NATIONAL PARKS STRATEGIC REVIEW REPORT

2008

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Section 1 Overview and Summary of Recommendations

1.1 Background to the Strategic Review

1.1.1 This Strategic Review considers, in the light of initial experience of National Parks in Scotland, the scope for development of current arrangements for delivering National Park functions or objectives. In line with the ethos of continuous improvement, it forms part of the commitment to 'More Effective Government', which focuses Government and Public Services on creating a more successful country, with opportunities for all of Scotland to flourish through increasing sustainable economic growth. The Government has clearly set out its intention to develop a strategic relationship and a National Performance Framework (Scotland Performs) which is described in more detail in paragraph 3.2, with Purpose, Targets, National Outcomes and Performance Indicators which apply to the entire public sector.

1.2 Terms of Reference for Stage 1

- 1.2.1 Full terms of reference for Stage 1 are provided in the Annex. The terms of reference for Stage 2 of the Review will be determined in light of findings from Stage 1.
- 1.2.2 Stage 1 of the Review has addressed 3 related questions in its examination of the organisational options for undertaking National Park functions:
 - (i) What is the most appropriate type of public body (or bodies) for delivering National Park functions in Scotland?
 - (ii) What is the most appropriate employer arrangement for this body (bodies)?
 - (iii) What are the most appropriate governance arrangements for this body (bodies)?

1.3 Conduct of the Review

- 1.3.1 The Review was conducted between late May and September 2008. The annex sets out the methods which have been used to collect evidence on which this report is based. Methods involved: issuing a public questionnaire (170 responses); individual interviews with Conveners, Chief Executives, National Park Authority staff representatives (13) and Scottish Government and other public bodies (22); group discussions with National Park Authority Boards (45) and other stakeholders (31); assessment of public sector performance indicator returns and review of National Park Authority and Scottish Government documents. Over 280 people and organisations have given their views to the Reviewer.
- 1.3.2 The Advisory Group for the Review includes National Park Authority Chief Executives, Scottish Government staff and an independent expert. Members are listed in the Annex.

1.4 Structure of Report

1.4.1 The detailed evidence which underpins this report is published separately on the Scottish Government website www.scotland.gov.uk/Topics/Environment/Countryside/16131. Section 1 of

the report summarises key points from the Strategic Review together with recommendations for action. Section 2 discusses the background to National Parks in Scotland, the issues which informed the shape of initial arrangements and the early direction of Loch Lomond and The Trossachs and Cairngorms National Parks. Sections 3, 4 and 5 address the three Review questions and consider:

- The most appropriate type of public body (Section 3)
- Employer arrangements (Section 4)
- Arrangements for National Park Authority Boards (Section 5)
- Next steps (Section 6)

1.5 Delivery of National Park Functions

- 1.5.1 Scotland's two National Parks have each developed from different roots and these have affected how they work within the framework of the National Parks (Scotland) Act 2000. The importance of balancing local and national interests and accountabilities is integral to the Act. The legislation envisages that National Park Authorities would not duplicate the activities of other organisations with responsibilities in the National Park area and that their primary responsibility is to co-ordinate and facilitate the work of others to meet the four National Park aims (see 2.4.1). Nevertheless, there has been a requirement for the Park Authorities to be involved directly in the delivery of some services.
- 1.5.2 Scotland's National Park Authorities have made significant progress in the short time since their inception. Responses to the public questionnaire indicate that National Parks are important to people for a range of reasons, including their care of natural landscape and cultural heritage, the access they provide for recreation and tourism, and their local community engagement. It is worth noting that during the 1990s public discussion in Scotland about National Parks, strong reservations were expressed about the idea, or indeed the need for, National Parks, seeing them as unnecessary or likely to result in an undue inhibition to social and economic development. Such views are no longer prominent and there are signs of social and economic as well as environmental benefits being delivered by National Parks.
- 1.5.3 In its approach, Cairngorms National Park Authority has given strong emphasis to working through co-ordination and facilitation. It has worked with a wide constituency in its Park, including those who were initially opposed to the National Park designation, in order to ensure that benefits of the Park are developed and shared. Its major service delivery commitments are on planning and it has powers to call-in planning applications which it considers are of significance to the Park's aims. More recently, it has become an access authority, responsible for the statutory processes for management of outdoor access rights in the Park¹.
- 1.5.4 The Loch Lomond and The Trossachs National Park Authority was able to build on the foundations created by the pre-existing Regional Park organisation, with a strong focus on caring for the environment and managing recreation. At the time of designation, it was expected that National Park status would strengthen capacity to care for and manage the Park. The Park's close proximity to large urban centres and its accessibility to a high proportion of the Scottish population and resultant visitor pressures have necessarily shaped the Park Authority's priorities. Loch Lomond and The Trossachs National Park Authority has worked closely with the communities within the Park, particularly through its Community Futures programme. It is a full

¹ Land Reform (Scotland) Act 2003.

planning authority, has its own ranger services, enforces navigation byelaws for Loch Lomond and has become the access authority for the Park.

1.5.5 We thus have two different approaches to the way in which National Park functions can be fulfilled. In answering the Review questions consideration has been given to evidence about these approaches and the first five years of experience of National Parks in Scotland.

1.6 Review Questions

1.6.1 What is the most appropriate type of public body (or bodies) for delivering National Park functions in Scotland?

- In the medium term, the present arrangements of a free-standing non-departmental public body (NDPB) for each National Park Authority should continue. This has produced a number of benefits, enabling strong community roots to be developed and the Park Authorities to tailor their approach to the distinctive circumstances of their National Park. National Park Plans, agreed in 2007, are in the early stages of implementation and it is important that time is allowed for implementation to be progressed so that the efficacy of current arrangements can be fully tested. Going forward, National Park Authorities' contribution to the Scottish Government National Outcomes and their effectiveness in implementing the Park Plans will provide a good basis on which to assess whether this is the best means of delivering Scotland's aims for its National Parks.
- Some actions at this point would help to strengthen the national and strategic elements of National Park Authority work. As small distinctive organisations, the challenge for National Park Authorities is to sustain their local roots at the same time as enhancing their national profile. National Park issues are always likely to be small parts of wider public agendas. However, to achieve what was envisaged in the legislation, National Park Authorities need to have a stronger national voice than they appear to have at present. The implication of this is that national routes of influence should be strengthened so that other public bodies can better focus on their contribution to National Park aims.
- In the long term, if further National Park designations were to be progressed, having a separate NDPB for each new National Park Authority would be unlikely to be sustainable. National Parks are now well established in Scotland and if, in the future, there were to be further National Parks, there would be an opportunity to build on experience and adjust arrangements while continuing to address key issues of local democracy, national significance and accountability. In the long term, a national organisation, supporting the work of individual National Park Authorities has potential to meet what is required. While some initial thoughts are offered in this report, more detailed consideration would be required at the point that change was envisaged. In the meantime, a Ministerially chaired Strategy Group consisting of National Park Authority conveners and other key interests would provide a forum for discussion of the contribution of National Parks to wider public policy agendas and for looking forward to give direction that would optimise the benefits of National Parks and ensure that the direction of development was consistent with what was likely to be required in the future.

1.6.2 What is the most appropriate employer arrangement for this body (bodies)?

- There would be, at best, marginal benefits to changing to a single employer arrangement for the National Park Authorities in isolation from other changes. National Park Authorities are among the smallest of NDPBs and results of a pilot benchmarking exercise suggest that proportionately they spend less than others on their employer arrangements. There is a risk that the potential business cost of changing employer arrangements could, in the short term, outweigh benefits.
- A phased approach to harmonising employer arrangements between the Park Authorities should be pursued as part of a wider examination of opportunities for service sharing. In the medium to long term, there may be efficiencies from sharing employer arrangements, particularly if the Park Authorities are working more closely together on issues of shared concern. Results from pilot benchmarking of a range of corporate services suggest that there may be benefits from sharing a wider range of corporate services, including finance, estates management, and ICT as well as HR services.
- Each National Park Authority currently works in a different way and there is recognition that there is more scope for shared effort and experience. As small organisations with wide-ranging remits, they need to be focused on their core mission but can be vulnerable because they lack critical mass. Thus they cannot achieve economies of scale, do not have the capacity for back-up and lack resilience to corporate stresses such as absence or staff turnover. Service sharing would reduce these risks inherent in the current arrangements.
- Sharing business tools and working practices that can underpin National Park Authority activities would still allow for National Park Authorities to have the flexibility to reflect the distinctive needs of the areas for which they are responsible. Both National Park Authorities are involved in Scotland's Environmental and Rural Services (SEARS), a partnership of nine public bodies² aimed at delivering a better co-ordinated service to land managers, for example avoiding duplication in inspection and other visits. SEARS is thus an example of sharing the public interface of services. The National Park Authorities are taking steps towards sharing 'back office' processes. A more systematic approach would ensure that they shared direction and maximised potential benefits. A fully costed scoping exercise on service sharing for the National Park Authorities would be an essential preliminary stage to more progress.

