

NEW FOREST NATIONAL PARK AUTHORITY

MINUTES OF A MEETING OF THE RESOURCES, AUDIT AND PERFORMANCE COMMITTEE HELD ON MONDAY 6 MARCH 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
Richard Frampton
Edward Heron
John Pemberton
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
Mark Holroyd	Transport, Access and Sustainable Tourism Manager
David Stone	Corporate Services Manager
Jo Murphy	Information and Data Protection Officer
Rosalind Alderman	Member Services Officer and Deputy Monitoring Officer

Also in attendance:

Helen Thompson	Executive Director, Ernst and Young
Justine Thorpe	Audit Manager, Ernst and Young
Glenda Chambers	Principal Auditor, New Forest District Council

118. Apologies for absence

118.1 Apologies for absence were received from Gordon Bailey and Ken Thornber.

119. Declarations of Interest

119.1 There were no declarations of interest.

120. Chairman's announcements

120.1 The Chairman informed Members that there was an urgent item of business regarding the Recreation Management Strategy (RMS) which would be considered under agenda item 11 - Any other items that the chairman decides are urgent.

121. Minutes

- 121.1 John Sanger reminded the Committee that he was not in attendance at the last meeting but that he wished to clarify minute item 112.2. He explained to the Committee that the role of the recently recruited Operations Manager was to increase the membership of the New Forest Marque but that they were not tasked to source additional funding for the Marque. Members accepted the clarification of the minutes and agreed to amend the minutes accordingly.
- 121.2 The minutes of the meeting held on 6 February 2017 were agreed as a correct record, subject to the above amendment.

Resolved, that the minutes of the meeting held on 6 February 2017 be confirmed as a correct record, subject to the above amendment.

Voting: none voting against

122. Public Question Time

- 122.1 There were no questions or statements from the public.

123. Ernst and Young - Audit Plan 2016/17

- 123.1 Helen Thompson introduced the report (NFNPA RAPC 324/17) and explained that the format was similar to previous reports. She drew Members' attention to the financial statement risks contained in section 2 of the report, which highlighted the potential for management override and she explained that this was a standard consideration included in all audits. The other noteworthy risk related to the valuation of the newly constructed Bransgore properties and their classification on the balance sheet.
- 123.2 Ms Thompson told the committee that no significant value for money risks had been identified and that she did not anticipate any changes to the Audit Plan unless something unforeseen came to her attention during the year.
- 123.3 In response to a question from the Chairman, Ms Thompson confirmed that Ernst and Young do not undertake press releases on their findings. She stated that they are only required to publicise their findings where problems or wrongdoing are identified.

Resolved, that the Audit Plan 2016/17 be approved.

Voting: None voting against

124. Internal Audit Charter, Assurance Framework and Audit Plan 2017-18

- 124.1 Glenda Chambers introduced the report (NFNPA RAPC 325/17) which contained the Internal Audit charter, the Assurance Framework and the Internal Audit Plan for the next financial year, which was set out in Appendix 3. The Chairman confirmed that the Committee would receive further updates at its June and November meetings.

- 124.2 Members noted that the Bransgore housing development was a unique and new venture and queried why it was not included in the Internal Audit Plan 2017/18. Ms Chambers explained that it was already being audited in 2016/17 and that the audit should be completed before the end of March, however additional work could be carried over into next year's plan if necessary.
- 124.3 Members asked about the ICT audits and how audits were managed where services were contracted out to neighbouring local authorities. Ms Chambers confirmed that because ICT was such a high risk area it was audited annually and that the audits were targeted at specific areas of work. However she said that the audit work was confined to the work of the Authority and that services provided by other authorities were audited in their own plan. Mr Avery reminded Members that some previously contracted out ICT provision had recently been brought back in-house.

