

## NEW FOREST NATIONAL PARK AUTHORITY

### MINUTES OF A MEETING OF THE RESOURCES, AUDIT AND PERFORMANCE COMMITTEE HELD ON MONDAY 7 MARCH 2016 AT 10:00 HOURS IN THE COUNCIL CHAMBER, LYMINGTON TOWN HALL, AVENUE ROAD, LYMINGTON

#### **Present:**

##### *Members:*

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

##### *Officers:*

|                  |  |
|------------------|--|
| Alison Barnes    | Chief Executive Officer                    |
| Steve Avery      | Executive Director Strategy and Planning   |
| Nigel Matthews   | Head of Recreation Management and Learning |
| Paul Walton      | Head of Environment and Rural Economy      |
| David Stone      | Corporate Services Manager                 |
| Nigel Stone      | Finance and Performance Manager            |
| 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 |

#### **44. Apologies for absence**

44.1 An apology for absence was received from Richard Frampton.

#### **45 Declarations of Interest**

45.1 David Harrison declared a non-pecuniary interest in relation to minute item 53 as a trustee of PEDALL (inclusive cycling organisation).

45.2 Oliver Crosthwaite-Eyre and John Pemberton declared non-pecuniary interests in relation to minute item 51 as trustees of the Ninth Centenary Trust which runs the New Forest Centre.

#### **46 Chairman's announcements**

46.1 The Chairman informed Members that there would be a briefing immediately following the meeting which would provide an update on the results of the recent staff survey.

## 47 Minutes

- 47.1 Members noted that the action contained in minute item 37.2.2 regarding litter picking on road verges was not just a one off event as part of the national 'Clean for the Queen' campaign, but that the intention was encourage coordination between the highway authorities and New Forest District Council on an ongoing basis. Oliver Crosthwaite-Eyre confirmed that he had already written to both Hampshire County Council and Highways England and that that the request was not limited to the campaign. Members agreed that the minutes should be amended to clarify this point.

**Resolved, that the minutes of the meeting held on 1 February 2016 be confirmed as a correct record, subject to the above amendment to minute item 37.2.2.**

*Voting: none voting against*

### *Matters arising*

- 47.2 Members queried when the update on external funding would come before the Committee, as detailed in the action point at 37.2.4. They were informed that that the report would be on the agenda of the meeting of the 6 June 2016. Members also clarified that the report should focus on how the Authority manages the risks associated with this type of funding.

**Action:** Paul Walton to provide the Committee with a report on the management of the risks associated with external funding at the 6 June 2016 meeting.

## 48 Public Question Time

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

## 49 Audit Plan 2015-16 – Ernst and Young

- 49.1 Justine Thorpe introduced the report and explained that she was attending in place of Helen Thompson who was not able to be there. Ms Thorpe explained that the Audit Plan covered the work planned for 2015-16 and that it would provide an audit opinion on whether the financial statements gave a true and fair view of the financial position as at 31 March 2016, as well as a statutory conclusion on the Authority's arrangements to secure economy, efficiency and effectiveness.
- 49.2 Ms Thorpe 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. She also explained that the criteria for the Value for Money conclusion had changed slightly for this year, however at the current time, there were no significant risks to report. Ms Thorpe highlighted Ernst and Young's fees which were set out in appendix A of the report. She was pleased to report that the base fees remained at the same level as the previous year.
- 49.3 In response to questions from Members, Ms Thorpe explained that the Audit process tested the external funding income, but that those organisations which provided the funding would carry out their own checks to ensure it was spent within the

requirements of the fund. Similarly any income generated from commercial sponsorship would be verified by the audit process, and checks would be made to ensure that there were no conflicts of interest.

**Resolved, that the Audit Plan 2015-16 be approved.**

*Voting: None voting against*

## **50 Internal Audit Charter, Assurance Framework and Audit Plan 2016-17**

- 50.1 Naomi Kitcher introduced the report to the Committee and drew Members attention to Appendix 3 of the report which contained details of the Internal Audit Plan for 2016-17.
- 50.2 Members were again interested in the audit arrangements for external funding since this represented a significant proportion of the income. Ms Kitcher confirmed that two days had been identified to audit the funding and governance arrangements of the Our Past Our Future Project. Alison Barnes indicated that the rental and maintenance arrangements for the new affordable housing had also been included in the plan.

**Resolved, that the**

- 1) Internal Audit Charter;**
- 2) Assurance Framework and**
- 3) Internal Audit Plan 2016-17 be approved.**

*Voting: None voting against*

## **51 Draft Work Programme 2016-17**

- 51.1 David Stone presented the report and advised that this was the second of three work programmes within the 2015-2018 Business Plan which in turn sets out how the Authority would deliver its part of the Partnership Plan (2015-2020). He also advised that particular attention had been paid to the proposed actions in the draft Work Programme to ensure that targets and goals were clearly defined and focused with links to the relevant actions in the Partnership Plan set out at the end of each action. He explained that italic type was used to illustrate those actions which did not directly support one of the Partnership Plan actions. He drew Members' attention to the impact of on-going reductions in the Defra grant over the last few years. However, the good news in the Government's Spending Review and Autumn Statement provided an opportunity for the Authority to refocus resources towards developing medium term strategic plans to develop ways of working on key areas of the Authority's work and improved ways of working with its partners. An appropriate action had accordingly been included in the Achieving Excellence section of the Work Programme to take this forward. In supporting these comments, Alison Barnes advised that the idea was to develop ways of working which supported opportunities for staff, members and partners to co-operate in developing strategies on key areas and, if supported by the Committee, arrangements would be made for a members' workshop to discuss how best to take this proposal forward.

