Item 5: Half Year Corporate Performance Update

1. Purpose of Report
   This report informs Members of the Authority of the Q2 position of the delivery of the 2018/19 Operational Plan and provides Members with an update on the actions taken to mitigate risks to the delivery of the Business Plan 2017-2021 as recognised in the Strategic Risk Register 2018-2021.

2. Recommendations
   a. The Authority is recommended to:
      1) Note the progress on delivery of the Operational Plan, which at the Q2 point indicates: 80% of actions remain on target; 19% are currently behind target; and 1% are off target.
      2) Note the progress towards mitigating the risks identified in the 2018-2021 Strategic Risk Register, which at Q2 2018/19 indicates: 9% of actions have been completed; 82% are in progress or are ongoing; and 8% of actions have yet to begin.

3. Implications
   a. Financial
      The financial implications to the Authority from progress in delivering the Operational Plan 2018/19 have been considered in the medium-term budget plan. Likewise, the actions of the Strategic Risk Register have been considered in the medium-term budget plan.
   b. Equalities
      There are no equality implications of this report. Both the Operational Plan and Strategic Risk Register aim to promote the principles of equality.

4. Background
   a. Operational Plan
      The Operational Plan sets the Authority’s work programme for the year (2018/19), detailing specific actions set against the 2017-2021 Business Plan period. All actions in the Operational Plan have been cascaded into team and individual staff programmes of work for 2018/19. The Operational Plan contains a total of 152 key actions, underpinned by 247 detailed delivery targets which are incorporated into the overall reporting of performance.
   b. Strategic Risk Register
      The Authority manages risk through the Strategic Risk Register, which has identified 6 areas of highest strategic risk over the period of the Business Plan. The current register contains 74 individual actions each with a nominated member of the Leadership Team responsible for their progression. The Risk Register is regularly monitored with progress noted and actions updated as necessary and members have requested a quarterly update on progress with these actions and the strategic risks.
5. Operational Plan 2018-19

a. At Quarter 2 a review and analysis of the work programme has been undertaken and a summary of performance against the Operational Plan for the first two quarters of 2018/19 can be found in Table A below.

b. Table A presents the current status of objectives across the 6 Business Plan aims. With 122 of 152 objectives currently ‘on target’ the Q2 Operational Plan performance remains strong. One action is currently ‘off target’ and relates to the Sill Training Programme through Aim 1, A Welcoming Park. 29 actions are currently ‘behind target’ and these are consistent across teams and Business Plan Aims 1, 2, 3, 5 and 6.

Table A – Our performance at the end of Quarter 2

<table>
<thead>
<tr>
<th>BP AIM</th>
<th>On target</th>
<th>Behind Target</th>
<th>Off Target</th>
<th>Total Objectives</th>
<th>% on Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>31</td>
<td>7</td>
<td>1</td>
<td>39</td>
<td>79%</td>
</tr>
<tr>
<td>2</td>
<td>18</td>
<td>8</td>
<td>0</td>
<td>26</td>
<td>69%</td>
</tr>
<tr>
<td>3</td>
<td>12</td>
<td>3</td>
<td>0</td>
<td>15</td>
<td>80%</td>
</tr>
<tr>
<td>4</td>
<td>20</td>
<td>0</td>
<td>0</td>
<td>20</td>
<td>100%</td>
</tr>
<tr>
<td>5</td>
<td>20</td>
<td>6</td>
<td>0</td>
<td>26</td>
<td>77%</td>
</tr>
<tr>
<td>6</td>
<td>21</td>
<td>5</td>
<td>0</td>
<td>26</td>
<td>81%</td>
</tr>
<tr>
<td>Total</td>
<td>122</td>
<td>29</td>
<td>1</td>
<td>152</td>
<td>80%</td>
</tr>
<tr>
<td>% of Total</td>
<td>80%</td>
<td>19%</td>
<td>1%</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>

c. The ‘Behind Target’ objectives predominately relate to activities which have started but have not progressed as much as expected for a number of reasons such as other work priorities or delayed recruitment (capacity).

d. There has been a concerted effort to action more of the items from Aim 4, Thriving Communities, including finalising consultations, promoting local businesses and exploring new opportunities for affordable housing. This aim is currently 100% on target.

