**NEW FOREST NATIONAL PARK AUTHORITY**

**MINUTES OF A MEETING OF THE RESOURCES, AUDIT AND PERFORMANCE COMMITTEE HELD ON MONDAY 21 NOVEMBER 2016 AT 10:00 HOURS IN THE COUNCIL CHAMBER, LYMINGTON TOWN HALL, AVENUE ROAD, LYMINGTON**

**Present:**

*Members:*

David Harrison (Chairman)

Gordon Bailey

Oliver Crosthwaite-Eyre

John Pemberton (In the Chair for minute item 101)

John Sanger

*Officers:*

Alison Barnes Chief Executive Officer

Julia Mutlow Solicitor and Monitoring Officer

Steve Avery Executive Director Strategy and Planning

Nigel Matthews Head of Recreation Management and Learning

Paul Walton Head of Environment and Rural Economy

Nigel Stone Chief Finance Officer

David Stone Corporate Services Manager

Heleana Aylett Human Resources Manager

Jim Mitchell Interpretation Officer

Andy Brennan Sustainability Officer

Fiona Wynne Grants Officer

Jo Murphy Information and Data Protection Officer

Frances Connolly Executive Assistant

*Also in attendance:*

Justine Thorpe Audit Manager, Ernst and Young

Naomi Kitcher Senior Auditor, New Forest District Council

**88. Apologies for absence**

88.1 Apologies for absence were received from Ken Thornber, Richard Frampton and Marian Spain (Deputy Chairman).

# 89. Declarations of Interest

89.1 John Pemberton and Oliver Crosthwaite-Eyre declared an interest under Part 2 of the Members’ Code of Conduct on minute item 95, Half Year Progress report, as Trustees of the Ninth Centenary Trust which operates from the New Forest Centre.

89.2 David Harrison declared an interest under Part 2 of the Members’ Code of Conduct on minute item 101, PEDALL – Big Lottery Reaching Communities Stage 2 Application, as he had been involved in some initial meetings around the establishment of PEDALL. He left the meeting during the discussion and vote on this item and the Chair was occupied by John Pemberton.

89.3 Oliver Crosthwaite-Eyre declared an interest under Part 2 of the Members’ Code of Conduct in minute item 103, Love the Forest Visitor Giving Scheme, as a Trustee of the New Forest Trust.

**90. Chairman’s announcements**

90.1 There were no announcements on this occasion.

**91. Minutes**

91.1 The minutes of the meeting held on 5 September 2016 were agreed as a correct record.

**Resolved, that the minutes of the meeting held on 5 September 2016 be confirmed as a correct record.**

*Voting: none voting against*

**92.** **Public Question Time**

# 92.1 There were no questions or statements from the public.

**93. Ernst and Young Audit Letter**

93.1 Justine Thorpe introduced the report and explained that the information was a summary of their audit procedures for the year ended 31 March 2016. As already reported in detail to the full Authority on the 14 July 2016, she was pleased to report a clean opinion on the financial statements 2015/16 and also on the Value for Money conclusion. She reminded Members that the only significant risk that had been identified was that of management override but that their work had not identified any material weaknesses in the controls.

**Resolved, that the Ernst and Young Audit Letter be accepted.**

*Voting: None voting against*

**94. Internal Audit Plan Progress Report 2016-17**

94.1 Naomi Kitcher passed on Glenda Chambers’ apologies for not being able to attend the meeting. She explained that the ICT audit had now been completed and was not a draft as described in the report. She confirmed that the ICT Audit was very positive. Ms Kitcher indicated that they were on track to complete the plan by the end of the financial year.

94.2 One member commented that he was pleased to see the positive comments on Our Past Our Future external funding arrangements.

94.3 Members noted the report.

**95. Half-Year Progress Report 2016-17**

95.1 David Stone explained that the report covered the first half of the financial year and explained that the majority of projects were flagged green and that there were no red flags.

95.2 Under the protect programme Members asked how the recently refused Latchmore Brook wetland restoration application would impact on the wider habitat restoration programme. Steve Avery explained that Latchmore was only one of many schemes and that there was no shortage of schemes which could be taken forward. Mr Avery commented that the SSSI in the area remained in an unfavourable state and would decline further if nothing was done but that it may be possible to look at smaller scale schemes on the poorest areas which might be less contentious. Members suggested that it would be useful to organise a Members day to reflect on the lessons learnt and to consider the data and evidence that might be needed in order to consider future schemes.

**Action: Corporate Services to organise a Members’ day to consider the lessons learnt and the data and evidence required on which to determine schemes.**

95.3 In response to Members question Mr Avery confirmed that the new pre-application fee process was in place and that it was working well. Mr Avery drew Members’ attention to a large pre-application enquiry on a major application which had generated a fee of £6,000 and he recommended that when the process is reviewed in six months time that consideration is given to a staged fee structure for large applications. He reassured Members that this size of application was unusual and that no changes would be made to what was agreed.

