

CAIRNGORMS NATIONAL PARK AUTHORITY

ÙGHDARRAS PÀIRC NÀISEANTA A'
MHONaidH RUaidH

ANNUAL REPORT AND ACCOUNTS 2021/22

***...AN OUTSTANDING NATIONAL PARK,
ENJOYED AND VALUED BY EVERYONE,
WHERE NATURE AND PEOPLE THRIVE
TOGETHER...***

AITHISG BHLIADHNAIL AGUS CUNNTASAN 2021/22

***...SÀR PHÀIRC NÀISEANTA, A THA A' CÒRDADH
RIS A H-UILE DUINE AGUS AIR A BHEIL IAD UILE
A' CUR LUACH, AGUS FAR A BHEIL NÀDAR AGUS
DAOINE A' SOIRBHEACHA...***

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I PERFORMANCE OVERVIEW

I.1 Key Personnel and Sponsoring Department

Chief executive and accountable officer

Grant Moir

Directors

David Cameron - Corporate Services and deputy CEO

Murray Ferguson - Planning and Place

Dr Peter Mayhew - Conservation & Visitor Experience (resigned with effect from November 2021)

Andy Ford - Nature and Climate Change (appointed with effect from November 2021)

Convenor

Xander McDade, chair Governance Committee

Board members

Peter Argyle - resigned 30 September 2022

Chris Beattie - appointed 1 October 2022

Geva Blackett

Carolyn Caddick, Deputy Convenor - resigned 30 September 2022

Deirdrie Falconer, Chair Resources Committee

Pippa Hadley - resigned 30 September 2022

Janet Hunter - Deputy Convenor – appointed 1 October 2022

Russel Jones - appointed 1 October 2022

John Kirk

John Latham - resigned 30 September 2022

Bill Lobban - appointed 1 October 2022

Douglas McAdam

Dr Fiona McLean

Anne Rae MacDonald

Eleanor Mackintosh

Ian Maclaren - resigned 30 September 2022

Willie McKenna

William Munro, Chair Performance Committee

Dr Gaener Rodger, Chair Planning Committee

Ann Ross - appointed 1 October 2022

Derek Ross

Judith Webb, Chair Audit & Risk Committee

Sponsoring body

Environment and Forestry Directorate, Natural Resources Division, Scottish Government

I.2 Chief Executive's Forward

I have pleasure in presenting the Cairngorms National Park Authority's (the Park Authority) Annual Report and Accounts covering its eighteenth year of operation, from 1 April 2021 to 31 March 2022.

The last year has again seen the Park Authority operate primarily on the basis of remote, home, working with much of our business undertaken on an on-line basis. Within this context, we have successfully delivered our objectives, achieving the great majority of our strategic objectives set out in our Corporate Plan despite two years of COVID 19 interruptions. Our delivery over 2021/22, as covered in this annual report and accounts, represents the final year of delivery against the 2018 to 2022 Corporate Plan.

Even within ongoing COVID 19 impacts to work, the Park Authority has made significant step changes to our presence on the ground within the Cairngorms. We further enhanced our Ranger Service over the course of the year, providing a warm welcome for visitors to the Park and also supporting our land management partners with managing visitor impacts on their operations. The Park Authority has also supported training young and new entrants to its ranger service through the Kickstart initiative. The Park Authority also delivered its first year of direct responsibility for peatland restoration through its Peatland ACTION team's investment of almost £1.5 million whilst exceeding our restoration target of 557 hectares to implement restoration management on 730 hectares in the year. Collectively our work in these areas have formed a cornerstone of the Park Authority developing a 'Green Economy' within the Cairngorms.

Our implementation of the Development Phase of the National Lottery Heritage Fund (NLHF) Heritage Horizons Cairngorms 2030 Programme alongside a wide range of partners represents a further significant step change in the Park Authority's scale of operations over the course of 2021/22. This Development Phase will invest £3.8m, inclusive of £1.7m of NLHF funding, across more than 24 projects in finalising and establishing plans for the 5 year, £39.4m delivery phase which we expect to commence in 2023. Projects cover climate mitigation and adaption, nature recovery, rural regeneration, community engagement, and sustainable transport amongst other areas of work.

The long-term objectives for the Cairngorms National Park are set out in five-year National Park Partnership Plans (NPPP) agreed by the Park Authority board and approved by Scottish Ministers. The over-arching NPPP establishes the agreed policy direction for our NLHF funded Heritage Horizons Cairngorms 2030 work, as well as the other work of the Park Authority and our public, private, voluntary and community partners. We came to the end of the existing 5-year NPPP on 31 March 2022 and have undertaken extensive public and stakeholder consultation on the NPPP for 2022 to 2027. This consultation was the most successful consultation on a NPPP in the Cairngorms with over 1,400 responses received. The Plan was approved by the Park Authority board in June 2022, securing another significant milestone for the extensive work of the Park Authority over 2021/22. The Plan was approved by Scottish Ministers in August.

The Park Authority continued throughout the year to deliver across conservation, visitor experience and rural development. This involved us in providing effective and efficient public services covering our statutory functions of planning and access, and also in our wider roles working with a wide range of partners to deliver projects on the ground that deliver on our outcomes. We have delivered these services and achieved our objectives while making our contribution to the national priorities and challenges of addressing the climate and nature crises, building a well-being economy, and delivering affordable housing.

Our work over 2021/22, particularly in establishing the long-term strategic framework for the Cairngorms set out in the NPPP and key partnership delivery programmes such as Cairngorms 2030, stands us in good stead for tackling the big challenges ahead, particularly around building a 'Green Recovery' and a green well-being economy, and tackling climate change.

It just remains for me to thank everyone, once again, who has helped over the past year to enable the Park Authority to continue to deliver for this incredible place, the Cairngorms National Park. I also take this opportunity to thank the great commitment of the Park Authority's staff group, who over two years of huge disruption and change have continued to show their dedication and commitment to their work and to delivering such a wide range of positive outcomes for the Cairngorms National Park.



Grant Moir, Chief Executive and Accountable Officer
16 January, 2023

I.3 The Park Authority

The Cairngorms National Park is the largest National Park in the United Kingdom and covers 4,525 square kilometres, twice the size of Loch Lomond and the Trossachs and 40% larger than the Lake District.

The Park Authority is a Non-Departmental Public Body sponsored by the Environment and Forestry Directorate, Natural Resources Division, Scottish Government, established under the National Parks (Scotland) Act 2000 with the purpose of being a model of sustainable development working towards achieving four statutory aims:

- to conserve and enhance the natural and cultural heritage of the area;
- to promote sustainable use of the natural resources of the area;
- to promote understanding and enjoyment (including enjoyment in the form of recreation) of the special qualities of the area by the public; and
- to promote sustainable economic and social development of the area's communities.

Strategy and business model

The Park Authority has a key role in leading the delivery of the Cairngorms National Park Partnership Plan. The Plan sets the context for close cooperation and partnership across public, private, and voluntary organisations in the Park towards an agreed set of shared priority objectives. The National Park Partnership Plan sets out three long term outcomes for the Park, which have also been used as the basis for developing the Corporate Plan. The Cairngorms National Park Partnership Plan 2017-2022 (CNPPP), which was approved by Ministers, provides the overall guide for strategic alignment between public agencies within the Park, and also with private and community organisations who are signatories to and partners in delivery of the CNPPP.

The Park Authority has developed and extensively consulted on a new CNPPP to span 2022 to 2027 over the course of the last year. This new CNPPP was approved by the Park Authority's board in June 2022 and by Scottish ministers in August 2022.

The Park Authority's Corporate Plan was approved by the Board and Scottish Ministers in Spring 2018 to cover our work up to the end of the 2017 to 2022 CNPPP. In the wider Scottish context, the Park Authority will also work on ensuring greater strategic alignment to ensure delivery of key national strategies, such as current and future Programmes for Government and other relevant national strategies.

Our strategic work includes being an active member of the Environment and Economy Leaders' Group, together with input to a range of national leadership and stakeholder groups.

Our commitment

Our vision, mission statement and values, are led by our board and staff and are central to our purpose and strategic context:

Our vision – an **outstanding** National Park, **enjoyed** and **valued by everyone**, where **nature** and **people thrive** together;

Our mission – to lead the way in delivering for the Cairngorms National Park by bringing people together towards a common purpose; enhancing the Park for everyone and inspiring new generations to be Park Champions;

Our values – the CNPA is an **open, inclusive, innovative, and professional** organisation that behaves with **integrity**. The CNPA will also operate in an **environmentally friendly** way that provides leadership in this area.

Our culture – ...to be the best small public body in Scotland.

We aspire to be the best small public body in Scotland. Our staff survey results, undertaken every two years through “The Best Companies Survey” has shown that we are a people-oriented organisation performing well. We were delighted to once again be listed in the Top 100 Not For Profit Organisations in the UK wide survey in autumn 2021. Early in 2021 we have also received recognition as one of the Top 10 employers in Scotland in terms of our approach to flexible working for our staff group, as awarded by Flexibility Works. This follows previous accolades during the current corporate plan period for the design of our working practices and staff policies, and also for the design of our office building.

We will continue to build on our Organisational Development Strategy to imbed a high performance, high achieving and high quality culture based on an equalities and staff focused culture. The Park Authority will continue to be innovative, quick to act, and empower staff to deliver the strategies put in place by our Board.

New ways of working: the impacts of COVID 19, climate change and future operations

As has been the case for all organisations across all sectors over the last two years, the impact of COVID 19 and consequential lockdown arrangements has significantly changed the way the Park Authority has gone about its work. Our Board and staff arrangements have been subject to our successful Business Continuity Planning (BCP) arrangements, with all governance and staff operations changed to a remote and virtual basis, primarily working from home, and making use of video conference and other digital and information management technologies to deliver our business.

As we have emerged from COVID 19 restrictions, the Cairngorms NPA has adopted new working models and practices which have supported a range of successful outcomes over the year as we continue to deliver against our existing strategic objectives. An increasing amount of our business is now conducted by “hybrid” meetings, blending in person and virtual attendance at meetings and events. All key Board and governance meetings are now

held as hybrid meetings, with screening of meetings on-line and also at a community cinema to enable anyone on-line to access our business meetings.

In addition to delivery of our established objectives, we have also continued to pursue our agreed added strategic focus for our work first established in 2020/21: a nature based, green recovery from COVID 19 impacts that seeks a sustainable, nature based economic recovery within the Cairngorms while delivering urgent action to address climate change. Our 'Net Zero With Nature Strategy' was adopted just before the pandemic caused lockdown to commence, while our Green Recovery Strategy was approved by our Board as early as June 2020, just three months into the national management of COVID 19.

We delivered a second phase of the Green Recovery Grant Fund through which £250,000 in funding was allocated by a partnership panel to support community and business based green recovery projects.

We have continued to build and consolidate new services as we significantly increase the scale of our operations. Our own Ranger Services started in 2020/21 have been enhanced over the course of the last year with full time rangers, together with youth and new entrant trainee rangers. We also took on responsibility for direct delivery of peatland restoration work in the Cairngorms in the last year, employing a Peatland ACTION team to work with and grant fund land managers in support of peatland management and climate action. Our investment of almost £1.5m delivered in excess of our restoration target of 557 hectares, to implement restoration management on 730 hectares in the year.

Both these initiatives have combined to significantly increase the scale of the Park Authority's workforce and sphere of operations. Overall, the Park Authority's responsibility for funds under management, primarily made available by Scottish Government, increased from £7.1m in 2020/21 to £10.3m for 2021/22.

Looking Forward

This dynamic, responsive organisational ethos will continue. The Park Authority will continue to look at new ways to operate to deliver our commitments in the current National Park Partnership Plan. This will include continuing our success in looking for alternative funding opportunities, including applications to funds, such as the National Lottery Heritage Fund, sponsorship opportunities and merchandising. It also includes collaborating with partners to deliver improved services. We also continue to strive for more efficient, and sustainable working practices internally through delivering against the third phase of our Organisational Development Strategy.

Our future funding has received a further significant boost from Scottish Government and from external funding partners for 2022/23, with further step change increases in funding supporting continuation of the COVID 19 responses and more permanent changes to the Park Authority's ways of working. The Seasonal Ranger Service will continue for a third year, while we augment this support for visitors with capital investment in visitor infrastructure. Over 2022/23 we will further build our capacity to deliver peatland restoration and through this work act on climate change.

We also secured approval in the year from National Lottery Heritage Fund (NLHF) to the Heritage Horizons 2030 Programme. Our implementation of the Development Phase of the NLHF Heritage Horizons Cairngorms 2030 Programme, alongside a wide range of partners commenced in 2021/22, represents a further significant step change in the Park Authority's scale of operations. This Development Phase will invest £3.8m, inclusive of £1.7m of NLHF funding, across more than 20 projects in scoping, trialling, and finalising plans for the 5-year, £39.4m delivery phase, which we expect to commence in 2023. Projects cover conservation, rural regeneration, access, and sustainable transport amongst other areas of work.

Our budget approved by the board in March 2022 for the 2022/23 financial year highlights this further step change increase in the scale of operation of the Cairngorms NPA, with total funds under management for the year ahead of £14.9m compared with £10.3m in 2021/22. The board has approved a 1-year transitional plan for delivery of ongoing strategic objectives, pending development of our next 4-year Corporate Plan which will span 2023 to 2027.

Performance monitoring

Performance indicators have been set for each of our key themes against which we will measure and monitor performance. By the nature of the Park Authority's role, in seeking to lead collaborative effort in tackling the big issues for the Cairngorms, these performance measures are rarely entirely controllable by the Park Authority. Rather, they require collaboration and engagement with our partners, and are measures of the effectiveness of our leadership and influencing, combined with our direct investment of finance and staff resources, in addressing our priorities. We compile performance monitoring reports twice each year to the Park Authority's Board, with all of these reports available on our website.

The status of our delivery against agreed Key Performance Indicators at the end of the Corporate Plan period was reported to our board on 25 March 2022. This report is available at:

[220325CNPABdPaper3Annex2CorporatePlanKPIs \(cairngorms.co.uk\)](#)

Further detail on our most recent performance against our key performance measures and reporting on that is available in the papers for the 25 March board meeting, available at:

[Meeting - Cairngorms National Park Authority](#)

PERFORMANCE REPORT: PERFORMANCE ANALYSIS

1.4 Strategic Aims and Priorities 2021/22 and beyond

We contribute to delivery of the long-term outcomes in the Cairngorms National Park Partnership Plan, through working to achieve our agreed Corporate Plan strategic objectives.

Our current strategic aims and priorities are set out across three Themes of Conservation, Visitor Experience and Rural Development. Each of these three themes sets out a number of

priority objectives. Corporate Services and Communications support the main themes and their outcomes.

From 2022/23 the Park Authority has moved to new strategic themes of Nature, People and Place in line with the final draft of the next Cairngorms National Park Partnership Plan submitted to Scottish Ministers for approval.

Conservation – to be a special place for people and nature with natural and cultural heritage enhanced

The Cairngorms National Park is the premier area in the UK for nature conservation, with 50% of the area recognised as important on a European scale through Natura 2000 designation. Home to some of the most extensive and internationally important montane, woodland, river and wetland habitats, our role is to bring partners together to deliver conservation at a landscape scale and engage the public in this endeavour.

Priorities:

- support landscape-scale conservation, especially the expansion of native and montane woodland, peatland restoration, natural flood management and capercaillie management;
- ensure deer management is focused on delivering public interest priorities specifically the expansion of native woodlands and peatland restoration;
- support sustainable moorland management to deliver greater habitat diversity and good management practice.

Visitor experience – people enjoying the Park through outstanding visitor and learning experiences

The Cairngorms National Park is an internationally renowned visitor destination with an outstanding range of outdoor recreation opportunities. Our role is to ensure the quality of visitor experience matches the quality of environment by coordinating investment in the core infrastructure, carrying out our role as an Access Authority, promoting sustainable tourism and ensuring people of all ages, backgrounds and abilities are able to experience and enjoy the National Park.