Resolved, that

- 1 the Internal Audit Charter;**
- 2 the Assurance Framework; and**
- 3 the Internal Audit Plan 2017/18 be approved.**

Voting: None voting against

125. Draft Work Programme 2017-18

- 125.1 David Stone introduced the report (NFNPA RAPC 326/17) and advised Members that each programme was linked to the Partnership Plan and that new actions which had been added this year could be identified as they were in italics. He explained that as in previous years progress against these actions would be reported quarterly to the Resources, Audit and Performance Committee. Members gave consideration to each of the areas, namely Protect, Enjoy, Prosper and Achieving Excellence. A recurring theme was how to engage with harder to reach groups, including the local community rather than focussing on visitors; Members noted that this type of engagement would form part of the discussions on drafting the new Business Plan.
- 125.2 Under the Protect programme Members commented that the current level of habitat contributions of £1,250 per new residential unit, to mitigate the impacts of new development was low, and that neighbouring authorities were believed to be charging considerably more. Steve Avery explained that the National Park only had a small number of new developments compared with the District Council and that the cost needed to be proportional to the impact of the development, but that it would be reviewed. He also advised Members that following the CIL Review that the Government may introduce standard charging for all small scale development which may come into effect during the year. It was noted that a report to update Members on the Government Housing White Paper would be considered at April's Planning Committee. Members agreed that the Authority should not only engage with the Parish Council, but with other land owners such as the National Trust and the Forest Commission and also the Highways Department in supporting the Western Escarpment Conservation Area Action Plan.
- 125.3 Under the Enjoy programme Members commented that they felt Social Media was a good vehicle to engage with local groups. One Member felt that it was not obvious

within the document that a review of the Recreation Management Strategy (RMS) would be undertaken. Nigel Matthews explained that it was contained with the action at the top of Enjoy 8, and that the public engagement element included the RMS. Alison Barnes informed Members that the Communications Manager would be attending the Quadrant Meetings to promote what we want to achieve in the next Business Plan.

- 125.4 Under the Prosper programme Members discussed the New Forest Tour and Beach Bus. Mark Holroyd said that the aim was to ensure the Tour is self-funding from advertising and passenger revenue. Last year's Beach Bus had benefitted from sponsorship from New Forest Ice Cream and Exxon Mobil; however there had been a high level of concessionary travel and a small amount of programme fund budget may be needed to preserve this service in 2017. In 2018, it is hoped that new vehicles on the New Forest Tour will enable the Tour and the Beach Bus services to be merged. Members also discussed the use of wood fuel on both large and small scale. Members noted that even if there were no economic gains that there was a potential for advantages to nature through woodland management.
- 125.5 Under the Achieving Excellence programme one Member raised concerns organisations such as the New forest Marque and the New Forest Centre may not be able to achieve financial sustainability. The Chairman clarified that it may not mean self sustainability but there was opportunity for them to become financially efficient. Alison Barnes informed Members that some National Parks were investigating charity status but at this time the Authority was not pursuing this route. She also said that there was a great opportunity to market our expertise to others and to operate more shared services, and that this would be considered as part of the next Business Plan. In response to questions, Mr Avery explained that all of the Service Level Agreements (SLAs) were negotiated independently and were generally for 3 years, he said the next one for consideration was the Conservation and Building Design area.
- 125.6 Members asked officers to consider the issues which were raised and to adjust the wording accordingly in their respective Work Programmes before the Authority meeting on 23 March 2017.

Resolved, that the draft 2017/18 Work Programme be recommended for approval by the Authority at its meeting on 23 March 2017.

Voting: None voting against

126. Draft Budget 2017-18

- 126.1 Nigel Stone introduced the report (NFNPA 327/17) and drew the Committee's attention to section 2.2 which detailed projected expenditure for the four work programme areas of Protect, Enjoy, Prosper and Achieving Excellence. The allocation between these areas was similar to that in previous years. Mr Stone also explained that the projected planning income for the forthcoming year was £25,000 less than the current year, in view of a one-off application fee. ICT budgets had been reduced by £62,000 this year through a combination of savings and the fact that the support service had been brought in-house; further savings had identified in Business Support services such as insurance, printing and postage. Members congratulated officers on these savings.

