
NFNPA RAPC 360/18

NEW FOREST NATIONAL PARK AUTHORITY

RESOURCES, AUDIT AND PERFORMANCE COMMITTEE MEETING – 5 MARCH 2018

NEW FOREST CENTRE AGREEMENT

Report by: Nigel Matthews, Head of Recreation Management and Learning

1. Summary

- 1.1 This report seeks Members' guidance with respect to the relationship between the New Forest National Park Authority (NPA), the Ninth Centenary Trust (the Trust) and the New Forest Centre (the Centre).
- 1.2 The current three-year Agreement and associated funding commitment finishes at the end of March 2018. Clarity is needed regarding any short and longer-term funding arrangements so that these can be included in the proposed NPA budget for 2018-19 that will be considered by the full Authority on 22 March 2018.
- 1.3 Clarity is also needed on the mechanism by which any new agreement should be framed. This would enable officers to progress discussions with the Trust and bring back to Members a proposal with options for support.

2. Recommendations

It is recommended that the Committee:

- 1) considers the principle of funding for the Centre for quarters one and two, and if appropriate agrees this is included in the proposed 2018-19 budget;
- 2) considers the options for the NPA's support for the Centre and confirms which, if any, should be progressed by officers;

and, if appropriate:

- 3) comments on the terms of any arrangement, including the kinds of activities that could warrant support by the NPA to the Trust; and
- 4) confirms timescales for agreeing any new arrangements.

Papers

NFNPA RAPC 360/18 - New Forest Centre Agreement

NFNPA RAPC 360/18 – Annex 1, New Forest Centre Annual Report 2016-17

Previous papers

NFNPA RAPC 349/17 - New Forest Centre Agreement

Contact

Nigel Matthews, Head of Recreation Management and Learning

Tel: 01590 646684

Email: nigel.matthews@newforestnpa.gov.uk

Equality and Diversity Implications

There are no equality or diversity implications arising directly from this report. The New Forest Centre has an Audience Development Plan and an Access Plan which together address potential equality issues.

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1 Background

- 1.1 The Ninth Centenary Trust (the Trust) and New Forest National Park Authority (NPA) have achieved a great deal during the years that they have worked together on the New Forest Centre (the Centre). The association is described in a formal Agreement, the first of which was signed in July 2007; the current Agreement ends on 31 March 2018 (see previous papers listed above).
- 1.2 In recent years, the Agreement has been monitored through Annual Reports of activities at the Centre and how these have contributed to the work of the NPA; the last of these was noted by the Authority at its meeting on 12 October 2017 and is attached as **Annex 1**. Note that there is no attempt in the Report to assess which of the many activities have been made possible directly as a result of the NPA's funding.

2 Different viewpoints

- 2.1 During recent conversations regarding an updated agreement, some fundamentally different views have been expressed about what kind of association exists, or should exist, between the two organisations in respect of the Centre. The following summaries attempt to describe the most extreme and opposite of these views:
 - The NPA's provision of funding to the Trust, enables it to provide a high quality National Park Centre (an essential part of the NPA's second purpose) that the NPA could not afford to create on its own. Without the Centre the NPA would be failing in its legal obligations. The NPA should therefore commit to ongoing (and increased) core funding to the Trust to cover running costs and in compensation for the fact that the NPA branding hinders the Trust's ability to attract donations and grants.
 - The Centre is just one of many ways in which the NPA can choose to deliver its purposes, where this is the best use of its resources. It is not essential that the NPA has a National Park Centre and if it did decide to develop one, it would consider other locations (e.g. on the perimeter of the National Park or near a rail station) and ensure, through sales and other income from the Centre, that it did not need any ongoing core funding. The National Park focus increases footfall and sales income within the Centre.