1.6.3 What are the most appropriate governance arrangements for this body (bodies)?

At the outset there were benefits in the National Park Authorities having large Boards with 25 Members. The Park Authorities are now well established and their strategic direction has been set in the National Park Plans. There is now a case for moving to reduce the size of the Boards in order to support consistently effective governance going forward. The Boards benefit from the mix of directly elected Members to strengthen local accountability, also provided by Council nominees; and direct Ministerial appointees to strengthen national accountability, ensuring a balance of skills and

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² Scottish Environment Protection Agency; Scottish Natural Heritage; Forestry Commission Scotland; Forest Enterprise; Cairngorms National Park Authority; Loch Lomond and The Trossachs National Park Authority; Crofters Commission; Deer Commission Scotland; Scottish Government Rural Payments and Inspection Directorate

experience. However, Board size is not the key factor in effectiveness. Effectiveness depends on the particular Members chosen; the quality of information and support provided by staff; the understanding staff and Board Members share of what is required; and a well-co-ordinated cycle of meetings.

- The general perception is that the inclusion of directly elected Members has contributed to the effectiveness of the Board in reflecting local interests. There is some support for increasing the proportion of Park Authority Board Members who are directly elected. Whilst there is potential for the balance of membership to be changed so that directly elected Members would represent an increased ratio of the total Board Membership, it is important to bear in mind that within each Park there is a small electorate. It will be important to ensure that the legitimacy of directly elected Members is not undermined by increasing their number beyond what can reasonably be supported by the small electoral base.
- National Park Authorities receive almost all their funding from the Scottish Government. It would be consistent with the need for securing accountability for public funding if the Convener and Deputy Convener of the Park Authorities were to be appointed by Ministers from among Board Members. A feasible process for appointing the Convenor and Deputy Convenor would need to be agreed with the Office of the Commissioner for Public Appointments in Scotland (OCPAS).
- Changing the maximum size of Park Authorities and the arrangements for appointing Conveners and Deputy Conveners would require amendments to primary legislation. The legislation embodies the concept of local as well as national accountability through the inclusion of Members appointed and the nomination by the relevant local authorities. Further National Parks may not intersect multiple local authority boundaries to the same extent as the current National Parks. In some situations a smaller Board or different Board constitution might be appropriate.

1.7 Recommendations

1.7.1 It is recommended that:

- 1. The present arrangements for a free-standing NDPB National Park Authority for each National Park should continue at least for the medium term;
- 2. A Ministerially chaired National Parks Strategy Group, consisting of National Park Authority conveners and other key interests, should be established to discuss the contribution of National Parks to wider public policy agendas, to give direction which optimises the benefits of National Parks, and to ensure that the direction of development is consistent with what is likely to be required for the future;
- 3. If, in the future, consideration were given to the designation of further National Parks, it would be sensible to consider different organisational arrangements that would reduce the number of NDPBs required for National Parks, while addressing key issues of local democracy, national significance and accountability;
- 4. In the absence of any wider organisational change there is no merit in pursuing a single employer arrangement for staff of the National Park Authorities.

- 5. The scope for wider sharing of corporate services and increased harmonisation of employer arrangements between the Park Authorities should be examined. The Park Authorities should jointly agree the scope and direction of service sharing and establish a plan and timetable for the work required;
- 6. The National Park Authorities should also build on the steps they are already taking to exchange knowledge and to develop shared approaches;
- 7. National Park Authority Boards should be reduced in size while retaining a mix of directly elected Members, Council nominees, and direct Ministerial appointees;
- 8. Within a smaller Board, the proportion of directly elected Members could be increased. Public views should be sought about the possible different balances of membership, taking account of the small size of electoral base within the Parks;
- 9. Within a re-structured Board there needs to be a clear reflection of the accountability to Scottish Ministers, which could be achieved if, using a process agreed with OCPAS, Minsters were to appoint the Convener and Deputy Convener from among Board Members.

Section 2 **Scottish National Parks and National Park Authorities**

2.1 **Background to National Parks**

- Scotland's need for National Parks was a matter of contention for a long period³ and in September 1997, following a review of the natural heritage designations in Scotland, the Government concluded that there was a need for a more integrated approach to management in a small number of relatively large areas of natural heritage importance to deal with the particular pressures affecting those areas. These areas were to be called National Parks to reflect their national importance.
- 2.1.2 In September 1997, the Secretary of State announced his intention to take forward National Parks legislation for Scotland. At the same time it was also announced that there should be a National Park in Loch Lomond and The Trossachs and that the approach might also be appropriate in the Cairngorms and other areas. The subsequent public discussions highlighted that there was broad agreement⁴ about the value of having National Parks in Scotland. Issues on which there was less agreement were: how to balance conservation, recreation and social and economic aims of National Parks; whether National Parks should rationalise the conservation designation framework operating within Scotland or whether they should operate alongside this framework to target resources and actions within a National Park; how far national interests and accountability should over-ride local interests and empowerment.
- The Scottish Parliament's conclusions about the issues of balancing different National 2.1.3 Park aims, co-ordinating and targeting resources and actions, as well as national and local accountability are reflected in the arrangements that were established.

2.2 **National Parks and their Purpose**

2.2.1 National Parks were established in Scotland by the National Parks (Scotland) Act 2000. National Parks⁵ are areas of outstanding national importance because of natural heritage or the combination of natural and cultural heritage. Each National Park area has a distinctive character and a coherent identity. By law, the purpose of designating an area as a National Park is to meet the special needs of the area, and making this designation is considered the best means of ensuring that the National Park aims are collectively achieved in relation to the area in a coordinated way. Thus, the statement of purpose leaves open whether national or local interests should prevail in instances where there is a difference between those interests.

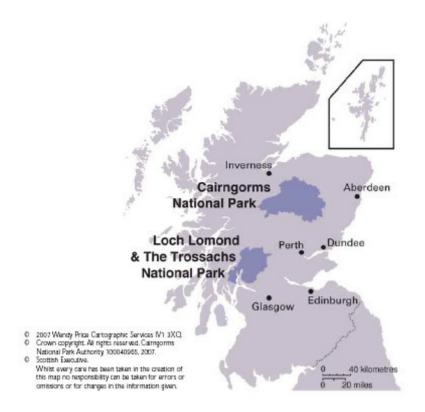
2.2.2 There are currently 2 National Parks in Scotland: Loch Lomond and The Trossachs,

³ In the late 20th century there were proposals for legislation to have National Parks. The Ramsay Committee produced a report in 1945: National Parks a Scottish Survey. This recommended National Parks for Loch Lomond and The Trossachs; Glen Affric, Glen Cannich and Strathfarrar; Ben Nevis, Glencoe and Blackmount; the Cairngorms; and Loch Torridon, Loch Maree and Loch Broom.

⁴ Notable exceptions were the John Muir Trust and some residents of Cairngorms.

⁵ According to the International UCN Category 5, National Parks, 'a National Park is an area of land, with coast and sea as appropriate, where the interaction of people and nature over time has produced an area of distinctive character with a significant aesthetic, ecological and/or cultural value, and often with high biological diversity. Safeguarding the integrity of this traditional interaction is vital to the protection, maintenance and evolution of such an area.'

which covers an area of 1865km² (720 miles²) and has a population of 15,600; and Cairngorms, which covers an area of 3800 km² (2361.2 miles²) and has a population of 16,000.



2.2.3 Each National Park has its own Authority which was set up under a Designation Order⁶. Loch Lomond and The Trossachs National Park Authority came into effect in April 2002 and the Cairngorms National Park Authority in January 2003. National Park Authorities are Non-Departmental Public Bodies (NDPBs).

2.3 National Park Authorities

2.3.1 A balance between national interest and local accountability was to be struck through the membership of the National Park Authorities. Initially the proposal put to Scottish Parliament in the National Parks (Scotland) Bill was that each Park Authority should have no more than 20 Members, half of whom should be directly appointed by Scottish Ministers and half appointed by Ministers from nominations by local authorities in a Park area. However, there was concern about how far such an arrangement would allow local people within a National Park to have sufficient say on decisions that would directly affect them, as there was no requirement that appointees should come from within a Park. Thus, an amendment to the National Parks (Scotland) Bill resulted in National Park Authority membership being specified as 20% directly elected by residents of a Park, 40% directly appointed by Scottish Ministers and 40% appointed by Ministers from nominations by local authorities in a Park area. There is a further requirement that a number of the appointees Members should come from within the Park. Each Park Authority consists of 25 Members.

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⁶ The Loch Lomond and The Trossachs National Park Designation, Transitional and Consequential Provisions (Scotland) Order 2002; The Cairngorms National Park Designation, Transitional and Consequential Provisions (Scotland) Order 2003

2.3.2 The Convener and Deputy Convener for each Authority are elected by that Authority from amongst its Members. This means that those elected have some sense of accountability to the Board Members who elected them as well as to Scottish Ministers. Each National Park Authority appoints a Chief Executive and employs its own staff.

2.4 Purpose of National Park Authorities

- 2.4.1 The general purpose of a National Park Authority is to give effect to the co-ordination of achieving National Park aims, which are:
 - 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;
 - To promote sustainable economic and social development of the area's communities.
- 2.4.2 It was recognised that sometimes there might be, or appear to be, conflict between the aims. Therefore Section 9 (6) of the National Parks (Scotland) Act 2000 sets out what is sometimes referred to as the Sandford Principle, which is that if, in any matter, it should appear that there is a conflict between the four Park aims, the Park Authority must give greater weight to the conservation and enhancement of the natural and cultural heritage.

