

## NFNPA 494/16

### NEW FOREST NATIONAL PARK AUTHORITY

#### AUTHORITY MEETING – 21 JANUARY 2016

#### ESTABLISHING NATIONAL PARKS PARTNERSHIP

**Report by:** Alison Barnes, Chief Executive

#### 1. Summary:

- 1.1 To update members on the set up, governance model and future operation of the entity currently known as National Parks Partnerships Limited and to authorise the Chief Executive to deal with the relevant partnership paperwork required to establish an LLP, in consultation with the Monitoring Officer, Chief Finance Officer and the Chairman of the Authority (as set out in the recommendations under paragraph 5 of this report).

#### 2. Introduction

- 2.1 Early in 2015, National Parks UK took a decision to establish a national vehicle for corporate engagement. The rationale for this is the same as for our own corporate sponsorship with the objective of sourcing funds at a national level against the brand of national parks (NPUK sponsorship policy attached as **Annex 1**).
- 2.2 Since then, discussions have been on-going about what model this company should take. The preferred model for the company is an LLP (Limited Liability Partnership) and we have drawn up a draft partnership agreement which all NPAs will be signing, subject to their own governance arrangements, over the next quarter (see **Annex 2**). Attached for members' information as **Annex 3** is a briefing note prepared by NPUK's legal advisers outlining the key features and issues involved in setting up an LLP and providing a comparison between an LLP and Limited Company.
- 2.3 Pending the formal establishment of the company a "board in waiting" has been appointed comprising National Parks Members, NPA employees (including Mark Holroyd, Transport and Tourism Manager, NFNPA) and individuals with private sector experience (totalling 10 board members). The composition of the Board is set out in **Annex 4**. Alison Barnes is the lead officer responsible for setting up the company and Board on behalf of NPUK.

#### 3. The Business Case

- 3.1 Attached as **Annex 5** is the business case for the company. Since the board in waiting has been appointed, direction has changed slightly, but the aims are essentially the same. Chief Executive Officers and Chairmen of the 15 UK National Parks have worked with the 'board in waiting' and scrutinised the draft agreement

for the establishment of the LLP. In addition papers were considered at the December meeting of the Resources Audit and Performance Committee. The main issues raised have been discussed and resolved as follows:

### **Losses**

It is quite common for an LLP Agreement to provide for Members in certain instances to bear losses. However, the draft LLP Agreement which we have prepared does not mention losses because, unless specified otherwise in such an agreement, the LLP will bear its own losses. In the case of National Park Partnerships LLP, the LLP will therefore bear its own losses.

### **Due diligence**

With respect to suitability of companies for sponsorship of NPAs, measures it will put in place will be in line with both national and our own policies (see NPUK sponsorship policy)

### **Equality of benefits**

In establishing Partnerships the LLP will aim to ensure equal benefits to all Members whilst recognising the practical constraints associated with the distribution of contributions-in-kind to the Parks and the different opportunities and resources available to establish partnerships within each Park.

### **Leavers**

Members will not have their capital returned to them on departure, working on the assumption that the £10,000 payments are non-refundable “gifts” to the LLP, not investments.

## **4. Taking forward the work of setting up of the Partnership**

- 4.1 To facilitate the setting up of the partnership, I am asking for specific authorisation to enable me to deal with the relevant partnership paperwork required to establish the LLP, in consultation with the Monitoring Officer, Chief Finance Officer and the Chairman of the Authority.

## **5. Recommendation:**

- 1. To authorise the Chief Executive, in consultation with the Monitoring Officer, Chief Finance Officer and the Chairman of the Authority, to consider and agree subscription to a Limited Liability Partnership (LLP) or similar model for the proposed National Parks Partnerships entity including the signing of the relevant agreement.**
- 2. To delegate authority to the Chief Executive, in consultation with the Monitoring Officer, Chief Finance Officer and Chairman of the Authority, to take all such incidental and consequential steps as are reasonably necessary to implement this decision including entering into any agreements and signing any legal documentation together with any subsequent amendments.**

**Papers:**

NFNPA 494/16 - Cover report

NFNPA 494/16 – Annex 1 – NPUK sponsorship policy

NFNPA 494/16 – Annex 2 – Draft partnership agreement

NFNPA 494/16 – Annex 3 – Analysis by NPUK legal advisors

NFNPA 494/16 – Annex 4 – Composition of the Board

NFNPA 494/16 – Annex 5 – Business Case

**Contact:**

Alison Barnes

Chief Executive

Tel: 01590 646633

Email: [alison.barnes@newforestnpa.gov.uk](mailto:alison.barnes@newforestnpa.gov.uk)

**Equality & Diversity Implications:**

There are no equality or diversity implications arising directly from this report.