- 51.2 Members then considered the Work Programme in detail. They emphasised the importance of educating the next generation about the National Park, the need for increased communication with local people about the Authority's purposes and duty and that it should be easier for communities to input their views, comments and concerns. It was accordingly agreed that a Members' day be arranged to discuss the ways in which we communicate with communities, looking back at what has and hasn't worked and exploring further opportunities to enhance communication with local people.
- 51.3 Members made a number of further amendments to the sections of the Work Programme and then resolved to recommend this to the Authority for approval.

**Resolved, that the draft 2016/17 Work Programme be supported and recommended to the Authority meeting on 24 March 2016 for approval.**

*Voting: None voting against*

**Action:** Member Services to arrange a members' day to discuss the ways in which we communicate with communities, looking back at what has and hasn't worked and exploring further opportunities to enhance communication with local people.

## 52 Draft Budget 2016-17

- 52.1 Nigel Stone introduced the report and explained that the figures would be familiar to those who had attended the Members' day in December. He drew the Committee's attention to paragraph 2.2 which detailed the four year grant settlement from Defra and to paragraph 3.3 which showed how the core budget was divided between the work programme areas; Protect, Enjoy, Prospers and Achieving Excellence. Members queried the high spend on Media and Promotions and Publications, totalling £47,000. Mr Stone explained that, for example, the cost of producing 'Park Life' which was delivered to all New Forest residents was around £8,000 and was paid from these budgets. The planned Members' day at minute item 51.3 would provide more detail on the Communications' Strategy and expenditure.
- 52.2 Mr Stone advised the Committee that there was still a shortfall of £140,000 for 2017-18 but that he hoped that this could be found through income generation proposals. He explained that the Treasury Strategy was a low risk / low reward approach and that consequently the funds remained available to cash-flow projects. Mr Stone clarified that owing to the estimated £54,000 saving from the current year that only £30,000 would now be drawn down from the Revenue Support Reserve for 2016/17.
- 52.3 The Chairman thanked the Task and Finish Group and Members' day participants for their work in identifying savings and delivering a balanced budget.

**Resolved, that the**

- 1) the General Fund Budget for 2016/17 be supported and be recommend for approval at the Authority meeting on 24 March 2016,
- 2) that the underlying minimum level for the General Fund Reserve which remains at £0.3 million be noted,
- 3) the implications on the Reserves of the proposed budget for 2016/17 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 be recommended for approval at the Authority meeting on 24 March 2016 and**
- 6) **the Medium Term Financial Plan up to 2019/20 in Annex 4 be noted.**

*Voting: None voting against*

### **53 Local Sustainable Transport fund update**

- 53.1 Nigel Matthews introduced the report and confirmed that Hampshire County Council were willing to submit the bid and act as the accountable authority; however Mark Holroyd and his counterpart from the South Downs National Park Authority would jointly write the bid. Mr Matthews highlighted that there is to be no capital funding and that the examples of projects being considered which were listed in paragraph 4.3 were primarily to develop existing work rather than to develop wholly new projects. He also listed four projects being considered that were not included in the paper: step-down funding for the Beach Bus; support for inclusive cycling; information and activities to encourage people to walk (historic routes, walking festival, walkers and cyclists welcome scheme and routes from bus stops and rail stations); adding information to the existing cycle waymarker posts on Crown Land.
- 53.2 Members debated the merits of the additional information on the waymarker posts, such as the distance and direction to the nearest settlement. However concerns were raised regarding this proposal because it might be perceived that this could embed existing cycling routes when concerns had already been raised about some of the routes. Members advised against including proposals for the waymarker posts.

#### **Resolved, that**

- 1) **the Authority's involvement in the development of an application to the Department for Transport Sustainable Travel Transition Fund 2016/17 for the Two National Parks Local Sustainable Transport Fund programme be supported and**
- 2) **the final authorisation of the completed bid be delegated to the Chair of the Authority and the Chair of Resources, Audit and Performance Committee.**

### **54 Development of two new affordable homes, the Old Vicarage, Ringwood Road, Bransgore**

- 54.1 Steve Avery informed Members that building works were progressing well and reminded them that the properties would be advertised in May on New Forest 'Homesearch'. He explained that the attached Tenancy Policy was closely modelled on the New Forest District Council's Tenancy strategy but that it had been adapted to meet the needs of the National Park Authority. He explained that the paper sought Member input on the Tenancy Policy and that once agreed for it to be recommended to the full Authority for approval.
- 54.2 Members queried whether some of the language was too harsh but Mr Avery assured them that he had followed the current guidance. Another Member who had experience of the private lettings market explained that language which clearly set out

the expectations of the agreement would ensure straightforward resolution of any disputes in the future.

**Resolved, that the Tenancy Policy, attached as Annex 1, be recommended for approval by the Authority at its meeting on 24 March 2016.**

*Voting: None voting against*

**55 Risk Log**

55.1 David Stone introduced the report and the new corporate risk log which set out the overarching risks against not achieving the key objectives in the Business Plan as well as the broader corporate risks. He advised that the log was a standard item on each agenda of the Executive Board of the Authority and would be reported six monthly to the Resources, Audit and Performance Committee. He mentioned that the risks in the resources section of the log were further mitigated by the good news on future Defra funding, the new work programme and the very positive feedback from the recent staff survey.

55.2 Members noted the report.

**56 Any other items that the Chairman decides are urgent**

56.1 There were no urgent items on this occasion.

**57 Date of next meeting**

57.1 Members noted that the next meeting of the Committee would be held on Monday 6 June 2016 at 10.00 hours at Lymington Town Hall.

The meeting closed at 12.25 hours

**Signed .....**  
**(Chairman)** **Date.....**