



**EXMOOR**  
**NATIONAL PARK**

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21 June 2024

**EXMOOR NATIONAL PARK AUTHORITY**

**To: All Members of the Exmoor National Park Authority**

The Annual Meeting of the Exmoor National Park Authority will be held in the **Committee Room, Exmoor House, Dulverton** on **Tuesday, 2 July 2024 at 10.00am.**

The meeting will be open to the press and public subject to the passing of any resolution under s.100(A)(4) of the Local Government Act 1972.

There is Public Speaking at this meeting, when the Chairperson will allow members of the public two minutes each to ask questions, make statements, or present a petition relating to any item relevant to the business of the Authority or relating to any item on the Agenda. Anyone wishing to ask questions should notify the Corporate Support Officer as soon as possible, or at the latest by 4pm on the working day before the meeting of the agenda item on which they wish to speak, indicating a brief summary of the matter or matters to be raised (contact [Committees@exmoor-nationalpark.gov.uk](mailto:Committees@exmoor-nationalpark.gov.uk)).

The meeting will be **recorded**. By entering the Authority's Committee Room and speaking during Public Speaking you are consenting to being recorded. We will make the recording available via our website for members of the public to listen to and/or view, within 72 hours of the meeting taking place.

Members of the public may use Facebook and Twitter or other forms of social media to report on proceedings at this meeting. Anyone wishing to film part or all of the proceedings may do so unless the press and public are excluded for that part of the meeting or there is good reason not to do so. As a matter of courtesy, anyone wishing to film proceedings is asked to advise the Chairperson so that those present may be made aware.

(The agenda and papers for this meeting can be downloaded from the National Park Authority's website [www.exmoor-nationalpark.gov.uk](http://www.exmoor-nationalpark.gov.uk)).

Sarah Bryan  
Chief Executive

## **A G E N D A**

**1. Election of Chairperson**

**2. Election of Deputy Chairperson**

**3. Apologies for Absence**

**4. Declarations of Interest**

Members are asked to declare any interests they may have in relation to items on the agenda for this meeting.

**5. Chairperson's Announcements**

**6. Minutes** (1) To approve as a correct record the Minutes of the meetings of the Authority held on 7 May 2024 (Item 6)

(2) To consider any Matters Arising from those Minutes.

**7. Public Speaking:** The Chairperson will allow members of the public to ask questions, make statements, or present a petition. Questions of a general nature relevant to the business of the Authority can be asked under this agenda item. Any questions specific to an agenda item can be posed when that item is considered subject to the discretion of the person presiding at the meeting.

**8. Corporate Plan 2023-24 Annual Report:** To consider the report of the Head of Climate, Nature and Communities (Item 8).

**9. External Audit Plan for the year ending 31 March 2024:** To consider the report of the Chief Finance Officer (Item 9).

**10. 2023/24 Outturn – Budget Performance and Reserves:**

(1) To consider the report of the Chief Finance Officer on the 2023/24 Outturn - Budget Performance, Reserves, New Year Monitoring and MTFP Update (Item 10.1)

(2) To consider the report of the Chief Finance Officer on the 2023/24 Outturn - Statement of Accounts (Item 10.2)

**11. Annual Treasury Management Report:** To consider the report of the Head of Enterprise and Operations (Item 11)

**12. Biodiversity Net Gain - Habitat Bank S106 Agreements and Biodiversity Net Gain Monitoring Fees:** To consider the report of the Head of Climate, Nature and Communities (Item 12).

**13. Members' Allowances Scheme:** To consider the report of the Chief Finance Officer (Item 13)

**14. Annual Appointments:** To consider the report of the Head of Climate, Nature and Communities (Item 14).

**15. Appointment of Independent Person under the Localism Act 2011:** To consider the report of the Solicitor and Monitoring Officer (Item 15).

**16. Personnel Update**

Starters:

03/06/2024 - Kay Willmott - Rights of Way and Access Support Officer (fixed term)

24/06/2024 - Nancy Portsmouth - FiPL Administrator (fixed term)

Leavers:

02/06/2024 - Julian Gurney, Centre Manager (Lynmouth National Park Centre)

**17. Any Other Business of Urgency**

- 18. Confidential Business:** To consider passing a resolution pursuant to Section 100A(4) of the Local Government Act 1972 that the press and public be excluded from the meeting for the duration of Item 19 – Land and Property Matters on the grounds that publicity would be prejudicial to the public interest by reason of the confidential nature of the business arising in Item 18 below and that the following information will be considered which is exempt information as presented in Schedule 12A of the Act (as amended):-

Information relating to the financial or business affairs of any particular person (including the authority holding that information).

- 19. Land and Property Matters:** To consider the report of the Head of Climate, Nature and Communities and Senior Woodland Officer (Item 19).

Further information on any of the reports can be obtained by contacting the National Park Authority at the address and telephone numbers at the top of the agenda. Details of the decisions taken at this meeting will be set out in the formal Minutes which the Committee will be asked to approve as a correct record at its next meeting. In the meantime, details of the decisions can be obtained from Judy Coles, Corporate Support Officer, at Exmoor House.

## ITEM 6

### EXMOOR NATIONAL PARK AUTHORITY

**MINUTES** of the Meeting of the Exmoor National Park Authority held on Tuesday, 7 May 2024 at 10.00am in the Committee Room, Exmoor House, Dulverton.

#### **PRESENT**

Miss A V Davis (Chairperson)

Mr R Milton (Deputy Chairperson)

Mr A Bray

Mr T Butt Philip

Mr M Ellicott

Mr D Elson

Mr B Geen

Mr J Holtom

Dr M Kelly

Mr M Kravis

Mrs C Lawrence

Mr J Patrinos

Mr S J Pugsley

Mrs F Smith

Mrs E Stacey

Mr N Thwaites

Dr S Warren

Miss L Williams

Mr J Yabsley

Apologies for absence were received from Mr L Baker, Mrs M Chilcott and Mrs F Nicholson.

#### **104. DECLARATIONS OF INTEREST:**

- In relation to Item 7 – Internal Audit Arrangements, Miss A V Davis declared a personal interest as a family member was employed by Devon Audit Partnership.

#### **105. CHAIRPERSON'S ANNOUNCEMENTS:** There were none.

#### **106. MINUTES**

- Confirmation:** The **Minutes** of the Authority's meeting held on 5 March 2024 were agreed and signed as a correct record.
- Matters arising:** In relation to Minute 100, which recorded the Authority meeting's approval of planning permission for the proposed demolition of existing bungalow and sheds and erection of replacement eco bungalow and new shed at Hurlstone Bungalow – application no 6/29/23/006, the meeting was advised that following receipt of a Judicial Review pre-action protocol letter challenging that decision, and having taken legal advice, the Authority did not contest the claim for Judicial Review and agreed to consent to judgement on the basis of ground 1 of the claim only - that the Authority failed to demonstrate that it had reached a determination on whether or not the proposed replacement dwelling reflected the massing and scale of the original dwelling. The grant of planning permission had therefore been quashed and the application would be brought before the Planning Committee for redetermination at a future date.

#### **107. PUBLIC SPEAKING:** There were no public speakers.



**108. COMPLETION OF AUDIT FOR 2022/23:** The Authority considered the **report** of the Chief Finance Officer.

**RESOLVED:**

1. To receive and note the draft minutes of the Final Accounts Committee meeting held on 9 April 2024.
2. To receive the final Audit Findings Report of the External Auditor and Electronic Publication letter.
3. To note that the signed Auditor's opinion on the financial statements including signed audit certificate had been received.
4. To note that the publication requirements in respect of an audit conclusion statement and publication of audited Statement of Accounts accompanied by final audit reports had been complied with.

**109. INTERNAL AUDIT ARRANGEMENTS:** The Authority considered the **report** of the Chief Finance Officer.

**RESOLVED:** To receive the Internal Audit Findings Report on Key Financial Systems.

**110. PERSONNEL UPDATE:** The Authority noted the recent staff changes as set out on the agenda.

**111. ANY OTHER BUSINESS OF URGENCY:** There was none.

The meeting closed at 10.12am

(Chairperson)

## EXMOOR NATIONAL PARK AUTHORITY

2 July 2024

### CORPORATE PLAN 2023-24 ANNUAL REPORT

#### Report of the Head of Climate, Nature and Communities and Head of Enterprise and Operations

**PURPOSE OF THE REPORT:** To inform Members about the progress made in implementing actions within the Corporate Plan 2023-24.

**RECOMMENDATION:** The Authority is recommended to:

- (1) NOTE the progress in implementing the Authority's key commitments set out in the Corporate Plan 2023-2024.
- (2) DELEGATE to the Finance and Performance Advisory Panel and Leadership Team further scrutiny of Authority performance across all the Corporate Plan actions for the next reporting period to 31 March 2025.

**Authority Corporate Plan:** The Corporate Plan outlines the priorities for the Authority for the period to March 2024 and how we will help to achieve the priorities in the *Exmoor National Park Partnership Plan*. It continues to closely follow Government priorities set out in the *Environment Act 2021*, and *Environment Improvement Plan 2023*.

**Legal and Equality Implications:** Section 65(4) Environment Act 1995 – provides powers to the National Park Authority to “*do anything which in the opinion of the Authority, is calculated to facilitate, or is conducive or incidental to:-*

- (a) *the accomplishment of the purposes mentioned in s. 65 (1) [National Park purposes]*
- (b) *the carrying out of any functions conferred on it by virtue of any other enactment.”*

**The equality impact of the recommendations of this report has been assessed as follows:** There are no foreseen adverse impacts on any protected group(s). Engagement through the outreach work within the plan is designed to have a positive impact on protected groups.

**Consideration has been given to the provisions of the Human Rights Act 1998 and an assessment of the implications of the recommendations of this report is as follows:** There are no implications for the Human Rights Act.

**Financial and Risk Implications:** No financial or risk implications have been identified. Performance management exerts a positive influence on financial and risk management.

**Climate Change Response:** A report on the ENPA climate action plan is included in Appendix 2.

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## 1. Introduction

- 1.1 The 2023-24 Corporate Plan was approved by the Authority in May 2023. It sets out the key priorities for the Authority for the period of the plan.

- 1.2 Performance is monitored quarterly by Leadership Team to ensure that the actions within the Corporate Plan are being achieved and, if necessary, to provide an opportunity for resources to be re-allocated or to review the proposed action. Oversight is provided by Members through the Finance and Performance Advisory Panel.
- 1.3 This end of year report provides an overview of key achievements during the year and reports on performance against key corporate indicators.

## **2. Corporate Plan at a Glance**

- 2.1 The actions within the plan are grouped around the Priorities identified in the Exmoor National Park Authority Corporate Strategy 2023-26 as follows:

- 1. A clear response to the nature and climate crises**
- 2. A welcoming place for all, improving people's health and well-being**
- 3. A cared for landscape and heritage**
- 4. A place with flourishing, vibrant, communities and businesses**
- 5. A highly performing Estate, delivering National Park purposes**
- 6. A great organisation to work for**

## **3. Performance Report - Overview**

- 3.1 Delivery of the Corporate Plan actions is being progressed against a background of changing national policy and legislation, and a challenging funding regime.
- 3.2 The Government published its response to the Landscapes Review in January 2022 which set out proposals to take forward a number of recommendations put forward by the review Panel led by Julian Glover. Many of the changes require changes to legislation, and the Government sought views via a consultation which ran between January and April 2022. In November 2023 the Government published the outcomes from the consultation and an action plan for Protected Landscapes. This outlined the part that Government expects Protected Landscapes to play in delivering legally binding targets for nature, climate change, natural resources beauty, heritage, and engagement with the natural environment required by the Environment Act 2021, and set out in Environmental Improvement Plan (EIP23).
- 3.3 In May 2023, the strengthened biodiversity duty in the 2021 Environment Act came into force. The intention is that this will help accelerate nature recovery in Protected Landscapes as it places a legal duty on public authorities, including ENPA, to consider and take action to conserve and enhance biodiversity. Government also published guidance that public bodies should consider Protected Landscapes as part of the duty, particularly if they have functions within or close to the designation. Protected Landscapes are also central to the government's commitment to protect 30% of land for nature by 2030, and guidance on how this will be delivered was published in December 2023.
- 3.4 Further legislative changes were brought in through the Levelling Up and Regeneration Act in October 2023, which requires the management plans of Protected Landscapes to contribute to national environmental targets. In addition, relevant authorities have a strengthened duty to 'seek to further' National Park purposes and are required to help deliver these management plans, as well as the

statutory purposes for Protected Landscapes. This is intended to ensure that partners work together to deliver better outcomes for nature, climate, people and place.

