

ITEM 3

EXMOOR NATIONAL PARK AUTHORITY RESOURCES COMMITTEE

MINUTES of the meeting of the Resources Committee of the Exmoor National Park Authority held on Tuesday, 27 June 2006 at 10.30 am in the Committee Room, Exmoor House, Dulverton.

PRESENT

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

Miss A Davis
Mr W J Dyke
Mr J C Edwards
Miss E I Stacey

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

An apology for absence was received from Mrs A M Foxhuntley.

3. **DECLARATIONS OF INTEREST**

Both Miss Davis and Mr Morrison-Smith declared personal interests in relation to introduced and proposed changes to the Local Government Pension Scheme, under Personnel Update (Minute 15 below), as they were both members of the Scheme.

4. **MINUTES**

(1) **Confirmation**

The Minutes of the Committee's meetings held on 7 March 2006 and 6 June 2006 were agreed as correct records.

(2) There were no matters arising.

5. **PUBLIC QUESTION TIME**

There were no members of the public present.

6. **2005/06 OUTTURN**

The Committee considered reports by the Chief Finance Officer on the following:-

(1) **Budget Outturn and Reserves**

The report set out the outturn for 2005/06 compared with the budget and the position on reserves at 31 March 2006.

- **Budget Outturn**

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

- Some years earlier the Authority had participated in Somerset County Council's vehicle maintenance contract, through a company called W S Atkins, for the repair and maintenance of the Rangers' vehicles. An equitable arrangement had been put in place whereby the agreement also provided for Atmos to lease part of the Authority's depot at Exford for the repair and maintenance of school transport vehicles. The arrangement had been the subject of previous external scrutiny and found to be fair. In 2005/06, there had, however, been a significant increase in the repair/maintenance costs for the vehicle fleet which had resulted in an overspend of £5,000 and was being investigated by the Head Ranger. It was not possible for the Authority to set a precise budget to exceptional costs as they varied widely from year to year.
- An overspend in Member and Committee Services of just over £3,000 had resulted from members' travel claims being higher than the budget.
- An overspend of £6,442 on Development Control had resulted from professional fees for an enforcement case in Dunster. The fees were £12,000, but this had been offset to almost half from additional planning fee income.
- Higher net costs at National Park Centres had resulted from less visitors and fewer purchases. Whilst Blackmoor Gate Centre had significantly less visitors in its first year (10,854) when compared to the last year of the Centre at Lynmouth (135,027), its numbers were currently 75% up on the previous year and anecdotal evidence suggested that the quality of questions and interest in National Park purposes etc was higher than at Lynmouth.

The net costs for the Blackmoor Gate Centre in 2005/06 were £36,500 which had resulted from the running costs being slightly higher than Lynmouth and sales being less. Nevertheless, it was difficult to make comparisons on building costs as the rental for a portacabin at Blackmoor Gate for two years was proportionately higher than if it had been purchased and retained for a much longer period.

The National Park Officer/Chief Executive said that the current review of National Park Centres would determine the ultimate future provision of Centres, but the Authority had retained the option to return to Lynmouth after the two years at Blackmoor Gate, provided the new Pavilion building was completed by then. In addition, there was member comment that it might be possible for the Authority to link with the new Discovery Centre proposed for the Calvert Trust site at Wistlandpound, just outside the National Park.

(The officers were asked to provide Miss Davis with details of the costs and income for each Centre).

- In Appendix 1, Analysis of 2005/06 Position, the reference to a zero net budget for the Victoria County History project (now called 'England's Past for Everyone') arose from the funding originating from other sources, mostly the Heritage Lottery Fund. The Authority had made contributions in earlier years.

- **Reserves**

In response to member comment, the officers said that the percentage of reserves held by the Authority at the beginning of the financial year was between 3 and 4%.

RESOLVED: (i) to note the financial performance for 2005/06 against the revised and final budget; and

(ii) to approve the adequacy of reserves at 31 March 2006.

(2) **Statement of Accounts**

The report presented the Statement of Accounts for 2005/06 to the Committee for adoption. There was the need for amendments to be made to page 15 of the Statement to alter the references to *Note 10.10* (Debtors and Payments in Advance), *Note 10.11* (Cash & Bank) and *Note 10.12* (Creditors 7 receipts in advance) to *Notes 10.9, 10.10 and 10.11* respectively and to delete the reference to *Note 10.11* beside Bank Overdrawn. An amendment was also made to paragraph 10.13 (page 23) to alter "Attendance Allowance" to "Mileage Allowance".

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

- The Authority would be required from this year to meet the cost of an additional audit of its 'Whole Government Accounts' return. This was because the Government wished to have a set of accounts which reflected the overall spending of Central and Local Government. There would be an additional annual cost to the Authority of £1,300 and, while this would impact upon the smaller local authorities, the principle had been accepted by the Local Government Association.
- On page 19 of the Statement, the additional added years to employees' pensions, which was a cost to the Authority, related to those who had taken early retirement in years gone by. There had only been one such case in the last seven years.
- On page 20 of the Statement, the market value of the assets of the Somerset County Council's Pension Fund of £968,54 m related to the County Council (not the Authority). The value of the Fund had increased by 20% over the last year. The County Council had high quality arrangements in place to secure the Fund and the Authority was kept up to date on any changes.