Priorities:

- continue to ensure visitor infrastructure meets the expectations of visitors to the National Park and help deliver a sustainable tourism economy;
- increase physical activity in both residents and visitors and support delivery of Scotland's Natural Health Service;
- create 'A Park for All' by encouraging people from all backgrounds to come and enjoy recreation, learn in, or visit the National Park.

Rural development – a sustainable economy supporting thriving businesses and communities

Delivery of our priorities within the Cairngorms National Park can only come through close joint working with the people who live and work in the communities of the Park. Our role is to promote investment in a diversified economy, help communities plan and achieve their own visions and deliver a Planning Service to guide the right development to the right place.

Priorities:

- support delivery of housing for local needs through an efficient and effective planning service;
- support communities, specifically focussing on the most fragile, to deliver their agendas for change;
- work closely with the business community and partners to support a sustainable Park economy.

Support themes

The delivery of the themes and priorities is supported by Communications and Corporate Services teams. Our Communications team works with visitors, communities, and stakeholders to raise the profile of the Park and create a connection and commitment to care for it. Our Corporate Services team ensure the delivery of effective, efficient, and sustainable services in addition to promoting the highest standards of governance, both within the Park Authority itself and also in working with community and voluntary organisations involved in delivery of NPPP priorities.

Corporate services

Delivering effective, efficient, and sustainable services and promoting the highest standards of governance, to support delivery of the Corporate Plan and Cairngorms National Park Partnership Plan by the Park Authority and our community and charity partners. We will also play an active role in the Environment and Economy Leaders' Group.

Priorities:

- implement the Organisational Development Strategy and embed the organisational and cultural improvements to make the Park authority the best small public body in Scotland;
- ensure that the office extension, existing accommodation, and ICT facilities are 'fit for purpose' and help to deliver the Organisational Development Strategy;
- deliver ongoing service improvement, including appropriate shared services development and operation, to the Park Authority, other public bodies and the community and charitable organisations we support;
- promote and support the highest standards of governance and management, including equalities actions, within the Park Authority, other public bodies and the community and charitable organisations we support.

Communications and engagement

Communicating with visitors, communities and stakeholders is vital for the work of the Park Authority. It supports the work being undertaken across the organisation to deliver on conservation, visitor experience and rural development. Our role is to raise the profile of the Park and create a connection and commitment to care for it with identified audiences, so they actively support the Park and benefit from doing so.

Priorities:

- deliver the Communication and Engagement Strategy and increase awareness, engagement, and involvement with the Park;
- ensure high quality internal communications that help deliver the key priorities of the Corporate Plan.

1.5 Key Issues and Risks

Risk management and consideration of issues arising that may impact on the delivery of our strategic corporate priorities are central to our management activities within the Park Authority. The Management Team reviews strategic risks at least quarterly, and we have developed and embedded strategic and operational risk management practices, together with project management processes, to take full cognisance of these core aspects of effective organisational and strategic control arrangements.

The Park Authority has developed a Strategic Risk Management Strategy and associated Strategic Risk Register, which, in tandem with our corporate performance and monitoring system, details the key issues and risks around delivery of our Corporate Plan together with the strategic objectives and key performance indicators set out in that plan. The Board receives detailed reports and comments on key issues and risks twice annually, with the Board's Audit and Risk Committee reviewing strategic risk management between these Board meetings. The most recent review of key issues and risks was considered by the Board as part of their review of corporate performance and risk management over 2021/22 in March 2022:

[220325CNPABdPaper3Annex3StrategicRiskRegisterV9 0 \(cairngorms.co.uk\)](http://cairngorms.co.uk/resource/docs/boardpapers/15062019/180615CNPABdPaper4Annex1RiskManagementStrategyV0.1.pdf)

Significant projects will also have their own embedded risk registers and risk mitigation plans. More information on risk and internal controls can be found in the Governance Statement within this document and in our Risk Management Strategy available at:

<http://cairngorms.co.uk/resource/docs/boardpapers/15062019/180615CNPABdPaper4Annex1RiskManagementStrategyV0.1.pdf>

Our business continuity planning and operational management during the period of COVID 19 restrictions in particular has been supported by a specific risk management approach and a dedicated risk register, reported on regularly through our project management team, organisational Senior Management Team and Board Audit and Risk Committee. We have also established separate risk registers to support the delivery of other major programmes of activity, for example the Heritage Horizons Cairngorms 2030 Programme.

I.6 Financial Performance Summary

This section provides a summary of the Park Authority's financial performance for the year against the Board approved budget and grant-in-aid awarded by the Scottish Government.

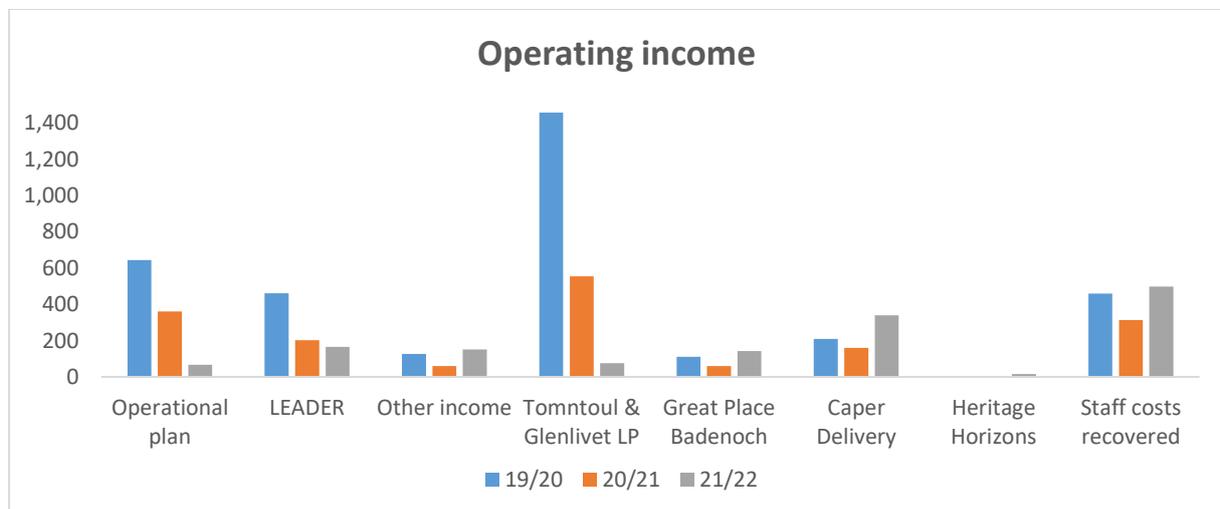
The main sources of the Park Authority's funding for the year were grant-in-aid funding from the sponsoring body the Environment and Forestry Directorate, Natural Resources Division, of the Scottish Government.

The Park Authority also acted as Accountable Body for the Cairngorm LEADER programme and The National Lottery Heritage Fund (NLHF) and partner funded projects, the Tomintoul and Glenlivet Landscape Partnership (T&GLP), Great Place Badenoch (GPB), the delivery phase of the Capercaillie Framework and the development phase of the Heritage Horizons Cairngorms 2030 Project. The LEADER, T&GLP and GPB projects all completed in the year.

Our total funding for the year grew by £3.295m from 2020/21 to £10.421m reflecting the continued commitment of our sponsoring department and partners. While grant-in-aid grew by £3.550m partner funding fell by £0.255m as a result of the reducing activities of the projects successfully completed in the year.

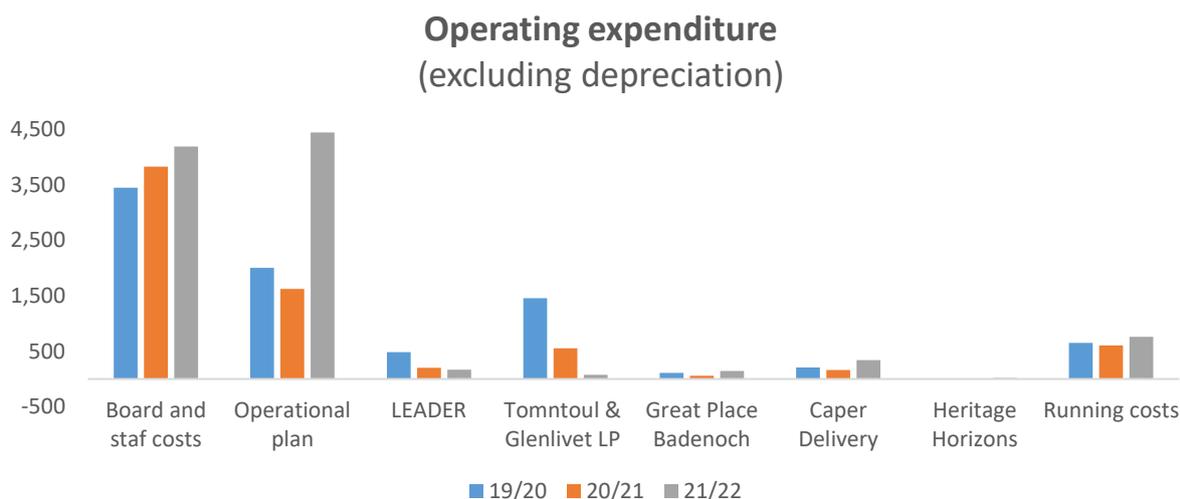
Grant-in-aid received in the year was £8,965m, an increase of £3.550m. Resource grants, to cover operational costs, increased by £1.857m, with Capital grants increasing by £1,493m. The increase in capital grant included funding for Peatland ACTION, peatland recovery work, of £1,408m, and for work on biodiversity within the Park of £0.172m.

Operating Income



Operating income again reduced over 20/21 owing to the reduction in activity as major projects completed. T&GLP and GPB were both originally due to complete in 2020/21 and were extended as agreed responses to COVID 19. T&GLP completed in May 2021, GPB in October 2021, with the LEADER programme closing on 31 December 2021. All the final grant claim submissions were made in year and all claims were received in full. The Capercaillie Framework Delivery work continued and spend increased. The development phase of Heritage Horizons Cairngorms 2030 commenced with only minimal operating costs incurred.

Operating expenditure



The T&GLP, GPB and LEADER programmes came to a close during the year with a concomitant reduction in activity and expenditure.

The completion of the T&GLP project marks the end of a project started in 2015 with £3.746m invested in many projects in the Tomintoul and Glenlivet area. Similarly, Great Place Badenoch saw £0.401m invested in projects within the Badenoch community. LEADER saw a total investment of £4.6m in the Park.

Staff costs, including Board fees, accounted for 40.7% of total income (2020/21 53.3%). As a percentage of spend of resource grant-in-aid received this was 61.8% (2020/21 70.2%).

Outturn to budget (excluding depreciation and non-cash allocations)

A budget is agreed with the sponsoring department with an agreed level of funding support representing the Park Authority's allocations of Departmental Expenditure Limited (DEL) which covers all expenditure net of income from all other sources. DEL is further split between cash allocations (resource [RDEL] and capital [CDEL]) and non-cash allocations. Non-cash DEL covers depreciation and impairment of non-current assets, which are capitalised tangible and intangible assets included in the Statement of Financial Position at the year end.

	Budget*	Actual	Variance
	£,000	£,000	£,000
Total income **	9,585	10,303	718
Staff cost	(4,284)	(4,195)	89
Office running costs	(710)	(762)	(52)
Operational plan costs	(4,600)	(5,187)	(587)
Outturn	<u>(9)</u>	<u>159</u>	<u>168</u>

* The budget is that presented to the Board on 12 March 2021, and excludes projects costs and recoveries, the net effect of which is nil reflecting full recovery of costs.

** Total income is grant-in-aid less capital expenditure capitalised.

Outturn to grant-in-aid allocation

	Resource DEL £,000	Cash Capital DEL £,000	Total DEL £,000	Non- Cash DEL £,000	Total DEL £,000
Grant-in-aid Expenditure	6,785	2,180	8,965	340	9,305
Resource expenditure	6,771	-	6,771	-	6,771
Capital grants	-	1,917	1,917	-	1,917
Depreciation	-	-	-	171	171
Comprehensive net expenditure	6,771	1,917	8,688	171	8,859
Non-current assets bought	-	118	118	-	118
	6,771	2,035	8,806	171	8,977
Grant-in-aid (under)/overspend	(14)	(145)	(159)	(169)	(328)
	0.2%	6.7%	1.5%	49.7%	

* The capital grants awarded included £1.408m for Peatland Recovery, £.172m for Nature Biodiversity with £1.294m and £.141m were spent respectively. The underspend is largely due to the continued impact of COVID 19 which delayed the grant approval processes, planning, availability of contractors and access to sites.

** The non-cash allocation is made up of 2 components: depreciation which was to cover the depreciation of capitalised tangible and intangible assets, depreciation on capitalised leases under IFRS 16. Implementation of IFRS 16 for NDPBs was again postponed due to COVID 19 and is now due to be introduced for accounting periods commencing 1 April 2022.

Transfer to Taxpayer's funds

We are transferring (£0.106m) for the year (2021: £0.058m) to Taxpayers' equity, summarised in the table below. After accounting for capital investment creating £0.118m in new tangible and intangible assets, and capital grants of £1.917m, the potential small budget overspend at the commencement of the year was managed to a small underspend on resource spending of £0.159m which is considered an excellent outturn position in another difficult year where the COVID 19 pandemic severely impacted our and partners' operations.

	£,000
Total cash grant-in-aid received	8,965
Less net expenditure	(8,688)
Less depreciation	(171)
Transfer for year to Taxpayers' equity	<u>106</u>

The accounts for the year to 31 March 2022, set out on pages 56 to 59, are prepared on a going concern basis, and in a format directed by Scottish Ministers in accordance with the

National Parks (Scotland) Act 2000. A copy of the Accounts Direction is reproduced in Appendix I.

Changes in non-current assets

Movements in non-current assets are shown in notes 9 and 10.

Charitable donations

There were no charitable donations made in the year or previous year.

Relationship with suppliers and partners

Our supplier payment policy complies with the terms of the Better Payment Practice Code. During the year to 31 March 2022, the time taken to pay creditors achieved an average of 9.07 days (2021: 10.9 days) against a target of 10 days (2021: 10 days), with 67.4% (2021: 66.3%) of payments being made by the target date.

Anti-bribery and corruption

The Park Authority has adopted a zero-tolerance policy against, fraud, bribery and corruption reflected in clear policies on conduct expected from staff and on hospitality.

There were no reports of fraud in 2021/22 or 2020/21.

Ministerial Direction

There were no ministerial directions received from Scottish Government in 2021/22.

1.7 Operating Performance Summary

As set out in the preliminary sections of this report, despite ongoing COVID 19 disruptions over the course of the year combined with managing the transition of the organisation into new methods of working as we emerge from these restrictions, the Cairngorms NPA has made significant, positive progress in the realisation of our strategic objectives in the final year of the four-year Corporate Plan.

The Park Authority's Board receives quarterly updates from the Chief Executive on activities and performance to supplement the corporate performance reports linked above. The most recent such report is available at:

<https://cairngorms.co.uk/resource/docs/boardpapers/10062022/220610CNPABdPaperIAACEOReportV0.12.pdf>

All quarterly update reports are published on our website to allow ongoing, open public awareness of the work of the Park Authority. We have distilled the key highlights and outstanding issues in our delivery of our strategic aims in the following sections of this Annual Report.

2021/22 Activity Highlights

Conservation

Research has confirmed our **woodland expansion** target of 5,000 ha over a five-year period as an appropriate contribution within the Cairngorms to existing national targets. Our delivery through supporting the Forestry Grant Scheme and our Woodland Challenge Funding exceed this average 1,000ha each year target by the end of the corporate plan period. Some 198.28ha of new woodland has now been created, with significant interest coming from land managers in woodland expansion funding complemented by wider action on deer management.