- 2.3 There are, of course, intermediate viewpoints and no single description is likely to be fully supported by all NPA members and Trust trustees, or by all the staff involved.
- 2.4 In both RAPC and full Authority meetings, most NPA Members appear to have supported at least some ongoing joint working with the Trust, and at least some funding from the NPA to the Trust. More recent feedback from a small number of Members included: continue the very good relationship with the Trust; support for continued provision of £40,000/year but no increase; short term funding commitment to the Trust, with transition to long term funding to a range of other locations and circumstances; the Centre should be self-sustaining without any NPA funding; no further funding until benefits to NPA have been agreed and a new agreement is approved; shift allocation of funds to pay for services provided by the Trust on a project by project basis.
- 2.5 Any new arrangement should at least clarify the majority view of NPA members.
- 2.6 Trust trustees have conveyed that they would like the NPA to include in its 2018-19 budget a full year's funding for the Trust – £40,000 or more – to reflect a commitment to ongoing funding at a similar level to recent years after a new agreement is signed, as well as interim funding. They are keen to secure funding that supports their core running costs.

3 Recent developments

- 3.1 In recent years there have been some significant developments that now need to be considered:
- Historic cuts to the NPA's Defra grant, resulting in a 40% real terms reduction.
 - A marked increase in the ability of people to download information 'on the go', rather than having to rely on printed literature and face to face conversation at visitor centres.
 - All other NPAs now maximise income from their remaining centres to cover running costs (e.g. through sales, cafés and renting out surplus space).
 - The cessation of NFDC's tourism function and closure of its last Visitor Information Centre within the New Forest Centre.
 - Confirmation (through the public consultation on recreation management) that there is a real need for more effective communication, by a range of organisations, with both visitors and local people. Although visitor centres should play a part in this, a wide range of other initiatives need to be developed, including other visitor information outlets, more face to face work where issues are known to occur and improved educational campaigns.

4 Key elements of a future arrangement

4.1 To enable both organisations to work effectively and positively together, any new arrangement needs to give:

- much greater transparency and clarity between the Trust and the NPA – in particular to clarify how the two organisations work together and which, if any, ongoing activities warrant a payment to cover costs
- flexibility to the NPA to develop and where appropriate fund specific additional projects
- complete freedom for the Trust to develop its own funding strategy, including the ability to turn down any NPA offers to fund specific activities

5 Different types of partnership arrangements that could be developed

5.1 If the NPA chooses to develop a new arrangement with the Trust, one of the following options could be considered. A summary of their usual characteristics is given for each option.

5.2 Grant Agreement

- One party applies for funding from another to complete a project, or set of projects, which meet set aims of the Grantor
- Funding has to be spent exactly as specified in the legally-binding contract
- Other than providing the funding, the Grantor has little involvement in the actual project(s)
- The Grantee would normally feed back to a single officer

5.3 Memorandum of Understanding (MoU)

- Two or more parties agree to work together on a project or set of projects
- A collaborative process with shared understanding of overarching goals
- Funding can come from one or more of the parties
- The MoU describes the shared aims/goals and funding but only summarises the work as this is detailed by all the parties as the project progresses, allowing a degree of flexibility
- Progress is often overseen by a Group or Board made up of both/all parties

5.4 Service Level Agreement

- One party lists a set of services in detail, which they invite other parties to offer to provide for them - usually through official quotes or a tender exercise
- A legal, contractual relationship
- Payment is made dependant on the quality/completeness of the services provided

- Very regular formal reviews / performance monitoring is necessary by both sides

5.5 Of these options, the MoU may be most appropriate, and Trust Trustees have expressed a preference for this type of agreement. It would set a positive and collaborative tone where the two organisations are working together, involve a clear but not too onerous level of governance, clarify which activities warrant financial support and allow flexibility to develop projects outside of the MoU where appropriate.

