

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

**THE CAIRNGORMS NATIONAL PARK AUTHORITY
held at Richmond Memorial Hall, Tomintoul
on 20th March 2009**

Present:

Eleanor Mackintosh (Chair) Mary McCafferty
David Green

In Attendance:

Jane Hope, Chief Executive
David Cameron, Head of Corporate Services
Pete Crane, Senior Visitor Services Officer
Chris Bremner, Sustainable Economy Manager
Alistair Highet, Finance Manager

Apologies

David Fallows

Welcome and Apologies

1. The Chair welcomed everyone to the meeting and noted apologies as above.

Minutes of Meeting 31 October 2008

2. The Chair noted that there had not been time to consider these minutes at the previous meeting due to time pressure and the need to concentrate on expenditure proposals presented.
3. The minutes of the meeting were agreed without amendment.
4. Members noted that officers had received assurances from Scottish Government that the issue of ranger grant transfer had been resolved and that adjustments would be made to the Authority's grant-in-aid allocation in the Autumn 2009 budget review.
5. The Chair and Committee members took this opportunity to express their great thanks to Bruce Luffman for his valuable contributions to the Committee over the past years. Members wished him well in his new career.

Minutes of Meeting 20 February 2009

6. It was noted that Alistair Hight was present at the 20 February meeting and that David Cameron had given his apologies for this meeting.
7. Other than these amendments, the minute of 20 February was agreed as a correct record.

Matters Arising

8. Pete Crane updated members on the Point of Entry Marker Project, on the basis of the information paper that had been presented to the 20 February meeting. Pete highlighted that 21 markers had been installed on non-trunk roads and 4 on trunk roads in phase 2 of the project. The Board had also agreed to delay the installation of the marker at the southern boundary pending a decision on the potential National Park boundary extension while agreeing to progress the up-grade of the Drumochter lay-by in partnership with Transport Scotland. Some complications had arisen in phase 2 with other locations and had been resolved.
9. Initial budget approval had been given to a project cost of £1m, with a subsequent revision to budget costs downward to £900k. Final expenditure was £913k and therefore total expenditure remained well within the original budget estimate for this major capital project.
10. Pete confirmed that the Authority had paid for and taken ownership of the marker for the southern boundary.
11. In discussion, Pete confirmed that maintenance liabilities on the marker sites were minimal. There was some difficulty in managing forward budgets as the implementation of the southern boundary marker could not be planned and budgeted for until timetables for boundary change were known.
12. The Committee gave their great thanks to Pete and the team for all their work on the project, in particular for delivering a very successful output and controlling expenditure so well.

Project Expenditure Proposal: Economic Baseline Review (Paper 1)

13. Chris Bremner presented his paper, which sought approval for funding to update current economic baseline information for the Park. Chris highlighted that there had been a delay in commencement of this project, not least due to difficulties in seeking partner funding support for the project. Funding of up to £10k had been secured from Highlands and Islands Enterprise, with negotiations ongoing with Scottish Enterprise. Chris commented that initial indications from Scottish Enterprise on the potential for funding support were not positive.
14. In discussion Members expressed disappointment that partners were so reluctant to fund this important work, and with the lack of local authority support in particular.

15. Chris highlighted that the brief for the work highlighted the need for the successful contractor to be aware of the proposed boundary extension. Scottish Government statistics were now available on a National Park basis.
16. In response to a suggestion that the work could be expanded to include a review and alignment of capital programme plans in the Highlands and Islands, it was noted that this would increase the costs of the project and that such work should be funded by multiple partners.
17. Members noted that the intent of this work is to develop trend data over time. Major survey work would likely be repeated every 5 years or so. Part of the current exercise was to consider how the information could be updated more regularly and without significant cost.
18. Members noted the business partnership were part of the steering group for the work.
19. **Members approved the funding of up to £30,000 towards the delivery of the 2009/10 Economic Baseline Review.**

2009/10 Budget and Operational Plan (Paper 2)