The **Cairngorms Nature Action Plan (2019–2024)** is delivered by a wide range of partners including Non-Governmental Organisation (NGOs), land managers, academic and public sector organisations. Progress towards the three main aims of landscape-scale conservation, action for priority species and involving people is overseen by the Cairngorms Nature Strategy Group.

Our strategic focus on **Peatland Restoration** has been recognised through securing a three-year financial allocation totalling £8.45 million from Scottish Government commencing April 2021 to cover some 3,500 ha of restoration. We have further increased our Peatland ACTION Team to bring in sufficient capacity within the organisation to manage the increasing scale of this programme. Our delivery to date on peatland restoration has been significantly hampered by COVID 19 restrictions and by restricted contractor capacity both of which are now being addressed. Our target to invest in restoration management action on 557ha in 2021/22 was exceeded, with 730ha of restoration management work implemented.

We continue to work with a wide range of partners on our strategic objective to **eliminate raptor persecution** and develop wildlife tourism project around raptors. However, this aspect of our work continues to be highlighted as an escalated risk in our delivery. New approaches to tagging raptors are being trialled along with our partners.

The Park Authority continues to act as lead accountable body for the partnership delivering the **Cairngorms Capercaillie Project**, and through this work funded by National Lottery Heritage Fund (NLHF) contribute to the delivery of the **Capercaillie Framework**. Capercaillie habitats are hybrid spaces where people and nature coexist. Involving people to secure wider ownership of solutions and treating conservation as a socio-economic issue as well as an ecological one is now critical to prevent extinction in Scotland. The project complements the ongoing, ecologically focussed work being done by agencies and organisations with a people focussed approach, empowering communities of place and interest to develop and take ownership for their own ideas as to how they can play their part in capercaillie conservation. Our current assessment of the contribution targeted by work in the Cairngorms on capercaillie conservation suggests target capercaillie population numbers are unlikely to be met, and this objective is now flagged as a red rated risk in our corporate performance framework. Full national survey results were released in September 2022 which shows an estimate of 542 birds which now puts the population at serious risk of extinction. This is a serious decline from the 1,100 birds estimated 2016.

Our **work with Deer Management Groups (DMGs) to deliver public interest priorities** progresses well, with significant work remaining to be undertaken. Open range red deer were counted across most of the Park in March 2022. Results provide an up-to-date estimate of deer numbers for both estates and agencies and will feed into the Strategic Land Use Plans (SLUP) being developed across three Deer Management Groups (DMGs).

Conservation Key Performance Indicators

Indicator	Target	Update	Delivery Risk
Area of new native woodland	1,000 hectares (ha) each year	Target exceeded over last 4-year period	Green , on target
Area of peatland restoration	1,000 hectares (ha) each year	Corporate Plan targets for area restored has not been met, while reasonable progress has been made. Updated targets now in place.	Amber , behind schedule
Deer density across deer management groups	Reductions towards or less than 10 per km ²	Average deer densities across the Park are around 11 deer/km ²	Amber , approaching target with significant levels of variation
Number of capercaillie	1,200 by 2022	Significant concern from emerging data that population numbers are in decline.	Red , significant risk that this objective will not be achieved
Number of wildlife crime incidents in Cairngorms NP	Zero each year	Wildlife crime continues to occur. Raptor tracker trials now implemented. Wider partnership working on culture shift ongoing.	Red , zero tolerance ambition not achieved

Visitor Experience

Delivery over the corporate plan period on our priority on **Long Distance Routes** met or exceeded both KPIs. A total of 51.8km of paths were upgraded over the period compared with a target of 20km by 2022, while 6.5km of new path was constructed against a target of 6km. with the Speyside Way extension constructed and being well used and the completion of 'The Mountains and The People' project led by the Outdoor Access Trust for Scotland (OATS) upgrading 51.8km of mountain paths in the Cairngorms from a 5-year target of 53km.

With the significant impacts of COVID 19 on tourism over the course of this and last year, the Park Authority coordinated a Tourism Emergency Response Group along with a Management for Visitors Group to plan and manage for COVID 19 related work. This COVID 19 response complemented our ongoing work on delivery of the **Tourism Action Plan** which underpins the Park's status with the European Charter for Sustainable Tourism in Protected Areas. With the significant increase in capital funding available to the Park Authority in

2021/22, we embarked on development of a multi-year capital investment programme covering all aspects of our work including tourism and visitor infrastructure, investing around £0.350m in infrastructure enhancements over the course of the year which included improvements to the campsite at Coire Ciste, toilet facilities at Loch an Eilean and Burnside Grantown on Spey, car parking at the Dinnet Estate and work on Bhein na Glo and the Deeside Way. However, COVID 19 impacts have resulted in a downturn against our KPI of increasing the economic impact of visitors to the southern and eastern areas of the Cairngorms, which at the end of the Corporate Plan period was increased on the baseline level of 21%, at 21.6%, although below the target of 25%.

Our **Volunteer Programme** has exceeded our expectations. We have trained 38 volunteer rangers since the commencement of our corporate plan programme, with a further 9 volunteers to be trained in the Spring of 2022.

Our **Ranger Service** continues to develop, and we invested £0.268m in 2021/22. Our service now includes full time rangers with youth and new entry level trainee rangers.

The strategic objective on **Active Travel** has been progressed through the year through a considerable amount of partnership collaboration within our Heritage Horizons Cairngorms 2030 Programme. The 16 health walks groups continue to re-establish and become more active as COVID 19 restrictions ease as safe activities can be designed.

The Park Authority continues to support **John Muir Awards and Junior Ranger Programme** as part of our work in developing a 'Park for All,' and despite COVID 19 restrictions almost 1,000 John Muir Awards were again completed over the year, although this level remains well below the target 2,500 awards per annum established and delivered prior to COVID 19. The Cairngorms NPA Equalities Advisory Panel has refreshed and refocused its engagement, advice, and support to the Park Authority in seeking to achieve our Park for All objectives and is now operating as a key and effective element of support to the Park Authority's delivery.

Visitor Experience Key Performance Indicators

Indicator	Target	Update	Delivery Risk
Length of path upgraded	20km upgraded by 2022	51.8km of path upgraded in Cairngorms through The Mountains and The People Project	Target Achieved
Length of path extended	6km new path by 2022	6.5km of new path building along Speyside way and Seven Bridges path, Ballater	Target Achieved
Tourism Impact: Increase economic impact of visitors to eastern and southern CNP	25% of total visitor economy by 2022	STEAM data shows: 21.6% of total visitor economy in these areas in 2019, above baseline but declining	Red, ahead of baseline with declining trend

		trend and below target	
Completions of John Muir Awards	2,500 awards each year with 20% from disadvantaged backgrounds	832 people completed a John Muir Award in and around the Cairngorms in 2021	Amber , in year COVID 19 disruption; backgrounds of participants to be determined
Number of Volunteer Rangers	8 or more trained each year	38 volunteer rangers fully trained in first three years of planning period	Target Achieved , ahead of target
Cairngorms 'A Park For All': increase in visitors from lower socio-economic backgrounds	Increase visitors from C2, D, E backgrounds from 18% to 20%	Latest full survey data in 2020 indicates proportion from this background now at 27%	Target Achieved , ahead of target

Rural Development

This reporting period has seen the significant milestone achievement of the successful completion of the **Badenoch Great Places Scheme**, and full closure of **Tomintoul and Glenmore Landscape Partnership**, a £3.7m multi-partner project, both valuable further collaborations with the National Lottery Heritage Fund (NLHF) through various aspects of the NLHF's funding opportunities.

We continued our focus on **supporting community organisations** in their delivery of NPPP objectives and in building community capacity in both delivery and policy terms throughout 2021/22. We continue to grant fund Voluntary Action Badenoch and Strathspey, Marr Area Partnership and Tomintoul and Glenlivet Development Trust in support of their range of community responses, not least to managing the COVID 19 crisis and its local community impacts. We have supported the Cairngorms Local Action Group Trust and worked with that charity in delivery of a joint grant programme valued at £300,000 focused on community led delivery. In policy terms, we have played a leading role in advising on the development of new Community Led Local Development (CLLD) funding to replace EU LEADER funds.

With the ongoing support of the Cairngorms NPA as its Accountable Body, the Cairngorms Local Action Group Trust brought the **Cairngorms LEADER Programme**, valued at £3m of grant investment and £4.6m of total investment, to a successful close in December 2021. As noted above, we continue to partner with the Trust on developing and trialling new approaches to CLLD, with an initial £0.050m testing change fund secured from Scottish Government in 2021/22 increasing to an allocation of £0.281m for 2022/23. This work has included the initiation of a Youth Local Action Group with grant giving funds and powers, supporting young people to support and fund the aspirations of other young people in the Cairngorms.

In helping deliver the **Economic Strategy for the Cairngorms**, the Park Authority approved a Green Recovery Plan for the National Park in response to the impacts of COVID 19 on the economy in June 2020. The Park Authority ran its second phase of Green Recovery Funding in from May 2021 with £0.25m committed and complemented by £0.05m made available by the Cairngorms Trust.

The Park Authority continues to work with five communities in their pursuit of **community-led housing solutions**. Planning permission is now in place for two of these community led sites while we work in collaboration with all five communities to achieve their aspirations.

The Board adopted the **Cairngorms Local Development Plan (LDP)** in March 2021 following the completion of full consultation and review processes, bringing another key strategic exercise to a successful completion in the previous year. We are now ensuring the LDP is embedded in planning decisions of all five local authorities who make planning decisions impacting the Cairngorms in addition to our own planning decisions on those applications the Park Authority calls in.

Rural Development Key Performance Indicators

Indicator	Target	Update	Delivery Risk
Number of affordable houses delivered through planning frameworks	200 new affordable houses by 2022	203 affordable houses granted consent and with some confidence of progressing since 2018	Target Achieved
Number of people involved in community development activity for the first time	80 people newly involved in community development	LEADER Programme Monitoring and Evaluation currently reporting 237 people have become involved in community projects for the first time through the programme's interventions	Target Achieved
Business satisfaction with Cairngorms NPA	Maintain or increase average satisfaction rating of 5.44/10 at March 2018 baseline	Cairngorms Business Partnership's Business Barometer measure gives a satisfaction rating of 5.60 in Q1 of 2022	Green, on target

Communications

A Digital Communications strategy is being implemented to support the Communications & Engagement Strategy and help deliver our **digital communications and social media**

objectives. At the end of 2021 we reached 351.82k website sessions, a 7% increase on the 2020 figure but short of our 400k target. On social media we reached 72,300 followers across 3 Facebook pages, 1 Instagram account, 1 LinkedIn account and 5 Twitter accounts. This was an increase of 50% on the previous year. A full audit of our website was conducted by accessibility experts.

The **Cairngorms Nature BIG Weekend** ‘At Home’ event ran in May and remained a largely online-only event in 2021, taking place from 14-16 May 2021. However, in addition to the range of webinars, films, blogs and drop-in sessions, this year we gave away up to 200 Cairngorms Nature Explorer activity packs. Crammed full of nature watching ideas to do in your local area, the pack also includes recycled pencils, notepad, and a bug box to get nature discoveries under way. Our focus on **campaigns** also continued to support the work undertaken and covered elsewhere on Active Cairngorms. Our ‘Make It Yours’ campaign work included developing a video training resource around 10 minutes in length, designed to provide bitesize information for businesses and their employees. Our aim is that, as lockdown measures are eased, the video will provide visitor-facing staff with information about the National Park and help them understand a bit more about what visitors are looking for from their visit based on visitor survey data.

The formal phase of the **Cairngorms National Park Partnership Plan** consultation ran from Thursday 23 September to Friday 17 December, with the draft plan made available via a dedicated Commonplace website, long-format pdf, print and screen reader-friendly versions. We estimate that around 1,400 people responded to the consultation, nearly five times the number five years ago. Over 50% of respondents came from within the Park boundary.

In supporting our **Organisational Development Strategy** and underpinning internal communications, on-line drop-in and consultation sessions were held with all staff as we planned and delivered our office return “post-COVID 19.” We have undertaken various internal staff surveys to assess views on our organisational development activity and reviewing our organisational working practices in response to COVID 19 and new ways of working. We have also implemented our full, independent staff survey in autumn 2021 which we hold every two years. This delivered very positive results while providing a valuable sense of the areas for concentration in our development work over the next two years.

Corporate Services

Over the last 12 months, the **Organisational Development (OD) Strategy** has focussed on supporting staff through the pandemic and ensuring staff welfare. Going forward, an OD Programme Board has now been established to coordinate the development of the revised Organisational Development Strategy during 2022/23 on the basis of the staff survey in Autumn 2021 in keeping with our bi-annual schedule. We have begun implementation of our “new normal” after COVID 19 operational arrangements, developed through staff consultation undertaken throughout the course of 2020/21. We also implemented our new management structure in 2021 following a full staff consultation.

Our **Staff Consultative Forum** continues to work effectively, albeit in a wholly virtual environment throughout the last year. This has remained a very valuable conduit for staff

consultation which has complemented drop-in sessions for all staff where direct conversations have been held on any questions or ideas offered by all staff.

We have agreed the basis of roll-out of shared services for **GIS strategy implementation** with Loch Lomond and The Trossachs NPA. This delayed project has secured the staff resources needed at the end of 2021/22 and will more fully launch over the first half of 2022/23.

The Park Authority continues to address its **IT Strategy and Cyber Security** considerations. Huge work has gone into modifying our IT infrastructure to accommodate remote working by all staff over the course of 2020/21. We have now adopted an IT and Data Management Strategy and have commenced implementation of that in 2021/22 with a move to digitise many of our internal processes and implement new systems which better promote remote working and “hybrid” physical and in person meetings as permanent features of our new working environment.

The Park Authority provides **shared services** to other organisations and groups, in particular continuing to provide HR advice and support to the Scottish Land Commission and facilities support to a range of community partners in their delivery of NPPP and community development objectives.

Our internal and external audit review processes continue to confirm the effectiveness and efficiency of our management and control systems in our delivery of **effective and efficient management and control systems**. The Park Authority has also continued to implement our organisational climate action plan to pursue an ongoing reduction in our business impact on the climate.

Corporate Services Key Performance Indicators

Indicator	Target	Update	Delivery Risk
Staff absence levels below established thresholds	Below 5 days per year and no more than 3 absences in a 12-month period	All targets met	Green, on target
Freedom of Information Requests responded to within statutory timeframe	Responses to all FOI and EIR requests within 20 working days	2 requests received in year responded to beyond time target as a consequence of administration error or staff absence	Amber, on target with single variation as result of admin error
Health and safety management	Zero RIDDOR reportable incidents; maximum 1 minor injury and 3 near miss reports	All targets met in year despite increase in scale of operations to include rangers	Green, on target

Strong internal control systems	No more than 2 top priority audit recommendations in a year	Target met: 0 top priority recommendations in 2020/21	Green, on target
Achieve financial break even in maximising use of financial resources	Final outturn within +1% to -2% of total income	Final outturn underspend of 1.5% of total income	Green, on target
Reduction in carbon emissions generated from business operations	3% annual reduction in emissions	Estimated emissions 2021/22 of 68 tonnes, an increase of 16.1% in prior year: impacted significantly by COVID 19 reduction in operations in prior year.	red, off target due to impact of return to more normal working practices post covid

A full update on the Park Authority's key performance indicators as reported to our Board in June 2021 is available at:

[Microsoft Word - 220325CNPABdPaper3Annex2CorporatePlanKPIs \(cairngorms.co.uk\)](#)

Sustainability and climate change

The Park Authority continues to revise and enhance our internal monitoring methodology and participate in the national model established by Scottish Government for reporting on carbon emissions generated through our business activities. Despite our continued effort to reduce our carbon footprint we have increased emissions in our final report for 2021/22 to 68 tonnes of CO₂ (tCO₂e): a reduction of 97 tCO₂e from our baseline year, or 46%, due largely to increased mileage of staff and board at the expense of other modes of travel. However, we note that this has been significantly impacted by the interruption of business activity as a consequence of COVID 19 while our monitoring systems do not pick up increased household emissions of our staff during home working. Nevertheless, this remains an excellent result in those emissions which are controllable by the Park Authority and our focus now switches to ensuring that improvements are maintained and further enhanced as we reconstruct our business practices after COVID 19.

