

**APPROVED MINUTES OF THE FINANCE AND
DELIVERY COMMITTEE MEETING of
THE CAIRNGORMS NATIONAL PARK AUTHORITY**

**held at Community Hall, Boat of Garten
on 29th January 2016 at 9am**

PRESENT:

Peter Argyle

Angela Douglas

Kate Howie (Convener)

Eleanor Mackintosh

Gregor Rimell

In Attendance:

Grant Moir, CEO

David Cameron, Director of Corporate Services

Danie Ralph, Finance Manager

Brian Wood, CNPA Board Member

Apologies:

Alix Harkness, Clerk to the Board

Welcome and Introduction

1. The Convener welcomed everyone to the meeting.

Minutes of Last Meeting – Approval

2. The Minutes of the last meeting on 30 October 2015 were approved with no amendments.

Matters Arising

4. The Convener provided an update on the Action Points from the previous meeting:
 - a) Action Point at Para. 13i of August 2015 meeting: The Convener together with David Cameron highlighted this referred to the dual role undertaken by David in the LEADER Local Action Group (LAG) and the Authority. David explained that most of the areas of responsibility and actions have been covered in the process of agreeing the Memorandum of Understanding between the LAG and the Authority. David would also draft a Management Team protocol for actions in

projects where there were dual responsibilities to be managed such as the LAG, Cairngorms Outdoor Access Trust (COAT), Tomintoul and Glenlivet Landscape Partnership Board if appropriate, and any other relevant project activities.

- b) Action Point at Para. 19b: The Convener noted that this point referred to seeking additional third party finance for the Tomintoul and Glenlivet Development Trust. David reported that, to an extent, this action had been overtaken by Moray Council confirming their intended funding for the Development Officer. David also expected that the Development Trust and the Landscape Partnership Project grouping would each be continuing to seek third party funding toward their plans on an ongoing basis.

Declaration of Interests

7. Eleanor Mackintosh noted an interest as a member of the Tomintoul and Glenlivet Development Trust, in particular as regards agenda item 9.

Finance Monitoring: 9 Months to 31 December 2015 (Paper 1)

8. Danie Ralph introduced this Paper which presents a summary review of income and expenditure, including a summary of Operational Plan expenditure, for the 9 months to 31 December 2015, together with the revised outturn forecast to 31 March 2016. Danie highlighted that the position on the Operational Plan commitment had moved considerably even since the paper had been written, with now only £0.24million of expenditure remaining to be fully committed.
9. Members noted that £50,000 of uncommitted resource at the start of December had been identified. Scottish Government had confirmed that activity planned against this sum should be held and a consequent surplus delivered at the end of the year to contribute to wider national savings objectives. Consequently, the Authority's outturn target is now a total of £0.18 million. Danie confirmed that the Authority was on track to deliver this outturn.
10. In discussion the following points were made:
 - a) David confirmed that the Authority has no capacity whatsoever to carry over funds between financial years.
 - b) Text and reformatting of final accounts report for 2015/16 complying with new reporting requirements was well advanced. David planned to take the draft of the Governance Statement to the forthcoming Audit Committee.
 - c) Scenic routes project funding would come from a separate Government programme and therefore requires an increase to the Authority's grant for the year to be made within the spring budget revision process. The Authority had

entered into an agreement with COAT to manage delivery of this project, subject to planning permission and funding being secured. Build would take place after the end of the financial year, although COAT would have to received grant funding when the management agreement was entered into in order to give the trust security of cash flow to manage the project.

- d) Information Technology and professional fees were running under budget as a result of savings made in our methods of providing software licences and demand for GIS outsourced support.
- e) Funding decisions moving forward on the Peatland Project were still awaited. This had been viewed at a RAFF Climate Change meeting as one of the more expensive carbon reduction options, and wider discussion was also ongoing with Scottish Government and SNH regarding wider benefit of the project.
- f) Building maintenance costs were in excess of budget as a result of a number of one-off unplanned essential maintenance works.

12. The Finance and Delivery Committee noted the results of the finance monitoring for the period ending 31 December 2015; noted variances reported and noted that the outcome forecast remained one of achieving outcome target of £180,000 surplus agreed with the Committee and Scottish Government.