95.4 Under the Enjoy programme Members discussed the recent decision made by the New Forest District Council (NFDC) to close their visitor information desk within the New Forest Centre. Nigel Matthews explained that the Centre as a whole was run by the 9th Centenary Trust, that the Trust was already working with a consultant to identify ways in which the Centre could become more financially sustainable, and that this work now included looking at alternative ways of providing information for visitors. It was pointed out that the NPA is not a tourism authority, but there was general support for officers to talk with NFDC and the Trust about the way forward, provided that it delivered the National Park purposes and protected the NPA’s investment in the Centre. Members noted that the Centre had indicated they would be able to continue to sell New Forest Tour bus tickets on behalf of the NPA.

95.5 Members also commented on the success of the walking festival and Oliver Crosthwaite-Eyre informed the Committee that the Recreation Management Strategy Steering Group was meeting the following week and that Members would be briefed on the options discussed early in 2017.

95.6 Under the Protect programme one Member supported the work being done with local tourism providers to educate visitors about how best to care for the New Forest.

95.7 Members queried whether all of the work that the NPA provided to NFDC under Service Level Agreements (SLAs), such as the Tree Service, Ecology and Building Conservation work, might be to the detriment of our work. Ms Barnes reassured Members that the work programme covers all areas and was the tool used to monitor performance and progress. Mr Avery confirmed that all planning consultation responses had been on time and that the NPA benefitted from our specialist officers being able to have influence on applications just beyond the park boundary. It was also noted that in times of particular heavy workload, it was possible to bring in consultants on a daily rate if required.

95.8 Members noted the report.

**96. Half-Year Budgetary Control Report (including Treasury Performance Report) 2016-17**

96.1 Nigel Stone introduced the report and drew Members attention to paragraph 2.2 and 2.3 which showed that the overall income and expenditure were broadly in line with expectations at this time. He explained that section four detailed potential savings and pressures that had been identified and that at this point in the financial year, the budget pressures were cancelled out by the potential savings. Mr Stone also highlighted the reduced income that was now projected from interest on investments.

96.2 Members noted the report.

**97. Future External Audit Arrangements**

97.1 Nigel Stone explained that further information had now been received and considered since the matter was last discussed at the Authority meeting. He informed the Committee that he had spoken to all the other National Parks and the New Forest District Council and that they all planned to join the scheme operated by Public Sector Audit Appointments Ltd., a body established by the Local Government Association (LGA).

97.2 Mr Stone explained that there would be three geographic regions and the business would be divided between the four or five big audit firm. He stated that the fee would be proportionate to the size of the Authority so it was not anticipated that costs would rise greatly and the new Contracts will be awarded in June.

**Resolved, that the Committee recommend to the full meeting of the Authority on 19 January 2017 that it formally ‘opt-in’ to the scheme established by the Public Sector Audit Appointments Ltd to secure external auditors for the Authority for 2018/19-2022/23.**

*Voting: None voting against*

**98. Flexible Working Policy**

98.1 Heleana Aylett introduced the Flexible Working Policy to Members, informing them that it had previously been aimed at those employees with dependants under 18 to enable them to continue in employment whilst meeting their dependents’ needs. The policy had now been updated to take into account the changes in legislation meaning all staff had a right to request flexible working. She explained that employees would need to make an application for flexible working and would have to meet the statutory eligibility criteria. Any applications would need careful consideration as flexible working would have to work for both employer and staff, she said.

98.2 Ms Aylett was asked if the policy would generate more applications for flexible working. She stated that she believed it could, however any reduction in hours would equate to a reduction in salary. Ms Aylett agreed to add a flow chart to the policy to set out the stages of the process and to amend section 5.1 to make it clear that it included requests for part-time working.

**Resolved, that the Flexible Working Policy be adopted with effect from 5 December 2016, subject to the amendments in minute item 98.2.**

*Voting: none voting against*

**99. Travel and Subsistence Policy and Mileage Rates**

99.1 Heleana Aylett informed members that when the New Forest National Park was set up it had adopted New Forest District Council’s Travel and Subsistence Policy, but that two years ago a paper was brought to the Resources Audit Performance Committee whereby members agreed that a consultation exercise with employees should be undertaken to review the mileage rates paid by the Authority. A recent mileage consultation had taken place with employees and notice had been given that new rates would come into effect from 1 January 2017. Ms Aylett advised members that there would be one user rate for both casual and essential users and that it would mirror HMRC rates.

99.2 Ms Aylett explained that the policy was to ensure value for money and to encourage pool car use wherever possible. One member expressed a view that there should be an expectation to car share whenever possible in the policy and it was agreed that this amendment should be reflected in the policy.

99.3 The new mileage rates which take effect from 1 January 2017 were noted.

**Resolved, that the Travel and Subsistence Policy, subject to the amendment set out in minute item 99.2, be adopted from 1 January 2017**.

