

**Loch Lomond & The Trossachs National Park Authority**  
**Annual Report and Accounts 2021/22**

# Loch Lomond & The Trossachs National Park Authority

## Annual Report and Accounts 2021/22

### Contents

Performance Report .....	3
Performance Overview.....	5
Performance Analysis .....	12
Accountability Report.....	26
Corporate Governance Report.....	26
Directors' Report .....	26
Statement of Accountable Officer's Responsibilities .....	29
Governance Statement .....	30
Remuneration and Staff Report.....	35
Remuneration Report.....	35
Staff Report.....	38
Parliamentary Accountability Report .....	42
Independent Auditor's Report .....	43
Annual Accounts.....	47
Statement of Comprehensive Net Expenditure .....	47
Statement of Financial Position .....	48
Statement of Cash Flows.....	49
Statement of Changes in Taxpayers' Equity .....	50
Notes to the Accounts.....	51

# Performance Report

## Foreword

2021/22 was a highly successful year for Loch Lomond & The Trossachs National Park Authority, despite facing a number of challenges and pressures not seen in recent memory. Across themes of climate, nature, visitor management and supporting a green recovery, we used a welcome uplift in Grant in Aid allocated to us by the Scottish Government to deliver for the people and places that make our National Park such a special place.

Conference of the Parties 26 (COP26) was at the forefront of our thinking this year, and we were delighted to be able to play a notable part. We led work on behalf of all 15 UK National Parks to draft the Protected and Conserved Areas Joint Statement on Climate Change and Biodiversity Crises and secure sign up from National Park and Protected Landscape services and organisations from around the world. The Statement was showcased at a COP26 Blue Zone event where Catriona Manders from our Youth Committee signed the statement on behalf of young people from all the UK's National Parks. Our international work continued through hosting the US Secretary of State for the Interior, Deb Haaland and her senior delegation, along with Scottish Government Cabinet Secretary for Net Zero where the shared opportunities for protected areas to play a significant role in tackling climate change were discussed. We also participated in and hosted events including The Organisation for Economic Co-Operation and Development (OECD) event on the role of rural regions in the transition to net zero and the Global Ethical Finance Initiative at Ross Priory. As a relatively small organisation we were delighted to have such impact and the opportunity to draw attention to the work and significant potential that National Parks can realise to tackle the twin nature and climate crises at scale.

The urgency to reverse the decline in nature and the opportunities to restore habitats at scale was set out in our new Future Nature Route Map launched during the year. This strategy and developing delivery plan is helping strengthen our leadership role working with partners, landowners and communities to identify nature projects and work towards landscape scale change. This is being strengthened by working with the UK National Parks' Revere Partnership with Palladium aimed at developing ways to supplement public funding with private finance investment as part of this scaling up process. This collaboration is breaking new ground in the UK in a fast-evolving green finance investment market. We also continued our work to sequester carbon with our continuing drive to restore our peatlands. Working with landowners, we undertook restoration of more than 350 hectares of peatland this year as we look to scale up the pace and extent of this vital work.

The COVID-19 pandemic and its restrictions on international travel meant that the 2021 visitor season was amongst the busiest the National Park has ever seen with most people enjoying staycation breaks at home in Scotland and the UK. The sustained volume of visitor numbers and associated traffic presented challenges for our communities and infrastructure to cope, and our staff did a magnificent job welcoming visitors throughout an extended and hectic season. To ensure our facilities were well managed and visitors helped to enjoy the National Park responsibly we increased our staffing and temporary facilities in key areas, such as within our Ranger and Estates teams, ensuring there were more boots on the ground than ever before. We led the creation and delivery of a Joint Response Plan to ensure relevant public body partners such as Councils and Police Scotland were prepared and well co-ordinated in responding to issues and pressures. We also partnered with national bodies such as VisitScotland and NatureScot to create effective national visitor campaigns along with our own content guiding people on everything from camping to responsible toileting, attracting a national award for the latter. Water safety was brought into sharp focus as a result of a series of tragic incidents in July 2021. This gave added emphasis to our teams' and partners' ongoing joint work on ensuring fit for purpose rescue equipment at lochside sites and better signage and visuals to improve awareness of water-related risks and hazards.

As ever, our staff team rose to all challenges throughout the year. We worked hard to facilitate a return to office-based working, whilst navigating emerging COVID variants to keep our staff safe. Lockdowns and supply chain issues affected a few of our key projects, but our dedicated staff team completed the majority of our planned work. This has been achieved through the commitment, passion, dedication and expertise of colleagues throughout the organisation. They are our biggest asset and we thank them for enabling us to make the progress we have over the last year.

We are stronger and more resilient than before, and look forward to the future, with 2022/23 marking our 20<sup>th</sup> Anniversary as a National Park.

**Gordon Watson**  
Chief Executive Officer

**James Stuart**  
Convenor

DRAFT

# Performance Overview

Loch Lomond & The Trossachs National Park Authority (“the Authority”) presents this Annual Report and Accounts for the year from 1 April 2021 to 31 March 2022 in accordance with The National Parks (Scotland) Act 2000.

The accounts have been prepared on a going concern basis as the Board and Accountable Officer believe that future liabilities will be met from a combination of cash budget allocation from the Scottish Government, future grants from partner agencies, and income from chargeable activities.

This overview outlines the purpose of the Authority, its performance during the year and the key risks to the achievement of its objectives.

## About Loch Lomond & The Trossachs National Park

Loch Lomond & The Trossachs National Park was created in July 2002 under The National Parks (Scotland) Act 2000 to safeguard an area of outstanding and diverse landscapes, habitats and communities, parts of which were coming under severe visitor and recreational pressures. This Act also created a non-departmental public body (NDPB), the Authority, to ensure the National Park aims are achieved in a coordinated way.

The National Parks (Scotland) Act 2000 sets out four National Park aims to:

- Conserve and enhance the natural and cultural heritage of the area
- Promote sustainable use of the natural resources of the area
- Promote understanding and enjoyment (including enjoyment in the form of recreation) of the special qualities of the area by the public
- Promote sustainable social and economic development of the area's communities.

Our mission is to protect and enhance Loch Lomond and the Trossachs National Park. The National Park covers an area of outstanding landscapes, habitats and communities and it's our job to protect it and reduce the impact of visitor and recreational pressures. As a NDPB we are committed to inspire our communities, visitors and partners to work with us and enhance and promote this iconic National Park.

The National Park (Scotland) Act 2000 provides the legal framework for the creation of National Parks in Scotland. The Authority has legal status as a statutory body with statutory duties for planning and outdoor access. As a Planning Authority, we are responsible for deciding all planning applications in the National Park Area. As an Access Authority, we have a responsibility of upholding access rights as set out in the Land Reform (Scotland) Act 2003 and we encourage responsible access to outdoor spaces, while reducing the impact on habitats and protected species.

The National Park Authority Board is made up of seventeen Board Members. Five members are elected by the community and twelve are appointed by Scottish Ministers, six of these following nominations by the Local Authorities. Our Members are led by the Convener and Depute Convener. The Board agrees the overall direction of the Authority and oversees the work of the Chief Executive and National Park staff. The executive management of the Authority is undertaken by an Executive team that comprises the Chief Executive and four Directors. More details on our Board and Executive team are on pages 26 and 27.

## Our Strategy

The Authority sets its delivery targets on an annual basis by reference to the strategy outlined in the [National Parks Partnership Plan \(NPPP\)](#) and [Our 5-Year \(Corporate\) Plan](#).

The delivery targets for 2021/22 were expressed in an Annual Operational Plan supported by an annual budget that enables delivery and focuses on priorities for the year. Performance against these targets was monitored by the Executive Team and reported to the Board on a quarterly basis.

The Annual Operational Plan focuses on key priorities and was structured around four themes in 2021/22:

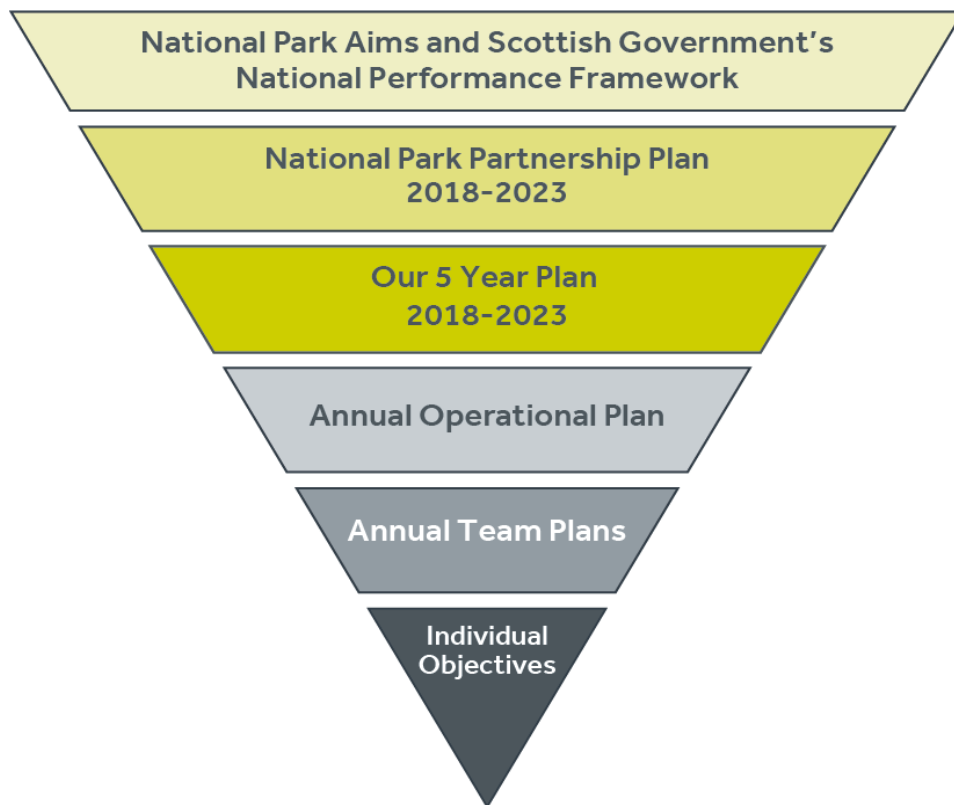
- Taking and inspiring action to address the global climate emergency
- Restoring and protecting nature in the National Park
- Addressing the growing challenges posed by substantial visitor numbers
- Making our organisation, our people, and the National Park more resilient through a green recovery

The Annual Operational Plan details specific activities and deliverables under each theme. Performance reporting to the Board includes a quarterly progress update and rating for each deliverable.

These targets align with the National Outcome Targets set by the [Scottish Government National Performance Framework](#). Performance against the National Performance Framework is considered through 81 national indicators. We input directly into three key outcomes and a further seven outcomes that we address as incidental outcomes. The Authority continues to support the Environment, Climate Change and Land Reform portfolio's overarching aim to protect and promote Scotland's environment and to build a strong and sustainable net-zero economy.

During 2022/23, we will be working towards establishing a new five-year National Park Partnership Plan in conjunction with stakeholders. In addition to this, we will be looking to see how we can best align our strategic documents, such as the National Park Partnership Plan, our Local Development Plan, the Regional Spatial Strategy and the Regional Land Use Partnership.

Improved accountability is an important aim for all Public Bodies. As a public body, Loch Lomond & The Trossachs National Park Authority is required to demonstrate that we are conducting our operations as economically, efficiently and effectively as possible.



# Our Performance

This section provides a narrative summary of performance for each outcome and highlights delivery from across the four areas of focus identified through our Annual Operational Plan. Further detail on our performance within each outcome and against our Our 5-Year (Corporate) Plan is provided in the Performance Analysis section of the report.

## Theme 1: Taking and inspiring action to address the global climate emergency

2021/22 saw a global focus on the climate emergency and how it will have a very real, negative impact on all our lives, our places, and the natural world. With Glasgow hosting the UN's COP26 conference, minds turned to the need to act now. We were delighted to welcome delegates to our Balloch Headquarters to host an Organisation for Economic Co-Operation and Development (OECD) event on the role of rural regions in the transition to net zero.

Our own programme for COP26 covered three core areas; (a) producing engaging content – both online and in the media, (b) producing educational materials to support learning and engagement, and (c) providing interesting voices, perspectives and speakers on relevant topics. We worked with 11 schools across the National Park to plant 220 native woodland trees. Children were involved in a number of sessions to understand the impact of the global climate emergency and the benefit of trees and helping to assess and plan the best place for the trees to be planted, with sessions around ongoing care offered. Children were also asked to reflect on their hopes for the trees and the future.

Our Youth Committee played a significant role during COP26; Catriona Manders represented our Youth Committee as well as young people from all the UK's National Parks at COP26, signing the Protected and Conserved Areas Joint Statement on Climate Change and Biodiversity Crises to drive forward action on climate and nature. Aidan Cronin met with the US Secretary of the Interior, Deb Haaland, and Michael Matheson, Cabinet Secretary for Net Zero, Energy and Transport to talk about the role of young people in taking climate action. This culminated in the Youth Committee being nominated as finalists in the Young Scot Awards.

We undertook a wide variety of actions to continue on our journey to become a Net Zero organisation by 2030 – [our Mission Zero](#). Working cross-organisationally, we have developed a detailed implementation plan, covering the physical changes to our assets, as well as a raft of behavioral changes, which together help us achieve our aims. Our combined emissions (tCO2e) when including emissions from homeworking reduced to 188.1 tCO2e; this shows a reduction from our 2018 baseline (222.0 tCO2e) of 33.9 tCO2e.

Besides our own emissions, we also have a significant role in working with partners across the National Park and beyond to consider land use and land management, sustainable tourism and travel, and community resilience.

### Key Highlights include:

### Status

Development of a detailed implementation plan for the next two to three years of investment and change within the National Park Authority	C
Enabled our staff, Board, and volunteers to support and encourage positive behavior changes to reduce emissions, including through a review of our organisational policies	C
Build momentum for coordinated climate action within the National Park	C
Leverage opportunities that the UN's COP26 event in Glasgow provides	C

### Key:

- C Complete
- PA Partially Achieved
- Po Postponed to 2022/23



## Theme 2: Restoring and protecting nature in the National Park

Throughout 2021/22, we have been able to build on the growing momentum both nationally and internationally to take actions for nature.

We have invested in the development of our [Future Nature Route Map](#), including conversations with communities and landowners, who are key to achieving the scale and pace of change required to restore and protect nature.

We undertook a wide variety of Nature-Based Solutions projects, which supports Scottish Government's aim for Scotland to be a Net Zero Nation by 2045. We concluded blanket bog restoration at two sites and removed invasive spruce trees and rhododendrons from a further two sites.

We continued our work on a number of Wild Park projects; we completed riparian Invasive Non-Native Species (INNS) work across three catchments and agreed seven tree planting grants. This included the Inversnaid Invasive Species project, treating a large colony of invasive rhododendron, as well as undertaking clearances at other smaller colonies. This project was at a total cost of £110,214 over two years and was funded by Nature Scot. Programmes of riparian Invasive Non-Native Species control were delivered on the Endrick and Blane, East Loch Lomond, Forth, Teith and Echaig. Grey squirrel and mink control were also delivered with partners in targeted project areas.

Restoring peatlands is one of the most effective ways of locking in carbon, offering a clear nature-based solution to both the climate crises and addressing biodiversity loss. It plays a key role in Scotland's green recovery and is helping to deliver a just transition to net-zero by supporting the rural economy. Working with landowners, we undertook 359 hectares of peatland restoration across the National Park at a cost of £139,427 (excluding staff costs). Using contractors who were new to peatland restoration, we supported an increase in the number of people with the required skills to support the wider [Peatland ACTION](#) programme.

Our volunteers played a vital role in helping us to achieve our aims and this year gave over 5,000 hours to support a variety of activities. They delivered logistical support and tree planting sessions for delegates to COP26, as well as the usual litter picks, mountain path surveys and support to partner organisations. We delivered a successful Junior Ranger programme, with young people taking part in practical INNS removal and we worked with schools and hard to reach groups to support visits to National Park as and when possible.

### Key Highlights include:

### Status

Development of Future Nature Route Map including more ambitious landscape-scale nature restoration projects	C
Undertake peatland restoration and native woodland expansion projects	C
Provide easy ways for all visitors to the National Park to demonstrate and share their respect for nature during their visit	C
Deliver our Junior Ranger programme, engage young people, and fund the education travel grant	C
Support our volunteers in delivering more for nature	C

### Key:

- C Complete
- PA Partially Achieved
- Po Postponed to 2022/23



## Theme 3: Working collaboratively on positive solutions to growing visitor numbers

We anticipated the 2021/22 visitor season to be extremely busy given the ongoing travel restrictions as a result of the COVID-19 pandemic. Extensive preparation went into supporting responsible visiting and managing impacts. Our [2021 season review](#) highlights how the season has been considered the busiest the National Park has ever seen, and the weather also played a part with Scotland experiencing one of its hottest summers on record.

A Joint Response Visitor Management Plan (JRVMP) was developed ahead of lockdown restrictions easing in April 2021. This covered three work streams: Information and Engagement, Services and Infrastructure and Regulation and Enforcement. There was also a greater level of coordination on visitor management at a national level and funding made available to priority locations, including Loch Lomond & The Trossachs National Park, to support this.

We received £500,000 of additional funding from the Scottish Government in 2021/22 to fund additional operating costs and cover the loss of revenue arising directly because of the impact of the pandemic. This funding helped us to recruit 56 Seasonal Rangers in 2021, up from 32 in 2020, enabling greater deployment across the National Park. Between April and September Rangers carried out 1,378 regular patrols and 198 focused patrols on land and water, compared to just 364 patrols over the 2020 season, which was shorter due to COVID lockdowns. Ranger Service priorities patrolling the Camping Management Zones and hotspot areas, public engagement, byelaw enforcement, site inspections and litter picking. In addition to Rangers, we recruited three dedicated Environmental Officers to help tackle litter and flytipping on our own sites and across other locations supporting partners, communities and landowners. We spent £134,248 on temporary toilets to alleviate visitor pressures at key sites. We also removed more litter (1,591 bags) than in the previous two years combined (1,230 bags).

This year, we worked with influencers, bloggers and stakeholder groups to represent and reach wider and more diverse audience groups, as well as asking stakeholders to share messaging within the networks on particular activities. We launched the Journey Planner App and worked with Loch Lomond & The Trossachs Countryside Trust to deliver a sustainable travel behavior change campaign as well as our own “A Different Adventure” strand of responsible visiting communications. Our **#NeedToPoo** campaign to tackle the growing issue of human waste in the National Park also won the Gold Award in the Low Budget Campaign category at the Chartered Institute of Public Relations Scotland’s PRide Awards 2021.

Unfortunately, water safety was brought into further focus when a series of tragic drownings occurred in July 2021. We accelerated our joint work on water safety with several additional measures and actions undertaken. These included upgrades to, and additional, public rescue equipment as well as new signage in key locations, a new water safety advice webpage and increased social media messaging raising awareness of the potential dangers and additional posters warning of hazards in and around the water placed at several popular visitor and camping sites.

### Key Highlights include:

	Status
Implement our Joint Response Visitor Management Plan (JRVMP) with partners, including shared engagement, infrastructure and enforcement actions	C
Create a multi-year capital investment plan that considers what strategic investment would better support sustainable visitor management in the National Park	C
Deploy temporary measures to alleviate pandemic-related visitor volume pressures	C
Develop and deliver priority projects and targeted interventions, including those informed by engagement with the Litter Prevention Action Group	C
Work with partners to develop and deliver new transport pilot projects, subject to pandemic restrictions	Po

### Key:

- C Complete
- PA Partially Achieved
- Po Postponed to 2022/23

## Theme 4: Making our organisation, our people and the National Park more resilient through a green recovery

The ongoing impacts of COVID-19 have continued to impact on our communities and businesses but presented a unique opportunity for all to redesign the way we operate and focus on a green recovery. We worked closely with partners, stakeholders, and our communities to understand their priorities and directed support where it was needed. For example, we awarded a total of £186,137 to 11 grantees to assist with projects that support communities and groups in helping advance the aims of the National Park. This included supporting Invasive Non-Native Species eradication and path improvement in Lochgoil, establishment of a “green” cycling hub in Drymen, enabling green tourism at Benmore Gardens and improvements to heating infrastructure and accessible toilets at the Old Trossachs School, and a feasibility study to replace St Fillans Village Hall.

We supported five place plans and several partners to access funding from Forth Valley and Lomond LEADER, Forth Valley and Lomond Climate Nudge Fund and the National Lottery Heritage Fund. Additionally, we commissioned Forth Environment Link to develop a blueprint for a “20-Minute Neighbourhood” pilot in Drymen and surrounding communities, which will help inform the next Local Development Plan by identifying initiatives required to support a more localised way of life and lower carbon living.

To support the business community, the National Park Destination Group met in person after 18 months of online meetings; the area subgroups set and progressed their strategic development aims, such as addressing the immediate issues presented by campervans and motorhomes. In addition to this, we delivered in-person business engagement to 38 local tourism businesses across the National Park to build relationships and aid recovery, with regular direct email bulletins also being sent to our business database.

Despite a false start with Omicron becoming a variant of concern towards the end of the year, we successfully implemented our new model of working which will be reviewed as we go through 2022/23. This work was further supported by investment in our digital infrastructure to take advantage of new opportunities to enable smarter working, enhance cyber security protections and safeguard our business operations. This has included development of plans to support migration to Office 365 and upgrades to our Audio Visual technology at Carrochan to enable both Board and Committee meetings to continue to be live streamed, but also to support our approach to hybrid working.