13. Actions: None.

Scottish Scenic Routes Project: Phase 3

- 14. Pete Crane introduced this paper, outlining the Authority's involvement in the third phase of the Scottish Scenic Routes project. Pete highlighted that as a result of national budget reductions, funding for this project in the Cairngorms had been capped at £160,000 and the viability of projects would have to be assessed following tender process. The project design competition had only been completed in autumn 2015 with an expectation from the programme board that the projects complete by end March 2016, which was not realistic. As noted in the previous discussion, subject to planning permission and resource transfer, COAT would be contracted to manage this project beyond the end of March 2016.
- 15. Members agreed the desirability of a footpath from Tomintoul to this site, ensuring that public risk of walking along the road to the site was eliminated. Members agreed that this matter might best be taken up as part of the developing Landscape Partnership Project in the area.

16. **Members noted the proposed involvement of the Authority in the Scenic Routes Project Phase 3; noting the project initiation document and potential funding.**

2016/17 Budget and Operational Plan Estimates (Paper 3)

17. David introduced this paper, presenting the development to date of budget estimates for the coming financial year 2016/17. David highlighted that the decrease in funding allocations from Scottish Government for 2016/17 of 2% acted to offset the added funding received during the current year, hence giving a broadly equivalent start point for resource levels for 2016/17 as seen at the commencement of 2015/16, of £4.56 million.
18. Core estimates for staffing were noted as best estimates at this point pending completion of pay modelling for 2016/17, based on a potential 1% basic award to all staff and 1.5% pay progression for staff moving through their salary band. This model would be refined in time for presentation of budget figures to the Board in March. Overall, the total budget for staff pay was expected to reduce as a consequence of some vacant posts being removed from the structure and others being replaced by lower graded posts carrying out reduced level responsibilities. These savings were expected to offset increases of 3% in employers' National Insurance contributions and pay increases in the coming year.
19. Increases had been provided for in office running costs as a prudent approach to increased property maintenance costs seen this year and also in providing for disruption arising from the office extension project.
20. The financial allocations to the Operational Plan were set out in the paper. David explained that the paper to the Board would present all Operational Plan lines, including those that were delivered solely through investment of staff time.
21. In discussion, members highlighted they were aware that staff resources were stretched across a diverse Operational Plan. Grant agreed and highlighted that any further reductions would require tranches of discrete work being removed from plans as removing small allocations of resource from across the plan was no longer feasible.
22. **Members noted the budget proposals for 2016/17 and that refined figures would be presented to their meeting prior to the full Board consideration of the same on 11 March.**

Tomintoul and Glenlivet Landscape Partnership (Paper 4)

23. Danie presented the review of the financial position on the Landscape Partnership Project (LPP) and highlighted in particular that the VAT costs of activity no longer represented a potential additional liability to the Authority as the funders had approved use of contingency funds for this cost.
24. Members noted the risk of some delay to the payment of the Highlands and Islands Enterprise (HIE) contribution to the project and asked David Cameron to look into this with staff at HIE.
25. **Members noted the update on the LPP financial position.**
26. **Action:**
 - i. **David to contact HIE regarding timing of funding contributions.**

Committee Terms of Reference (Paper 5)

27. Members discussed the terms of reference for the Committee, noting that at present there was no recent occurrence of project implementation reviews coming to the Committee and papers on project design were fairly limited in number.
28. With regard to project design, Grant mentioned that many current activities were mid-cycle and the Committee's experience therefore mirrored the fact that there were relatively few significant new projects at a design stage.
29. David highlighted that the lack of project reviews also mirrored experience that this area of project management remained one which the Authority and its project managers needed to pay more attention to, recognising that these were not completed in many occasions. David recognised that pressures of work did tend to result in staff moving from one project completion directly onto other project work, and time to undertake completion reviews was limited. Nevertheless the importance of the ability to learn from projects run well and also lessons learned was agreed by all and the need for these would be reinforced within the organisation.
30. **Members agreed the terms of reference were comprehensive and remained appropriate.**
31. **Members agreed that the areas of review of project design and review and the Committee's role in these activities should be incorporated into the Committee training session to be delivered.**

Any Other Competent Business

32. Members noted that the planned training activity would be rescheduled to fall on or prior to another Board or Planning Committee meeting day to minimise travel requirements for members. David would arrange for a poll of members' availability to be undertaken.
33. There was no further business to discuss.

Date of Next Meeting

34. The next Finance and Delivery Committee meeting will take place on Friday 11th March 2016 in the Cairngorm Hotel, Aviemore.