs are:

	£
Biodiversity	19,000
Interpretation and Environmental Education	35,000
Visitor Infrastructure	71,000
	125,000

9. Value for Money

- In view of the costs, do the deliverables appear to offer value for money? (consider cost of comparable projects, where available).

The deliverables have been agreed through a process of rigorous assessment to ensure that the outcomes are truly priorities for public support at this time, and are value for money. This scrutiny has been undertaken by David Bale, Pete Crane and Bob Grant, with Management Team support for the principles for negotiation. It has also been undertaken by representatives of SNH who have much experience of the previous SNH agreement. There has been a clarification of the outcomes and KPIs required to ensure a service that is recognisably of high quality for the public benefit. Some proposals suggested by the Estate have not been supported at this time because of serious doubts over value for money. These include the development of a computer based information service for Inverdrue. While proposed in order to assist the efficient provision of information to visitors, the cost of £34,500 is high, and would be hard to justify outwith the context of an interpretive strategy and plan for implementation. This plan is promoted for this interim year and will provide a firm basis for planning the whole range of information and interpretive services for the Estate. This may or may not identify the proposed system as a valuable means of delivering the desired outcome, at the indicated cost.

The agreement also omits the maintenance of toilets at Inverdrue as we consider these to be primarily for shop and café customers, as they are not sign posted as public toilets. There is no evidence of market failure for their provision at this time.

The following principles have been supported by Management Team and will inform the final terms of the agreement:

1. Visitors to Rothiemurchus must have the opportunity to experience a range of non commercial and proactive services to enhance their visit that clearly exceed those provided by Estates without such an agreement.
2. The public benefits for which public contributions are made must be clearly defined, and measurable (as relevant, including quality and quantity) in terms of the outputs/outcomes to be enjoyed.
3. The public benefits must be distinguishable from the Estate's own business objectives that would be pursued without public contributions.
4. The amount of public support needs to be related to the realistic costs associated with the delivery of the defined, measurable benefits. Monitoring will, however, be based on a straight forward assessment of the outputs/outcomes, rather than detailed measurement of expected inputs.
5. Rothiemurchus must be clearly identifiable as part of the National Park, e.g. through use of the National Park brand in appropriate literature, web sites, information boards etc.
6. The ranger service, provided across various staff, must be proactive to be counted towards the public benefits, rather than just responsive/opportunistic as might be expected from any Estate member of staff in the course of their daily work.
7. The ranger service must achieve the four basic services set out in the SNH Ranger Review, so that it is seen to be in line with the national standard. These are supporting responsible access; providing a positive welcome to the countryside for the non paying visitor; caring for the resource, and promoting enjoyment and understanding of the natural and cultural heritage and its management. Rangering staff must be clearly identifiable to the visitors to the Estate e.g. wearing of the National Ranger logo.
8. Positive level of co-operation towards other partnership projects that comply with the principles of the Concordat.

In addition -

The interim Rothiemurchus agreement for 2007-08 is a trial period for a longer term agreement.

10. Exit or Continuation Arrangements (where applicable)

- If this is not a discrete, time-limited , project or piece of work, what are the exit/continuation arrangements for when CNPA support ceases?

This is expected to be an interim agreement, but a longer term agreement for future years will be negotiated with the expectation that the range of benefits, and range of public supporters will increase.

11. Additionality

- Does this work/project substitute for or duplicate work being carried out or proposed by others?
- What would be the effects of the CNPA not supporting the project? Would it proceed without CNPA support?

If CNPA did not support this project for the identified outputs, we would have a reputational risk as we would not be fulfilling our commitments to the Concordat Group. We would also undermine the partnership and the delivery of services by the Estate. The greatest risk is to established services that would be expensive to recommence should they cease for a year. The visitor pressure on the Estate will not go away, with a risk to the infrastructure and the natural and cultural heritage. This an important interim stage to a full agreement.

12. Stakeholder Support

- Have the organisations and/or communities that would have an interest in this work/project been involved, and are they supportive?

SNH has been fully involved in the process as the second and main source of funds for this year. This is a positive move by SNH who had previously indicated a possibility of no funding at all after February 2007. A report will be submitted to the Concordat Steering Group for their information with plans for taking forward negotiations for a more comprehensive agreement, with a greater range of contributing parties.

13. Recommendation

Recommendation that CNPA make a contribution of £50,000 in total value, with £30,000 already having been paid as an interim payment in 2006/07 as a gesture of good will to maintain services while the agreement was completed. This would mean a maximum payment in 2007-08 of £20,000.

Name: David Bale

Signature: _____

Date: 6/06/2007

Schedule of Expected Outputs, Key Performance Indicators and Cost

Annex 1

<i>Outputs</i>	<i>Key performance indicators</i>	£
Biodiversity		19,000
Continuation of fox and crow populations during breeding season pioneered under the LIFE project.	Report on activity undertaken, foxes and crows controlled and brood counts undertaken with assessment of breeding success. Report by October 2007.	
Biodiversity Management Framework for key habitats and species based on Cairngorms LBAP priorities/SNH Species Framework as relevant, designated site management plans and other information as relevant.	Completed Biodiversity Management Framework to agreed format and content matter by the end of the year.	
Ongoing support for water vole project, and ongoing digital records of notable natural heritage features and management.		

