

## **ANNUAL GOVERNANCE STATEMENT FOR NEW FOREST NATIONAL PARK AUTHORITY 2009**

### **1 Scope of responsibility**

- 1.1 The New Forest National Park Authority is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.
- 1.2 The Authority also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 1.3 In discharging this overall responsibility, the Authority is also responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of the Authority's functions and which includes arrangements for the management of risk.
- 1.4 On 18 May 2006, the Authority approved and adopted a Code of Corporate Governance, which is consistent with the guidance issued by CIPFA/Solace. A review of compliance with the Code is carried out on an annual basis by the Chief Executive, Monitoring Officer and Chief Finance Officer. A copy of the Code is published on the Authority's website and can be obtained from Member Services. This statement explains how the Authority has complied with the Code and also meets the requirements of Regulation 4(2) of the Accounts and Audit Regulations 2003 as amended by the Accounts and Audit (Amendment) (England) Regulations 2006 in relation to the publication of a statement on internal control.

### **2 The purpose of the governance framework**

- 2.1 The governance framework comprises the systems and processes, and culture and values, by which the Authority is directed and controlled and through which it accounts to, engages with and leads the community. It enables the Authority to monitor the achievement of its strategic priorities and to consider whether these priorities have led to the delivery of appropriate, cost-effective services.
- 2.2 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives, and can therefore only provide reasonable and not absolute assurance of effectiveness.

- 2.3 The system of internal control is based on an ongoing process designed to identify and prioritise the risk to the achievement of the Authority's aims, objectives and policies, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.
- 2.4 The system of internal control has been in place within the Authority for the year ended 31 March 2009 and up to the date of approval of the annual report and Statement of Accounts.

### **3 Community focus**

- 3.1 Through carrying out its general statutory duties and responsibilities in connection with the two national park purposes, the Authority seeks to work for and with the local community to foster the social and economic wellbeing of communities within the National Park.
- 3.2 Through the publication of its annual accounts for the year 2008-2009, the Authority provides for explicit accountability to stakeholders for its performance, effectiveness in the delivery of services, and the sustainable use of resources.
- 3.3 The Authority sets out its high level priorities and objectives for the National Park in a national park management plan. The *Strategy for the New Forest 2003* was adopted as the interim National Park Management Plan in May 2005. During 2008-2009 the Authority continued the development of the successor document - *New Forest National Park Plan* - which combines both the new national park management plan and the Local Development Framework Core Strategy. Following extensive community engagement throughout the autumn and winter of 2007/2008, a consultation draft of the National Park Plan was issued in August 2008 for a 10 week consultation period, subsequently extended to 12 weeks. The Plan generated an unexpectedly high level of responses, and negative reaction. As a result the Authority embarked on an additional round of discussion with key stakeholders and respondents and the deadline for completing the Plan was extended to ensure that both the initial consultation responses and issues arising from the further period of engagement could be fully reflected in the revised Plan which is now due for approval in autumn 2009.
- 3.4 The Authority's annual Corporate Plan translates the aim and objectives from the National Park Plan into priority objectives, actions and operational and service targets for the Authority's own work. The Corporate Plan for 2008-2009 was published at the end of June 2008 and performance against targets and indicators was reviewed on three occasions by the Management Board and twice by the Resources and Performance Committee. The Plan presents an objective and understandable account and assessment of the Authority's activities, alongside the separate reports of its financial position and performance.
- 3.5 The Authority has been subject to a full and independent audit of the financial management arrangements in place for 2008-2009. Reports

issued by external auditors are considered by the Authority's Resources and Performance Committee.