Sustainability and climate change will remain key underlying themes within our Corporate Plan and also within the National Park Partnership Plan, underpinning the strategic work of the Park Authority and all its partners in the National Park. Our current emissions reductions targets predate the Park Authority's 'Net Zero With Nature Strategy' and will be updated as we go through our next forward corporate planning process to revise our targets and be more in keeping with our updated policy objectives.

Future activities: 2022/23 Operational Year

The Park Authority board established a transitional delivery plan for 2022/23, to support our completion and commencement of implementation of the National Park Partnership Plan

2022 to 2027 and to bridge the year from completion of the previous corporate plan to the agreement and commencement of our next corporate plan spanning 2023 to 2027. This transitional plan is available at:

[220316 Budget Annex Final \(cairngorms.co.uk\)](https://www.cairngorms.co.uk/220316-Budget-Annex-Final)

Many of our activities for 2022/23 build on existing work from previous plans and therefore continues the excellent work already started. This is to be expected as we continue a number of significant multi-year programmes such as Cairngorms 2030, Peatland ACTION, and the Cairngorms Capercaillie Project.

We will address a wider national policy environment which considers economic recovery and recovery from COVID 19 impacts; addressing climate change; addressing nature conservation and stemming biodiversity loss; and considering staff wellbeing and the potential for altered working terms and conditions highlighted within government public sector pay policy.

The period ahead also represents a year of embedding the step change in the scale of operations for the Park Authority and in our approaches to developing the organisation to ensure it remains appropriate in structure and operational principles for our future roles. We are also considering the future operational mode of the Park Authority, recognising that many changes made in our business processes, while out of necessity as we adapted to our business continuity processes, are valued by staff and stakeholders and merit consideration of more permanent adaptations to our systems.

Our key organisational priorities over the course of 2022/23 include the following highlights:

- implementation of initial arrangements to ensure take up and coordination of the new Cairngorms National Park Partnership Plan following Ministerial approval;
- implementing actions delivering our Net Zero by 2045 strategy;
- increasing the scale and outputs from our Cairngorms Peatland Restoration Programme in the context of significant and increased multi-year funding from Scottish Government;
- taking action on woodland expansion and species conservation targets;
- supporting the Cairngorms Capercaillie Project as it moves toward the final stages of delivery of agreed project outcomes, including the Capercaillie Framework;
- management and organisational support of the Cairngorms 2030 Heritage Horizons programme in completion of the Development Phase by March 2023, to inform and support our Delivery Phase bid due in June 2023;
- we will continue to appraise the appropriateness of staffing levels across the organisation in the context of our organisational priorities and most appropriate deployment of our resources between staff and project investment;
- the Park Authority will work to further develop and implement our “New Normal” programme throughout 2022/23, reviewing and embedding how our organisational processes and staff group will work following our full exit from COVID 19 related business continuity planning mode. We will seek to ensure we retain all the welfare and climate action benefits realised over the last two years while building effective

and efficient business operations. We will also continue to implement and refine our IT and data management processes to provide secure and effective support to our organisational working practices;

- define and take actions on priority areas for organisational development identified in the staff survey held in 2021;
- develop and agree our new strategic Corporate Plan, expected to span 2023 to 2027;
- work with the board to embed best practice in governance, including the introduction of our updated Code of Conduct and induction of a number of new board members who will come from local authority nominees, public appointments and direct elections which are scheduled for March 2023;
- update our Sustainable Tourism Action Plan and work toward a further reaccreditation of the Sustainable Tourism Charter;
- continue to evolve and implement the Cairngorms Strategic Visitor Infrastructure Improvement Programme;
- continue our work in delivering a wellbeing economy for the Cairngorms, and
- implement planned trials of new approaches to Community Led Local Development (CLLD) while continuing to influence the national considerations in developing future long-term approaches to and funding for CLLD to replace EU LEADER approaches and funding.

Future activities: 2022/23 Performance Indicators

We have established clear targets and outcomes for our 2022/23 transitional plan, which are set out in the document linked at the start of the previous section of this annual report.

We will implement a performance management framework based on these interim targets for the 2022/23 operational year while we work to develop our next 4-year Corporate Plan, and the Performance Management Framework that will form an integral part of that Corporate Plan for 2023 to 2027.



Grant Moir

Chief Executive and Accountable Officer

16 January, 2023

2 ACCOUNTABILITY REPORT

2.1 Directors' Report

The Directors' Report sets out the key aspects of the internal organisational change and development within the Park Authority during the year to 31 March 2022.

The Board

Board members who served throughout the year are listed on page 2. Board members profiles can be found at <http://cairngorms.co.uk/authority/board/> where a link to members' Register of Interests may also be found.

Fees paid to Board members are noted on page 43 together with the total amount of reimbursed expenses paid in the year which are not subject to audit. No pension contributions are made for any Board member.

The Senior Management Team

The Chief Executive, who is also the Accountable Officer, is Grant Moir. The names of the Directors, who all served throughout the year, are listed on page 2. We consulted on a change in management structure to ready the Park Authority for anticipated future changes in priority and challenge as we adapt to focus on leading a Green Recovery from COVID 19 in the Cairngorms and address and implement positive action on climate change. All serving Directors remain at Director level with some changes in priority focus.

Board Development and Governance

The Park Authority continues to recognise the importance of training and development to ensure that all staff and Board members have the skills required to deliver their role in the context of the organisation's enabling and partnership ethos.

The board have undertaken board effectiveness workshops over the course of 2021/22: seeking to recognise the impacts of on-line and hybrid meetings and develop more positive, constructive interactions between members. The board also completed a number of improvements in governance processes over the course of last year, implementing an additional sub-committee looking at the performance of significant programmes of work as part of improved assurance processes; completing the board complaints process review; finalising a Governance Responsibility Framework to clarify the respective roles of Non-Executive members and Executive Directors; and agreeing a revised Code of Conduct based on the new Model Code for Non-Departmental Public Bodies. Annual conversations on board development are now embedded within the Board's self-assessment processes, and a reasonable training and development budget has been retained to support delivery of identified training requirements.

We recognise the large numbers of potential changes in board membership over the next two years. We will continue to design and implement appropriate induction and training programmes, including a further training course on "On Board" training regarding requirements around compliance with our Code of Conduct.

Staff Development and Management

The Park Authority implemented a revised approach to staff development and performance management in 2019/20, moving from a process based on appraisal meetings twice each year to much more regular, two to three weekly performance development conversations (PDCs). Conversations on staff development and training requirements are held regularly as part of the PDCs and an adequate training and development budget, able to date to cover all agreed training and development requirements, has been retained to support delivery of identified training requirements.

The Park Authority maintains oversight of its management of sickness absence through regular review of performance at Board and Management team level. Sickness absence is included as a key performance indicator in the Park Authority's corporate performance framework. In 2021/22 the average number of days lost through sickness absence was 3.3 days per person (2021: 2.6 days). (In common with many organisations, the Park Authority implemented special leave arrangements to support staff dealing in various ways with the COVID 19 emergency. Absences as a result of COVID 19 are excluded from these sickness absence figures.)

Sustainability reporting and environmental matters

A key purpose of the Park Authority is to promote partnership working and give leadership to all the bodies and agencies involved in the sustainable development of the National Park. Through coordinating development and collective agreement of the Cairngorms National Park Partnership Plan, the Park Authority aims to ensure the collective and co-ordinated delivery of the four aims of the National Park. Thus, the Park Authority leads others in ensuring that we are all living in, or working and caring for, the Cairngorms National Park in such a way that it remains, and wherever possible is enhanced, to be enjoyed by future generations. Sustainability and environmental considerations are therefore at the heart of everything this organisation does.

The Park Authority initiated the planning process of our becoming a net zero emission organisation by 2045 and achieving the even more challenging objective of realising a 75% reduction in our emissions by 2030 in 2019, through our Board's consideration of the "Net Zero with Nature" paper in December 2019. The Park Authority followed this up by coordinating the Cairngorms Net Zero with Nature conference in Aviemore in early March 2020. We continue this work and will distil our future strategic objectives around this objective in our next Corporate Plan from 2023, while we have coordinated the incorporation of key climate action objectives into the next CNPPP commencing from April 2022.

The review of our performance during 2021/2 previously presented in this document highlights that the Park Authority continues to outstrip our current emissions reductions targets, with latest business emissions estimated at 34.1 tonnes: a reduction of 60.8% from prior year. We recognise this result is impacted significantly by COVID 19 reduction in operations. Nevertheless, our ongoing annual trend strongly evidences the Park Authority's commitment to driving down its own business emissions while establishing a leadership direction for others within the Park.

Illustrations of our wider priority to deliver sustainability are presented throughout this report.

Social, community and human rights issues

Our work on sustainability and the environment is also central to our activities around social and community development. Conserving and enhancing the special qualities of the Cairngorms National Park is essential if the Park is to build and maintain a diverse and vibrant economy.

The Park Authority's work in this area spans support for sustainable business development within the National Park, to promoting development of affordable housing, to establishing partnerships with individual communities in developing and delivering those communities' action plans, and more widely to engage with community planning partnerships.

Our "Make It Yours" campaigns seek to engage people and communities in the work required to protect and enhance the special qualities of the National Park, seeking to make residents and businesses own their role in and for the National Park.

Our various community development activities, support for community action planning and community led local development all seek to engage communities in identifying both needs and solutions to ensure their long-term sustainability. One of our current priorities is to influence national funding to ensure the Cairngorms receives at least an equivalent amount of funding from domestic and other funds as received in the previous EU LEADER programme for community led development in order to ensure this critical area of work continues.

Diversity

The Park Authority continues to embed its approach to ensuring equality. The Park Authority's Public Sector Equalities Duty Report 2021 was fully updated and comprehensively sets out the achievements of the Park Authority in our equalities work to date together with our ambitious forward programme of work in this key area. The report was approved by our board at its meeting in June 2022, with the report to the board available at:

[220610CNPA Bd Paper 5AA Public Sector Equality Duty Cover V0.1.pdf \(cairngorms.co.uk\)](#)

The full report and accompanying information may be accessed from the published board papers of the June 2022 board meeting at:

[Meeting - Cairngorms National Park Authority](#)

This document combines our 2021 Equalities Mainstreaming report, our 2017 – 2020 Equalities Outcomes update and our 2021 to 2024 Equalities Outcomes. Key highlights of that document include:

- our Board - our strategic leadership group - has achieved the "50:50 by 2020" gender equality target. The CNPA Board comprises 19 members. The current gender

breakdown is 10 female members and 9 male members. The full board has a male convenor, aged in the 25 – 30 age group, and a female vice-convenor;

- we have refreshed and reinvigorated our approach to seeking expert advice on our work embedding equalities, and the new Equalities Advisory Panel (EAP) has been meeting throughout 2021/22 to provide valuable and valued advice on a range of the Park Authority's activities including in the period our approach to consultation on the CNPPP and the development of many elements of our Cairngorms 2030 Heritage Horizons programme;
- continued successful delivery of our Youth Employment Strategy;
- we continue to proactively address organisational and HR policy to provide the environment most conducive to a workplace for all. The Cairngorms NPA was identified as one of "Scotland's Top 10 Flexible Employers" at the Flexibility Works Employer Awards. Many of the areas of our independent staff survey which impact on the areas of values and equalities have also returned very positive feedback from our staff group on the Park Authority's approach to Equalities work;
- we have brought together a new internal staff group to help advise us on development and implementation of equalities actions within the Park Authority; have instigated procurement of staff training; and have agreed to work toward the LGBTQ+ Youth Equalities Charter over the course of 2021/22 as aspects of our internal organisation development work on Equalities;
- CNPA subscribes to the 'Disability Confident' scheme. Job applications from any candidate who indicates that they have a disability will be automatically short-listed if they demonstrate that they meet all the essential short-listing criteria
- our gender pay gap continues to decline for the fifth year in a row evidencing the positive work in this area: in April 2022 was 12.49% compared with 21.47% in 2017.

Moving forward, we recognise there is much work still to do in this aspect of our ambition to establish 'A Park for All' and an organisation which is in keeping with that.

- the CNPA Board could be more diverse, representing a broader range of protected characteristics and we have established a set of actions to help achieve this along with others we are dependent on in nominating and appointing our Board Members;
- our workforce will become more diverse. We will have more women in senior positions in the organisation, and will have an increased number of minority staff working for us (specifically with relation to sexual orientation, disability, and ethnicity);
- more equality groups participate in CNPA led consultations and stakeholder forums/groups to influence decisions made in relation to the management of the Cairngorms National Park. A programme of user testing and access audit activity for website use has been commissioned for 2022 together with a full review of our existing site from an accessibility standpoint (WCAG 2.1 AA/AAA standard), which included testing from a variety of users with disabilities, and
- we will continue with our focus of driving down any remaining areas of gender pay gap.

The Park Authority's on-going work on equalities and creating 'A Park for All' is overseen by an internal working group comprising staff drawn from across the organisation and is chaired by a senior manager.

Information and data security

The Authority has established an updated IT and Data Management Strategy which establishes the vision and direction for our investment and work in this area over the coming years. We will work towards *"a high resilience, cloud-based IT infrastructure that will support effective and efficient remote working. We will seek to maximise "technology as a service" offerings that includes moving elements of our service to managed service and / or cloud provision where is it supported as best value service provision. This will reduce in-house technical skills needs and reduce over-reliance on individual staff presence and knowledge base, transferring this risk to third parties and consequently mitigating the risk of over-dependency on specialist staff."*

The Park Authority has had no instances of loss of data or personal information over the course of the year. The Governance Statement included in this Annual Statement and Accounts sets out more information on the Park Authority's range of internal controls and review mechanism to ensure data security amongst other things.

In 2021/22 we received a total of 42 information requests (2021: 37) with details of the split by type of request published within our corporate performance KPIs already referenced.

The Park Authority also has a fully developed suite of wider policies designed to ensure that feedback on our service standards, activities and performance can be given. This includes our complaints, grievance, and whistleblowing policies. We have a mature approach to internal and internal feedback, ensuring appropriate investigations of feedback take place and seeking to draw improvement points out of investigations where appropriate, irrespective of whether the initiating point of complaint or negative feedback is upheld. Our seeking improvement in this way supports our organisational aim of being the best small public body in Scotland, and also in securing Best Value in accordance with national objectives.

Our information access and complaints policies are published on the Park Authority's website.

2.2 Statement of National Park Authority's Responsibilities

Under section 25(1) of the National Parks (Scotland) Act 2000, the Cairngorms National Park Authority is required to keep proper accounts and accounting records, prepare an account of its expenditure and receipts for each financial year in accordance with directions issued by the Scottish Ministers, and send the account to the Scottish Ministers by such time as they may direct.

The financial statements are to be prepared on the accruals basis and must give a true and fair view of its expenditure and cash flow for the financial year, and of the state of affairs as at the end of the financial year.

Auditors

The accounts of the Park Authority are audited by Grant Thornton UK LLP who are appointed by the Auditor General for Scotland in accordance with paragraph 25(2) of the National Parks (Scotland) Act 2000.

The costs relating to the statutory audit work for the financial year were £11,820 (2021: £12,490). No other fees for non-audit related services were paid in either year.

The Independent Auditor's report to the Park Authority, the Auditor General for Scotland and the Scottish Government is on pages 52 to 55.

2.3 Statement of Board's Responsibilities

The Board has a corporate responsibility for ensuring that the Park Authority fulfils the aims and objectives set by the Scottish Ministers and for promoting the economic, efficient, and effective use of staff and other resources in accordance with the principles of Best Value.

The Convener of the Board

The Convener is responsible to Scottish Ministers and is charged with ensuring that the Park Authority's policies and actions support the wider strategic policies of the Scottish Ministers, and that the Park Authority's affairs are conducted with probity.

