

# **DRAFT MINUTES OF THE FINANCE AND DELIVERY COMMITTEE MEETING of**

## **THE CAIRNGORMS NATIONAL PARK AUTHORITY**

**held at the Don meeting room, CNPA HQ,  
Grantown on Spey  
on 6 March 2020 at 14.15**

### **PRESENT**

William Munro (Chair)

John Kirk

Ian McLaren (Vice-Chair)

Anne Rae Macdonald

Eleanor Mackintosh

### **In Attendance:**

Grant Moir, CEO

David Cameron, Director of Corporate Services

Danie Ralph, Finance Manager

Pete Crane, Head of Visitor Services

Alix Harkness, Clerk to the Board

**Apologies:** Xander McDade

### **Welcome and Apologies**

1. Everyone was welcomed to the meeting.

### **Minutes of Last Meeting – Approval**

2. The draft Minutes of the meetings on 11 October 2019 were approved with no amendments.

### **Matters Arising**

3. The Chair provided an update on the Action Points from the previous meeting including:
  - a) At Para 13i) – Closed – Director of Corporate Services raised that the TGLP Board needed sight of the financial overview of the project from the Committee to Peter Mayhew and Will Boyd Wallis. An internal steering group had been formed which was being chaired by the Director of Corporate Services which

was looking at the finances of TGLP Programme and to ensure the legacy board would be established with procedures in place to assist with both the close down and the legacy fund.

- b) At Para 13ii) – In Hand – TGLP project overview paper will be brought to the next meeting.

4. The Committee made the following comments and observations:

- a) Eleanor Mackintosh, TGLP Board Member, commented that there was now a definite focus on finance within the TGLP Board and from the team supporting the TGLP Board and programme.
- b) Director of Corporate Services advised that there was the possibility of a short extension of up to 3 months as more financial information had been forthcoming.
- c) CEO explained that the focus had shifted and was now on delivering TGLP outcomes as agreed with key funders and not solely on delivering individual projects.
- d) Were there any lessons learned that could be taken forward? CEO advised that lessons learned had just taken place on the Capercaillie project and would be carried out for this project and the lessons learned from both would be fed into the Heritage Horizon's bid. He added that it would be vital going forward to ensure partners were explicit about what resources they would commit over the lifetime of the project.
- e) Comment made that it had been a very complex project.
- f) Director of Corporate Services added that one of the lessons learned would be around catching disconnects between project delivery teams and central systems early and to drive one finance system rather the duplicate systems which are present to an extent in this project.
- g) The Chair added that the longer term aspiration would be that financial responsibilities for legacy actions are contained within the Authority as the accountable body, while recognising that a partnership body will be needed to continue to have overall oversight of maintaining the TGLP impacts throughout the legacy period.
- h) Director of Corporate Services added that they learned that going forward the administrative side of the project should be kept within the Authority while the project officers were delivering their objectives. This would assist with the full team dynamic between existing staff and CNPA systems and project delivery oriented staff.

## **Declaration of Interests**

5. No interests were declared.

## **Relationship with Outdoor Access Trust for Scotland (OATS) (Paper 2)**

6. The Convener proposed to take this paper first. The Committee agreed.
7. Pete Crane, Head of Visitor Services, introduced Paper 2 which presents a review of the Authority's relationship with the Outdoor Access Trust for Scotland (OATS), including a presentation of proposed amendments to the charity's Articles of Association suggested to the Authority as a member of the charity by the OATS Trustees. Pete highlighted that a proposed Memorandum of Understanding had been drawn up to establish an appropriate set out working arrangements and communications between the Authority and OATS, which would highlight the Authority's expectations as a member of the charity. Overall, the analysis of staff involved in this area of work is that the Authority should remain a member of OATS at least for the remainder of the current National Park Partnership Plan period.
8. Director of Corporate Services advised that he is a Trustee of OATS but with no conflict of interest as he is not involved in decision-making today in his advisory capacity to the Committee. In addition to the mode of operations covered by Pete, he highlighted that the suggested changes to the charity's Articles of Association by the Trustees sought to update the document to better reflect OATS' current circumstances. Officers' analysis was that the document might better and more explicitly reflect the charity's commitment to maintenance of paths in addition to their capital investment focus in building and reinstating paths.
9. CEO advised that for legacy issues it was important to remain a member of OATS, and would not want the revenue brought in from the car park at Loch Muick to be spent on Skye for example. He added that for next 2 years it would be wise for the Authority to remain members to ensure having a voice in the paths they are constructing.
10. The Finance & Delivery Committee discussed the paper and made the following comments and observations:
  - a) It was confirmed that the CNPA no longer provides OATS with Corporate Services support.
  - b) Concern raised that the articles of association appears to be focussed on capital investment and the intention to build and walk away. Suggestion made to ask that they add 'and maintain as appropriate' to the end of the relevant sentence of the articles.
  - c) The need for the CNPA Board Member who sits on the OATS board to be adequately briefed to have the most influence with regard to maintenance of