- 3.5 In January 2024, a new Protected Landscapes targets and outcomes framework was published which sets out 10 key targets from the EIP23 that Protected Landscapes will help to deliver. Delivery of the outcomes framework must be embedded within management plans to guide local decision-making and prioritisation. New guidance on National Park Management Plans is also being prepared by Natural England. These new legislative requirements, emerging guidance, and Protected Landscapes targets all need to be incorporated into the next Exmoor National Park Partnership Plan, which has consequently been delayed.
- 3.6 Other recommendations from the Landscapes Review have also progressed, including the establishment of the Protected Landscapes Partnership to build on collaboration between National Parks England, the National Landscapes Association, National Trails UK and Natural England. The partnership has two workstreams. The first workstream is identifying opportunities for collaboration on nature recovery and climate change leadership through large-scale projects and sharing knowledge and evidence across the landscapes. The second workstream of the partnership is exploring how to remove barriers to access and promote respect for nature to increase the number of people from all parts of society visiting, volunteering, and working in Protected Landscapes and National Trails.
- 3.7 Against this national backdrop, there have been some notable achievements by the team this year, including the successful bid for the Reviving Exmoor Heartlands Landscape Recovery scheme, completion of the development phase for the Exmoor Pioneers National Heritage Lottery Fund, and allocation of all the Farming in Protected Landscapes funding. Significant progress has been made with ENPA's decarbonisation plans, and greenhouse gas emissions have halved since 2019.
- 3.8 Despite the challenges of budget cuts, teams have continued to deliver high quality services and outcomes. 93% of the rights of way are considered to be open and easy to use, a fall from previous years, but still a high proportion and a great achievement by the team, as well as delivery of a large programme of works to open up six new sections of the England Coast path. The National Park Centres service has achieved a record year for retail spend (up 28% on last year), with visitor numbers also up by 27%. The high-quality service was recognized through the teams winning several tourism awards this year. Performance of the planning service is above national targets, and the new statutory requirements for biodiversity net gain have been implemented. Delivery of the Estate strategy continues, with many projects underway across the Estate including at Driver and the planting of new trees and woodland. The business review was completed, leading to a new organizational structure, and a new Organisational Development Strategy 2023-2026 has been adopted.
- 3.9 Delivery of the Corporate Plan is impacted by the current budgetary pressures faced by ENPA. The Authority has experienced many years of decreasing core grant support. Since 2010/11 there has been a 40% reduction in National Park Grant, and for the previous 5 years the Authority has been subject to a flat cash settlement (one off additional grant of £440,000 received in 2022/23). The Medium-

Term Financial Plan distributed in early 2023 indicated a budget gap of £270k for 2024/25 and £325k for 2025/26. A Business Review process was initiated to ensure the best means of meeting the budget gap and had two key drivers: the need to make savings, and the need to refocus work to match corporate strategy and DEFRA priorities. The opportunity was taken in the approval of the 2024/25 budget to make these changes across the organisation, to realign structures and staffing to deliver the priorities that government expects of National Park Authorities. As a result, it has been possible to eradicate the savings requirement for the next two years, however the MTFP approved in March 2024 indicates further savings requirements in the latter years of the current medium term financial plan if National Park Grant is not increased alongside inflation.

- 3.10 Full details of delivery against the Corporate Plan 2023-24 actions are given in Appendix 1. There have been some significant achievements throughout the year, and good progress against delivery of the majority of the actions. The actions colour-coded amber or red are where there has been lack of delivery, either due to slippage in timescales or actions not progressed, are primarily due to budget restrictions which have placed pressure on staff capacity.

**Appendix 1 - Delivery of Corporate Plan Actions 1st April 2023 to 31st March 2024**

**Appendix 2 - ENPA Climate Action Plan Progress Report 2023-24**

**Appendix 3 - ENPA Employee Profile 31 March 2024**

**Appendix 4 - Customer Feedback Report 2023-24**

**Appendix 5 - Freedom of Information and Environmental Information Regulations Requests**

**Appendix 6 - Key Corporate Indicators 1 April 2023 to 31 March 2024**

**Clare Reid**

**Head of Climate, Nature and Communities**

**Ben Barrett**

**Head of Enterprise and Operations**

**Judy Coles**

**Corporate Support Officer**

**June 2024**

**Background papers on which this report, or an important part of it are based, constitute the list of background papers required by Section 100 D (1) of the Local Government Act 1972 to be open to members of the public comprise:**

Exmoor National Park Authority Corporate Plan 2023/24

## Delivery of Corporate Plan Actions 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024

### Cross Cutting Actions

1. **Priority action: Lead the preparation of the National Park Partnership Plan 2024-2029**
  - ✓ *The review of the Partnership Plan is well under way. A public opinion survey ran from April to September 2023, and nearly 1,000 responses were received and analysed. A number of workshops were held with partners on the Plan review, and a steering group established. Significant changes to legislation, updated national guidance and targets on environmental outcomes for Protected Landscapes have meant that the timetable for the Plan has been pushed back and consultation on a draft Plan is not likely until later in the year.*
2. **Priority action: Complete the one-year development phase for National Heritage Lottery Funding for the 'Exmoor Pioneers' programme, including nature recovery, heritage conservation, skills, volunteering, engagement with new audiences, and interpretation**
  - ✓ *The development phase has seen a great deal of work completed on nature, heritage, skills and audiences. This will underpin our bid resubmission in May 2024.*
3. **Priority action: Deliver the Defra-funded Farming in Protected Landscapes programme on Exmoor, supporting farmers to transition to the new environmental land management schemes. Target: allocate £500,000 of funds in 2023-2**
  - ✓ *The full £675,000 allocation was spent with a further 45 projects supported. In addition, 18 multi-year projects were progressed.*
4. **Priority action: Update and implement the External Project Funding strategy and Prospectus, and pursue funding opportunities for projects**
  - ✓ *A number of significant bids have been developed this year including our stage 2 NHLF Exmoor Pioneers bid and successful stage 1 applications to the Landscape Recovery Fund. A number of smaller bids have been successful across the Authority. The pipeline has been reviewed and updated. Further work could be done on this to proactively pursue opportunities, but this is constrained by a lack of capacity or dedicated resource.*

### Corporate Priority 1: A clear response to the nature and climate crises

5. **New action:** Develop a delivery and monitoring action plan for the Nature Recovery Vision, and work with partners on delivery projects
  - ✓ *Taking project opportunities forward has taken precedent over strategic planning for nature recovery so the action plan has yet to be completed and remains a target for next year. Strategic partners remain fully engaged*
6. Work with the Local Nature Partnerships to input to the Somerset and Devon Local Nature Recovery Strategies, including local habitat mapping, identifying priorities and opportunities for enhancing biodiversity
  - ✓ *Officers are engaged with the development of both the Devon County Council and Somerset Council strategies contributing to the strategy text and mapping.*
7. Continue to develop landscape scale proposals across Exmoor, including exploring the Landscape Recovery scheme opportunities on the royal forest, to take forward ambitions set out in the Nature Recovery Vision

- ✓ *A round 2 Landscape Recovery bid was successful for the former royal forest area under the project title Reviving Exmoor's Heartlands and the subsequent enrolment phase completed. A grant for £730,000 has been secured for the two year development phase for a 10,000 hectare area of moorland and adjacent farmland starting in April 2024. A steering group of project partners has been formed and a project manager appointed.*  
*In addition the National Trust has also secured a round 2 project to connect their Arlington estate with coastal woodland.*
- 8. Deliver the Sowing the Seeds project funded by Farming in Protected Landscapes programme.  
**Target:** 300 ha of meadows established
- ✓ *Overall, the project has made significant progress in restoring and creating 325ha of wildflower meadows, engaging with various stakeholders, and promoting awareness about the importance of meadows for biodiversity and wellbeing. The successful bid for additional funding from FiPL will enable the project to continue its valuable work for another year. Moving forward, the project will likely focus on monitoring the progress of restored meadows, expanding educational activities, and further developing partnerships to enhance meadow conservation efforts.*
- 9. **New action:** Work with partners on species recovery projects including for pine marten and white-tailed eagles
- ✓ *The Two Moors Pine Marten project. led by Devon Wildlife Trust has been successful in securing lottery funding for the delivery phase. Releases will take place on Dartmoor first with lessons learned for a subsequent planned release on Exmoor.*  
*Officers have also worked with the Roy Dennis Foundation to agree viable release sites for White Tailed Eagle. Habitat Risk Assessments are currently underway and once complete plans can be finalised for 'headstarting' birds on Exmoor in 2025.*
- 10. Implement the Exmoor Non-Native Invasive Species (ENNIS) Project, including raising biosecurity awareness, ensuring the success of Japanese knotweed removal is continued.  
**Target:** treat 90% of sites that can be treated using herbicide. Conduct at least two treatments on all Rootwave trial sites.
- ✓ *A successful season of treatment was delivered in 2023 and funding secured from FiPL for a follow up season in 2024.*
- 11. Work with Natural England to set up a SSSI monitoring programme starting in 2024, with target completion by 2028. In addition, update habitat survey data on the ENPA owned moorland in the former Royal Forest.
- ✓ *We have negotiated funding from Natural England for a pilot piece of work to assess the condition of North Hill SSSI in 2024. Following completion we will negotiate an expansion of this work for further moorland areas in ENPA ownership to expand this programme.*
- 12. Support peatland restoration through trialling new approaches and working with the South West Peatland Partnership, including offering support and advice and employing the Historic Environment Officer.
- ✓ *Works at Halscombe Allotment, Chetsford Water, South Regis, Codsand, Dady Combe, Embercombe sites have been completed by South West Peatland Partnership, with heritage aspects overseen by the Historic Environment Officer (SWPP).*
- 13. Continue delivery of 'Exmoor's Temperate Rainforest' project by trialling woodland establishment in combes around Simonsbath, including the creation of Kings Wood to celebrate the coronation.
- ✓ *The concept of temperate rainforest has gained considerable traction this year. ENPA are signatories to a new SW Temperate Rainforest Alliance and new high-profile projects around the region are receiving national interest. Planned activities in the hyper-oceanic climate region*



around Simonsbath have been implemented this year with Kings Wood, Mount Pleasant, Flexbarrow and Simonsbath Meadows being planted. Further areas are planned for the 2024/25 planting season. Flexbarrow was significant in that the trees planted were all grown in our new tree nursery from seed collected on Exmoor.

14. **Priority action: Work with partners to support delivery of national ambitions for appropriate woodland expansion and management of existing trees and woodland to ensure resilient wooded landscapes delivering a range of public goods.**
  - ✓ *Several projects on private land including Bye Common which ENPA have been advising on have been completed this quarter as well as projects on our own land. ENPA are partnering a project with Red Squirrel SW funded through £250k of Forestry Commission "Woods into Management" funding to deliver collaborative and landscape scale grey squirrel management to help ensure new and established woods are diverse, resilient and able to deliver nature, climate and socio-economic outcomes.*
15. Work with SWT and AONBs on a new three year "Forest for Somerset" partnership funded by the Woodland Creation Accelerator Fund (WCAF). The project aims to expand and connect trees and woodlands across Somerset; embed trees and woodlands as part of the green economy; protect and improve existing trees and woodlands; and connect people with trees and woodlands. **Target:** support the creation of 240ha new woodland pa across Somerset
  - ≠ *There have been low levels of activity in the last two quarters with no details on progress towards the 240ha p.a. target. However, ENPA have helped the Somerset Council Tree Team with a submission for a possible £10million New Forest for the Nation bid to DEFRA to connect National Park and National Landscapes across Somerset. If successful, this could be transformative in terms of increasing tree cover.*
16. **Priority action: Continue to deliver actions in the ENPA Climate action plan to achieve carbon neutral ENPA by 2030:**
  1. **Explore options and funding for decarbonisation at Driver Farm**
  2. **Continue to replace ENPA fleet vehicles with electric vehicles.**
  3. **Continue to pursue carbon offsetting opportunities on ENPA Estate including woodland creation and peatland restoration.**
  - ✓ *A number of actions have been undertaken to continue reducing ENPA's carbon emissions in line with the net zero target and trajectory. These include installation of LEDs at Exmoor House and Lynmouth National Park Centre. Greening of ENPA's fleet continues with an electric vehicle replacing one of the Ranger Land Rovers. A sustainability strategy for Driver has been produced by consultants including proposals for a biomass boiler to replace the current oil heating, and additional solar PV to provide electricity. A high level carbon assessment of the land at Driver has been undertaken to identify potential for further carbon sequestration and storage. A programme of tree planting continues on ENPA land around Simonsbath which will also contribute to further carbon sequestration in future.*
17. Work with partners to support projects and actions that deliver the pathway to a Net Zero National Park.
  - ✓ *ENPA is working with the other UK National Parks to join 'Race to Zero', a global initiative which is aimed at encouraging institutions to deliver a healthier, fairer zero-carbon world. A net zero target will be included in the Partnership Plan, and work is ongoing with partners on actions to deliver emissions reductions.*
18. **New Action:** Commission a climate adaptation and risk assessment for Exmoor National Park to feed into the Partnership Plan and action planning.
  - × *This has not been progressed due to capacity constraints, and also to await further guidance being produced nationally. It is proposed to undertake this work in 2024/25. ENPA will also*



