

Local Authority Funding Contributions and Revised Operating Arrangements – 2012/2013

Pentland Hills Regional Park Joint Committee

16th March 2012

1 Purpose of report

- 1.1 To report to the Joint Committee on revenue funding contributions and revised operating arrangements for the Regional Park in 2012/2013.

2 Main Report

Efficiency Measures and New Operating Arrangements 2012/2013

- 2.1 In view of the ongoing disparity between the operating budget of the Regional Park and the reduced contributions received from member authorities, a number of further efficiencies have been identified which will provide a balanced budget and give the Regional Park service a more sustainable foundation. These efficiency measures are as follows:
- The Regional Park HQ at Boghall Farm will be vacated in May 2012 saving around £24,000 in annual operating costs. Staff will be relocated to the Hermitage of Braid as their principal operating base. Further use will be made of existing facilities at Harlaw and Flotterstone as satellite workstations.
 - Countryside and visitor management services in the Regional Park will be provided by City of Edinburgh Council's Natural Heritage Service. This new service will be formed by merging countryside services staff employed by CEC – including those currently working exclusively in the Regional Park.
- 2.2 From 2012/2013, service provided in each local authority area will relate more closely to the respective funding contributions made. This is intended to provide greater transparency and to limit the Managing Authority's escalating costs for managing the Park, but it is proposed that a good level of service appropriate to the expectations of users and landowners in the Regional Park will be delivered.
- 2.3 Two existing key vacancies will be filled to provide the required staff establishment. There will be a larger 'pool' of staff able in part to support the Regional Park as part of their role. This will provide greater flexibility and help with weekend cover.

- 2.4 CEC will continue to act as the Managing Authority for the Regional Park. Existing mechanisms for the governance of the Regional Park will continue initially and be reviewed during 2012/2013.
- 2.5 The Regional Park will continue to be managed as a single geographical unit with co-ordinated services being provided across local authority boundaries. The Regional Park 'identity' will remain. Key services and projects will continue.
- 2.6 This approach will ensure that the Park continues to be managed consistently while operating efficiencies are realised.

Funding Contributions

- 2.7 The current Minute of Agreement (MOA) was signed in 2005, and sets out the governance and financial basis for the Regional Park. The MOA set the initial funding contributions of the local authority partners at: City of Edinburgh Council £138,700; Midlothian Council £75,000; and West Lothian Council £10,760.
- 2.8 Scottish Water (formerly East of Scotland Water) is not party to the Minute of Agreement but has made a fixed annual financial contribution of £10,000 since the previous local government re-organisation 1996.
- 2.9 In 2009/2010 after suspending its notice to withdraw from the Regional Park, Midlothian Council reduced its annual contribution to £52,600 (index linked). For 2012/2013, Midlothian Council's contribution will be £58,102.
- 2.10 For 2012/2013, West Lothian Council has agreed to increase its financial contribution to £15,140 and to index link contributions for subsequent years.
- 2.11 For 2012/2013, Scottish Water's contribution will remain at £10,000.
- 2.12 City of Edinburgh Council (CEC), as the Managing Authority for the Regional Park will therefore receive a total funding contribution of £94,342 towards the Regional Park Budget for 2012/2013. The provisional Budget is shown in Appendix 1.

3 Financial Implications

- 3.1 Local authority financial contributions will be index linked from 2012/2013 providing a more sustainable funding basis.
- 3.2 The management of the Regional Park cost centre will change from 1 April 2012. Employee costs, operational, premises and transport budgets will now sit within CEC's Natural Heritage cost centre. The Regional Park cost centre will account for income and overall expenditure on Regional Park activities. The cost of delivering the Regional Park's work up to the approved annual budget will be re-charged by the Natural Heritage team.
- 3.3 Midlothian and West Lothian Councils will see greater clarity about the relationship between their contributions and services provided in their areas of the Regional Park.
- 3.4 Circa. £24,000 per annum will be saved by vacating Boghall Farm.

4 Equalities Impact

4.1 There is no equalities impact.

5 Environmental Impact

5.1 The Pentland Hills Regional Park aims to protect and enhance the environment of the Pentland Hills. The financial and operational stability of the Regional Park Service plays an important role in looking after this important environmental asset for the people of Edinburgh and the Lothians.

6 Recommendations

6.1 It is recommended that the Joint Committee:

- a) notes the revised budgetary and operating arrangements for 2012/2013; and
- b) requests that the governance and committee arrangements for the Regional Park be reviewed in 2012/2013 and that proposals are presented to the Joint Committee for further consideration.

David Jamieson
Parks & Greenspace Manager

Appendices	Appendix 1 Provisional Budget 2012/2013
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Wards affected	All
Single Outcome Agreement	<ol style="list-style-type: none">1 We live in a Scotland that is the most attractive place for doing business in Europe.2 We realise our full economic potential with more and better employment opportunities for our people.6 We live longer, healthier lives.10 We live in well-designed, sustainable places where we are able to access the amenities and services we need.11 We have strong, resilient and supportive communities where people take responsibility for their own actions and how they affect others.12 We value and enjoy our built and natural environment and protect it and enhance it for future generations13 We take pride in a strong, fair and inclusive national identity.14 We reduce the local and global environmental impact of our consumption and production.15 Our public services are high quality, continually improving, efficient and responsive to local people's needs.
Background Papers	None

APPENDIX 1: PROVISIONAL BUDGET 2012/2013

Expenditure

Employee Costs:	227, 528
Premisis Costs:	35,171
Transport Costs:	7,500
Supplies and Services:	18,134
GROSS EXPENDITURE:	288,333

Income

CEC Parks & Greenspace	193,991
CEC City Development	10,000
Midlothian Council	58,102
West Lothian Council	15,140
Scottish Water	10,000
Sales	1,100
TOTAL INCOME	288,333