2.5 How National Park Authorities Work

- 2.5.1 The National Park Authorities, as referred to in the legislation, are primarily enabling bodies. Within the geographical areas of the National Parks, a number of bodies, including local authorities, also have responsibilities and the Scottish Parliament envisaged that National Park Authorities should build on and not duplicate the work of others. Thus key to the success of the National Park Authorities in achieving their aims is their success in building effective working relationships with others.
- 2.5.2 However, it was also recognised that some direct delivery of specific functions would be required and that the balance between these might vary in different National Parks. National Park Authorities were given a range of powers⁷ and functions⁸ relating to: open spaces and recreation; nature reserves; information and education; tourism and leisure; recreational, sporting, cultural and social facilities and activities; and improvement of waterways for recreation. Both Park Authorities have a duty⁹ to uphold people's outdoor access rights in the Park, to set up a Local Outdoor Access Forum and to prepare a Core Paths Plan for the area. The Loch Lomond and The Trossachs National Park Authority has the additional function of providing rangers and can enforce its own byelaws.¹⁰

⁷ National Parks (Scotland) Act 2000 Schedule 2 sets out powers

⁸ National Parks (Scotland) Act 2000 Schedule 3 sets out functions

⁹ Land Reform (Scotland) Act 2003

¹⁰ The Loch Lomond and The Trossachs National Park Designation, Transitional and Consequential Provisions (Scotland) Order 2002 Article 8 (1)(a)

- 2.5.3 Particular National Parks are brought into being by Designation Orders (see 2.2.3) which set out the area designated as the National Park and the details of how the authority is to be established, including specific functions and powers. This mechanism allows for the tailoring of individual Authorities to the particular requirements of a Park. It is notable that at the time of the initial legislation, the issue of whether National Parks should deliver a planning function was particularly contentious and the Scottish Parliament Committee¹¹ noted that the arguments were 'finely balanced'. The outcome was that the nature and extent of any planning function is decided for individual Parks and if a National Park is to have a planning function, then provision is made within its Designation Order.
- 2.5.4 Both Cairngorms and Loch Lomond and The Trossachs have planning functions, though they are exercised differently. Planning applications for developments within Cairngorms National Park are made to the relevant local authority ¹². Any applications that the Park Authority considers raise issues of general significance for the Park can be called in by the Park Authority Planning Committee, which then has responsibility for their determination. Loch Lomond and The Trossachs National Park is a full planning authority. Planning is not being considered within Stage 1 of this Review. Nevertheless it is relevant to note that the approach that each Authority takes to planning has implications for their business arrangements.
- 2.5.5 There is ambiguity in current arrangements about how far there is an expectation that each National Park Authority will remain primarily enabling; how far, over time there should develop a balance between enabling and delivery; and, what the best balance should be for a particular Park. It is in keeping with the need for tailored arrangements that individual Park Authorities should select the balance that at any given time they believe to be appropriate. It is important that the nature of the balance and its implications is explicitly communicated to partner organisations, other stakeholders and Members of the public.
- 2.5.6 The National Park Authorities are small public bodies, required to balance the national interest that underlies the designation of their Park as National with the local interests of those who live and work in the Park. As such there is an ongoing risk for both that they take on more than can be achieved. This is recognised by the Park Authorities, Loch Lomond and The Trossachs in particular, which is in the early stages of organisational change and has acknowledged a need to review its current range of commitments to ensure a closer match with its available resources.
- 2.5.7 In practice, each Park Authority has sought to strike its own balance between enabling, by working through others, and direct delivery. Cairngorms has kept closely to the approach of working through others and this has helped to maintain focus on its core mission. Such an approach takes time to yield results. Nevertheless, the Park Authority has made significant progress, for example: in bringing people together to develop a vision and strategy for the Park through the Park Plan; developing the Park brand for use by others; their land-based business training scheme; being the first UK National Park to be awarded a European Charter for Sustainable Tourism; Heather Hopper bus service and Explorer public transport timetable, which help people to travel within the Park. Despite its achievements, there is an issue about the Authority's visibility in the Park and some Members of the public and stakeholders see the Park Authority as 'another layer of bureaucracy'. Cairngorms National Park Authority was aware of

¹¹ Transport and Environment Committee, 8th Report 2000 – 'Stage One Report on the National Parks (Scotland) Bill'. Rural Affairs Committee, 5th Report 2000. 'Stage One Report on the National Parks (Scotland) Bill'

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¹² The local authorities that currently have some of their area within the Park boundaries are Highland, Aberdeenshire, Moray and Angus.

this as a potential risk from the outset and has worked to try and minimise this risk. For example, work on branding of the Park should help if greater use is made of Park branding by others, including public bodies, for activities within the Park. Nevertheless, it also illustrates that success in working through others may not necessarily be recognised as Park Authority success and that a possible outcome may be limited by public understanding of what a Park Authority is contributing.

- 2.5.8 Loch Lomond and The Trossachs has significant delivery responsibilities, especially in relation to recreation, as it provides ranger services within the Park. The roots of this Park Authority's approach lie in its precursors: Loch Lomond Regional Park Authority and an officer group from local authorities in the area which became Loch Lomond and The Trossachs Joint Interim Committee. Nearly a quarter of Loch Lomond and The Trossachs National Park Authority staff are involved in the ranger service. In part this is associated with the Park's proximity to populous areas and it also helps to sustain the Park Authority's day to day visibility in the Park. It is notable that staff see themselves as direct deliverers and are keen to take on delivery roles. Some Members see direct delivery as important for the Park Authority's credibility. The National Park Authority has made significant achievements in its initial phase, for example: its Community Futures Programme was commended in the 2005 Scottish Awards for Quality in Planning; its work on community development trusts; its apprenticeship scheme; the MoPark project; and its new HQ building, which showcases environmentally sustainable design.
- 2.5.9 Loch Lomond and The Trossachs and its partner organisations have still to reach a consensus about how best to achieve the level of care for the Park and its facilities that are consistent with public expectations of standards for a National Park. In consequence the Park Authority is under pressure to focus resources responsively on local delivery, making it more difficult to attend to strategic issues. In short, within Loch Lomond and The Trossachs National Park further progress is needed towards a shared understanding between the Park Authority, the public and other stakeholders about how public resources should be deployed to care for the Park.

2.6 National Park Plans

2.6.1 The Park Plan is key to the management of a National Park. It sets out how Park Aims will be fulfilled and how each Park Authority will work to co-ordinate the exercise of its functions and the functions of other public bodies in so far as they affect a particular National Park ¹³. A Park Plan sets out vision, policies, objectives and programmes of actions to be pursued over a five year period within a National Park by the Authority and others with responsibilities in the Park. National Park Plans must be approved by Scottish Ministers in order to be adopted. Development of the Park Plan is a statutory duty of each National Park Authority and was an important early task which both Parks had completed by 2007. Public bodies are required within the legislation to have due regard to the Plan. Plans are now being implemented and are not subject of this review. Nevertheless, it is important to recognise that the process of developing the plans was an important part of the early experience of the National Park Authorities and the completed Plans provide a framework within which each Authority is developing and using its powers.

2.6.2 It is fair to say that well established processes for implementing the Park Plans could

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¹³ National Parks (Scotland) Act 2000 Section 11.

potentially address some of the issues that each Park Authority is facing. As the Plans are in the initial stages of implementation, it is too early to judge how far issues of profile and balance of enabling and delivery are transient. Further, some of the issues, for example, the best balance between enabling and delivery, are not amenable to once and for all resolution – the balance needed will change over time. However, some consequences of these issues are likely to continue if not directly addressed. Thus, a National Park Authority's view about the particular balance to be struck between enabling and direct delivery, together with the implications of the balance chosen, need to be explicitly acknowledged and taken account of by the Park Authorities, their partner organisations and other stakeholders.

2.6.3 Both National Park Authorities have given a high priority to community engagement, recognising that critical to their success is the commitment of National Park residents and communities. This approach is resource intensive and, while it does produce a better outcome, particularly on issues that may be contentious, it affects the speed with which progress can be made. Producing National Park Plans has been a significant achievement and progress in implementation of the Plans will be an important mark of their wider success going forward.

Section 3 Organisational Options for Delivering National Park Functions in Scotland

3.1 Context

3.1.1 National Park Authorities were set up as NDPBs and there is a requirement for this Review to consider whether this is still the best arrangement. As a preliminary to considering the most appropriate type of body for delivering National Park functions it is important to set out what is required of the public sector nationally, as these requirements have changed since the inception of the National Park Authorities.

3.2 National Performance Framework

- 3.2.1 The Scottish Government has a single Purpose to create a more successful country where all of Scotland can flourish through increasing sustainable economic growth. The Government Economic Strategy sets out the approach to delivering this Purpose to ensure that all of the Government's resources and policies are focused on its achievement.
- 3.2.2 The Governments vision for success for Scotland is described and measured in four parts which support and reinforce each other:
 - The Government's Purpose and its associated targets
 - Five strategic objectives that describe where we will focus our actions
 - 15 National Outcomes that describe what the Government wants to achieve
 - 45 National Indicators that enable us to track progress
- 3.2.3 Scotland Performs, launched in June 2008, provides a public and transparent way for the Government to report on how Scotland is performing on a range of topics affecting all aspects of Scottish life. Future arrangements for all public bodies must take account of the need for greater clarity about how each contributes directly to the Scottish Government's Purpose, Targets and National Outcomes, as this will be reflected through the Scotland Performs website.
- 3.2.4 In terms of how public bodies implement an outcome based approach, there are two main considerations which are inter-related:
 - Firstly, to ensure that all individual public bodies are clearly aligned to the Government's Purpose through the outcomes and Purpose Targets in the National Performance Framework.
 - Secondly, to support collaborative working between public bodies and other key partners, such as local Government and NHS Health Boards, in contributing towards the achievement of shared outcomes (i.e. Purpose Targets, National Outcomes and local priorities, as addressed in the Single Outcome Agreements)
- 3.2.5 The Government has distributed working guidance on an Outcome Based Approach to all public bodies, detailed in the baseline list of public bodies, as set out by the First Minister following his 'simplification of government' announcement in January 2008. The purpose of this guidance and its associated suite of good practice case studies, which includes Cairngorms National Park Authority as an example, is to act as a reference point for Government and public bodies to work together to develop an outcome based approach to deliver the Government's purpose.