The Convener has particular leadership responsibilities on:

- formulating the Board's strategy;
- ensuring that the Board, in making decisions, takes proper account of guidance provided by the Scottish Ministers/Department;
- promoting the efficient and effective use of staff and other resources;
- encouraging high standard of propriety; and
- representing the view of the Board to the general public.

The Convener also ensures that all Board Members, when taking up office, are fully briefed on the terms of their duties, rights, and responsibilities, and receive appropriate training. He advises the Scottish Ministers when Board vacancies arise, with a view to ensuring an appropriate spread of balance of professional and financial expertise, and also assesses the performance of Board Members annually.

2.4 Statement of the Accountable Officer's Responsibilities

As Chief Executive of the Park Authority I am designated the Accountable Officer and am personally responsible for safeguarding the public funds for which I have sole charge, for ensuring the propriety and regularity in the handling of those funds, and for the day-to-day operations and management of the Park Authority. I am expected to act in accordance with the Management Statement/Financial Memorandum for the Park Authority and within the

terms of the relevant guidance in the Scottish Public Finance Manual (SPFM) and other instructions and guidance issued by Scottish Ministers, in particular the Memorandum to Accountable Officers for Other Public Bodies, and in particular,

- observe the financial statements direction issued by Scottish Ministers, including relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether the applicable accounting standards have been followed, and disclose and explain any material departures in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Park Authority will continue in operation.

Disclosure of Information to Auditors by the Accountable Officer

So far as I am aware, there is no relevant audit information of which the Park Authority's auditors are unaware and I have taken all reasonable steps to make myself aware of any relevant audit information and to establish that the auditors are aware of that information.

Accountable Officer's statement on the Annual Accounts

As Accountable Officer I believe that the annual report and accounts as a whole are fair, balanced and understandable.

2.5 Governance Statement

Scope of responsibility

As Accountable Officer, I am responsible for maintaining sound systems of internal control which support the achievement of Cairngorms National Park Authority's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible. These duties are in accordance with the Management Statement agreed between the Park Authority and Scottish Government, and also responsibilities assigned to me in the Scottish Public Finance Manual (SPFM).

The SPFM, issued by the Scottish Ministers, provides guidance to the Scottish Government and other relevant bodies on the proper handling of public funds, and sets out the relevant statutory, parliamentary, and administrative requirements, emphasising the need for economy, efficiency, and effectiveness, and promotes good practice and high standards of propriety. I am responsible as Accountable Officer to ensure the Park Authority's internal control systems comply with the requirements of the SPFM.

The Management Statement sets out the role of the Park Authority's Board in providing leadership and governance. The governance responsibilities of the Board are supported by approved Standing Orders and a Code of Conduct revised in the year to reflect the revised model for Non-Departmental Public Bodies approved by Scottish Parliament in December 2021 and adopted by the board in 2022. The Board agreed a "Governance Responsibility

Framework” document in 2021, setting out the respective roles and responsibilities of the board and non-executive board members and senior managers in decision making to give added clarity and understanding to this aspect of the Cairngorms NPA’s governance. Our group of professional, senior staff advisors, complemented by appropriate Board training and development processes, support the good governance arrangements set out in the Standing Orders and Code of Conduct.

As a public body, the Park Authority operates in an open and accountable manner, and is committed to accessibility, openness and accountability and supports the highest standards in corporate governance.

Other than the documents referred to above and the resource allocation letters issued to me over the course of the year, there are no other written authorities provided to me in 2021/22.

The operation of the Board and sub-committees

The Board comprises 19 members: 7 appointed by Ministers following nomination by five Councils with boundaries within the National Park, 7 appointed by Scottish Government through public appointments processes, and 5 directly elected within the wards of the Park. The Board therefore reflects a blend of different experience, backgrounds, and interests. The full Board meets regularly to consider strategy, and performance against the current Corporate Plan. Meetings are scheduled quarterly, with additional meetings convened as required. To enable the Board to discharge its duties, all members receive appropriate and timely information in advance of meetings with all agendas and papers also placed in the public domain. Meetings are open to the public save the occasional meeting held in private for various reasons of business and commercial confidentiality.

To ensure that the Board develops an understanding of the current and emerging issues, members also participate in informal discussion sessions to consider evolving policy issues and proposals, and a preferred strategic direction identified prior to fuller, open consideration at formal meetings.

The Board has established sub-committees: a Planning Committee (which deals with all aspects of the Park Authority’s statutory planning responsibilities), together with Committees covering Governance, Resources, Performance, and Audit and Risk. This new Committee structure was adopted over the course of 2021/22. The revised structure was adopted to augment the governance of the Park Authority and enhance the Board’s assurance role as the Park Authority’s scale of activities and support of significant programmes continues to increase. The Governance Committee has been created to support the board and Convener and maintain oversight of the effectiveness of governance arrangements across the organisation, including the effectiveness of the committee structure itself. All committees have delegated duties and responsibilities set out in terms of reference agreed by the full Board to oversee and scrutinise the Park Authority’s deployment and management of resources. The record of attendance at Board meetings can be found elsewhere in the Annual Report and Accounts.

The Audit and Risk Committee

The Audit and Risk Committee's role is to provide effective governance over all aspects of the Park Authority's internal management control systems and the annual financial accounts and audit. It also takes a lead in strategic risk management, ensuring that risks impacting on strategic objectives are identified and mitigated, and that risk management is embedded throughout the Park Authority's operations. It is supported by the Park Authority's internal audit function, Azets, and external auditors, Grant Thornton LLP, who both have independent access to the Committee and to its Convener. The Committee is tasked with monitoring the operation of the internal control function and bringing any material matters to the attention of the full Board. Detailed reports of all audit reviews are made available to both management and the Committee.

The Committee meets at least quarterly and reports to the Board on the adequacy and effectiveness of the Park Authority's internal controls, and more widely on its work in the preceding year.

The Board has continued a process of self-evaluation of effectiveness and governance over the course of 2021/22. The Board completed a revision of its skills matrix in February 2020 and, through this process, established a priority for continuing professional development of members over the following years. A refresh of the board skills matrix and self-evaluation of members against that matrix is scheduled for the early part of 2022/23 to complement public appointments rounds for member appointments which are expected to take place in 2022. Members completed a self-assessment of Board effectiveness in December 2020 and considered the results of this in February 2021. The Convener and Deputy Convener have undertaken a complementary series of "Board member development conversations" with all board members. This focus on Board effectiveness and development of governance systems was complemented by an internal audit of governance systems, the improvement actions from which have been implemented in part by the work mentioned here and through wider action over the course of the last year.

The Board has agreed a set of Corporate Performance Indicators to support its oversight of delivery against key strategic objectives and the Park Authority's Corporate Plan. A detailed performance report is submitted to the Board twice yearly on delivery against key performance indicators, considered typically at each June and December meeting, alongside a review of strategic risk management. These monitoring and control mechanisms support Board scrutiny over delivery of the Corporate Plan and National Park Partnership Plan priorities.

Periodic reports from independent internal and external auditors form a key and essential element in informing my review as Accountable Officer of the effectiveness of the systems of internal control within the Park Authority. The Board's Audit and Risk Committee also plays a vital role in this regard, through its consideration of audit recommendations arising from reviews of internal control systems and its scrutiny of proposed management action to address any improvements required. The Audit and Risk Committee also considers both a 3-

year plan for internal audit coverage and annually agrees the scope of internal audit based on the plan.

Shared services delivery

The Park Authority plays an important role in providing support over a range of activities to local communities and organisations to help deliver the National Park Partnership Plan’s priorities. In the last year we have supported Cairngorms LEADER Programme Local Action Group, the Tomintoul and Glenlivet Landscape Partnership, the Great Place Badenoch Project as well as the Capercaillie Framework as significant, community and partner led programmes of activity. We have also established a stakeholder Programme Board to take oversight of our new National Lottery Heritage Funded “Heritage Horizons: Cairngorms 2030” programme. Our management and internal control structures ensure that support for these community-based delivery entities is separated from the core activities of the Park Authority, while ensuring that our support helps them achieve “best practice” in their operations.

The Park Authority also undertakes a range of shared service arrangements with other public body partners. Over the course of the year, we have provided human resource advice and organisational development support to the Scottish Land Commission, while collaborating on a range of shared service delivery with Loch Lomond and the Trossachs National Park Authority (LLTNPA). We receive key support from LLTNPA on IT infrastructure maintenance, development and shared licence agreements for planning systems and data back-up and security arrangements. In addition to these more formal shared services with LLTNPA, both National Park Authorities continue to collaborate closely on areas of shared policy interest.

Internal audit

The internal audit function is an integral element of scrutiny of the Park Authority’s internal control systems. Azets was appointed following an open procurement process as the Park Authority’s internal auditors in 2020 and have undertaken a comprehensive assessment of key internal control systems since their appointment in determining annual and 3-year internal audit plans. During the year to 31 March 2022, Azets has reported to the Audit and Risk Committee on the following reviews:

Governance & risk	Assurance Mapping of Major Projects Follow up review of prior recommendations
Internal control systems	LEADER administration IT and Data Strategy Cyber Security Arrangements Peatland Restoration Programme
Finance	VAT Arrangements Financial Management and Reporting

All recommendations made by Azets are considered; given management responses that are considered by the Audit and Risk Committee; and implemented as appropriate. There were no instances of internal audit recommendations not being accepted by management in the year.

External audit

External auditors are appointed for us by the Auditor General for Scotland through Audit Scotland. Audit Scotland appointed Grant Thornton LLP to the role for a 5-year period commencing in 2016/17 which was extended for a further year to cover the 2021/22 audit as a consequence of COVID 19 limitations and restrictions to the auditor appointment process. We have formed an effective and efficient audit relationship with Grant Thornton, who review key systems so they can form a view on the effectiveness of control arrangements which in turn supports their audit opinion on the financial statements.

No fees were paid for any non-audit work undertaken by Grant Thornton LLP.

Best value

The Audit and Risk Committee continues to monitor the Park Authority's adherence to Scottish Government Best Value guidelines and our approach to continuous improvement. We launched phase three of our Organisational Development Strategy in 2020/21 to continue to improve our work processes, organisational environment, and delivery of services. We have also completed our most recent independent staff survey, held every two years, and the analysis of the results of that process. This information will build toward development of the internal organisational focus of our next Corporate Plan from 2023 to 2027 and the underpinning Organisational Development Strategy supporting delivery of continuous organisational improvement.

Risk management

We have a risk management strategy in accordance with guidance issued by Scottish Ministers to identify actual and potential threats that may prevent us from delivering our statutory purpose and also to identify appropriate mitigation actions.

The Board recognises the importance of risk management and continues to monitor the Park Authority's Strategic Risk Register. The Strategic Risk Register records risks, action taken to mitigate the identified risks and senior management's responsibility for leading on each risk and its mitigation. The Strategic Risk Register is reviewed by Senior Management Team four times each year and updated by the full Board twice and by the Audit and Risk Committee twice a year.

The board and management team have recognised the scale and significance of the Heritage Horizons: Cairngorms 2030 Programme within the Cairngorms NPA's overall approach to risk management. Risk management reports presented to the Cairngorms 2030 programme board are also presented to the Cairngorms NPA's Audit and Risk Committee in order that the Committee can gain assurance around risk management within the Programme and consider whether the Programme's risk and delivery status has any strategic risk implications to the Cairngorms NPA.

The Audit and Risk Committee, with the Senior Management Team, leads on embedding risk management processes throughout the Park Authority. Both groups consider the management of strategic risk in line with the Risk Strategy to ensure that the required

actions are appropriately reflected and incorporated in operational delivery plans. This work continues to be directed by the Cairngorms NPA's approved Risk Management Strategy.

Data security

Procedures are in place to ensure that information is being managed in accordance with legislation and that data is held accurately and securely. The Park Authority has no reported nor recorded instances of data loss in the year to 31 March 2022.

The Cairngorms NPA's operations continue to be accredited as Cyber Essentials + compliant. We continue to review our digital practices and infrastructure to ensure they remain fit for purpose and that all reasonable steps are taken to minimise the risk of data loss or compromise of systems due to Cyber Attacks.

The Park Authority's Senior Management Team approved an IT and Data Management Strategy in 2021 which approved our transition toward cloud-based service infrastructure. We also made additional investment in cyber security protection over the course of the year.

As noted elsewhere in this statement, our IT Strategy and Cyber Security arrangements have each been subject to internal audit review as part of the 2021/22 internal audit programme. Actions arising from these audits will be addressed over the course of the coming year.

Response to COVID 19 Pandemic

The Park Authority implemented its Business Continuity Plan (BCP) processes on 17 March 2020 in response to the COVID 19 pandemic and continued to apply that BCP process throughout 2021/22. The BCP has prioritised the maintenance and evolution of systems to support dispersed working while maintaining maximum focus on delivery of the Park Authority's strategic outcomes. Our BCP has also placed an emphasis on staff welfare and ensuring our people remain as physically and mentally healthy as possible throughout this period of BCP operations.

The Board also approved BCP measures to support effective governance throughout the pandemic. This included adapting Board Standing Orders to remote working and meetings held by video conference and telephone and ensuring appropriate Board and Senior Management succession plans are in place.

The Cairngorms NPA is now progressing its movement from these BCP arrangements into revised, hybrid working arrangements from the commencement of 2022/23. The majority of our staff will continue to work part time from home and dispersed locations and part time in the office. Our board will also commence hybrid public meetings, with some participants physically present and others joining by video conference. The Park Authority will monitor and review the evolution of our new working arrangements throughout the course of 2022/23 with the aim of adopting final arrangements by the end of March 2023.

Conclusion

As Accountable Officer I am responsible for reviewing the effectiveness of the system of internal control. In order to do this my review is informed by:

- a) the executive managers within the organisation who have responsibility for the development and maintenance of the internal control framework and who provide assurance on systems within regular Senior Management Team meetings;
- b) internal monitoring of control systems by staff against SPFM requirements;
- c) the work of the internal auditors, who submit regular reports to the Audit and Risk Committee which include the Head of Internal Audit's independent and objective opinion on the adequacy and effectiveness of our systems of internal control together with recommendations for improvement;
- d) comments made by the external auditors in their management letter and other reports.

I am supported by a Director of Corporate Services and Deputy Chief Executive, who in turn is supported by the Corporate Services staff group, and provides senior management leadership on the financial management, internal controls, and governance arrangements. I take assurance from the effectiveness of internal control systems, financial management and planning processes, and risk management from the assurances received from the Director of Corporate Services and Deputy Chief Executive.

I have also been advised on the effectiveness of the system of internal control by the Board and its Audit and Risk Committee. Appropriate action is taken against any weaknesses identified and to ensure continuous improvement of our systems.

The internal auditor's annual report for 2021/22 states that, "In our opinion, Cairngorms National Park Authority has a framework of governance, risk management and controls that provides reasonable assurance regarding the effective and efficient achievement of objectives".

Action is underway on implementing improvements required to mitigate any areas of improvement identified by internal audit and as such I also take assurance on the adequacy and effectiveness of the Park Authority's internal controls from the independent internal auditor's report for the year.

The Governance Report was authorised for issue by the Accountable Officer on 23 September, 2022.



Grant Moir

Chief Executive and Accountable Officer

16 January, 2023

2.6 Remuneration and staff report

The Remuneration and Staff Report is subject to audit except for the sections on pay policies, staffing and recruitment, and Board members' expenses which are reviewed by the auditor for consistency with the audited financial statements.

Pay policy

The fees and expenses paid to Board members comply with guidance issued by Scottish Ministers, the Public Sector Pay Policy for Senior Appointments, through the Park Authority's interaction with appropriate Scottish Government officials within the remit of these Public Sector Pay Policies.

Staff salary levels, including the Chief Executive, are reviewed by the Staffing and Recruitment Committee and the overall pay remit established by the Park Authority is subject to agreement with its sponsoring department within Scottish Government, the Environment and Forestry Directorate, Natural Resources Division, in consultation with the Scottish Government Finance Pay Policy Team. Approval is normally annually unless a multi-year arrangement has been agreed. The remit for 2020/21 was on an annual basis and is within the terms and conditions set out in the Scottish Government Public Sector Pay Policy.