paths and revenue obtained in the National Park to be spent in the National Park.

11. **The Finance & Delivery Committee:**
  - a) **Determined views on the appropriateness of the proposed changes in the Articles of Association of OATS**
  - b) **Considered the preferred future relationship between the Authority and OATS given the nature of the work to be undertaken over the remaining 2 years of current NPPP**
  - c) **Considered and agreed the appropriateness of the proposed Memorandum of Understanding with OATS**
  - d) **Agreed the Authority's ongoing membership of OATS for at least the next two years.**
12. Pete Crane left the meeting.
13. **Action:**
  - i. **OATS to be asked to more explicitly reflect the commitment to path maintenance, potentially by adding the words "...and maintain as appropriate" at the end of the sentence of the proposed Articles of Association.**

### **Finance Monitoring: 10 months to 31 January 2020 (Paper 1)**

14. Danie Ralph, Finance Manager, introduced the paper which presents a summary review of income and expenditure for the 10 months to 31 January 2020, together with a projected outturn for the 2020/21 financial year.
15. The Finance & Delivery Committee discussed the paper and made the following comments and observations:
  - a) Director of Corporate Services advised that the bottom line outturn projection was around £20k underspent at this point, however they were confident they would manage to reach a closer to breakeven position by the end of March.
  - b) The CEO remarked that the Operational Plan is £1m at commencement of the year but the spend had been doubled through the year with external investment support, which was a credit to all the teams who found the match funding to deliver.

- c) The Convener asked what the recovery of legal fees referred to? The CEO explained that it was associated with planning e.g. S75's where legal fees incurred by CNPA were recovered from the applicant.
- d) Concern raised that there would be an overspend in Board fees and Board expenses given that the Board fee policy on attendance was changed in October 2019. Director of Corporate Services provided the reassurance that the budget had been increased to allow for that and a virement had been made from elsewhere. The Finance Manager added that the Board and Staff costs are put together for the purposes of SG reporting.
- e) A Member commented that going forward the Board costs should decrease given that there was less informal meeting dates planned and therefore less overnight accommodation costs associated with this. Director of Corporate Services agreed and added that the total budgeted for other costs associated with Board and governance would remain the same next year to account for Board mileage costs.
- f) Given the predicted £20k underspend could it be spent on IT facilities for example video-conferencing? CEO confirmed that staff were able to video conference from their desks and there are the facilities in the Board room. He explained that the issue in the Ballater office was the bandwidth.
- g) Would there be some work ahead with forward phasing? Director of Corporate Services advised that in the final quarter they would look at pre-existing commitments together with bringing work forward. He added that reserves could not be carried into the next year to give flexibility. Opportunities would be taken with any assessed underspend to undertake management of multi-year investments and maximise 19/20 resource utilisation while creating flexibilities where possible for 20/21 budget investments.
- h) Had the increase in pension costs determined by the Treasury during the course of the year been budgeted for? Director of Corporate Services advised that when the budget was approved in March 2019 the cost had to be absorbed. He explained that when the £117k was reimbursed some of the activities that had been cut out were reinstated.
- i) Director of Corporate Services advised that he had attended the LEADER accountable bodies Board a couple of weeks ago and their Service Level Agreement states that they will pay us within 90 days from when we submit a claim. Scottish Government's team recognise the delay in paying to date and have committed to accountable bodies to seek to pay what is owed in LEADER grants by the end of March or early April.
- j) It was noted that the description on the left hand side of Annex I was missing. Agreed to reinstate and recirculate.