- 3.6 The Authority has developed and maintained a range of relationships and arrangements with other agencies in the public, private and voluntary sectors, to ensure that they are able to engage with and contribute to the work of the Authority.
- 3.7 The Authority appointed member representatives on the Court of Verderers, the Hampshire and Isle of Wight Local Government Association and its Improvement Board, the Central Hampshire and New Forest Leaders' Group, New Forest District Local Strategic Partnership, North Solent Shoreline Management Plan – Members' Group and the South East England Regional Assembly. In March 2009 the Chairman was invited to become the national parks' representative on the South East England Councils' Leaders Board, and on an interim basis the South East England Partnership Board, under the new arrangements arising from the sub-national review.
- 3.8 Reports from the New Forest Access Forum and New Forest Consultative Panel are received regularly at meetings of the Authority, and considered by members. Partnership arrangements have been developed with the Ninth Centenary Trust for joint delivery of interpretation facilities in Lyndhurst, and with the Forestry Commission and Hampshire County Council for the provision of community rangers. The governance arrangements for the partnership with the Ninth Centenary Trust have been considered and approved by the Authority. The Authority also established three Local Information Points in partnership with local businesses to provide information about the national park for local communities and visitors. The Authority is also supporting the MOSAIC partnership which helps strengthen links between black and ethnic minority groups and national parks.
- 3.9 The Authority has adopted a Statement of Community Involvement, detailing how interested persons can participate in consultation on planning policies and applications within the National Park. In August 2008 the Authority launched a formal consultation on its draft National Park Plan and draft Recreation Management Strategy, involving press advertisements, direct distribution of over 2,250 (Park Plan) and 1,500 (RMS) copies, a feature in the residents' newsletter going to around 34,000 households and attending various events. In the first half of 2009, the Authority organised a further five working groups with key stakeholders and respondents to discuss issues arising from the consultation, alongside meetings with representatives of all Parish Councils, with key partners, and with Ward Councillors.

In addition the Authority has run a series of consultation events on new and proposed modifications to designated Conservation Areas in the National Park. The Authority routinely consults Parish Councils for their views on all planning applications - by providing them with an initial planning officer assessment alongside details of the application.

- 3.10 The Authority has adopted and maintained a complaints procedure to enable complaints about the Authority's activities to be considered and responded to. Information on how to use the complaints procedure is available via a complaints leaflet and the Authority's website. Information on complaints received is considered by the Authority's Management Board, Resources and Performance Committee and Standards Committee. Lessons for service improvement are identified wherever practicable.
- 3.11 The Authority reviewed the operation of its procedures enabling the public to address the Planning Development Sub-Committee on planning applications which affect them. A right of reply was introduced on a trial basis, with a view to making sure that members of the public felt they had had adequate opportunity to express their views before a decision was made. Feedback and evaluation has indicated that this has been successful, and the right of reply has therefore been made permanent.

#### **4 Service delivery arrangements**

- 4.1 The Authority aims to be clearly accountable for the effective delivery of services, through setting targets and measuring performance.
- 4.2 The Authority has adopted an appropriate management structure to deliver economic, efficient and effective services. Lead management responsibility for each service is allocated to the Chief Executive, a Director or Head of Unit, and management of services generally is overseen by the Authority's Management Board. Business Plans are developed for each service, and performance reviewed against targets specified.
- 4.3 A review of the provision of the Authority's financial services, including Chief Finance Officer, strategic financial advice, internal audit and accounting systems was completed and following a trial period from 1 May 2008, new arrangements were put in place for three years from 1 April 2009 through Service Level Agreements with Hampshire County Council and New Forest District Council. The Authority appointed Hampshire County Council to provide the services of Chief Finance Officer, provision of strategic financial advice and internal audit. New Forest District Council continues to provide accountancy services.
- 4.4 Management information is produced to assist with the measurement of performance. Budgetary control reports are reviewed monthly by the Management Board and on a regular basis by Resources and Performance Committee. The Chief Executive reports to the Authority on the development and performance of the Authority overall.

#### **5 Structures and processes**

- 5.1 The Authority has adopted arrangements to define the responsibilities of members and officers to ensure clarity and accountability in its business. A protocol on member and officer relations has been adopted, and training provided for members and officers.

