

## Report 1: Quarter 3 Performance and Strategic Risk Update

### 1. Purpose of Report

To provide members with an update on the delivery of the Authority's work programme and to update members on the management of strategic risks.

### 2. Recommendations

The Authority is recommended to:

- a. Note the work underway by the Authority, its performance in Q3 and how this will impact on the State of the National Park outcomes.
- b. Note the status of Strategic Risks to the Authority Business Plan.

### 3. Implications

- a. **Financial:** This is a monitoring report only, there is no financial information relating to the Authority or commitments to allocate Authority funding contained within the report.
- b. **Equalities:** Delivery of the work programme will see opportunities for more and different people to engage with the national park and the work of the Authority.
- c. **Link to Business Plan:** The report supports the delivery of desired outcomes set out in the Northumberland National Park Management Plan 2016-2021, and Business Plan 2017-2021.

### 4. Background

- a. As reported at the Annual Meeting on the 21<sup>st</sup> July 2021, the Covid 19 pandemic had resulted in many of our work programmes being postponed, delayed or extended. This has significantly impacted the final year of the 2017-2021 Business Plan. As a result, the Authority is extending the delivery and monitoring of the Plan to maintain the targets through 2021-22.
- b. As we move to a new Management Plan, due to be completed in 2022, the Authority will be developing a new Five-year Business Plan. To accommodate a move towards this a Bridging Work Programme is being tabled as a separate item on this agenda.
- c. During Quarter 3 of 2021-22 the Omicron variant of Covid-19 led to further restrictions being introduced, including a return to working from home where possible. The Authority reacted swiftly and with the subsequent easing of restrictions has moved back to its blended working arrangements.
- d. A much greater impact to the work of the Authority and the National Park has been Storm Arwen. This storm caused significant damage to the infrastructure and rights of way across the Park and at the time of writing the Authority and its partners are still issuing advice to visitors not to visit wooded areas.

- e. The Authority has addressed damage to our visitor facilities and the most heavily used visitor sites, however, there is still much work to do ahead of and beyond the beginning of the visitor season, including widespread damage and blocking of rights of way on private land.

## **5. Work Programmes**

- a. The 2021-22 Forward Work Programme provides an outline of the work programmes we currently have which contribute towards the delivery of the aims in our Business Plan.
- b. As outlined above a Bridging Work Programme for 2022/23 is being presented elsewhere on this agenda.

## **6. Aim 1 – A Welcoming Park**

- a. Uptake in our events, learning and training has been much greater than anticipated with combined income of more than 180% of the target to January 2022. The number of participants at all our activities has been just over 5,800 to January. Unfortunately, much of our walking programme was impacted by Storm Arwen, and we continue to advise caution and ask people not to use wooded areas in the Park.
- b. The restart of the temporary exhibition programme has allowed us to pack in a busy year. The Lost Words exhibition remained at the Sill until June 2021 and has since been followed by Stories in Stone, in partnership with Newcastle University, and Graft and Glory, in partnership with the Mining Institute. These ran through July - August and September - October respectively. The Future Landscapes exhibition ran from October to December with Inspired by Our Land proving popular with the combined retail offer over winter.
- c. Generation Green, the National Parks young green leaders programme which forms part of a wider coalition with YHA and other partners, was successfully launched in May and continues to receive excellent feedback. Members received an update on this programme at the Authority meeting in December. The programme has surpassed its initial delivery expectations despite the difficulty of operating during Covid.
- d. The Culture Recovery Fund funding was extended through the visitor season. Feedback from the general public has been very positive about visitor welcome presence at our busiest sites. The signage, interpretation and digital media work has now been completed and the final claim was submitted in Q3.
- e. During Q3 work has been ongoing to develop proposals for a new car park at Ad Gefrin near Kirknewtown. This will aid our visitor management and welcome, linked with the new distillery in Wooler, and will also provide an opportunity to greatly enhance access and infrastructure in this area of the Park.

### **Impact on the State of the Park**

- f. At the end of Q3 there was some evidence of a reduction of anticipated visitors due to the Government change to Plan B covid restrictions and public notices warning people to avoid many areas in the Park as a result of Storm Arwen.

