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# CAIRNGORMS NATIONAL PARK AUTHORITY

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## FOR DISCUSSION

**Title: REVIEW OF 2012 TO 2015 CORPORATE PLAN DELIVERY**

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### **Purpose of Paper**

This paper presents a high level overview of performance against the Authority's Corporate Plan for 2012 to 2015, considering actual performance in 2012/13, outlining key ongoing activities in 2013/14, and initiating discussion on investment priorities for 2014/15.

### **Recommendations**

The Board is invited to:

- a) Note the financial results achieved for 2012/13;
- b) Consider associated organisational performance management indicators for 2012/13;
- c) Note ongoing projects underway in 2013/14 contributing to delivery of Corporate Plan objectives;
- d) Discuss initial high level proposals for activity in 2014/15 in delivery of the final year of the current Corporate Plan and discuss members' priorities for 2014/15.

### **Executive Summary**

This paper is presented primarily to initiate discussion by the Board on members' views of delivery priorities for 2014/15 against the existing Corporate Plan. An initial summary of potential project and investment activities in 2014/15 is set out in Annex 3 to this paper to facilitate initial discussion with Board members on their thoughts for priorities for the coming year.

The paper highlights that the Authority made full use of all revenue and capital resources made available in the year, with a very small surplus of only £20k in the year from management of some £7.136 million made available. The paper also sets out a series of Key Performance Indicators demonstrating the organisation's performance in the year.

A summary of projects underway in 2013/14 is presented, with the Finance Committee maintaining responsibility for overseeing the financial consequences of these projects being delivered within budget in the current year.

## REVIEW OF 2012 TO 2015 CORPORATE PLAN DELIVERY – FOR DISCUSSION

### Introduction

1. This paper presents a brief overview of progress against the Authority's current Corporate Plan 2012 to 2015.
2. Following completion of the final accounts audit for 2012/13, the paper presents a high level summary of the pattern of resource utilisation across the 8 Corporate Plan programmes in 2012/13, the first year of the Corporate Plan. The paper also presents a selection of our organisational and delivery Key Performance Indicators (KPIs) to give an overview of organisational performance in the past year. A much more detailed review of both the highlights of the Authority's delivery in 2012/13 and the accounts for the year will be set out in the 2012/13 Annual Report and Accounts, which is due for publication at the end of September.
3. The paper goes on to present a general overview of key areas of delivery being progressed against these 8 Corporate Plan programmes in the current year, 2013/14.
4. An outline of key priorities anticipated and planned delivery for 2014/15 is also presented. In light of ongoing financial restrictions, and the expected loss of capital allocations secured for the previous three year period, this presentation of 2014/15 high level plans is presented to initiate a period of discussion with the Board over the coming 5 months prior to development of the proposed 2014/15 budget for consideration by the Board at its meeting in March 2014.

### Review of Delivery and Performance over 2012/13

#### *Financial Performance and Allocation of Staff Resources*

5. Over the course of 2012/13, we managed cash based resources of some £7.136 million and achieved a year end surplus of only £0.020 million (0.3% variance) against that total income – therefore extremely close to the target break even position for the year. All capital finances made available to the Authority in 2012/13 were used in full.
6. Our cash resources come primarily from revenue and capital grants from Scottish Government, with around £0.8 million in grant funding from other sources such as LEADER and partner project contributions, and a small amount of £0.06 million in other income, primarily from planning fees.
7. The 8 programmes set out in the agreed Corporate Plan each require varying degrees of staff time and financial investment in projects and activities to achieve target outcomes over the three year period. An analysis of the levels of staff related resource, direct cash investment in projects through the operational plan and other support costs directed to delivery against each Corporate Plan Programme in 2012/13 is set out in the following Table One. For the purposes of this analysis of expenditure, Board members' fees are apportioned across programmes in the same proportion as direct staff costs.

Table One: Segmental Analysis of Expenditure and Direct Income 2012/13

	Board and Staff £	Operational Plan £	Other Costs £	Operational Plan Income £	Other Income £	Net Expenditure £
High Quality Planning	529,274	376,604	136,076	0	-50,209	991,745
A Special Place	475,516	143,776	122,254	0	0	741,546
Land Management	333,845	284,761	85,831	-61,585	-10,000	632,852
Brand and Visitor Experience	285,082	556,534	73,294	0	0	914,910
Opportunities for Recreation	275,204	860,556	70,754	-4,408	0	1,202,106
Sustainable Business	236,934	209,143	60,915	-26,895	0	480,097
Getting Involved	131,914	1,444,217	33,915	-635,985	0	974,061
Organisational Excellence	42,104	186,198	10,825	-65,150	0	173,977
<b>Total</b>	<b>2,309,873</b>	<b>4,061,789</b>	<b>593,864</b>	<b>-794,023</b>	<b>-60,209</b>	<b>6,111,294</b>

8. In terms of organisational delivery indicators for 2012/13, the balanced scorecard model set out at Annex I to this paper summarises Key Performance Indicators (KPIs) around the Authority's performance in financial management, human resource management, governance and operational delivery. The following sections considers these KPIs by exception.