3.2.6 From April 2009, National Park Authorities' performance will be judged on their contribution to the Purposes, Targets and National Outcomes which the Government has set, particularly those relating to the built and natural environment (to protect it and enhance it for future generations); the environmental impact of consumption and production, and sustainable places where people can access the amenities and services they need (Scotland Performs web page www.scotland.gov.uk/About/ScotPerforms). Both Park Authorities are currently refocusing their reporting arrangements to meet the requirements of the framework.

3.3 Simplification

3.3.1 Further, to support the Government's core purpose of achieving sustainable economic growth as well as to contribute to more effective government, the Scottish Government is currently progressing a programme of simplification in the public sector. Simplifying the public sector means that opportunities are being sought to reduce the number of public bodies and to encourage efficiencies, such as the sharing of services or the integration of service delivery. The next sections consider, in turn, whether there is still a need for a dedicated public body (bodies) to deliver National Park functions or whether they could be handled by another organisation.

3.4 The requirement for a public body to deliver National Park Functions

- 3.4.1 Government requires that when public bodies are reviewed, consideration should be given to whether they are still needed. As discussed earlier (in section 2.6), National Parks have been established relatively recently and the purpose of National Park Authorities is to secure the achievement of long term aims. While there is some evidence of their initial impact, set out in various National Park annual reports and Board papers, evidence of their medium to long term impact is necessarily limited at this early stage in their life.
- 3.4.2 Significant effort has been required for the Park Authorities to establish and develop connections that individual bodies might not otherwise have made. National Park Plans, a key tool for the work of the Park Authorities, are based on detailed consultation and discussion and have only recently been agreed (2007). The Local Plans that will guide development in the Parks are not yet agreed and have required significant effort and co-ordination by the Park Authorities. This indicates that there is still a need for a particular body in each National Park to focus on fulfilling National Park aims. There is a public interest in National Parks and this is recognised by their designation. The implication of this is that the organisation charged with focusing on National Park aims should be a public body.

3.5 Another Environmental Body taking on National Park functions

3.5.1 While there are other organisations with specialist knowledge and experience with a direct bearing on particular National Park aims, few cover the wide range encompassed by the four aims. Scotland is distinctive internationally in having National Park aims that include social and economic development along with recreation, sustainable use of resources as well as conservation and enhancement of natural and cultural heritage. There was virtually no support amongst those giving their views to the Review for Park Authority responsibilities to be transferred to a more specialist environmental organisation. There were concerns that such a move would place at risk the achievement of some of the Park aims, particularly on social and economic development.

3.6 Transfer to Local Authorities

- 3.6.1 Arguably local authorities have a specific geographical focus and provide a broad range of services. Individual local authorities could therefore be considered to be tasked with looking after the parts of the National Parks that fall within their boundaries. However, each National Park intersects a number of local authority boundaries and without an organisation with responsibility for co-ordination, it is unlikely that each National Park area would be treated as a coherent whole.
- 3.6.2 A Joint Committee of Local Authorities could potentially address this, and would have specific tax benefits for the Park Authorities because organisations that are combinations of Local Authorities and that therefore can be deemed to be Local Authorities, can claim exemptions from VAT under Section 33 of the VAT Act 1994. As small organisations, National Park Authorities sometimes need to buy in services for which larger organisations will have internal arrangements. When services are bought in VAT adds considerably to this cost and is effectively a transfer within the public purse.
- 3.6.3 However, current arrangements have to some extent grown out of the limits faced by local authority management, as originally experienced in Loch Lomond and The Trossachs. There was little interest in transfer of National Park Authority functions to local authorities expressed by any of those offering views to this Review. Indeed one (local authority) stakeholder commented that local authorities had had responsibilities in the localities of the National Parks for a long time before the National Park Authorities were set up and they had not been able to achieve what was wanted in the aims

3.7 Charitable Status

3.7.1 To be eligible for charitable status, National Park Authorities would, amongst other requirements, have to pass the charitable test in the Charities and Trustee Investment (Scotland) Act 2005. It is a requirement of the test that all charities should be independent of Ministerial control. The Scottish Parliament has recognised a national interest in Parks that are designated under the terms of the National Parks (Scotland) Act, and that recognition is reflected in the provision of Scottish Government grant-in-aid, the primary source of income for the National Park Authorities. Charitable status would thus not be an appropriate option for National Park Authorities as the independence required for charitable status is not consistent with the national interest in the Parks and the associated need for accountability to Scottish Ministers and to Parliament for public funds.

3.8 Directorate of the Scottish Government

3.8.1 The prime function of a Directorate of the Scottish Government is to develop policy for the Government, to provide advice to Scottish Ministers and draft legislation. The role of the Park Authorities in co-ordinating achievement of the National Park aims and their rootedness in specific geographical localities mean that they are unsuited to becoming Directorates of the Scottish Government.

3.9 Government Agency

3.9.1 The enabling and co-ordinating role stipulated for National Park Authorities makes Government Agency status unsuitable. Government Agencies are primarily involved in service

delivery. The placement of service delivery responsibility into an agency sponsored by the Scottish Government is intended to provide a more focused management of services, reflecting the principles of customer care and value for money.

3.10 Executive Non-Departmental Public Body (NDPB)

- 3.10.1 National Park Authorities are each currently separate NDPBs. NDPBs operate at arms length from government Ministers and carry out their day to day functions independently. They have a national remit and a Board¹⁴ that is appointed by Scottish Ministers and meets at least quarterly. They employ their own staff, who are not civil servants, and manage their own budgets. Scottish Ministers, through the appropriate Scottish Government sponsor team, issue guidance on what is expected from an NDPB, defining outcomes and how their performance will be monitored. NDPBs are more independent than Government Agencies, nevertheless, Scottish Ministers are ultimately accountable for their performance and their continued existence. Each NDPB has its own legislation and NDPB Boards have statutory responsibilities.
- 3.10.2 Continuing with NDPB status for National Parks Authorities is appropriate because it recognises the national interest in the Parks as well as retaining national accountability to Scottish Ministers and thus ultimately to Scottish Parliament for the care of these areas and for the associated public funding they receive.

3.11 Options for National Parks in Scotland

- 3.11.1 Current arrangements for National Park Authorities reflect views, at the time of the initial legislation, about what was needed to co-ordinate and achieve National Park aims while balancing interest and accountability on both national and local issues. At the time, there was no experience of having National Parks in Scotland. Further, the two National Parks built on pre-existing arrangements that have affected their initial development. Any further areas designated would not necessarily be in that position. It is appropriate now to ask, in the light of experience so far, whether the original arrangements for the setting up of National Park Authorities remain appropriate for the future.
- 3.11.2 The benefit of setting up National Park Authorities as separate organisations tailored to their Park has been the establishment of good roots within their local communities, responding to local priorities. The processes of developing the National Park Plans and the Local Plans have enabled a wide range of people and organisations to engage directly in them. Inevitably there have been differences in view, and it has taken some time for everyone involved to decide about and develop in practice what it means to have a National Park. Importantly, though, the overall evidence is that the National Park Authorities have been successful thus far in engaging locally.
- 3.11.3 Nevertheless, the Park Authorities have fared less well in their engagement nationally. It is fair to recognise that some aspects of national influence may simply reflect that the Park Authorities are young organisations and that national influence may develop over time. However, as small organisations with wide-ranging but geographically focused remits, National Parks will always be small parts of wider public policy agendas. To achieve what was envisaged in the legislation, National Park Authorities (though not necessarily each individual Authority) need to have a greater national voice than they appear to have at present. The implication of this is that national routes of influence need to be strengthened.

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¹⁴ Board arrangements specific to National Park Authorities are discussed in Section 5 of this report

3.12 Options for Future of National Parks in Scotland

3.12.1 Future National Parks would need arrangements to support the achievement of national park aims, while attending to the distinctive needs of particular Parks and local accountability, together with influence and effective engagement nationally. That implies continuing NDPB status, but changed arrangements would be needed to achieve the balance that is required.

3.13 International Experience¹⁵

- 3.13.1 Internationally, National Parks tend to be areas where conservation has primary importance and responsibility for them often rests with state agencies or government departments. In some countries, the land is state owned and the Parks are sparsely, if at all, populated (for example, Finland). In countries where national parks are not solely about conservation, the issues posed for managing conservation and development are sometimes managed through having a Park Plan (for example, Austria) and zones within individual parks, where in some zones no development is permitted and in others varying levels of development are allowed (for example, France). Local governance tends to be seen as suited to limited geographical areas with local value.
- 3.13.2 There are 9 National Parks in England and 3 in Wales. Although there are differences in the approach to National Parks adopted in Scotland from the rest of Britain, there are also many similarities. The English and Welsh National Park movement has expressed an interest in the Scottish approach, and there are lessons for Scottish National Parks to learn from keeping in touch with their counterparts south of the border.
- 3.13.3 In summary, other countries do not have the wide ranging aims that Scotland has for its National Parks, perhaps because in many countries National Parks were established some time ago. More recently, there is a growing trend to take into account social and economic factors in addition to conservation. For example, in Canada, a sustainable development strategy is prepared every three years, outlining how Parks Canada integrates environmental economic and social factors in its work. A citizens' round table is convened every two years to advise the Minister on the agency's performance.