We also rolled out monthly cyber security training to all staff. This ensures that cyber security remains at the forefront of our staffs’ minds, and we will continue to raise awareness to ensure our cyber security is maintained. We are delighted to have retained our Cyber Essentials Plus accreditation.

### Key Highlights include:

### Status

Engage with communities to understand their priorities and work closely with public and third sector partners to coordinate support	C
Use the National Park grant schemes and our planning role to support green recovery projects	C
Support the Destination Group, consisting of National Park tourism businesses, to help respond to the challenges and opportunities of the year ahead	C
Develop a new model of working that overcomes some of the challenges of pandemic working while retaining the benefits of reduced commuting and better flexibility	C
Improve our digital services, including developing our skills, platforms and disaster recovery	C

### Key:

- C Complete
- PA Partially Achieved
- Po Postponed to 2022/23

# Key Risks

We manage our risks through a Corporate Risk Register. This ensures that risks to our ability to deliver our work are monitored through the year and reported to our Executive Team and Board on a regular basis. In 2021/22 there were five key risks which were rated as high during the year.

Key Risks	Risk Mitigation
Climate Change	Climate Change plays a significant role in the consideration of activities we undertake and how we can best mitigate against organisational impacts, such as extreme weather impacting on our infrastructure and ability to move around the Park. If we are not able to unite with key stakeholders, as well as the wider public to secure their co-operation to address the global climate emergency, this could result in the failure to achieve planned outcomes for both the climate and nature. We have begun to implement our Mission Zero Route Map which ensures that the National Park Authority plays our role in reducing emissions and tackling climate change, with the goal of being a Net Zero Organisation by 2030.
Nature crisis	To address the Nature crisis facing us, we have begun to develop our Future Nature Route Map, with implementation being phased. We have prioritised both financial and staff time investment in this area to ensure that we can achieve our plans. Again, we cannot address this in isolation and if we are not able to unite with key stakeholders and delivery partners, we will not be able to achieve the landscape scale projects needed to enhance biodiversity. Failure to act on this risk would have an impact on the National Park Authority, calling into question our role given our statutory aims.
Visitor Pressures	Increases in visitors to the National Park present challenges in terms of ensuring that visitors and communities both have a positive experience. Issues such as littering, parking and antisocial behaviour require to be addressed to ensure that this happens effectively. We have actively led on engaging partners in strategic discussions to improve the co-ordination of services and resources to be more responsive to the demands placed upon us collectively. We continue to communicate and engage with local stakeholders around the issues and the role they can play in assisting to address them. We also developed and implemented plans to deploy full time and seasonal resources to address the most acute pressures.
Business Continuity and Cyber Security	A key risk that we have actively managed this year is around business continuity and cyber security. COVID-19 remained a significant risk to the business, particularly where we may have had single points of failure or reliance on a key person. We took steps to address this, enabling us to be more resilient. Similarly, with staff working in a hybrid way for part of the year, we continued to invest in new IT hardware and system that increased our IT and organisational resilience.
Budget	As a result of the ongoing annual budgeting cycles, we face year to year uncertainty in our Grant in Aid. To address this, we maintain strong strategic relationships with Scottish Government and Ministers to share National Park Authority achievements and aspirations to deliver against government priorities. In 2021/22, we adapted our organisational shape and increased internal resources to ensure high quality outcomes could be delivered with the funding uplift.

For more information on how we identify and manage risks, please see our [Risk Management Framework](#).

# Performance Analysis

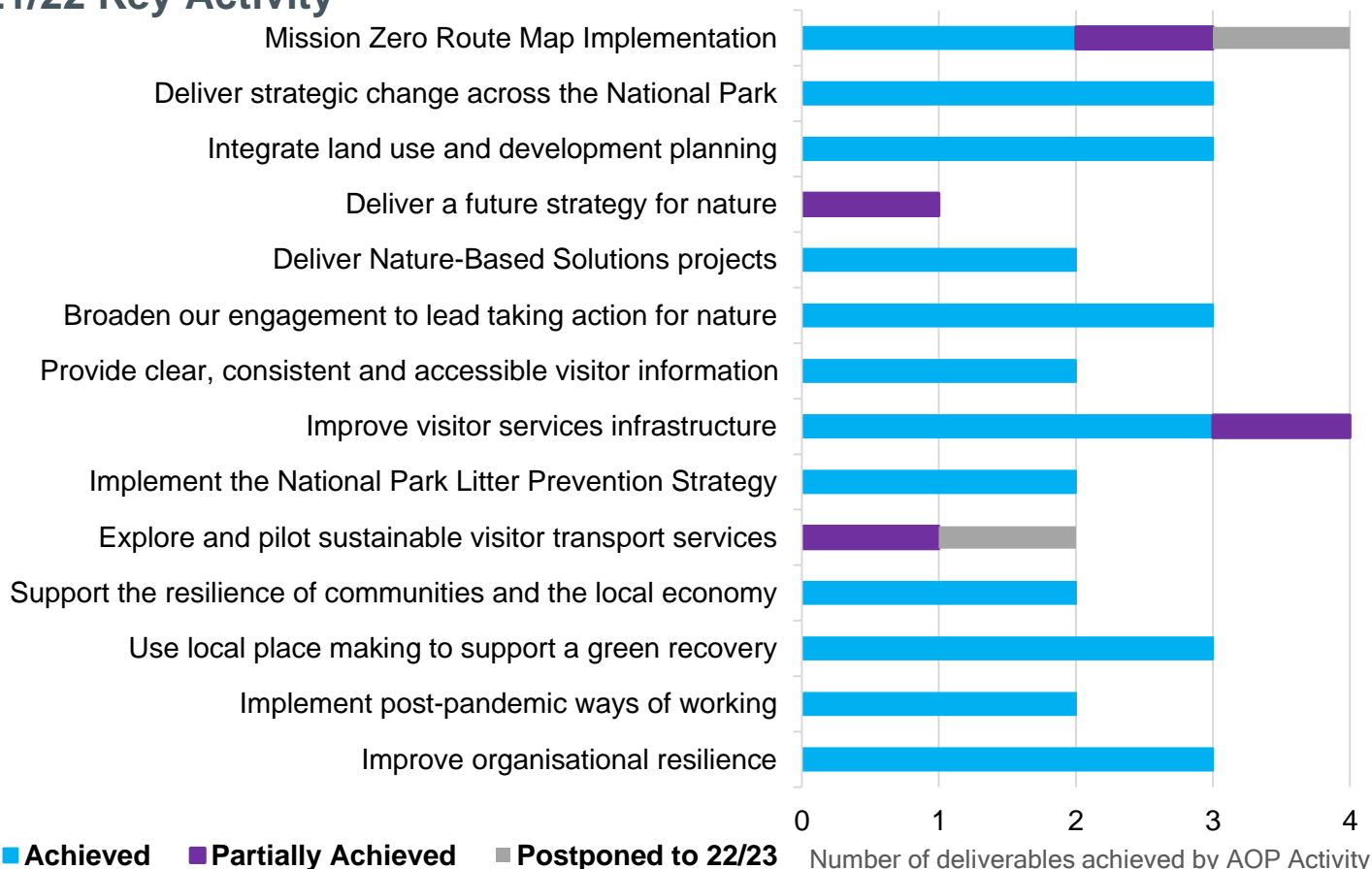
## Performance against Key Deliverables

As well as reporting on our contributions towards the National Performance Framework, we also monitor and report on our performance towards achieving our key deliverables. These are specific objectives which we aim to complete over the year and link to both Our 5-Year (Corporate) Plan and the National Park Partnership Plan.

Of the 36 key deliverables set out in our [Annual Operational Plan](#) that we planned to achieve over the full year, 30 are Complete (Blue), 4 have been Partially Achieved (Purple) and 2 have been postponed to 2022/23 (Grey). This equates to an 83% completion rate over the year. The progress on those Partially Achieved or Postponed to 2022/23 is below.

- Due to changes within the procurement market because of both COVID-19 and the EU Exit, resulting in increased material costs and availability of specialist contractors, we have struggled to procure some technologies and services that would have assisted in the infrastructure upgrades across our estate in line with our Mission Zero Route Map. This will be factored into our implementation plans for 2022/23, which will allow us to remain on target to become a net zero organisation by 2030.
- We were not able to progress some work around visitor services infrastructure as quickly as we would have liked; again, this was, in part, down to the changes within the procurement environment. In addition to this, our budget settlement for 2021/22 meant that we had the ability to increase our staffing capacity and we took time through the year to build a team with the right skills and ability to deliver.
- There were some delays in recruitment to key roles due to dealing with the significant visitor season that would have allowed us to progress the exploration of sustainable visitor transport services, however, we have made substantial progress over Q4. We expected delivery of a pilot service over the 2022/23 year, however as result of a shortage of bus drivers, this has not been possible. This intention remains to pursue a pilot project in 2023/24.

## 2021/22 Key Activity



# Detailed Performance Analysis against our 2021/22 Corporate and Annual Operational Plans

This section of our Annual Report and Accounts considers the progress that has been made under the priorities set out in our Annual Operational Plan above, through the lens of Our 5-Year (Corporate) Plan and has been aligned as per the priority themes identified within Our 5-Year (Corporate) Plan.

## Priority 1: Litter

The greater presence on the ground, combined with the increase in visitor numbers and longer visitor season, saw an increase in the amount of litter being recorded and removed overall. More litter was removed by the National Park Authority in 2021 than in the previous two years combined, though this includes the shorter 2020 season. Compared with 2019, the most recent full season and busiest year, there was a 32% increase in the total amount of litter recorded, but also a 111% uplift in the amount removed.

In April 2021, a coordinated push on litter removal with partners saw 1,203 bags of rubbish collected in one month. Friends of Loch Lomond & the Trossachs (together with the local community) ran a litter bin pilot scheme which involved the installation of 20 bins, emptying services and monitoring activities. However, litter continued to be an issue at popular locations and much more litter was recorded than in previous years. In addition, volunteers gave the equivalent of 512 hours helping to litter pick sites and lifted 674 bags of litter over the season.

In addition to this, we procured a number of replacement bins totalling £33,407, as well as inputting to the national litter and flytipping strategy, ensuring that the challenges faced within National Parks are considered within the wider litter and flytipping discussion.

Annual Operational Plan Activity linked to this Priority	Annual Operational Plan Deliverables linked to this Priority	Status
3.3. Implement the National Park Litter Prevention Strategy	Develop and deliver priority projects and targeted interventions, including those informed by engagement with the Litter Prevention Action Group	C
	Support regular, self-led volunteering activities, subject to COVID-19 restrictions	C

Key:

C Complete PA Partially Achieved Po Postponed to 2022/23

## Priority 2: Visitor Infrastructure

This year saw us complete two Strategic Tourism Infrastructure Development studies (STIDs) for key tourism hotspots in the National Park - East Loch Lomond and West Loch Lomond. This was funded in part by the Scottish Government's Rural Tourism Infrastructure Fund, as part of its COVID-19 recovery plan (administered by Visit Scotland). We were awarded a total of £70,000 to undertake design and development planning work within each area. This work forms the basis of the multi-year capital investment plan presented to the Board in June 2022 that considers what is achievable for us as an organisation, but also collectively with partners and stakeholders.

To support the Sustainable Travel and Modal Shift work, we have developed outline designs at Loch Achray for the first phase of a potential Sustainable Travel Hub site; this was not given approval, and we are now investigating the technical constraints and management options for siting at Ben Venue as an alternative location.

We began significant maintenance work on our piers and pontoons across Loch Lomond at a cost in 2021/22 of £234,523; we instigated careful management of these works to minimise disruption to loch users over the period of works, however, some closures were unavoidable. Ongoing path and bridge maintenance saw planning permission granted for path upgrades at Conic Hill, as well as the removal of Bracklinn Bridge. During 2021/22, we engaged in a process to identify a new tenant for Luss Visitors Centre; sadly, the preferred tenant withdrew



from this process in early February 2022, citing material changes in the economic environment as the primary reason.

Over £16.5k was generated because of business support, retail, donations, and grants to further work on the West Highland Way. This included a grant from Bord Na Gaidhlig to develop itineraries and promote Gaelic along the route. Whilst progress was made on this deliverable, COVID-19 has delayed where we had anticipated being at this point. In 2021/22, we introduced a request to organisers of events along the West Highland Way to make a donation to path and infrastructure development.

Annual Operational Plan Activity linked to this Priority	Annual Operational Plan Deliverables linked to this Priority	Status
3.2. Improve visitor services infrastructure	Create a multi-year capital investment plan that considers what strategic investment would better support sustainable visitor management in the National Park	C
	Undertake specific improvements such as car park and path improvements, as well as identify a new tenant for our Luss Visitor Centre	PA
	Further our work on income generation for the West Highland Way	C
	Deploy temporary measures to alleviate pandemic-related visitor volume pressures	C

Key:

C Complete PA Partially Achieved Po Postponed to 2022/23

## Priority 3: Sustainable Organisation

We believe that as a National Park Authority, whose fundamental aim is to conserve and enhance the natural heritage of this special part of Scotland, we should be a leading organisation in reducing our greenhouse gas emissions. We appointed a technical specialist design consultant to advise on options for emissions reduction and renewable energy installation and submitted planning permission for initial phases of work at Balmaha Visitor Centre and Duncan Mills Memorial Slipway. This has not progressed as we would have liked in 2021/22, primarily because of difficulties in attract the contractors and technical advisers needed.

We have been working with the Energy Savings Trust to produce a Fleet Decarbonisation Report, which was received at the beginning of April 2022. This will feed into the development of our Fleet Strategy and inform operational decisions around reduction of our petrol and diesel vehicles.

Our Developing Work Programme has allowed us to start to look more broadly at wider emissions reductions; the aim is to gather emissions data from all consumption-based activity within the National Park and prepare a baseline which will enable us to start considering setting a net zero target for the whole National Park as a place. In addition to this, we have trained 2 cohorts of staff as Carbon Literacy Champions, who are actively using their new skills to enact efficiencies within their areas of the organisation.

Annual Operational Plan Activity linked to this Priority	Annual Operational Plan Deliverables linked to this Priority	Status
1.1. Start to implement our Mission Zero Route Map to be a net zero organisation by 2030	Develop a detailed implementation plan for the next two to three years of investment and change within the National Park Authority	C
	Deliver infrastructure upgrades across our estate including heat pump installations, new electric vehicle charging points, and lighting upgrades	Po
	Review our fleet requirements and create a new management strategy for our road vehicles to identify how we will electrify our fleet and curtail petrol/diesel along the way	PA

	Engage our staff, Board, and volunteers to support and encourage positive behavior to reduce emissions, including through a review of our organisational policies	C
1.2.	Build momentum for coordinated climate action within the National Park	C
Work with our partners to deliver strategic change across the National Park	Leverage opportunities that the UN's COP 26 event in Glasgow provides	C

**Key:**

C Complete PA Partially Achieved Po Postponed to 2022/23

## Priority 4: Attractive, Accessible and Healthy Destination

The National Park Safe Recovery Action Group (NSPRAG) partners prepared a Joint Response Visitor Management Plan (JRVMP) setting out a range of actions to be undertaken by partners to help alleviate the expected visitor pressures. As part of this, a joint Communications Plan was prepared at the start of the 2021 visitor season to support the delivery of the JRVMP. The National Park Authority website was the central hub for information with all partners using social media channels, media and PR.

Throughout the season, website traffic climbed to over 1.6m page views, a 5% increase on the same period last year with UK-based visitors making up over 90% of all website visits. The camping section of the website saw a 3% increase in traffic with over 500,000 page views in total. Water safety advice posts on social media had a combined reach of over one million people and over 50,000 engagements across all platforms.

We have been working with several partners and key stakeholders to develop both a tender to pilot a Shuttle Bus within the National Park and a Sustainable Travel and Modal Shift Report. The Shuttle Bus tender went live late March, and despite our best endeavours, we have been unable to progress this within 2022/23 due to a shortage of bus drivers. We also submitted responses to Scottish Government in relation to the draft Strategic Transport Review 2 and the draft 20% Reduction in Car Kilometres Route Map.

Annual Operational Plan Activity linked to this Priority	Annual Operational Plan Deliverables linked to this Priority	Status
3.1 Provide clear, consistent and accessible visitor information	Implement our Joint Response Visitor Management Plan (JRVMP) with partners including shared engagement, infrastructure and enforcement actions	C
	Provide strategic guidance on national visitor management communications and create engaging National Park-focused campaigns	C
3.4 Explore and pilot sustainable visitor transport services	Develop strategic thinking on how to deliver transport services and infrastructure that will promote modal shift from private car use to access congested places	PA
	Work with partners to develop and deliver new transport pilot projects, subject to pandemic restrictions	Po

**Key:**

C Complete PA Partially Achieved Po Postponed to 2022/23

## Priority 5: Placemaking and Sustainable Communities

Working with the community in Strathard, we engaged and consulted on the Strathard Framework, which was approved by the National Park Authority's Planning and Access Committee. Killin, Balquihidder, Lochearnhead and Strathyre and Callander have all begun to develop Community Place Plans, with each currently at a different stage. To support this work, as well as to raise awareness of Local Place Plans and our Local Development Plans, we hosted an event which allowed for the sharing of recent good practice with ideas of future work to shape support and a common framework.



We began the process of establishing the governance for our Regional Land Use Partnership pilot, working closely with the five pilot sites and Scottish Government to share learning and considerations around implementation.

The National Park Destination Group have this year been focusing on green recovery; we have been supporting a business-led initiative on recruitment for the hospitality sector which is having impacts across the UK. We have also published two new toolkits to support businesses; *Net Zero* and *Accessible Tourism*. In addition to this, we have been involved in ongoing economic research and data gathering, as well as providing continued support towards tourism infrastructure projects.

2022/23 is the final year of Callander's Landscape Partnership; plans are in place for the programme's close and legacy arrangements are in development. There have been agreed changes to activity; Coilhallan All-Abilities Trail project has been dropped from the programme due to unwillingness to take forward by partners and we have received an extension for the Falls of Leny project to the end of November 2022, which is being led by Callander Community Development Trust.

Annual Operational Plan Activity linked to this Priority	Annual Operational Plan Deliverables linked to this Priority	Status
<b>1.2.</b> Work with our partners to deliver strategic change across the National Park	Fund and support the Countryside Trust to work with communities and other stakeholders to develop and deliver local action for climate, nature and active travel	C
<b>1.3.</b> Integrate land use and development planning to help address climate and nature emergencies	Complete the Indicative Regional Spatial Strategy and the Strathard Framework	C
	Start the Regional Land Use Partnership pilot process	C
<b>4.2.</b> Use local place-making to support a green recovery in the National Park	Support more communities to prepare their own Community Place Plans to identify local place making priorities and actions needed to support lower carbon living and working with the Park	C
	Support the Destination Group, consisting of National Park tourism businesses, to help respond to the challenges and opportunities of the year ahead	C
	Support delivery of Callander's Landscape	C

**Key:**

C Complete PA Partially Achieved Po Postponed to 2022/23

## Priority 6: Fundraising

We provide our expertise and resources to communities to maximise the funding and in-kind contributions that can be attracted to support projects that will deliver our National Park Partnership Plan outcomes. In 2021/22, we received 24 applications to our Green Recovery Fund, totaling £542k – more than double the advertised amount available. We were able to award a total value of £186k to 11 grantees to assist with projects that advance the aims of the National Park Authority.

We have also explored ways to supplement our core funding. In 2021/22, we have secured over £300,000 to support key delivery priorities across 2021/22 and 2022/23. This has included £100,000 from Smarter Choices Smarter Places for Sustainable Visitor Transport Co-ordination and the Shuttle Bus pilot, and £100,000 from Scottish Government to support our work around Wild Strathfillan.

Annual Operational Plan Activity linked to this Priority	Annual Operational Plan Deliverables linked to this Priority	Status
4.1. Support the resilience of communities and the local economy in the National Park	Engage with communities to understand their priorities and work closely with public and third sector partners to coordinate support	C
	Use the National Park grant schemes and our planning role to support green recovery projects	C
4.4. Improve the organisations resilience	Identify ways to continue to supplement our core funding	C

**Key:**

C Complete      PA Partially Achieved      Po Postponed to 2022/23

## Priority 7: Policy-making

During 2021/22, we took steps in relation to policy-making that will support the National Park, its communities and its visitors, whilst conserving and enhancing the natural capital. We commissioned research on Nature Networks and Biodiversity Net Gain, as well as commencing a Housing Market Analysis. This will help us as we continue to consider how future development could contribute to a zero carbon National Park and will be further explored during 2022/23. We have also been developing a detailed Future Nature route map alongside draft outcomes and programme delivery frameworks in consultation with stakeholders.