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- There was a deficit of 7.3% in the present value of the pension scheme liabilities, resulting from a dip in the stock market, but this would be reviewed through an actuarial review in 2008. The Authority's costs for the Fund were increasing by 1% per year,
- Stocks at the Pinkery Centre for Outdoor Education related to a fuel delivery made at the end of March 2006, which had affected the budget (page 22 of the Statement).
- Regarding paragraph 10.15 (page 23), Contingent Liability, the Authority had only eight farms remaining in its Farm Conservation Scheme; four were small farms and the other four were larger. They had 20 year agreements dating from 1992/93 and efforts were being made to encourage them to join the new Environmental Stewardship scheme.
- Also on paragraph 10.15, all of the Authority's new schemes complied with the "State Aid" regulations. However, there were some historic agreements that were the subject of an application to the EU by Defra which had not yet been determined. Theoretically, the Authority could be required to reclaim some of the payments but, in the unlikely event of this happening, an approach for assistance would be made to Defra.

RESOLVED: to adopt the Statement of Accounts for 2005/06, subject to the addition of amendments to the text as set out above in the first paragraph of this item.

7. ANNUAL TREASURY MANAGEMENT REPORT

The report of the Chief Finance Officer informed members of the Treasury Management Performance in 2005/06.

In response to member comment, it was explained that changes in the day to day cash balance were marginal. However, the Authority received interest on the daily cash balances.

RESOLVED: to note the Treasury Management Outturn for 2005/06.

8. MEMBERS' ALLOWANCES FOR 2005/06

The Committee was informed of the payments made to members under the Scheme of members' Allowances during 2005/06, which also included details of members' attendance at meetings. However, there was member comment that, as the attendance details for external and informal internal meetings were based solely on members' claim forms, they were not a true reflection of meetings attended as some members did not claim. It was, therefore, felt that all members should be asked to supply details of meetings attended where they did not make claims.

Members also asked for clearer information next year to identify membership of the Resources and Planning Committees, as the annotations indicating membership or non-membership did not necessarily apply to the whole year.

RESOLVED: to note the payments made to members for meetings during 2005/06 and to ask the Member Services Officer to request from members details of any meetings they attend for which they do not make claims, so that a more accurate picture of attendance levels at meetings can be ascertained; this process to be effective from 1 April 2006.

9. **INTERNAL AUDIT ARRANGEMENTS**

The report of the Chief Finance Officer informed members of the internal audit work carried out during 2005/06 and the work programme for 2006/07.

The Chief Finance Officer said that:-

- The ANPA audit costs were re-charged to them. From 1 April 2006, the Authority would only be dealing with the accounts for ANPA UK.
- Despite significant changes in the Somerset County Council internal audit team and the need for the new team to familiarise itself with the Authority's financial systems, it was still felt they offered good value for money and they were keen to retain the Authority's contract.
- In situations where the Authority received grants for projects, grant claims were verified against the funding available and audit certification was undertaken as the end process.

There was discussion over whether members should receive the full internal audit reports. Most members felt that they did not wish to be inundated with papers and reference was made to the sensitivity of some issues, particularly where staff were involved, and also the potential for possible misunderstanding of matters raised. In any case, the Chief Finance Officer explained that the internal audit reports were reviewed by the external auditor, so there were checks and balances in the system and, while in practice many issues were minor, any significant ones would be brought to members. There was also the channel for the external auditor to have direct contact with members when the annual audit report was presented.

RESOLVED: to note the internal audit work carried out during 2005/06 and approve the work programme for 2006/07.

10. **IMPLEMENTING ELECTRONIC GOVERNMENT (IEG)**

The IEG return submitted to the Office of the Deputy Prime Minister was considered.

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

- The Authority had received around six requests for information under the Freedom of Information Act (page 7).
- In terms of social inclusion, the public's access to computers was being covered through partnerships (page 18).

- Regarding the introduction of digital interactive TV services, it was not a mandatory requirement and the Authority could only be involved through linking with others (page 20).

RESOLVED: to note the return submitted to the Office of the Deputy Prime Minister in April 2006.

11. 2006/07 BUDGET

The report of the Chief Finance Officer updated members on the additional National Park Grant and the position regarding the Planning Delivery Grant (PDG) and the Sustainable Development Fund (SDF).

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

- The indications were that PDG would be available for a further year. There were several posts within the Planning and Community Section linked to it and it was within the remit of the Staffing Review Group to examine the future of those posts. There were also implications concerning IEG running costs, which were currently being partly funded through PDG. It was intended that all of the Planning Application Files going back to 1948 would be digitised and the data would be available on the Authority's website, which would enable the public to undertake their own research and reduce on-costs and the work of officers. Paper copies were also to be retained, but archived offsite and there may be additional costs for this.