3.14 Separate National Park Authority for Each Park

3.14.1 The current model in Scotland and details of the benefits are described above. The benefits are that it allows for organisations to be tailored to each Park and its requirements; supports establishment of good roots within local communities; clear local identity; and it supports ongoing local engagement and strong links with local partner organisations.

3.14.2 The downsides are that a new organisation is needed for each Park, with its attendant setup costs; the potential to build on established arrangements for other National Parks is limited; the organisations are necessarily small and can be fragile (this is discussed more fully in section 4); and they have wide-ranging but geographically focused remits and will always be small parts

¹⁵ Bromley, Peter (1997) 'Nature Conservation in Europe: Policy and Practice', E and FN Spon Lockwood, Michael; Worboys, Graeme L; Kothari, Ashish (eds) (2006) 'Managing Protected Areas: A Global Guide', Earthscan Ltd

Bishop K; Green M; Phillips, A (1998) 'Models of National Parks', Scottish Natural Heritage Publications 'Europarc: The voice of Europe's protected areas', www.europarc.org [as at 11th September 2008]

of wider public policy agendas, making it more difficult to establish strong national routes of influence.

3.15 Single National Park Authority Covering All National Parks

3.15.1 A single National Park Authority covering all Scotland's National Parks would have the benefit of potentially stronger influence nationally. It would be easier to extend its reach to new Parks and in so doing would build directly on experience of other National Parks. However, the local identity and sustained community engagement and support which are essential for a National Park to be successful would be problematic and it would be more difficult to tailor the approach of a single national organisation to individual Park requirements.

3.16 National Parks Scotland

- 3.16.1 A national organisation providing services to individual National Park Authorities could support the balance that is required for the benefits of National Parks to be fully realised. Individual Park Authorities would still need to sustain their distinctive profile. Though they would be within this umbrella NDPB, they would be responsible for attention to the distinctive needs of their Parks, as well as sustaining local links and thus local accountability. They could employ their own staff under arrangements set and serviced nationally, drawing on core corporate and other specialist services that individual Park Authorities could not resource on their own, thus supporting organisational resilience. The national body would additionally embed sharing experience across the Parks, and strengthen the Park Authorities' voice nationally.
- 3.16.2 The national organisation would be accountable to the Park Authorities for the services it provided and accountable to Scottish Ministers for the overall direction and contribution nationally. It could consist of a small Board encompassing Park Authority conveners with one further representative from each Park Authority, and could be chaired by a Ministerial appointee in order to provide clarity of national accountability for government funds for National Parks. It would need a small staff complement.

3.17 Discussion

- 3.17.1 It would be possible to develop other models or variants of the model of National Parks Scotland set out above in order to achieve different balances between local rootedness and national responsibility. It would be beneficial to give more detailed consideration to this model should there be any further National Parks in Scotland, as the limits associated with current arrangements weak national influence and vulnerability of small organisations with wide ranging remits would be likely to be further highlighted.
- 3.17.2 In the medium term, the present arrangements should continue, albeit with some adjustments that will be outlined in the next two sections of this report. National Park Plans, agreed in 2007, are in the early stages of implementation and it is important that time is allowed for implementation to be progressed so that the efficacy of current arrangements can be fully tested. Going forward, their contribution to Purpose Targets and National Outcomes and their effectiveness in implementing the Park Plans will provide a better basis than we have at present on which to assess whether they are the best means of securing a focus on National Park Aims.
- 3.17.3 In the meantime, if there is government interest, a Ministerial National Parks Strategic

Group consisting of National Park Authority conveners and other key interests would provide a forum for discussion on the contribution of National Parks to wider public agendas and (for looking forward) to give direction that would optimise the benefits of National Parks and ensure their development is consistent with what is likely to be required in the future.

Section 4 Appropriate Employer Arrangements

4.1 Introduction

4.1.1 National Park Authorities are small organisations, each with their own employer arrangements. While for historical reasons separate arrangements may have initially been desirable, this Review is considering whether separate arrangements are required. The question of shared employer arrangements is raised as part of the Scottish Government's programme of activities to simplify the public sector. Associated with this there has been a pilot Benchmarking Exercise for public sector Corporate Services¹⁶. The National Park Authorities have participated in this exercise¹⁷ and the information resulting from that has been taken into account in the discussion here. The information relates to 2006/07 and the nature of the pilot exercise¹⁸ means that results can be taken as suggestive rather than conclusive.

4.2 Performance Indicators

4.2.1 The UK's public sector audit agencies¹⁹ have developed Indicators to measure the value for money performance of corporate functions in order to assist with securing efficiency improvements and the release of resources for delivering front-line services. The indicators are intended to support improvement in the effectiveness and professionalism of corporate services functions, as well as their efficiency. They are also intended to aid decisions on shared services initiatives²⁰.

4.3 Employer Arrangements

4.3.1 Both Park Authorities were asked to provide detailed information about their employer arrangements so that their comparability could be assessed. Analysis of the information they provided indicates comparability of post roles, though this would need to be fully tested by job evaluation. Harmonisation of pay scales would be required as would shift, weekend, callout and overtime rates as well as holiday entitlement as these differ between the Park Authorities.

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¹⁶ Information for the pilot exercise was submitted by 33 NDPBs and their returns provide a context in which to set the National Park Authorities' information. Scottish Natural Heritage (SNH) and the Scottish Environment Protection Agency (SEPA) have agreed to make their results available for the Review and these results are considered here. Forestry Commission Scotland, which shares services with Forestry Commission in other parts of the UK, is participating in a similar benchmarking exercise being carried out in England and has not taken part in the Scottish exercise. The timing of the two exercises is different and results are not yet available, though once they are, it should be possible to consider Forestry Commission Scotland in the context of results for other Scottish NDPBs.

¹⁷ For the pilot exercise, NDPBs provided information on Indicators for HR, finance, ICT and Estates Management for 2006/07. Information for 2007/08 is currently being collected and will be available later in 2008. Fuller information about the performance indicators is available at www.public-audit-forum.gov.uk

¹⁸ As Benchmarking using UK public sector indicators becomes established, it will allow trends in the performance of individual NDPBs to be identified. However, care needs to be taken in interpreting the results of this initial exercise because the figures generated by the returns need to be understood in the context of organisational size, nature and complexity of business, as well as other factors, such as whether an organisation was undergoing significant change at the time. For example, National Park Authorities are smaller than most NDPBs, SNH has 923 staff and SEPA has 1254 staff. Further, the functions of particular NDPBs will affect the significance for each of the results on individual indicators. For example, organisations that transact a substantial volume of their core business using IT will have more extensive and developed IT systems and the costs of these are likely to be higher than organisations with a different focus.

¹⁹ The Audit Commission, Audit Scotland, National Audit Office, Northern Ireland Audit Office and Wales Audit Office

²⁰ Value For Money in public sector corporate services: A joint project by the UK Public Sector Audit Agencies

Further, there are differences in pension arrangements, most Loch Lomond and The Trossachs staff are on Strathclyde Pension Scheme and most Cairngorms staff are on the Principle Civil Service Pension Scheme.

- 4.3.2 The performance indicator results for HR suggest that savings from sharing employer arrangements for the Park Authorities would, at best, be modest. NDPB costs for HR ranged between £54.2k and £6.5m with an average of just over £1m. Both the National Park Authorities were at the low end of the range and spent less proportionately on their HR function than the average for NDPBs. Cairngorms spent 1.01% and Loch Lomond and The Trossachs spent 1.2% compared, for example, with SEPA where costs for HR were 1.40%, and SNH, whose costs were 1.71% of organisational running costs. HR costs per employee for the Park Authorities were below an NDPB average of £1,104, £919 (Cairngorms) and £739 (Loch Lomond and The Trossachs)
- 4.3.3 National Indicators suggest that there should be 1 HR professional to 90 staff. Cairngorms have one professional HR Manager. For the period covered by the information collection, Loch Lomond and The Trossachs had one professional HR manager and 2 unqualified HR assistants. These assistants have recently qualified and therefore that Park Authority currently has 3 professional HR staff.

4.4 Views on Employer Arrangements

- 4.4.1 Staff of the National Park Authorities²¹ had some uncertainty about sharing employer arrangements, recognising that harmonisation would involve a job evaluation process and in one of the Park Authorities a previous job evaluation exercise had been protracted and those that had participated were anxious to avoid a further exercise of that sort. Nevertheless, people felt that the current pay bargaining process was too time-consuming and that things could be improved if arrangements were rationalised. On balance, people saw benefits in principle, but thought that in practice harmonisation would be difficult.
- 4.4.2 National Park Authority Members who gave a view saw it as essential that individual National Park Authorities should continue to employ their own staff. However, they did express interest in sharing corporate support services.

4.5 Performance Indicator Results for Finance

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4.5.1 The cost of the finance function as both a percentage of organisational running costs and the proportionate cost of transaction processing, gives an indication of whether the cost of running finances is proportionate to the resources that are being managed. Both National Park Authorities (Cairngorms 2.25%; Loch Lomond and The Trossachs 3%) were higher than average (2.11%) for the cost of the finance function relative to their organisation running costs for 2006/07. For comparison, the finance function for SEPA and SNH was at that time, respectively, 1.26% and 1.35% of organisational running costs.