Annual Operational Plan Activity linked to this Priority	Annual Operational Plan Deliverables linked to this Priority	Status
1.3. Integrate land use and development planning to help address climate and nature emergencies	Start to consider how future development could contribute to a zero carbon National Park as part of the new Local Development Plan	C
2.1. Develop a future strategy for nature	Develop a Future Nature Route Map including more ambitious landscape-scale nature restoration projects	PA
2.2. Deliver Nature-Based Solutions projects	Undertake peatland restoration and native woodland expansion projects	C
	Deliver targeted Wild Park projects and further develop a programme of funder-ready proposals	C

**Key:**

C Complete      PA Partially Achieved      Po Postponed to 2022/23

## Priority 8: Communication and Engagement

Every year, our communications play a vital role in delivering key messages to several key stakeholders, including local communities and visitors to the National Park. During 2021/22, we provided messaging around responsible visiting, including advice and examples of positive visitor behaviour and respect for nature. As the season progressed, we increased our focus on messaging around responsible toileting, water safety, sustainable travel and encouraging use of alternative hill/walking destinations to help disperse visitors from the most crowded areas.

Since the easing of lockdown restrictions, we saw an increase in the number of requests for engagement, both online and in person. This included a Junior Ranger programme with the Vale of Leven Academy, support for an outdoor nature engagement summer programme for families in West Dumbartonshire, as well as many other requests.

Similarly, volunteering was gradually able to open up again. We had volunteers undertaking litter picks, biodiversity surveys, mountain path surveys and Visitor Engagement; our volunteers shared our key messages around nature and climate and we worked to reduce the impact of volunteering on our organisational emissions.

In 2021/22, our volunteers delivered over 5,000 hours of volunteering across both National Park activities, and supporting partners, such as the Forth Rivers Trust.

During the COVID-19 pandemic, our Board and Committee meetings were carried out virtually and were live streamed to allow the public to view proceedings and make representations, where appropriate. During the year, a paper was approved by the Board to enable these hybrid meetings to continue, ensuring our governance processes remain as open to the public as possible. To facilitate this, we began technical upgrades to our systems with Headquarters.

Annual Operational Plan Activity linked to this Priority	Annual Operational Plan Deliverables linked to this Priority	Status
2.3. Broaden our engagement to lead diverse groups in valuing and taking action for nature	Provide easy ways for all visitors to the National Park to demonstrate and share their respect for nature during their visit	C
	Deliver our Junior Ranger programme, engage young people, and fund the education travel grant	C
	Support our volunteers in delivering more for nature	C
4.3. Implement post-pandemic ways of working	Develop a new model of working that overcomes some of the challenges of pandemic working while retaining the benefits of reduced commuting and better flexibility	C
	Determine how our Board and Committees will use virtual meetings in the future	C
4.4. Improve the organisations resilience	Making health, safety and wellbeing improvements	C
	Improve our digital services, including developing our skills, platforms, and disaster recovery	C

**Key:**

C Complete      PA Partially Achieved      Po Postponed to 2022/23

# Financial Budget Performance

The results for the year to 31 March 2022 are set out on pages 47 to 77. The Authority receives a Grant In Aid budget from the Scottish Government, known as Departmental Expenditure Limit or DEL. This is to cover the cash costs of capital and operating expenditure, net of other income sources and funding from partner agencies to jointly fund projects, and non-cash costs of depreciation and amortisation.

<b>Budget 2021/22</b>	<b>Resource DEL £000</b>	<b>Capital DEL £000</b>	<b>Total DEL Cash Budget £000</b>	<b>Non-Cash DEL £000</b>	<b>AME £000</b>	<b>Total Non- Cash Budget £000</b>
Budget Allocation	8,859	1,875	<b>10,734</b>	750	1,200	<b>1,950</b>

The DEL cash budget allocation for 2021/22 was £10.734m (2020/21 - £8.46m), which was split as £8.859m for operational cash costs (2020/21 - £7.127m) and £1.875m for capital cash costs (2020/21 - £1.333m).

Funding included:

- additional funding of £0.5m for operational costs to cover the loss of revenue and increased costs arising as a direct result of the COVID-19 pandemic (2020/21 - £0.4m)
- direct funding of £0.245m for work relating to the delivery of peatland restoration, conservation and management in the National Park (2020/21 - £0.222m)
- direct funding of £0.05m for landscape restoration project securing positive outcomes for biodiversity, tackling climate change, green recovery and regional land use management (2020/21 - £nil).

The Grant In Aid settlement represented a significant uplift on our previous budget allocation and allowed us the ability to address our COVID-19 response, our organisational resilience and the Annual Operational Plan priorities. The favourable budget settlement was a significant opportunity for us to strengthen our organisational capabilities and be more ambitious in our delivery plans. However, we were aware that it would take time to scale up our capacity quickly enough to achieve our ambitions. The risk of underspend, notably on the capital side, was recognised, monitored and reported on throughout the year to our Board and Scottish Government.

The non-cash budget allocated was £1.95m (2020/21 - £2.6m); £0.75m for DEL to cover our depreciation, amortisation and expenditure relating to accruing staff benefits charge for the year (2020/21 - £0.75m); and £1.2m for Annually Managed Expenditure (AME) to cover pension adjustments and impairments during the year (2020/21 - £1.85m).

The Authority is expected to manage its budget in accordance with its Financial Memorandum and the Scottish Public Finance Manual and to deliver an outturn for the year within the Scottish Government budget limits. The tables below show how the budgets available to the Authority have been utilised during the year and how the results have been reported, in accordance with the relevant reporting guidelines, to our sponsoring department of Scottish Government, The Environment and Forestry Directorate.

As detailed above, Scottish Government budget allocation is split between cash (resource and capital) and non-cash (DEL and AME). However, the Statement of Comprehensive Net Expenditure does not distinguish between these categories.

The Net Expenditure total of £13.248m includes

- non cash elements such as depreciation and amortisation on plant, property and equipment and intangible assets (Non-cash DEL),
- impairment losses on revaluation of assets (AME) and
- pension costs which include the actuarial calculation of the service cost of the fund and the net interest on the plans assets and obligations offset by our employer contributions (AME).

Capital grants and capital expenditure on others' land is also included in the Statement of Comprehensive Net Expenditure and this expenditure is not capitalised on the Statement of Financial Position. When these adjustments are taken into account, the revenue position against budget is an underspend of £53k.

Capital expenditure for Scottish Government budget comprises the cost of fixed additions capitalised on the Statement of Financial Position and the capital grants and capital expenditure on others' land, net of any capital income received. Total capital expenditure is £1.039m, which represents an underspend of £836k against the Scottish Government capital budget.

The tables below summarise performance against Scottish Government budget and reconcile the position in the Statement of Comprehensive Net Expenditure to budget.

Expenditure	Outturn		
	Resource DEL £000	Capital DEL £000	Total £000
<b>Net Expenditure*</b>	<b>13,248</b>		<b>13,248</b>
Less Non-Cash adjustments:			
Depreciation and amortisation*	(771)		(771)
Loss on revaluation of asset*	(1,615)		(1,615)
Pension adjustments (Note 20)	(1,624)		(1,624)
<b>Other Adjustments:</b>			
Cost of Fixed Asset additions (Notes 9/10)		607	607
Net capital grants and capital expenditure on others' land	(432)	432	-
<b>Total Cash Expenditure</b>	<b>8,806</b>	<b>1,039</b>	<b>9,845</b>
<b>Total Budget</b>	<b>8,859</b>	<b>1,875</b>	<b>10,734</b>
<b>Underspend</b>	<b>53</b>	<b>836</b>	<b>889</b>

\* Refer to Statement of Comprehensive Net Expenditure page 47

Non-Cash Expenditure	Outturn	
	Non-Cash DEL £000	AME £000
Depreciation and amortisation*	771	
Loss on revaluation of asset*		1,615
Pension Adjustments (Note 20)		1,624
<b>Total Non-Cash Expenditure</b>	<b>771</b>	<b>3,239</b>
<b>Total Budget</b>	<b>750</b>	<b>1,200</b>
<b>(Over)/ underspend</b>	<b>(21)</b>	<b>(2,039)</b>

\*Refer to Statement of Comprehensive Net Expenditure page 47

As noted in the Statement of Comprehensive Net Expenditure on page 47, income for 2022/23 was £1.32m (2020/21 - £2.48m) which included contributions from planning fees, property rental income, income from partners, other generated income and recharges. Programme income included funding from the National Lottery Heritage Fund and other partners towards the Callander Landscape Partnership project and income in relation to the West Highland Way. Project income included funding from Sustrans for the development and improvement of paths across the National Park; Visit Scotland Rural Tourism Infrastructure funding for feasibility and consultancy work at East and West Loch Lomond and for the Steamship Company at Loch Katrine; and NatureScot funding towards invasive non-native project species control at Inversnaid during the year.

The Statement of Comprehensive Net Expenditure on page 47 details expenditure for the year. Total expenditure was £14.57m (2020/21 - £10.04m), which included depreciation and amortisation of £0.77m (2020/21 - £0.69m), impairment on assets of £1.61m (2020/21 – net gain on revaluation of £1.22m) and net pension adjustments of £1.62m (2020/21 - £0.73m).

Capital additions totalled £0.61m during the year (2020/21 - £0.81m) and this included continued investment in our IT infrastructure and hardware; further electrification of our motor fleet; investment in our marine fleet and navigation infrastructure and water safety equipment; and investment in facilities and infrastructure at our offices and sites, including bins, traffic sensors and specification and design of renewable technology. The additions are shown in Notes 9 and 10 within Property, Plant and Equipment and Intangible Assets.

In the current year a cash underspend of £889k is reported, with revenue being £36k underspent and capital £836k underspent. Despite the uplift in capital budget, we were unable to spend the full budget allocation, with capital spend for the year totalling £1.04m (2020/21 £1.01m). The key issues restricting our ability to deliver on the capital budget in 2021/22 included supply chain problems, procurement challenges in receiving bids for tenders, COVID-19 infection and isolation impacting staff and contractor delivery and landowner engagement and agreement. The capital underspend was anticipated and reported to the Scottish Government and Board throughout the year.

On the revenue side, there was a small cash underspend. The Scottish Government reduced our Grant in Aid by £155k in Autumn 2021 to address the continuing financial challenges across the country arising from the COVID-19 pandemic. However, this cut was reversed in February 2022, which helped us relieve in-year pressures. We were able to use the majority, but not all, of the late funding, leaving a small revenue surplus for the year.

Non-cash AME is significantly over budget (£2.04m) as a result of pension adjustments and asset revaluations. However, the Scottish Government agreed that the Authority could incur expenditure up to £1.6m over its allocated AME budget, based on the expected change in valuation basis of one property. This property was previously considered a specialised property and valued on a depreciated replacement cost basis, but was re-classified as a surplus property at 31 March 2022 and fully impaired. The non-cash DEL was broadly in line with budget.

The Statement of Financial Position on page 48 details the Authority's assets, liabilities and reserves at 31 March 2022. The net pension liability has decreased from £6.28m at 31 March 2021 to £2.59m at 31 March 2022. This is primarily as a result of an increase in the fair value of the pension fund assets of £3.40m and a reduction in the pension fund liabilities of £0.29m. Positive fund investments have increased the asset valuation, with the actual investment return earned on assets exceeding the expected return. The change in financial assumptions, based on financial market conditions at 31 March 2022 have led to an overall reduction in the valuation of the pension fund liabilities. More details are included in Note 20 of the Annual Accounts.

We managed to achieve £184k (2020/21 - £201k) of efficiency savings in 2021/22 which equates to 2.2% of core resource DEL (2020/21 – 3.0%) through:

- Continued review of vacant positions and timing of recruitment, with roles being reviewed and not automatically replaced.
- Streamlining of internal project reporting.
- Additional operational cost savings as a result of the COVID-19 pandemic.

## Supplier Payment Performance

The Authority observes the Better Payment Practice Code which seeks to pay suppliers within 10 days of receipt of a valid invoice in accordance with Scottish Government targets set for measurement from December 2008. During the year ended 31 March 2022, the Authority paid 65% (2020/21 – 66%) of all its invoices within the terms of this payment policy. This reflects the impact of staff working remotely for a large part of the year. Against the contracted payment terms of 30 days, the Authority paid 95% of invoices against this target (2020/21 – 94%).



## Partnership Working

In addition to the work set out earlier in this Performance Report, we continue to work in collaboration with Cairngorms National Park Authority in relation to a number of internal and procured services and systems and in sharing and learning from good practice in policy and initiatives development.

The Environment and Economy portfolio of Scottish Public Bodies has a valuable Leadership Group to support effective partnership working and share good practice within the portfolio.

The National Parks Partnerships LLP was set up by the UK's 15 National Parks in order to create successful partnerships between the UK National Parks and businesses. During the year, the Authority continued its partnership with Columbia Sportswear, secured by National Parks Partnerships LLP. This five-year deal provides uniform for UK National Parks' rangers and staff. We continue to subscribe to National Parks Partnerships (our CEO chairs) which has delivered funding from commercial sources. This has generated income and project support and is innovating on green finance which may benefit nature projects in due course.

## Staff Engagement

As the pandemic continued, staff engagement became even more crucial. Regular communication was critical, and we encouraged in person meetings (when allowed) and all staff virtual meetings. The investment in Office 365 and access to Teams made a huge difference in our ability to communicate with colleagues.

As the year progressed and restrictions continued to ease, we turned our focus to what a return to the workplace would look like, whilst supporting staff to embrace the change that we knew was ahead of us. A survey was issued to all staff to get their feedback on what our new ways of working could look like, to help shape our future ways of working and instigated a pilot hybrid working approach towards the end of 2021/22.

## Anti-corruption and Anti-bribery Matters

The Authority has a zero-tolerance approach to fraud, bribery and corruption and our policies set out how we work to prevent, detect and manage these risks.

## Sustainable Development

In addition to the work set out above in relation to sustainable organisation (pages 14-15), we continue to engage with the actions and reporting duties linked to the Climate Change (Scotland) Act 2009. Mandatory [Public Bodies Climate Change Duties](#) Annual Reporting was completed and submitted to the Scottish Government in November 2021. The report covers the following areas: Governance, Management and Strategy; Emissions, Targets and Project; Adaptation; Procurement and Wider Influence; and Other Notable Activities.

## Complaints and Information Request Performance

The Authority complies with the Complaints Handling Procedure (CHP) as defined by the Scottish Public Services Ombudsman (SPSO). The majority of complaints are resolved at the initial stage of the procedure as frontline complaints which have a target response time of five working days. Some complaints are immediately escalated to the second stage of the CHP and handled as investigations if they are more complex in nature and cannot reasonably be answered within five working days. A complaint investigation has a twenty working day response time.



The SPSO has introduced five mandatory Key Performance Indicators (KPIs) to be used when reporting on complaints handling:

- Indicator One: Learning from complaints
- Indicator Two: The total number of complaints received
- Indicator Three: The number and percentage of complaints at each stage which were closed in full within the set timescales of five and twenty working days
- Indicator Four: The average time in working days for a full response to complaints at each stage
- Indicator Five: The outcome of complaints at each stage.

#### **Indicator 1: Learning from complaints**

We have clear systems in place to act on issues identified in complaints. In every instance, we;

- Seek to identify the root cause of complaint;
- Take action to reduce the risk of recurrence; and
- Systematically review complaints performance to improve service delivery.

Towards the end of the visitor season, and to support colleagues in the business to address challenges within Luss, a review of all complaints received from the geographical area was undertaken. This covered a raft of different subjects, such as litter, jet skis and antisocial behaviour. This was used to inform developments of a suite of proposals to help alleviate some of the pressures in this particular area. Similarly, complaint data will be used to inform the Loch Lomond (Navigation) Byelaw Review, which is taking place in 2022/23.

28% of visitor management complaints included issues around litter, which is a reduction from 2020/21 when it was 38%. This drop can be associated with the increase in litter infrastructure put in place by a number of stakeholders, as well as targeted litter picking campaigns. This evidences how we have learnt from complaints to address the root cause of an issue, seeing a subsequent reduction in complaints received.

During 2021/22, there was a drop in the number of complex complaint investigations received to 8 (2020/21 - 19), and we achieved 100% compliance in responding within 20 working days (2020/21 – 14 received a response within 20 working days - 74%). Effective management of frontline complaints has a positive impact in lessening the likelihood of a complaint requiring escalation to the investigation stage. Towards the end of 2021/22, a number of staff responsible for dealing with frontline complaints underwent additional training in order to continue to ensure that these are dealt with appropriately.

75% of complaint investigations related to planning issues (2020/21 - 42%), and 75% of all complaint investigations were not upheld (2020/21 –75%).

All complaint investigations are managed by a different team to the area of business that the complaints relates to, which ensures that the complaint is managed impartially and the day to day business of the team continues separately from any investigation.

#### **Indicator 2: Total number of complaints received**

#### **Indicator 3: Number and percentage of complaints at each stage which were closed in full within the set timescales of five and twenty working days**

	<b>Number received 2021/22</b>	<b>Number responded to within time limit (% of total received)</b>	<b>Number received 2020/21</b>	<b>Number responded to within time limit (% of total received)</b>
Frontline complaints	94	85 (90%)	79	66 (84%)
Complaint investigations	8	8 (100%)	19	14 (74%)
<b>Total complaints</b>	<b>102</b>	<b>93 (91%)</b>	<b>98</b>	<b>80 (82%)</b>

#### Indicator 4: Average time in working days for a full response to complaints at each stage

This is the first year of recording data on the average time in working days for responding to complaints as required by changes to the complaints process made by the SPSO.

Average time in working days to respond to complaints at stage 1 in 2021/22	3
Average time in working days to respond to complaints at stage 2 in 2021/22	18
Average time in working days to respond to complaints after escalation in 2021/22	11

#### Indicator 5 – outcome of complaints

This is the first year of recording data on the outcome of complaints using categories as required by changes to the complaints process made by the SPSO.

2021/22	Upheld	Not upheld	Partially upheld	Resolved
Frontline complaints*	10	12	16	55
Complaint investigations	0	6	1	1
<b>Total</b>	<b>7</b>	<b>19</b>	<b>17</b>	<b>55</b>

\*Due to the large volume of correspondence received in summer 2021, we inadvertently missed sending one frontline response, which is excluded from the numbers above.

The table below shows a breakdown of the number of information requests received. We achieved 98% compliance in responding to information requests and reviews within statutory deadlines in 2021/22 (2020/21 – 98%).

	Number received 2021/22	Responded to within time limit 2021/22	Number received 2020/21	Responded to within time limit 2020/21
Data Protection Subject Access Requests	1	1*	2	2*
Environmental Information Requests / Freedom of Information Requests	51	50	49	48
Environmental Information Reviews/ Freedom of Information Reviews	2	2	0	0
<b>Total requests and reviews</b>	<b>54</b>	<b>53</b>	<b>51</b>	<b>50</b>

\* Following receipt of a SAR, proof of identity is requested in accordance with standard processes. As no response was received the case was closed.

## Health and Safety Performance

The biggest health and safety risk for the organisation continued to be the COVID-19 pandemic. COVID-safe working and COVID safety measures continued to be ever changing as restrictions eased. Our Operational Guidance for working during COVID was reviewed and updated during the year as Scottish Government guidance for workplaces and sectors evolved.

Alongside this we progressed compliance in other areas as and when we were able:

- Review and development of our health and safety policies
- Continued development and review of our suite of site, visitor and organisational risk assessments
- Procurement of Vodafone/ORBIS for a new digital lone working safety cover service that primarily works from a mobile phone application
- Procurement of Display Screen Equipment (DSE) software that will support our DSE compliance and enhance individual workstation layouts and working habits as we move towards our hybrid working model.

Accident, Incident, Near Miss and Hazard reporting continued through the year, with close out implemented to prevent reoccurrence. The total number of accident, incident, near miss and hazard statistics are shown below. Reporting has improved on 2020/21, as a result of more in person working and staff's heightened awareness around safety and the importance of reporting. We have highlighted this through the staff bulletin and other initiatives to engage staff in the process.

There was one RIDDOR reportable incident involving a member of staff.

<b>Accidents/ Incidents/ Near Miss and Hazards</b>	<b>Total 2021/22</b>	<b>RIDDOR Reportable 2021/22</b>	<b>Total 2020/21</b>	<b>RIDDOR Reportable 2020/21</b>
Accident	9	1	3	1
Incident	17	-	5	-
Near Miss	14	-	2	-
Hazard	1	-	-	-
<b>Total</b>	<b>41</b>	<b>1</b>	<b>10</b>	<b>1</b>

Signed on behalf of Loch Lomond & The Trossachs National Park Authority

**Gordon Watson**  
**Chief Executive and Accountable Officer**

**[Date to be inserted]**

# Accountability Report

The Auditors review the Accountability Report for consistency with other financial information in the Accounts. This includes the full Corporate Governance Report and Parliamentary Accountability Report, and parts of the Remuneration and Staff Report.

## Corporate Governance Report

This report explains the composition and organisation of the Authority's governance structures and how these support the achievement of our objectives.

## Directors' Report

This section contains Information relating to membership of the Board and the Executive Team of Loch Lomond & The Trossachs National Park Authority.

### Executive Management Team

The executive management of the Authority was undertaken by the Executive Team comprising:

- Chief Executive – Gordon Watson
- Director of Environment and Visitor Services – Simon Jones
- Director of Engagement and Innovation – Anna MacLean
- Director of Place – Stuart Mearns
- Director of Corporate Services – Pete Wightman.

### Loch Lomond & The Trossachs National Park Board and Committees

Our Board is comprised of up to seventeen Members. Five Members are elected locally, the Scottish Government appoints six Members directly and appoints a further six following nominations by the four Councils in the Park area (Argyll & Bute, West Dunbartonshire, Stirling, and Perth & Kinross). The Members normally serve between four and five years. The Members' periods of office and attendance at Board and Committee meetings is noted below. The membership of all committees and groups is kept under review and amendments made as required. James Stuart is the Convener of the Board and his term runs until 31 January 2023. Full details of the Members are listed on our [website](#).