Over the last two years, steps had already been taken to digitise new files and applications within the Development Control part of the Planning and Community Section. It was proposed to give a short presentation to all members following the Planning Committee on 4 July 2006 on how the delivery of planning applications and scanning of drawings were undertaken via the internet.

Apart from the Planning and Community Section, the only back digitising of formal documents involved the Terrier.

RESOLVED: (1) to retain £60,000 in the General Reserve which had been previously ear marked to support the budget for 2006/07 in view of the additional National Park Grant from Defra;

(2) to review the financial position of the Authority when considering the revised budget for 2006/07 at the Committee's meeting on 7 November 2006;

(3) to approve the Planning Delivery Grant proposals for 2006/07 as set out in paragraph 2.3 of the report; and

(4) to note the financial position of the Sustainable Development Fund as set out in paragraph 3.3 of the report.

12. RISK MANAGEMENT

The report of the Chief Finance Officer asked the Committee to consider and agree arrangements for risk management within the Authority.

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

- It was necessary for the Authority to be adequately aware of risk and to understand the implications in order to carry out and deliver its functions. For every project, there was the need to take an assessment of risk, as every action entailed some element of it. It should not, however, be seen as a reason for not undertaking certain tasks. Risk needed to be managed and minimised.
- Through the decisions that members delegated to officers, it was inevitable that risks would need to be assessed without necessarily consulting members.
- The production of a Business Continuity Plan was to be completed within 6 to 9 months. In the meantime, however, some of its elements were already in place, e.g. an ICT security plan. It was particularly important for alternative communications to be established in the event of an emergency. It might be possible for the Authority to utilise the meeting room in the Dunster Centre, but to allow that to happen a communications network would need to be set up there.

Recent incidents at Exmoor House, involving the loss of electricity supply to the building and computers, highlighted the need for contingency arrangements.

- Consideration would need to be given to identifying successor staff in the event of the Authority's continued operation being reliant on certain key staff.

RESOLVED: (1) to approve the risk management register as set out in Appendix 3; and

(2) to agree that the development of a Business Continuity Plan should be a high priority.

13. **DEVELOPMENT OF EXMOOR HOUSE**

The report of the Head of Business Management sought members' agreement to carrying out of feasibility studies on options for the development of Exmoor House.

Mr Webber mentioned that West Somerset District Council's Cabinet would be visiting Dulverton in two to three weeks time to become familiar with the issues affecting the community and, within that context, would be able to be updated on the future of Exmoor House and the Authority's accommodation requirements and facilities. The National Park Officer/Chief Executive or the Head of Business Management would need to be available and Mr Edwards expressed an interest in joining the visit. Dulverton Town Council would also be involved.

Informal discussions between Authority officers and Somerset County Council had been positive.

RESOLVED: (1) to authorise the National Park Officer to carry out feasibility studies and produce options for the future development of Exmoor House, including

entering into discussions with Somerset County Council and West Somerset District Council; and

(2) to develop a strategy to inform the people of Dulverton of the options coming forward and their implications, so that concerns can be allayed.

14. **MOBILE VENDING CONCESSIONS**

The Head of Business Management reported that the Authority had been out to tender on mobile vending concessions for the current Summer season at County Gate and Blackmoor Gate, but no expressions of interest had been received. It was felt that the timing may have been too late, with traders already having taken up concessions from others for 2006.

The expressions of interest had specifications requiring local produce, suppliers etc and contributions to the environment and economy of Exmoor. The Authority was also looking for established businesses who would keep the sites in good order.

It was proposed to tender again, but this time in October when traders were more likely to be considering the next Summer season.

15. **PERSONNEL UPDATE**

The report of the Head of Business Management covered personnel changes, Human Resources information for 2005/06 and the Local Government Pension Scheme.

The Human Resources Information would be an annual report to the Committee from now on. Members were advised that, while staff absences may appear to be a high average, it was less than the UK average and the figures were substantially increased if one or two members of staff were absent for long periods. On occasions when staff suffered stress, it was attributable to many reasons both external and internal and there was no clear pattern regarding work roles or Sections.

It was suggested that it would be more meaningful for the Authority to compare its level of staff absence to be compared with other National Park Authorities, rather than against the national average.

The Rural Housing Enabler Project Steering Group had recently met and agreed that the vacant Rural Housing Enabler post be advertised for a new appointment.

RESOLVED: to note:-

- (1) the personnel changes that have occurred;
- (2) the Human Resources Information for 2005/06 and to thank the Personnel Officer for the data produced; and
- (3) the changes that have been introduced and are proposed to the Local Government Pension Scheme.

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16. **OTHER BUSINESS OF URGENCY**

The Chairman informed members that the Committee's meeting set for 26 September 2006 at 10.30 am would need to be held in the meeting room of the National Park Centre at Dunster as a planning inquiry would be taking place in the Committee Room at Exmoor House, Dulverton.

The meeting closed at 12.40 pm

Chairman