*contribute to national climate adaptation reporting in 2024-25 along with other National Park Authorities*

19. Work with local communities and businesses to continue to reduce ENP's single-use plastics footprint.
  - ✓ *Another successful and busy year for this volunteer led initiative. Plastic Free Porlock Vale have been assimilated under the Plastic Free Exmoor banner. Several beach cleans within and around Exmoor have been held – one such event cleared over 150kg of litter, while another saw Exmoor's Young Rangers complete an extreme beach clean on the remote beach at Glenthorne. There is now a network of over 20 Water Refill stations across Exmoor and just under 30 Plastic Free Business Champions and a similar number of Plastic Free Community Allies across Exmoor. A number of talks have been given and other events have included a community litter pick in Dunster and a day clearing plastic tree guards.*

Corporate Priority 2: A welcoming place for all, improving people's health & well-being

20. **Priority action: Deliver an inspiring and inclusive learning and engagement programme, reaching out to people from a wider range of backgrounds and providing opportunities for increased connection to Exmoor's special qualities.** Target: diversify formal education offer (day and residential visits) by attracting 3 new schools from target audiences.
  - ✓ *Schools from target audiences have been engaged and booked in for visits in early 24/25 - Further funding in 24/25 (via Generation Green 2) is likely to enable us to reach out to more groups. We have worked with 3 qualifying schools this year and have another 2 schools already booked in for next year.*
21. **New action:** Review the charging structure for Pinkery residentials and explore other funding opportunities to enable support for target audiences.
  - ✓ *New progressive charging policy in place to provide discounts for children eligible for Free School Meals. Further work underway to look at how we can better support target schools while also seeking to increase overall income. Further funding has been secured for 24/25 to support further targeted groups to stay at Pinkery*
22. Develop and deliver a volunteer strategy to promote and support a wide range of volunteering opportunities within Exmoor, with a particular focus on removing barriers to engagement. Audit existing volunteer demographics and opportunities and develop links between volunteering and other areas of work including Young Rangers and health and well-being work.
  - ✓ *Work has begun on developing our volunteer strategy, including a survey of current and potential volunteers and an audit of our existing volunteers. A wide variety of volunteer activities have taken place including a trial of dry-stone walling training at Ashcombe as part of the Pioneers development phase. Using the successful model from the Minehead bioblitzes, the Get Involved team are working with Lyn Climate Action Group to develop similar initiatives in Lynton/Lynmouth and are also partnering with Calvert Exmoor to create accessible volunteer-led birding walks at Wistlandpound this summer.*
23. Promote the health and well-being benefits that Exmoor provides by further developing and delivering our "Welcome to Exmoor" days and working with partners to actively remove the barriers to targeted groups accessing Exmoor for their health and wellbeing. Target: deliver 8 Welcome to Exmoor days.
  - ✓ *8 Welcome to Exmoor Days were delivered in April and May 2023 to approx. 15 recipients from our target community (older residents from Ilfracombe with either health issues or suffering from isolation and loneliness) - feedback was excellent. We hope to take this forward in future years as part of the Pioneers Programme.*

24. **New action:** Plan for celebrations for the 70th Anniversary of the designation of Exmoor National Park in 2024.
- ✓ The 70th anniversary will be marked by a 'sprinkle' of relatively low key events, with an eye to celebrating the 75th anniversary more extensively.
25. Build on recent improvements in National Park Centres to maximise their contribution to National Park purposes and income generation. **Target:** 5% increase in net spend whilst maintaining 40% margins.
- ✓ Despite the challenges caused by the business review process, the NPC service has achieved a record year for retail spend (up 28% on last year), with visitor numbers also up by 27%. A continued review of our retail ranges and the improvements made to the Centres last year will have contributed to this. Outline design concepts have been completed for the relocated Dulverton Centre. Dulverton received Gold in the Bristol, Bath and Somerset Tourism awards and Silver in the South West Tourism Awards for Visitor Information Service of the year.
26. **New action:** Further develop the Authority's online shop, expanding the product range and marketing to generate increased income and engagement with the National Park. **Target:** 5% increase in gross profit year on year.
- ✓ *Overall performance has been good, with net spend up 47% and gross profits up 30%*
27. Assist with visitor management in the National Park (including popular locations and large events) to ensure that visitors are able to enjoy Exmoor responsibly and sustainably.
- ≠ *Reduced Ranger capacity and loss of the PROW Support Officer post is affecting this area of work. We have less ability to liaise with events and monitor them. Weekend engagement at popular sites is much more restricted than in previous years where we have put extra resources in place. Nevertheless, a programme of Ranger weekend working is still in place and we have some communication with most events, at least to point them to good practice resources.*
28. **Priority action: Maintain a safe rights of way and access network with resources focused on the most popular routes to ensure the majority of users enjoy a high-quality experience. Ensure that any works help to make the network more resilient to climate change and to meet the needs of all users. Target:** open and easy to use score above 80%.
- ✓ *New policy for supplying/installing less gates and asking landowners to do more was developed and implemented. There has been some take up for joint working and financial contributions plus more examples of landowners putting in their own gates. Staff inspections reduced to once every 6 years (previously 3) with Path Watcher volunteers backfilling. Inspections standards reduced to minimum national standard on all but Priority 1 routes. This has reduced tickets works for FST but will have longer term impacts on path standards. Volunteers have been recruited for a led group path repair activity every two weeks which is having positive results. There is a large backlog of PROW works tickets so further work is required to help balance our programme and activities. Our Open and Easy to Use score is above target at 93%*
29. **New action:** Deliver business change in our Public Access and Field Services Team work – adapting to reduced funding and realignment of staff priorities
- ✓ This new approach continues to progress well. 33 pieces of externally funded work were completed during the year. Total value of the completed works is £140,085. The on-site labour element of this totals £95,567 which comfortably exceeds our new income target of £80,000. Further income has been made through manufacture of some materials but the value of this is harder to calculate. Feedback from our internal customers has been good. The increased variety of work and skills required have had positive impacts for our Field Services Team.

30. Make use of Defra special funding to improve disability access infrastructure relating to routes, facilities, equipment, signage, and supporting information (3-year programme) - plan in year 2 for year three expenditure.
- ✓ Programme of suitable works has been identified to meet the expenditure target next year
31. Work with Natural England to complete implementation works for the England Coast Path
- ✓ *A large programme of works has been completed to allow the six new sections of the England Coast Path to open with over £90,000 value of work implemented. There are some very high value results for public enjoyment. Official opening event planned for July 24.*
32. Deliver a programme of enhancement works for ENPA car parks with a focus this year on Exford and Haddon Hill. Continue to explore opportunities for a new car park at Simonsbath sawmill.
- ✓ *Parking charges, equipment and signage have been implemented at Haddon Hill Car Park. A partnership approach has been developed with Exford Parish Council, which has provided a welcome contribution of £2k to annual costs there. Physical improvement works and tree planting are planned for both locations in the summer/autumn of 2024. Funding has been allocated for 4 EV charge stations at Exford. A public EV charger has been installed at our Blackmoor Gate car park. An additional parking area at Simonsbath Sawmill has been deemed unfeasible due to environmental permit safeguards.*
33. Complete fundraising and construction of 'Great Bradley Bridge'. Secure agreement and funding to replace Hinds Pitt Bridge (Tarr Steps Circuit).
- ✓ *For Great Bradley fundraising went well with 100% of required funds secured. The CareMoor campaign will continue into next year to help fund additional associated path surface improvements. Construction works are on track, due to begin 1st July 2024 and be completed within 10 weeks. Design is all signed off by Somerset Council and all materials are sourced and ordered. We have not been able to make much progress with Hinds Pitt Bridge due to staff capacity and other priorities but will make this a priority for 2024.*
34. Launch new range of self-guided Exmoor Classic walks and complete and launch a new booklet of Exmoor Strolls (more accessible routes) to complement the Explorer Walks as flagship route publications for the National Park
- ✓ *Our top walks project is now complete with the launch this year of the Classics and the more accessible Strolls, alongside the previously launched Explorers. New web content has been prepared and published alongside saleable guides which are available online and within Centres. The collection has received widespread attention with a number of other areas asking for information on how we developed the suite and a number of presentations given to a range of partners.*
35. Work with tourism partners to ensure that Exmoor is a leading visitor destination and tourism is promoted and managed sustainably for the benefit of all. Specific focus this year on a shared good tourism plan; business support building on toolkits; Sustainable visitor travel; and supporting businesses with key messaging around providing a welcome to all, promotion of wellbeing benefits, and reducing visitor impacts.
- ≠ *Progress has been slower than anticipated on the shared Good Tourism Plan - in part due to the Partnership Plan drafting and the need to align with that, but also due to limited capacity and a vacancy in the team. Nevertheless, progress has been made with an outline draft prepared for development by partners next year alongside the emerging Partnership Plan. We have also played an active role in developing a joint Regenerative Tourism paper for the UK National Parks. The Exmoor Coaster service ran an extended summer service in 2023 which was well received, but sadly the operator withdrew the winter service. We continue to support their plans for 2024. We have worked with Visit Exmoor and others to secure Local Visitor Economy Partnership (LVEP) status for the area - an application for Devon & Partners has*

*been approved while ongoing development work continues for Somerset. We have organised and contributed to several networking / training sessions for tourism within the area.*

36. **Priority action: Continue to implement the new ENPA website including accessibility improvements by end of Q2.**

✓ *Project Completed in Jan 2024 – the new website is up and running and receiving good feedback - some minor issues to be resolved in the coming months.*

Corporate Priority 3: A cared for landscape and heritage

37. Continue the restoration of Ashcombe Gardens with volunteers. Fundraise for new bridges to improve access.

✓ *The first replacement bridge for Ashcombe Gardens has been installed. Volunteer groups have progressed work on the orchard as well as some dry stone wall repairs. A Farming in Protected Landscapes (FiPL) bid will hopefully lead to the repairs of the main retaining wall during 2024.*

38. Continue the restoration of the Ashley Combe designed landscape through targeted woodland management and enhancement works including re-planting recorded tree species and restoring viewpoints and path alignment

✓ *Works to restore historic viewpoints and walks has continued and works to maintain completed restoration works undertaken. Seed from historic Lovelace era trees collected and germinated to restock. Bristol University plan an Exmoor conference in May 2024 to present main findings.*

39. **New action:** Support delivery of an exhibition of Munnings paintings at White Rock Cottage during Q2 and Q3.

✓ *The Munnings exhibition has been successfully designed and installed and is on display in White Rock Cottage.*

40. Engage people in Exmoor's Dark skies through delivery of the 2023 Dark Skies Festival; completion and launch of the discovery hub at Wimbleball; and working with Dark Sky friendly Businesses (especially experience providers) to offer greater year-round opportunities. Establish a light touch Exmoor Dark Skies Steering group to bring interested partners together

✓ *An Exmoor Dark Skies Steering Group has been established, aiding collaboration amongst different partners and interests. A new Pocket Guide and Lighting Guidance have been published. The Dark Skies Festival was a resounding success with over 60 events held. Development of a potential Dark Sky Conservation Project has begun, with a view to seeking funding in 2024/25. The Wimbleball Dark Sky Hub has been completed.*

41. Draft and consult on a Design Supplementary Planning Document to encourage high quality, locally distinctive design and take account of national design guidance /code

≠ *Limited progress because of staff resources but officers are intending to produce draft guidance with a view to consultation and production of Park-wide supplementary guidance.*

42. Work with volunteers to build understanding of Exmoor's heritage assets, undertake condition surveys on ENPA's Estate, and complete a programme of assessment of Exmoor's Scheduled Ancient Monuments. **Target:** complete condition surveys on ENPA owned sites on the royal forest.