- 126.2 Mr Stone advised Members that he believed the level of reserves set out in section 4 were appropriate. He also drew Members' attention to section 7 which contained the risk assessment and pointed out that the Brexit agenda remained a key area of uncertainty for the coming year. Looking further ahead Mr Stone said that the savings required in 2018/19 and 2019/20 were less than those required in previous years. Mr Stone had reviewed the Authority's Treasury Management Strategy and recommended that the current low risk low reward approach should continue.
- 126.3 Members sought clarity on the funds which had been used for the Bransgore housing project. Mr Stone explained that there were two key elements to developer contributions, the Affordable Housing funds (used to fund the Bransgore project) and Open Space contributions and the estimated £800,000 being referred to in Annex 2 was the sum of both. Members noted that the Authority currently rented its office accommodation from New Forest District Council and that the Authority should retain sufficient reserves for any future changes in the office arrangements.

Resolved, that

- 1 the General Fund Budget for 2017/18 be supported and recommended for approval at the Authority meeting on 23 March 2017;**
- 2 the underlying minimum level for the General Fund Reserve remains at £0.3 million be noted;**
- 3 the implications on the Reserves of the proposed budget for 2017/18 be noted;**
- 4 the Risk Assessment and Section 25 Statement (Section 7) be noted;**
- 5 the Treasury Management Strategy in Annex 3 be supported and recommended for approval at the Authority meeting on 23 March 2017; and**
- 6 the Medium Term Financial Plan up to 2019/20 in Annex 4 be noted.**

Voting: None voting against

NB: The meeting was adjourned for a brief break between 10.40 and 10.50 am.

127. Discover England Fund

- 127.1 Mark Holroyd introduced the report (NFNPA/RAPC 328/17), explaining that it was proposed that the ten English National Park Authorities submit a joint application to the 'Discover England' fund, in order to obtain funding to improve the experience for international visitors to English National Parks. Mr Holroyd explained that the Peak District National Park Authority was leading on this initiative, and that the intention was to further develop the proposal for submission by the 12 April deadline.
- 127.2 Whilst Members were keen to support the other Parks, during the debate some concerns were expressed with regard to this proposal and in particular the possibility that it would attract a greater level of international tourism than was currently occurring, potentially to an unsustainable degree. Members felt that the pressures on the New Forest were greater than those on the other English National Parks, in view of its proximity to London and the surrounding highly populated areas. In response to these concerns officers pointed out that as the bid would probably be taken forward by other Parks whether or not the New Forest NPA chose to support it, it might be preferable to be involved in the process in order to be in a position to influence the

outcome.

- 127.3 In view of the fact that Members felt the proposal lacked sufficient detail to allow them to make an informed decision at this stage, Members felt that it would be appropriate to hold an extraordinary meeting of the Committee to follow the next meeting of the Authority on 23 March, in order to discuss the proposal further in the light of substantial further detail that officers would seek to obtain in the interim. If the Committee decided to support the bid, the Chairman of the NPA and the Chairman of the Committee could then be authorised to sign off the final proposal.

Resolved, that officers continue the discussions with other National Park Authorities on the national bid to the Discover England Fund being led by the Peak District National Park Authority, and report back to a special meeting of the Committee to take place on 23 March 2017.

Voting: None voting against

128. Any other items that the Chairman decides are urgent

- 128.1 The Chairman brought to Members' attention a report by Nigel Matthews (NFNPA/RAPC 330/17) on a proposed review of the New Forest National Park Recreation Management Strategy (RMS) 2010-2030, to be informed by a public consultation. Mr Matthews explained that the NPA would lead the consultation on behalf of and with the support of the other members of the RMS Steering Group. The precise details and timetable were yet to be confirmed, but it seemed likely that the consultation would be in two stages, starting with an initial call for views in June. After some discussion as to the probable costs of the exercise, Members welcomed the review and the public engagement process that would feed into it.

Resolved, that the Committee recommend to the full Authority that it leads a public 'call for views' consultation to inform an update of the New Forest National Park Recreation Management Strategy 2010-2030 in partnership with the other organisations on the Recreation Management Strategy Steering Group.

Voting: None voting against

129. Date of next meeting

- 129.1 Members noted that the next meeting of the Committee would be held on Thursday 23 March 2017 at 12.30 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.

130. National Parks Partnerships – Update

130.1 Members received an update on the National Parks Partnerships. This is a summary of the minute which contains exempt information.

The meeting closed at 12.55 hours

SignedDate.....
(Chairman)