

NEW FOREST NATIONAL PARK AUTHORITY

MINUTES OF A MEETING OF THE RESOURCES, AUDIT AND PERFORMANCE COMMITTEE HELD ON MONDAY 5 JUNE 2017 AT 10:00 HOURS IN THE COUNCIL CHAMBER, LYMINGTON TOWN HALL, AVENUE ROAD, LYMINGTON

Present:

Members:

David Harrison (Chairman)
Marian Spain (Deputy Chairman)
Oliver Crosthwaite-Eyre
Gordon Bailey
John Pemberton
John Sanger

Officers:

Steve Avery	Acting Chief Executive
Julia Mutlow	Solicitor and Monitoring Officer
Paul Walton	Head of Environment and Rural Economy
Nigel Stone	Chief Finance Officer
Jim Mitchell	Interpretation and Outreach Manager
David Stone	Corporate Services Manager
Hilary Makin	Communications Manager
Jo Murphy	Information and Data Protection Officer
Vicki Gibbon	Member Services Administrator

Also in attendance:

Glenda Chambers Principal Auditor, New Forest District Council

138. Apologies for absence

138.1 Apologies for absence were received from Alison Barnes, Richard Frampton and Edward Heron.

139. Declarations of Interest

139.1 There were no declarations of interest.

140. Chairman's announcements

140.1 The Chairman welcomed Holger Schiller who had recently joined the Authority as the Partnerships and Community Officer.

141. Minutes

141.1 In response to a query, David Harrison confirmed that the Authority had decided not to proceed with the discover England Fund bid. He reminded Members that the decision had been delegated to the Chairman of the Authority and the Chairman of the Resources, Audit and Performance Committee (RAPC) and that they had met with

officers and carefully considered the proposal but had concluded that the Authority did not wish to support the bid.

141.2 The minutes of the meeting held on 23 March 2017 were agreed as a correct record.

142. Public Question Time

142.1 There were no questions or statements from the public.

143. Annual Internal Audit Performance and Opinion Report 2016-17

143.1 Glenda Chambers introduced the report and was pleased to report that it was a very good result. She drew members' attention to Annex 1 which showed that all the completed reviews had an assurance level of either reasonable or substantial. She informed members that it was rare for her to provide a substantial level of assurance and to have two was a very good result. Ms Chambers also stated that the Affordable Housing review was still in progress, however since this paper had been written she had met with Mr Avery and could confirm that the rent was 'affordable', the management fee was lower than most and the resale value was acceptable. She commented that the build costs were a little high but that the houses had been built to a high standard and that the resale value was lower than market value because of the affordable housing status. She indicated that she had not written the audit report yet but that she didn't anticipate any issues.

143.2 Members sought assurance on IT controls following a number of organisations, including the public sector, being targeted by hackers. Ms Chambers stated that the IT controls audit had been undertaken before the recent attacks but that in the next audit plan there was a new audit which would focus on cyber security. Mr Avery informed Members that staff had been sent an email to remind them to take extra care and to report anything suspicious.

143.3 Members thanked officers for their hard work and congratulated them on the very good outcome.

Resolved, that:

- a) the Auditor's Annual Opinion report be noted and considered when approving the Annual governance Statement; and**
- b) it be recorded that the Committee is satisfied with the effectiveness of the systems of internal control in line with Regulation 6 of the Accounts and Audit Regulations 2015.**

Voting: None voting against

144. Year End Progress Report 2016-17

144.1 David Stone presented the report which summarised fourth quarter progress against actions in the 2016/17 Work Programme under Protect, Enjoy, Prosper and Achieving

Excellence. He added that the report also contained year-end progress against the key performance indicators both national and local.

- 144.2 Members were pleased to note that the majority of the actions were marked as green and asked that their appreciation be passed to relevant officers for their efforts in achieving the objectives set for the year. Officers then provided clarification in response to queries raised by members in connection with those performance indicators which were down on the target set as well as various actions in the work programmes.
- 144.3 Referring to the KPI on monitoring water courses with high or good ecological status, members expressed disappointment with the year-end target of 20% which had been set by the Environment Agency and requested that a members' day be arranged to consider the monitoring process and the feasibility of increasing the target.
- 144.4 Some members referred to the action under Protect on securing grants as match funding to deliver OPOF projects and were advised that a significant number of grant applications were being received by Defra who applied a scoring system to evaluate submissions received. It was suggested that a members' briefing be arranged to consider possible lessons learned and discuss how the Authority could enhance its ability to secure future grants for match funding. A member expressed the view that, if match funding could not be secured through third parties, the Authority would need to make a decision about underwriting some of the shortfall in order to avoid losing HLF funding for OPOF.
- 144.5 Under Prosper, Members referred to the action to deliver a programme of training in traditional building skills for 180 people and asked for clarification as to the number of people who had been trained by the end of the financial year. Officers undertook to obtain and circulate this information to members.