✓ *Conditions surveys of scheduled monuments on ENPA owned land within the former royal forest have been completed. Remedial works will be carried out under the Exmoor Pioneers programme in 2025 and onwards.*

43. Progress work on Conservation Area appraisals, new designations, guidance for homeowners, and Article 4 directions. **Target:** complete 1 new designation



- ✓ *Allerford and Selworthy conservation area appraisals and management plans in production. Detail of Article 4s still being worked through.*
- 44. Maintain the Historic Environment Record (HER) and establish a Local list of heritage assets
- ≠ *Continued lack of Historic Environment Advisor post limits progress. Essential maintenance and internal and external consultations kept up with but only minor enhancement and not able to continue with development as outlined in HER Audit. HERO post has been advertised.*

**Corporate Priority 4: A place with flourishing, vibrant, communities and businesses**

- 45. Support businesses and partners to deliver the Rural Enterprise Exmoor vision
- ✓ *The REE Vision continues to provide a focal point and has been used to feed into the work and consultation of partners. We have continued to roll out the Business Directory and Business Toolkits and hosted a positive and well attended Rural Enterprise Exmoor Day in the autumn. We continue to liaise with Local Authority partners on a range of socio-economic initiatives that contribute to the delivery of National Park purposes such as the Shared Prosperity Fund and Ultrafast broadband.*
- 46. Through the NPA's planning role, oversee implementation of the Local Plan and work in partnership to support delivery of locally needed affordable housing and produce guidance.
- ✓ *Background work and scoping for affordability guidance is being progressed drawing on ongoing joint working with Somerset Council housing officers. Further work will be needed with North Devon as housing authority but there are resource constraints.*
- 47. Prepare for the introduction of new legislative requirements for Biodiversity Net Gain in November 2023.
- ✓ *Preparations were made for the implementation of the new statutory requirements for BNG as required for the Authority's role as local planning authority. Information and guidance was developed and made available via the ENPA website including technical guidance, a biodiversity trigger list and quick guide. A voluntary trial was implemented to provide opportunities for applicants and officers to test the approaches and systems required. The national requirements came into force for major applications in February 2024, and for small sites in April 2024, with some exceptions.*
- 48. Support the annual deer count and support work on understanding and managing Tb in deer.
- ✓ *Annual Deer Counts achieved, results to be presented by July 2024. TB Project only collecting diseased carcasses. The project technically ends in August 2024 but we are pushing hard for an extension as we seem to be seeing more tb again this year.*
- 49. Increase income from the 'CareMoor for Exmoor' fundraising scheme to support delivery of National Park purposes. A specific focus on developing new digital platforms (Enthuse and GiveTap), recruiting and supporting CareMoor champions and Business supporters and establishing the means for individuals to fundraise more effectively for CareMoor. **Target:** 5% increase in general donations year on year.
- ✓ *A good year for CareMoor with total donations up 262% on last year. Significant contributions have been received to the Woods and Trees Appeal and the Great Bradley Bridge Appeal, alongside general donations to a range of other projects. New systems have been developed to make online and in-the-field donations easier for supporters.*
- 50. Work with partners to support increased use and promotion of local produce including further roll out of Eat Exmoor branding; exploring support from Exeter University on developing greater links between the place and low carbon food; and supporting the delivery of the 2023 Exmoor Young Chef Competition.

- ✓ *We have continued to support the rollout of the Eat Exmoor branding to highlight local produce opportunities within hospitality businesses and retailers. There has been no progress from the University of Exeter re their potential project. We supported the 2nd Exmoor Young Chef Competition in the autumn which received strong publicity promoting both Exmoor's local produce and the opportunities available for careers in hospitality*
- 51. **Priority action: Deliver the National Park Planning service, maintaining performance within targets of 60% major applications and 70% of minor applications determined on time. Implement the Planning Advisory Service recommendations to improve service delivery and effectiveness.**
  - ✓ *Performance is above national targets, with 100% of majors (1 application), 82% of minors and 85% of other applications determined within statutory timeframes. A total of 279 applications were received during the year, 75% of these were validated within 3 working days. This is a fall from previous years, when applications have tended to be in the range of 350-400, possibly due to rising costs. 273 applications were determined, of which 90% were approved. In addition, 46 new enforcement sites were recorded, and a total of 51 cases were resolved. Two appeals were determined, of which one was dismissed, and one allowed.*
- 52. Continue to implement improvements to digitise the National Park planning service in line with government objectives to make the planning process more accessible.
  - ✓ *70% of planning applications were submitted via the planning portal. Other applications were received via email with some submissions made via hard copy. This trend is consistent with previous years. The pre-application service has been digitised with most pre-application enquiries received electronically. Historic applications continue to be scanned and held electronically, with years 2001 to 2006 outstanding for scanning.*
- 53. Update the local list of requirements for validating planning applications by end of Q2
  - ✗ *The update of the local validation list has not been progressed due to staff changes and capacity within the Development Management team. This has been rolled forward into 2024-25.*

Corporate Priority 5: A highly performing Estate, delivering National Park purposes

- 54. **Priority action: Progress the ENPA Estate Strategy with a particular focus this year on the future of Driver Farm and preparing management plans for specific sites. Progress disposal of assets as approved by Members.**
  - ✓ *Disposal of East Anstey Common agreed and the sale is progressing. Management Plan template prepared and priority sites identified. Driver Farmhouse refurbishment Project Management (external consultancy package) out to tender. East Barn re-roof and repair works out to tender and FiPL bid progressing. Carbon Accounts study commissioned. Modern farm building options underway including engineer's survey commissioned.*
- 55. 55. Seek resources to undertake key research to help plan effectively for the future landscapes programme, with a focus this year on baseline assessments for the ENPA Estate
  - ✗ *Officer capacity has been prioritised for funding bids and project delivery with insufficient time available for natural capital assessment for the wider ENPA estate which remains a priority for the coming year.*
- 56. Continue exemplary management of ENPA woodland estate including continuous cover productive woodland, managing woodland of high biodiversity value, climate resilience and adaptation for priority species and tree safety. Complete the setup of the tree nursery at Exford.

- ✓ *Woodland improvement tasks under the Countryside Stewardship agreement have been completed and exceeded. Hazard tree surveys and priority works have been completed, including ash dieback works. Softwood and hardwood timber has been supplied to the ENPA workshop and used for a number of projects. Bye Wood is now firmly in the establishment phase showing good survival and development. Phase 1 of temperate rainforest projects around Simonsbath completed including Kings Wood.*
- 57. Help promote and conserve the iconic Exmoor Pony breed through management of the Authority's pony herds.
- ✓ *Herd stability is good and as we have enough ponies for our future plans, the stallion has been removed from Haddon Hill to give the mares a 1-2 year break. We continue to work closely with the Moorland Mousie Trust. A small, tamer, grazing herd has been established to assist with Pinkery and Graze the Meadows project.*

## Corporate Priority 6: A great organisation to work for

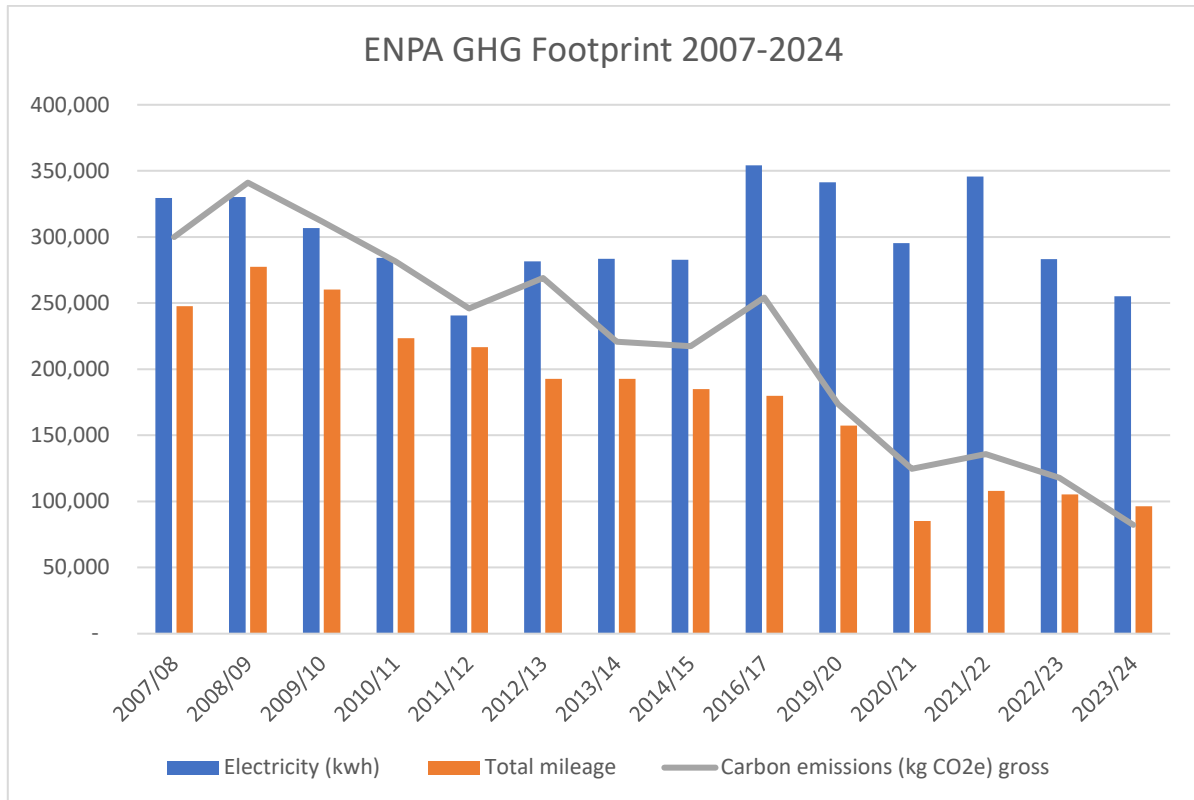
- 58. **Priority action: Implement a new Organisational Development Strategy to support our staff team and enable the best use of our knowledge, skills, and experience in delivering National Park purpose.**
- ≠ *The Organisational Development Strategy 2023-2026 has been adopted. Progress on taking the actions forward continues to be affected by workloads but will be main focus for 2024-25.*
- 59. Take positive action to support the Authority's commitment to Equity, Diversity, and Inclusion. Specific focus this year on adopting an EDI strategy and developing action plans for teams.
- ≠ *The draft Equity, Diversity and Inclusion Strategy has been produced and discussed with the EDI Task Group, although this has not yet been brought to Authority for adoption due to capacity. Focus will be given to this work in 2024-25. Through our work with the National EDI working group a small pot of funding has been secured to work with consultants and some of our target groups to help shape our collective approach to EDI issues going forward.*

## Appendix 2

### ENPA Climate Action Plan reporting 2023-24

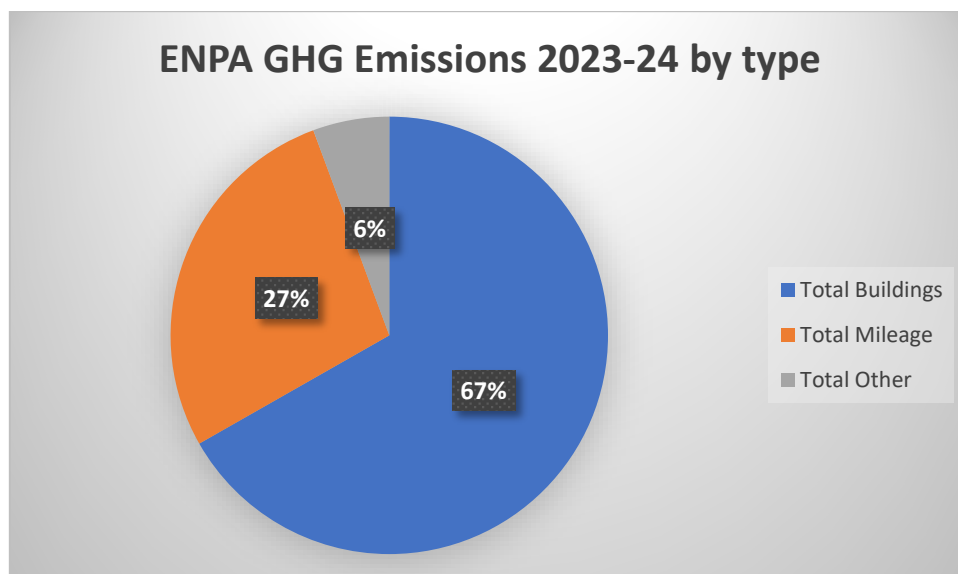
In 2019 ENPA declared a climate emergency with a target of being carbon neutral by 2030. Since then, overall emissions have more than halved. Actions taken and progress towards the target is set out below.

### ENPA Greenhouse gas footprint



ENPA's greenhouse gas (GHG) footprint has continued to fall, and the impact of actions taken to reduce emissions is starting to be seen.

### Breakdown of carbon emissions





ENPA buildings continue as the most significant source of ENPA emissions, followed by mileage.

The 'other' category includes the use of diesel-fuelled mobile plant at Exford depot, and a programme is in place to replace machinery with electric-powered alternatives where possible.

