

## CAIRNGORMS NATIONAL PARK AUTHORITY

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### FOR INFORMATION

**Title:** OPERATIONAL PLAN 2006/07, QUARTER 3

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#### **Purpose**

To present a review of progress on the 2006/07 Operational Plan over the nine months to 31 December 2006.

#### **Recommendation**

The Board is requested to note the progress made on the 2006/07 Operational Plan actions over the course of the first half of the year, and in particular that:

- a) Activity to date on 5 of the 7 priority 1 goals for 2006/07 remains broadly on track to deliver the outcomes sought by the end of 2006/07 and these, therefore, remain classed as green at this half-way stage of 2006/07. Work toward placing the Local Plan on deposit by June 2007 and in maintaining development control caseloads at manageable levels are highlighted as amber showing some increased risk to delivery.
- b) Of the 13 priority 2 goals, all 13 are now classed as green and broadly on track to deliver the outcomes sought by the end of 2006/07.

#### **Executive Summary**

The Operational Plan sets out a range of actions, and performance measures associated with these actions, which contribute over the course of 2006/07 to the ultimate delivery of the 20 Corporate Plan goals by the end of 2007/08. The Management Team's review of the delivery of the 2006/07 Operational Plan to date has sought to identify whether planned activities remain broadly on target in terms of timetable and delivery of intended outcomes, or whether, for any reason, there is any risk of actions not being delivered within target timescales.

The Management Team has adopted a "traffic light" system of categorising progress, with each action classed as green, amber or red depending on the level of risk attached to delivery of intended outcomes.

The monitoring process has highlighted that 2 of the 20 goals are assessed as amber - having an increased risk of non-delivery within planned timetables and/or to deliver planned outcomes. Officers will continue to seek to bring those actions back on track where possible

as we move into the final quarter of the current Operational Plan period, and beyond that into 2007/08. The review indicates that progress on the remaining 18 of 20 goals is broadly in line with intentions set out in the Operational Plan.

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## OPERATIONAL PLAN 2006/07, QUARTER 3 – FOR INFORMATION

### Background

1. The Operational Plan for 2006/07 was agreed by the Board at its meeting in April 2006. This plan stems from the Corporate Plan for 2005/06 to 2007/08, approved by the Board in February 2005, and represents the second year of delivery moving toward the outcomes sought by the Board in that Corporate Plan.
2. The Operational Plan monitoring process follows a now standard procedure which has been set out to the Board in previous quarterly update reports.
3. For 2006/07, the Operational Plan review process focuses on achievement of a key performance indicator (KPI) which has been established for each activity.
4. In reviewing the status of delivery of operational plan actions against these performance indicators, the Management Team have used a three way system of categorisation:
  - a) Green: action being delivered broadly in line with timetable and intended outcomes envisaged in operational plan.
  - b) Amber: there are some changes to the timetable and/or intended delivery plans which pose some risk to delivery of intended outcomes.
  - c) Red: changes to timetable and/or delivery plans pose a significant risk to delivery of intended outcomes.

### Results of Review Process

5. Annex 1 to this paper sets out the Operational Plan, with actions colour coded according to the above guidelines, together with a brief commentary on progress and achievements over the course of the first half of the year.
6. The review of activity over the first half of 2006/07 indicated increased concern over delivery of one of the 7 top priority goals: **adoption of a Local Plan for the Park by Spring 2007** and this was highlighted as amber in the Quarter 2 Operational Plan report to the Board in October. The Board has considered a separate report on the timetable for the Local Plan, at its meeting in August 2006 and agreed to postpone putting the draft Local Plan on deposit until June 2007. This work remains highlighted in the latest Operational Plan review as at some risk, reflecting the significant amount of work required to bring this activity to completion within the intended timetable.
7. A further priority 1 goal – delivery of an effective and efficient development control service – is also now highlighted as amber. Monitoring of this area at the end of December has drawn attention to the increase in the number of active cases called-in, which stood at 46 in comparison with a target maximum of 40 set for monitoring purposes.

8. Activity on the other 5 priority 1 goals remains broadly on track to deliver the outcomes sought by the end of 2006/07 and these, therefore, remain classed as green at this stage of 2006/07.
9. Activity on all 13 priority 2 goals is also shown to be broadly on track at the end of December 2006, reflecting good progress across a wide range of activities. More detail of progress in specific areas is provided in the commentaries included in Annex 1.
10. It is important to bear in mind the overall context of this operational plan monitoring update, as seeking to reflect progress in delivering outcomes sought in the Corporate Plan. The Operational Plan review continues to indicate that the great majority of the three-year milestones set in the Authority's Corporate Plan remain on target for completion. Additional comment on progress against these three-year milestones is included in the paper considering the proposed Operational Plan for 2007/08.

