

NEW FOREST NATIONAL PARK AUTHORITY

MINUTES OF A MEETING OF THE RESOURCES, AUDIT AND PERFORMANCE COMMITTEE HELD ON MONDAY 4 FEBRUARY 2019 AT 10:00 HOURS IN THE COUNCIL CHAMBER, LYMINGTON TOWN HALL, AVENUE ROAD, LYMINGTON

Present:

Members:

David Harrison (Chairman)
David Bence
Oliver Crosthwaite-Eyre
Richard Frampton
Edward Heron
Neville Penman
John Sanger

Officers:

Alison Barnes	Chief Executive Officer
Rosalind Alderman	Solicitor and Monitoring Officer
Steve Avery	Executive Director Strategy and Planning
Nigel Stone	Chief Finance Officer
Nigel Matthews	Head of Recreation Management and Learning
Paul Walton	Head of Environment and Rural Economy
Hilary Makin	Communications Manager
Jo Murphy	Information and Data Protection Officer
Frances Connolly	Executive Assistant

Also in attendance:

Kevin Suter	Associate Partner – Ernst & Young, External Auditors
James Stuttford	Assistant Manager – Ernst & Young, External Auditors

29. Election to fill the vacancy of Deputy Chairman of the Resources, Audit and Performance Committee

29.1 Patrick Heneghan was duly proposed and seconded as Deputy Chairman of the Resources, Audit and Performance Committee for the period up to the next Annual Authority meeting.

Resolved, that Patrick Heneghan be appointed as Deputy Chairman of the Resources, Audit and Performance Committee for the period up to the next Annual meeting of the Authority.

Voting: Unanimous

30. Apologies for absence

30.1 An apology for absence was received from Patrick Heneghan.

31. Declarations of Interest

31.1 There were no declarations of interest.

32. Chairman's announcements

32.1 There were no announcements on this occasion.

33. Minutes

33.1 The minutes of the meeting on 5 November 2018 were agreed as a correct record.

Resolved, that the minutes of the meeting held on 5 November 2018 be confirmed as a correct record.

Voting: none voting against

34. Public Question Time

34.1 There were no questions or statements from the public.

35. Ernst & Young – Audit Plan 2018-19

35.1 Kevin Suter from Ernst & Young introduced himself and his colleague, James Stuttaford, who was the new key contact for the NPA. Mr Suter informed Members that there were no significant changes from last year's audit.

35.2 He drew Members' attention to the three main areas of risk which were set out in the report, namely valuation of land and buildings, pension liability valuation and risk of fraud from misstatements or error. Mr Suter said that a value for money risk assessment had been undertaken whereby there were no deteriorations, therefore no significant risks had been identified.

35.3 In response to questions Mr Suter informed Members that risk assessments were undertaken to see whether there was potential for fraud to occur. The auditors had a programme of works to follow and controls in place to mitigate the risks, although he was not able to divulge the full details of the testing, as it would potentially reduce its effectiveness.

Resolved, that the Audit Plan 2018/19 be approved.

Voting: none voting against

36. Third Quarter Progress Report 2018-19

36.1 Members reviewed the KPIs and raised a concern with the apparently low target relating to the water quality of the River Avon. The figure was due to the way the water quality data was collected and reported by the Environment Agency, when in fact studies show that water quality levels within the National Park are very high. It was agreed that more could be done to highlight this.

- 36.2 Members discussed the recent statements that had been made regarding perceived overgrazing in the New Forest that had been reported in the press. It was suggested that officers develop some information for our website on the impact of grazing on the New Forest habitat and provide links to the websites of Natural England, the Forestry Commission and the Verderers to give a balanced view of the matter.

Action: Paul Walton and Hilary Makin to develop some information for the website regarding the impact of grazing in the New Forest.

- 36.3 It was reported that the number of information requests that had met the 20-day deadline was 92%. Members asked what this was due to and were informed that it was only one request which had been one day late. Information requests had increased on the previous year but there was no obvious pattern or reason for this. It would be kept under review to establish whether this was an isolated anomaly or an emerging trend.

- 36.4 Members reviewed the four sections of the work programme under Protect, Enjoy, Prosper and Achieving Excellence and discussed the risks and mitigations on the actions that were flagged either amber or red. Members also discussed how the report could assist them in understanding actual progress that was being made on particular matters, as distinct from activity alone. Members then noted the report.

37. Third Quarter Budgetary Control Report 2018-19

- 37.1 Nigel Stone introduced the report, which provided a summary of the financial performance for the first nine months of 2018/19. The key figures were expenditure that showed £3.64m spend (71% of budget) and the income position which showed £3.54m received (69% of budget).
- 37.2 Mr Stone said that at present planning income was slightly above forecast and that he anticipated that there would be small savings across all budgets, and that previous years' experience showed that this could total between £5-10,000.
- 37.3 He said there were potential pressures regarding the Local Plan examinations. A budget of £40,000 had been set aside, but £15,000 had already been spent and the Authority were still awaiting the Inspectors' costs for the hearings. The other potential pressure were legal costs regarding a planning case whereby £28,000 had been set aside in 2017/18. The final costs to be awarded were yet to be determined.
- 37.4 Nigel Stone informed Members that at the start of the year the amount allocated to the Sustainable Communities Fund but unclaimed stood at £38,000. After nine months of the year, £38,000 had been claimed from total funds of £88,000.
- 37.5 Mr Stone reminded Members that a significant proportion of Affordable Housing contributions would be used to fund a pair of homes at the Burley site. There were no changes to the General Fund Reserve position this quarter.
- 37.6 Members noted the report.

38. National Park Authority Grants

- 38.1 Paul Walton introduced the report to provide an update to Members and give clarity about how the National Park Authority (NPA) issued grants and financial contributions to third parties.
- 38.2 Members discussed the current set up of New Forest Produce Ltd and how it might be managed and funded in the future.

Resolved that,

1. the preparation of a formal Service Level Agreement between the NPA and New Forest Produce Limited to replace the current annual grant be approved; and
2. the Sustainable Communities Fund be maintained as the principal means by which the New Forest NPA provides grants to community projects.

Voting: none voting against

39. Member Input on the forthcoming Work Programme

- 39.1 Members were reminded that work had already started on the draft Annual Work Programme for the 2019/20 and that it would be considered at the next meeting in March in preparation for the new financial year.
- 39.2 Members were supportive of the key areas set out in the paper and highlighted some other areas to focus on which included the following topics; animal accident reduction, the threat to wildlife through the degradation of habitats and the monitoring of green spaces perhaps through work with Parish and Town Councils on developing their Neighbourhood Plans.

40. Corporate Risk Log

- 40.1 Steve Avery introduced the Corporate Risk Register, which had been reviewed and updated. The register identified fifteen specific risks grouped under Protect, Enjoy and Prosper. Those risks that would potentially affect the Authority had been grouped under Achieving Excellence. The three risks that scored the highest were Brexit, ICT and Data Protection.
- 40.2 Members were asked for their views on the risk log and for any other risks they thought should be included. After some discussion it was agreed that a new risk on the perceived threat to wildlife from overgrazing be included under the protect section. It was also agreed to add a new risk about the lack of diversity on the board. It was recommended that the NPA might make representations to the appointing bodies to consider this when appointing Members.

Action: David Stone to add two new risk to the Corporate Risk Log regarding diversity on the board and potential threat to wildlife.

41. Any other items that the Chairman decides are urgent

41.1 There were no urgent items on this occasion.

42. Date of next meeting

42.1 Members noted that the next meeting of the Committee would be held on 4 March 2019.

The meeting closed at 12.45

SignedDate.....
(Chairman)