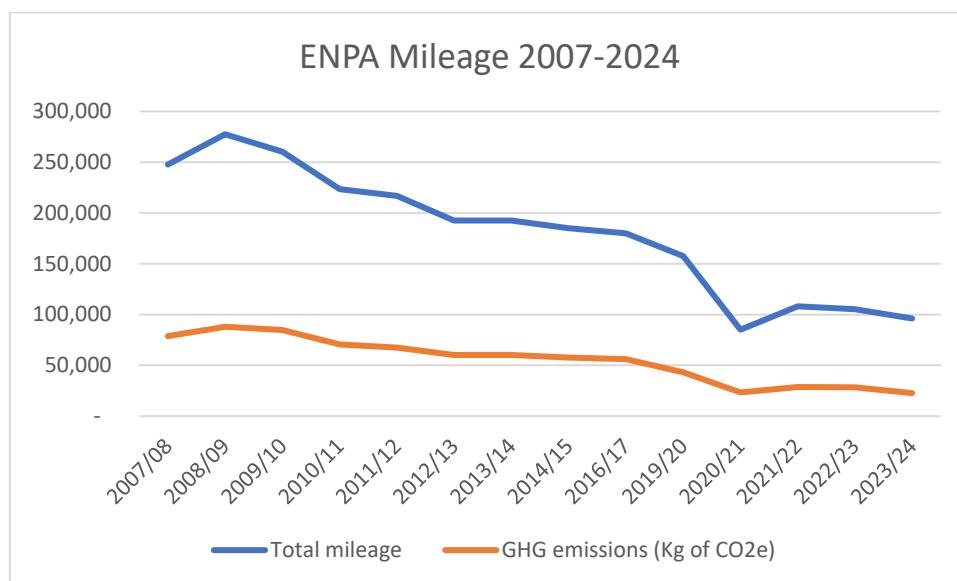
## ENPA buildings

The effect of the decarbonisation works at Pinkery Outdoor Education Centre are now being seen in the GHG figures, with a significant drop in overall emissions for 2023/24 as a result of this.

The vast majority of emissions from buildings are from electricity usage, particularly for heating. Overall usage of electricity has fallen, which is positive, including reductions at Exmoor House following investment in secondary glazing at Exmoor House, and replacement of lighting with LEDs. There has also been a fall in electricity usage at other premises including the three National Park Centres. Electricity usage at Exford Depot has increased, which could be partly due to increased electric equipment and the EV charger.

Overall carbon emissions from electricity usage have not fallen as significantly due to an increase in the national conversion factor which reflects an increase in natural gas use in electricity generation and a decrease in renewable generation.

## ENPA Mileage



Total ENPA mileage has fallen by around 9,000 miles, saving 5,760kg CO2e. The purchase of two electric vehicles has meant that 12% (11,860 miles) of the annual mileage has been made using an EV, contributing 2,350kg CO2e towards this overall carbon saving.

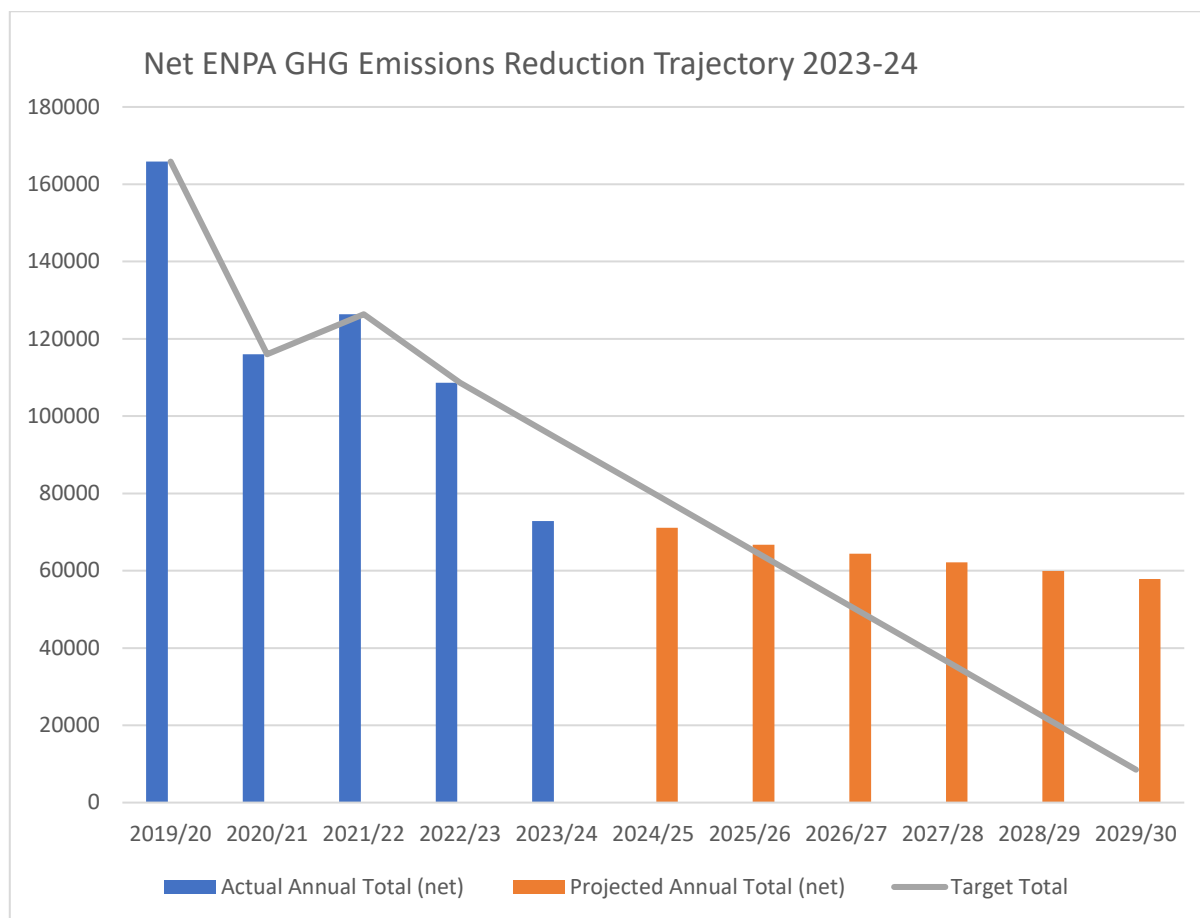
ENPA has been incrementally converting the fleet of pool cars and other vehicles to electric vehicles, and further plans are in place for this (see below).

Staff commuting is not currently included in ENPA's monitoring of GHG emissions. However, an estimate of commuting emissions by the Carbon Trust for Defra's GHG emissions reporting puts this figure at 15 tCO2e annually.

## Homeworking

Following the Covid pandemic, ENPA moved to a blended working arrangement, where staff work from their work-base and some may also work partially from home. This has not had any impact on reducing the GHG emissions from ENPA buildings, as they are still open for staff who are coming in to work there. Work is underway to consider how these buildings can be used most efficiently. In the meantime, Government guidance is that organisations should estimate the GHG emissions of working from home. Taking an average of 3 days worked from home in 2022-23 for 60 staff, this gives an estimate of the annual emissions from homeworking at 20,870 kg CO<sub>2</sub>e. These figures are not currently included in the overall monitoring of ENPA GHG emissions.

## ENPA GHG emissions reduction trajectory



Good progress is being made towards meeting the 2030 carbon neutral target for the Authority. Overall emissions have more than halved since the declaration of the climate emergency in 2019 and the setting of the carbon neutral target.

The carbon savings from a variety of measures taken during the last few years have resulted in a fall in emissions in 2023/24.

There is a predicted fall in emissions due to measures undertaken during 2023/24 including:

<b>Measures taken in 2023/24</b>	<b>Estimated annual CO2e saving (kg)</b>
Replacement of the Ford Fiesta pool car with an electric Renault Zoe	1,540
Replacement of Ranger Land Rover Defender with EV Toyota Pro-ace EV van	1,250
Replacing lighting in Exmoor House with LEDs (60%)	1,718
Additional battery storage at Pinkery – 2 new batteries 30 kw additional storage	N/A
Ranger and FST tools converted to electric	N/A

Further measures are underway or planned in 2024/25 to continue the decarbonisation trajectory. This includes ongoing greening of the fleet, replacement of lighting with LEDs, replacement of equipment with electric versions, and additional capacity to store electricity generated by renewable energy. Further work is required to explore options to reduce the electricity demands of buildings, particularly in relation to heating, and to increase renewable energy generation capacity where possible, especially with the increased demand for electricity with the additional electric vehicles and equipment.

<b>Measures planned in 2024/25</b>	<b>Estimated annual CO2e saving (kg)</b>
Replacement of the Education Caddy Van with an electric Citroen 9-seater Spacetourer	2,300
Replacement of the Duster pool car with an electric Nissan Leaf	1,540
Replacement of a Duster pool car with a hybrid Skoda Octavia	2,300
Replacement of Facilities Caddy Van with electric Peugeot E-Rifter 7 seater	2,300
Completion of replacement lighting in Exmoor House with LEDs	2,864
Replacing lighting in Lynmouth Pavillion NPC with LEDs	3,237
Replacement lighting at Pinkery Outdoor Education Centre with LEDs	52
Electric forklift for Exford Depot	N/A
New battery storage at Exford Depot	N/A

## **Renewable energy generation**

During 2023/24, around 97,890 kwh of renewable energy was generated, saving around 25,021 kg of carbon. This was a significant uplift from previous years due to the new biomass boiler at Pinkery Outdoor Education Centre.

## **Carbon sequestration**

Tree planting programmes on ENPA land continue, including at Kings Wood and Flexbarrow, near Simonsbath. Further woodland planting is planned as part of the Exmoor Pioneers National Heritage Lottery funded programme. Due to the low-density planting schemes it is not currently applicable to enter these into the woodland carbon code.

## **Procurement**

ENPA does not currently measure emissions from the procurement of goods and services and capital items. A project is underway with the Carbon Trust to produce a baseline assessment of these carbon emissions which will help to inform future procurement policy and decision-making.

## **Land use**

The current ENPA carbon footprinting also does not include emissions from land use. ENPA has commissioned a baseline carbon footprint assessment of land at Driver and North Hill. These sites have been chosen initially for assessment to help us to understand the carbon implications of land management decisions for the estate including our woodland management. Following the completion of the two assessments we will review the data, process, and follow up advice and make any necessary adaptations before rolling out the model across the wider estate.

## Appendix 3



### EMPLOYEE PROFILE - 31 March 2024

A summary of employee demographics and key indicators for the period 1 April 2023 to 31 March 2024.

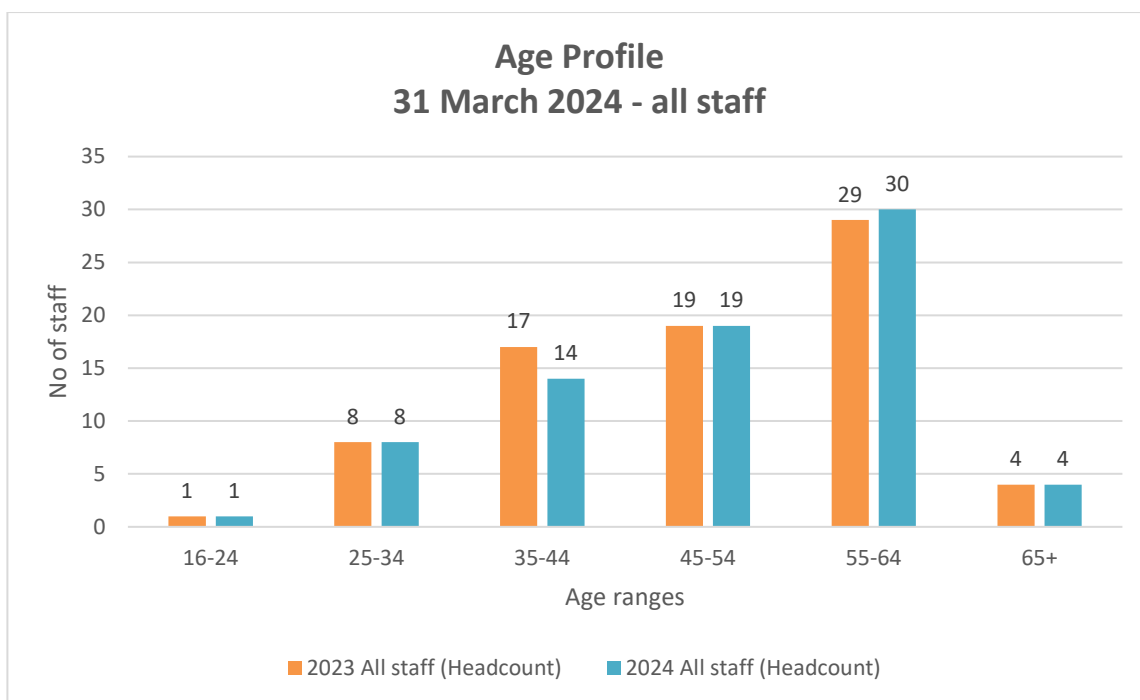
#### NUMBER OF EMPLOYMENT CONTRACTS HELD

*Core and non-core staff in post 31 March 2024*

SECTION	Headcount	Full Time Equivalent
Support to Land Managers	20	18.69
Support to National Park Users	8	6.92
Support to the Community and Business (includes Rural Enterprise & National Park Centres)	14	11.19
Strategy and Performance	6	5.40
Finance and Operations (includes Facilities and ICT)	8	7.00
Chief Executive	1	1.00
<b>Total (Core staff in post)</b>	<b>57</b>	<b>50.20</b>
<b>Non-Core (Seasonal/Project/Partnership) contracts</b>	<b>19</b>	<b>14.24</b>
<b>Total (all staff) 31/03/2024</b>	<b>76</b>	<b>64.44</b>
<b>Comparable total 31/03/2023</b>	<b>78</b>	<b>67.74</b>

## AGE PROFILE

All staff in post 31 March 2024



The Authority's stability index has slightly decreased this year (**66%** of staff have over 3 years of service, 68% on 31 March 2023).