### **7. Aim 2 – A Distinctive Place**

- a. The Cheviot Peat Project was completed in September and October.
- b. The Northumberland Peat Partnership has 2 projects which were not completed in the last year due to funding constraints and ground conditions. These have been granted funding roll over for this year and aim to restore 163 ha of degraded peat sites. During Q3 work on peat restoration on the Lilburn estate has been delivered with 9km of grips blocked and the reprofiling of 6.6km of shallow peat areas. Unfortunately, the work due to commence at Uswayford has been further delayed because of Storm Arwen, with access blocked through Uswayford Forest. It is not yet known if there will be a further funding extension for this work.
- c. We have been working with the RSPB on their Curlew LIFE project along Hadrian's Wall. The project has involved volunteers undertaking survey work for both wading birds and their predators this spring and summer. Over 2,280 ha was monitored with 28 curlew territories identified. The intention is to enhance the habitats and prove a stable population exists at these sites.
- d. The Traditional Farm Buildings Pilot Scheme is currently in the final year of the delivery phase. 15 of 21 projects have now reached practical completion. 5 projects are ongoing and there is 1 project left to begin physical works in May 2022. The scheme will close on 31<sup>st</sup> of December 2022. £1.44 million of the £2.17 million has been claimed to date.
- e. Revitalising Redesdale Landscape Partnership Scheme is now entering its final year of practical work. The scheme aims to be wrapped up at the end of March 2023. The project will continue to deliver over the course of the coming year. Thoughts are also turning to the legacy of the partnership and ideas for the future of some elements of the landscape partnership, projects and activities are being discussed.

### **Impact on the State of the Park**

- f. As we progress towards the end of 2021-22 some of these major projects are now beginning to come to their natural conclusion. Revitalising Redesdale and the Traditional Farm Buildings will complete in the coming year having delivered important outcomes of community engagement and enhancement of the natural and cultural assets of the Park. Our Aim to deliver measurable improvements to the natural environment are also being progressed thanks to the RSPB Curlew Life project which we are supporting through to 2024.

**8. Aim 3 – A Living Working Landscape**

- a. Our Hadrian’s Wall Recovering Nature project (HW:RN) continues to progress. Following two busy quarters arranging contractors for repairs and maintenance, Q3 was focussed on partner understanding and developing a project vision. Work programmes for how to monitor and communicate our progress are in development. Stakeholder engagement is ongoing.
- b. The ‘Farming in Protected Landscapes’ (FiPL) programme started in July and to Q3 there have been 27 applications with 21 of those now approved. The programme has already received applications for over £500,000 in funding and is on course to spend our allocated budget for the current year. The programme has been extended for a further two years and funding allocations are being finalised.
- c. We have been developing proposals to expand our coverage of farming networks in the Park to Hadrian’s Wall and the continuation of the Upper Coquet and Breamish groups. These groups are an important mechanism to promote collaboration and knowledge transfer, particularly around farm resilience in the current period of transition and may support future collaborative projects under FiPL.
- d. Our Farming team continue to actively support farmers and land managers, principally with their agri-environment schemes, but increasingly with training and knowledge sharing events, taking place both virtually and face to face as COVID restrictions ease. The team are developing their knowledge of the various schemes and options available to improve farming and nature concurrently, including:
  - New Horizons: the 3 new DEFRA schemes that will reward environmental land management, which include:
    - Sustainable Farm Incentive
    - Local Nature Recovery
    - Landscape Recovery
  - Farming in Protected Landscapes (FiPL)
  - Catchment Sensitive Farming expansion, delivered through Natural England
  - Woodland Creation Grant (England, EWCO)

In addition, the team are tracking the current changes to CS, Rollover application requirements and new applications.

**Impact on the State of the Park**

- e. The farming team are keeping track of these changes, including supporting some holdings to develop Natural Capital Accounts. These will better evidence the changes being made for future ELMS applications going forward. The HW:RN project, will directly deliver nature improvement in the Park.

## 9. Aim 4 – Thriving Communities

- a. The Management Plan review process has been a key focus for all teams in Q3.
- b. In Q3 three applications were approved from the Authority’s Community Fund. Support for young, disadvantaged people to access cycling opportunities in Northumberland, an arts residency programme (specifically the Otterburn section) and improvements to the power supply at Stonehaugh Activity Centre to reduce generator dependency.
- c. The FiPL programme is supporting our farming and wider communities across the Park, see Aim 3 above for information.
- d. There is early evidence of an increase in housing demand in the National Park, through our planning service. The recently introduced Local Plan changes should help to stimulate interest in dwellings of primary residence and improve the longevity of communities in the National Park.