Board Membership is changing in 2022/23. The local elections for Board Members took place on 7 July 2022, with successfully elected candidates taking up their roles as Board Members from 8 July 2022 on a four-year term. The Local Authority elections took place on 5 May 2022, with the Local Authorities making nominations for Board Members to Scottish Government for approval. Our current Local Authority-nominated Board members remain as members until their appointment term comes to an end on 30 September 2022 and are eligible for a further term if nominated and approved.

Configuration of Board at 31 March 2022					Statutory committee attendance 2021/22			Non-Statutory committee attendance 2021/22	
Name	Nature of appointment	Date of most recent appointment	End of term	Committee membership	NPA Board (4 meetings)	Planning & Access Committee (8 meetings)	Audit & Risk Committee (4 meetings)	Chairs and Exec (4 meetings)	Futures Group (6 meetings)
Bob Darracott	(a)	05/07/2018	06/07/2022	CE, PI, LRB, F	100%	88%	*	75%	83%
Martin Earl	(a)	05/07/2018	06/07/2022	CE, PI, LRB, F	75%	75%	*	100%	100%
David McCowan	(a)	05/07/2018	06/07/2022	A, PI, LRB	100%	88%	100%	*	*
Willie Nisbet	(a)	05/07/2018	06/07/2022	CE, PI, LRB	100%	100%	*	100%	*
Billy Ronald	(a)	05/07/2018	06/07/2022	F	100%	*	*	*	50%
Claire Chapman	(b)	01/11/2018	31/10/2022	PI, LRB	100%	75%	*	*	*
Sarah Drummond	(b)	01/11/2018	31/10/2022	F	50%	*	*	*	100%
Ronnie Erskine	(b)	01/11/2018	31/10/2022	A, CE, PI, LRB	100%	75%	75%	75%	*
Heather Reid	(b)	01/11/2018	31/10/2022	A, F, CE	100%	*	100%	100%	83%
Christopher Spray	(b)	01/11/2018	31/10/2022	A, PI, LRB	100%	100%	100%	*	*
James Stuart	(b)	01/02/2015	31/01/2023	CE	100%	*	*	100%	*
Diane Docherty	(c)	01/10/2017	30/09/2022	PI, LRB	50%	63%	*	*	*
Danny Gibson	(c)	01/10/2017	30/09/2022	A	100%	*	50%	*	*
Alistair Berrill	(c)	01/08/2021	30/09/2022	PI, LRB	100%	50%	*	*	*
Murray Lyle	(c)	01/10/2017	30/09/2022	PI, LRB	50%	29%	*	*	*
Bobby Good	(c)	01/03/2020	30/09/2022	PI, LRB	25%	50%	*	*	*
Iain Shonny Paterson	(c)	09/11/2020	30/09/2022	PI, LRB	25%	50%	*	*	*

\*Attendance is not applicable as Board member is not a member of the specified Committee.

**Nature of appointment:** (a) Locally elected / (b) Appointed by Scottish Government / (c) Local Authority nominee

**Committee/Group membership:** (A) Audit & Risk Committee/ (PI) Planning & Access Committee/ (CE) Chairs & Executive Group/ (F) Futures Group/ (LRB) Local Review Body

**Board and Committee attendance is stated as:** Percentage of meetings attended

## Notification of Interests

The Authority has detailed policies in place for Board Members and staff governing situations where personal or business interests may arise in the activities and decisions of the organisation. It is the individual responsibility of Board Members and staff to ensure their register of interests are accurate and to advise the Authority of any changes to their register of interests within one month of these occurring in accordance with the Board Members' Code of Conduct and the Staff Register of Interest Policy respectively.

In such situations, Board Members and staff are required to disclose the nature of the interest and, if appropriate, exclude themselves from any part of the discussion or decisions relating to that matter. Registers of Interest are held for the Executive Team and Board Members. Board Members' interests are a matter of public record and are published on the Authority's website. An annual review of interests takes place for all Board Members, the Executive Team and staff requesting that any changes to notifiable interests be updated and recorded. In 2021/22, we reviewed our Staff Register of Interest policy and the process surrounding declarations. All staff are now required to make a submission, regardless of whether they have interests to declare. These are collected electronically, stored securely, and distributed to the appropriate staff members to manage conflicts of interest.

Regular updates are made to Members' Registers of Interests, with declarations made throughout the year. The most recent updates were provided by Board Members before the 31<sup>st</sup> March 2022.

Responsibility for declarations lies with individual Members. All Board Registers of Interests are published on our website: [National Park Website - Board Register of Interest](#) (click on Member's name to view their Register of Interests).

The Standards Commission for Scotland published an updated Model Code of Conduct for Members of Boards of Devolved Public Bodies in December 2021, following a consultation in which we participated. This sets out the manner in which our Board Members are expected to conduct themselves in their role, and can be viewed on our website: [National Park Website - Code of Conduct for Board Members](#).

## Information & Data Security

The Authority has had no instances of loss of data or personal information over the course of the year which required disclosure to the Information Commissioner (2020/2021 – nil).

There were two minor cases of emails being sent to incorrect recipients and a case where email addresses for an online meeting were shared instead of being blind copied in error as detailed on page 34.

In order to test, assess and improve on data security, penetration testing is done annually under the Cyber Security Essentials Plus programme. The Authority renewed its Cyber Security Essentials Plus certification in January 2022. The Governance Statement on page 30 sets out more information on the Authority's range of internal controls and the review mechanisms to ensure data security.

## Whistleblowing Policy

No whistleblowing complaints were received during 2021/22 (2020/21 – nil).

## Statement of Accountable Officer's Responsibilities

Under Section 25(1) of The National Parks (Scotland) Act 2000, the Scottish Ministers have directed Loch Lomond & The Trossachs National Park Authority ("the Authority") to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction.

The accounts are prepared on an accruals basis and must give a true and fair view of the state of the affairs of the Authority and of its income and expenditure, Statement of Financial Position and cash flows for the financial year. The Authority's Management Statement and Financial Memorandum, sets out the roles and responsibilities of Scottish Ministers, the sponsoring team in the department, the Board, the Convener and the Chief Executive as Accountable Officer.

The accounts of the Authority are audited by an auditor appointed by the Auditor General for Scotland in accordance with paragraph 25(2) of The National Parks (Scotland) Act 2000. The auditor appointed for 2021/22 is Grant Thornton UK LLP.

The Independent Auditor's Report is on page 43 and details of the auditors' remuneration are given in Note 8 of the Annual Accounts.

### The Board

Board Members have corporate responsibility for ensuring that the Authority complies with any statutory or administrative requirements for the use of public funds and the aims and objectives set by Scottish Ministers.

### The Convener

The Convener of the Authority is responsible to the Scottish Ministers for ensuring that the Authority's policies are compatible with those of the Scottish Ministers and that there is probity in the conduct of the Authority's affairs.

### The Accountable Officer / Chief Executive

In preparing the Accounts, the Accountable Officer is required to comply with the requirements of the Government Financial Reporting Manual (FReM) and in particular to:

- Observe the Accounts Direction issued by the Scottish Ministers, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements and estimates on a reasonable basis;
- State whether applicable accounting standards as set out in the Government Financial Reporting Manual (FReM) have been followed, and disclose and explain any material departures in the Accounts;
- Prepare the Accounts on a going concern basis; and
- Confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

In accordance with section 15 of the Public Finance and Accountability (Scotland) Act 2000, the Permanent Secretary as the Principal Accountable Officer for the Scottish Administration, has designated the Chief Executive as Accountable Officer for Loch Lomond & The Trossachs National Park Authority. The responsibilities of an Accountable Officer, including responsibility for propriety and regularity of the public finances for which the Accountable Officer is answerable, for keeping proper records and for safeguarding the Authority's assets are set out in the Memorandum of Accountable Officer responsibilities issued by the Principal Accountable Officer on the appointment of the Accountable Officer. This includes requirement to comply with the guidance set out in the Scottish Public Finance Manual and Managing Public Money published by the HM Treasury.

The Accountable Officer also has a general responsibility for taking such steps as are reasonably open to safeguard the assets of the Authority and to prevent and detect fraud and other irregularities.



## **Disclosure of information to auditors by the Accountable Officer**

As the Accountable Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the Authority's auditors are aware of the information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

## **Accountable Officer's statement on the Annual Report and Accounts**

I confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and that I take personal responsibility for the Annual Report and Accounts and the judgments required for determining that it is fair, balanced and understandable.

## **Governance Statement**

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of Loch Lomond & The Trossachs National Park Authority's policies, aims and objectives, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in the Management Statement for Loch Lomond & The Trossachs National Park Authority. In discharging this responsibility I am held accountable by the Authority's Board, and by Scottish Ministers.

In particular, the Authority's Board has Committees in place to develop policy and strategy, discuss emerging issues in relation to the management of governance and priority issues, maintain the sustainability and security of the organisation and advise the Board on risk, control, audit and governance. Each Committee has remits to ensure elements of the Authority's corporate governance, financial management, and internal control systems, including risk management systems, are in place and function effectively.

The [Scottish Public Finance Manual \(SPFM\)](#) is issued by the Scottish Ministers to provide guidance to the Scottish Government and other relevant bodies on the proper handling of public funds. It sets out the relevant statutory, parliamentary and administrative requirements, emphasises the need for economy, efficiency and effectiveness, and promotes good practice and high standards of propriety.

## **Board and Committee Structure**

The National Park Authority Board is made up of seventeen Board members. The Board agree the overall direction of the Authority and oversee the work of the Chief Executive and National Park staff. The Board meet in public at least three times a year and the members are tasked with ensuring effective and proper governance of the organisation.

We have two statutory committees that are required to meet and are held in public. During 2021/22 meetings were held predominantly virtually, with a return to in-person meetings from February 2022. All meetings were webcast live for public viewing.

- The Planning & Access Committee which normally meets monthly to consider certain planning applications, enforcement actions, policy papers, legal agreements and access matters. The Local Review Body is made up of members of the Planning & Access Committee and meets as required to hear appeals and reviews.
- The Audit & Risk Committee which meets up to four times a year to support the Accountable Officer in their responsibilities for issues of risk, control and governance and associated assurance.

In addition, there are two other Committees as at 31 March 2022

- The Chairs and Executive Group is a standing non-statutory group of the Board and is advisory only. Meetings are timed to ensure effective reporting to and advice on decision-making to the full Board and as a non-statutory group, meetings are not held in public. The meeting provides a responsive grouping of Board members and Executive team staff in order to be able to discuss emerging issues in relation to the management of governance and priority issues or developments; to maintain the sustainability and security of the organisation; and to advise the Board on strategic risk or opportunities. The Chairs and Executive Meetings report to the Board.

- The Futures Group is a non-statutory group of the Board and is not held in public. The Futures Group provides an opportunity for Board members to contribute to early thinking on strategic topics. The Futures Group have considered strategic and long-term thinking on Sustainable Transport and the Place Programme in 2021/22.

## **The Operation of the Board and Committees**

The governance structure allows a balance of Board time between the oversight of the organisation's performance, discussion and development of policy and strategy and in engaging with issues and stakeholders in the National Park. The structure ensures that the Board is well informed on organisation performance, whilst delegating more detailed responsibilities appropriately to statutory and non-statutory Committees.

The Board and Committees met on the following basis during the year:

- The Board held four formal meetings – three of which were virtual and one of which was in-person. All of the meetings were webcast live for public viewing. These meetings were supplemented by a strategic development day.
- The Futures Group met seven times during the year, including three sessions for all members of the Board.
- The Audit & Risk Committee met four times to review corporate risk and governance, fraud risk, the Annual Accounts, Annual Report and accounting policies and the work of Internal and External Auditors.
- The Chairs and Executive Group met four times to discuss emerging issues in relation to governance, financial performance and strategies for the organisation.
- The Planning and Access Committee met eight times to consider certain planning applications, enforcement actions, policy papers, legal agreements and access matters. There was one site visit conducted by the committee in 2021/22.
- The Local Review Body met six times to hear planning reviews.

The outcomes from the Board and its Committees during the year included approval of;

- An amended Core Paths Plan
- Our Future Nature strategy and route map
- Our Equalities Mainstreaming Report
- The Board schedule and calendar for 2021/22 and 2022/23
- The establishment of a non-statutory sub-group of Board members and external stakeholders to commence work on the National Park Partnership Plan for 2024-29.
- Our Risk Management Framework
- The Annual budget and Annual Operating Plan for 2022/23
- The 2020/21 draft Annual Report and Accounts.

## **Internal Audit**

Recommendations from independent Internal Auditors form a key and essential element in informing my review of the effectiveness of the systems of internal control within the Authority. The Board's Audit & Risk Committee also plays a vital role in this regard, through its review of audit recommendations arising from reviews of internal control systems and its consideration of proposed management action.

In particular, the Audit & Risk Committee is tasked with overseeing the development of internal audit plans, reviewing the scope, efficiency and effectiveness of the work of Internal Audit, confirming the adequacy of internal control systems, promoting best practice and bringing any material matters to the attention of the full Board. Detailed findings of all audit reviews are made available to both management and the Audit & Risk Committee. The Internal Audit function independently follow up on the implementation of recommendations and report their findings to the Audit & Risk Committee. The Audit & Risk Committee reports to the Board on the adequacy and effectiveness of the Authority's internal controls.

The Internal Audit function is an integral element of the Authority's internal control systems. Audit Glasgow, part of the Glasgow City Council internal audit team, were awarded the contract for Internal Audit Services following

the procurement process for three years from 1 April 2020 to 31 March 2023, with provision for a two-year extension.

The Internal Auditors presented the Internal Audit Annual Plan for 2022/23 and the Audit Universe, which details the key areas that are covering during their appointment to the Audit & Risk Committee. Over the course of the year to 31 March 2022, Internal Audit have reported to the Audit & Risk Committee on their independent reviews on IT Governance, Fleet Management, Planning Application Management, Review of Health and Safety and Business Continuity. Audits were completed on Risk Management and GIS Governance during the year, with the findings being reported to the Audit & Risk Committee in June 2022.

As part of the internal audit process, each member of the Executive team prepares an annual statement of assurance that is presented to myself as CEO and Accountable Officer, and shared with the Audit & Risk Committee. These annual statements indicate that reasonable assurance can be placed on the adequacy, effectiveness, robustness, and proportionality of each of the Services arrangements for control, governance and risk management in the year.

### **External Audit**

Grant Thornton UK LLP are in their final year of their contract as the Authority's External Auditor. The appointment of Grant Thornton was for the audit for the financial years of 2016/17 to 2020/21 inclusive. However due to the COVID-19 pandemic, the Auditor General for Scotland and the Audit Commission for Scotland extended the audit appointment by one year, in line with provisions in the current contracts that allow for extensions of up to two years. The extension was through to the audit of the 2021/22 financial year.

Audit Scotland conducted a tender exercise in 2021/22 on behalf of the Auditor General for Scotland and the Accounts Commission for Scotland and the confirmed auditor for the Authority for the financial years 2022/23 to 2026/27 is Mazars.

### **Fraud, Bribery and Corruption**

The remit of the Audit & Risk Committee also includes receiving reports and advising the Board of any fraud, bribery or corruption, successful or attempted. There were no fraud, bribery or corruption attempts to report.

### **Best Value**

The Authority is subject to a duty of Best Value as set out in the SPFM and the Best Value in Public Services, Guidance for Accountable Officers (Best Value Guidance), issued by the Scottish Government in March 2011. The Authority demonstrates compliance with Best Value Guidance by preparing a summary annual report for review by the Audit & Risk Committee. The Audit & Risk Committee received the Annual Report on Best Value for 2021/22 in June 2022 confirming our compliance with the Best Value Guidance to Accountable Officers. The main monitoring tool we use to demonstrate continuous improvement is our Annual Operational Plan update which is also reported to the Board.

### **COVID-19 Governance Arrangements**

The operating environment continued to be impacted by the COVID-19 pandemic throughout 2021/22, and the amended governance arrangements which were implemented in 2020/21 continued to ensure appropriate Board Member oversight and timely decision making during the pandemic and to facilitate virtual Board and Committee meetings which could be broadcast to the public. This included formal agreement that for the duration of the social distancing restrictions, Board, Committee meetings and the Local Review Body could be held virtually, in line with the provisions in the Standing Orders.

With staff largely continuing to work remotely and social distancing measures still in place, the majority of Board and Committee meetings were held virtually in 2021/22. Following the expiration of the temporary legislation passed by the Scottish Parliament on 30 September 2021, a number of meetings began to take place in person, although caution was still exercised as the 'Omicron' variant emerged and Scottish Government guidelines were updated. From February 2022, all statutory meetings have returned to being held in person.

All statutory meetings have continued to be streamed online via our website to allow members of the public to access proceedings remotely – this has maintained the increased accessibility and reach of our public access. The Board have approved a proposal to allow 'hybrid' meetings to take place following an upgrade to the required hardware and software capacity.

### **Board Continuity and Development**

2022 sees the potential for a large amount of change in Board membership and committee make up, with Local Government elections, the Authority's local elections and the expiry of ministerial appointees' terms. In order to manage and plan for this period, a number of operational activity plans have been developed:

- Board Appointments Plan 2022 (including Locally-elected Members Plan)
- Board Equality and Diversity Plan
- Board Training and Development Plan (including Induction Plan)

A Board Shadowing Pilot Project has also been developed, starting in June 2022.

### **Risk Management**

All bodies to which the SPFM is directly applicable must operate a risk management strategy in accordance with the relevant guidance issued by Scottish Ministers. The general principles for a successful risk management strategy are set out in the SPFM.

The Board recognises the importance of corporate risk management in the activities of the organisation. The Board has provided leadership on the importance of risk management at the highest level within the organisation through adoption of risk-based monitoring reports for delivery of the Annual Operational Plan objectives, National Park Plan delivery, and for wider assessment of organisational performance.

The Audit & Risk Committee and Executive Team lead on embedding risk management processes throughout the organisation. Both these groups consider the management of strategic risk and seek to ensure that the required actions to manage risk at a strategic level are appropriately reflected and incorporated in operational delivery plans. In 2021/22, on the recommendation of Audit & Risk Committee, the Board approved the adoption of our Risk Management Framework, which seeks to standardise risk management across all areas of the organisation.

As noted in the Key Risks on page 11, the Executive prepare a Corporate Risk Register, which is reviewed by the Audit & Risk Committee quarterly to provide scrutiny and oversight of the risks throughout the year. This includes scheduled risk deep dives; in 2021/22, Audit & Risk Committee asked for focus on both Reputational and Climate Change risks. Similarly to last year, we continued to monitor the impact of COVID-19 on the organisation.

As noted in the Performance Analysis on pages 12 to 18, the Authority has also adopted a risk based approach to the management and monitoring of its Annual Operational Plan, and key aspects of organisational performance and delivery. Any increased risk to achievement of targets is assessed, reported to the Executive Team, and, where required, remedial action determined and implemented.

### **Data Security**

Measures are in place to ensure that information is managed in accordance with relevant legislation. The Authority's policy is to maintain the highest level possible of data security in its operations. Over the course of 2021/22 we have continued to implement improvements to increase our data and systems security such as;

- Updating/removing End of Life software and systems
- Effective security patching
- Implementation of remote penetration testing solution to improve our security monitoring
- Improving server and storage update capabilities in order to improve security while making the process more efficient
- Upgrading our Machine Learning based Anti-virus solution to include extended logging to aid Cyber investigations
- Introduced a new Phishing training and simulation system

- We have set high levels of basic data security within M365, which will be fully developed in 2022/23
  - Blocked access from outside of the UK
  - ICT manage guest access to our Tenancy instead of users.

The Authority has undertaken a review of our cyber resilience over the last three years, and we have been delivering beyond the minimum-security benchmark that was set by the Scottish Government in the Cyber Resilience Action Plan for 2017/18.

- The Authority's Cyber Essentials Plus certificate was renewed again in January 2022. This certifies that the Authority is assessed as meeting the Cyber Essentials Plus implementation profile and therefore, at the time of testing, our ICT defences were assessed as satisfactory against commodity based cyber-attack.
- We continue to implement the National Cyber Security Centre's Active Cyber Defence programme, which includes protective DNS, email and web site monitoring.
- The ICT team are members of the Cyber Security Information Sharing Partnership, which is a joint industry and government initiative set up to allow UK organisations to share cyber threat information in a secure and confidential environment.

The Authority has had no instances of loss of data or personal information over the course of the year which required disclosure to the Information Commissioner (2020/2021 – nil). There were two minor cases of emails being sent to incorrect recipients. In a further case, a member of staff was directed to send an online meeting invitation to multiple external recipients, which should have been issued by email with the meeting link, using the blind copy function to avoid sharing all email addresses with all recipients. This error was quickly noted, and an email was sent with advice and contact details for all recipients to follow up with any concerns.

## Conclusion

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed by:

- The Executive and Managers within the organisation who have responsibility for the development and maintenance of the internal control framework, feedback from whom is obtained through regular meetings of the Executive team, Project Board meetings and discussed, as appropriate, at Operational Managers meetings.
- The work of the Internal Auditors, who submit regular reports to the organisation's Audit & Risk Committee which include independent and objective opinion on the adequacy and effectiveness of the organisation's systems of internal control together with recommendations for improvement.
- Comments made by the External Auditors in their management letter and other reports.