²¹ Each Park Authority has a staff group which provides feedback to senior management on organisational issues. To find out what staff of each National Park Authority thought about the potential for sharing employer arrangements, the Reviewer met with these groups. The groups were invited to talk about their experience of working in National Park Authorities, and to consider what issues sharing employer arrangements would raise for them. At the close of the discussion they were also told that they could offer additional comment on any aspect of the Review.

- 4.5.2 Cairngorms National Park Authority was below the average cost per transaction for each transaction reported²² and recorded the quickest turn round of all the participating NDPBs between period end closure and distribution of routine reports to managers and committees (3 days compared to 8.57 average).
- 4.5.3 Loch Lomond and The Trossachs National Park Authority invoices were more expensive to process (£12.52) than Cairngorms (£8.97), but were still below the average cost of customer invoicing for NDPBs (£14.32). However, their payroll administration per employee (£166.17) and payslips (£13.85) were more expensive than the NDPB average (£132; £11.10). Loch Lomond and The Trossachs was slightly quicker than average in the length of time it took to provide financial information to managers and committees, taking 8 days between period end closure and distribution of routine reports.
- 4.5.4 In comparison, for the pilot period, both SEPA and SNH costs were less per invoice processed through their customer invoicing function than the Park Authorities. SEPA cost was £7.22 per invoice processed and for SNH the cost was £6.86. SEPA's costs for payroll administration per employee paid (£34.84) and costs per payslip (£3.11) were substantially cheaper than either of the National Park Authorities. SNH's equivalent costs at that time were higher, £173.67 and £14.47, respectively. SNH are aware that their costs for transaction processing were high and are addressing these while they are examining moving to new arrangements for payroll administration.²³
- 4.5.5 Both SEPA and SNH took 5 days to provide financial information to managers and committees between period end closure and distribution of routine reports.

4.6 Views on Sharing Services

4.6.1 Staff in both Park Authorities²⁴ saw advantages to streamlining business processes and sharing services. Some, particularly in Loch Lomond and The Trossachs, were enthusiastic about this potential as they saw it as freeing them up to give more effort to other aspects of their work. Individuals in both Park Authorities indicated that, if there were to continue to be two National Park Authorities in Scotland then they saw benefits in sharing services with larger organisations such as SNH or SEPA. However, the view was also expressed that should there be more National Park Authorities in the future, there would be value in working more closely with other Park Authorities and developing services to meet distinctive Park Authority needs. In the past, there has been limited contact between the Park Authorities on these matters, however, more recently, there has been increasing discussion between National Park Authorities, with a developing agenda for shared service provision and collaborative working.

4.6.2 Overall, there was some concern about the technical feasibility of linking with other

²² Payroll admin cost per employee paid £113.67; Cost per payslip £9.47. Average NDPB costs for these were £14.32

²³ Discussion with SNH

²⁴ Each Park Authority has a staff group which provides feedback to senior management on organisational issues. To find out what staff of each National Park Authority thought about the potential for sharing employer arrangements, the Reviewer met with these groups. The groups were invited to talk about their experience of working in National Park Authorities, and to consider what issues sharing employer arrangements would raise for them. At the close of the discussion they were also told that they could offer additional comment on any aspect of the Review.

organisations as the nature of the terrain around the Cairngorms National Park Authority Headquarters means that some technologies can currently be unreliable. There was also a concern that streamlining of corporate services should be arranged on terms which avoided one or other organisation being disadvantaged by poorer access to services.

4.6.3 Partner organisations for the Park Authorities were similarly positive about the potential for sharing services. They thought that the National Park Authorities should look to their partners more and outsource advisors.

4.7 Discussion

- 4.7.1 The information from the Benchmarking Pilot dates from 2006/07 and does not indicate the current performance of corporate services in the organisations. Its value is in suggesting where National Park Authorities sit in relation to other NDPBs and where there is potential for efficiencies.
- 4.7.2 Results suggest that the National Park Authorities total spend on HR is small and while initial information suggests that in the medium to long term there may be efficiencies from National Park Authorities sharing HR functions, there would be likely to be, at best, only marginal financial benefit in the short term. The size of the National Park Authorities and the fact that they have both relatively recently undergone job evaluations mean there is a risk that benefits of harmonisation, in the short term at least, could be outweighed by financial and business costs. Nevertheless, other developments such as staff or other organisational changes may offer opportunities to bring employer arrangements together and these should be taken.
- 4.7.3 Both SNH and SEPA provide some services to the Park Authorities and, in principle, could provide more. Sharing employer arrangements with larger NDPBs has the potential to yield more benefits in the medium term and is worth considering as part of sharing a full range of corporate services jointly between the Park Authorities or jointly with a larger organisation. There was some recognition of this from staff and National Park Authority Members. Sharing services is likely to make the corporate services of the National Park Authorities more robust; contribute to continuous improvement; and provide better support for decision-making through improved data management. This should allow more resources to be focused on front line aspects of National Park business. To ensure that the process of setting in place new arrangements does not incur costs that would outweigh benefits, a fully costed scoping exercise would be required.
- 4.7.4 This Review has drawn comparisons with SNH and SEPA, two larger organisations within SEARS that might be considered for sharing. However, other NDPBs could also provide corporate services and, unless there are longer term plans for SEARS which make sharing within SEARS more desirable, the National Park Authorities should also pursue the potential of sharing corporate services with non-SEARS organisations. Results of the performance indicator exercise for 2007/08 which are due later this year, should provide stronger evidence about what improvements could be expected from sharing.

Section 5 Appropriate Governance Arrangements

5.1 Background

- 5.1.1 During the passage of the National Parks (Scotland) Act 2000, the Scottish Parliament was concerned about the need for National Park Authorities to be responsive to local concerns and issues and that, as well as being nationally accountable, there should be local democratic accountability. The Park Authorities were thus constituted to address these issues people feel that the work in practice lies at the heart of whether people accept the legitimacy of National Park Authority actions and decisions.
- 5.1.2 Currently each National Park Authority has 25 Members all of whom are on the Authority's Board. Recently questions have been raised about the effectiveness for governance of having this size of Board and the Review was asked to consider this matter along with the balance of membership. The Review has addressed these points by looking at current arrangements and what is required for a Board to be effective.
- 5.1.3 It is worth noting at the outset that 25 is large in relation to other NDPBs, for example SEPA has 11 Board Members and SNH 15. However, National Park Authorities²⁵ in other countries can be larger²⁶, for example, in France the Board of La Vanoise National Park has 40 Members.

5.2 Routes to membership of National Park Authorities

- 5.2.1 Statute sets out three different routes onto National Park Authorities and stipulates the balance of elected and appointed Members as 40% directly appointed by Scottish Ministers, 40% appointed on the nomination of local authorities and 20% directly elected. Details for each Park Authority are set out in Article 5 of the Designation Orders which specify that they shall each have 25 Members, 5 of these to be directly elected locally. Five of the appointed Members are to be local to the Park²⁷.
- 5.2.2 Appointees to the National Park Authorities must have relevant experience and/or knowledge²⁸. The National Parks (Scotland) Act 2000 requires Scottish Ministers to consult with every local authority and community council within the National Park before making appointments. Direct appointments²⁹ by Scottish Ministers are made following assessment of

²⁵ For example, Switzerland has 9 Members on its National Park Authority Board

²⁶ For example, in Wales - two of the three Parks here have a Board of 18, whilst one has a Board of 24; Italy - Nationals Parks have Boards of 13; France - the Board of La Vanoise National Park has 40 Members; National Park Authorities in England tend to have 22 Members on their Boards, with the exception of The Broads which has 21 Members and the Peak District which has 30. National Parks in Finland are run by the Forestry Commission; in Norway they are run by a Directorate for Nature Management.

²⁷ Scottish Ministers appoint ten Members and ten are nominated by the local authority for the area. For Cairngorms National Park, five Members are nominated by Highland Council, three by Aberdeenshire Council, one by Moray Council and one by Angus Council. For Loch Lomond and The Trossachs, two Members are nominated by West Dunbartonshire Council, four from Stirling Council, three from Argyll and Bute and one from Perth and Kinross.

²⁸ Paragraph 5 of schedule 1 to the National Parks (Scotland) 2000 Act

²⁹ The appointments vary in length. Members may not be appointed for a period of less than 18 months or exceeding five years. A Member may be re-appointed for a second term in the same role without open competition, subject to evidence of effective performance. This requires a review of the person specification prior to re-appointment and the decision is taken by the responsible Minister. Each Member may be re-appointed into the same position only once. However, someone who has served an initial term and been re-appointed may then choose to apply, through open

the candidates in accordance with the Code of Practice issued by the Commissioner for Public Appointments in Scotland (OCPAS). Letters of appointment to Park Authority Members indicate that they are being appointed to the Board. All Board Members, however they are appointed, have corporate responsibility for ensuring that the Authority complies with any statutory or administrative requirements for the use of public funds³⁰.