*Voting: none voting against*

**100. Heritage Lottery Fund – Kick the Dust Youth Programme**

100.1 Jim Mitchell reminded Members of the success of the Youth Mosaic Project and commented that this new programme was a good fit with the Authority’s work and a great vehicle to engage young people within the New Forest. One Member was concerned that young people may have difficulty accessing the New Forest; however Mr Mitchell reassured him that many of the projects would take place on the boundaries of the New Forest so that they were more accessible to young people living in the neighbouring towns and cities. Transport remains a barrier to young people however and the programme can be used to help overcome this. Mr Mitchell explained that the Authority would work in partnership with supportive organisations such as the National Trust, UK Youth at Avon Tyrrell, the Princes Trust in Southampton and SPUD, a local charity.

**Resolved, that an application to the Heritage Lottery Fund’s ‘Kick the Dust’ Youth Programme be submitted.**

*Voting: none voting against*

**101. Pedall – Big Lottery, Reaching Communities, Stage 2 Application**

101.1 David Harrison left the meeting having previously declared an interest on this item. In the absence of the Deputy Chairman, John Pemberton was proposed, seconded and appointed Interim Chairman and duly took the Chair for this item.

101.2 Andy Brennan reminded Members that they had previously approved the Stage 1 bid to support inclusive cycling and that it had been successful and it was now proposed to move to Stage 2 of the bidding process. He explained that the proposal was to run six week cycling courses aimed at those with disabilities, to be managed by a part time manager, a full time ride leader and volunteers. Volunteers would be trained and obtain qualifications through the scheme in order to ensure it continued beyond the initial funding period, he said.

101.3 One Member enquired as to what would happen if the bid was unsuccessful. Mr Brennan confirmed we would still aim to recruit volunteers and investigate other funding streams to purchase kit and to support inclusive cycling in the New Forest.

101.4 Mr Brennan pointed out that the deadline for the submission was before the next Authority meeting and that was the reason why the Chairman of the Committee required authorisation to agree the details.

101.5 Julia Mutlow suggested that the authorisation should be given to the Deputy Chairman of the Committee given that the Chairman, David Harrison, had declared an interest in the matter and had not taken part in the decision. Members were content with this amendment.

**Resolved, that:**

1. **the submission of a stage two application to the Big Lottery Reaching Communities Fund, as set out in the report be approved; and**
2. **the Deputy Chairman of the Committee, in conjunction with the Chief Executive, be authorised to agree the details of the application.**

*Voting: None voting against*

**102. Love the Forest Visitor Giving Scheme**

102.1 Paul Walton explained that the Authority had been asked by the New Forest Trust to get involved with the running of the scheme following the departure of the Programme Manager earlier in the year. He said that the scheme was well established but that there was a risk that it would lose impetus if tourism providers were not continually recruited to the scheme. Mr Walton drew Members’ attention to an independent report which had been commissioned and had concluded that with the right management and support there was scope to increase income to £160,000 a year by 2020/21.

102.2 In response to questions, Mr Walton confirmed that the Lake District scheme generated approximately £250,000 per annum and was the largest such scheme. Members heard from Nigel Stone who said that it would potentially be more costly if the scheme were allowed to fail and a new scheme had to be developed from scratch. From a financial point of view, Mr Stone said the worst case scenario was that we give the scheme the equivalent of £35,000 in officer time and it generates approximately £32,000, inline with receipts for 2015/16, but if the projected figures from the independent report are realised the New Forest gets a significant net gain, and the scheme should become self-sustaining in time.

102.3 One member suggested that the Authority should also consider setting up a charity for legacy’s, as this was more tax efficient than donors giving directly to the Authority**.**

102.4 Members were supportive of the scheme but felt that the effectiveness of any support provided should be reviewed in twelve months, the recommendation was amended accordingly.

**Resolved, that the Authority work in partnership with the New Forest Trust to:**

**1. develop the Love the Forest Visitor Giving Scheme using existing staff;**

**2. agree a Memorandum of Understanding (MoU) with the New Forest Trust to determine the future arrangements of the scheme;**

**3. agree how the funds will be awarded;**

**4. agree how the scheme will be monitored; and**

**5. bring the draft MoU to the full meeting of the Authority on 19 January 2017 for approval.**

*Voting: (3-0) 2 abstentions*

**103. Any other items that the Chairman decides are urgent**

103.1 There were no other items on this occasion.

**104. Date of next meeting**

104.1 Members noted that the next meeting of the Committee would be held on Monday 6 February 2017 at 10.00 hours at Lymington Town Hall.

**PART II ITEMS WHICH MAY BE TAKEN IN THE ABSENCE OF THE PRESS AND PUBLIC ON THE GROUNDS THAT EXEMPTED INFORMATION MAY BE DISCLOSED**

**Resolved, that the public be excluded from the meeting during the following item of business, as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during this item there would be disclosure to them of exempt information within Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, and further that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, namely the need to avoid disclosing sensitive information relating to the Authority’s financial affairs.**

**105. Development of Medium Term Strategic Plans**

105.1 Members were updated on the Medium Term Strategic Plans, this is a summary of the minute which contains exempt information.

The meeting closed at 13.45 hours

**Signed ……………………………………………………Date………………….**

 **(Chairman)**