### **Impact on the State of the Park**

- e. The Management Plan is progressing at an increasing pace with all senior staff currently focussed on its development, and our Development Management service continues to offer a leading service.

## 10. Aim 5 – A Valued Asset

- a. The Natural Capital Assessment of the Park is being refined and used to aid our strategic and project planning and serves as an important baseline for our new Management Plan.
- b. The Authority continues to work with partners on the Northumberland Local Nature Recovery Strategy, and the Northumberland Woodland Creation Partnership (previously the Great Northumberland Forest). During the quarter we have been working closely with Northumberland County Council to support the development of a ‘Rural Investment programme’ from the North of Tyne Combined Authority. In January 2022 an initial bid was successful in securing over £500k (through NCC) to develop a detailed investment programme. This programme is aimed at rural growth, based on the natural assets of the county, and the Authority will play a close role in developing this programme with partners.
- c. Our work to help shape the future of National Parks and contribute to the Government’s plans following the ‘Glover’ Landscapes Review continues. The Government response to the review was published in January 2022.

### **Impact on the State of the Park**

- d. Last year saw renewed coordination with our partner organisations regarding messaging through the pandemic. This year we have built on this to take forward collaborative project development which is highlighting the natural and cultural assets of the national park.

## **11. Aim 6 – An Organisation Fit for the Future**

- a. We are continuing to progress with our Project model of delivery as this is key to the Government's funding approach. Generation Green, Hadrian's Wall Recovering Nature, Farming in Protected Landscapes, Net Zero commitments, the Management Plan review and our additional staffing supported by the Culture Recovery Fund have been and are being supported or delivered by Project Officers and supported by the core infrastructure of the Authority. We would not be able to deliver these projects from our internal resources alone.
- b. The Authority continues to undergo major IT re-organisation. The migration of Authority work from onsite servers to the Cloud has been completed, as too has our Telephony upgrade. Contracts are being combined and our network is being consolidated to save costs and administration time. A new Data and Digital Strategy is being drawn up to scope the future roadmap for other areas that can be improved.
- c. Fundraising in 2021-22 is focusing on recovery from Covid-19 as well as scoping for the delivery of our priority projects. The successful application to the Culture Recovery Fund has provided the Authority with just over £130,000 for improvements to our visitor offer for the coming peak season. In addition, the recently announced, funding for Farming in Protected Landscapes of £488,000 allows us to increase the rate that farmers and land managers take up improvements to their natural capital. £25,000 of funding to activities has been received this year to support our STEM festival and additional funding has been deployed for children's outdoor play equipment.
- d. We continue to strive to grow our self-generated income. Our more traditional revenue streams of car parking and retail were predicted to be down 20% or so on a normal year, but at the end of Q3, these areas are performing better than expected and we are exceeding our performance from 2019-20.

### **Impact on the State of the Park**

- e. Changes to the Authority through the organisational development strategy, performance framework and digital and physical infrastructure are ensuring we continue to be a dynamic and innovative organisation. By developing a project-based approach to our work it means the organisation is scalable when project funding is available, and this has shown to be particularly important in 2021-22. Our journey to an innovative organisation will continue with improvements to our ability to work remotely, an ongoing assessment of blended working arrangements and the exploration of new forms of self-generated income.

## **12. Strategic Risk Register**

- a. The Strategic Risk Register (SRR) is a live document that is reviewed at least once every quarter. It seeks to identify and mitigate the risks of not achieving Business Plan aims. Action and mitigations in place through the SRR continue to be progressed, with zero actions in early progress or yet to be started. See Table C below for further information.

- b. The Authority has a set of 59 actions intended to mitigate the impact on our work and these are split among the 7 identified strategic risks. These are:
  - 1. The National Park Authority fails to respond to the impact of the Covid-19 pandemic.
  - 2. The National Park Authority is unable to adapt to policy changes from national government.
  - 3. The National Park is unable to deliver nature recovery and enhancements of our natural capital.
  - 4. The National Park Authority is unable to become an organisation fit for the future.
  - 5. The National Park Authority is unable to manage our financial position.
  - 6. The National Park Authority fails to deliver the goal of national parks for everyone.
  - 7. The National Park Authority is unable to mitigate the effects of climate change.
- c. A slight change has been made to one of the impacts in Risk 7, Climate Change, in the light of the recent experience with storms. This read: “The physical damage left after severe floods can have a secondary effect of curtailing the rural tourism economy for several months.” The word “floods” has been changed to “Storms”. The actions have not been changed and advocate a partnership approach to emergency management through the Local Resilience Forum, a system which worked well during Covid and continues to be valuable during other extreme events.
- d. Previous updates on Risk 4, Fit for the Future, reflected the efforts being made to update our systems and ways of working. The roll out of Microsoft 365 was largely completed during this quarter, with only minor migrations of data outstanding. Disruption of our services due to IT changes is no longer a significant risk.
- e. The inherent and residual risks have been tabulated to better illustrate the change in risk levels following the adoption of the 59 mitigation measures, these are presented in Table A and Table B. The detailed mitigation measures associated actions and categorisation criteria is available on request.