Q2 2018-19 Performance Highlights

A Welcoming Park / The Sill

- A very successful official launch of the Sill was held in September.
- The end of Q2 signifies the end of the Digital Landscapes Exhibition at the Sill. This 3 month temporary exhibition has been a great success increasing the volunteer presence at the centre and drawing in a younger and more diverse audience to the National Park. Coinciding with the summer holidays the exhibition helped to boost our visitor numbers during the period. The Sill has received 97,901 visitors in the first six months of the year.
- The impact of the Sill on the visitor experience has been monitored during Q2 via the National Park visitor survey.
- The Sill team have been in contact with new suppliers for the retail space during Q2 with an improved offer improving the ‘spend per head’ from £1.01 in June to £1.44 in September.
- This summer the Hadrian’s Wall Bus has seen an increase of total journeys of 3.6% on 2017 and an increase of 26.3% compared to the summer of 2016. More than 25,000 journeys were completed using the service this year.

\[1\] up to the end of September 2018
The Sill Education Team have developed an introductory session for trainee teachers and advertising is to begin in Q3. The Sill events programme continues to be refined providing new ways to engage with the National Park, these and Sill Operations will be discussed further at the Sill Advisory Board in Q3.

Revised Sill business plan remains behind target. With the Sill Manager leaving the Authority’s employment senior roles at the Sill are currently being recruited.

**A Park fit for the Future**

- Two new farming officers appointed to deal with additional workload (from Dec 2017 Authority).
- The new Director of Park Management is due to begin working for the Authority in early October 2018. This will support organisational development and provide an opportunity for the delegation of a number of roles from the Chief Executive.
- The new Head of Business Development is due to begin their role in December, Q3 2018. This will enable greater progress with non-core funding opportunities.
- A number of activities continue to be behind target pending the arrival of the Head of Business Development, these include:
  - The launch of the Northumberland National Park Foundation (NNPF) website,
  - Fundraising income,
  - Launch of the NNP Membership Scheme.
- The systems integration of website, bookings system and CRM were extensively tested during Q2 and will be launching during Q3.

**A Distinctive Place**

- The Review of Designated Landscapes and Post-Brexit agri-environmental reform consultations continue to be important work areas. The Chief Executive has been liaising with National Parks England and the Review Panel, meeting in July. The Authority held a workshop for Members, Partners and the general public in September to develop an understanding of what Northumberland National Park desire from the review. The Review Panel will visit the National Park in early Q3 for a fact finding visit.
- The Conservation Team continues to work towards delivering the Natural Environment Vision action plan with changes to the Greenlee Farm management regime approved in Q1. The creation of a land management plan is in development to be submitted to Leadership Team in Q3. Additional work has included Cheviot Summit Peatland Project, Hepple Whitefield and Simonside SSSI. Management plans are being drawn up.
- The Moorland, Curlew and Moorland Projects have lacked project development due to other work priorities. The appointment of the Director of Park Management will allow for a focus on helping shape these initiatives which will develop over the life of the Business Plan.
- The Cheviot Peat Project is currently behind target due to the tender prices coming in higher than anticipated and the need for more detailed discussions with College Valley estates. The scale of the project has been reduced and work will now start on the ground in 2019. Overall the scope of the work and project definition has seen good progress.
- Electronic data capture systems were trialled for the first time for meadow surveys. Currently data capture is ongoing for waxcaps, bees, lichens and reptiles. Butterfly data collection is being trialed.
- Revitalising Redesdale continues to contribute to a number of National Park objectives with dedicated staff compliment of 4 all in position. The projects continue to operate predominantly self-sufficiently and are performing well. The Authority-administered Pennine Way improvements are near completion with soil reversal completed. Some remedial work is still ongoing.
• 25 National Traditional Farm Building applications were submitted by the 29th of June deadline. 6 applications are on time to meet the current deadline; the remainder will require additional time.

**A Working Landscape**

• Work to establish appropriate indicators for future agri-environmental schemes has seen slow progress. Consultation with key partners on this issue has not realised any obvious short-term solutions as yet.
• The RBAPS pilot scheme was previously associated with BUDI but there may be a role for NNPA’s management at Greenlee moving forward. Discussions are ongoing.
• The Greenlee Land Management Plan and Business Plan are currently being developed as noted above in *A Distinctive Place*.
• The NPE / FC accord was signed in July and the development of the three year action plan is being discussed.
• The target to get 12 holdings to enter the new Countryside Stewardship Schemes this year has been surpassed; Farming Officers have facilitated 14 Higher-Tier schemes and 3 Mid-Tier schemes.

6. **Strategic Risk Register 2018-2021**

  a. The Q2 update for the Strategic Risk Register has been compiled with progress measured for each of the 74 actions. The summary of these actions is highlighted below. A more comprehensive document is available to members on request.

  b. Table B presents a summary of progress against the Strategic Risk Register actions as at the end of Quarter Two 2018/19: 9% of actions are considered to be completed or at an accomplished and ongoing state, 82% of actions are ‘in progress’ and 8% have received no action to date.

  c. ‘In progress’ actions have been further subdivided into ‘early’, ‘acceptable’ and ‘good’ to further differentiate the level of progress in mitigating the risk. In Quarter 1 of the 82% of actions in progress: 18% were in ‘early’ progress; 27% were at a level of ‘acceptable’ progress and; 38% had significant or ‘good’ progress.