I have also been advised on the effectiveness of the system of internal control by both the Board and the Audit & Risk Committee. Appropriate action is taken to address recommendations made and ensure continuous improvement of our systems. The Internal Auditors review for 2021/22 concluded that the Authority has a system of internal control designed to manage risk to a reasonable level. Internal controls cannot eliminate the risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness.

The Internal Auditor's annual report for 2021/22 states that based on the audit work undertaken and the assurances provided by the Executive Team, in the opinion of the Internal Auditors, reasonable assurance can be placed upon the adequacy and effectiveness of the governance and control environment which operated during 2021/22 within the Authority.



# Remuneration and Staff Report

This report sets out the Authority's remuneration policy for directors, reports on how the policy has been implemented and sets out the amounts awarded to directors. The remuneration and staff report contain both audited information and information which is not subject to audit. The areas which are not subject to audit are highlighted with a '#' next to the heading. The areas not subject to audit are the Remuneration Policy, Board Members' Expenses and Trade Union facility time disclosures, within Employment Policies/ Consultation.

## Remuneration Report

### Remuneration Policy #

The Chief Executive's remuneration and Board Members' fees are directed by the Scottish Government's Public Sector Pay Policy for Senior Appointments. This body also sets, each year, the award for the Chief Executive and Board Members. The Chief Executive's contract is on a permanent basis with a three month period of notice. The annual pay remit for staff is also subject to Scottish Government approval and negotiation with our recognised Trade Union. In 2021/22, the Convenor, as authorised by the Board, implemented the 1% pay award available to Board Members in line with Scottish Government Pay Policy. Board members receive a set monthly payment based on a daily fee and agreed monthly time commitment.

### Local Government Pension Scheme

The Authority operates a Local Government Pension Scheme provided by Strathclyde Pension Fund, which is administered by Glasgow City Council and is a defined benefit scheme. Details of the contributions to and movements in the fund in the year are stated in Note 20 of the Annual Accounts. Details of the actuarial assumptions used in pension valuations are included in Notes 1.21 and 20 of the Annual Accounts.

### Disclosure of Remuneration – Chief Executive and Executive Team

Year ended 31 March 2022	Salary band at 31/3/22 £000	Salary band paid during 2021/22 £000	Allowances band £000	Accrued Pension Benefits <sup>(1)</sup> £000	Total Remuneration Band £000
<b>Chief Executive</b> Gordon Watson	90-95	90-95	0	0 <sup>(3)</sup>	90-95
<b>Directors</b>					
Simon Jones	60-65	60-65	0-5	10-15	80-85
Anna MacLean	55-60	55-60	0	10-15	65-70
Stuart Mearns	60-65	60-65	0	10-15	75-80
Pete Wightman	60-65	55-60 <sup>(2)</sup>	0	15-20	75-80

Year ended 31 March 2021	Salary band at 31/3/21 £000	Salary band paid during 2020/21 £000	Allowances band £000	Accrued Pension Benefits <sup>(1)</sup> £000	Total Remuneration Band £000
<b>Chief Executive</b> Gordon Watson	90 - 95	90 - 95	0	50-55	140 - 145
<b>Directors</b>					
Simon Jones	60 – 65	60 – 65	0 – 5	20-25	90 - 95
Anna MacLean	55 – 60	50 – 55	0	15-20	65 - 70
Stuart Mearns	60 – 65	55 – 60	0	20-25	80 - 85
Pete Wightman	60 – 65	55 – 60 <sup>(2)</sup>	0	15-20	75 - 80

- (1) The value of pension benefits accrued during the year is calculated as: (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual).
- (2) Pro-rata reflects flexible working arrangement.
- (3) Although the pension and lump sum has increased, along with the cash equivalent transfer value, the accrued pension benefit for the year has not increased after inflation has been excluded.

There were no other emoluments paid to the Chief Executive and the Executive Team in the year ended 31 March 2022 (2020/21 – nil).

Year ended 31 March 2022	Real increase/ (decrease) in pension value £000	Real increase / (decrease) in related lump sum £000	Total accrued pension at 31 March 2022 £000	Total related lump sum at 31 March 2022 £000	Cash equivalent transfer value at 31 March 2022 £000	Real increase/ (decrease) in cash equivalent transfer value (1) £000
<b>Chief Executive</b> Gordon Watson	(0-2.5)	(2.5-5)	50-55	80-85	834	(8)
<b>Directors</b>						
Simon Jones	0-2.5	0-2.5	5-10	0-5	113	9
Anna MacLean	0-2.5	0-2.5	5-10	0-5	100	7
Stuart Mearns	0-2.5	0-2.5	10-15	0-5	161	10
Pete Wightman	0-2.5	0-2.5	0-5	0-5	26	6

Year ended 31 March 2021	Real increase in pension value £000	Real increase in related lump sum £000	Total accrued pension at 31 March 2021 £000	Total related lump sum at 31 March 2021 £000	Cash equivalent transfer value at 31 March 2021 £000	Real increase in cash equivalent transfer value (1) £000
<b>Chief Executive</b> Gordon Watson	2.5-5	0-2.5	50-55	80-85	785	50
<b>Directors</b>						
Simon Jones	0-2.5	0-2.5	5-10	0-5	92	15
Anna MacLean	0-2.5	0-2.5	5-10	0-5	83	9
Stuart Mearns	0-2.5	0-2.5	10-15	0-5	138	14
Pete Wightman	0-2.5	0-2.5	0-5	0-5	15	6

(1) Excluding inflation and Executive contributions.

Gordon Watson, Simon Jones, Anna MacLean, Stuart Mearns and Pete Wightman are ordinary members of the Strathclyde Pension Fund.

### Cash Equivalent Transfer Value (CETV)

The CETV is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries. The real increase in the value of the CETV reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.



## Compensation on Early Retirement / Loss of Office

There were no exit packages in the year ended 31 March 2022 (2020/21 – nil). Exit costs are accounted for in full in the year of departure. Where the Authority has agreed early retirements, the additional costs are met by the Authority and not by the Strathclyde Pension Fund.

## Payments to Past Directors

There were no payments to past directors in the year ended 31 March 2022 (2020/21 – nil).

## Fair Pay

The Government Financial Reporting Manual (FReM) requirements for Fair Pay disclosures have been expanded for 2021/22 to include information on year on year salary changes and pay ratios.

The mid point of the highest paid Director's salary banding has increased by 2.4% between 2020/21 and 2021/22, reflecting the Scottish Government's public sector pay award. For the employees of the organisation as a whole, at 31 March 2022, the average percentage salary change from the previous year is a decrease of 0.5%. The reduction in the average salary is due to the increase in seasonal staff employed in March 2022. Excluding seasonal and agency staff, the average salary has increased by 6.6%, which is as a result of the Scottish Government's pay policy and a change in staff mix between years, with more staff employed at higher grade as at 31 March 2022.

The median total remuneration (the difference between the mid-point of pay taking into account all roles within an organisation) of all staff was £30,035 at 31 March 2022 (2020/21 - £31,115). The pay multiple between the mid-point of the highest paid director's banding and the median total remuneration of all staff was 3.1 (2020/21 – 3.0). The decrease in the multiple is as a result of the decrease in the median salary, which reflects the staff mix at 31 March 2022 and increased number of seasonal staff. At 31 March 2022, there were 40 seasonal staff employed by the Authority (2020/21- 16).

The tables below analyse the ratios between the highest paid director's remuneration and the remuneration of those employees on the 25th, 50th and 75th percentile of pay for the Authority's employees during the financial year.

Pay Ratio (including seasonal staff)	31 March 22	31 March 21
25 <sup>th</sup> Percentile	3.9 : 1	3.5 : 1
50 <sup>th</sup> Percentile	3.1 : 1	2.9 : 1
75 <sup>th</sup> Percentile	2.4 : 1	2.4 : 1

The increase in the pay ratios at the 25<sup>th</sup> and 50<sup>th</sup> percentile is due to a higher number of seasonal staff employed at the end of the 2021/22 financial year. Seasonal ranger headcount increased from 16 at the end of 2020/21 to 40 at the end of 2021/22 to meet the increasing demands of visitor management in the National Park.

When seasonal numbers are excluded from the calculations, pay ratios have remained broadly the same across financial years. When the impact of seasonal staff fluctuations are excluded, the Authority believes that the median pay ratio reflects the pay and progression policy for employees as a whole.

Pay Ratio (excluding seasonal staff)	31 March 22	31 March 21
25 <sup>th</sup> Percentile	3.5 : 1	3.5 : 1
50 <sup>th</sup> Percentile	2.8 : 1	2.9 : 1
75 <sup>th</sup> Percentile	2.4 : 1	2.4 : 1

## Analysis of Board Members' Fees and Expenses #

Board member	Nature of Appointment	2021/22 Fees £	2021/22 Expenses (2) £	2020/21 Fees £	2020/21 Expenses (2) £
Bob Daracott	(a)	15,535	-	16,353	-
Martin Earl	(a)	10,357	146	10,255	15
David McCowan	(a)	7,768	-	7,691	-
Willie Nisbet	(a)	15,536	-	15,382	-
Billy Ronald	(a)	7,768	-	7,691	-
Claire Chapman	(b)	7,768	403	7,691	-
Sarah Drummond	(b)	7,768	421	7,691	-
Ronnie Erskine	(b)	10,357	262	10,255	-
Heather Reid	(b)	7,768	-	12,773	-
Christopher Spray	(b)	7,768	255	7,691	-
James Stuart	(b)	20,713	2,306	20,509	-
Diane Docherty	(c)	7,768	-	7,691	-
Danny Gibson	(c)	7,768	-	7,691	-
Murray Lyle	(c)	7,768	-	7,691	-
Bobby Good	(c)	7,768	-	6,354	-
Iain Shonny Paterson	(c)	7,768	-	3,044	-
Alistair Berrill	(c)	5,189	231	-	-
Graham Lambie (1)	(c)	-	-	6,719	-
Ellen Morton (1)	(c)	-	-	5,748	-
		<b>163,135</b>	<b>4,024</b>	<b>168,920</b>	<b>15</b>

**Nature of appointment:** (a) Locally elected / (b) Appointed by Scottish Government / (c) Local Authority nominee.

(1) Passed away in 2020/21

(2) Some Board Members choose not to claim reimbursement of expenses from the Authority and in some cases are eligible to claim reimbursement of expenses from other sources.

## Staff Report

### Employment Policies/ Consultation #

The Authority has a Joint Negotiating and Partnership Forum (JNPF) in place, through which it ensures effective two-way communications with UNISON Trade Union representatives in resolving any issues arising and also on consulting on new initiatives. Two members of staff at the Authority (1.8 FTE) were Trade Union officials during the year and are paid for facility time. Total facility time for these employees totalled 35 hours, which as a percentage of working hours was between 1 and 50%. The total cost of facility time was £888 which represents less than 1% of the total pay bill of £7.9m (excluding Board Members). 100% of time spent on trade union activities by relevant union officials was paid facility time.

During 2021/22 key matters on which UNISON representatives were consulted were:

- COVID safe working,
- Equality and Diversity,
- Pay negotiations, and
- New ways of working

## Equality and Diversity

We are committed to supporting and promoting diversity on our Board, Executive Team and within our workforce. The Authority is an equal opportunities employer. We are also committed to meeting our duties under the Equality Act 2010. The Mainstreaming report sets out how we are mainstreaming equality and the progress we have made to deliver against the outcomes we have set ourselves. Our [latest mainstreaming report](#) was published in April 2021.

This year we rolled out 'Promoting equality of opportunity, diversity and inclusion' training across the organisation. A Board Diversity Plan has also been developed for the forthcoming Board appointments and elections in 2022 and from April 2022 all staff vacancies will be advertised internally and externally at the same time as we continually seek ways to have a more diverse workforce. We also developed a programme of Diversity and Inclusion awareness days throughout the year to tie in with significant events such as World Mental Health Day.

Our policies ensure that all staff are treated equally irrespective of their sex, marital/civil partnership status, age, race, ethnic origin, sexual orientation, disability, religion or belief, work pattern, employment status, gender identity (transgender), caring responsibility or trade union membership. Employment and promotion are on merit on the basis of fair and open competition.

We are committed to mainstream equality and diversity in every aspect. We have a ParkForAll working group where representatives from throughout the organisation, chaired by a Director, provide leadership and cultural change support to the organisation to deliver against our equalities duties ensuring equality is embedded into all work areas. Together our policies, strategies and approaches will support us in changing behaviours and culture to create a fully inclusive organisation and becoming representative of the society we serve, at all levels.

The Authority is committed to providing equal opportunities in employment and avoiding unlawful discrimination within the organisation. We are committed to avoiding unlawful discrimination in all aspects of employment including recruitment, promotion, opportunities for learning and development, pay, benefits discipline and selection for redundancy. This includes, but is not limited to, disabled candidates and employees. We have an Equal Opportunities Policy and ensure that we take reasonable steps to avoid features in our premises or policy or practice which puts a disabled person at a substantial disadvantage compared to people who are not disabled. We welcome applications for employment from all backgrounds. Person specifications are limited to those requirements that are necessary for the effective performance of the job. Candidates are assessed objectively against the requirements of the job, taking account of any reasonable adjustments that may be required for candidates with a disability.

## Staff Composition

The Authority's gender split of staffing at the end of the financial year was:

Headcount	31 March 2022			31 March 2021		
	Female	Male	Total	Female	Male	Total
Executive Team	1	4	5	1	4	5
Managers	18	7	25	14	6	20
Other Employees	84	77	161	74	56	130
<b>Total</b>	<b>103</b>	<b>88</b>	<b>191</b>	<b>89</b>	<b>66</b>	<b>155</b>

## Other Staff Details

Staff Numbers	2022	2021
Average Number of Board Members during the Year	17	17
Average Number of Full Time Equivalent Employees during the Year	149.6	135.0
<b>Analysis of Average Number of Full Time Equivalent Employees</b>		
Permanent	118.6	110.0
Fixed Term	16.4	17.8
Seasonal	14.6	7.2
Total	149.6	135.0

Numbers of staff with salaries above £70,000 (including Chief Executive)	2022	2021
£90,001 - £95,000	1	1
£70,001 - £90,000	-	-

Board Member and Staff Costs (Note 7)*	Note	2022	2021
		£	£
Board Members' Fees		163,135	168,920
Social Security Costs		4,196	5,199
<b>Total Board Members</b>		<b>167,331</b>	<b>174,119</b>
Permanent Staff Salaries		4,118,249	3,684,257
Social Security Costs		415,423	361,595
Pension Costs		760,423	689,305
<b>Total Permanent Staff</b>		<b>5,294,095</b>	<b>4,735,157</b>
Other Staff Salaries		1,002,752	839,735
Social Security Costs		79,707	70,526
Pension Costs		169,693	143,630
<b>Total Other Staff</b>		<b>1,252,152</b>	<b>1,053,891</b>
Apprenticeship Levy		10,746	8,777
(Decrease)/ increase in holiday accrual		(195)	105,779
Deduct: Included in Programme and Project figures		(173,198)	(188,927)
Deduct: Included in Fixed Assets additions (capitalised salaries)		-	(6,187)
<b>Total Permanent and Other Staff costs before adjustments for pensions reporting</b>		<b>6,383,600</b>	<b>5,708,490</b>
<u>Adjustments for Pensions Reporting</u>			
Add: Current Service Costs	21	2,403,000	1,484,000
Less: Employer's Contribution	21	(923,000)	(833,000)
<b>Total Permanent and Other Staff costs after adjustments for pensions reporting</b>		<b>7,863,600</b>	<b>6,359,490</b>
<b>Total Board Member and Staff Costs</b>		<b>8,030,931</b>	<b>6,533,609</b>

## Staff Turnover

Staff turnover, excluding seasonal staff, was 8.6% (2020/21- 3%).

## **Wellbeing**

During the year, the Authority recorded an average loss of 2.9 days per employee for sickness absence. The sickness absence level for 2021/22 is a further decrease from last year's figure of 4.1 days. Like other organisations we have seen a decrease in sickness absences, other than those COVID-19 related, while working from home and restrictions have been in force.

The health and wellbeing of our staff continues to be a priority while we try to return to some type of normal. We continue to support our staff by providing:

- Clear, consistent and regular communication to staff,
- Explicit recognition of the impact of the pandemic and that wellbeing continued to be our number one priority,
- Flexible HR policies in response to the pandemic, including temporary adjustment in our sickness policy to ensure that any staff impacted by the virus have the time off they need without penalty,
- Additional HR support to managers and staff including delivery of Resilience and Embracing Change training.

While many of our field staff have been back in the workplace for some months, under the Scottish Government guidance our office-based staff started to at return in March 2022. We are working hard to further develop the positive changes identified by the pandemic and engaging staff fully in designing new ways of working, while communicating clear targets for the coming year.

## **Expenditure on Consultancy and Off Payroll Arrangements**

The Authority had no consultancy remuneration or off payroll arrangements in the year ended 31 March 2022 (2020/21 – nil).

# Parliamentary Accountability Report

## Regularity of Expenditure

Loch Lomond & The Trossachs National Park Authority is held to account by the Scottish Ministers, in accordance with the requirements of The National Parks (Scotland) Act 2000. The Authority is expected to manage its budget in accordance with its Financial Memorandum and the Scottish Public Finance Manual and to deliver an outturn for the year within the Scottish Government budget limits.

The financial budget performance and details on income and expenditure are included on pages 19 to 21. A net cash underspend of £889k was reported for the year to 31 March 2022, with revenue being £53k underspent and capital £836k underspent. Non-cash expenditure was £2.0m over budget, following the reclassification of a property as a surplus asset.

Income for 2021/22 includes planning fees, property rental income, income and grant funding from partners, recharges and generated income, which includes boat registration, launch fees, camping income and car parking charges.

Expenditure for 2021/22 includes Board Member and staff costs, operating costs, project expenditure and programme expenditure in relation to the Callander Landscape Partnership and the West Highland Way. Non-cash expenditure includes depreciation and amortisation, impairment on property revaluation, movement in the holiday accrual and pension adjustments.

## Gifts and Charitable Donations

Gifts totalling £297 were made in the year (2020/21 - £70). There were no charitable cash donations made in the year (2020/21- nil).

## Losses, Special Payments and Write-offs

There was a bad debt provision for £66,419 in the year (2020/21 – £29,051) and no bad debt write offs (2020/21 - nil). There were two special payments totalling £37,191 in the year and no stock write-offs (2020/21 – one special payment of £5,000 and no stock write-offs). There were losses of £4,507 arising from asset write-offs (2020/21- nil).

## Remote Contingent Liabilities

There were no remote contingent liabilities as at 31 March 2022.

Signed on behalf of Loch Lomond & The Trossachs National Park Authority

**Gordon Watson**  
**Chief Executive and Accountable Officer**  
[Date to be inserted]



# Independent Auditor's Report

Independent auditor's report to the members of Loch Lomond & The Trossachs National Park Authority the Auditor General for Scotland and the Scottish Parliament

## Reporting on the audit of the financial statements

### Opinion on financial statements

We have audited the financial statements in the annual report and accounts of Loch Lomond & The Trossachs National Park Authority for the year ended 31 March 2022 under the National Parks (Scotland) Act 2000. The financial statements comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the 2021/22 Government Financial Reporting Manual (the 2021/22 FReM).

In our opinion the accompanying financial statements:

- give a true and fair view in accordance with the National Parks (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers of the state of the body's affairs as at 31 March 2022 and of its net expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2021/22 FReM; and
- have been prepared in accordance with the requirements of the National Parks (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

### Basis for opinion

We conducted our audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Auditor General for Scotland. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We were appointed by the Auditor General on 31 March 2016. The period of total uninterrupted appointment is six years. We are independent of the body in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern basis of accounting

We have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the body's current or future financial sustainability. However, we report on the body's arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

### **Risks of material misstatement**

We report in our separate Annual Audit Report the most significant assessed risks of material misstatement that we identified and our judgements thereon.

### **Responsibilities of the Accountable Officer for the financial statements**

As explained more fully in the Statement of Accountable Officer's Responsibilities, the Accountable Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Accountable Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accountable Officer is responsible for assessing the body's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention to discontinue the body's operations.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- obtaining an understanding of the applicable legal and regulatory framework and how the body is complying with that framework;
- identifying which laws and regulations are significant in the context of the body;
- assessing the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which our procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the body's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Reporting on regularity of expenditure and income

### Opinion on regularity

In our opinion in all material respects the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

### Responsibilities for regularity

The Accountable Officer is responsible for ensuring the regularity of expenditure and income. In addition to our responsibilities in respect of irregularities explained in the audit of the financial statements section of our report, we are responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

## Reporting on other requirements

### Opinion prescribed by the Auditor General for Scotland on audited part of the Remuneration and Staff Report

We have audited the parts of the Remuneration and Staff Report described as audited. In our opinion, the audited part of the Remuneration and Staff Report has been properly prepared in accordance with the National Parks (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

### Other information

The Accountable Officer is responsible for the other information in the annual report and accounts. The other information comprises the Performance Report and the Accountability Report excluding the audited part of the Remuneration and Staff Report.

Our responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon except on the Performance Report and Governance Statement to the extent explicitly stated in the following opinions prescribed by the Auditor General for Scotland.