<i>Outputs</i>	<i>Key performance indicators</i>	£
Interpretation and Environmental Education		35,000
Maintenance of internet site providing downloadable information and guidance including free guides of the public benefits available for organised and educational groups (primary, senior and tertiary) and general visitors.	Functioning system that is available for use, monitored on a sample basis.	
Provision of free leaflets and maps.	Maps and leaflets always available at an agreed range of outlets on the Estate and elsewhere.	
Provision of readily available, and good quality face to face advice and information to passing visitors based at Inverdrue Visitor Centre.	Service provision always available, monitored on a sample basis.	
Completion of an interpretive strategy and implementation plan, building on existing SNH draft, bringing it up to date with respect to legislative context (National Park, any new nature conservation designations, Scottish Outdoor Access Code) and new, effective means of delivery. Identifying the key stories that can be told well at Rothiemurchus, the key audiences, and the appropriate delivery mechanisms. Must also take account of the strategies for Glenmore and Cairngorm Mountain.	Strategy and plan completed by the end of the year.	
10 free guided walks to Park based educational establishments, free camping for boys brigade, and a community LBAP project and John Muir Trust activity.	Report on the delivery of the guided walks, their subject matter, who to and when, and on the camping, biodiversity project and JMT initiative.	

<i>Outputs</i>	<i>Key performance indicators</i>	£
Visitor Infrastructure		71,000
Face to face provision interpretation of the Estate's biodiversity and cultural heritage its place in the National Park, and value of its nature conservation designations and National Scenic Area, as well as direct assistance with orientation and advice on responsible access in accordance with SOAC. Based at Loch an Eilein, support to staff at Inverdrue for specialist queries, and out on site.	Report on rangers services provided, and on-site monitoring on a sample basis.	
Provision of daily/regularly updated notice board information on weather forecasts, times of walks, fire risks, what may be seen, seasonal SOAC information (eg dogs on leads in bird breeding season).	Notices and information boards kept up to date, monitored on a sample basis.	
Provision of public toilets at Loch an Eilein.	Provision of clean toilets at Loch an Eilein.	
Provision and maintenance of visitor signs at functional standards.	Signs maintained in condition fit for purpose.	
Regular maintenance of picnic furniture, litter bins, dog bins and Loch an Eilein and Inverdrue visitor areas.	All services provided and monitored on a sample basis	

<p>Regular path maintenance of all paths, identified on the Rothiemurchus public access leaflet, as fit for purpose, including minor repairs to potholes, clearance of cross drains, and emergency work after weather events. This work is to reduce rate of deterioration in order to protect the earlier public investment in capital works for path construction. Includes maintaining the suitability for motorised wheel chair access to the track around Loch an Eilein, and support for the off- road cycle route.</p>	<p>Paths in fit for purpose condition, with drains cleared and potholes filled. Monitored on a sample basis.</p>	
<p>Monitoring and reporting of visitor counter data.</p>	<p>Report collated and presented with interpretation as relevant.</p>	
<p>Sustainable energy plan for waste management, renewable energy use for all visitor and estate buildings.</p>	<p>Report submitted by end of year.</p>	

Visitor Infrastructure

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Provision of daily/regularly updated notice board information on weather forecasts, times of walks, fire risks, what may be seen, seasonal SOAC information (eg dogs on leads in bird breeding season). **KPI:** Notices and information boards kept up to date, monitored on a sample basis.

Provision of public toilets at Loch an Eilein. **KPI:** Provision of clean toilets at Loch an Eilein.

Provision and maintenance of visitor signs at functional standards. **KPI:** Signs maintained in condition fit for purpose.

Regular maintenance of picnic furniture, litter bins, dog bins and Loch an Eilein and Inverdrue visitor areas. **KPI:** All services provided and monitored on a sample basis

Regular path maintenance of all paths, identified on the Rothiemurchus public access leaflet, as fit for purpose, including minor repairs to potholes, clearance of cross drains, and emergency work after weather events. This work is to reduce rate of deterioration in order to protect the earlier public investment in capital works for path construction. Includes maintaining the suitability for motorised wheel chair access to the track around Loch an Eilein, and support for the off- road cycle route. **KPI:** Paths in fit for purpose condition, with drains cleared and potholes filled. Monitored on a sample basis.

Monitoring and reporting of visitor counter data. **KPI:** Report collated and presented with interpretation as relevant.

Sustainable energy plan for waste management, renewable energy use for all visitor and estate buildings. **KPI:** Report submitted by end of year.

Value £71k

Total Value = £125k

05 November 2008