Members of staff covered by this report hold appointments which are either open-ended or fixed term. Early termination, other than for misconduct would result in the individual receiving compensation. As fixed term contracts normally end automatically when the agreed end date is reached, unless the contract is for four years or more which may lead to the employee being treated as permanent, provision is made for the expected redundancy costs incurred on an individual basis.

Performance and human capital management

Performance of all staff members is monitored and reviewed through the staff appraisal arrangements.

Performance management will be achieved by regular and frequent Performance Development Conversations (PDCs) throughout the year between all staff and their line manager, giving "real-time" and two-way feedback. The feedback is to help staff act/work more constructively and support their growth and is expected to be an appropriate mix of "recognition" (acknowledging strengths and skill which have contributed to success) or "guidance" (given with the intention of increasing effectiveness or success in the future). The PDCs will be frequent, "in the moment" and in person, strengthening the working relationship between staff and their line-managers, and reinforcing the meaningfulness of the feedback given through immediacy of connection to the performance to which the feedback is linked.

Over the period of COVID 19 disruption, PDCs have also been specifically targeted at staff welfare and mental health and at times therefore away from a primarily task focus to a more person-centred orientation.

The PDCs policy has been designed to be a key tool in achieving optimal operational effectiveness throughout the Park Authority as we acknowledged that a high level of organisational performance is directly dependent on the skills, talent, engagement and well-being of our staff.

Staffing and recruitment

The Park Authority has a Resource Committee, comprising 7 Board members supported by relevant senior staff, which meets throughout the year. Its membership and remit are agreed annually by the Board.

The Committee's remit includes:

- oversight and monitoring the Park Authority's human resource policies, including in particular pay and grading, performance appraisal and the associated performance related pay systems when appropriate;
- advising the Board on annual pay awards;
- providing an interface between staff representative group(s) and the Board, and participation in arbitrating on staffing issues as set out in the Park Authority's procedures, and as otherwise required; and
- oversight of recruitment of senior staff (Directors and Chief Executive) including agreeing the job descriptions, adverts, and salary, to take responsibility for interviewing and selecting the successful candidates and seeking the endorsement of the Board, and, in the case of the Chief Executive, of Scottish Ministers.

In reaching its recommendations, the Committee has regard to the following considerations:

- the need to recruit, retain and motivate suitably able and qualified people to exercise their different responsibilities;
- to take account of regional/local variations in labour markets and the effects on the recruitment and retention of staff;
- funds available to the sponsoring department as set out in the Scottish Government's departmental expenditure limits;
- to take account of Scottish Government policies for improving public services, including the requirement to meet output targets for the delivery of departmental services; and
- The Scottish Government's Public Sector Pay Guidance.

This Committee operated from August 2021, replacing the Staff and Recruitment Committee which previously had the above remit.

For the purposes of this report, persons in senior positions having authority or responsibility for directing or controlling the major activities of the Park Authority are taken to comprise the Board members, and the Chief Executive and Directors (the Management Team).

Staff involvement

The Park Authority has a Staff Consultative Forum (SCF) in place, through which it ensures effective two-way communications with staff and Prospect Trade Union representatives in

resolving any issues arising and consulting on new initiatives. The SCF comprises a maximum of five staff representatives, one place amongst these representatives being reserved for a nominee of staff who are members of Prospect Trade Union with which the Park Authority has a voluntary recognition agreement. During 2021/22 key matters on which staff were consulted through the Staff Consultative Forum were:

- pay awards for the years commencing 1 April 2021 and 1 April 2022;
- the Park Authority's Business Continuity responses to COVID 19 and staff welfare;
- review and update of a range of employment policies;
- development of the Park Authority's approach to the idea of a 35-hour working week;
- development and implementation of the Park Authority's approach to hybrid working arrangements and office use as the organisation moves out of COVID 19 restrictions.

To complement the standard consultative processes in place through the SCF, the Park Authority has repeated the successful practice adopted in the previous year in holding a series of staff drop-in sessions by video conference through the year. These sessions were accessible by all staff to facilitate direct, two-way communication on matters of concern or ideas for future organisation response.

Equality and diversity

The Park Authority is an equal opportunities employer with policies against discrimination and to ensure no unfair or illegal discriminatory treatment or barriers to employment or advancement. We are committed to meeting our duties under the Equality Act 2010. The Park Authority is accredited as a Positive about Disability employer.

The equalities policies ensure that all staff should be treated equally irrespective of their sex, marital/civil partnership status, age, race, ethnic origin, sexual orientation, disability, religion or belief, work pattern, employment status, gender identity (transgender), caring responsibility or trade union membership. Employment and promotion are on merit on the basis of fair and open competition.

At the end of the financial and operational year our gender split of staff, including staff on short or fixed term employment contracts (others) is:

	Male		Female	
	2022	2021	2022	2021
Chief executive and directors	4	4	-	-
Heads of service	3	4	2	1
Staff	20	22	33	36
Others*	15	6	18	13
	42	36	53	50

* includes rangers who joined in March 2021 (19/20: nil)

	2022	2021
Male	44%	42%
Female	56%	58%

CNPA conducts an annual Equal Pay Audit. The gender pay gap in April 2022 was 12.49% (2021: 17.4%). It was 17.9% in 2020; 19.25% in 2019, and 20.20% in 2018.

Health and safety at work

The Park Authority has a Health and Safety Committee comprising IOSH trained staff from across the organisation, who are tasked with scrutinising H&S Policy and procedure. The committee meets quarterly, and minutes are circulated to the Staffing and Recruitment Committee for oversight and sign off

During the pandemic, this committee together with the Business Continuity Team and a COVID 19 Working Group had oversight of all arrangements to support staff working from home, and then to support the gradual easing of restrictions last summer and office return of low numbers. The office return was risk assessed, which was consulted with staff and the Union. This is an evolving document that will be refreshed as restrictions change. These groups also had oversight of wellbeing interventions to support staff over this challenging period.

Staff union time

The disclosures relating to the Trade Union (Facility Time Publication Requirements) Regulations 2017 by public bodies are contained in Appendix II.

Remuneration and Pensions

Some elements of the following section covering information on the Cairngorms NPA remuneration and pensions arrangements are subject to audit, while other aspects are not covered by our external audit review of this Annual Report and Accounts. The audit coverage is indicated in each sub-heading.

Board members' fees and expenses (subject to audit)

The Park Authority has a non-executive Board, and no member has any pension entitlement. The expenses disclosed below are not subject to audit. A register of Board member's interests can be found on the National Park's website:

<https://cairngorms.co.uk/working-together/publications/publication/357/>

	Start of current term	End of current term	Fees £	2022 Expense s £	Fees £	2021 Expenses £
Scottish Government appointees						
Janet Hunter	08 09 15	07 09 23	8,163	163	8,082	-
Douglas McAdam	01 11 18	31 10 22 ¹	8,163	545	8,082	-
Anne Rae MacDonald	01 11 18	31 10 22 ²	7,313	-	7,240	-
Dr F McLean	01 11 18	31 10 22 ³	8,163	45	8,082	26
William Munro	01 11 18	31 10 22 ²	8,163	-	8,082	-
Dr Gaener Rodger	01 10 18	31 10 22 ¹	11,792	270	8,980	-
Judith Webb	01 02 19	31 01 23	8,163	89	8,082	-
Local Authorities nominees						
Peter Argyle	08 09 15	07 09 22	7,936	291	7,858	-
Carolyn Caddick	01 10 17	30 09 22	11,792	221	9,878	-
Pippa Hadley	01 10 17	30 09 22	7,313	-	7,240	-
John Latham	01 10 12	30 09 22	8,050	-	7,970	-
Xander McDade	01 10 17	30 09 22*	23,579	596	23,348	-
Ian Maclaren	01 10 17	30 09 22	7,936	291	7,857	-
Derek Ross	01 11 18	31 10 22*	8,163	68	8,082	189
Locally elected						
Geva Blackett	31 03 17	19 03 23**	8,163	30	9,279	-
Deirdre Falconer	20 03 19	19 03 23	8,163	-	8,082	-
John Kirk	28 03 19	19 03 23	8,163	-	8,082	-
Eleanor Mackintosh	22 03 19	21 03 23	8,163	-	10,776	-
William McKenna	22 03 19	19 03 23	8,163	-	8,082	-
			175,504	2,609	173,164	215

¹ appointment extended to 30 September 2023

² appointment extended to 31 March 2023

³ appointment extended to 31 October 2026

* nominated for further 4-year period. New Local Authority nominees to the Board, who joined the board after the end of the financial year, are listed on page 2.

** Aberdeenshire Council nominee to Board from 1 October 2022.

Board members' Attendance at Meetings (not subject to audit)

	Formal (6)	Board Business (12)	Planning (10)	Other
Scottish Government appointees				
Janet Hunter	5	9	7	AR 1/1 P 3/3
Douglas McAdam	6	11	10	P 3/3
Anne Rae MacDonald	5	9	9	FD 0/1 P 3/3
Dr Fiona McLean	5	11	10	SR 0/1 R 3/3
William Munro	5	11	9	FD 1/1 P 3/3 G 4/4
Dr Gaener Rodger	5	11	10	AR 5/5 G 4/4
Judith Webb	6	9	6	AR 5/5 G 4/4
Local Authority nominees				
Peter Argyle	6	11	10	FD 1/1 P 2/3
Carolyn Caddick	6	12	10	SR 1/1 R 3/3 G 4/4
Pippa Hadley	6	10	9	R 2/3
John Latham	6	10	10	AR 5/5
Xander McDade	6	12	10	G 4/4 FD 1/1 SR 1/1 R 3/3 P 3/3
Ian Maclaren	6	11	10	FD 1/1 R 3/3
Derek Ross	6	12	10	SR 1/1 R 3/3
Locally elected				
Geva Blackett	5	6	10	SR 0/1 R 3/3
Deirdre Falconer	6	12	10	R 3/3 G 4/4
John Kirk	6	12	10	FD 1/1 AR 3/4
Eleanor Mackintosh	6	12	10	FD 1/1 AR 4/4
William McKenna	6	11	10	SR 1/1 P 3/3

(Other committees: **P** – Performance Committee; **AR** - Audit and Risk Committee; **R** – Resource; **G** – Governance Committee; **FD** Finance & Delivery; SR Staff & Recruitment)

Senior Management Team salary and pension entitlements (subject to audit)

The Constitutional Reform and Governance Act 2010 requires appointments to be made on merit and on the basis of fair and open competition. The members of the senior management team hold appointments which are open ended. Early termination, other than for misconduct, would result in the individual requiring compensation as set out in the Civil Service Compensation Scheme.

The following sections provide details of the remuneration and pension interests of the Senior Management Team of the Park Authority.

Senior Management Team remuneration (subject to audit)

Single total figure of remuneration (subject to audit)

	Salary		Pension benefits		Total	
	2021/22 £'000	2020/21 £'000	2021/22 £'000	2020/21 £'000	2021/22 £'000	2020/21 £'000
Grant Moir	90-95	85-90	35	34	125-130	120-125
David Cameron	65-70	65-70	14	38	80-85	100-105
Murray Ferguson	65-70	60-65	14	37	75-80	100-105
Andrew Ford*	20-25	-	17	-	40-45	-
Dr Peter Mayhew	35-40	55-60	10	23	45-50	80-85

No member of the management team received either a bonus payment or benefits in kind in the year (2021: £nil).

*The full time equivalent salary for Andrew Ford, who was appointed as a director from 1 November 2021, is 2021/22 £50-55,000, 2020/21 £45-50,000. Pension benefits disclosed for 2021/22 is the full time equivalent as no comparable figures are available or for 2020/21.

The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decrease due to a transfer of pension rights.

Fair pay disclosure (subject to audit)

The Park Authority is required to disclose the relationship between the total remuneration of its highest paid director and the median remuneration of its staff (the mid-point of banded remuneration, using the full-time equivalent remuneration). Total remuneration includes salary, non-consolidated performance-related pay, and any benefits-in-kind and severance payments. It does not include employer pension contributions and the cash equivalent value of pensions. For 2021/22 FReM has expanded the disclosures to include information on year-on-year salary changes and pay ratios.

The highest paid Director's salary was increased by £800 between 2020/21 and 21/22 as a result of the Scottish Government's public sector pay award. For the rest of the Park Authority's staff, at 31 March 2022, the average salary change from the previous year was a reduction of 0.6% reflecting seasonal staff, the change in staff mix and increase in staff levels during the year. Excluding seasonal staff the average salary increased by 12% as a result of Scottish Government's pay policy and a change in staff mix and number of staff between the 2 years.

	2021/22	2020/21
Median remuneration (a)	30,185	£33,352
Range of staff remuneration		
Banded remuneration of the highest paid director (b)	£90-95,000	£85-90,000
Ratio between the median remuneration and banded remuneration of the highest director [(b)/(a)]	3.03	2.60

Additionally, the table below reports the median remuneration together with the ratios between the highest paid director's remuneration on those of all employed on the 25th, 50th (median) and 75th percentiles during the financial years.

All staff

Pay Ratio	2021/22		2020/21	
	All staff	Excluding seasonal	All staff	Excluding seasonal
25 th percentile	6.21	3.99	4.86	3.42
50 th percentile	3.03	2.76	2.65	2.60
75 th percentile	2.36	2.28	2.32	2.26

No member of staff received remuneration in excess of the highest paid director in either year.

Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or **alpha**, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined **alpha**. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: 3 providing benefits on a final salary basis (**classic**, **premium** or **classic plus**) with a normal pension age of 60; and one providing benefits on a whole career basis (**nuvos**) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under **classic**, **premium**, **classic plus**, **nuvos** and **alpha** are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 switch into **alpha** sometime between 1 June 2015 and 1 February 2022. Because the Government plans to remove discrimination identified by the courts in the way that the 2015 pension reforms were introduced for some members, it is expected that, in due course, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period (and this may affect the Cash Equivalent Transfer Values shown in this report – see below). All members who switch to **alpha** have their PCSPS benefits 'banked,' with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave **alpha**. (The pension figures quoted for officials show pension earned in PCSPS or **alpha** – as appropriate. Where the official has benefits in both the PCSPS and **alpha** the figure quoted is the combined value of their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a defined

contribution (money purchase) pension with an employer contribution (**partnership** pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of **classic**, **premium**, **classic plus**, **nuvos** and **alpha**. Benefits in **classic** accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For **premium**, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike **classic**, there is no automatic lump sum. **classic plus** is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per **classic** and benefits for service from October 2002 worked out as in **premium**. In **nuvos** a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. Benefits in **alpha** build up in a similar way to **nuvos**, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The **partnership** pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement). The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of **classic**, **premium** and **classic plus**, 65 for members of **nuvos**, and the higher of 65 or State Pension Age for members of **alpha**. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes but note that part of that pension may be payable from different ages.)

Further details about the Civil Service pension arrangements can be found at the website www.civilservicepensionscheme.org.uk

Cash Equivalent Transfer Value (CETV)

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their

total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

The real increase in the value of the CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Senior Management Team pension entitlements (subject to audit)

	Accrued pension at age 65 as at 31 03 2022	Real increase in pension and related lump sum at pension age	CETV at 31 03 2022	CETV at 31 03 2021	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000
Grant Moir	15-20	0-2.5	189	163	15
David Cameron	35-40	0-2.5	704	662	5
Murray Ferguson	25-30 + lump sum 75-70	0-2.5	643	597	6
Andrew Ford	15-20	0-2.5	242	227	11
Peter Mayhew	5-10	0-2.5	91	78	8

Staff costs and Board Members' Fees (subject to audit)

	Permanently employed staff and Board Members	Others	Total 2022	Total 2021
	£'000	£'000	£'000	£'000
Board members	179		179	176
Staff	3,232	784	4,016	3,654
	3,411	784	4,195	3,830
Board members				
Fees	176		176	173
Social security costs	3		3	3
	179		179	176
Staff				
Salaries	2,362	590	2,952	2,716
Social security costs	156	141	297	260
Pensions	714	53	767	678
	3,232	784	4,016	3,654

Number of staff with salaries above £60,000 (subject to audit)

	2022	2021
£80,001 - £90,000	1	1
£70,001 - £80,000	-	-
£60,001 - £70,000	2	2

Average number of persons employed (subject to audit)

The average number of whole-time equivalent persons employed during the year was:

	Permanently employed staff	Others*	Total 2022	Total 2021
Senior management team	4	-	4	4
Staff (whole time equivalent)	60	21	81	74
	64	21	85	78

*Other staff are those staff employed on a fixed short-term contract.

