

North York Moors National Park Authority

26 March 2012

Business Plan 2012 - 2015

1. Purpose of the Report

- 1.1 To provide Members with a progress report on the revised Business Plan and an opportunity to comment on its emerging content.

2. Background

- 2.1 The Business Plan update is gathering momentum and a series of reports have already been presented to Members identifying key issues for consideration in the light of the emerging National Park Management Plan and the key decisions already taken as part of the Financial Planning and Prioritisation process.
- 2.2 This paper looks at three areas in which decisions need to be taken; Performance Management, Financial Principles and Departmental Work Programmes.
- 2.3 At the Special Authority Meeting on the 23 February Members identified a group of six members to be involved in the next steps of developing the ideas. Officers have contacted this group to make arrangements for the meetings.

3. Performance Management

- 3.1 The changes being implemented provide an ideal opportunity for the Authority to review its performance management arrangements as a whole; not just because of the new National Park Management Plan and Business Plan but also as a result of the changes to the Committee Structure, which means that on at least one occasion per annum the Authority will scrutinise performance against the Business Plan and the discuss the Annual Governance Statement.
- 3.2 The Authority currently collects, monitors and reports in the Annual Plan on a detailed and complex set of key performance indicators (KPI's) including;
- National Indicators.
 - Family Indicators.
 - Local Indicators.
- 3.3 Local Government Improvement and Development (LGID) which provides advice on best practice to local authorities asserts that Performance Management remains a key part of rising to the challenge of reducing resources. However, there is much less prescription on how local authorities manage performance than in the past and there are only four national indicators relevant to National Park Authorities required by central government. The Authority is committed to continuing to collect the data in relation to the 'Family Indicators' which have been agreed between all National Parks as part of the work of the Joint Improvement Group. The Authority is, however, free to review its local indicators with the aim of:

- Reducing the number.
- Focusing on priority outcomes.
- Linking Cost (both total and unit cost) to performance.
- Adopting a risk based approach to performance management.
- Focusing on Customer Satisfaction.

3.5 The work with Value Adding has adapted the Authority's thinking in terms of allocation of resources and there is now a much greater emphasis on the delivery of outcomes and priority when determining the budget allocations. Since the Authority undertook this work a number of other National Park Authorities have collaborated in a benchmarking exercise using the Authority's Activity Based Costing Model as the basis for this. The potential to identify best practice following such an exercise cannot be underestimated and it is highly likely that this work will be further developed.

3.6 The Authority has also taken steps to combine the Performance Management and Finance function as a result of the restructure of the Finance team. The Business and Performance Support Officer will undertake work over the Business Plan period to improve reporting processes in relation to both budget and performance management.

3.7 All of these changes are consistent with recognised good practice.

3.8 Members' views on potential targets for some of the Authority's main Performance Indicators will be sought at the meeting.

4. Financial Principles

4.1 Members have already discussed the Financial Principles and the table below sets the proposed parameters which Officers are provisionally recommending for inclusion in the Business Plan.

Financial Principle	Desired Outcome	Measure of Success	KPI
Staff Costs	To ensure that staff costs are subject to appropriate limits, whilst maintaining the flexibility to deliver externally funded projects.	The costs relating to employment of current staff are maintained within appropriate limits	1) Staff Cost (excluding fixed pension element): Gross Expenditure is maintained at around 55% 2) Core Staff Cost (excluding fixed pension element): National Park Grant is maintained at around 70%
External Funding	To ensure that the Authority optimises the opportunity to deliver management plan objectives through obtaining external funding with a particular focus on areas identified in the Business Plan.	The level of external funding obtained by the Authority for its own use is focused on priority projects and achieves the targets.	External Funding for own use as a percentage of Gross Income is between 10-20%
Emergency Reserve	To ensure that the Authority has an unallocated reserve balance to meet 'unexpected' liabilities	The reserve level is maintained at the appropriate level.	Emergency Reserve is maintained at £220,000.

Financial Principle	Desired Outcome	Measure of Success	KPI
Corporate Costs	To maintain a lean but effective IT department	The costs associated with IT are reduced in accordance with the financial plan and moves towards the private sector benchmark of £1,000 per user.	IT Costs : Reduced over the Business Plan period to £1,450 per user in the context of reducing users by an estimated 8%. This is from a starting benchmark of £1,625 per user in 2011/12.