### Opinions prescribed by the Auditor General for Scotland on Performance Report and Governance Statement

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the National Parks (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers; and

- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the National Parks (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

### **Matters on which we are required to report by exception**

We are required by the Auditor General for Scotland to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited part of the Remuneration and Staff Report are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

### **Conclusions on wider scope responsibilities**

In addition to our responsibilities for the annual report and accounts, our conclusions on the wider scope responsibilities specified in the Code of Audit Practice are set out in our Annual Audit Report.

### **Use of our report**

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 120 of the Code of Audit Practice, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Andy L Mack, (for and on behalf of Grant Thornton UK LLP),

30 Finsbury Square

London

EC2A 1AG

Date:

# Annual Accounts

## Statement of Comprehensive Net Expenditure

For the Year Ended 31 March 2022

	Note	2022 £	Restated 2021 £
<b>Expenditure</b>			
Programme Expenditure	4	(336,564)	(463,355)
Project Expenditure		(1,402,661)	(691,530)
Board Members and Staff Costs	7	(8,030,931)	(6,533,609)
Other Operating Costs	8	(2,404,952)	(1,661,889)
Depreciation and Amortisation	9/10	(770,869)	(690,838)
Provision for Impairment of Assets		(1,614,634)	-
Loss on Disposal of Property, Plant & Equipment		(4,507)	-
<b>Total Expenditure</b>		<b>(14,565,118)</b>	<b>(10,041,221)</b>
<b>Income</b>			
Planning Fees		162,547	121,527
Programme Income	4	336,564	463,355
Project Income		399,530	233,989
Other Income	6	416,203	430,502
Profit on Disposal of Property, Plant & Equipment		1,670	8,856
Net Gain on Reversal of Property Impairment on Revaluation of Assets		-	1,220,640
<b>Total Income</b>		<b>1,316,514</b>	<b>2,478,869</b>
<b>Net Expenditure</b>		<b>(13,248,604)</b>	<b>(7,562,352)</b>
Interest Receivable		741	408
<b>Net Expenditure for Year</b>		<b>(13,247,863)</b>	<b>(7,561,944)</b>
<b>Other Comprehensive Net Expenditure</b>			
Net Gain/(Loss) on Revaluation of Property		156,322	(588,678)
Actuarial Gain/(Loss) on Pension Scheme		5,314,000	(2,629,000)
<b>Total Other Comprehensive Net Expenditure</b>		<b>5,470,322</b>	<b>(3,217,678)</b>
<b>Total Comprehensive Net Expenditure</b>		<b>(7,777,541)</b>	<b>(10,779,622)</b>

No activities were discontinued during the year.

The notes on pages 49 to 75 form part of these Accounts.

# Statement of Financial Position

As at 31 March 2022

	Note	2022 £	2021 £
<b>Non-current Assets</b>			
Property, plant and equipment	9	9,411,989	11,032,879
Intangible assets	10	3,548	9,500
Investments	11	-	-
Trade and other receivables	12	21,591	19,443
<b>Total Non-current Assets</b>		<b>9,437,128</b>	<b>11,061,822</b>
<b>Current Assets</b>			
Inventories		5,162	5,074
Trade and other receivables	12	567,281	501,919
Cash and cash equivalents	13	1,964,846	1,041,103
<b>Total Current Assets</b>		<b>2,537,289</b>	<b>1,548,096</b>
<b>Current Liabilities</b>			
Trade and other payables	14	1,710,986	1,583,386
<b>Total Current Liabilities</b>		<b>1,710,986</b>	<b>1,583,386</b>
<b>Non-current Assets less Net Current Liabilities</b>		<b>10,263,431</b>	<b>11,026,532</b>
<b>Non-current Liabilities</b>			
Trade and other payables	14	167,105	196,665
Pension fund liability	20	2,586,000	6,276,000
<b>Total Non-current Liabilities</b>		<b>2,753,105</b>	<b>6,472,665</b>
<b>Assets less Liabilities</b>		<b>7,510,326</b>	<b>4,553,867</b>
<b>Taxpayers' Equity</b>			
General Reserve		5,072,621	5,824,334
Revaluation Reserve		5,015,705	4,997,533
Donated Asset Reserve		8,000	8,000
Pension Reserve	20	(2,586,000)	(6,276,000)
<b>Total Taxpayers' Equity</b>		<b>7,510,326</b>	<b>4,553,867</b>

The Accountable Officer authorised these financial statements for issue on X October 2022.

**Gordon Watson**

**Chief Executive and Accountable Officer**

The notes on pages 51 to 77 form part of these Accounts.



# Statement of Cash Flows

For the Year Ended 31 March 2022

	Note	2022 £	2021 £
<b>Cash Flows from Operating Activities</b>			
<b>Net Expenditure before Interest</b>		(13,248,604)	(7,526,352)
<b>Adjustments for items not involving the Movement of Cash</b>			
Pension adjustments in Other Income	6	144,000	74,000
Net pension adjustments in Staff Costs	7	1,480,000	651,000
Depreciation and Amortisation	9/10	770,869	690,838
(Gain) on revaluation of assets		-	(1,220,640)
Provision for impairment of assets		1,614,634	-
Net Loss/ (Gain) on sale of property, plant & equipment		2,837	(8,856)
<b>Movements in Working Capital</b>			
(Increase)/ decrease in trade and other receivables		(65,362)	171,342
Increase in trade and other payables		127,600	63,137
(Increase)/ decrease in inventories		(88)	2,714
<b>Movement in Non-current Assets and Liabilities</b>			
(Increase)/ decrease in trade and other receivables > 1 year		(2,148)	10,012
(Decrease) in trade and other payables > 1 year		(29,560)	(53,853)
<b>Net Cash Outflow from Operating Activities</b>		(9,205,822)	(7,182,658)
<b>Cash Flows from Investing Activities</b>			
Bank interest received		741	408
Purchase of property, plant & equipment and intangible assets		(605,176)	(396,709)
Proceeds from sale of property, plant & equipment		-	8,856
<b>Net Cash Outflow before Financing</b>		(9,810,257)	(7,570,103)
<b>Cash flows from Financing Activities</b>			
Cash allocation applied to Operating Costs	3	8,859,000	7,127,000
Cash allocation applied to Capital Expenditure	3	1,875,000	1,333,000
<b>Net Increase in Cash and Cash Equivalents</b>		<b>923,743</b>	<b>889,897</b>
Cash and cash equivalents at the beginning of the period	13	1,041,103	151,206
<b>Cash and Cash Equivalents at the End of the Period</b>	13	<b>1,964,846</b>	<b>1,041,103</b>

The notes on pages 51 to 77 form part of these Accounts.

# Statement of Changes in Taxpayers' Equity

For the Year Ended 31 March 2022

	General Fund	Revaluation Reserve	Donated Asset Reserve	Pension Reserve	Total
	£	£	£	£	£
<b>Balance at 1 April 2020</b>	<b>4,053,846</b>	<b>5,733,643</b>	<b>8,000</b>	<b>(2,922,000)</b>	<b>6,873,489</b>
Cash allocation*	8,460,000	-	-	-	8,460,000
Net expenditure after interest	(7,561,944)	-	-	-	(7,561,944)
Loss on revaluation of property	-	(853,900)	-	-	(853,900)
Release of revaluation reserve to general reserve to offset increased depreciation on revalued assets	147,432	(147,432)	-	-	-
Write back of depreciation on revaluation	-	265,222	-	-	265,222
Pension fund actuarial loss	-	-	-	(2,629,000)	(2,629,000)
IAS 19 pension adjustment	725,000	-	-	(725,000)	-
<b>Balance at 31 March 2021</b>	<b>5,824,334</b>	<b>4,997,533</b>	<b>8,000</b>	<b>(6,276,000)</b>	<b>4,553,867</b>
<b>Balance at 1 April 2021</b>	<b>5,824,334</b>	<b>4,997,533</b>	<b>8,000</b>	<b>(6,276,000)</b>	<b>4,553,867</b>
Cash Allocation*	10,734,000	-	-	-	10,734,000
Net Expenditure after interest	(13,247,863)	-	-	-	(13,247,863)
Gain on indexation of property	-	382,047	-	-	382,047
Loss on revaluation of property	-	(282,470)	-	-	(282,470)
Release of revaluation reserve to general reserve to offset increased depreciation on revalued assets	138,150	(138,150)	-	-	-
Write back of depreciation on revaluation	-	56,745	-	-	56,745
Pension fund actuarial gain	-	-	-	5,314,000	5,314,000
IAS 19 pension adjustment	1,624,000	-	-	(1,624,000)	-
<b>Balance at 31 March 2022</b>	<b>5,072,621</b>	<b>5,015,705</b>	<b>8,000</b>	<b>(2,586,000)</b>	<b>7,510,326</b>

\* The Authority receives a budget from the Scottish Government (known as Departmental Expenditure Limit or DEL) to cover the cash costs of capital and operating expenditure, net of other income sources and funding from partner agencies to jointly fund projects.

# Notes to the Accounts

## 1. Accounting Policies

In accordance with the direction issued by Scottish Ministers under Section 25 of The National Parks (Scotland) Act 2000 and Accounts Direction issued by Scottish Ministers, these accounts have been prepared in compliance with the principles and disclosure requirements of the HM Treasury Financial Reporting Manual (FReM), which follows generally accepted accounting practice (GAAP) as defined in International Financial Reporting Standards (IFRS) applicable in the UK and the Companies Act 2006, to the extent that it is meaningful and appropriate in the public sector context. The particular accounting policies adopted by Loch Lomond & The Trossachs National Park Authority are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

The accounts are prepared using accounting policies, and, where necessary, estimation techniques, which are selected as the most appropriate for the purpose of giving a true and fair view in accordance with the principles, set out in International Accounting Standard (IAS) 8 Accounting Policies, Changes in Accounting Estimates and Errors. Changes in accounting policies, which do not give rise to a prior year adjustment are reported in the relevant note.

The accounts have been prepared on a going concern basis as the Board and Accountable Officer believe that future liabilities will be met from a combination of cash budget allocation from the Scottish Government, future grants from partner agencies, and income from chargeable activities. The Board and Accountable Officer's assessment of the going concern basis has been based on confirmation of Grant in Aid and prudent financial forecasts.

### 1.1. Accounting Convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, and, where material, investments to fair value as determined by the relevant accounting standard.

### 1.2. Accounting Period

The accounting period commenced on 1 April 2021 and ended on 31 March 2022.

### 1.3. Non-Current Assets: Property, Plant and Equipment

#### Property, Plant and Equipment

Expenditure is capitalised on the acquisition or creation of property, plant and equipment

- (i) only where it is probable that the future economic benefits associated with the item will flow to the Authority
- (ii) and the cost of the asset can be measured reliably.

On initial recognition, property, plant and equipment are valued at cost, including any costs directly attributable to bringing them into working condition. The capitalisation threshold is £500 for individual or pooled assets.

Operational land and buildings are valued at current value in existing use, which is interpreted as market value in existing use defined in the RICS Red Book as Existing Use Value (EUV). For specialised assets, current value in existing use is interpreted as the present value of the asset's remaining service potential, which can be assumed to be at least equal to the cost of replacing that service potential. Depreciated Replacement Cost (DRC) is considered the most appropriate measure of current value in existing use for operational specialised assets.

Where an asset is not being used to deliver services and there is no plan to bring it back into use, with no restrictions on sale, and is not held for sale or investment, the asset is considered as surplus and is valued at fair value using IFRS 13 Fair Value Measurement.

A quinquennial valuation is carried out on land and buildings by a professional valuer. The value of non-specialised assets is assessed as market value based on the quinquennial valuation supplemented by an interim professional valuation in year 3. The value of specialised assets is assessed as depreciated replacement cost (DRC) based on the quinquennial valuation supplemented by an interim professional valuation in year 3 and annual indexation in years 1, 2 and 4 using published indices.

A full revaluation is undertaken where there is a risk around material movement in the property valuation. More details on valuation are provided in Note 1.21.

Depreciated historical cost, less any impairment, is used as a proxy for current value in existing use based on the low carrying value of: Vehicles and Marine Vessels; Equipment, Plant and Machinery; Furniture and Fittings; IT Hardware and Infrastructure.

#### Subsequent Expenditure

Expenditure on improvements, repairs and renewals of non-current assets is charged as an expense, unless it is considered to have replaced part of an asset. If it has replaced part of an asset, it will be capitalised and the cost and cumulative depreciation or amortisation of the asset it has replaced will be removed.

#### Assets under construction

Assets in course of completion are valued at cost. On completion they are transferred to the appropriate asset category and reviewed for impairment, which for any property assets will include valuation in accordance with the policy above. No depreciation or amortisation is charged until the asset is in operational use and any impairment or gain has been recognised.

#### Intangible assets

Expenditure on intangible assets, which includes copyright, IT systems and software, and our website, has a threshold for capitalisation of £500.

Following the initial recognition of an intangible asset, where an active (homogeneous) market exists, intangible assets other than those that are held for sale should be carried at current value in existing use at the reporting period date. Where an active market exists current value is based on the market value in existing use. Where no active market exists, intangible assets are revalued, to the lower of depreciated replacement cost and value in use where the asset is income generating. Where there is no value in use, the asset should be valued using depreciated replacement cost.

#### Depreciation and amortisation

Depreciation or amortisation is provided on a straight-line basis on all non-current assets (other than freehold land) at rates calculated to write down the cost or valuation of each asset over its estimated useful life, as detailed in the table below. Depreciation and amortisation is charged to the Statement of Comprehensive Net Expenditure on the carrying value of the non-current assets with a full year being charged in both the year of acquisition and disposal. Any element of depreciation or amortisation arising from any increase in valuation and in excess of the depreciation or amortisation that would be charged on the historic cost value of the asset is taken to the Revaluation Reserve.

Type of Asset	Asset lives (years)
Freehold Land	Not depreciated
Freehold Buildings	50 or expected life determined by valuer if shorter
Leasehold Buildings	50 or period of lease if shorter
IT Hardware	3 – 5
IT Infrastructure	5
Vehicles	5
Vessels	5 – 25
Machinery, Equipment, Furniture & Fittings	3 – 5
Copyright	5
Website, IT systems and software	3

#### Impairment

We assess at each reporting date, and when any assets in the course of completion transfer into use, whether there is an indication that any assets may be impaired. This assessment is made through discussions with property and other colleagues to identify any events which have occurred that would indicate that impairment may have taken place, and also from the quinquennial, interim and initial valuations undertaken in accordance with the valuation policies above.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered to be impaired and written down to its recoverable amount. Impairment losses are recognised in the Statement of Comprehensive Net Expenditure, except for assets previously revalued, where the revaluation increase was taken to the asset revaluation reserve. In this case the impairment is recognised in the revaluation reserve up to the amount of any previous revaluation.

#### Leased Assets

We classify leases where substantially all of the risks and rewards of ownership have been transferred to us as finance leases. On initial recognition, the leased asset is measured at an amount equal to the lower of its fair value or the present value of the minimum lease payments. The asset recognised is matched by a liability for the obligation to pay. Subsequent to initial recognition, the asset is accounted for in line with the valuation policy above.

There are two leased assets being held under a finance lease, with the minimum rent on these assets being £1 and £5 per year. Given the non-material nature of the finance lease creditor, this has not been recognised. Other leases are operating leases and are not recognised in the Statement of Financial Position.

IFRS 16 Leases will be effective for the year ended 31 March 2023 for the Authority. This standard provides a single lessee accounting model, with a right of use asset and a lease liability being recognised on the commencement of a lease. The distinction between operating and finance leases remains for lessors.

#### 1.4 Investments

Investments are recognised in line with IFRS 9 Financial Instruments (Note 1.16) and are recognised when the Authority becomes party to the contractual provisions of the investment.

Investments are de-recognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all of the risks and rewards of ownership are transferred.

The investment in National Parks Partnerships LLP is measured at fair value through the Statement of Comprehensive Net Expenditure. The capital contributions are non-refundable and the fair value is assessed as nil.

#### 1.5 Inventories

Inventories are stated at the lower of cost and net realisable value.

#### 1.6 Value Added Tax (VAT)

Irrecoverable VAT is included with the relevant cost and charged to the Statement of Comprehensive Net Expenditure in the period in which it is incurred. In the limited circumstances where VAT is recoverable, VAT is excluded.

The net amount of VAT recoverable from, or payable to, HMRC is included as part of receivables or payables in the Statement of Financial Position.

#### 1.7 Leases

##### Operating Leases

Operating lease rentals are charged to the Statement of Comprehensive Net Expenditure over the term of the lease.

##### Finance Leases

##### (i) Lease payments

The annual finance expense that would be allocated to the two assets held under a finance lease is £1. The minimum lease payments have not been apportioned between the finance expense and the reduction of the outstanding liability.

##### (ii) Determining whether an arrangement contains a lease

At inception of an arrangement, the Authority determines whether such an arrangement is or contains a finance lease in accordance with IAS 17.

As noted above, IFRS 16 Leases will be effective for the year ended 31 March 2023 and replaces IAS 17. This standard provides a single lessee accounting model, with a right of use asset and a lease liability being recognised on the commencement of a lease. The distinction between operating and finance leases remains for lessors.

#### 1.8 Scottish Government Departmental Expenditure Limit

The Authority receives Grant in Aid from the Scottish Government, known as Departmental Expenditure Limit (DEL), to finance net expenditure.

The DEL cash allocation is credited to the General Reserve in the Statement of Changes on Taxpayers' Equity. The net expenditure on activities funded by the DEL cash allocation is charged to this fund.



## 1.9 Income

Income from activities is accounted for in the year to which it relates and not to when cash payments are received.

Where income has been recognised but cash has not been received or paid, a receivable for the corresponding amount is recorded in the Statement of Financial Position. Where cash has been received in advance of the activity, no income is recognised and a payable for the corresponding amount is recorded in the Statement of Financial Position.

Operating income is income that relates directly to the operating activities of the Authority. It includes fees and charges for services provided to external customers.

All income from contracts with customers is recognised in accordance with IFRS15, which depicts the transfer of goods and services to customers in an amount that reflects the consideration to which the Authority expects to be entitled to in exchange for those goods or services. Revenue is recognised in accordance with that core principle by applying the following steps:

- Identification of contract with a customer
- Identification of the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognise revenue when the performance obligation is satisfied and control of the goods or service has been passed over.

Grant income is recognised in line with IAS 20 when it is receivable. If entitlement of grant income is subject to performance conditions, the income is recognised as the performance conditions are met.

Where the purchase or construction of capital assets are financed in whole or in part by grants, the funding element is recognised as income and taken through the Statement of Comprehensive Net Expenditure. Deferral of grant income occurs when:

- conditions have been imposed by the funder that require return if not complied with,
- these conditions have not been satisfied at the year end, and
- there is reasonable assurance that the Authority is willing and able to comply with the conditions in future.

Once the conditions are satisfied, the income will be recognised immediately.

## 1.10 Expenditure

Expenditure is accounted for and charged to the Statement of Comprehensive Net Expenditure in the year to which it relates, and not to when cash payments are made or received. Staff costs are accounted for in the year that salaries are earned, together with the employer costs.

Where expenditure has been recognised but cash has not been paid, a payable for the corresponding amount is recorded in the Statement of Financial Position. Where cash has been paid in advance of the activity or expenditure, no expense is recognised and a receivable for the corresponding amount is recorded in the Statement of Financial Position.

#### 1.11 Pension Costs

The Authority participates in a Local Government Pension Scheme, Strathclyde Pension Fund, which is administered by Glasgow City Council and is a defined benefit scheme. Employer's contributions to the pension fund and the pension liability are accounted for under the requirements of International Accounting Standard 19, Employee Benefits.

The expected cost of providing staff pensions to employees contributing to the pension fund is recognised in the Statement of Comprehensive Net Expenditure on a systematic basis over the expected average remaining lives of members of the funds in accordance with IAS 19 Employee Benefits and recognises retirement benefits as the benefits are earned and not when they are due to be paid. The actuary conducts a formal triennial valuation of the fund and calculates the required rate of employer's contributions (Notes 1.21 and 20). The contribution charges are recognised in the financial years in which they arise.

#### 1.12 Short-term Employee Benefits

A liability and expense are recognised for accrued but unused annual leave and flexi leave balances at the 31 March, in accordance with the underlying policy.

#### 1.13 Cash and Cash Equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at commercial banks and in hand.

Cash received from the Scottish Government DEL cash budget (Grant in Aid), income from other sources and contributions is held as short term, liquid cash at commercial banks. The Authority has no powers to borrow money or to invest surplus funds. The cash held funds the Authority's obligations as these fall due.

#### 1.14 Trade Receivables

In line with the recognition of income, trade and other receivables are recognised in the Statement of Financial Performance where the income relates to the financial year ended 31 March 2022.

#### 1.15 Trade Payables

In line with the recognition of expenditure on an accruals basis, trade and other payables are recognised in the Statement of Financial Performance where the expenditure relates to the financial year ended 31 March 2022.

#### 1.16 Financial Instruments

The Authority does not hold any complex financial instruments. The only financial instruments are financial assets in the form of an investment in other entities, trade and other receivables, and financial liabilities in the form of trade and other payables.

Financial assets and financial liabilities are recognised when the Authority becomes party to the contractual provisions of the financial instrument.

Financial assets are de-recognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all of the risks and rewards are transferred. A financial liability is de-recognised when it is extinguished, discharged, cancelled or expires.