**Table A. SRR Inherent Risk Matrix**

	Probability				
Impact	Rare	Unlikely	Possible	Likely	Almost Certain
Catastrophic				Risk 5	Risk 1
Major			Risk 4	Risks 2,6,7	
Moderate				Risk 3	
Minor					
Slight					

**Table B. SRR Residual Risk Matrix**

	Probability				
Impact	Rare	Unlikely	Possible	Likely	Almost Certain
Catastrophic					
Major		Risk 4	Risks 2, 5	Risks 1, 7	
Moderate			Risk 3		
Minor		Risk 6			
Slight					

- f. Risk 1, the impact of the Covid-19 pandemic, and Risk 7, Climate Change, remain the greatest area of concern in the residual risk matrix as, whilst we are able to mitigate these to some extent, solutions to the underlying problem are beyond our immediate control as an organisation. The Authority’s response to the impact of Covid -19 was subject to an internal audit report last year which has provided full assurance. The Authority continues, however, to be impacted by community spread of the virus and subsequent staff absences. The Authority’s actions in respect of climate change were reported in July 2021 and are kept under review as new resources are being brought in to support our work in this area. A new Net Zero project officer has been recruited to help the Authority meet this ambition.
- g. Risk 2, Policy Change from National Government and Risk 5, Our Financial Position also the subject of close and ongoing monitoring and mitigation. The Defra response to the Glover (Landscapes) Review was issued in January 2022, and has the potential to involve far reaching changes to the operation of national Parks. The Authority’s response to this policy area is the subject of a separate paper on this agenda. Whilst Government is setting an ambitious agenda for national parks, there is no clear evidence that this is being matched with resources and so the Authority is currently facing a difficult budget with a predicted flat cash Defra grant over the next three years. The medium-term budget is again the subject of a separate paper on this agenda.
- h. Risk 3, nature recovery and natural capital, Risk 4, an organisation fit for the future and Risk 6, national parks for everyone are the areas of lowest residual

risk, and areas of work over which we have the greatest influence as an Authority and where we have a range of existing and developing projects and programmes in place.

- i. Table C presents a summary of progress against the Strategic Risk Register mitigation actions as at the end of Quarter 3 2021-22. 36% of actions are completed or at an accomplished and ongoing state, 42% had significant or 'good' progress, 22% were at a level of 'acceptable' progress and 0% are in 'early' progress. 0% of actions have had no action take place.

**Table C. Summary of progress against Strategic Risk Register actions**

	No Action	Early Progress	Acceptable Progress	Good Progress	Actioned	Total
<b>1. Covid-19 pandemic</b>	0	0	0	2	8	10
<b>2. Policy changes</b>	0	0	2	4	1	7
<b>3. Natural capital</b>	0	0	3	4	2	9
<b>4. Fit for the Future</b>	0	0	2	7	1	10
<b>5. Financial Position</b>	0	0	0	3	7	10
<b>6. National Parks for Everyone</b>	0	0	4	2	1	7
<b>7. Climate change</b>	0	0	2	3	1	6
<b>Total</b>	0	0	13	25	21	59
<b>%</b>	0%	0%	22%	42%	36%	100%

### **13. Conclusions**

- a. The report seeks to highlight the current progress with delivery of our work programme and demonstrate how our work programmes during Quarter 3 will impact the state of the national park.
- b. Members are asked to note the Quarter 3 Strategic Risk Register and Quarter 3 Performance Update.

**Contact Officer:** For further information contact: Ben Rogers, Performance and Intelligence Officer at [ben.rogers@nnpa.org.uk](mailto:ben.rogers@nnpa.org.uk), Telephone: 01434 611559