

NEW FOREST NATIONAL PARK AUTHORITY

MINUTES OF A VIRTUAL MEETING OF THE RESOURCES, AUDIT AND PERFORMANCE COMMITTEE HELD ON MONDAY 1 FEBRUARY 2021 AT 10:00 HOURS

Present:

Members:

Gordon Bailey
David Bence
Sue Bennison
David Harrison (Chairman)
Patrick Heneghan (Deputy Chairman)
Victoria Mander
Alexis McEvoy
George Meyrick
Neville Penman
Ann Sevier
John Sanger
Gavin Parker, ex-officio member (Authority Chairman)

Officers:

Alison Barnes	Chief Executive
Steve Avery	Executive Director Strategy and Planning
Rosalind Alderman	Solicitor and Monitoring Officer
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
David Stone	Corporate Services Manager
Aynsley Clinton	Sustainable Visitor Experience Officer
Frances Connolly	Executive Assistant

14. Apologies for absence

14.1 No apologies for absence were received.

15. Declarations of Interest

15.1 There were no declarations of interest.

16. Chairman's announcements

16.1 There were no Chairman's announcements on this occasion.

17. Minutes

17.1 The minutes of the meeting held on 2 November 2020 were agreed as a correct record.

17.2 The Chairman noted a few actions from the minutes of the last meeting and asked Nigel Matthews to give an update on the English Coast Path. Mr Matthews informed

members that an update had been included in the Members Bulletin regarding the English Coast Path route. Staff had met with Brian Tarnoff in a meeting with Friends of the New Forest committee members and he had heard a presentation about the Coast Path by Natural England at a recent Recreation Management Strategy Advisory Group. He felt that Mr Tarnoff's issues had been dealt with.

18. Public Question Time

18.1 There were no questions or statements from the public.

19. Ernst & Young Audit Letter

- 19.1 Nigel Stone gave Ernst & Young's apologies to members as they were due to attend the meeting. He said the Auditors would be present at the next meeting on 1 March 2021.
- 19.2 Mr Stone said the Annual Audit Letter was for the previous financial year 2019/20 which largely summarised the conclusion of the audit process. He said much of the letter was acceptable apart from the fee base increase, and so he recommended that the Committee accept the letter on behalf of the Authority but advised it should not accept any fee increase at this stage.
- 19.3 Nigel Stone informed members that at the start of 2020, Ernst & Young had raised an issue with the Public Sector Audit Appointments Ltd (PSAA) who looked after the appointments for all public sector bodies. Ernst & Young felt that the audit fees were too low now they had additional burdens due to the impacts of changing practices/procedures and also the pandemic which reflected the way they had to work. They felt that the fee of between £10,000-£11,000 was well below the minimum threshold for doing a full audit for the Authority.
- 19.4 PSAA advised Ernst & Young to raise the issue with the New Forest National Park Authority. They met with Nigel Stone last May and proposed raising the audit fee to £37,000, which he rejected as this would mean it had almost quadrupled.
- 19.5 Mr Stone said Ernst & Young now had to go back to the PSAA to decide the next steps as no agreement had been made. He explained that Ernst & Young had asked for the same fee increase for the three other English National Park Authorities which they also audited. The six other English National Parks that were not audited by Ernst & Young had not been asked for such large fee increases by their Audit firms.
- 19.6 After some discussion it was asked if the Chairman should write a letter to PSAA to say the fee was unacceptable. Nigel Stone agreed, and thought the Chairman of RAPC, the Chairman of the Authority, Alison Barnes and himself should write a joint response on behalf of the Authority. The letter would also be put in the Members Bulletin so all members could see the detailed response.

Action:

Once Ernst & Young have formally raised the issue again with PSAA, a joint letter of response to PSAA be written by the Chairman of the Authority, Chairman of Resources, Audit and Performance Committee, Alison Barnes and Nigel Stone advising that the proposed audit fee is wholly unacceptable to the Authority and clearly setting out our case as to why that is so.

Resolved, that the Committee accept the audit letter on behalf of the Authority, but that the unilateral fee rebasing figures set out in Appendix A be not accepted.

