

**Strategic Context**  
Report by Chief Executive

<b>Summary:</b>	This report looks at the rapidly changing external environment within which the Authority will take decisions on its priorities for 2014/15.
<b>Recommendation:</b>	The Authority is likely to face some difficult choices in 2014 as a result of further reductions in National Park Grant, and Members are invited to identify a small set of strategic priorities going forward. This will help guide the discussions with staff and the Financial Scrutiny and Audit Committee.

## **1 National Park Grant Settlement**

- 1.1 Regular contact has been maintained with senior Defra officials on the timing of an announcement on the levels of National Park Grant for 2014/15 and 2015/16 but no specific information on the date for the decision is available at the time of writing this report. In the recent re-shuffle of junior ministers, Richard Benyon MP, who had been our National Parks minister for three and a half years, was replaced by Lord de Mauley. A meeting has been scheduled between him and representatives of the English National Park Authorities for next week.
- 1.2 Currently the Parks are due to lose a further 6.4% National Park Grant between 2013/14 and 2014/15. For the Broads Authority this amounts to a further reduction of £227,352 from £3,547,447 to £3,320,095. However, indications from Defra officials are that a further reduction for 2014/15 and a substantial cut in 2015/16 are likely. In a meeting with Richard Benyon, the Minister indicated that he understood that Park Authorities played an important role in supporting the rural economy and had already had a substantial reduction in their grant support. How far the new Defra Ministers will be able to take that into account is not clear.
- 1.3 At the present time it is understood that the likely maximum estimated reduction in NPG would be in line with the reduction in Defra's Departmental Expenditure Limit of -2% for 2014/15 and -9.6% for 2015/16. The impact of a range of scenarios is shown in the graph below. But with the likely maximum decrease the Authority's NPG would fall by £606,108 over the two years, an extra £378,756 over that already announced.
- 1.4 The Management Team have explored in broad terms, the implications of different scenarios and the Authority has agreed a process for responding to further cuts. Senior Officers are engaging with the Financial Scrutiny and

Audit Committee on a range of options for raising income and reducing expenditure before reporting to the full membership next year. The Authority will need to consider across the boards ways of economising on the way we do business.