During the year, no staff were seconded to the Park Authority from other parties (2021: nil) nor were any members of the staff seconded to other parties (2021: nil).

Voluntary exit scheme

There were no Voluntary exit payments agreed and accounted for in the in accordance with the Civil Service Compensation Scheme, a statutory scheme made under the provisions of the Superannuation Act 1972 during the year (2020/21: £112,896).

	Number of voluntary redundancies	
	2022	2021
£10,000 - £25,000	-	3
£25,000 - £50,000	-	1
	-	4

Sickness absence

The average numbers of days lost to sickness absence during the year per employee, excluding COVID 19, is 3.3 days (2020/21: 2.6); including COVID 19, is 4.2 days (2020/21: 3.2)



Grant Moir

Chief Executive and Accountable Officer
16 January, 2023

2.7 Parliamentary accountability disclosures (subject to audit)

Fees and charges

During the year, the Park Authority received 60% of planning fees for called in planning applications to the 5 local authorities within the National Park boundaries.

Losses and special payments

There were no special payments in the year to 31 March 2022, or the previous year. There were no gains or losses on the disposal of non-current assets in the year (2020/21: nil).

Gifts

There were no gifts made during the year (2020/21: nil)

Significant remote contingencies

In addition to contingent liabilities reported within the context of IAS 37, the Park Authority is not aware of any liabilities for which the likelihood of a transfer of economic benefit in settlement is too remote to meet the definition of a contingent liability.

The accountability report was approved by a duly authorised committee of the Board on 13 January, 2023 and signed on its behalf by



Grant Moir

Chief Executive and Accountable Officer
16 January, 2023

2.8 Independent auditor's report to the members of the Cairngorms National Park Authority, the Auditor General for Scotland and the Scottish Parliament

Reporting on the audit of the financial statements

Opinion on financial statements

We have audited the financial statements in the annual report and accounts of Cairngorms National Park Authority for the year ended 31 March 2022 under the National Parks (Scotland) Act 2000. The financial statements comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the 2021/22 Government Financial Reporting Manual (the 2021/22 FReM).

In our opinion the accompanying financial statements:

- give a true and fair view in accordance with the National Parks (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers of the state of the body's affairs as at 31 March 2022 and of its net expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2021/22 FReM; and
- have been prepared in accordance with the requirements of the National Parks (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Basis for opinion

We conducted our audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the Code of Audit Practice approved by the Auditor General for Scotland. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We were appointed by the Auditor General on 31 March 2016. The period of total uninterrupted appointment is six years. We are independent of the body in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern basis of accounting

We have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the body's current or future financial sustainability. However, we report on the body's arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

Risks of material misstatement

We report in our separate Annual Audit Report the most significant assessed risks of material misstatement that we identified and our judgements thereon.

Responsibilities of the Accountable Officer for the financial statements

As explained more fully in the Statement of Accountable Officer's Responsibilities, the Accountable Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Accountable Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accountable Officer is responsible for assessing the body's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention to discontinue the body's operations.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- obtaining an understanding of the applicable legal and regulatory framework and how the body is complying with that framework;
- identifying which laws and regulations are significant in the context of the body;
- assessing the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which our procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the body's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Reporting on regularity of expenditure and income

Opinion on regularity

In our opinion in all material respects the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

Responsibilities for regularity

The Accountable Officer is responsible for ensuring the regularity of expenditure and income. In addition to our responsibilities in respect of irregularities explained in the audit of the financial statements section of our report, we are responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Reporting on other requirements

Opinion prescribed by the Auditor General for Scotland on audited part of the Remuneration and Staff Report

We have audited the parts of the Remuneration and Staff Report described as audited. In our opinion, the audited part of the Remuneration and Staff Report has been properly prepared in accordance with the National Parks (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Other information

The Accountable Officer is responsible for the other information in the annual report and accounts. The other information comprises the Performance Report and the Accountability Report excluding the audited part of the Remuneration and Staff Report.

Our responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon except on the Performance Report and Governance Statement to the extent explicitly stated in the following opinions prescribed by the Auditor General for Scotland.

Opinions prescribed by the Auditor General for Scotland on Performance Report and Governance Statement

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the National Parks (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers; and
- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the National Parks (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Matters on which we are required to report by exception

We are required by the Auditor General for Scotland to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited part of the Remuneration and Staff Report are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to our responsibilities for the annual report and accounts, our conclusions on the wider scope responsibilities specified in the Code of Audit Practice are set out in our Annual Audit Report.

Use of our report

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 120 of the Code of Audit Practice, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Andy Mack

Andy L Mack (for and on behalf of Grant Thornton UK LLP)

30 Finsbury Square

London

EC2A 1AG

Date: 17/1/2023

3 FINANCIAL STATEMENTS

3.1 Statement of Comprehensive Net Expenditure for the year ended 31 March 2022

	notes	For the year to 31 March 2022 £'000	For the year to 31 March 2021 £'000
Income			
Other operating income		1,456	1,711
Total operating income	5	1,456	1,711
Expenditure			
Board and staff costs	6	(4,195)	(3,830)
Operational plan expenditure	3	(5,187)	(2,601)
Other operating costs	3,7	(762)	(604)
Depreciation, amortising, and impairment charges	9,10	(171)	(149)
Total operating expenditure		(10,315)	(7,184)
Comprehensive net expenditure for the year funded by grant-in-aid		(8,859)	(5,473)

No activities were discontinued during the year.

3.2 Statement of Financial Position as at 31 March 2022

	notes	As at 31 March 2022 £'000	As at 31 March 2021 £'000
Non-current assets			
Tangible assets	9	415	554
Intangible assets	10	105	19
Investments	8	-	-
		520	573
Current assets			
Trade and other receivables	11	496	836
Cash and cash equivalents	12	2,030	639
		2,526	1,475
Total assets		3,046	2,048
Current liabilities			
Trade and other payables	13	(2,010)	(1,118)
Total current liabilities		(2,010)	(1,118)
Total assets less current liabilities		1,036	930
Taxpayers' equity		1,036	930

The Accountable Officer authorised the financial statements for issue on 16 January, 2023.



Grant Moir
Chief Executive and Accountable Officer
16 January, 2023

The notes on pages 60 to 73 form part of these accounts.

3.3 Statement of Cash Flows for the year ended 31 March 2022

notes	For the year to 31 March 2022 £'000	For the year to 31 March 2021 £'000
Net operating expenditure	(8,859)	(5,473)
Adjustment for non-cash transactions		
Depreciation, amortisation, and impairment charges	171	149
Movements in working capital		
Decrease/(Increase) in trade and other receivables	340	28
Increase/(Decrease) in trade and other payables	823	101
Cash flows from investing activities		
Purchase of non-current assets	(49)	(38)
Net cash flow from operating activities	(7,574)	(5,233)
Cash flows from financing activities		
Grant-in-aid	8,965	5,415
Net increase/(decrease) in cash	1,391	182
Cash and cash equivalents at 1 April	639	457
Cash and cash equivalents at 31 March	2,030	639

The notes on pages 60 to 73 form part of these accounts.

3.4 Statement of Changes in Taxpayers' Equity for the year ended 31 March 2022

	notes	For the year to 31 March 2022 £'000	For the year to 31 March 2021 £'000
Balance as at 1 April 2021		930	988
Grant-in-aid from sponsoring Scottish Government Directorate	4	8,965	5,415
Net expenditure		(8,859)	(5,473)
Balance as at 31 March, 2022		1,036	930

The notes on pages 60 to 73 form part of these accounts

3.5 Notes to the Financial Statements for the year ended 31 March 2022

Note 1. Basis of Preparation of Accounts

The annual accounts are prepared in accordance with the Accounts Direction issued by Scottish Ministers under section 25(b) of the National Parks (Scotland) Act 2000, Government Financial Reporting Manual (FRM) issued by HM treasury, as adopted and interpreted by the Scottish Government, which follows generally accepted accounting practice as defined in International Financial Reporting Standards (IFRS) as adopted by the European Union and the Companies Act 2006 to the extent that it is meaningful and appropriate in the public sector context. The accounts direction is included as Appendix I to the accounts.

Note 2. Accounting policies

Where FRM permits a choice of accounting policy, those that are considered to be most appropriate in giving a true and fair view have been adopted and have been applied consistently to all material transactions throughout the financial year.

The accounting policies adopted are set out below and have been applied consistently throughout the year in dealing with items that are considered material to the accounts.

Accounting convention

The accounts are prepared under the historical cost convention.

Accounting period

The accounting period commenced on 1 April 2021 and ended on 31 March 2022.

Going concern

The accounts have been prepared on a going concern basis as the Board and Accountable Officer believe that the Park Authority will continue to receive support from the Scottish Government. Therefore, it is considered appropriate to prepare the accounts on a going concern basis

Non-current assets – property, plant, and equipment (PPE)

Assets capitalised are initially recognised at cost in the financial statements, and with subsequent recognition depreciated historic cost is used as a proxy for current value. This is considered to be appropriate to the types of tangible assets capitalised, and their short useful economic lives.

The minimum level for the capitalisation of individual non-current assets, other than information technology, is £500. Information technology systems are capitalised where the pooled value exceeds £500. Substantial improvements to leasehold properties are also capitalised

All PPE is reviewed annually for impairment and adjustments are made if necessary.

Non-current assets – intangible assets

Intangible assets capitalised (purchased computer software costing more than £500) are initially recognised at cost. Where an active (homogeneous) market exists, intangible assets other than those that are held for sale, are carried at current value in existing use at the reporting period

date. Where no active market exists, the assets are valued, using indices, to depreciated replacement cost. For 2021/22 the indexation was deemed to be nil and therefore there was no impact on carrying value.

Depreciation and amortisation

Depreciation or amortisation is provided on all non-current assets at rates calculated to write down the cost or valuation on a straight-line basis over the useful economic lives in the following ranges:

- park entry markers 25 years or less
- operational plant and equipment 5 years or over length of lease on land for “Scenic Routes” assets
- information technology 3 – 5 years
- leasehold improvements over the length of the lease, or shorter period depending on the nature of the asset capitalised as a leasehold improvement

The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Depreciation or amortisation is charged to the Statement of Comprehensive Net Expenditure on the carrying value of the non-current asset.

Financial instruments and exposure to risks

The Park Authority’s financial instruments comprise trade and other receivables, trade and other payables, and cash and liquid resources.

Trade receivables are recognised at cost, which is assumed to be their fair value, and recoverability is routinely monitored. If it is assumed or known that a debt will not be recovered it is written off to the Statement of Comprehensive Net Expenditure. Any subsequent recovery of amounts previously written of are similarly taken Statement of Comprehensive Net Expenditure.

Trade payables are recognised at cost, which is considered to represent fair value.

Cash is held in accounts with commercial banks. There is no significant liquidity or credit risk exposure due to the credit controls in place.

The carrying value of the financial assets and liabilities is considered a reasonable approximation of fair value. The investment in National Parks Partnerships LLP was previously measured at cost less any impairment. IFRS 9 Financial Instruments does not allow for measurement at cost. The capital contributions are non-refundable. The investment is measured at a fair value through profit and loss. The fair value is assessed as nil, which is the same as the carrying value as in the prior year.

Income and expenditure recognition

Income from activities is accounted for in the year to which it relates and not when cash payments are received.

Where income has been recognised but cash has not been received or paid, a receivable for the corresponding amount is recorded in the Statement of Financial Position. Where cash has been received in advance of the activity, no income is recognised and a payable for the corresponding amount is recorded in the Statement of Financial Position.

Operating income is income that relates directly to the operating activities of the Park Authority. It includes fees and charges for services provided to external customers.

All income from contracts with customers is recognised in accordance with IFRS 15, which depicts the transfer of goods and services to customers in an amount that reflects the consideration to which the Park Authority expects to be entitled to in exchange for those goods or services. Revenue is recognised in accordance with that core principle by applying the following steps:

- Identification of contract with a customer
- Identification of the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognise revenue when the performance obligation is satisfied, and control of the goods or service has been passed over.

Grant income is recognised in line with IAS 20 when it is receivable. If entitlement to grant income is subject to performance conditions, the income is recognised as the performance conditions are met.

Expenditure on operational activities is accounted for or charged to the Statement of Comprehensive Net expenditure in the year in which it has been done. Staff costs are accounted for in the year in which the salaries are earned together with employer's costs. Other expenditure is charged or accrued into the year the service of goods is used. As part of the year end accounts preparation any expenditure that relates to future accounting periods of more than £500 is prepaid to be matched to income earned in future accounting periods. All expenditure relating to services or goods received by 31 March 2022, after this date, has been accrued.

Scottish Government funding and grant-in-aid

The Park Authority receives grant-in-aid from the Scottish Government to finance its net expenditure.

The Park Authority receives a budget from the Scottish Government, (Departmental Expenditure Limit or DEL) to fund non-cash expenditure (depreciation) and the cash costs of acquiring tangible and intangible assets and operating expenditure. Taxpayers' Equity is credited with the DEL cash

allocation and charged with the net expenditure on the DEL cash allocation in the Statement of Changes in Taxpayers' Equity.

Pension costs

Present and past employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS) which is a defined benefit scheme. The Park Authority recognises the expected cost of providing pensions for their employees on a systematic and rational basis over the period during which they benefit from their services by payment to the PCSPS of amounts calculated on an accruing basis. Relevant disclosures are reported in Note 14. Liability for the payment of future benefits is a charge to the PCSPS.

Leases

Operating leases rentals are charged to the Statement of Comprehensive Net Expenditure in the month in which the payment relates and are not recognised in the Statement of Financial Position.

Value Added Tax (VAT)

Most of the activities of the Park Authority are outside the scope of VAT, and in general output VAT does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or is included in the capitalised purchase cost when incurred.

Short-term employee benefits

A liability for accrued unused annual leave, flexi-time and time off in lieu of payment (TOIL) is recognised to 31 December, the end of the holiday year. The movement for the year is charged or credited to the Statement of Comprehensive Net Expenditure.

Interest in other entities

IFRS 12: Disclosure of interests in other entities, requires disclosure on interests in subsidiaries, joint arrangement, associates, and unconsolidated structured entities. The Park Authority is a Designate Member of National Parks Partnerships LLP, which was incorporated on 11 June, 2016. The Authority, along with the 14 other National Parks, holds an equal share in the LLP. The investment does not meet the criteria of a subsidiary, joint, venture or associate and has been recognised as an investment.

Changes in Accounting Standards

IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors, requires disclosures in respect of new IFRSs, amendments, and interpretations that are, or will be applicable after the reporting period. There are a number of IFRSs, amendments and interpretations that have been issued by the International Accounting Standards Board that are effective for future reporting periods. Those with relevance to CNPA are outlined below. None have been adopted early, and all will be applied once adopted formally by the FReM.

IFRS 16 – Leases. IFRS 16 Leases supersedes IAS 17 Leases and will be implemented from 1 April 2022. IFRS 16 provides a single lessee accounting model and requires a lessee to recognise assets and liabilities for leases which extend beyond twelve months, largely eliminating the current “off

balance sheet” treatment of operating leases under IAS 17. CNPA has assessed the likely impact that the application of IFRS 16 will have on the comprehensive net expenditure for the financial year ending 31 March 2023 and on the statement of financial position at that date. The figures below are for existing leases as at 31 March 2022. The standard is expected to increase net expenditure by approximately £16k. The right of use asset is expected to be increased by approximately £2,626k and the associated lease liability will be increased by approximately £2,626k.