Trade and other receivables, which do not have a financing component are measured at the transaction price.

All income and expenses relating to financial assets that are recognised in the Statement of Comprehensive Net Expenditure are presented within finance income (interest received), except for impairment of trade receivables which is presented in other operating costs. Trade receivables are assessed for impairment individually to determine likelihood of payment, with write offs taken to the Statement of Comprehensive Net Expenditure. Trade debtors under review are written off to the bad debt provision.

**1.17 Provisions, Contingent Assets and Contingent Liabilities**

Provisions are recognised when the Authority has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of economic resources will be required from the Authority; and amounts can be estimated reliably. The timing or amount of the outflow may still be uncertain.

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote.

Contingent assets are disclosed where a possible asset arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Authority.

**1.18 Assets Held on Behalf of Third Parties**

Where the Authority holds an asset on behalf of a third party and the Authority does not have beneficial rights to the asset and cannot use the asset for its own purposes, the asset is not recognised on the Statement of Financial Position. However, disclosure of the nature and extent of these assets and the underlying activity is included in the Accounts.

Where the Authority holds an asset on behalf of a third party that is controlled by the Authority and there is a present obligation as a result of past events, both the asset and liability are recognised in the Statement of Financial Position.

**1.19 Segmental Reporting**

IFRS 8 Segmental Reporting requires operating segments to be identified on the basis of internal reports about components of the Authority that are regularly used by the chief operating decision makers in order to allocate resources and assess their performance. The Authority reports on three segments of Visitor Experience, Conservation and Rural Development (Note 5).

**1.20 Interest in Other Entities**

IFRS12 requires disclosures about an entity's interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities. The Authority is a Designated Member of National Parks Partnerships LLP and holds an equal share in the Partnership, along with the other 14 UK National Parks (Note 11). This investment does not meet the criteria of a subsidiary, joint venture or associate and has been recognised as an investment, in line with the investment policy (Note 1.4).

## 1.21 Critical Judgements and Estimates

The preparation of the financial statements requires the Board and the Accountable Officer to make judgements, estimates and assumptions that affect the application of the accounting policies outlined above and the reported amounts of assets, liabilities, income and expenses.

Critical accounting judgements relate to the selection and application of accounting policy, whereas estimates relate to material estimation and associated assumptions, based on historical experience and other factors that are considered to be relevant.

There are limited areas where judgement and estimates have to be made, however these relate to material valuations and disclosure.

### Judgements

#### a) Valuation of Land and Buildings

As detailed in Note 1.3, assets are subject to formal revaluation with sufficient frequency to ensure that the carrying value is not materially different than if a full revaluation were to be undertaken. All land and buildings are valued using professional valuations in accordance with IAS 16 every five years supplemented by an interim valuation in year three. Valuations are also carried out on initial recognition of new land and buildings and where there is a risk around material movement in property valuations. Ryden LLP provide the Authority's property valuations and are a Royal Institute of Chartered Surveyors (RICS) Regulated firm.

Ryden LLP must ensure that all processes and valuations are fully compliant with the RICS Valuation – Global Standards 2021 (The Red Book), with the latest edition having taken effect from 31 January 2021. Assets are valued on the basis of either market value in existing use or Depreciated Replacement Cost, except for when assets are considered as surplus or held for sale (Note 1.3).

The last full property portfolio re-valuation was carried out as at 31 March 2021, following the material uncertainty on property valuation at 31 March 2020, due to market uncertainties caused by COVID-19. As at 31 March 2022, the normal cycle of valuation has re-commenced, since there is considered to be no material uncertainty in the property market at the balance sheet date. The value of specialised assets held on a depreciated replacement cost (DRC) basis and valued at 31 March 2021 is supplemented by annual indexation as at 31 March 2022 using published indices.

The valuation basis of two properties has changed as at 31 March 2022.

- One property, which was valued on a Depreciated Replacement Cost basis at 31 March 2021 is considered a surplus property at 31 March 2022. The building is leased by the Authority and is vacant, awaiting the termination of the sub-lease as at 31 March 2022. There is no clear plan to bring the asset back into future use as an operational asset. The asset is therefore assessed as being surplus and valued under IFRS 13 Fair Value Measurement. Given the head lease in place, the fair value of the property has been assessed as nil and the asset has been fully impaired.
- The second property was previously valued on a Depreciated Replacement Cost basis as a specialised asset. At 31 March 2022, the asset is considered as surplus and options for disposal of the property are being investigated. The asset is therefore assessed as being surplus and valued under IFRS 13 Fair Value Measurement. A formal valuation has been carried out by Ryden LLP at 31 March 2022.

The Board and Accountable Officer do not consider there to be any other critical accounting judgements requiring disclosure at 31 March 2022.

### Estimates

The following are the critical estimates that have the most significant effect on the amounts recognised in the accounts.

#### a) Valuation of Land and Buildings

At 31 March 2022 the Authority applied indexation to buildings held at Depreciated Replacement Cost using the BCIS AI- In Tender Price Index.

A variance of 10% in the indexation of land and buildings carried out as at 31 March 2022 would total £38k.

#### b) Pension Valuations

The pension valuations are provided by the pension scheme's actuaries, Hymans Robertson. The pension liability has been calculated by the actuary in line with IAS 19 requirements and includes a number of assumptions. Details of assumptions including discount rate, life expectancies and increases in inflation and salary rates are included in Note 20.

The actuary conducts a formal triennial valuation of the fund, the most recent valuation being conducted as at 31 March 2020. The formal valuation calculates the employer's assets and liabilities on a detailed basis using individual member data and calculates the required rate of employer's contributions to the fund for the period from 1 April 2021 to 31 March 2024. The balance sheet position as at 31 March 2022 and the projected cost for 2022/23 are based on the roll forward from the valuation at 31 March 2020. In preparing the valuation, no allowance is made for the effect of changes in membership since the last formal valuation date.

The roll forward allows for changes in financial assumptions, additional benefit accrual and estimated cash flows over the period. The assets are valued at bid value as required by IAS 19 and the projected unit credit method of valuation is used. Investment returns on the Fund is based on actual Fund returns for the year to 31 March 2022. The pension liabilities are valued on an actuarial basis, using the actuary's standard assumptions, appropriate for the Authority's liability profile.

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

<b>Change in assumptions as at 31 March 2022</b>	<b>Approximate % increase to Employer Liability</b>	<b>Approximate monetary amount £000</b>
0.1% decrease in Real Discount Rate	2%	910
1 year increase in member life expectancy	4%	1,517
0.1% increase in the Salary Increase Rate	0%	105
0.1% increase in the Pension Increase Rate (CPI)	2%	798

## 1.22 Changes in Accounting Standards

- a) Standards, amendments and interpretations effective in 2021/22  
There were no new standards that were effective in 2021/22.
- b) Standards, amendments and interpretation early adopted in 2021/22  
There are no new standards, amendments or interpretations early adopted this year.
- c) Standards, amendments and interpretation effective in 2022/23.  
The International Accounting Standards Board published IFRS16 Leases in January 2016. HM Treasury determined that entities which prepare their accounts in accordance with the FReM will adopt this standard from 1 April 2022. IFRS 16 replaces IAS 17 Leases and introduces a new single accounting approach for all leases (with limited exceptions). There will no longer be a distinction between operating and finance leases.

Adoption of this standard in 2022/23 will necessitate recognising a right of use asset category within property, plant and equipment representing the Authority's right to use the underlying leased asset and a lease liability representing the Authority's obligation to make lease payments for the asset. This will result in changes to the accounting treatment and disclosures relating to lease agreements. Preparations are underway for the implementation of the standard and a formal quantification of the impact has not yet been finalised. There are a small number of leases, primarily in relation to land and peppercorn leases, which are expected to be brought onto the Statement of Financial Position.

## 2. Prior period adjustment

The 2020/21 Statement of Comprehensive Net Expenditure incorrectly showed the pension scheme movement within Other Comprehensive Net Expenditure as a gain rather than a loss. This resulted in the Total Comprehensive Net Expenditure figure being understated by £5.258m.

Other Comprehensive Net Expenditure has been restated to £3.218m and Total Comprehensive Net Expenditure has been restated to £10.78m for the year ended 31 March 2021. This does not impact on any other notes or primary statements.

3. Scottish Government Departmental Expenditure Limit (DEL)	2022	2021
	£	£
Cash DEL allocated to meet operational expenditure	8,875,000	7,143,000
Cash DEL allocated to meet capital expenditure	1,875,000	1,333,000
	<hr/> 10,750,000	<hr/> 8,476,000
Deduct amounts earmarked at source for specific operational projects	(16,000)	(16,000)
<b>Total cash DEL received (resource and capital DEL)</b>	<hr/> <b>10,734,000</b>	<hr/> <b>8,460,000</b>

The cash DEL (Grant in Aid) in 2021/22 included

- direct funding for peatland restoration, conservation and management in the National Park totalling £245,000 (2020/21- £222,000) and
- £50,000 to fund a landscape scale restoration project securing positive outcomes for biodiversity, tackling climate change, green recovery and regional land use management (2020/21- £nil).

In addition, cash DEL to meet operational expenditure included £500,000 to fund additional operating costs and cover the loss of revenue arising as a direct result of the impact of the COVID-19 pandemic (2020/21 - £400,000).



4. Programme Income & Expenditure	Income £	Expenditure £	Net £
West Highland Way	63,706	63,706	-
Callander Landscape Partnership	272,858	272,858	-
<b>Total 2022</b>	<b>336,564</b>	<b>336,564</b>	<b>-</b>
West Highland Way	90,376	90,376	-
Callander Landscape Partnership	372,979	372,979	-
<b>Total 2021</b>	<b>463,355</b>	<b>463,355</b>	<b>-</b>

The Authority is a member of the West Highland Way Management Group and manages the programme income and expenditure for this specific purpose.

The Authority is a member of the Callander Landscape Partnership, alongside 14 other partners from across the community, public bodies, voluntary sector organisations, local businesses and landowners. The Partnership was successful in securing National Heritage Lottery Funding to turn the town of Callander into the outdoor capital of the National Park, with a more accessible and conserved landscape ready for visitors and locals to enjoy and explore. The Authority is the lead partner and manages the programme income and expenditure for this specific purpose.

#### 5. Analysis of Net Expenditure By Segment

	Board members and staff costs £	Other operating & programme costs £	Project Expenditure £	Income £	Net Segmental Expenditure £
Visitor Experience	4,735,523	1,560,410	737,986	(661,886)	6,372,033
Conservation	1,143,867	40,373	604,811	(211,265)	1,577,786
Rural Development	2,151,541	1,140,733	59,864	(585,693)	2,766,445
<b>Total 2022</b>	<b>8,030,931</b>	<b>2,741,516</b>	<b>1,402,661</b>	<b>(1,458,844)</b>	<b>10,716,264</b>
Visitor Experience	3,815,320	854,757	226,159	(488,936)	4,407,300
Conservation	993,579	69,549	409,634	(198,998)	1,273,764
Rural Development	1,724,710	1,200,938	55,737	(635,439)	2,345,946
<b>Total 2021</b>	<b>6,533,609</b>	<b>2,125,244</b>	<b>691,530</b>	<b>(1,323,373)</b>	<b>8,027,010</b>

Net Segmental Expenditure as above	10,716,264
<b>Items not attributable to segmental activity:</b>	
Deficit of return on pension assets over interest	144,000
Depreciation and amortisation	770,869
Impairment of asset	1,614,634
Net loss on disposal of property, plant and equipment	2,837
Interest receivable	(741)
<b>Net Expenditure for the Year</b>	<b>13,247,863</b>

6. Other Income		2022	2021
		£	£
Shared services recharge		48,000	48,000
Boat registration and launch fees		71,754	44,817
Staff secondment		-	55,483
Sale of goods		15,316	11,184
Property rental and recharges		173,323	114,299
Deficit of return on pension assets over interest		(144,000)	(74,000)
Camping charges		108,781	54,028
Car park charges		25,602	13,708
Recharges		42,554	29,715
Grants and other miscellaneous income		74,873	133,268
		<b>416,203</b>	<b>430,502</b>
7. Board Members and Staff Costs		2022	2021
		£	£
<u>Board Members</u>			
Fees*		163,135	168,920
Social Security Costs		4,196	5,199
		<b>167,331</b>	<b>174,119</b>
<u>Permanent Staff</u>			
Salaries		4,118,249	3,684,257
Social Security Costs		415,423	361,595
Pension Costs		760,423	689,305
		5,294,095	4,735,157
<u>Other Staff</u>			
Salaries		1,002,752	839,735
Social Security Costs		79,707	70,526
Pension Costs		169,693	143,630
		1,252,152	1,053,897
Apprenticeship Levy		10,746	8,777
(Decrease)/ increase in holiday accrual		(195)	105,779
Deduct: Included in Programme and Project figures		(173,198)	(188,927)
Deduct: Included in Fixed Asset additions (capitalised salaries)		-	(6,187)
<b>Total Permanent and Other Staff Costs before pension adjustments</b>		<b>6,383,600</b>	<b>5,708,490</b>
<u>Adjustments for Pensions Reporting</u>			
Add: Current Service Costs	21	2,403,000	1,484,000
Less: Employer Contributions	21	(923,000)	(833,000)
<b>Total Permanent and Other Staff Costs after pension adjustments</b>		<b>7,863,600</b>	<b>6,359,490</b>
<b>Total Board Member and Staff Costs</b>		<b>8,030,931</b>	<b>6,533,609</b>

\* Refer to Remuneration Report on page 40.

<b>8. Other Operating Costs</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Travel & Subsistence	26,330	9,012
Conferences, Courses & Training	88,728	26,819
Other Staff Costs	68,795	27,954
Property Rent & Rates	208,350	234,380
Energy Costs	89,753	55,432
Property Repairs & Development	135,405	126,929
Other Property Costs	449,163	268,031
Grounds Maintenance	81,102	93,712
Tools & Equipment Consumables	41,959	30,020
Transport Costs	181,385	141,354
Uniforms & Clothing	12,788	9,786
Catering & Hospitality	6,967	4,469
Printing & Stationery	16,161	14,705
Published Materials & Subscriptions	45,496	41,864
Telecommunications & Data	72,188	69,460
Legal & Professional Fees	326,212	139,937
Software & IT Supplies	340,489	230,590
Goods for Resale	10,264	6,201
Advertising - Statutory	22,682	21,214
- Other Advertising	660	1,478
Other Administration Costs	45,321	14,253
Contributions	49,970	43,194
Audit Fee - Internal	16,965	13,485
- External Audit remuneration for audit services	12,470	13,400
Bad Debt Provision Expense	55,349	24,210
	<b>2,404,952</b>	<b>1,661,889</b>

No non-audit fees were paid to External Audit during 2021/22 (2020/21 - £Nil).

## 9. Property, Plant and Equipment

	Freehold Land & Buildings £	Leasehold Buildings £	Vehicles & Marine Vessels £	Equipment Plant & Machinery £	Furniture & Fittings £	IT Hardware & Infrastructure £	Assets under Construction £	Total Tangible Assets £
<b>Cost or Valuation</b>								
At 1 April 2020	5,962,804	3,705,947	1,050,975	266,638	842,141	826,263	533,113	<b>13,187,881</b>
Disposals at Cost	-	-	(37,037)	(12,882)	(975)	(54,295)	-	(105,189)
Additions at Cost	5,106	27,466	266,833	120,077	14,002	100,165	275,097	808,746
Transfer Asset into Use	185,635	116,459	-	-	-	386,082	(688,176)	-
Impairment Charge	(244,635)	(277,923)	-	-	-	-	-	(522,558)
Impairment Reversal	101,041	1,397,500	-	-	-	-	-	1,498,541
Revaluation (Decrease)	(507,951)	(345,949)	-	-	-	-	-	(853,900)
<b>At 31 March 2021</b>	<b>5,502,000</b>	<b>4,623,500</b>	<b>1,280,771</b>	<b>373,833</b>	<b>855,168</b>	<b>1,258,215</b>	<b>120,034</b>	<b>14,013,521</b>
<b>Accumulated Depreciation</b>								
At 1 April 2020	90,692	124,492	867,252	249,034	796,070	786,188	-	<b>2,913,728</b>
Disposals	-	-	(37,037)	(12,882)	(975)	(54,295)	-	(105,189)
Charge for Year	136,187	158,508	125,803	41,931	22,443	197,110	-	681,982
Written back on Revaluation:								
- Impairment Charge	(28,259)	(71,315)	-	-	-	-	-	(99,574)
- Impairment Reversal	(62,495)	(82,588)	-	-	-	-	-	(145,083)
- Revaluation	(136,125)	(129,097)	-	-	-	-	-	(265,222)
<b>At 31 March 2021</b>	<b>-</b>	<b>-</b>	<b>956,018</b>	<b>278,083</b>	<b>817,538</b>	<b>929,003</b>	<b>-</b>	<b>2,980,642</b>
<b>Net Book Values</b>								
31 March 2021	5,502,000	4,623,500	324,753	95,750	37,630	329,212	120,034	<b>11,032,879</b>
31 March 2020	5,872,112	3,581,455	183,723	17,604	46,071	40,075	533,113	<b>10,274,153</b>

	Freehold Land & Buildings £	Leasehold Buildings £	Surplus Assets £	Vehicles & Marine Vessels £	Equipment Plant & Machinery £	Furniture & Fittings £	IT Hardware & Infrastructure £	Assets under Construction £	Total Tangible Assets £
<b>Cost or Valuation</b>									
At 1 April 2021	5,502,000	4,623,500	-	1,280,771	373,833	855,168	1,258,215	120,034	<b>14,013,521</b>
Disposals at Cost	-	-	-	(50,130)	(21,859)	(5,472)	(130,957)	-	(208,418)
Additions at Cost	-	-	-	236,385	36,967	84,345	111,832	137,317	606,846
Transfer Asset into Use	56,106	-	-	84,659	-	-	63,770	(204,535)	-
Reclassification to Surplus Asset	(442,104)	(1,655,000)	2,097,104	-	-	-	-	-	-
Impairment Charge	-	-	(1,655,000)	-	-	-	-	-	(1,655,000)
Revaluation (Decrease)	-	-	(242,104)	-	-	-	-	-	(242,104)
Indexation Increase	204,779	177,268	-	-	-	-	-	-	382,047
<b>At 31 March 2022</b>	<b>5,320,781</b>	<b>3,145,768</b>	<b>200,000</b>	<b>1,551,685</b>	<b>388,941</b>	<b>934,041</b>	<b>1,302,860</b>	<b>52,816</b>	<b>12,896,892</b>
<b>Accumulated Depreciation</b>									
At 1 April 2021	-	-	-	956,018	278,083	817,538	929,003	-	<b>2,980,642</b>
Disposals	-	-	-	(46,991)	(21,859)	(4,104)	(130,957)	-	(203,911)
Charge for Year	124,103	180,170	-	152,236	43,180	39,566	225,662	-	764,917
Reclassification to Surplus Asset	(16,379)	(40,366)	56,745	-	-	-	-	-	-
Written back on Revaluation:									
- Impairment Charge	-	-	(40,366)	-	-	-	-	-	(40,366)
- Revaluation	-	-	(16,379)	-	-	-	-	-	(16,379)
<b>At 31 March 2022</b>	<b>107,724</b>	<b>139,804</b>	<b>-</b>	<b>1,061,263</b>	<b>299,404</b>	<b>853,000</b>	<b>1,023,708</b>	<b>-</b>	<b>3,484,903</b>
<b>Net Book Values</b>									
31 March 2022	5,213,057	3,005,964	200,000	490,422	89,537	81,041	279,152	52,816	<b>9,411,989</b>
31 March 2021	5,502,000	4,623,500	-	324,753	95,750	37,630	329,212	120,034	<b>11,032,879</b>

Assets under construction are assessed for impairment on completion. The revaluation reserve reflects the increase in value of land and buildings over their historical costs. Freehold Land and Buildings contain one piece of land at Kenmore Wood that was donated to the Authority and is valued at £8k (2020/21 - £8k) on an existing use value. The donated asset reserve reflects the corresponding entry.

As detailed in Notes 1.3 and 1.21 land and buildings are subject to formal revaluation with sufficient frequency to ensure that the carrying value is not materially different from the valuation should a full revaluation be undertaken. Land and buildings are subject to quinquennial revaluation, supplemented by an interim valuation in year 3. Specialised properties are also indexed in years 1,2 and 4 using published indices. A full revaluation is undertaken where there is a risk around material movement in property valuations. The last full valuation of property was conducted at 31 March 2021. At 31 March 2022, two properties were identified as surplus, with no plan to bring the assets back into use as operational assets. The properties were valued under IFRS13 Fair Value Measurement at 31 March 2022, with one being fully impaired. These properties were held on a depreciated replacement cost basis as a specialised operational asset at 31 March 2021.