- 5.2.3 Board Members of all Public Bodies in Scotland are issued with a copy of 'On Board'. This guide to Corporate Governance explains that Board Members have a responsibility to Scottish Ministers, and to ensure that the policies and priorities of Scottish Ministers are implemented. However, in the particular case of the National Park Authorities, it is important to recognise that there is an important element of *local* democratic accountability which applies to those Board Members who are directly elected by the local electorate of the Park area and those who are nominated by local authorities. This makes the Board's accountability to Ministers less transparently straight forward than would be the case for other NDPBs.
- 5.2.4 Those who provided views to the Review were keen that Ministerial appointments to Park Authorities should continue. Ministerial appointees are highly valued by all because of the skills they bring to the Board. It was recognised that if there was a specific skills gap on the Board the next set of Ministerial appointments was a route to ensure that the gap was filled.
- 5.2.5 In addition to their own skills and experience, local authority nominees are important in influencing their Councils. However, there was uncertainty about how nominations are decided and a concern that a council might select nominees on the basis of their political party rather than based on experience and knowledge. Most thought that individual Councils should not have more than one Park Authority Member each, though some were concerned that reducing the number from Councils would reduce the National Park Authorities' influence.

5.3 Elections to National Park Authorities

- 5.3.1 Elections to National Park Authorities were seen as an important way of securing local democratic accountability. They are governed by the Elections Order of the Park and are decided by a postal ballot of the local electorate. Highland Council is responsible for elections to Cairngorms and Stirling Council is responsible for elections to Loch Lomond and The Trossachs.
- 5.3.2 To date, there have been two elections to National Park Authorities in Scotland. Polls were held for Cairngorms on 13 March 2003 and 15 March 2007, and for Loch Lomond and The Trossachs on 27 June 2002 and 29 June 2006. Future elections will be held every four years, on the first Thursday after the day on which the previous poll was held.³¹
- 5.3.3 Twenty-five candidates stood for election in the Cairngorms election in 2003, with this number dropping to ten in 2007. Twenty-nine candidates stood for election in Loch Lomond and The Trossachs in 2002, and fifteen in 2006. Table 1 shows the turnout for these elections. No

competition, for a subsequent term with the Park Authority.

³⁰Other responsibilities of Board Members include that they should: ensure high standards of corporate governance and proper financial management; operate within limits of statutory authority and delegated authority agreed with the Scottish Government sponsor Directorate; take into account guidance issued by the sponsor Department; establish the overall strategic direction of the organisation within the policy and resources framework agreed with Ministers; adhere to the Members Code of Conduct, drawn up by the Authority. They should appoint, with Scottish Ministers' approval, a Chief Executive or senior full time official to the Authority.

³¹ The Loch Lomond and the Trossachs National Park Elections (Scotland) Order 2002, 24 April 2002 p4

poll was held where a candidate was unopposed. Three people were re-elected to the Board of Cairngorms National Park in 2007.

Table 1 – Turnout for elections to the Board of National Parks

	Cairngorms				Loch Lomond & The Trossachs			
	2003	2007	Total	electorate	2002	2006	Total	Electorate
			Per ward				Per Ward	
Ward 1	60.3%	49.8%	2857		49.3%	36.65%	2170	
Ward 2	48.8%	40%	2893		56.2%	41.2%	2694	
Ward 3	54.9%	51 %	4048		56.6%	No Poll	2558	
Ward 4	66.4%	55.8%	989		54.8%	47.06%	2412	
Ward 5	64.1%	No Poll	2411		50.5%	36.73%	2322	

- 5.3.4 There is a small electorate in individual wards and the number of candidates in each Park Authority election has declined over time, as has the turnout. The Review has found strong endorsement for directly elected membership and interest in principle in increasing the proportion coming to the Park Authority by this route. However, there was also a concern that in practice the size of the electorate in the Parks might mean that this would not be feasible. If the number of directly elected Members is to be increased, care will be required to ensure that the value of direct elections is not called into question by too small an electoral base.
- 5.3.5 Locally elected Members said that there is a lack of public clarity about their role: 'people think they voted me to the Council... they are confused and see things as one strand of government'. One Member reflected that their multiple roles meant that they would be contacted by the public whenever there was a problem but regarded this as a positive, whereas others thought there should be more guidance about a Park Authority Member's role. Members agreed that over time they had come to understand their role as a Board Member.
- 5.3.6 Local Members in both Park Authorities said there was a tendency for others to expect them to offer a local perspective. They had mixed views about this; some said the best interest of those who voted for them was still at the back of their minds when making decisions, others wanted more recognition that locally elected Members also needed to take a national view.

5.4 How the National Park Authority Boards Work

- 5.4.1 Cairngorms National Park Authority Board meets 12 times annually and Board Members are all also Members of the Park Authority Planning Committee that meets fortnightly. In addition the Authority has a number of other Committees.
- 5.4.2 The full Board of Loch Lomond and The Trossachs meets at least 4 times a year, in March, June, September and December. The Park Authority has had a number of different committee arrangements. Currently, in addition to its Audit and Planning Committees, it has three governance groups: Strategy Group, People Group, and the Delivery Group. These groups do not have delegated decision powers; they scrutinise business and make recommendations to the full Board for determination.
- 5.4.3 Both Park Authorities thus have different working arrangements and it was evident that the approach of individual Park Authorities has been influenced by the need to make a Board of 25 effective. At present that does seem to be working and each Park Authority deploys a different

mix of skilful chairing, Board papers and feeding into a Board from working groups in order to support effectiveness.

5.5 Views About Size of Board

- 5.5.1 Overall, Park Authority Members thought that the size of the Board and the level of discussion improves the decisions made. Nevertheless, arrangements could be improved and there is evidence that the effectiveness of one of the Boards has at times been limited. Some thought a Board of 25 was 'too big and there is endless discussion with people wanting to have their say'. Comments made by Members indicated that if there were organisational issues to be addressed 'a Board of 25 can get in the way'. There are also indications that current arrangements for Boards of both the Authorities are not optimally efficient. For example, in Cairngorms there was a view that sitting as a full Board to decide upon planning applications is a waste of time, although it was thought that in practice good use is made of the day when a Board comes together. Importantly, when asked what advice they would give to someone considering having a National Park in their area, hardly anyone whether within the Park Authorities or external to them, said they would advise having a Board of 25.
- 5.5.2 It is clear that, for many beyond the Park Authorities who gave their views to the Review, the time has come to reduce the size of National Park Authority Boards. There was little support for maintaining large Boards, but strong support for maintaining representation. The view of some was that there should be more locally elected Members on the Boards but it was recognised that National Parks were not 'local' parks and it was important to have a mixture of expertise on the Board.
- 5.5.3 It is, though, less easy to identify how that can be done while securing a mix that would ensure that the National Park Authority Boards can meet the criteria of appropriate national and local accountability. Those who contacted the Review to express strong discontent with current arrangements, although they were a minority, indicated that they do not feel that there is sufficient local accountability for decisions.

5.6 Discussion

5.6.1 There have been benefits to these small organisations, in their initial phase, in being able to draw on the resource of a larger Board than would be required solely to achieve effective governance, as they must sustain good networks if they are to make a difference. The Park Authorities will need to continue to ensure that good networks are sustained if, as the Review recommends, Park Authority Board size is reduced. Park Authority Board size will also need to take account of each Park Authority's planning responsibilities³².

5.6.2 The right balance for the Board is a 'mixture of national and local skills and knowledge.....to carry confidence with the public' (National Park Authority Member). Within the legislation there are principles of local as well as national accountability in selecting Park Authority Members and evidence is that people support the application of these principles. It is important that continuity for a Board can be managed and change in membership staggered, with a natural turnover of Members whether appointed or directly elected.

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³² For comparison, Planning Committee size varies across Local Authorities, for example, Shetland Council has 9 on its Planning Committee and Clackmannanshire Planning Committee has 10 Members.

- 5.6.3 Most National Park Authority Members are keen to emphasise the extent of their commitment. The value of the contribution of the current Board Members is not in doubt. Members of both Park Authorities get involved in a wide range of activities.
- 5.6.4 Effectiveness of an NDPB Board is in part about its size and structure, but it is also about the quality and timeliness of the information it receives from its staff. The National Park Authorities need to have a structure and cycle of meetings that both supports effectiveness and does not impose unduly on resources of staff and Members. There is a particular need to clarify the statutory provisions in the designation orders which relate to Park Authority Planning Committees to ensure that the Park Authorities can, if they choose to do so, delegate decisions on planning matters.
- 5.6.5 National Park Authorities receive government funding and consistent with the need for accountability to Ministers who must report to Scottish Parliament, it would be appropriate for each Convenor and Deputy Convenor to be appointed by the Minister. The current arrangement of electing Conveners from within a Park Authority gives rise to those elected having a sense of accountability to those who elected them. There is potential for this to create an unhelpful split between accountability of Conveners to their Board and their accountability to Scottish Ministers. A feasible process for appointing the Convenor and Deputy Convenor would need to be agreed with the Office of the Commissioner for Public Appointments in Scotland (OCPAS).
- 5.6.6 Changing the maximum size of Park Authorities and the arrangements for Conveners and Deputy Conveners will require change to primary legislation. Further National Parks may not intersect local authority boundaries to the same extent as the current National Parks. That implies that not all Park Authorities need to be either the maximum, or the same size.

Section 6 Next Steps

6.1 Next Steps

6.1.1 The Report has offered a number of recommendations on which it will be important to seek public views if there is interest in principle in pursuing them. While the Review makes suggestions for future arrangements for National Park Authorities, should further National Parks be required, it would be more appropriate to consult on more fully developed proposals at that time rather than immediately. Early consultation should be undertaken on the issue of the size and balance of Park Authority Boards.