Voting: None against - Unanimous

20. Third Quarter Progress Report 2020-21

- 20.1 Referring to the key performance indicators on page 7 of the report, members raised concern with regard to the quality of water courses in the New Forest. Paul Walton advised that he was in discussions with Southern Water and the Environment Agency and, together with partners such as the Wessex Rivers Trust and the Freshwater Habitats Trust, would work on improving the standard of water quality in accordance with the relevant permits and also assess whether the permits were fit for purpose. In the discussion which followed, members strongly supported continued monitoring of the water quality and identification of improvement measures.
- 20.2 Members then discussed various actions in the Work Programme. A member asked about actions relating to the Recreation Management Strategy and there was discussion about the problem of verge parking in the New Forest and the need for collaborative and effective protection measures and enforcement. Members agreed that a Members' Day be arranged to discuss this important matter and suggested that this session include representatives from relevant external agencies such as Forestry England. Members also agreed that this could form a topic for discussion at forthcoming meetings of the parish quadrants.

Action:

1. A Members' Day be arranged to discuss verge protection.
2. Verge protection form a topic for discussion at forthcoming parish quadrant meetings.

The report was then noted.

21. Third Quarter Budgetary Control Report 2020-21

- 21.1 Nigel Stone introduced the report, which provided a summary of the financial performance for the first nine months of 2020/21. The key figures were expenditure that showed £3.28m spend (74% of budget) and the income position which showed £3.24m received (73% of budget). Without the partnership projects, income was £2.92m from a budget of £3.87m.
- 21.2 He said income was slightly down for reasons such as the England Coast Path funding being delayed due to Covid 19, but there had been some savings through

Covid 19 resulting in no travelling costs and the New Forest Show not going ahead, so the overall position was looking balanced.

- 21.3 Mr Stone explained that within the Planning area there had been a few extra costs such as the CIL liability study that happened near the beginning of the year and it was likely that there would be a shortfall in the overall planning fee income too. He said that a budgeted income figure was set at the beginning of the financial year for planning fees but it was particularly difficult to forecast whether that figure would be accurate over the course of the year. He stated there were planning funds in an earmarked reserve, which had been set aside from previous years for this scenario, which could be used to cover any resulting budget shortfall.
- 21.4 Nigel Stone referred to the good news about the successful application for the Green Recovery Fund. He informed members that our proportion of the income would be spent on two Apprentice Ranger roles and a Wild Spaces Officer and the contracts would start in April. The Authority would need to recruit the two Apprentice Rangers shortly, and recommended that members approve the use of the additional income which was not reflected in the current years' budget. He said most of the expenditure of £65,000 would actually be spent in the next financial year.
- 21.5 Nigel Stone commented that he had received an email from Defra on the 28 January 2021 advising that the grant allocation for the next financial year had once again been delayed for seven to ten days. Mr Stone advised that once the Defra grant confirmation was received, he would draft a budget that members would have sight of at the next Resources, Audit and Performance Committee on 1 March 2021. At the March meeting, members would have a chance to read through the draft and make any changes they felt were necessary before that draft budget went for final approval to the next Authority meeting later in March.

Resolved, that:

1. the use of the new Green Recovery Fund income as set out in the paper in paragraph 4.5 be approved
2. the current income and expenditure position, including the potential savings and pressures identified be noted

Voting: Unanimous

22. Discover England Fund

- 22.1 Paul Walton presented the report and advised that the Authority had been invited to engage with a campaign to promote the 'National Parks Experience Collection' to domestic audiences to help the recovery of tourism businesses following the Covid-19 pandemic. The details of the campaign were set out in the report.
- 22.2 Members supported the move to domestic rather than international audiences which had previously been the focus of the Discover England Fund and the environmental and sustainability concerns which that had entailed. Members discussed the important role which the New Forest Marque would have in the campaign. Officers will work with the Marque Operations Manager to explore how Marque businesses in particular can benefit from this opportunity. The campaign has fixed criteria which will govern which businesses can be involved.

Resolved, that, the Authority agree to work with selected New Forest businesses to develop a New Forest offer within the National Parks UK Experience Collection.

Voting: 8-2

23. Any other items that the Chairman decides are urgent

23.1 There were no urgent items on this occasion.

24. Date of next meeting

24.1 Members noted that the next meeting of the Committee would be held on 1 March 2021.

The meeting closed at 12:40 hours

Signed Date.....
(Chairman)