Staff aged over 45 with over 3 years' service has increased to **72%** this year (68% on 31 March 2023).

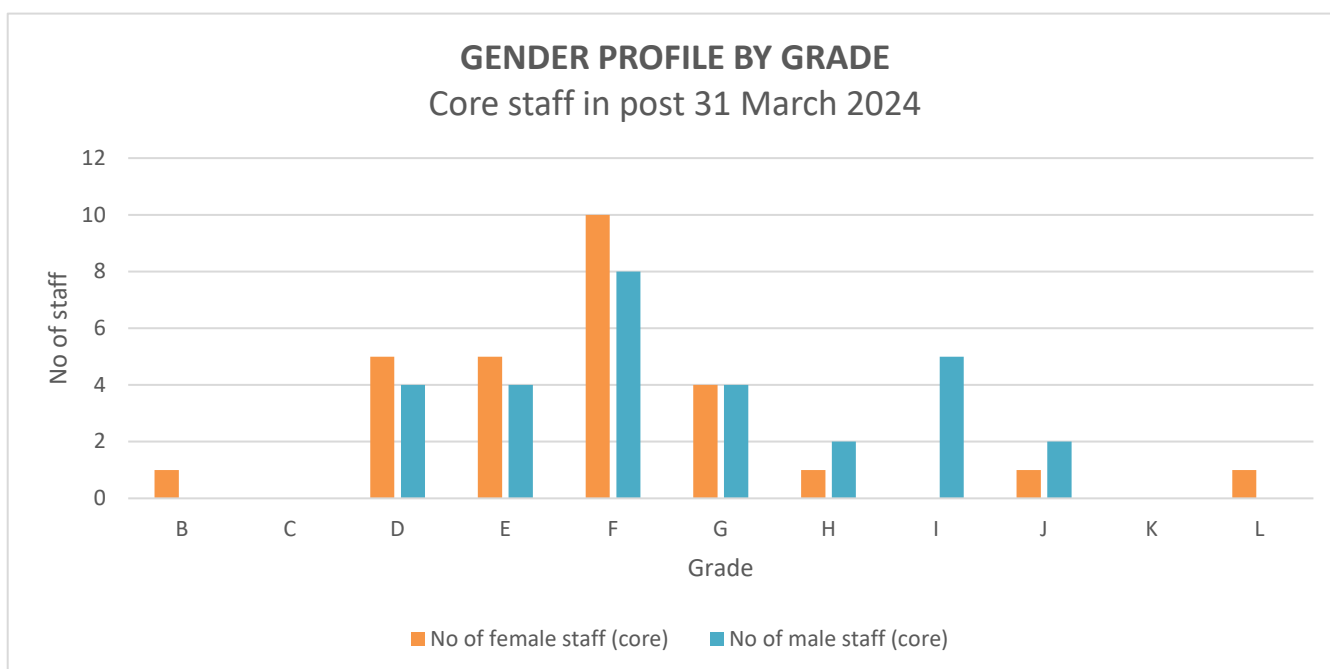
The Authority has not hosted any internships this year due to undertaking the Business Review, resulting in the lack of capacity to manage and mentor students to ensure they experience a meaningful placement. However, it is hoped that the Exmoor Pioneers Programme will provide some opportunities for apprenticeships or internships in the year ahead.

As the risk of losing experienced staff through age retirement increases, strategic succession planning will be a key piece of work for the Authority during 2024/2025.

## GENDER PAY REPORTING

Core and all staff in post 31 March 2024

PAY SCALE		CORE STAFF		ALL STAFF	
Grade	Top of Pay Scale £	Female Staff	Male Staff	Female Staff	Male Staff
<b>A</b>	<b>NOT USED – REMOVED FROM PAYSACLE (2023/24 PAY AWARD)</b>				
<b>B</b>	23,114	1	0	1	0
<b>C</b>	23,893	0	0	0	0
<b>D</b>	25,979	5	4	9	8
<b>E</b>	29,777	5	4	7	5
<b>F</b>	33,945	10	8	15	11
<b>G</b>	39,186	4	4	4	4
<b>H</b>	45,441	1	2	1	2
<b>I</b>	51,515	0	5	0	5
<b>J</b>	60,087	1	2	1	2
<b>K</b>	<b>NOT USED</b>				
<b>L</b>	93,373	1	0	1	0
<b>Total posts</b>		<b>28</b>	<b>32</b>	<b>39</b>	<b>37</b>
<b>Average (mean) salary 2023/24 (based on top salary point for each grade)</b>		<b>Female £35,607</b> £33,467 Without CE post included	<b>Male £38,619</b>	<b>Female £34,107</b> £32,548 Without CE post included	<b>Male £36,635</b>



The Authority's mean gender pay gap<sup>1</sup> for core staff in post on 31 March 2024 has reduced again to **5%** (from 5.72% in 2023).

The median pay gap<sup>2</sup> is more typically used as a measure nationally as outliers can skew the mean, particularly in small data sets such as these. According to the ONS<sup>3</sup>, nationally the

<sup>1</sup> The difference between the mean hourly rate of pay of male employees and that of female employees.

<sup>2</sup> The difference between the median hourly rate of pay of male employees and that of female employees.

<sup>3</sup> ONS data 2023: [Gender pay gap in the UK - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk/gender-pay-gap)

gender pay gap based on median hourly earnings for all employees decreased to 14.3%. The gender pay gap is higher for all employees than for full time only employees because women fill more part time jobs.

**The Authority's median gender pay gap<sup>4</sup> remains at 0%.**

March 2024	Authority median hourly earnings	Change in gap	UK median hourly full-time earnings
Female	£17.59	0%	£16.65
Male	£17.59	0%	£18.14

QUARTILE DATA (Core staff in post 31 March 2024)					
	Women	Male	All	% Women	% Male
Lower (A-C)	1	0	1	100	0
Lower Middle (D-F)	20	16	36	56	44
Upper Middle (G-I)	5	11	16	31	69
Upper (J-L)	2	2	4	50	50
	28	29	57	49	51

## RECRUITMENT AND TURNOVER

The CIPD's Labour Market Outlook (Spring 2024)<sup>5</sup> reports that hard to fill vacancies continue to be significantly higher in the public sector than the private sector.

The Authority has been successful in all its recruitment campaigns during 2023/24 with all vacant posts being filled. This has been helped by previous staff applying for vacancies and returning, particularly in difficult to fill roles in planning and finance.

The Authority's turnover rate between 1 April 2023 and 31 March 2024 is **19.3%** (core staff only), a significant increase from 8% on 31 March 2023. This increase reflects change during the Business Review as staff wishing leave to move to different employment, which can be common during periods of organisational change. No trends were identified for their reasons for leaving.

The turnover rate<sup>6</sup> for all staff (including project, fixed term, and seasonal staff) during this period is **19.7%** an increase from 18.9% reported last year. This is higher than the current UK average rate of 16.8%. These rates reflect recruitment of funded project work posts as well as seasonal appointments.

The Authority plans to review its processes in relation to reward, recognition and retention going forward, such as broadening our talent pool, increasing our employee value proposition, recognising long service, upskilling staff, and increasing opportunities for career development. This work will be part of delivering our Organisational Development Strategy.

<sup>4</sup> The Authority has calculated the median pay gap using all core staff.

<sup>5</sup> [Labour Market Outlook: Spring 2024 \(cipd.org\)](https://www.cipd.org)

<sup>6</sup> The current UK average employee turnover rate is approximately 16.8% a year.



## DECLARED DISABILITY *All staff in post 31 March 2024*

Physical	2	<b>6.6% of the total staff group declare a disability.</b> A disability may be defined as “A physical or mental impairment which has a substantial and long-term effect on the person’s ability to carry out normal day-to-day activities”.
Progressive conditions e.g., MS, cancer	1	
Sensory	1	
Mental Health	1	
Learning Difficulties	0	
Other	0	

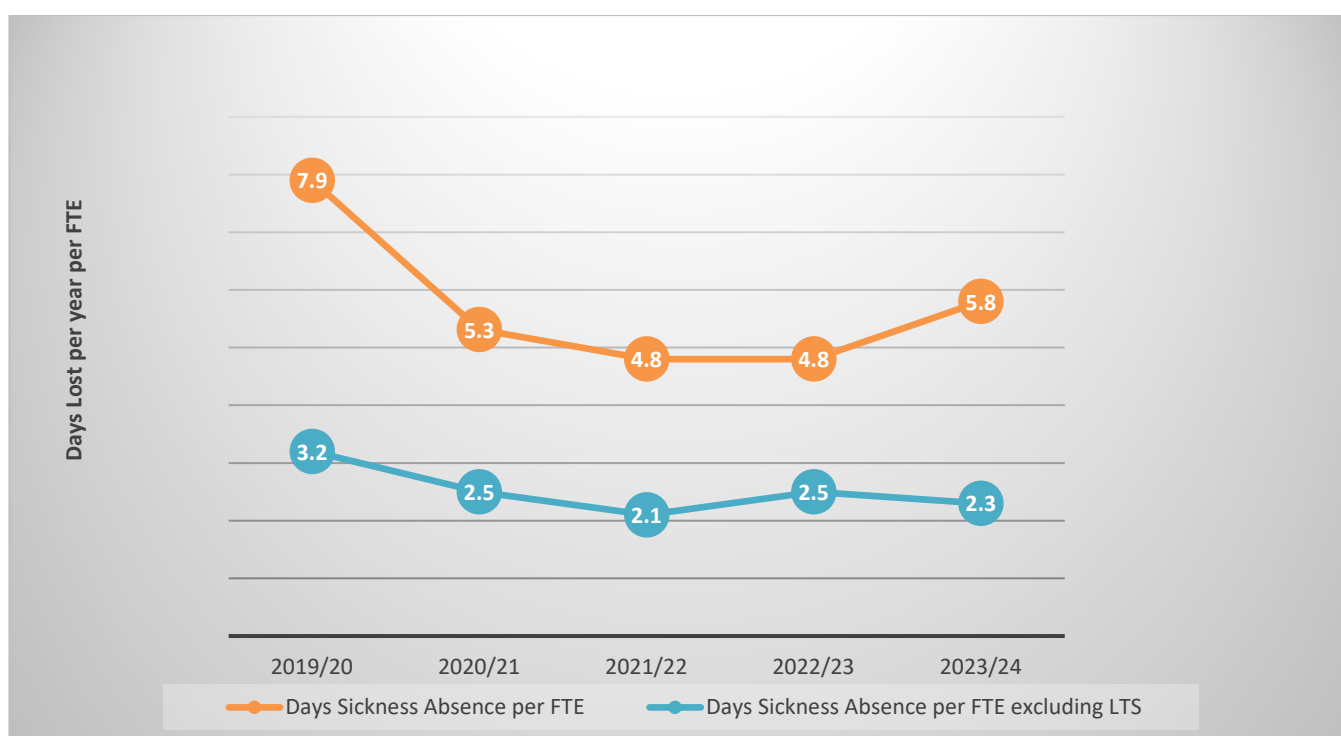
## ETHNICITY *All staff in post 31 March 2024*

White	British	73	<b>96% of employees identify themselves as white British.</b> <b>1.4% any other white background</b> <b>2.6% prefer not to say.</b>
	Irish and wider European	0	
Any other white background		0	
Asian/Asian British		0	
Black/African/Caribbean/Black British		0	
Mixed/Multiple ethnic		0	
Any other ethnic group		1	
Gypsy or Irish Traveller		0	
Mixed Ethnicity		0	

## SICKNESS ABSENCE *All staff*

Year End March	2023/24	2022/23	2021/22	2020/21	2019/20
Total Days lost through sickness absence	<b>388</b>	318	314	352	506
Total Days lost excluding LTS*	<b>159</b>	168	138	168	206
<b>Total Days per FTE</b> (Avg. FTE over year)	<b>5.8</b>	4.8	4.8	5.3	7.9
<b>Total Days per FTE excluding LTS</b>	<b>2.3</b>	2.5	2.1	2.5	3.2

\*LTS=Long Term Sick (20 consecutive working days or over)



On 31 March 2024 sickness levels per full time equivalent increased this year to **5.8** from 4.8 at the end of 2022/23. However, sickness levels per full time equivalent excluding long-term sickness absence decreased to **2.3**.