### **Balanced Scorecard Model of Organisational Performance**

11. The Management Team has completed the development of the Authority's Balanced Scorecard model. This model gives a high level overview of the organisation's performance on Financial Management, Human Resource Management, Governance and Risk Management, in addition to providing a very high level summary of its Operational Plan delivery. This is achieved through adopting a series of performance measures with which to assess the effectiveness of organisational performance over key areas.
12. The Balanced Scorecard model has been discussed with each of the Board's Committees (Finance, Staffing and Recruitment and Audit) in arriving at the measures adopted within the model. Each of these Committees is responsible for reviewing the Authority's performance in the area under its remit. The Committees themselves will continue to consider detailed monitoring information and reports on the Authority's finances, its staffing and governance. The results of this detailed monitoring is summarised in the Balanced Scorecard in order to give the Board a summary overview of performance in these areas while considering the delivery of its Corporate and Operational Plans. The balanced scorecard model will also be used to focus Management Team attention at highlighted areas of the Authority's operations.
13. Performance against the measures adopted in the balanced scorecard model is summarised in Annex 2. The model shows that, although delivery of Operational Plan activities remains well on target in terms of achieving planned outcomes, the commitment of financial resources earmarked to support these activities is behind budget. Core expenditure is below budget expectations, primarily as a result of a number of staff leaving the organisation over the course of the year. A number of vacancies arising have not been replaced while the Management Team reviews future need in light of National Park Plan delivery requirements, and in line with efforts to keep central and staff expenditure to a minimum.

14. Operational Plan expenditure is also well behind budget forecasts at December. This replicates patterns found at the equivalent stage in previous years, where experience has shown that the levels of expenditure on Operational Plan activities increases substantially in the final quarter as activities come to fruition.
15. The Balanced Scorecard model therefore highlights areas of financial management which require particular attention from Management Team at this point of the year in order to ensure financial targets are met. We expect that the level of shortfall in Operational Plan expenditure against budget will reduce significantly over the final quarter of the year. We also expect that the final outturn will return closer to budget expectations by the end of the year.
16. The Balanced Scorecard area of governance and risk management overseen by the Audit Committee is shown to be substantially in line with operational standards, with a single Freedom of Information response issued a couple of days after the due deadline causing this performance measure to be highlighted.
17. In the area of Human Resource Management, the relatively high turnover level over the last twelve month period is flagged-up. This has been considered in detail by Management Team and the Staffing and Recruitment Committee. While the level of staff turnover in the period is now just above the national average, information received at exit interviews and analysis of reasons for leaving show that there are no underlying causes for concern highlighted.

### **Next Steps**

18. The Management Team will continue to review progress on the Operational Plan for 2006/07, and will report again to the Board on the final delivery of activities in the year. We will also commence the development of the Annual Report and Accounts for 2006/07 in Spring.
19. Corporate Services officers will also continue to report regularly to the Board's Committees.
20. Having highlighted areas where delivery is at some risk, officers will continue to seek to bring those actions back on track where possible while continuing progress on the other, vast majority of areas, which are currently running to plan.

### **Implications**

#### ***Financial Implications***

21. The Board's Finance Committee will continue to consider the Authority's budget management. The Committee will meet prior to the Board meeting in February to review the financial position at the end of January and changes to outturn forecasts.

22. Corporate Services staff will continue to monitor Operational Plan expenditure especially carefully in the run up to the year end in order that we maximise the use of our resource Allocation.

***Presentational Implications***

23. The Authority continues to make good progress across a wide range of planned activities. Therefore, the Authority is able to report continued successful delivery of its Corporate Plan objectives into the second year of the three year plan, often involving working with and through others, maximising the effect of its relatively small limited resources by acting as a catalyst, a co-ordinator, and enabler.
24. We are now highlighting some potential delay in the original timetable envisaged for putting a draft Local Plan on deposit. Previous papers on this highlight that this may be a disappointment for some stakeholders, while indicating that the over-riding concern is to have a Local Plan that is thoroughly evidence based and fit for purpose.

***Implications for Stakeholders***

25. In working with and through others in meeting the Authority's objectives to date, other stakeholders will also benefit from that process of co-ordination and joined-up activity. There is, therefore, some confidence that in delivering our operational plan for the year, the Authority will also be contributing to the wider delivery objectives for a range of stakeholders with an interest in the Cairngorms National Park area.

**David Cameron**

**February 2007**

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