

18 October 2005

ITEM 7

EXMOOR NATIONAL PARK AUTHORITY RESOURCES COMMITTEE

MINUTES of the meeting of the Resources Committee of the Exmoor National Park Authority held on Tuesday, 18 October 2005 at 10.30 am in the Committee Room, Exmoor House, Dulverton.

PRESENT

Mr M A Collins (Chairman)
Mr R Morrison-Smith (Vice-Chairman)

Mr J C Edwards
Mrs A M Foxhuntley
Miss E I Stacey

Mr M J Pile
Dr J F Travis
Mr M E Taylor

Observer – Mrs A Amory

Apologies for absence were received from Miss A Davis, Mr W J Dyke and Mr M Gammon.

17. **DECLARATIONS OF INTEREST**

None were declared at this point in the meeting, but see Minute 21 below for a declaration from Dr Travis.

18. **MINUTES**

(1) **Confirmation**

The Minutes of the Committee's meeting held on 19 July 2005 were signed as correct.

(2) **Matter Arising**

Minute 13 – Implementing Electronic Government (IEG) 2005 Mid Term

It was noted that the Authority's new website was now operational. As mentioned previously, there would be a presentation on the new website and SharePoint (the Authority's new document management system) for all members at a later date.

19. **PUBLIC QUESTION TIME**

There were no members of the public present.

20. **STATEMENT OF ACCOUNTS 2004/05 AND REPORTS OF THE EXTERNAL AUDITORS**

The Committee considered the covering report of the Chief Finance Officer and the Auditors' reports. Suzanne Waller from RSM Robson Rhodes, the external auditors, was welcomed to the meeting and she took members through the Audit of Accounts 2004/05 – matters arising from the Governance, Accounts and Performance Audit – and the External Audit 2004/05 – the Annual Audit Letter. An amendment was made in paragraph 3.1 of the covering report on the Statement of Accounts to substitute “2004/05” for “2003/04”.

In response to members' comments, the officers and/or the auditor explained that:-

- There was no cost to the Authority in acting as a payment agency for the Association of National Park Authorities, it was a beneficiary.
- Progress was being made on the development of the risk management strategy and a risk register was to be developed with consultants. Currently, any risk of fraud arising was dealt with by the Chief Finance Officer and any risks of a serious nature with policy implications would be brought before the Committee, and any actual fraud would be notified to the Committee, the auditors and Defra.
- Governance documents were reviewed annually proportionate to their level of risk.
- The state aid issue, involving management payments to farmers, had not yet been completely resolved. However, Defra and the Treasury had agreed with the way the matter had been covered within the Authority's Statement of Accounts.
- The auditors had made no comments on any need for a medium term financial strategy or zero based budgeting to the team which had undertaken the recent performance assessment of the Authority.
- The need for additional employer contributions to the pensions fund was kept under review by the actuary employed by Somerset County Council who determined the amount of increase to meet the funding deficit. Currently, the employer's contribution was rising at 1% per annum, which was an extra cost to the Authority each year.

RESOLVED: (1) to receive the reports from the External Auditors and agree the responses to the recommendations made; and

(2) to re-adopt the Statement of Accounts for 2004/05.

21. **REVISED BUDGET FOR 2005/06**

The report of the Chief Finance Officer informed members on the budgetary review that had been carried out and sought agreement on the financial strategy to be adopted for the remainder of the financial year.

18 October 2005

During discussion reference was made to the Authority having been invoiced to pay £3,000 in premises costs for the Lynmouth Pavilion as a result of the Lynton and Lynmouth Lifeboat remaining there, despite the fact that the building had otherwise been vacated and its unsafe condition made it incapable of being inhabited. Dr Travis declared a personal interest in the matter as a member of North Devon District Council which owned the building.

Members were advised that the position of North Devon District Council was that rent and business rate was still due because the building did not have vacant position. The Authority was in a difficult situation as it had no ownership or control of the lifeboat and was waiting for its removal by the owners. Miss Stacey, who had experience of similar circumstances, suggested that, where a building was incapable of habitation, charges in respect of rental and rates could not be levied.

In response to members' comments, the officers explained that:-

- The relatively large balance of the Sustainable Development Fund was attributable to the fact that there was usually a time interval between projects being approved and funding being drawn by applicants. Often this was because the applicants required match funding for their projects. It was also possible for allocated funding to be carried over to the subsequent financial year. However, the situation was regularly monitored and funding for any uncompleted projects was returned to the Fund. Money held was invested to accrue interest and this was used to offset some of the administration costs for the Fund.
- Income for the Pinkery Centre for Outdoor Education had been slightly down this year and costs were continuing to rise. Members requested that an in depth review of the whole operation of the Centre should be carried out in view of increasing costs. This would include a comparison with other similar Centres and any support given.
- The level of Planning Delivery Grant (PDG) had been slightly higher than envisaged at just over £165,000 and £44,000 had been carried over from 2004/05. It would also be possible for £30,000 of PDG to be carried over into 2006/07, if it was unspent. The government's requirement was for the funding to be used to support the development of the planning service, which included the additional staff posts identified in paragraph 3.1 of the report and support for a person returning from maternity leave, rather than projects on the ground. However, use of PDG for expenditure related to the production of the Local Plan and Local Development Framework could now be released for priority projects.
- All of the IEG funding allocated to the Authority by the government would have been spent by the end of 2005/06. Future requirements for the maintenance and replacement of the hardware and software purchased, together with the remaining cost of any joint project working, would need to be set against the Authority's normal budget.
- There were still accommodation improvements to be undertaken at Exmoor House, particularly realigning the reception area and providing access for people with disabilities at the front entrance.