The Authority continues to have robust sickness reporting procedures in place and ensures that those on long-term sickness are supported to return to work. Sickness absence forms are monitored as they are submitted by HR and any concerns are immediately raised with the manager, if not already identified in the return-to-work meeting.

There were **56** occasions of sickness absence (compared to 68 in 2022/23).

Reason for absence	No of occasions
Cold/Coughs/Chest infections/Flu virus	15
Stomach	9
Limb/back disorder	2
Stress	4
Surgery	3
COVID	10
Other	13

There was an increase in stress-related illness and those staff were supported by their managers and HR. These will continue to be closely monitored by HR. Occupational health referrals, risk assessments, reasonable adjustments and support through discussion and use of the 24-hour confidential helpline service have proven to help in these circumstances.

The Authority still has safe working practices in place in line with current government guidelines and flexible/hybrid working continues to be popular amongst staff. We continue to develop our Wellbeing pages on the staff intranet which provides information, guidance and links to other organisations offering support – this includes keeping well, eating well, mental health, and the menopause. We continue to commit to being a Mindful Employer and a Disability Confident Employer.

## REPORTED ACCIDENTS/INCIDENTS

*All staff and volunteers*

During the period 1 April 2023 to 31 March 2024 the following were reported:

### Accidents

- 3 staff accidents.
- 6 accidents at Pinkery Centre for Outdoor Learning.
- 1 public accident (National Park Centre).
- 1 accident reported from our volunteers.

### Causes

Slips, trips, and falls	6
Vehicle/Machinery/Equipment	5

### Resulting injuries

Bruise/cuts	10
Vehicle damage	1

There were no RIDDOR reportable injuries this year.

### Incidents

- 6 staff incidents were reported (2 callouts, 1 vehicle related, 1 tick bite, 1 manual handling and 1 verbal abuse)

- 4 public incidents were reported (all occurred off Authority premises and assistance was given by staff who were present or nearby at 3 of these incidents).

All accidents and incidents, whether they result in injury or are considered a 'near-miss', are reported at the Authority's quarterly Health and Safety Committee and, where necessary, modifications to processes to prevent reoccurrence and to control risk are put in place. Three accidents from use of machinery resulted in refresher training being organised and a review of more suitable PPE for use in the summer months.

Considering the incident of verbal abuse, the Authority has reviewed its policy on personal safety to include behaviour safeguarding. This includes general guidance (e.g., telephone calls, site visits, in-person meetings, and social media), reporting and set procedures to follow. Staff also received in-person training in Conflict Resolution.

**Ellie Woodcock**

**HR Officer**

17 June 2024

# Customer Feedback Report 2023-24

A summary of the compliments, complaints, freedom of information and environmental information regulations requests for the period 1 April 2023 - 31 March 2024

## Customer Compliments

Below are a sample of the 34 written compliments received in 2023/2024. We receive many more through the visitor books in National Park Centres, calls to our offices or in conversation with officers in the field. It is apparent that our staff take pride in the work they do and strive to offer good service.

We have just returned from a week's holiday in Worthy Cottage above Porlock Weir. We found the Exmoor National Park site to be very useful and the Learning links were a real treasure, sending me down many rabbit holes with the links to such a variety of material. The Coastal Management section was fascinating! **Website Team**

Just a massive thank you again for an amazing week. We will definitely be back next year and will be in touch asap to get a date. The children loved everything and the initial feedback from the families is excellent. Your knowledge and skills and your ability to relate to and engage with a diverse group of children so quickly and effectively really made this experience stand out. I'd love to be able to develop this link beyond annual residential trips and look forward to keeping in touch. **Pinkery Outdoor Education Centre**

Many thanks to you and your team for the excellent meeting last week. It's always useful to meet other local business owners and to hear how they are dealing with the challenges we all face. Each of the five business case studies provided valuable insights and ideas. The common theme seemed to be the value of the Exmoor brand and the importance of thinking green. Each of the presentations had value and there was a good balance in the lineup. **Rural Enterprise Team re: Rural Enterprise Exmoor Day**

Just a quick thank you for the notice you have placed at Tarr Steps advising canoeists of the tree blockage at Three Waters. I like to think that we would have spotted the trees as part of our inspection as we came down there on Monday, but the central channel blockage certainly wasn't easily spotted. Your notice certainly helped us be very diligent in our inspection, and contributed to us have a wonderful day out. **Ranger Team**

Thank you so much for this and for your advice. It is all very helpful. **Planning and Customer Support Team**

To all concerned with footpaths, 'Thank you'. I have just discovered the new gates replacing the stiles on the footpath through Wootton Courtenay. My husband and I are getting a little older and it is a real joy to be able to walk comfortably with our dog along these lovely paths. With thanks for your good work and best wishes, **Field Services Team**

I wish to express my gratitude for the wonderful service of the Exmoor National Park staff firstly at Dunster by a gentleman (Wednesday of Easter week when Dunster castle decided to close) and the 2 ladies a few weeks later who assisted me with maps/walking routes. Then last Saturday at Lynmouth to the gentleman who kindly offered to fill my empty water bottle. Excellent service **National Park Centres**

## Formal Customer Complaints

From time to time Officers deal with concerns and issues raised by members of the public but these are usually resolved at an informal stage without the need to invoke the formal complaints procedure.

In 2023-24, the Authority received a total of 6 x Stage 1 formal complaints. Two of these related to operational matters, of which just one was Upheld in relation to an out of order toilet at Valley of Rocks over a busy weekend.

The other Stage 1 complaints related to Planning matters which in the main centred around processing delays. Two of these complaints were Partially Upheld and two were Not Upheld.

There were 3 x Stage 2 complaints which all related to the Planning service. Two of these were Partially Upheld and one was Not Upheld.

## Freedom of Information and Environmental Information Regulations Requests

The Authority received 45 requests for information using the Freedom of Information Act 2000/Environmental Information Regulations 2004.

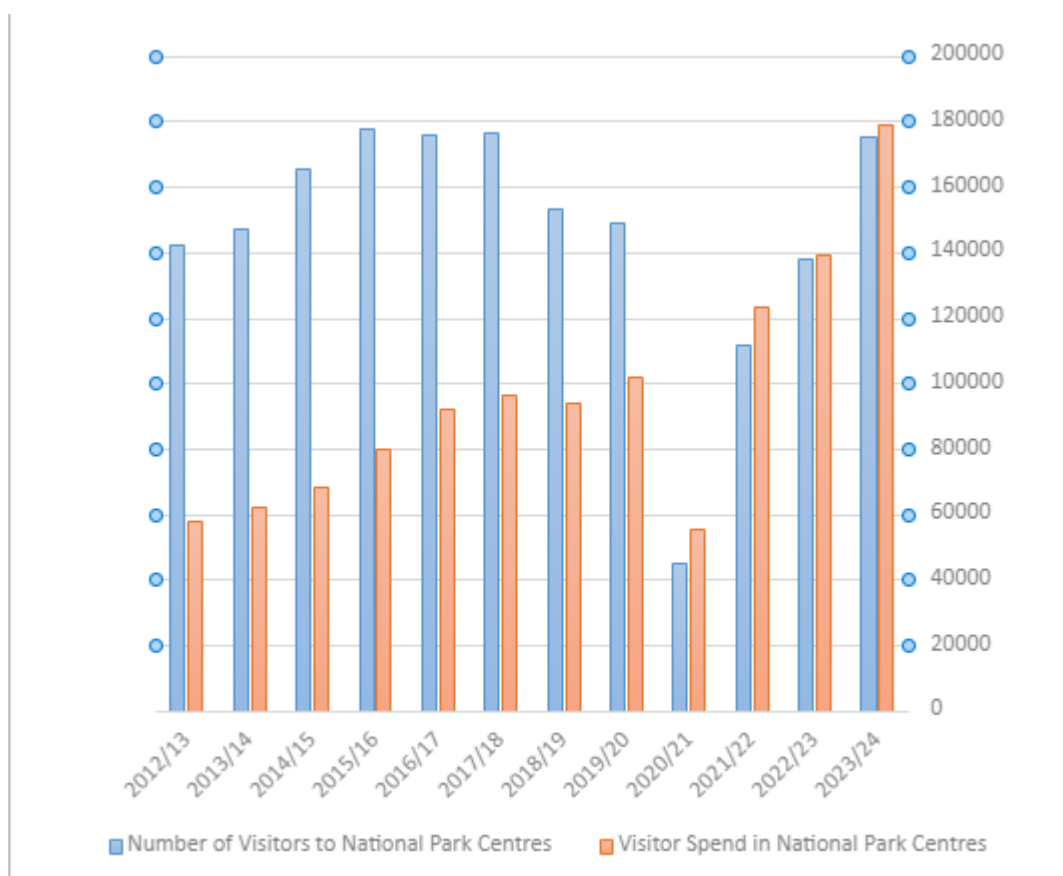
Area of Work	Number of Requests	Information held disclosed	Partial exemption applied - not all information disclosed	Information publicly available	Information not held	Clarification not received
EIR – General	9	6		1	2	
FOI/EIR - Planning related	16	13	1	1	1	
FOI – IT related	8	6	1		1	
FOI – HR related	7	5			1	1
FOI – Estate related	2	1		1		
FOI – Finance related	3	2		1		

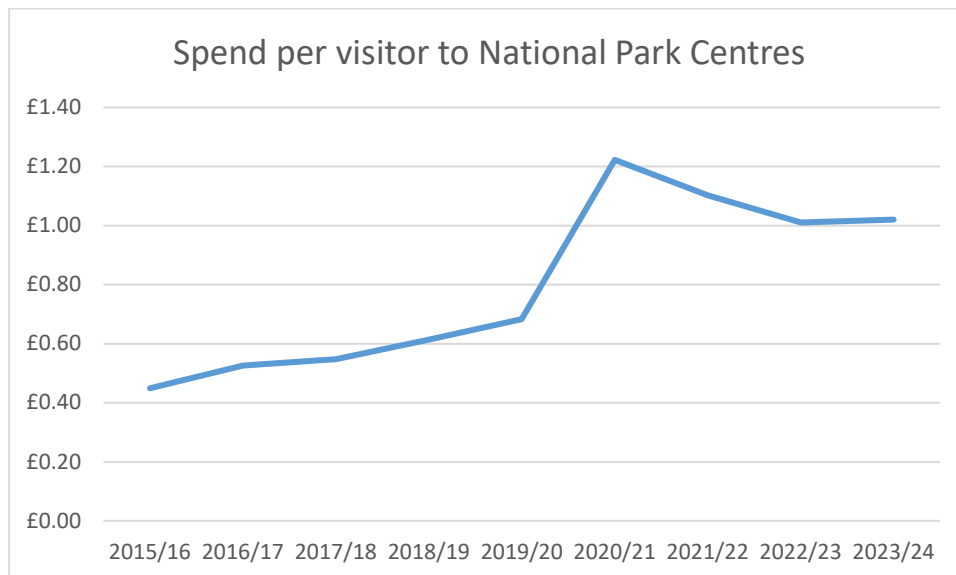
## Key Corporate Indicators 1 April 2023 to 31 March 2024

### National Park Centres

- Total visitor numbers at the Centres are now well ahead of our 2019/20 pre covid baseline, at 175,406 compared with 137,958 last year, up just over 27%.
- **Target exceeded – Action 26** - Overall performance of the Authority's online shop has been good, with net spend up 47% and gross profits up 30%, well ahead of the 5% target increase year on year.
- **Target exceeded - Action 25.** The National Park Centres had a record year with a net income of £178,969, up 28.4% on last year – well in excess of the 5% target. Combined profit margins were 45%, above the 40% target.
- Spend per visitor in the Centres has remained steady at £1.02 - an increase of 1p per visitor on last year's figure of £1.01.