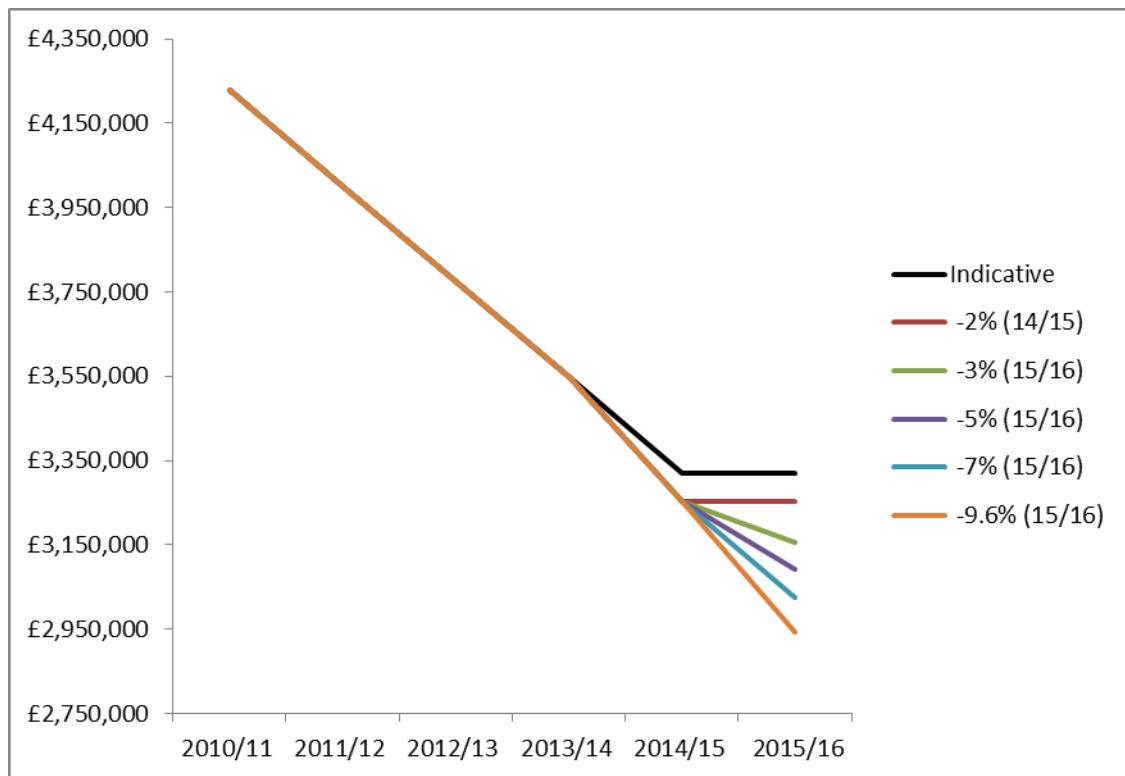


Figure 1 Scenarios for Cuts in National Park Grant

- 1.5 All members of staff have been invited to submit their ideas for how the Authority could reduce its costs, improve efficiency and raise income. All members of staff are understandably worried about what the future might hold. To keep them fully briefed and engaged, a morning's workshop for all members of staff has been arranged towards the end of this month in the hope that a decision by Defra might be known before then and the Management Team can explore with them ideas for further efficiencies and savings.
- 1.6 This context is significant for the papers on the mid-term review of the Broads Plan, the identification of strategic priorities and the paper on external funding opportunities and income generation. The Mid-Term Review report shows that, even with reducing NPG, the Authority has been able to make significant progress on delivering the objectives in the Plan. However, with further reductions the process of setting of priorities for future years becomes even more important as does the need to target our limited resources on bringing in additional income from the major funding opportunities. Strategic guidance from Members on future priorities will help frame the discussions with staff and the Financial Scrutiny and Audit Committee.

1.7 We have reviewed progress so far on the Objectives we set out in the Broads Plan for 2011, and identified much progress which we have made (see Agenda Item 10). However, this also identifies some gaps which we have not yet covered. In the light of better identification of our overall funding needs (for example in the review of assets) and our dwindling NPG resource set out above, we need a heightened sense of realism about what we can deliver for the remaining 2.5 years of the Broads Plan. This should not be work which is outside the Plan, but it may mean concentrating on doing fewer things well, and possibly not doing some of the things that we said we wanted to achieve when we drafted the Broads Plan in 2010/11.

1.8 The following are some early suggestions for key priorities which we might wish to make our overriding priorities for the coming two years.

- Climate change continues to be identified by others, including the Broads Forum, as a high priority, and the Authority has embarked on a major public consultation exercise which will lead to a revised Adaptation Plan and a new Action Plan.
- In terms of the Sustainable Management of the Broads, the Biodiversity Audit and the Biodiversity and Water Strategy completed last year provide the guide for future action and there is the potential, working with partners, for a major project, or series of projects, to continue to protect and enhance biodiversity in the area.
- Good progress is being made with partners in the development of a Catchment Plan for the Broads and this landscape scale approach is in line with Government policy and likely to long-term benefits to the whole area.
- The Authority, with the Whitlingham Country Park trustees, the Trustees of the Arminghall Settlement and the Youth Hostel Association have embarked on the development of a project to improve the public facilities in the Country Park. This is likely to involve applications for external funding.
- Tourism in the Broads has such a big impact on the local economy that the Authority may continue to want to push the agenda forward and look for new funding following the completion of the STEP programme.
- At the heart of our work is the profile of the Broads and the Broads Authority. Little progress has been made to date on looking to see how the area can make the most of the national park brand and it may require a dedicated resource to push this area of work forward next year.

Background papers: None  
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Broads Plan Objectives: None

Appendices: None