**NEW FOREST NATIONAL PARK AUTHORITY**

**MINUTES OF THE RESOURCES, AUDIT AND PERFORMANCE COMMITTEE HELD ON MONDAY 4 MARCH 2024 AT 10:00 HOURS IN THE COUNCIL CHAMBER, LYMINGTON TOWN HALL, AVENUE ROAD, LYMINGTON**

**Present:**

*Members:*

Gordon Bailey

David Harrison

Patrick Heneghan - Chair

Victoria Mander

George Meyrick

Neville Penman

Joe Reilly

Ann Sevier

*Officers:*

Alison Barnes Chief Executive Officer

Steve Avery Executive Director Strategy and Planning

Nigel Stone Head of Resources (CFO)

Paul Walton Head of Environment and Rural Economy

Fiona Wynne Grants Officer

Jim Mitchell Access and Learning Manager

Rosalind Alderman Solicitor and Monitoring Officer

Adam Vasey Access and Volunteering Officer

David Stone Corporate Services Manager

Tom Knott Finance and Sustainable Performance Officer

Frances Connolly Executive Assistant

Antony Harvey Deputy Head of the Southern Internal Audit Partnership and Chief Internal Auditor to the Authority.

Mary Davies New Forest National Park Authority Member

**18. Apologies for absence**

# 18.1 Apologies for absence were received from David Bence (Deputy Chair) and Keith Mans.

**19 Declarations of Interest**

19.1 There were no declarations of interest on this occasion.

**20. Chair’s announcements**

20.1 None.

**21. Minutes**

21.1 The Chair asked Nigel Stone if there was an update available in respect of item 16.2 of the Minutes. Nigel Stone informed the Chair that there was a brief update in the Draft Work Programme paper, but there had not been enough time to fully discuss internally or with external partners.

21.2 The Minutes of the meeting held on 5 February 2024 were agreed as a true and accurate record.

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

*Voting: none voting against*

**22.**   **Public Question Time**

# 22.1 There were no questions or statements from the public.

**23. Internal Audit Progress Report 2023/24**

23.1 Antony Harvey introduced the internal audit progress report for 2023-24. He referred to page 6 of the report which provided an update regarding management team progress towards implementing outstanding and overdue actions. Whilst there were some overdue actions, specific plans and timescales were in place to address these.

23.2 A member asked about card payments security regarding the protection of user's data. Nigel Stone explained that new payment card machines had been in place since October 2023, and it was planned to complete the Payment Card Industry Data Security Standard (PCI DSS) Self-Assessment by the end of September 2024. He assured members that that the National Park Authority’s card machines were fully IT compliant.

23.3 Members were reminded that in 2022-23 the Treasury Management, Income Collection and Banking audit had not been sufficiently concluded to be included in that year's Annual Internal Audit Report and Opinion, so had been included in the 2023-24 audit plan. Antony Harvey was pleased to report that for the year 2023-24 all audits, with the exception of ICT Policies & Procedures, had been assessed with a ‘Reasonable’ assurance opinion. The latter was given a ‘Limited’ assurance opinion but is the focus of ongoing work. No audits had concluded with a ‘Limited’ or ‘No’ assurance opinion. Due to the ongoing work being done updating the IT Policies & Procedures, it was proposed to defer the audit of the IT Disaster Recovery plan to the end of 2024-25

23.4 As regards the Rolling Work Programme, the Treasury Management, Income Collection and Banking audit would be concluded with a ‘Reasonable’ assurance and Antony Harvey was pleased to inform the Committee that the new Panning System audit had concluded with a ‘Substantial’ assurance.

23.5 The Chair agreed with Nigel Stone that to achieve a ‘Substantial’ assurance for the implementation of the new Planning System was the result of excellent work and Steve Avery and the IT team should be congratulated.

 Members noted the report.

**24. Internal Audit Charter and Plan 2024/25**

24.1 Antony Harvey introduced the report informing members that it was a requirement under the Public Sector Internal Audit Standards that the Chief Internal Auditor formally review the Authority’s Internal Audit Charter each year. This is then put before the senior management team for agreement and then before the Resources, Audit and Performance Committee for approval.

24.2 The Chair raised a question regarding the rotation of responsibilities within the internal audit team. In responding, Antony Harvey also reassured the Committee that despite a national shortage of Auditors they would fulfil the Authority’s internal audit requirements. If for any unforeseen reason they were unable to do this, matters would be brought to the Authority’s attention immediately.

24.3 The 2024-25 Audit Plan would be reviewing Main Accounting & Reconciliations, Payroll, Human Resources and IT Disaster Recovery / IT Business Continuity Plans / Cyber Response Plans.

24.4 The Chair thanked Antony Harvey and his colleagues for their ongoing support to the Authority. He said Internal Audit was important for improving effectiveness and efficiency and that the Committee valued their work.

**Resolved, that the Internal Audit Charter 2024/25 (Appendix A) and the Internal Audit Plan 2024/25 (Annex 2) be approved.**

*Voting: Unanimous*

**25. Draft General Fund Revenue Budget for the Financial Year 204/25, Treasury Management Strategy and Medium-term Financial Plan**

25.1 Nigel Stone said the paper was for the proposed revenue budget for the next financial year 2024-25 for consideration at the next Authority meeting on 21 March 2024. It also provided details of the Treasury Management Strategy and a medium-term projection for the Authority’s financial position up to 2027-28.

25.2 He listed the Recommendations within the paper, highlighting in particular the proposal to establish a new Task & Finish Group to review the ongoing financial position and future facilities requirements of the Authority. Any Members interested in joining the Task & Finish group were invited to contact Nigel Stone.