5. Departmental Work Programmes

- 5.1 Officers indicated the potential impact on performance and outcomes relating to the change programme in the reports taken to Members in July and September 2011. These will be reflected in the revised Business Plan. The most significant impacts are summarised below.

Park Services

- 5.2 The investment in the Rights of Way network, toilets and car parks over the past few years has substantially improved these facilities; the budget has now been reduced and the aim is maintain the current standard. Significant improvements to the Rights of Way network will only be possible if external funding is secured. Almost all of the work on the Definitive Map will cease by 2014/15.
- 5.3 The Moorsbus Network will end in 2014/15, with a substantially reduced service operating in 2012/13 and 2013/14. A provisional allocation of £100,000 has been made in 2014/15 which is to be directed in a targeted manner to deliver opportunities for the enjoyment of the National Park for specific groups. A key action in the Business Plan is to work on proposals and implement the alternative outreach service provision.
- 5.4 Following Members comments in July the proposals in relation to the Education Service were revised to ensure that the number of delivery days, and consequentially target contacts, are not reduced but a much simpler and less bespoke service is provided.
- 5.5 The benefits of the Volunteers service were recognised and additional resources were identified in order to increase the number of volunteer days. In addition, the External Fundraising Officer and the Volunteer Officer are currently looking at opportunities for external fundraising for volunteering in relation to 'under-represented groups' as the number of days in this area has been affected as a result of public sector cuts in other organisations in 2011/12.
- 5.6 Members agreed that Visitor Centre financial performance needs to be assessed in relation to the generation of retail income, car park fees, tea room licence and other commercial opportunities as a whole so their performance as a business centre can be analysed. This is to be supplemented with targets in relation to raising awareness of the special qualities of the National Park and promoting opportunities for enjoyment.
- 5.7 The promotion of the North York Moors 'brand' is a key outcome within the new Business Plan and specific actions in relation to this are being developed now that the Head of Promotion and Tourism is in post. At this early stage a number of potential actions are linked to the emerging targets within the National Park Management Plan in relation to achieving an additional 1.6 million visitor days by 2015 on the 2010 baseline of 10.3 million days.

This will involve working with businesses and key tourism partners. The plan also includes targets for raising awareness which will be monitored by surveys. It is proposed to undertake a 'Regional Awareness' Survey in this Business Plan period. The target is 37% of the regional population being aware of the North York Moors National Park. Visitor awareness is not due for formal survey until 2016 and will feature in the next Business Plan. User surveys in relation to services such as the Visitor Centres, website and events programme will continue to be collected in the interim period. Further work will be undertaken in the next few months and any targets will be revised to ensure consistency with the final version of the National Park Management Plan.

Development Management and Forward Planning

- 5.8 The Development Management section has been restructured in order to improve efficiency. The targets in relation to timeliness are set at the nationally recognised level and are unaffected. Customer Satisfaction Surveys will be undertaken in 2012 and 2014. In terms of the target for appeals at present the target is set at a 75% success rate which has not been achieved; this is above the national average of 66%. Officers are currently discussing what would be an appropriate target.
- 5.9 Work with Communities is embedded in the way in which the Authority works and this is a key area of work within the revised National Park Management Plan which currently includes a draft target for delivery 10 Affordable Homes per annum within the National Park. A number of responses to the Management Plan suggest that this should be higher. Officers are inclined to agree based on performance over the past 5 years and are currently discussing a realistic target in the light of likely pressures on national funding in this area. The Authority will continue to work with Communities, housing providers and the rural housing enabler to deliver for housing needs across the Park and it will become a key action within the Business Plan. The target will be updated if necessary to ensure consistency with the final Management Plan.
- 5.10 The Forward Planning department will develop three plans, add an additional section to complete the design guide and compile the State of the Park report in 2012 and review the monitoring arrangements to be adopted for the new Management Plan.

Corporate Services

- 5.11 Further work will be required during the Business Plan period to implement changes in relation to the Committee Review and the changes to the Standards Regime.
- 5.12 External Fundraising has been identified as a priority for Corporate Services during the next Business Plan period. The Authority is currently working on developing a proposal in relation to the Industrial Heritage of the National Park which will be a key action within the Business Plan. It is also proposed that the Authority adopts a brief prioritised External Funding Strategy to complement the Business Plan and to provide a focus for achieving the Financial Principle in this area.

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 Members note and comment on the content of this report.

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Background documents to this report

Business Plan 2009-2012
Draft North York Moors National Park Management Plan
Financial

File Ref.