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JOINT NATURE CONSERVATION COMMITTEE

JNCC CORPORATE PLAN FOR 2005 – 2008

Paper by Brian Lawrence

1 Background

- 1.1 At its December 2004 meeting, the Joint Committee received a paper (JNCC 04 P22) which included a first draft of the corporate plan for 2005 – 2008. The paper also described the new planning procedures that have been put in place in the Support Unit.
- 1.2 The new procedures represent a major change from previous years so as to reflect the new strategic approach to corporate planning. The plan is based on 13 programmes and these programmes are sub-sets of the 8 strategic objectives agreed by the Joint Committee. Each programme consists of a number of discrete but related projects. A programme leader has been appointed for each programme and these programme leaders have responsibility for setting targets for their programme, managing the budget, and evaluating and monitoring the projects within their programmes.
- 1.3 This paper contains a final draft of the corporate plan. The plan has been prepared in line with:
 - i. the strategic priorities agreed by Joint Committee at its meeting in June 2004;
 - ii. the indicative budgets approved by Committee in September 2004, amended to take account of the JNCC grant in aid (GIA) settlement;
 - iii. comments received from stakeholders, in particular Defra, the devolved administrations and the three country agencies; and
 - iv. observations made by the Joint Committee on the first draft of the plan at its meeting in December 2004.

2 Funding for 2005-06

- 2.1 Following the Joint Committee meeting in December 2004 much work has been done on the draft plan. In particular there have been discussions with Defra and the devolved administrations to set the level of GIA for JNCC for the year 2005/06. Although staff from the Support Unit argued strongly for a settlement which would allow the JNCC to successfully establish the new company, continue with its current work programmes and develop a small

number of new priority work areas in line with the strategy, inevitably any settlement had to be set within the context of the overall level of funding available to our funding bodies. The outcome of the discussions is that officials have recommended to ministers a financial settlement for 2005/06 of £6,361,000. Such a settlement represents an increase of £400,000 or 6.7% on 2004/05. At the time of writing, this level of grant is still to be signed-off by ministers.

- 2.2 Assuming a similar increase in the voluntary contribution from the Environment and Heritage Service, the total GIA for 2005/06 will be £6,591,000, compared to £6,177,000 in 2004/05.
- 2.3 Most of the increased funding will be required to meet a substantial increase in the JNCC's salary bill in 2005/06, resulting from pay harmonisation, guaranteed pay progression, cost of living increases, and increased rates of pension contributions. £100,000 has been allocated to progress work on marine Natura 2000 and World Summit on Sustainable Development (WSSD) commitments.
- 2.4 This level of GIA settlement is £215,000 less than the assumption of GIA used in the draft corporate plan presented to the Committee in December. The Management Board therefore requested programme leaders to make appropriate reductions to their programme budgets and to amend programme targets where appropriate.