- 5.2 Major strategic plans and policies receive consideration by members. A comprehensive scheme of delegation to officers has been approved by members, and makes clear that the role of officers is to implement and give effect to strategies and policies approved by the Authority.
- 5.3 In 2008-2009 the Authority held eight full meetings of the Authority, all of which were open to members of the press and public to attend and make presentments to (save for individual items of a sensitive nature properly considered in confidential session). Agendas and minutes of meetings are available for inspection by the public both at the Authority's offices and via the Authority's website. In May the Authority undertook a complete review of its Standing Orders, in light of experience in operation, and to ensure that these remained fit for purpose.
- 5.4 The Authority has maintained arrangements to ensure that its dealings are lawful and comply with financial regulations. The Authority continues to receive legal services from Hampshire County Council's Legal Practice under a service level agreement. In 2008/09, the provision of legal services by Hampshire County Council has been the subject of a fundamental corporate services review, as a result of which a number of service efficiency improvements have been identified. It is anticipated that the Authority will benefit from these under a renewed arrangement for legal services provision. The Legal Practice is Lexcel-accredited with the Law Society, confirming compliance with best practice requirements, and was most recently subject to independent inspection in December 2008. Solicitors consider all reports considered by members, and are present at meetings to give advice to members as required.
- 5.5 There have been a number of informal briefing and training sessions for members on various aspects of their responsibilities and developing policies.
- 5.6 The Authority has designated the roles of statutory officers. Lindsay Cornish, as Chief Executive, is National Park Officer and Head of Paid Service. Kevin Gardner, Head of Legal Practice with Hampshire County Council, was Monitoring Officer until May 2009. Barbara Beardwell, Deputy Head of Legal Services with Hampshire County Council was appointed Monitoring Officer from 29 May 2009. Paul Carey-Kent, Deputy County Treasurer with Hampshire County Council, is Chief Finance Officer.

## **6 Risk management and internal control**

- 6.1 The Authority has established a systematic strategy, framework and processes for managing risk. A risk register is maintained, and reviewed on a monthly basis by the Management Board, and quarterly at meetings of the Resources and Performance Committee. This enables relevant risks to be identified and evaluated, with consideration given to appropriate mitigation strategies. The Financial Strategy and Budgets for 2009-2010 were subject to a specific risk assessment by the Chief Finance Officer.
- 6.2 Business continuity plans have been developed but have yet to be subject to a 'live test'.

- 6.3 As indicated above, solicitors consider all reports considered by members, and are present at meetings to give advice to members as required. This assists in ensuring that the Authority discharges its functions in accordance with the law. In 2008-2009 no formal reports by the Monitoring Officer, further to S.5 Local Government and Housing Act 1989, were necessary.
- 6.4 Members have a key role in providing assurance that the Authority's funds are used economically, efficiently and effectively in accordance with agreed policies. The financial strategy and budget is agreed annually by the Authority following scrutiny by, and budget monitoring reports are considered at meetings of, the Resources and Performance Committee. The Authority's accounts are subject to external audit on an annual basis and reported to the Authority at a public meeting.
- 6.5 Internal audit coverage was provided under a service level agreement by Hampshire County Council's Internal Audit Service. The Authority's external auditors, the Audit Commission, review the appropriateness of internal audit arrangements and accordingly place reliance on the work done. The coverage in 2008/2009 was wide-ranging, but though control weaknesses were identified in some areas these were not considered fundamental to the operation of the Authority.
- 6.6 The Authority has included the functions of an Audit Committee within the terms of reference of the Resources and Performance Committee.

## **7 Standards of Conduct**

- 7.1 The Authority adopted a revised members' Code of Conduct in September 2007, and training for members on its implications was provided by the Monitoring Officer. Following detailed scrutiny by Standards Committee in December 2007, the Authority has also revised its Local Protocol for Members and Officers Dealing with Planning Matters, and Protocol on Member and Officer Relations, to reflect the provisions of the revised Code.
- 7.2 In May 2008, the Authority's Standards Committee assumed responsibility for assessing and determining allegations of failure to comply with the Members' Code of Conduct. New sub-committees were established, and detailed procedures agreed, to meet the new requirements, while relevant training was provided for Standards Committee members. Procedures for investigation and determination of breaches of local protocols were reviewed, to ensure these were consistent with those for local handling of Code of Conduct complaints.
- 7.3 The Standards Committee considered and approved a response to the Government's Consultation Paper on proposed revisions to the Code of Conduct for Members and on a new Code of Conduct for Employees.
- 7.4 All member meetings of the Authority commence with an item regarding declaration of personal and prejudicial interests, with signed records of interests declared kept with the minutes of the meeting. A Register of Members' Interests is maintained, in accordance with the Local Government Act 2000.

7.5 The Authority has also adopted policies on Anti-fraud and Corruption and Whistleblowing. Standing Orders on Contracts and Financial Regulations are in place and were reviewed and updated in the first half of 2009.

7.6 A Staff Code of Conduct is in place.

## **8 Significant governance issues**

8.1 No significant governance issues have been identified.

Signed:

Chairman

Signed:

Chief Executive

Date:

2009