Action: Corporate Services to arrange a Members' Day on:

- monitoring water courses in the New Forest for members to consider the monitoring process and the feasibility of increasing the year end KPI and
- the Authority's grant funding proposals and whether these could be enhanced in the light of the significant number of bids being submitted to funding bodies.

Action: Paul Walton to circulate information to members on the number of people who had been trained in traditional building skills as at the end of March 2017.

- 144.6 Members then noted the report.

145. Draft Financial Outturn and Treasury Report 2016-17

- 145.1 Nigel Stone introduced the report and explained that there were a number of updates to report. He explained that the savings identified were now £59,000, which was £1,000 greater than stated in the report. As a consequence of the additional savings, the identified call on reserves was now only £24,000 he said. Mr Stone also reminded Members that the Our Past Our Future (OPOF) project was not bound by financial years and that the apparent underspend was as a result of the time delay in getting some of the projects underway and that the funds would still be spent in the following years. Mr Stone also highlighted the additional income received from planning fees. This was

owing to the introduction of pre-application fees as well as a small number of larger planning applications which had generated greater fees. Mr Stone reported that the Authority's employee costs, our largest expense, were almost exactly as budgeted.

145.2 Mr Stone explained that the next stage of the process was to produce a formal Statement of Accounts, which he had already completed and given to the Auditors that morning. Mr Stone drew Members' attention to paragraph 7 of the report which contained details regarding developer contributions and the funding released for the Bransgore Affordable Housing scheme. He also explained that the pension scheme had undergone its three year valuation in 2016/17 and that the overall liability had significantly increased from £4m to £6m but because of the rules that govern how liabilities are calculated he considered this to be acceptable for a continuing public authority.

145.3 One Member commented that the Bransgore scheme valuation was merely for accounting purposes as the Authority did not intend to sell the houses - the Authority had provided two affordable homes within the National Park and would benefit from the rental income year-on-year.

Resolved, that:

1. **provisional outturn position be noted;**
2. **the Treasury Management Stewardship Report and Prudential Indicators 2016/17 in Annex 4 be noted ; and**
3. **the indicative transfers to/(from) Reserves in 2016/17 as set out in section 6 and detailed in Annex 3 be approved.**

Voting: None voting against

146. Draft Annual Governance Statement 2016-17

146.1 David Stone presented the report advising Members that following acceptance by the Committee, the Annual Governance Statement (AGS) would be passed to the Authority's External Auditors with the Financial Report (Accounts). Once audited, both documents would be referred the Annual Authority meeting on 13 July for final approval. He added that the AGS set out the key governance issues for 2016/17 and operated alongside the Annual Report which summarised the Authority's significant activities and achievements during this period.

Resolved, that the Draft Annual Governance Statement for the financial year 2016/17 be approved, and that the draft is passed to the External Auditors.

Voting: None voting against

147. Annual Report Document

147.1 Hilary Makin introduced the report and reminded Members that the Annual Report was a useful tool to showcase the work of the Authority and highlight our achievements. She explained that the report listed the areas of work which were proposed for inclusion and she asked Members whether they wished to add or remove anything from the list.

147.2 In response to questions, Ms Makin replied that OPOF and the HLS would be given greater prominence within the document. Members also queried whether the document should be called the 'Annual Report' or the 'Annual Review'. In response to input from members, Ms Makin confirmed it would be called the Annual Review.

147.3 Other suggestions put forward for inclusion were the cycle route between Marchwood and Eling, the New Forest Tour Bus, the ratio of investment to value (£1 investment delivers £13 of value to the New Forest) and a trailer for the work to be undertaken on the Recreation Management Strategy.

147.4 Members supported the proposed content subject to the above comments.

148. Health and Safety Update

148.1 Steve Avery introduced the report and drew Members' attention to the work that had been undertaken during the year including the H&S meetings, refresher training for fire wardens and first aiders and the updating of a number of policies. Mr Avery stated that although the number of days lost to sickness had increased it still remained well below the average for the public sector.

148.2 Members commented that the gap analysis and action plan were very helpful and thanked officers for their work in this area. Mr Avery explained that the H&S Officer at New Forest District Council who gave advice on such matters had unfortunately left and that he was looking at ways to take the work forward.

148.3 Members noted the report.

149. Any other items that the Chairman decides are urgent

149.1 There were no urgent items on this occasion.

150. Date of next meeting

150.1 Members noted that the next meeting of the Committee would be held on Monday 11 September 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.

151. Land at the North of the Forest

151.1 Members received an update on the land in the north of the Forest. This is a summary of the minute which contains exempt information.

The meeting closed at 11.30 hours

SignedDate.....
(Chairman)