#### **Financial Management**

9. There are no exceptions to report in this area at this point in Corporate Plan delivery. As set out above, 2012/13 outturn was achieved at very close indeed to the break even target position, while income levels anticipated for 2013/14 remain in line with Corporate Plan expectations.

#### **Governance**

10. Delivery against our Freedom of Information and Environmental Information Regulation provisions in 2012/13 is the only area not fully meeting target against governance KPIs in the year. Both instances reflect staff resources being particularly stretched as a result of staff losses and also significant work being delivered to finalise 2012/13 project delivery. There do not appear to be any system failures in managing responses to information requests, with all 11 requests received since the start of this year being responded to within the 20 day target.

#### **Human Resource (HR) Management**

11. The KPIs on HR Management indicate that the levels of staff turnover faced by the organisation represent a risk area at the end of 2012/13, with turnover levels running at 11.6% at the end of the year. The Management Team is aware that further staff changes in the early part of 2013/14 together with management restructure require significant leadership in managing this and other wider aspects of organisational change.

12. One further point of risk in the year is around an isolated case of failure to recruit into a vacant post. This is, of course, an isolated incident with no current suggestion of any trend in recruitment difficulty emerging.

### **Operational Plan Delivery**

13. A relatively new set of Operational Plan KPIs have been agreed, following consideration by the Board in Autumn 2012 and discussion with Scottish Government, to act as proxy measures against which to quantify and assess progress in delivering Corporate Plan programme objectives. These KPIs are also accepted by Scottish Government as proxy measures of our contribution to relevant National Outcomes to which the Authority is aligned. A number of these KPIs reflect only baseline measures for 2012/13 and progress or change can only be measured against these in future years. The balanced scorecard model highlights those KPIs where on the whole some earlier benchmark is available against which to measure progress and there are no exceptions to report at the end of 2012/13.

### **Highlights of 2013/14 Corporate Plan Delivery**

14. Key highlights of delivery in progress within the Operational Plan and contributing to our Corporate Plan programmes in 2013/14 are set out in Annex 2 to this paper.
15. Again, as is apparent from the analysis of resource use in 2012/13 set out in table one, there are variations across programmes in the need for financial investment and staff time.
16. The Finance Committee continues to monitor delivery of the 2013/14 Operational Plan against the budgets approved for the year by the Board in March 2013.

### **Highlights of 2014/15 Operational Plan Proposals**

17. The Corporate Plan agreed by the Board in May 2012 illustrated that there was expected to be an increasing level of over-programming over the three year period. Securing additional capital funding in both 2012/13 and 2013/14 has more than overcome forecast over-programme levels in both of these areas. However, we expect these capital sums to fall out of the Authority's grant allocations for 2014/15, while revenue funding levels may decline slightly year on year.
18. As discussed at various times with the Board, investment in additional staff in priority areas of the organisation also acts to reduce somewhat the availability of resources to finance the Operational Plan.
19. Therefore, we continue to expect a difficult process of project investment prioritisation will be needed in coming to final decisions on the Operational Plan for 2014/15. Our Corporate Plan highlighted that the funding gap would be in the order of £425k and our Management Team review of initial, high level funding proposals effectively confirms this position.
20. For this reason, we have brought initial summaries of proposed key investments and activities in 2014/15 to Board at this stage in order to initiate discussion on priorities

for the coming year and hence help shape our future budget deliberations. The summary of activity proposals in 2014/15 are set out in Annex 3 to this paper.

### **Next Steps**

21. Following discussion on forward budget priorities for 2014/15, we plan to discuss the developing budget position in detail with the Finance Committee in November 2013. We will follow this with a further discussion on more detailed Operational Plan proposals with the Board at its meeting in December 2013.
22. During the October to December period we also plan to share our emerging delivery priorities with partners, in order to look to maximise opportunities to join up delivery plans and resources wherever possible and hence maximise the impact of delivery against NPPP priorities.
23. Thereafter, further development work by officers, informed by this Committee and Board discussions, will take place in January and February 2014 with the aim of producing final budget proposals for Board in March 2014.
24. In parallel with this work, we are also progressing the development of the Capital Investment Strategy for the National Park as a whole with our key partners through the Strategic Delivery Group. We aim to convene a further meeting of the Board's Capital Investment Strategy Group in November 2013 to review progress to that date and determine future action.

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17 September 2013

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