Significant judgements and estimates

Preparation of financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include the following:

LEADER irregularities

As accountable body for the Cairngorms Local Action Group, which will deliver the Local Development Strategy, the Park Authority is liable for any funding advanced that may not be recoverable (irregularities) from funds made available from the EU through the LEADER rural development program. Based on management’s experience of the previous LEADER programme an estimate of the small percentage of costs found to be irregular has been used to make a provision against irregularities in the current 2014-2020 programme, which closed on 31 December 2021. Following the closure of the programme the provision will be maintained until the EU has formally concluded its audit of the UK LEADER programme and any adjustments required will be made in future accounting periods as required.

Note 3. Segmental reporting

IFRS 8: Segmental Reporting, requires operating segments to be identified on the basis of internal reports about components of the Park Authority's work. The categories reported are from the National Park plan to 2022.

2022	Board member and staff costs	Operational plan expenditure	Other operating costs	Operational plan income	Other income	Net segmental expenditure
	£'000	£'000	£'000	£'000	£'000	£'000
Conservation						
Habitat restoration	124	1,472	22	(33)	-	1,585
Priority Species	382	533	69	(578)	(46)	360
Moorland management	475	62	86	(24)	-	599
Catchment management	232	137	43	(12)	-	400
	1,213	2,204	220	(647)	(46)	2,944
Visitor experience						
Glenmore	15	69	3	(1)	-	86
Infrastructure	124	865	22	(6)	-	1,005
Active Cairngorms	67	39	12	(29)	-	89
Visitor experience	837	398	153	(42)	-	1,346
	1,043	1,371	190	(78)	-	2,526
Rural Development						
Planning	336	116	61	(20)	(45)	448
Economic strategy	41	60	7	(2)	-	106
Tomintoul & Glenlivet regeneration	-	90	-	(76)	-	14
Community support	235	1,011	43	(406)	(48)	835
	612	1,277	111	(504)	(93)	1,403
Corporate services						
OD strategy	160	106	29	(8)	(13)	274
Facilities and accommodation	57	-	10	(3)	-	64
Service improvement	625	18	114	(32)	-	725
Governance & community	103	-	19	(5)	-	117
	945	124	172	(48)	(13)	1,180
Communications	382	211	69	(27)	-	635
	4,195	5,187	762	(1,304)	(152)	8,688

2021	Board member and staff costs £'000	Operational plan expenditure £'000	Other operating costs £'000	Operational plan income £'000	Other income £'000	Net segmental expenditure £'000
Conservation						
Habitat restoration	273	32	43	(14)	-	334
Priority Species	550	347	86	(252)	(119)	612
Moorland management	214	119	34	-	-	367
Catchment management	6	33	1	-	-	40
	1,043	531	164	(266)	(119)	1,353
Visitor experience						
Glenmore	36	91	6	(91)	-	42
Infrastructure	172	59	27	-	-	258
Active Cairngorms	134	355	21	(12)	-	498
Visitor experience	235	51	37	-	-	323
	577	556	91	(103)	-	1,121
Rural Development						
Planning	652	236	114	(144)	(35)	823
Economic strategy	104	237	16	(201)	(125)	31
Tomintoul & Glenlivet regeneration	73	552	-	(552)	(73)	-
Community support	181	148	29	(61)	-	297
	1,010	1,173	159	(958)	(233)	1,151
Corporate services						
OD strategy	53	7	8	--	-	68
Facilities and accommodation	30	-	5	-	--	35
Service improvement	600	77	95	-	(22)	750
Governance & community	208	196	33	-	-	437
	891	280	141	-	(22)	1,290
Communications	309	61	49	(10)	-	409
	3,830	2,601	604	(1,337)	(374)	5,324

Note 4. Grant-in-aid

	2022 £'000	2021 £'000
Grant-in-aid allocated to meet operational expenditure	6,785	4,928
Grant-in-aid allocated to meet capital expenditure	2,180	487
	8,965	5,415

Note 5. Other income

	2022 £'000	2021 £'000
Operational Plan income from EU sources	221	340
Operational Plan income from other sources	1,192	1,336
Planning fees and other income	43	35
	1,456	1,711

Note 6. Board member and staff costs

	Permanently employed staff and Board Members	Others	Total 2021	Total 2020
	£'000	£'000	£'000	£'000
Board members				
Fees	176		176	173
Social security costs	3		3	3
	179		179	176
Staff				
Salaries	2,362	590	2,952	2,716
Social security costs	156	141	297	260
Pensions	714	53	767	678
	3,232	784	4,016	3,654
Total	3,411	784	4,195	3,830

Note 7. Other operating costs

	2022	2021
	£'000	£'000
Office running costs	235	203
Board and staff costs (excluding salary/fee costs)	113	49
Information technology	135	80
Professional support fees	62	38
Land and buildings rentals	144	143
Vehicles and office equipment rentals	54	38
Independent auditor's fees	12	12
COVID 19 specific related costs (excluding staff costs)	7	41
	762	604

Note 8. Investments

The Park Authority holds an investment in National Parks Partnerships LLP. At incorporation, the Park Authority and the other 14 UK National Parks contributed £12,000 for an equal share in the entity with a further capital call in March 2018.

The investment was fully impaired as at 31 March 2018, as the capital contributions cannot be withdrawn or paid back. Under IFRS 9, the investment is measured at a fair value through the Statement of Comprehensive Net Expenditure. The fair value is assessed as nil, which is the same as the carrying value in the prior year.

Note 9. Tangible assets

	Leasehold improvements	Park entry markers	Operational plant and equipment	ICT	Total
	£'000s	£'000s	£'000s	£'000s	£'000s
Cost					
At 1 April 2021	238	57	589	243	1,127
Additions	-	-	-	22	22
Disposals	-	-	-	(45)	(45)
At 31 March 2022	238	57	589	220	1,104
Depreciation					
At 1 April 2021	(150)	(31)	(239)	(153)	(573)
Charge for year	(24)	(26)	(67)	(44)	(161)
Disposals	-	-	-	45	45
At 31 March 2022	(174)	(57)	(306)	(152)	(689)
Cost					
At 1 April 2020	238	57	594	197	1,086
Additions	-	-	-	48	48
Disposals	-	-	(5)	(2)	(7)
At 31 March 2021	238	57	589	243	1,127
Depreciation					
At 1 April 2020	(125)	(29)	(176)	(116)	(446)
Charge for year	(25)	(2)	(68)	(39)	(134)
Disposals	-	-	5	2	7
At 31 March 2021	(150)	(31)	(239)	(153)	(573)
Net book value					
At 31 March 2022	64	-	283	68	415
At 31 March 2021	88	26	350	90	554

Note 10. Intangible assets

	Software £'000s
Cost	
At 1 April 2021	91
Additions	96
Disposals	(14)
At 31 March 2022	<u>173</u>
Amortisation	
At 1 April 2021	(72)
Charge for year	(10)
Disposals	14
At 31 March 2022	<u>(68)</u>
Cost	
At 1 April 2020	88
Additions	3
Disposals	-
At 31 March 2021	<u>91</u>
Amortisation	
At 1 April 2020	(57)
Additions	(15)
Disposals	-
At 31 March 2021	<u>(72)</u>
Net book value	
At 31 March 2022	<u>105</u>
At 31 March 2021	<u>19</u>

Note 11. Trade receivable and other current assets

	2022 £'000	2021 £'000
Amounts falling due within one year:		
Project income debtors	390	734
Prepayments and accrued income	106	102
	<u>496</u>	<u>836</u>

Note 12. Cash and cash equivalents

	2022 £'000	2021 £'000
Balance as at 1 April	639	457
Net change in cash and cash equivalent balances	1,391	182
Balance as at 31 March	<u>2,030</u>	<u>639</u>

The year end balances were held in commercial bank accounts or as imprest cash in hand.

Note 13. Trade payables and other current liabilities

	2022	2021
	£'000	£'000
Amounts falling due within one year:		
Trade payables	424	67
Accruals and deferred income	1,195	510
Holiday pay accrual	198	173
Provisions	60	60
Other liabilities	133	308
	2,010	1,118

Provisions carried are for irregularities on Leader Programme claims.

Note 14. Pensions

The Park Authority is a member of the Principal Civil Service Pensions Scheme (PCSPS) which is an unfunded multi-employer defined benefit scheme. The Park Authority is unable to identify its share of the underlying assets and liabilities of the scheme. A full actuarial valuation was carried out as at 31 March 2012, details of it, and annual Resource Accounts, can be found at www.civilservicepensionscheme.org.uk

For the year ended 31 March 2022 employer's contributions of £767,015 (2021: £677,523) were paid to the PCSPS. The contributions were payable at one of four rates, from 20% to 24.5% of pensionable pay, based on salary bands. The scheme's Actuary reviews employer contribution every four years following a full scheme valuation. The salary band and contributions rates were revised for 2019/20 and will remain unchanged until 2023/24. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

All employees have the opportunity to join the scheme, and can also opt to open partnership pension accounts, a stakeholder pension with an employer contribution. There were no contributions due to partnership pension providers during 2021/22 or the previous year.

Note 15. Capital commitments

	2022	2021
	£'000	£'000
Contracted capital commitments at 31 March 2022 not otherwise included in the financial statements		
Property, plant, and equipment	22	56

Note 16. Commitments under operating leases

Total future minimum lease payments under operating leases are given in the tables below:

	Land and buildings		Motor vehicles and other equipment	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Not later than 1 year	143	143	53	37
Later than 1 and less than 5 years	529	568	59	12
Later than 5 years	2,146	2,268	-	-
	2,818	2,979	112	49

Note 17. Contingent liabilities

The Park Authority is the lead body for Heritage Lottery Fund supported projects: Tomintoul & Glenlivet Landscape Partnership and the Great Place Badenoch Project, both of which completed in the year, the Capercaillie Framework Project and the new project Cairngorms 2030: People and Nature Thriving Together (known as the Heritage Horizons project). The Authority is also the Accountable Body for Cairngorms LEADER and administers the European funded project (LEADER) on behalf of the Cairngorms Local Action Group.

The Tomintoul and Glenlivet Landscape Partnership, Great Place Badenoch Project and Cairngorms LEADER all concluded during the year.

Given the nature of these arrangements, advances are made to projects and grant applicants, which in turn are reclaimed from the funders. It is possible that funds advanced may fall to be irrecoverable. At this time there is uncertainty as to whether any liability for irrecoverable funds will arise and its potential value.

Note 18. Related party transactions

The Park Authority is a Non-departmental Public Body of the Scottish Government. The Park Authority's sponsoring body is the Natural Resources Division, Environment & Forestry Directorate.

The Scottish Government and the Natural Resources Division, Environment & Forestry Directorate are regarded as related parties with whom there have been various material transactions during the year in the normal course of operations.

In addition, the Park Authority has had a small number of material transactions with other Scottish Government departments and other central, local UK government bodies: Aberdeenshire Council, Angus Council, Audit Scotland, Broads Authority, Crown Estate Scotland, Dartmoor National Park Authority, Disclosure Scotland, Exmoor National Park Authority, Forestry and Land Scotland, HM Revenue & Customs, Highland Council, Highlands and Islands Enterprise, Lakes District National Park Authority, Loch Lomond & Trossachs National Park, The Moray Council, Nature Scotland, New Forest National Park Authority, Northumberland National Park Authority, Perth and Kinross Council, Scottish Forestry, Scottish Environmental Protection Agency (SEPA), Scottish Land Commission, Scottish Police Authority, South Downs National Park Authority, Transport Scotland, Visit Scotland, and Yorkshire Dales National Park Authority.

	21/22		20/21	
	Payments £,000	Receipts £,000	Payments £,000	Receipts £,000
Geva Blackett as appointee Ballater Royal Deeside – grants	3	-	15	-
David Cameron, Derek Ross trustees of the Cairngorms Trust – support payments and contributions to sustainable transport within the National Park and for COVID 19 recovery	173	-	4	-
David Cameron (resigned 26 June 2021), Janet Hunter trustees of The Outdoor Access Trust for Scotland (OATS) – payments for path maintenance	200	-	12	-
Janet Hunter, director of CATERAN Ecomuseum - grants	-	-	1	-
Janet Hunter, board member Europarc Council – annual subscriptions	1	-	1	-
John Kirk, owner of Rothiemoon Farm – nature friendly farming grant	1	-	-	-
John Latham, elect representative Marr Area Partnership – grant	-	-	15	-
Douglas McAdam, chair, South Grampian Deer Management Group - grant	-	-	4	-
Xander McDade, representative National Parks UK – annual subscription	10	-	12	-
Fiona McLean, rector of University of the Highlands and Island – grant	1	-	1	-

There were neither payments nor receipts outstanding at either year end.

No Board member, senior manager or other related parties have undertaken any material transactions with the Park Authority during the year.

Note 19. Financial Instruments and Exposure to Risks

The Park Authority's cash operating and capital expenditure is met from the DEL cash budget allocation from the Scottish Government, from other income sources and from contributions from partner agencies to jointly fund projects. The Park Authority has no powers to borrow money or to invest surplus funds. Other than financial assets and liabilities generated by day-to-day operational activities and the investment in National Parks Partnerships LLP (Note 10), the Park Authority holds no financial instruments.

Liquidity risk - the Park Authority's net revenue resource requirements are financed by Scottish Government, as is its capital expenditure. The Park Authority is not therefore exposed to material liquidity risks.

Credit risk - the Park Authority's funders are mainly Scottish Government Departments, Executive Agencies or other Public Bodies. The Park Authority is therefore not exposed to any material credit risk.

Foreign Currency Risk - the Park Authority is not exposed to foreign currency risk.

The Park Authority's financial assets and liabilities are categorised by groups under IFRS 9 as

	2022	2021
	£'000	£'000
Financial assets		
Trade and other receivables	496	864
Cash and cash equivalents	2,030	639
	<hr/>	<hr/>
	2,526	1,503
	<hr/>	<hr/>
Financial liabilities		
Trade and other payables	2,010	1,118
	<hr/>	<hr/>

APPENDIX I – ACCOUNTS DIRECTION



CAIRNGORMS NATIONAL PARK AUTHORITY

DIRECTION BY THE SCOTTISH MINISTERS

1. The Scottish Ministers, in pursuance of The National Parks (Scotland) Act 2000, hereby give the following direction.
2. The statement of accounts for the financial year ended 31 March 2006, and subsequent years, shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FRM) which is in force for the year for which the statement of accounts are prepared.
3. The accounts shall be prepared so as to give a true and fair view of the income and expenditure and cash flows for the financial year, and of the state of affairs as at the end of the financial year.
4. This direction shall be reproduced as an appendix to the statement of accounts. The direction given on 20 April 2004 is hereby revoked.

A handwritten signature in black ink, appearing to read 'I.R. Hooper'.

Signed by the authority of the Scottish Ministers

*I.R. Hooper. Head of Grants and
National Heritage Division*

Dated 12 January 2006

APPENDIX 2 – FACILITY TIME DATA

The Trade Union (Facility Time Publication Requirements) Regulations 2017 requires public bodies to publish information relating to staff time dedicated to staff union matters in the following statutory format:

1 Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1 (2020/21 - 1)	85.23 (2020/21 – 73.51)

2 Percentage of time spend on facility time

% of time	Number of employees
0%	-
1-50%	1 (2020/21 – 1)
51-99%	-
100%	-

3 Percentage of pay bill spent on facility time

Total cost of facility time	£139 (2020/21 - £211)
Total pay bill	£3,996,167 (2020/21 - £3,799,576)
% of total pay bill spend on facility time	0.004% (2020/21 - 0.006%)

4 Trade union activities

Time spent on paid trade union activities as a % of total paid facility time hours	0.006% (2020/21 - 0.007%)
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