25.3 He highlighted section 2.2 and 2.3 of the report relating to the Authority’s core Defra grant. This had been ‘frozen’ each year since 2018/19 at £3.25m. Nigel Stone said that written confirmation from Defra regarding the Authority’s 2024-25 grant was yet to be received. This was ‘disappointing’ as it was less than four weeks to the start of the new financial year. Verbal indications had been given that it would again be a flat cash settlement of £3.25m so the budget had been completed on that basis. He hoped a grant confirmation letter from Defra would be received before the Authority meeting on 21 March 2024.

25.4 Nigel Stone went through the rest of the report highlighting the Reserves position and the Budget Risk assessment. Under section 8 of the report, he referred to the Authority’s Medium Term Financial Plan, highlighting that for the next two years Authority finances were fully balanced.

25.5 Looking further ahead to 2026-27 and 2027-28, he explained that there was a Budget shortfall within the projected figures of £220-290,000 which would be addressed and kept under review by the Task & Finish group.

**Resolved** that:

1. the General Fund Budget for 2024/25 be supported and recommended for approval at the Authority meeting on 21 March 2024

2. it be noted that the underlying minimum level for the General Fund Reserve remains at £0.35 million

3. the implications on the Reserves of the proposed budget for 2024/25 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 recommend for approval at the Authority meeting on 21 March 2024

6 the Medium-Term Financial Plan up to 2027/28 and the Forward Projection in Annex 4 be noted.

7. a ‘Resources and Facilities’ Task and Finish Group be supported for the period up to the end of March 2026, reporting back at least twice a year to this Committee, for members and senior officers to review the financial position and future facilities requirements of the Authority.

Voting: Unanimous

**26.**  **Draft Work Programme 2024/25**

26.1 Nigel Stone introduced the report and advised that there were 29 actions in the proposed Work Programme for 2024/25, down from 39 in the previous programme. This would allow a more focused approach to dealing with and reporting progress on the actions. The new programme would be flexible and actions subject to change during the course of the year depending on changing circumstances. Project management training would be given to appropriate staff to assist them in running their projects in the Work Programme. The Chair suggested that at the start of each section of the Work Programme, the relevant Partnership Plan objectives be listed to highlight the alignment between the two documents.

26.2 Mr Avery advised members that an annual work programme was currently being considered by the Partnership Plan Leaders Panel which would complement the NPA’s annual work programme.

26.3 Nigel Stone then drew members’ attention to the 10 new national targets detailed in paragraph 2.1 of the report and which had been set out in the Government’s Protected Landscapes Targets and Outcomes Framework. These were applicable to all 10 National Parks and the 34 National Landscapes in England.

26.4 He said that paragraph 2.2 of the report detailed the next steps for establishing a framework of national performance indicators to monitor progress towards the proposed targets. The next steps are to define the targets specific to the National Park in collaboration with the Partnership Plan delivery organisations; establish a clear pathway for their achievement through a suite of performance indicators within an appropriate monitoring and reporting framework and review our local performance indicators used to measure performance across the range of outcomes delivered by the Authority to ensure they remain fit for purpose.

 Progress on the new indicators would be reported regularly to the Committee.

**Resolved that the Draft Work Programme 2024/25 as set out in Annex 1 of the report be recommended to the full Authority meeting on 21 March 2024**

*Voting: Unanimous*

**27. Grant Funding and the Team New Forest approach**

27.1 Fiona Wynne introduced the report, which was primarily focussed on grants, stating that grant applications remained the most likely source of fundraising for the Authority. She said there was an increasing emphasis on submitting bids alongside partner organisations which demonstrated to funders the Authority’s commitment to collaborative working. Additionally, working with partners meant that funding would go further and combining resources made for greater efficiency. Partners included statutory bodies, trusted delivery partners and community groups that often had a proven track record.

27.2 Adam Vasey informed the Committee that approval to apply for three landscape improvement grants from the National Grid’s Landscape Enhancement Initiative was being sought. The first was working with Hampshire County Council on the Breamore Railway line, the second was with Forestry England at Fawley and Dibden enclosures, and the third project was to continue landscape enhancement and rhododendron removal at the RSPB’s Franchises Lodge.

27.3 The Chair said that he was impressed with the paper, particularly in terms of the amount of funding that had been achieved. He also acknowledged the amount of work that went into the preparation of a successful bid.

**Resolved** that:

* the content of the report be noted
* Submission of up to three applications to the National Grid Landscape Enhancement Initiative as outlined in the report be supported, and that authority be delegated to officers to take all action as necessary to input these bids and, if successful, to complete the projects.

Voting: Unanimous

**28. Corporate Risk Log**

28.1 Nigel Stone advised that the updates to the register agreed at the Resources, Audit and Performance Committee meeting on 6 November 2023 had been set out in the current copy of the register using italic type, namely in respect to risk 3 (species or habitat loss - addition of any natural or man-made means), risks 8 and 9 (risk associated respectively with the short term budget and medium/long-term budget) and risk 17 (planning decisions challenged through judicial review).

Members supported the above amendments to the register and thereafter noted the report.

**PART II ITEMS WHICH MAY BE TAKEN IN THE ABSENCE OF THE PRESS AND PUBLIC ON THE GROUNDS THAT EXEMPTED INFORMATION MAY BE DISCLOSED**

**Resolved, that the public be excluded from the meeting during the following item of business, as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during this item there would be disclosure to them of exempt information within Part 1 of Schedule 12A to the Local Government Act 1972, and further that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, namely the need to avoid disclosing sensitive information relating to the Authority’s financial affairs.**

**29. Active Travel England**

29.1 Members received an update on Active Travel England. This is a summary of the minute which contains exempt information.

The meeting closed at 12:35 hours.

**Signed ……………………………………………………Date………………….**

 **(Chair)**