6 What might an MoU include?

6.1 If an MoU is developed, it could include the following elements.

6.2 A high-level list of aims/outcomes to which both the NPA and the Trust are committed (through their respective purposes and charitable objectives) and which are often best achieved by working together, e.g.:

- raising awareness of and protecting the New Forest National Park's special qualities, including its history, culture and wildlife
- promoting ways in which people can enjoy the New Forest sustainably
- reaching young people through working with schools
- creating accessible archives for the New Forest, including through the Centre's library and volunteer researchers

6.3 Complete freedom for the Trust to maximise its income from sales, grants and donations including any rebranding it thinks is necessary

6.4 Commitment from the NPA to promote the Centre as a place of discovery and inspiration about the New Forest (in NPA publications, on-line and in other communications)

6.5 Commitment from the Trust to take opportunities to highlight the importance and value of National Park designation

6.6 A list of specific, ongoing 'activities' to be provided by the Trust that are over and above its charitable remit, which incur a tangible cost and which warrant a contribution from the NPA. This list could include:

- retaining 'Discover the National Park' on the front of the Centre
- stocking and promoting New Forest Marque goods
- prominent front of house space for a map of the National Park, NPA literature and a National Park television screen
- space for the travel concierge during the summer
- up to an agreed number of days' free use of a room by the NPA for engaging with key visitors to the New Forest
- the option for at least one NPA-curated exhibition each year

- 6.6 An annually agreed contribution from the NPA to the Trust for delivering the above activities
- 6.7 Confirmation that the NPA would continue to consider the Centre (with its New Forest focus, central location and high footfall) as a place where it can develop new projects with the Trust to deliver National Park purposes. As well as staff time, some of these projects could include the NPA providing financial contributions where agreed on a case by case basis (e.g. where there is a net cost to the Trust or the activities are beyond the Trust's normal charitable activities and capacity); others could be made possible by external funding (e.g. permanent exhibitions within the museum).

7 Working with the 'spirit' of the current Agreement

- 7.1 Elements of the current Agreement (see bullet points below) give both organisations the ability to plan their respective budgets with a degree of confidence.
- 'The Parties expect to renew this Agreement for a further period commencing on 1 April 2018 on such terms as they may then agree and on the absolute discretion of the Parties'.
 - 'The Authority reserves the right to alter or amend the agreed funding schedule at any time, at his absolute discretion. However such discretion shall only be exercised in exceptional circumstances'.
- 7.2 Officers are committed to making progress asap but currently believe that working out mutually acceptable terms for any new relationship needs to be done carefully, especially if it becomes apparent that the majority of Members support a significant change to the NPA's recent financial commitment to the Trust.
- 7.3 Following an unsuccessful bid for a grant from the Heritage Lottery Fund, the Trust is developing a 5-year funding strategy for the Centre and as part of this is recruiting a fundraising officer. To give the Trust time to adapt to any changes in funding from the NPA, one option is to roll forward the current quarterly payment (e.g. for two quarters) while the details of a new arrangement are finalised.
- 7.4 The budget being considered by RAPC includes £30,000 for the 'New Forest Centre / information services', but this can be reduced or increased in the light of discussion. It has also been assumed that the cost of staffing the concierge within the Centre for the duration of the 2018 New Forest Tour season can be covered from the £8,000 that is currently in a reserve for the Centre.

8 Proposed timeline

8.1 Key 'milestones', and times at which Members can give collective guidance and instructions to officers are as follows:

- 5 March, RAPC meeting: Members to confirm the direction of travel, advise on the type of arrangement to be pursued, and recommend any funding allocation for the 2018-19 budget
- 22 March, Authority meeting: Members to approve or amend the budget (including any allocations to the Trust)
- 31 March: current Agreement runs out
- 4 June, RAPC meeting: Officers to bring a draft new proposal for Members' comment
- 12 July, Authority meeting: Members to approve new proposal

9 Recommendations

It is recommended that the Committee:

- 1) considers the principle of funding for the Centre for quarters one and two, and if appropriate agrees this is included in the proposed 2018-19 budget;**
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