

# North York Moors National Park Authority

23 March 2015

## Business Plan 2015 - 2016

### 1. Purpose of the Report

- 1.1 To provide Members with the Business Plan 2015/16 for approval and a preliminary timetable for the 2016-2019 Business Plan.

### 2. Background

- 2.1 The Business Plan 2012-2015 included the Authority's Medium Term Financial Strategy, Reserves Policy and Financial Principles and established the work priorities for the period. This review was undertaken in conjunction with the review of the Management Plan and was based on significant stakeholder consultation.
- 2.2 Since the adoption of the Business Plan the reduction in public sector funding has had a significant impact on the objectives and financial projections in the plan; the Authority has undertaken two transformational organisational restructures. The first of these was planned in 2011 and implemented as part of the Business Plan. However, the second was necessitated in 2014 as the result of further funding reductions, the impact of decisions outside the Authority's control on the income generation plans and the depletion of reserves used to fund the expenditure on dealing with York Potash planning application which was withdrawn in July 2013.
- 2.3 Members agreed at Authority on 15 December 2014 that as Defra was unlikely to provide three year indicative figures for the core grant before the election, review of the Business Plan should be delayed until further information is available. In its place the Authority would adopt a one year plan based on the budgeted resources for 2015/16 and undertake a full Business Plan review once the medium term resources are known. A working draft of this was discussed at Finance, Risk, Audit and Standards Committee on 2 February 2015.
- 2.4 Members have also agreed a number of key strategic long term actions which will be progressed alongside the Strategic Planning process; in particular in relation to cultural changes, increased income generation, the establishment of a trust, Visitor Centre Business Plans and the review of property.
- 2.5 The purpose of this report is to provide Members with a draft of the 2015/16 Business Plan and a timetable for consultation and development of the 2016-2019 Business Plan.

### 3. Timetable and Consultation for the Business Plan

- 3.1 **Appendix 1** to this report details a draft timetable of key events in relation to the development of the Business Plans.
- 3.2 It was agreed at the Authority meeting on 15 December that Members assist with work to develop income generating ideas especially those contained within the Sutton Bank Visitor Centre Business Plan. Since that time a working group has been formed and met in early March.

- 3.3 It is proposed that two Members Seminars are arranged to focus on development of the 2016-2019 Business Plan and that the process will involve regular update reports.
- 3.4 The Authority conducted extensive Stakeholder consultation as part of the review of the Management Plan and that, alongside a Prioritisation Survey undertaken in 2011 has provided the basis for the Strategic Decision making over the period. The organisational change has utilised this feedback, alongside staff and union consultation to shape the changes which have been implemented more recently.
- 3.5 Officers consider that it is appropriate to undertake a further public consultation exercise in order to inform the longer term focus and planning of the organisation. The scope and nature of the consultation will require real consideration because of the limited options available. It is also likely that external expertise may be required to assist with this as internal capacity has been dramatically reduced in this area.

#### **4. Financial Projections and Action Planning**

- 4.1 The projections attached at **Appendix 2** have been updated to reflect the budget presented for formal approval at Item 9 and is in a format consistent with the existing Business Plan. The formats of the tables are based on the categories of expenditure and income which were deemed to be relevant in 2011 when the Financial Planning and Prioritisation process was undertaken. It is recognised that the world has moved on and new issues and priorities have come to the forefront and the financial analysis in the 2016-2019 Business Plan will be adapted accordingly. For example, the Visitor Centre analysis will be adapted to assist in analysis of performance as a 'Business Unit'.
- 4.2 These figures reflect the impact of reduction in funding as included in the settlement for 2015/16 which was confirmed in February 2015.
- 4.3 The figures highlight the impact of the 'in-year' budget reductions which were required to be made to the 2014/15 budget, notably;
- The reduction in discretionary grants which mainly impacts on Environment Spend.
  - The reduction in Car Park Income projections is largely as a result of the decision not to increase charges in 2014/15 as initially planned.
- 4.4 The actions included in the updated action plan have taken into consideration the impacts of the recent reductions in staff, grant and discretionary expenditure resources. In addition there are a number of actions which are necessary to ensure that the organisation meets the challenges of the future. These will form the basis of the Departmental Action Plans and work will filter into individual appraisal objectives.

#### **5. Changes since Finance, Risk, Audit and Standards Committee in February**

- 5.1 Members of FRASC discussed a working draft of **Appendix 2** and since this discussion the document has been amended to include contextual introduction, and the budget to reflect proposed changes from the draft budget discussed in December 2014, to the version tabled for approval at this meeting (details of which are available at Item 9).

#### **6. Financial and Staffing Implications**

- 6.1 The financial implications are described in the report.

7. **Sustainability and Legal Implications**

7.1 There are no legal or sustainability issues arising from this report.

8. **Recommendation**

8.1 That Members note the content of this report and approve the Business Plan 2015-16.

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**Background documents to this report**  
Business Plan 2009-2012

**File Ref.**

March  
2015

- Authority approve 15/16 Business Plan and Risk Register

April -  
Dec  
2015

- Decisions on public consultation
- Work on Medium Term Financial Strategy
- Departmental and Strategic Risk Registers
- Dialogue with Partners
- Dialogue with Defra
- Directors Awaydays
- Interim reports to FRASC and Authority

February  
2016

- FRASC discuss Draft budget, Business Plan and Risk Register

March 2016

- Approval of Business Plan 2016-2019
- Approval of Budget 2016/17
- Approval of Strategic Risk Register 2016/17