Annex Terms of Reference and Conduct of the Review

Terms of Reference

A strategic review of the two National Park Authorities in Scotland was announced by the Minister for Environment on 13 March 2008. This paper outlines the context, the issues which the review will address, its stages, advisory group arrangements and timescale.

The Minister has also announced a review of the southern boundary of the Cairngorms National Park. This boundary review will be carried out by Scottish Natural Heritage as statutory reporter under the National Parks (Scotland) Act 2000. The first stage of the strategic review and the Cairngorms National Park boundary review are expected to proceed in parallel. Whilst there may be some interaction between the two reviews (for example in relation to the consequences for future Board Membership) these can be addressed in the later stage of the strategic review.

Context

Both National Park Authorities were established as executive Non-Departmental Public Bodies approximately 5 years ago (Loch Lomond and The Trossachs National Park Authority in 2002, Cairngorms National Park Authority in 2003). It is good practice for the management and organisation of public bodies to be subject to periodic review. The founding legislation in the National Parks (Scotland) Act has been in place since 2000. This is therefore also a good time for a review of the operation of National Parks policy more generally as well as the two National Park Authorities.

The Scottish Government's commitment to More Effective Government, and the advice provided by Professor Neil Kay on the organisation of environmental and rural delivery bodies in Scotland also point to the need for a review of National Park Authority functions at this juncture. While Ministers have not endorsed Professor Kay's specific proposals for alternative administrative models, they agree that it would be worthwhile for the review to examine governance arrangements.

The wider reforms to achieve More Effective Government include a Simplification programme for public sector bodies: this has proposed investigation of whether there should be a single employer servicing both National Park Boards. This will be investigated in the strategic review along with other options for simplification in the current arrangements whereby each National Park Authority operates its own terms and conditions for employment of staff. A key element of More Effective Government is that of shared services - the convergence or streamlining of functions within and across organisations to ensure that they are delivered as effectively and efficiently as possible.

Scope of Review

The principal objective of the review was to examine the way in which the functions of the National Park Authorities can best be delivered. It was not intended to question the need for National Parks; the concept of designating National Parks and the criteria and aims set out in the National Parks (Scotland) Act 2000 are widely accepted. Similarly, the two National Park Plans which set out policies for each of the Parks for the next 5 years were approved by Ministers in March 2007 and are not under review.

The review was planned to take place in two stages:

<u>Stage 1:</u> an examination of the most appropriate organisational options for undertaking National Park functions, including exploring the option identified in the Simplification programme within the wider More Effective Government reforms.

Stage 2: the scope of Stage 2 to be determined in the light of the findings of Stage 1.

Objective

The first stage of the review is expected to address 3 related questions in its examination of the organisational options for undertaking National Park functions:

- 1. What is the most appropriate type of public body (or bodies) for delivering National Park functions in Scotland? Options expected to be considered, include:
 - separate National Park Authorities for each Park (as at present)
 - single National Park Authorities covering both parks (and any future National Park)
 - another environmental public body taking on National Park functions.
- 2. What is the most appropriate employer arrangement for this body (bodies)?

The Simplification programme has asked whether a single employer, servicing both Boards would reduce the costs of corporate services. Opportunities for sharing service provision between public bodies can contribute significantly to the Government's efficiency agenda through convergence or streamlining of functions within or across organisations to ensure that they are delivered as efficiently and as cost effectively as possible. Any decision to recommend a shared services solution would need to be based on analysis of the business case. There may be other options to explore including, for example, aligning pay structures for National Park Authority staff with those of another larger body, such as Scottish Natural Heritage.

3. What are the most appropriate governance arrangements for this body (bodies)?

The present governance arrangements for the NPAs are set out in Schedule 1 of the National Parks (Scotland) Act 2000. These require 20% of Board Members to be directly elected, 40% to be appointed by Ministers, and a further 40% to be appointed by Ministers on the nomination of the local authorities. The subsequent designation orders set overall Board membership at 25 in each Park. The key issues to be addressed in the review are:

- the total size of the Board in relation to its role in providing strategic advice on the running of the National Park and good governance and in particular whether a Board of 25 is too large
- the composition of the Board in relation to the 3 types of Member (Ministerial appointees, nominees of local councils and directly elected Members). In this context the views of the Scottish Parliament on local democracy (which led to the inclusion of 5 elected Members) during debate at the Bill stage will be relevant.

Output

The output from Stage 1 will be a report to Ministers making recommendations regarding the most effective arrangements for the type of body (bodies) to carry out National Park functions.

The Minister has indicated the provisional conclusions will be the subject of wider consultation and debate by the Scottish Parliament before proceeding with Stage 2 of the review.

Method

The Stage 1 review will include:

- seeking views from those with an interest in the operation of national park authorities and examining views of users of the National Parks. It will involve interviews with key stakeholders and with senior managers and chairs of National Parks and other environmental NDPBs/relevant interests within the Scottish Government. It will also involve a web based consultation seeking public views about each Park Authority.
- a study of the relevant documentation on the organisation and governance of the Park Authorities including the SNH advice to government on National Parks for Scotland (1999), the founding and secondary legislation (designation orders) and public surveys of the impact of the National Parks.
- comparison with arrangements in other national jurisdictions.

Advisory Group Arrangements

A group will be set up to advise the reviewer and to monitor the progress of the review. The group is expected to meet at key milestones, as agreed with the reviewer. It will consist of:

- Director, Rural Directorate (Chair)
- Deputy Director, Rural Directorate, Landscapes and Habitats
- A representative from each National Park Authority
- Independent expert(s) with knowledge of National Parks in other jurisdictions (plus other expertise e.g. in relation to business/sustainable tourism)
- A representative from the Scottish Government public bodies team

The Landscapes and Habitats Division will provide the secretariat for the group.

Timescale

A provisional timescale for the review is as follows -

Reviewer starts stage 1 May
Submission to Minister on stage 1 September
Consultation on Stage 1 findings October
Scoping of stage 2 November

Membership of Advisory Group

Peter Russell – Rural Director

Ian Hooper – Rural Deputy Director

Jane Hope – Chief Executive of Cairngorms National Park Authority

Fiona Logan – Chief Executive of Loch Lomond and The Trossachs National Park Authority

Professor Pete Higgins - Edinburgh University

Fiona Zapirain – Public Bodies Policy Team, Scottish Government

Dr Fiona Spencer (Reviewer)

Erika Hudleston (Secretary)

Jo-Anne Hamilton (Review Team)

Membership of Review Team

Dr Fiona Spencer (Reviewer) Erika Hudleston (Review Team) Jo-Anne Hamilton (Review Team)

Conduct of the Review

Methods for Stage 1 involved issuing a web based public questionnaire on 3 July until 1 August. A copy of the questionnaire is available on the web site together with the full report of the results of this exercise: www.scotland.gov.uk/Topics/Environment/Countryside/16131

National Park Authority documents, primarily published Board papers, Annual Reports and Corporate Plans were reviewed to identify how the Park Authorities work and communicate about their work.

Individual interviews with Conveners, Chief Executives, National Park Authority senior staff and Scottish Government staff focused on clarifying any points which had emerged from the documentary review, and, where appropriate, interviewees were asked about: experience during the Park Authorities' initial phase; views about models of National Park Authority arrangements; employer arrangements; views about what a National Park Authority Board needs to be effective.

The Reviewer and a note taker met with small groups of National Park Authority Members. Key points were placed on flip charts. Members were also invited to contact the Reviewer if they wished to discuss anything separately. Most National Park Authority Members participated in the discussions. One or two who were not able to do so contacted the reviewer separately and their points were included in the evidence considered for the report. The following questions were discussed at the meetings:

- 1. What has been your experience of this Park Authority in fulfilling National Park functions in Scotland?
- 2. Identify the different activities you get involved in as a Member of this National Park Authority.
- 3. What are the key things that you each see yourselves as bringing to the Board?

- 4. Members were shown a list of Board Member responsibilities and duties derived from National Park Authority letters of appointment and asked: 'Is there anything else the Park Authority needs from its Members that is not on this list, and you think should be?'
- 5. Thinking about your work on the Board, What does your Board need in order to be effective?

Stakeholders sessions were organised by dividing attendees into three groups, each with a facilitator and note taker. Key points were placed on flip charts. The following questions were discussed:

- 1. What has been your experience of the National Park Authorities? (community and interest groups only)
- 2. Tell us about your [organisation's] experience of Partnership with National Park Authorities in working to fulfil the aims of National Parks in Scotland? (Partner organisations only)
- 3. Thinking about your experience overall, do you think that there should:
 - a) continue to be a separate Park Authority for each National Park;
 - b) be a single National Park Authority to cover all National Parks (i.e. present two and any future National Parks);
 - c) be another kind of public body, e.g. an environmental body should take on National Park functions;
 - d) are there any other models you would like to suggest?
- 4. At present each National Park Authority employs its own staff. Should that arrangement continue? (Partner organisations only)
- 5. Thinking about your experience so far, what advice would you give to anyone elsewhere who was going to have a National Park Authority Board in their area and wanted to know what was needed for the Board to be effective?
- 6. Thinking about your experience and today's discussion, what key messages do you have:
 - a) for National Park Authorities;
 - b) for Government;
 - c) for anyone else (specify who message is for)?

Review working papers and list of participants in meetings and interviews are available at Scottish Government website: www.scotland.gov.uk/Topics/Environment/Countryside/16131