## 10. Intangible Assets

	IT Systems & Software £	Website £	Copyright £	Total Intangible Assets £
<b>Cost or Valuation</b>				
At 1 April 2020	216,555	75,672	59,947	<b>352,174</b>
Disposals at Cost	(27,041)	-	-	(27,041)
Additions at Cost	1,500	2,640	841	4,981
<b>At 31 March 2021</b>	<b>191,014</b>	<b>78,312</b>	<b>60,788</b>	<b>330,114</b>

### Accumulated Depreciation

At 1 April 2020	212,196	73,452	53,151	<b>338,799</b>
Disposals	(27,041)	-	-	(27,041)
Charge for Year	3,882	2,240	2,734	8,856
<b>At 31 March 2021</b>	<b>189,037</b>	<b>75,692</b>	<b>55,885</b>	<b>320,614</b>

### Net Book Values

31 March 2021	1,977	2,620	4,903	<b>9,500</b>
31 March 2020	4,359	2,220	6,796	<b>13,375</b>

	IT Systems & Software £	Website £	Copyright £	Total Intangible Assets £
<b>Cost or Valuation</b>				
At 1 April 2021	191,014	78,312	60,788	<b>330,114</b>
Disposals at Cost	(28,152)	-	-	(28,152)
Additions at Cost	-	-	-	-
<b>At 31 March 2022</b>	<b>162,862</b>	<b>78,312</b>	<b>60,788</b>	<b>301,962</b>

### Accumulated Depreciation

At 1 April 2021	189,037	75,692	55,885	<b>320,614</b>
Disposals	(28,152)	-	-	(28,152)
Charge for Year	1,478	1,740	2,734	5,952
<b>At 31 March 2022</b>	<b>162,363</b>	<b>77,432</b>	<b>58,619</b>	<b>298,414</b>

### Net Book Values

31 March 2022	499	880	2,169	<b>3,548</b>
31 March 2021	1,977	2,620	4,903	<b>9,500</b>

## 11. Investments in Other Entities

The Authority holds an investment in National Parks Partnerships LLP. At incorporation, the Authority and the other 14 UK National Parks contributed £10,000 for an equal share in the entity with a further capital call in March 2018. The investment was fully impaired as at 31 March 2018, as the capital contributions cannot be withdrawn or paid back. Under IFRS 9, the investment is measured at a fair value through the Statement of Comprehensive Net Expenditure. The fair value is assessed as nil, which is the same as the carrying value in the prior year.

## 12. Trade Receivables and Other Assets

	2022 £	2021 £
Amounts falling due within one year:		
Trade receivables	273,426	178,409
Less provision for bad debts	(95,470)	(29,051)
Trade receivables net	177,956	149,358
Other receivables	5,029	4,094
VAT receivable	52,043	-
Prepayments and accrued income	332,253	348,467
Total	<b>567,281</b>	<b>501,919</b>
Amounts falling due after one year:		
Prepayments	<b>21,591</b>	<b>19,443</b>

## 13. Cash and Cash Equivalents

	2022 £	2021 £
Bank Accounts	1,964,246	1,040,503
Imprest Accounts	600	600
	<b>1,964,846</b>	<b>1,041,103</b>

All balances were held at banks or in hand (2020/2021 - all).

Not included in cash and cash equivalents disclosed above are amounts held by the Authority as a custodian on behalf of others of £829,346 (2020/21 - £826,859). These sums are not recognised as cash and cash equivalents in the Statement of Financial Position, as they are not considered assets of the Authority. Further details are provided in Note 16.

## 14. Trade Payables and Other Liabilities

	2022 £	2021 £
Amounts payable within one year:		
Trade payables	552,042	69,581
Accruals and deferred income	1,152,383	1,504,970
VAT payable	-	2,298
Funds held for third parties	6,561	6,537
	<b>1,710,986</b>	<b>1,583,386</b>
Amounts falling due after more than one year:		
<b>Deferred Income</b>	<b>167,105</b>	<b>196,665</b>



## 15. Capital Commitments, Contingent Assets and Contingent Liabilities

### Capital Commitments

There was £165k committed but unspent capital expenditure at 31 March 2022 (31 March 2021 – £165k). In addition to planned expenditure for 2022/23, this includes expenditure related to IT projects which were delayed from 2021/22 as a result supply chain issues. There was £28k of committed capital grant expenditure as at 31 March 2022 (31 March 2021 – £14k) in relation to the Authority's grant scheme for 2021/22, where applicants were unable to complete works during the financial year.

### Contingent Liabilities

Holding assets results in repair and maintenance obligations, which are addressed based on priority of risk and need. Although no contingent liabilities have been identified, there is an inherent risk of liability, however remote, through ownership of assets.

The Authority is defending a legal action raised in the Court of Session by the Forestry Partnership LLP in relation to claimed access rights through our Glenoglehead site for the unrestricted transportation of extracted timber from significant adjacent forestry plantation. The legal action may result in a contingent liability, depending on the outcome of the case.

## 16. Assets Held on Behalf of Third Parties

	2022	2021
	£	£
Cash	<u>829,346</u>	<u>826,859</u>

The Authority holds cash of £829,346 (made up of £537,918.22 for restoration and aftercare and £268,692.95 for Greater Cononish Glen management, plus interest accruing) as a planning requirement for the development of a gold and silver mine in Cononish Glen. The cash is held within a 120 day deposit account at 31 March 2022.

As at 31 March 2021 the Authority held cash totalling £826,859 (made up of £537,918.22 for restoration and aftercare and £268,692.95 for Greater Cononish Glen management, plus interest accruing).

Once the Operator's Obligations relating to the Decommissioning and Restoration Obligations in relation to the Greater Cononish Glen Management Plan have been respectively completed and discharged in accordance with the s75 Agreement, the Authority will repay the respective funds to the Operator.

If the Operator fails to discharge these obligations, the funds are calculated to be sufficient to meet any costs incurred in respectively implementing these obligations and will be used to complete the restoration and land management plans as set out in the s75 Agreement. There is no liability on the Authority exceeding the amount held on deposit and the Authority cannot use the funds for any other purpose other than as set out in the s75 Agreement. Interest accruing on the deposit is deemed to form part of the deposited funds and therefore subject to the same conditions.

At the end of the production either:

- The applicant will complete the restoration works and discharge their obligations and the Authority will return the deposit to them; or
- If the applicant fails to discharge its restoration obligations, the Authority may provide the funds to the landowners and/ or Crown Estate Scotland (Interim Management) to complete this work, failing which the Authority may itself use the funds to restore the site.

The Authority has no beneficial interest or rights to the asset and cannot use the funds for their own discretion. As such, the cash is not included within the Statement of Financial Position as at 31 March 2022.

## 17. Operating Leases

The Authority has entered into leases in the normal course of our operating activities.

Obligations under non-cancellable Operating Leases are:

	<b>Vehicles</b>		<b>Land &amp; Buildings</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Within One Year	31,157	58,009	74,072	56,163
Two to Five Years	-	31,071	54,293	79,530
After Five Years	-	-	126,256	131,852

These leases relate to electric vehicles and properties for our operations including stores, offices, campsites, visitor facilities and piers and pontoons.

Rents receivable under non-cancellable Operating Leases are:

	<b>Land &amp; Buildings</b>	
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Within One Year	82,878	85,682
Two to Five Years	99,129	136,229
After Five Years	41	4,048

These leases relate to the rental of properties to commercial operators for the provision of visitor facilities and the sub-lease of office capacity to tenants.

## 18. Related Party Transactions

The Authority is a Non-Departmental Public Body of the Scottish Government (NDPB). Our sponsoring body is the Scottish Government Environment and Forestry Directorate. The Scottish Government and Scottish Government Environment and Forestry Directorate are regarded as related parties with whom there have been various material transactions during the year in the normal course of business.

During the year, the Authority has had a number of material transactions with other entities for which the Directorate is regarded as the sponsor as below:

- Scottish Environment Protection Agency
- Cairngorms National Park Authority
- NatureScot
- Royal Botanics Garden Edinburgh

In addition, the Authority has had a number of material transactions with other government departments, central government bodies, local government and other non-departmental public bodies during the normal course of business including:

- Argyll & Bute Council
- Audit Scotland
- The Broads National Park Authority
- Convention of Scottish Local Authorities (COSLA)
- Forestry and Land Scotland
- Forth Valley and Lomond Leader
- Glasgow City Council
- Historic Environment Scotland
- HM Revenue and Customs
- Lake District National Park Authority
- Met Office
- National Heritage Lottery Fund

- The Registers of Scotland
- Scottish Enterprise
- Scottish Police Authority
- South Downs National Park Authority
- Stirling Council
- Sustrans
- The Valuation Office Agency
- Visit Scotland
- West Dunbartonshire Council
- West Lothian Council

Details of material transactions with other Government bodies and companies where Board members, Directors and senior staff, have an interest, are disclosed, as follows:

<b>Board Member/ Director</b>	<b>Organisation</b>	<b>Role</b>	<b>Nature of Supply</b>	<b>Income</b>	<b>Expenditure</b>
Bobby Good/ Iain Shonny Paterson	Argyll & Bute Council	Councillors	Rates, waste, built heritage advice	-	£47,671
Billy Ronald	Scotland's Rural College (SRUC)	Shepherd	Training courses	-	£2,350
Billy Ronald	Strathfillan Community Development Trust	Member	Grants	-	£4,950
Danny Gibson, Martin Earl	Active Stirling	Director, Board Member	Canoe Sessions	-	£275
Danny Gibson, Martin Earl	Stirling Council	Councillors	Contribution/ Waste, rates, affordable housing recharge	£5,000*	£48,467
Danny Gibson	Tactran	Board Member	Marketing of journey planner	£1,500*	-
Diane Docherty	West Dunbartonshire Council	Councillor	Contribution/ Services including rates, waste, rental and repairs	£2,288**	£116,641**
Gordon Watson	National Park Partnership LLP	Board Member and Interim Chair	Contributions and subscriptions	£710*	£16,200
James Stuart	Scottish Forestry	Adviser to the CEO	Grant/ Contributions and recharges	£5,000*	£11,632
Claire Chapman	Scottish Water	Renewable Asset Generation Manager	Hire charge	-	£309
Heather Reid	Nature Scot	Board Member	Contribution/ Grant	£90,849	£1,000
Heather Reid	Loch Lomond & the Trossachs Countryside Trust	Director	Recharge/ Contribution	£2,828	£11,000

\* Included in trade debtors at 31 March 2022 /\*\* £345 is in trade debtors at 31 March 2022 and £775 pre-paid

The nature of the Authority's operations, and the composition of its Board make it very likely that transactions will take place in the normal course of business with other organisations in which a member may have an interest. All the transactions involving companies, or organisations in which a member may have an interest, are conducted at arm's length in the normal course of business.

The Authority has detailed policies in place for Board Members and staff governing situations where personal or business interests may arise in the activities and decisions of the organisation. Board Members and staff are required to disclose the nature of the interest and, if appropriate, exclude themselves from any part of the discussion or decisions relating to that matter.

## 19. Financial Instruments and Exposure to Risks

The Authority's cash operating and capital expenditure is met from the DEL cash budget allocation from the Scottish Government, from other income sources and from contributions from partner agencies to jointly fund projects. The Authority has no powers to borrow money or to invest surplus funds. Other than financial assets and liabilities which are generated by day-to-day operational activities, the investment in National Parks Partnerships LLP (Note 11) and the cash held as a planning condition for the development of the gold and silver mine at Cononish Glen (Note 16), the Authority holds no financial instruments.

### Liquidity Risk

The Authority's net revenue resource requirements are financed by Scottish Government, as is its capital expenditure. The Authority is therefore not exposed to material liquidity risks.

### Credit Risk

The Authority's funders are mainly Scottish Government Departments, Executive Agencies or other Public Bodies. The Authority is therefore not exposed to any material credit risks.

### Foreign Currency Risk

The Authority is not exposed to foreign currency risk.

The Authority's financial assets and liabilities are categorised by group under IFRS 9

	<b>2022</b>
	<b>Amortised Cost</b>
	<b>£</b>
<b>Financial Assets</b>	
Trade and Other Receivables	588,872
Cash and Cash Equivalents	1,964,846
Total Assets	<u>2,595,949</u>

	<b>2022</b>
	<b>Other Liabilities</b>
	<b>Amortised Cost</b>
	<b>£</b>
<b>Financial Liabilities</b>	
Trade and Other Payables	1,878,091
Total Liabilities	<u>1,878,091</u>

	<b>2021 Amortised Cost £</b>
<b>Financial Assets</b>	
Trade and Other Receivables	521,362
Cash and Cash Equivalents	1,041,103
Total Assets	<u>1,562,465</u>

	<b>2021 Other Liabilities Amortised Cost £</b>
<b>Financial Liabilities</b>	
Trade and Other Payables	1,780,051
Total Liabilities	<u>1,780,051</u>

The carrying amount of the following financial assets and liabilities is considered a reasonable approximation of fair value:

- trade and other receivables,
- cash and cash equivalents,
- trade and other payables.

## 20. Pension Scheme

The Authority participates in a Local Government Pension Scheme (LGPS), Strathclyde Pension Fund, which is administered by Glasgow City Council and is a defined benefit scheme.

In accordance with International Accounting Standard 19 (IAS19), the Authority is required to disclose information concerning assets, liabilities, income and expenditure related to pension schemes for its employees. The Fund's actuary has provided the pension accounting figures in line with the IAS 19 requirements.

The actuary conducts a formal triennial valuation of the fund, the most recent valuation being conducted as at 31 March 2020. The formal valuation calculates the employer's assets and liabilities. The balance sheet position as at 31 March 2022 and the projected cost for 2022/23 are based on the roll forward from the valuation at 31 March 2020. The roll forward allows for changes in financial assumptions, additional benefit accrual and estimated cash flows over the period.

In 2021/22, the Authority paid an employer's contribution of £930,116 (2020/21 - £832,935) representing 19.3% (2020/21 - 19.3%) of employees' pensionable pay to the Strathclyde Pension Fund. The employer's contribution rate is determined by the Fund's actuary based on the triennial actuarial valuation completed as at 31 March 2020. The purpose of the valuation is to assess the value of the assets and liabilities of the Fund and calculate the required rate of employer's contributions from 1 April 2021 to 31 March 2024. Following this valuation, it was confirmed that the Authority's contribution rate would remain at 19.3%.

The Statement of Financial Position recognised the following for the pension scheme:

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Fair value of plan assets	35,329	31,933
Present value of funded liabilities	(37,853)	(38,143)
Present value of unfunded liabilities	<u>(62)</u>	<u>(66)</u>
Net pension fund liability	<u><u>(2,586)</u></u>	<u><u>(6,276)</u></u>

The pension reserve within Taxpayers' Equity reflects the corresponding entry to the net pension fund liability.

Movement in the present value of defined benefit and unfunded obligations:

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Opening defined benefit obligation	38,209	28,033
Current service cost	2,403	1,484
Interest cost on defined benefit obligation	807	659
Actuarial (gain)/loss from actuarial remeasurements	(3,471)	8,190
Contributions by members	306	275
Benefits paid	<u>(339)</u>	<u>(432)</u>
Closing defined benefit obligation	<u><u>37,915</u></u>	<u><u>38,209</u></u>

Movement in the fair value of plan assets:

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Opening fair value of plan assets	31,933	25,111
Interest income on plan assets	663	585
Actuarial gain from actuarial remeasurements	1,843	5,561
Contributions by employer	920	830
Contributions by members	306	275
Contributions by employer for unfunded benefits	3	3
Benefits paid	<u>(339)</u>	<u>(432)</u>
Closing fair value of plan assets	<u><u>35,329</u></u>	<u><u>31,933</u></u>

The amounts, excluding the employer contributions, recognised in the Statement of Comprehensive Net Expenditure are as follows:

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Current service cost	2,403	1,484
Interest cost on obligation	807	659
Interest income on plan assets	<u>(663)</u>	<u>(585)</u>
	<u><u>2,547</u></u>	<u><u>1,558</u></u>

Employer's contributions totalling £923k are recognised in the Statement of Comprehensive Net Expenditure (2020/21 - £833k), resulting in a total expense of £1,624k (2020/21 - £725k).

The net expense is recognised in the following line items in the Statement of Comprehensive Net Expenditure:

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Board Member and Staff Costs	2,403	1,484
Other Income – deficit of return on pension assets over interest cost	144	74
	<u>2,547</u>	<u>1,558</u>

It should be noted that the pension deficit figure has been specifically produced for the purpose of meeting IAS 19 disclosure requirements. The actuarial valuations take into account the appropriate employer rate and this, together with revenues generated from the investments, will be utilised to meet the Fund's commitments.



## Fair value of employer assets

The asset values below are at bid value as required under IAS19.

Asset Category	31 March 2022				31 March 2021			
	Quoted Prices in Active Markets £000	Prices not Quoted in Active Markets £000	Total £000	%	Quoted Prices in Active Markets £000	Prices not Quoted in Active Markets £000	Total £000	%
<b>Equity Securities</b>	7,768	17	7,785	22%	7,241	38	7,279	23%
<b>Debt Securities</b>	-	-	-	0%	-	-	-	0%
<b>Private Equity</b>	-	6,916	6,916	20%	-	5,881	5,881	19%
<b>Real Estate</b>								
UK Property	-	2,979	2,979	8%	-	2,598	2,598	8%
<b>Investment Funds and Unit Trusts</b>								
Equities	196	12,886	13,082	37%	293	11,020	11,313	35%
Bonds	-	3,568	3,568	10%	-	4,150	4,150	13%
Commodities	-	12	12	0%	-	12	12	0%
Other	-	88	88	0%	-	102	102	0%
Derivatives	-	-	-	0%	(2)	-	(2)	0%
Cash and Cash Equivalents	887	12	899	3%	583	17	600	2%
<b>Total</b>	<b>8,851</b>	<b>26,478</b>	<b>35,329</b>	<b>100%</b>	<b>8,115</b>	<b>23,818</b>	<b>31,933</b>	<b>100%</b>

The actuarial gains and losses recognised in the Statement of Changes in Taxpayers' Equity are as follows:

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Actuarial gain on the fair value of the plan assets	1,843	5,561
Actuarial gain/(loss) on the defined benefit obligation	3,471	(8,190)
Actuarial gain/(loss) recognised in the Statement of Changes in Taxpayers' Equity	<u>5,314</u>	<u>(2,629)</u>

The balance sheet position as at 31 March 2022 and the projected cost for 2022/23 are based on the roll forward from the valuation at 31 March 2020 performed by the independent actuaries to the Strathclyde Pension Fund. The actuarial assumptions were as follows:

	<b>2022</b>	<b>2021</b>
	<b>% pa</b>	<b>% pa</b>
Inflation/ Pension Increase Rate	3.15%	2.80%
Salary Increase Rate	3.85%	3.50%
Discount Rate	2.75%	2.05%
	<b>2022</b>	<b>2021</b>
Life Expectancy at age 65 :		
Current Pensioners Male	19.6	19.8
Current Pensioners Female	22.4	22.6
Future Pensioners Male	21.0	21.2
Future Pensioners Female	24.5	24.7

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions as at 31 March 2022	Approximate % increase to Employer Liability	Approximate monetary amount £000
0.1% decrease in Real Discount Rate	2%	910
1 year increase in life expectancy	4%	1,517
0.1% increase in the Salary Increase Rate	0%	105
0.1% increase in the Pension Increase Rate (CPI)	2%	798

#### Information about the Defined Benefit Obligation

	Liability split	
	£000	Percentage %
Active members	22,965	60.7%
Deferred members	8,857	23.4%
Pensioner members	6,031	15.9%
<b>Total</b>	<b>37,853</b>	<b>100.0%</b>

#### Projected defined benefit cost for the year to 31 March 2023

The table below shows an analysis of the projected amount to be charged to the Statement of Comprehensive Net Expenditure for the year to 31 March 2023.

Period ended 31 March 2023	Assets £000	Obligations £000	Net (liability) / asset	
			£000	% of pay
Projected current service cost *		2,122	(2,122)	(44.5%)
<b>Total Service Cost</b>		<b>2,122</b>	<b>(2,122)</b>	<b>(44.5%)</b>
Interest income on plan assets	983		983	20.6%
Interest cost on defined benefit obligation		1,070	(1,070)	(22.4%)
<b>Total Net Interest Cost</b>	<b>983</b>	<b>1,070</b>	<b>(87)</b>	<b>(1.8%)</b>
<b>Total included in Statement of Comprehensive Net Expenditure</b>	<b>983</b>	<b>3,192</b>	<b>(2,209)</b>	<b>(46.3%)</b>

\* The service cost figures include an allowance for administrative expenses of 0.2% of payroll.

The contributions paid by the Employer are set by the Fund Actuary at each triennial actuarial valuation (the most recent being 31 March 2020) or at any other time as instructed to do so by the Administering Authority. The contributions payable over the period to 31 March 2022 are set out in the Rates and Adjustments certificate. For further details on the approach adopted to set contribution rates for the Employer please refer to the 2020 actuarial valuation report dated 31 March 2021. The estimate of Employer's contribution for the year to 31 March 2023 is approximately £920,000.



## **APPENDIX 1**

### **LOCH LOMOND AND THE TROSSACHS NATIONAL PARK AUTHORITY**

#### **DIRECTION BY THE SCOTTISH MINISTERS**

1. The Scottish Ministers, in pursuance of The National Parks (Scotland) Act 2000, hereby give the following direction.
2. The statement of accounts for the financial year ended 31 March 2006, and subsequent years, shall comply the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM) which is in force for the year for which the statement of accounts are prepared.
3. The accounts shall be prepared so as to give a true and fair view of the income and expenditure and cash flows for the financial year, and of the state of affairs as at the end of the financial year.
4. This direction shall be reproduced as an appendix to the statement of accounts. The direction given on 27 June 2003 is hereby revoked.

**IR HOOPER**

**Head of Countryside and Natural Heritage Division**

Signed by the authority of the Scottish Ministers

Dated: 12 January 2006