

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

THE CAIRNGORMS NATIONAL PARK AUTHORITY

**Held at CNPA Offices, Grantown on Spey
On 16 August 2013**

Present:

Eleanor Mackintosh (Chair)
Duncan Bryden
David Green

Gregor Rimell
John Latham

In Attendance:

David Cameron, Corporate Services Director
Daniel Ralph, Interim Finance Manager
Bob Grant, Recreation and Access Manager

Apologies:

Grant Moir

Minutes of Previous Meetings

1. Minutes of the meeting of the 24 May 2013 were approved, noting that the approved minutes referred to in paragraph 1 were those of 15 February 2013 not 2012.

Matters Arising

2. A further update was provided on the "Common Good Fund". Work was in progress in drafting terms for proposed establishment of a Fund. It was still hoped to bring these proposals to the Board meeting in September, while officers were also trying to tie in consideration of this matter at Board with the planned informal discussion session on governance and risk considerations for the Board around operating through third party organisations. With the need to coordinate both these activities and wider work commitments, there was a possibility for this proposed development to slip to the following Board cycle.

**CNPA Capital Funding: 2013/14 Path Related Projects to be Delivered by
Cairngorms Outdoor Access Trust (Paper 1)**

3. Bob Grant presented this paper, setting out expenditure proposals for capital grant allocation to Cairngorms Outdoor Access Trust (COAT) for delivery of elements of the capital finance package of works over the course of the year. The proposed works support delivery of a series of pathwork improvements and developments

over the course of the year. All of these works are to be funded through the shovel ready allocations made available from Scottish Government for deployment in the year. This includes significant investment in developing the Speyside Way.

4. In discussion, members and officers highlighted the following points:
 - a) In developing future communications and messages about this package of works, it is important to continue to make explicit, reinforce and stress the economic rationale for the pathwork investment. The economic impact of such activities related to job protection and creation, visitor numbers and subsequent complementary investment.
 - b) Elements of the project delivery were testing the extent to which current legislation adequately provides for all necessary powers for access authorities in both making path orders and allowing appropriate levels of access to land to implement works. This matter would be maintained under detailed consideration by the Authority's officers and also those of COAT with appropriate feedback to be provided to Scottish Government.
 - c) Members discussed the importance of COAT communicating the support provided to it by the Authority, while officers confirmed this has been and would be an ongoing matter of the engagement and relationship building with COAT.

5. Following discussion, **members approved the funding package proposed.**

CNPA Capital Funding: Aviemore Countryside Park (Paper 2)

6. Bob Grant introduced this paper, which set out detail of the proposed funding offer of £80,000 to Aviemore and Cambusmore Enhancement Company (ACE) in 2013/14 to support delivery of path and bridge improvements and associated fencing, contributing toward development of the Aviemore Countryside Park. All of these works are to be funded through the shovel ready allocations made available from Scottish Government for deployment in the year. Bob highlighted that there is a generally limited network of community paths in Aviemore at the present time and the investment proposals would contribute toward improving that situation.

7. As with consideration of the previous proposal, members highlighted the need to continue to highlight the economic rationale and impact of works such as this.

8. Members discussed the leverage potential for investment to attract other funding into projects, while noting that at the present time the funding for this specific project was wholly coming from capital allocation made available to the Authority by Scottish Government. Members agreed that it remained an over-arching objective for the Authority to seek to have its available funds lever other funding investment into the National Park, while accepting the time constraints around managing and committing the resources made available.

9. Following discussion, **members approved the funding package proposed.**

2012/13 Draft Final Accounts (Paper 3)

10. Daniel Ralph introduced the draft Final Accounts for 2012/13, which were also to be considered by the Audit Committee meeting following this Finance Committee meeting. This paper now presents the draft final accounts for 2012/13 as a final statement of the Authority's financial performance in the year, and following completion of the external audit of the accounts. Daniel highlighted that all outstanding matters reported to the previous meeting of the Committee in May 2013 had now been resolved and audit work completed.
11. Daniel and David Cameron reported that while the technical and audit aspects of the accounts would be considered by the forthcoming Audit Committee, the purpose of presenting the accounts now to Finance Committee was to highlight the final audited financial performance over the course of 2012/13:
 - a) Our management of cash resources made available to the National Park Authority in 2012/13 was a net cash surplus of £0.020 million, equivalent to a surplus of 0.3% of total income.
 - b) Total "cash based" expenditure for the year is therefore £7.116 million when depreciation provision is deducted from and capital expenditure added back to the Statement of Comprehensive Net Expenditure on page 20.
 - c) Income to Finance this expenditure is in the form of total grant in aid and capital grants of £6.282 million from Scottish Government combined with other income of £0.854 million.
12. Members welcomed the report and thanked the Finance team for all their work over the course of the year in managing the finances to give an excellent result so close to the target break even position.
13. Members in discussion also highlighted that the accounts demonstrated the value to the National Park of the capital investment secured by officers over the course of the year.
14. **Members noted the final outturn position for 2012/13.**

2013/14 Income and Expenditure Monitoring (Paper 4)

15. Daniel Ralph presented an update on the current year income and expenditure monitoring, covering the first quarter of the year to 30 June 2013. Key points on the Authority's financial position were highlighted as:
 - a) Overall, the pattern is very similar to that seen in previous years within the Authority;
 - b) Expenditure on running costs are very close to expected budget figures for the first quarter, with grant in aid from Scottish Government supporting that expenditure also being drawn down on schedule;
 - c) Operational Plan expenditure is 13.4% of the annual total at the end of the first quarter. The pattern of expenditure in this part of the budget is therefore repeating a very similar profile to that seen in previous years.
 - d) For 2013/14, as in the previous year, the level of expenditure also to be committed to capital projects in addition to Operational Plan projects, once

again exacerbates the challenges and risks faced in delivering the overall expenditure plans of the Authority within budget. As at the end of the first quarter, there was relatively little actual capital expenditure on projects.

16. **The Finance Committee noted the 2013/14 financial monitoring position at the end of the first quarter.**
17. Members agreed to take the final item of business on expenditure proposals in confidential session as these were draft proposals with considerations of commercial confidentiality.

AOCB

18. There were no other matters for consideration.

Date of Next Meeting

19. Friday 8 November 2013, Beaton Craigie Room, Albert Halls, Ballater. Also noted that an additional meeting may be arranged primarily to consider further capital investment proposals [subsequently confirmed for 27 September.]