

## CAIRNGORMS NATIONAL PARK AUTHORITY

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### FOR DECISION

**Title:** 2010/11 BUDGET AND OPERATIONAL PLAN

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#### **Purpose**

To seek approval to budget figures for the 2010/11 budget and operational plan.

#### **Recommendations**

The Board is requested to:

- a) Ratify 2010/11 budget figures for Core and Operational Plan activities for 2010/11.

#### **Executive Summary**

The Finance Committee considered and endorsed the draft budget proposals for 2010/11 in some detail at its meeting on 19 February 2010.

This paper is now presented to the Board to highlight the planned use of the Authority's financial resources over the course of 2010/11, the last year of the current Corporate Plan.

The coming year represents the third year of the Corporate Plan, and the fourth year of the Authority contributing the current 5 year priorities for action within the National Park Plan.

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## 2010/11 BUDGET AND OPERATIONAL PLAN - FOR DECISION

### Background

1. The Organisation's Corporate Plan 2008-11 sets out our strategic objectives - what we aim to achieve over the 3-year period. The Operational Plan sets out the detail of how we will do that in a particular year – the activities, and associated financial allocations. The Corporate Plan, and hence the operational plan takes its structure from the approved National Park Plan's seven priorities for actions, with a further three added to account for the corporate and statutory activities.
2. This paper highlights the Authority's anticipated financial position for 2010/11 and sets within that context the proposed levels of financial investment over the ten priority areas of activity established within the Corporate Plan.
3. The coming year represents the third year of the Corporate Plan, and the fourth year of the Authority contributing the current 5 year priorities for action within the National Park Plan.

### 2010/11 Income

4. The Authority's expected income for 2010/11 comprises a resource allocation of some £4.790m from Scottish Government. This anticipated grant allocation compares with £4.546m from the Scottish Government in both 2007/08 and 2008/09, and £4.790m in 2009/10.
5. This total resource allocation figure has yet to be confirmed by Scottish Government following on from the Scottish Parliament's consideration of the national budget for 2010/11.
6. In 2010/11, we are also budgeting for estimated £0.066m income from fees and charges, primarily from the CNPA share of planning fees for applications called-in. This figure has fluctuated over the years, with the budgeted income towards the top end of the range seen in previous years.
7. Total budgeted, cash-based income for the coming year, 2008/09, is therefore £4.856m. This represents funding available to the Authority to support its activities and spending plans.
8. Many of the activities led by the Authority generate financial contributions from a wide range of partners. Currently, we anticipate £0.648m of additional funding support to be received by the Authority to support projects led by the organisation's staff. Therefore, the Authority's final accounts typically reflect a total turnover in the region of £5.5m to £5.6m, with £5.504m total income including these partner contributions budgeted for 2010/11.
9. This income focuses on activity led by the CNPA and which will be reported on in our accounts. There are also a wide range of partner led initiatives taking place in

the National Park which are not budgeted for by the Authority but which result in further investment within the National Park.

### **2010/11 Expenditure Budget: Core Budgets**

10. The Authority's "Core" expenditure budgets cover Board, staff, office and other running costs.
11. In line with Scottish Government efficiency saving requirements, the Authority is required to secure 2% efficiency savings each year. Our efficiency savings plans have been approved by Finance Committee in each of the last two years and have secured cumulative savings of £0.18m since April 2008. Each year, we have sought to focus efficiency savings in these core areas in order to protect levels of investment in the delivery of National Park priority projects and activities.
12. Once again, our goal for 2010/11 budgets has been to seek to identify efficiency savings from central, "core" areas of the organisation and hence seek to protect the sums available for investment in the Operational Plan and, through that, delivery of NPP priorities and our Corporate Plan achievements.
13. A summary of core budget estimates for 2010/11 financial year, after deduction of planned £90,000 efficiency savings, is set out in Table One.

**Table One: "Core" Budget Summary**

	<b>2009/10 Original Budget £000</b>	<b>2010/11 Budget Proposals £000</b>	<b>Change £000</b>
Board Salaries	208	182	-26
Staff Salaries	2,230	2,208	-22
Other Board and Staff Costs	253	233	-20
Office Running Costs	209	218	9
IT and other costs	131	116	-15
<b>Total</b>	<b>3,031</b>	<b>2,957</b>	<b>-74</b>

### **2010/11 Expenditure Budget: Operational Plan**

14. The Operational Plan for 2010/11 sets out the Authority's anticipated contributions to a range of activities over the course of the year.
15. Total budget allocations at the outset of the financial year for each strand of the Operational Plan are set out in detail in Annex I and summarised in Table Two.

**Table Two: Operational Plan Expenditure Forecasts 2010/11 compared with 2009/10 Revised Budget**

	<b>2009/10 £000</b>	<b>2010/11 £000</b>
Biodiversity and Landscapes	170	177
Public Support for Land Managers	190	168
Sustainable Deer Management	12	20
Opportunities for Outdoor Access	295	302
Sustainable Tourism and Business	362	309
Promoting Affordable Housing	42	36
Awareness and Understanding of the National Park	438	463
<b>Sub-total, re National Park Plan Priorities for Action</b>	<b>1,509</b>	<b>1,475</b>
Strategy and Communications	113	116
Planning and Development Management	244	280
Corporate Services	4	28
<b>Sub-total, corporate priorities</b>	<b>361</b>	<b>424</b>
<b>Total Operational Plan</b>	<b>1,870</b>	<b>1,899</b>

16. Overall, despite a static overall funding environment and managing inflationary cost pressures, the budget control activity and focus of efficiency savings across core areas of budget has allowed planned Operational Plan investment to increase by £0.029m (1.6%) for 2010/11.
17. The Promoting Affordable Housing priority for action focuses solely on expenditure progressing projects and activities on housing issues. Much of the delivery of objectives for affordable housing takes place through the local plan process, with budgets covering that area of activity included within the Planning and Development Management priority.

### Next Steps

18. Following consideration of proposals by the Board, the Finance Manager will issue the final Operational Plan and budgets for 2010/11 in order that staff may progress planning for delivery of activities over the course of the coming year.
19. Authority to progress expenditure on specific projects and activities will continue to be sought from the Finance Committee and Board as required by the approved scheme of delegation prior to expenditure being committed.
20. Finance staff will also work with colleagues to establish budget profiles for the year and determine a monitoring and review process in order that we are able to detect any slippage or alterations in expenditure intentions at as early a point in the process as possible. Budget profiles developed will be used to present future finance monitoring reports to the Finance Committee.

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**03 March 2010**  
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