**7. The Finance & Delivery Committee noted the outturn for the 10 months to 31 January, 2020 and the projected outturn for the year.**

**8. Action:**

- i. Left hand side description of what the lines meant to be added to Annex I and for it to be recirculated and put on the web.**

**2020/21 Budget Development (Paper 3)**

14. David Cameron, Director of Corporate Services introduced Paper 3 which presents the current position on development of the Authority's budget for the 2020/21 financial year.
15. The Finance & Delivery Committee discussed the paper and made the following comments and observations:
  - a) The CEO advised that only a few things were likely to change over the next year, for example, deer count for the Southern Cairngorms. If the Heritage Horizons bid is successful it would not impact of this year's budget but would on next years'. For the Formal Board meeting later this month, expenditure proposals would be put against specific lines within the Authority's delivery themes with the caveat emphasised that very few activities affect only one area of the budget as they more often span across multiple areas of work and contribute to multiple objectives. He added that Operational Plan proposals will total £1.2m use of Grant in Aid, while likely again exceeding £2m when match funding contributions are accounted for.
  - b) Given agricultural land use issues, could peatland posts funding coming directly to us instead of us applying from SNH? CEO advised that some money had been budgeted, but more about staff time to put in to it. He advised that it would be a big area of work. Director of Corporate Services highlighted that as part of the Agricultural Bill and the Community-led local development funding coming out of that staff time would also need to be put into pursuing replacement of LEADER funding which links to those legislative reviews.
  - c) Concern raised with regards to the difficulty in recruiting to the Planning team and failed attempts to recruit agency staff. The issue being that the Authority does not boast the same career progression opportunities as the central belt. Concern with the workload if the current Head of Planning were to go off sick. Director of Corporate Services advised that the Staffing & Recruitment Committee had done some work looking at the pay remit process and were considering to increase the minimum and maximum points of each bandwidth subject to pay remit guidance. This may assist with recruitment in some instances, while other recruitment activities are typically successful.

- d) How are decisions made on what the minimum and maximum of bandwidths should be? Director of Corporate Services advised that they had moved away from fixed incremental steps within bands as some pay bands had up to 9 incremental points and meant staff felt progressing was taking forever. From a Budget management point of view the contractual commitment is performance related. He added that fixed steps were replaced with contractual minimum of 1.5% progression. Last year and this year a little more had been allocated into the budget for progression to help ensure staff achieved their band maximum within the Authority's target times. He explained that the Authority are a relatively rural organisation, and while the standard offer to preferred candidates is to start at the bottom of the advertised salary band, negotiation of a higher start point does frequently take place.
- e) Clarification requested on what the pay structure was. CEO advised that there is little room for manoeuvre, the Authority and the Staffing & Recruitment Committee implement what we are asked to do by the Scottish Government. The CEO explained how each Board Committee interacts. Director of Corporate Services added that Loch Lomond and Trossachs National Park and Cairngorms had a shared pay structure, following a business case for the organisation and has had Scottish Government endorsement.
- f) Were there any vacancy concerns? Director of Corporate Services advised that only the Land Manager Adviser post was currently vacant.
- g) Was there a market for trying to get more experienced people at the end of their careers to come and settle in a post? CEO advised that those types of people usually work for agencies, the issue with planning is that there is a lack of planners in Scotland. He added that the Authority were talking to graduate planning schools but that would take a number of years to get off the ground.

**16. The Finance & Delivery Committee:**

- a) **Considered the update on the estimated budget position for 2020/21**
- b) **Considered whether any aspects of the budget merit further consideration in the development of final proposals to be presented to the Board in March.**

**17. Actions:           None.**

**AOCB**

18. There were no items presented.

## **Date of Next Meeting**

19. The next scheduled Finance and Delivery Committee meeting will take place on Friday 22 May 2020 in Nethy Bridge. There was a provisional earlier Finance & Delivery Committee meeting scheduled for 24 April 2020 in Ballater should UK budget decisions and consequent Scottish Government action require any subsequent reconsideration of the Authority's budget position.
20. The meeting finished at 16.00 hours.