20. David Cameron introduced this paper, which sought approval to final budget figures for 2009/10 Core and Operational Plan budgets. This paper was presented to the Committee in order to allow detailed consideration of the overall balance of the Authority's budget for the coming year, together with a more detailed review of the Operational Plan, prior to consideration of the Operational Plan by the full Board later in the day.
21. David highlighted that outturn staffing costs for 2008/09 had been reduced as a result of significant staff turnover levels in the year. The change in expenditure between 2008/09 and 2009/10 was therefore artificially high, and did not represent a significant increase in establishment level, as budget for 2009/10 had been based on full establishment and low turnover. Staff levels remained well within the 53% threshold set by the Finance Committee.
22. In discussion, members noted that it was important to maintain as much flexibility within the Authority's financial management as possible, in order to ensure that emerging priorities remained funded. This had to be balanced with some underpinning base to allow officers to plan their activities.
23. Members noted the ongoing difficulties with partnership funding in particular and discussed means by which the Authority could address this. It was noted that the current practice of over-programming bud by 20% did already allow programme managers some flexibility in discussing projects with partners and allowed them to proactively respond to opportunities and funding offers.
24. Members noted that there appeared to be less challenge in securing funding where partners retained control over the relevant infrastructure, and through that

recognised some shared benefit in a joint delivery approach. There were many more difficulties in instances where an activity was seen to be the Park Authority's responsibility and the joint benefits of partnership working perhaps had to be brought out more explicitly.

- 25. The Committee endorsed the 2009/10 budget figures for Core and Operational Plan activities for use in ongoing financial management and monitoring.**

2008/09 Efficiency Savings Report and 2009/10 Initial Efficiency Savings Targets (Paper 3)

26. Alistair Hight presented this report on the projected outcome of planned efficiency savings in 2008/09 and to seek approval to initial efficiency savings plans for 2009/10.
27. Alistair highlighted that efficiency savings were expected to be delivered in total for 2008/09 although there had been some variation to the original efficiency delivery plans. Specifically, planned efficiencies in recruitment costs had not been realised, and this shortfall was expected to be more than offset by reductions in the year in training, relocation and higher than planned efficiencies in staff turnover management.
28. In discussion, Alistair confirmed that all efficiencies realised had been recirculated into service delivery through operational plan budgets.
29. Alistair outlined planned areas for efficiency savings in 2009/10, covering changes in staff costs, training, relocation, utility costs, office costs and IT support costs.
- 30. The Committee noted that projected efficiency savings for 2008/09 were expected to meet target.**
- 31. The Committee approved the planned efficiency savings plans for 2009/10.**

Finance Review – 10 Months to January 2009 (Paper 4)

32. Alistair updated members on current budget monitoring for 2008/09, on the basis of the information paper previously circulated for the February meeting. Current finance monitoring highlighted a risk of an underspend of £91k. However, Alistair and David were acting on this and a number of initiatives undertaken were expected to reduce this underspend position the end of the year.
33. Officers confirmed that they continued to target an outturn position of between 2% under- and 1% over-spent at the year end and were confident that they could realise an outturn position within this range.
- 34. The Committee noted the current finance monitoring position.**

Any Other Business

35. Prior to introducing this item David Cameron declared an interest as a Director of the Cairngorms Outdoor Access Trust (COAT). David indicated that he wished to set out a request on behalf of COAT but as he had an interest would not make a contribution to subsequent discussions.
36. David highlighted that the COAT Board had heard at a recent meeting that the Trust faced some cash-flow difficulties in March and early April. A significant amount of invoices from access infrastructure works, in the order of £110k, were due for payment, while a large amount of cash funding could not be claimed until after expenditure had actually been incurred.
37. The Authority's assistance with this position was requested. Specifically, an additional £30k in general grant funding in 2008/09 was requested to alleviate this cash flow problem. This request was made on the basis that £30k in general funding would be removed from proposed funding allocations in 2009/10.
38. **The Committee agreed the provision of an additional £30k in general grant funding for COAT in 2008/09, on the basis that an equivalent amount of funding would be deducted from 2009/10 funding allocations.**

Date of Next Meeting

39. 15 May, Community Hall, Boat of Garten.