18 October 2005

- It was necessary for the Authority to develop a clear strategy through its proposed Medium Term Financial Plan to accrue funding for the more extensive works required, such as the house and buildings at Driver Farm and for a toilet upgrade programme. It was noted that a temporary electricity generator was currently operating at Driver Farm after the existing generator and building had been damaged by fire. It was suggested that it presented an opportunity for renewable energy sources, such as a wind turbine, to be re-considered at the farm. The officers undertook to take a report to the meeting of the Farming and Land Management Group scheduled for the afternoon of 15 November 2005.
- The Pony Reserve fund (£6,500) had been built up to cover vet bills, supervision costs at Haddon Hill and Warren, the replacement of pens at Warren Farm with a corral and some new fencing towards Tom's Hill and the purchase of a mobile handling kit. It was hoped that the latter may be partly supported through the Sustainable Development Fund and it could be shared with other pony owners. There would be further opportunity for members to discuss the ponies at the workshop session on 1 November 2005 (NB. In the event, the ponies' part of the workshop was deferred until 15 November 2005 after the Authority's meeting).

RESOLVED: (1) to approve the revised budget for 2005/06 as set out in Appendix 1 to the report;

(2) to approve the transfer to the General Reserve of the balance of the projected underspending together with any further underspendings that arise during the second half of 2005/06;

(3) to reaffirm the financial strategy for 2005/06 adopted at the meeting on 1 March 2005 and set out in Paragraph 2.4;

(4) to authorise the National Park Officer and Chief Finance Officer to make such adjustments as are necessary to keep within the Budget and with the objective of marshalling resources to transfer to the General Reserve and to increase the Project Fund Reserve;

(5) to note the position regarding the Sustainable Development Fund, Implementing Electronic Government Allocation and the Planning Delivery Grant;

(6) to send a letter to North Devon District Council to inform them that the Authority is unwilling to pay rent and business rate on the Lynmouth Pavilion during the current year as, despite the Lynmouth Lifeboat still being in the premises, the building has been declared uninhabitable which it is understood invalidates any charges being levied; and

(7) that an in depth review of the Pinkery Centre for outdoor Education be carried out.

22. **INTERNAL AUDIT ARRANGEMENTS**

The report of the Chief Financial Officer set out the Internal Audit activity during 2004/05 and the Internal Audit Strategy for 5 years from 2005/06.

18 October 2005

In response to comment, the Chief Finance Officer explained that Somerset County Council's internal audit service offered greater value for money for the Authority than a private company. Some of Somerset's District Councils had established a partnership audit service and it may be that the County Council and the Authority would ultimately wish to be a part of that arrangement.

RESOLVED: (1) to note the internal audit activity carried out in 2004/05; and
(2) to approve the Audit Strategy for five years from 2005/06.

23. **MEMBERS' ALLOWANCES SCHEME**

The Committee considered the report of the Head of Business Management setting out details of the amounts of allowances under the scheme paid to members by the Authority for 2004/05. It was a statutory requirement for these details to be published..

Whilst, at the request of members, additional details had been added this year to identify attendance at main Authority meetings and a note to indicate that the allowances paid varied to reflect the distances members had to travel to attend meetings and the number of meetings attended, members also wished to see an additional column for attendance at all other meetings regarded as an official duty.

RESOLVED: to note the amounts paid to members in 2004/05 through the Authority's Scheme for Members' Allowances and from 2005/06 to include the additional detail set out above.

24. **MEDIUM TERM FINANCIAL PLAN 2006-2009**

The Committee considered the report of the Chief Finance Officer on the suggested processes to be followed to construct the Medium Term Financial Plan 2006 to 2009 and the budget for 2006/07. It was noted that the members' workshop on 17 January 2006 on priorities, proposals and options for 2006/07 would not involve stakeholders. They were, however, being engaged in the process for the review of the Management Plan, from which priorities, proposals and options for a much longer period would be developed.

RESOLVED: (1) to approve the process proposed for the production of the Medium Term Financial Plan for 2006 to 2009 and the budget 2006/07; and
(2) to note that a further report will be presented in July 2006 setting out proposals leading to the production of the Medium Financial Plan for 2007 to 2010 and the budget for 2007/08.

25. **PUBLIC SAFETY AT AUTHORITY PROPERTIES**

The report of the Head of Conservation and Land Management updated members on the measures being taken to ensure the safety of the public when visiting NPA land or buildings.

It was noted that claims made by the public amounted to only two or three per year and they were settled by the Authority's insurers.

18 October 2005

Members echoed the National Park Officer's compliments concerning the completeness and extensive work undertaken by Dr G Wills in the preparation of his report.

RESOLVED: to approve the Public Safety Framework (Appendix 1 to the report) and note the actions being taken in respect of public safety and in particular in managing risks associated with trees and disused mine workings.

26. **PERSONNEL UPDATE**

The report of the Head of Business Management updated members on personnel matters.

RESOLVED: (1) to note the personnel changes;

(2) to note that the Personnel Policies and Procedures have been updated with effect from 1 July 2005;

(3) to note the forthcoming Employment Equality (Age) Regulations; and

(4) to note the changes to the Local Government Pensions Scheme.

(The meeting closed at 12.35 pm)

Chairman