**Table B – Quarter 2 status of 2018-21 Strategic Risk Register actions**

<table>
<thead>
<tr>
<th>Strategic Risk</th>
<th>In Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No Action</td>
</tr>
<tr>
<td>1. Political change</td>
<td>0</td>
</tr>
<tr>
<td>2. Authority</td>
<td>0</td>
</tr>
<tr>
<td>Development</td>
<td>0</td>
</tr>
<tr>
<td>3. Sustainable</td>
<td>0</td>
</tr>
<tr>
<td>Finance</td>
<td>0</td>
</tr>
<tr>
<td>4. Capacity</td>
<td>1</td>
</tr>
<tr>
<td>5. Park Relevance</td>
<td>0</td>
</tr>
<tr>
<td>6. Climate Change</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6</strong></td>
</tr>
<tr>
<td><strong>%</strong></td>
<td><strong>8%</strong></td>
</tr>
<tr>
<td><strong>%</strong></td>
<td><strong>8%</strong></td>
</tr>
</tbody>
</table>
d. Progress towards mitigating identified risks:

**Risk 1. The National Park Authority is unable to adapt to Local / National Government changes**
- The Authority is actively engaging with the Glover (Designated Landscapes) Review to pursue the NNPA and NPE case.
- Work is progressing well to provide robust responses, with NPE, to Government Consultations on a wide range of subjects impacted by changes to Stewardship Arrangements. NNPA is currently leading collective work on rural development.

**Risk 2. Unable to become an Organisation Fit for the Future**
- The Authority is making good progress on its ongoing transformation. The delays in recruitment to leadership team have been addressed in Q2 and a full complement is expected to be in place by the end of Q3.
- This delay has impacted some areas of work during the first half of the year, in particular improved delegation and management responsibilities.

**Risk 3. Unable to Manage our Financial Position**
- A detailed financial report for Q2 2018/19 is being compiled for release in Q3.
- The Sill Business Plan is behind target but is being closely monitored and adjustments made. The Sill advisory board are due to meet in Q3.
- Sill activities planning is being updated to reflect ongoing experience of best income for staff time. Thematic based programme linked to exhibition for digital landscapes had mixed success.
- Overall budget outturn remains manageable for the year, however key challenges in managing the Sill Business Plan, efficiencies and income generation will remain in the coming years.

**Risk 4. The National Park Authority lacks the capacity to complete major parts of the Business Plan**
- Capacity remains a risk and this is not likely to be overcome in the short term. Necessary actions are in place and good progress is being made, the delay in recruitment is causing the greatest impact.
- The use of volunteers to compliment staff resources was well demonstrated during Q2 and the Digital Landscapes exhibition. The online ‘Better Impact’ system is making it easier to manage different groups of volunteers in real time.
- Corporate partnerships are in development which are bringing additional volunteering capacity.
Risk 5. National Parks become less relevant to society and as a result less valued by the public and national policy decision makers.

- The majority of planned actions are making progress and the profile of the National Park with Ministers, the media, visitors and partners remains high.
- Two Secretaries of State have visited the National Park this year.
- The Authority is closely involved in the ongoing development of the North of Tyne and Borderlands growth deals.
- The Authority is working with Defra leaders in the North East to produce a regional response to the 25 Year Environment Plan.

Risk 6. The effects of climate change damage the environment and reduce the resilience of National Park businesses and communities.

- Following the significant moorland fire on the OTA during Q2. Work is continuing to enhance habitat quality (re-wetting bogs) and learn lessons to address control measures on the OTA.
- Longer term efforts to mitigate the effects of climate change are not currently prioritised and are under-resourced within the Authority.

Strategic Risk Matrix 2018-2021 (Inherent)

<table>
<thead>
<tr>
<th>Impact</th>
<th>Probability</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Slight</td>
<td>1. Rare</td>
</tr>
<tr>
<td>2. Minor</td>
<td>2. Unlikely</td>
</tr>
<tr>
<td>3. Moderate</td>
<td>3. Possible</td>
</tr>
<tr>
<td>4. Major</td>
<td>4. Likely</td>
</tr>
<tr>
<td>5. Catastrophic</td>
<td>5. Almost Certain</td>
</tr>
</tbody>
</table>

7. Conclusions

a. The Operational Plan and the Strategic Risk Register represent a significant body of work which demonstrate progress on the delivery of the Authority’s Business Plan and identify the key risks that need to be addressed in order to ensure we achieve our Business Plan outcomes. Both our current Objectives and mitigating Actions have been initiated in Quarter 2; this update serves to provide Members with the current direction of travel.

b. Members are asked to note the progress being made on both the Operational Plan and the Strategic Risk Register.

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