3. Funding for future years

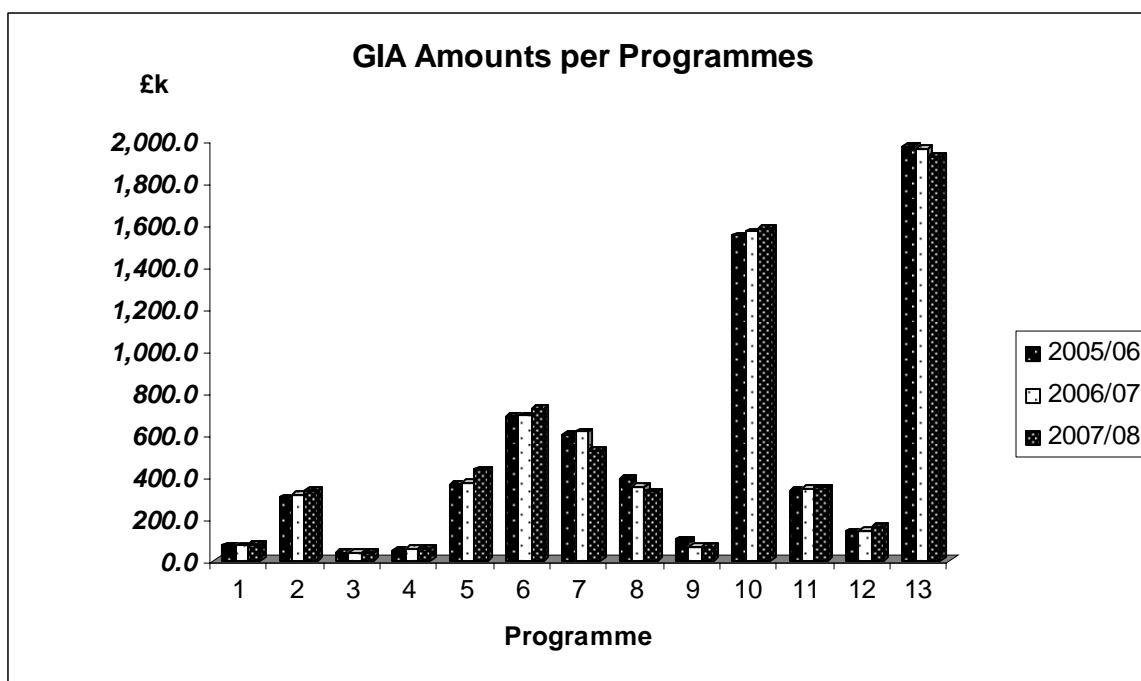
- 3.1 Defra officials have informed the JNCC that we should plan for 2006/07 and 2007/08 on the same GIA totals, in cash terms, as for 2005/06. Because of guaranteed pay progression and inflationary pressures this level of settlement actually means a reduction in resources. Although it is hoped that some savings can be found through efficiencies, particularly in the support and administrative functions, flat funding will inevitably mean that some of JNCC's work programmes will have to be scaled back.
- 3.2 This has been fully taken into account in the draft corporate plan. To ensure that any reductions are implemented in a planned fashion and are aligned with the organisation's strategic priorities, Management Board have agreed that a review of the resources required for each programme in 2006/07 and 2007/08 is completed by September 2005.

4. Overview of funding for 2005 - 08

- 4.1 The corporate plan shows total expenditure falling from £7,528,000 in 2005/06 to £7,023,000 in 2007/08. This is caused because income from sources other than GIA, such as European Commission support for the Mapping European Seabed Habitats (MESH) project, will finish within the period of the corporate plan.

<i>All figures are £k</i>	2004/05 probable out-turn	2005/06	2006/07	2007/08
Direct Expenditure	3,552	3,688	3,390	3,238
Salaries	3,467	3,840	3,835	3,785
Total	7,019	7,528	7,225	7,023
Grant in aid	6,177	6,591	6,591	6,591
Other income	842	937	634	432
Total	7,019	7,528	7,225	7,023

4.2 This corporate plan is based on the strategic objectives agreed by the Committee. One of the results of the new planning process is to allocate resources to priority areas of work. Therefore the plan has been drawn up so that those areas of work which contribute significantly to the achievement of strategic priorities have been funded at the expense of areas of work which contribute less to these priorities. The graph below shows the amount of GIA planned to be used to finance the 13 programmes over the life of the corporate plan.



Key to graph:	
Programme 1 - Strategic Vision	Programme 8 – Standard and Target Setting
Programme 2 – Global Advice	Programme 9 – Strategy for Surveillance, Reporting and Research
Programme 3 – Overseas Territories	Programme 10 – Surveillance and Monitoring
Programme 4 – UK’s Global Impact	Programme 11 – Access to Information
Programme 5 – European Advice	Programme 12 – Policy-relevant Information and Reporting
Programme 6 – UK Advice	Programme 13 – Support Services
Programme 7 – Marine Mapping and Area Protection	

4.3 Over the 3-year period, there will be an increase in resources set aside for international work (programmes 2 and 5) at the expense of other programmes, such as Standard and Target Setting (programme 8) and Support Services (programme 13). Expenditure on Marine Mapping and Area Protection (programme 7) will reduce over this planning period as the large MESH project comes to an end, for although the project is partly funded through the European Commission, they only provide 50% funding with the other 50% coming from GIA.

5. Finalising the corporate plan

- 5.1 Before the plan is finalised, some further work will be required to update the 2004/05 out-turn figures and reassess the allocation of salary expenditure to programmes. In particular, the salary figures for the Support Services programme will be amended, as they currently include a significant amount of management time that would be better assigned to other programmes.
- 5.2 Subject to these changes and any amendments required by Committee, the corporate plan will be submitted to Defra and devolved administrations for final approval.