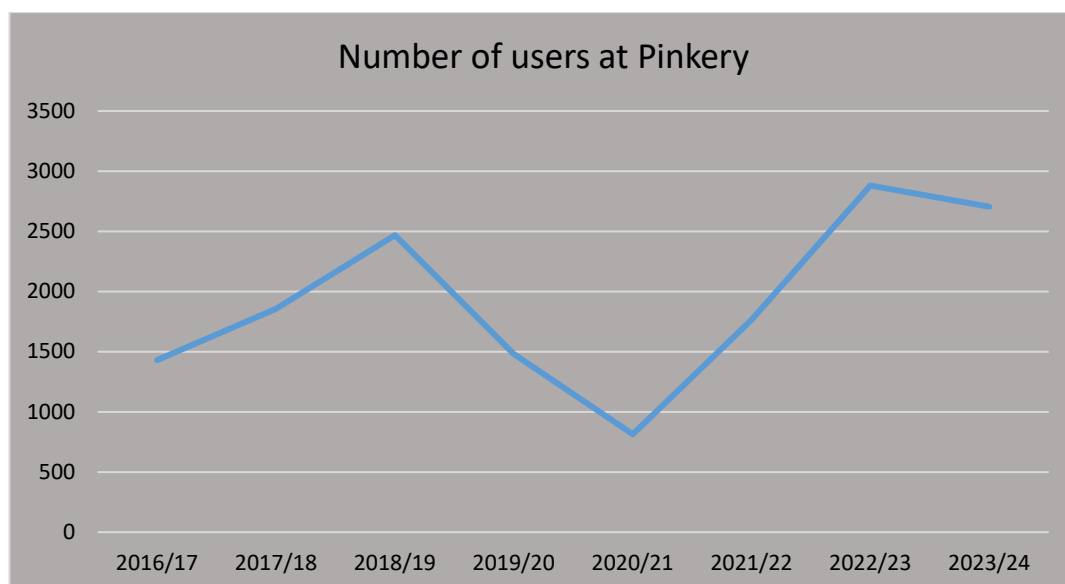
### National Park Centres Visitors and Spend



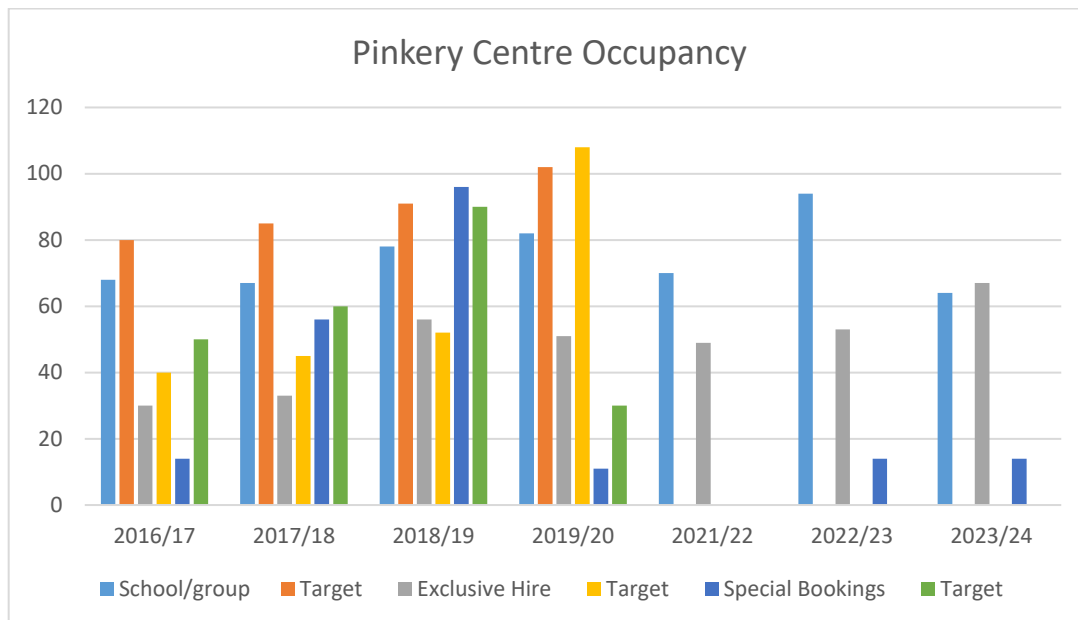


## Learning and Engagement

- The total no. of users at Pinkery was 2,706 – a slight drop from its highest level of 2,881 in 2022/23.
- **Target achieved – Action 20:** In order to diversify Pinkery formal education offer (day and residential visits) 3 schools from target audiences (with above SW average free school meals) have been engaged and booked in for visits in early 24/25. Further funding via Generation Green 2 is likely to enable us to reach out to more groups.
- **Target Achieved - Action 23:** Eight “Welcome to Exmoor Days” were delivered in April and May 2023 to our target community (older residents with either health issues or suffering from isolation and loneliness). Feedback was excellent and it is hoped to take this forward in future years as part of the Pioneers Programme.

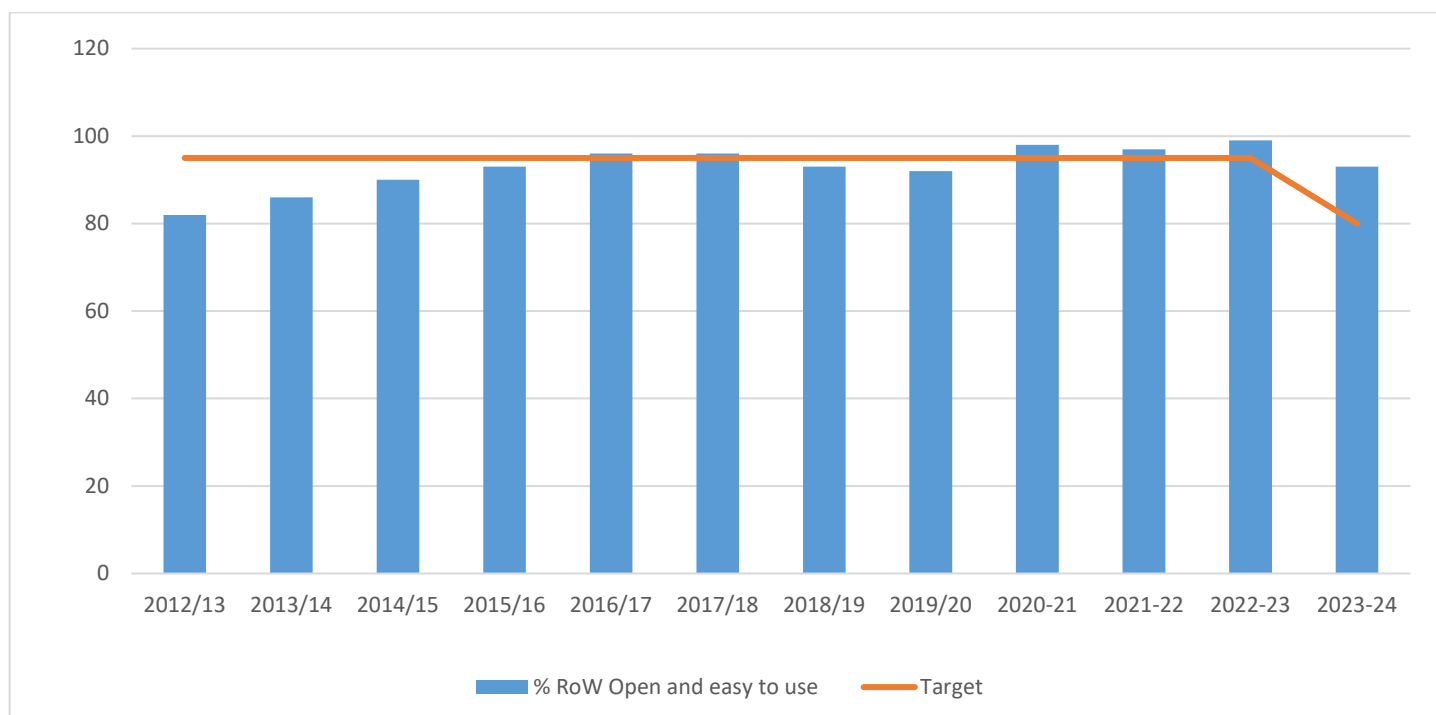






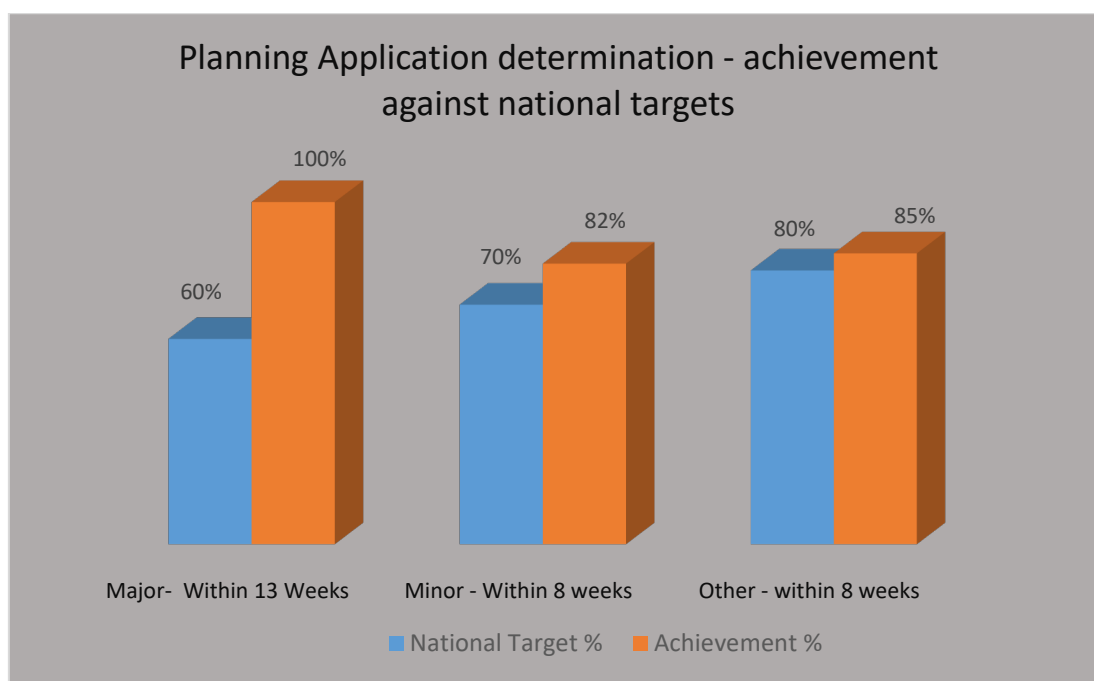
### Rights of Way Open and Easy to Use Score

- 93% of our rights of way are open and easy to use. This has fallen from previous very high levels, but is still an excellent performance and is well ahead of our amended target of 80% for 2023-24. The target was amended to reflect budget cuts and changes in service in the Field Services and Access and Recreation teams.
- 519 network faults were resolved but the figure of faults resolved within 3 months was 50%, below the 80% target. There is a large backlog of PROW works tickets so further work is required to help balance our programme and activities.
- 7 major works were completed and 21 legal orders made. Consultations on 27 recreational events were made.



## Planning Application determination – achievement against National targets

- Figures show that performance was above national targets, with 100% of majors (which related to 1 application), 82% of minors and 85% of other applications determined within statutory timeframes. This compares to national targets of 60%, 70% and 74% respectively.
- A total of 279 applications were received during the year, 75% of these were validated within 3 working days. Whilst this fell slightly short of the 80% target, it was a huge improvement to the 30% figure achieved last year due to capacity issues.
- 273 applications were determined, of which 90% were approved. In addition, 46 new enforcement sites were recorded, and a total of 51 cases were resolved. Two appeals were determined, of which one was dismissed, and one allowed.



## Nature and Landscape

- Target achieved - Action 3:** The full £675,000 allocation for the Farming in Protected Landscapes programme was spent in 2023-24 with a further 45 projects supported. In addition 18 multi-year projects were progressed.
- Target exceeded - Action 8:** The Sowing the Seeds project, funded by the FiPL programme has been supporting 59 landowners, managers, and community groups to restore, rejuvenate, and create wildflower meadows across over 325 hectares, exceeding the 320 ha target.
- Target achieved - Action 10:** The Exmoor Non-Native Invasive Species (ENNIS) Project has conducted 2 treatments on all Rootwave trial sites, with the majority receiving 3 treatments. Around 75% of sites were treated with herbicide – slightly down on the 90% target which was based on last years' exceptional results.
- Target not achieved - Action 15:** support the creation of 240ha new woodland pa across Somerset - there have been low levels of activity in the last two quarters with no details on progress towards the 240ha p.a. target.

- **Target achieved - Action 42:** Condition surveys of scheduled monuments on ENPA owned land within the former royal forest have been completed. Remedial works will be carried out under the Exmoor Pioneers programme in 2025 and onwards.
- **Target achieved - Action 43:** One new Conservation Area designation completed in Winsford.

### **External Income**

- External income (non-National Park Grant) totalled £1,647,634, a slight increase from the previous year.
- **Target exceeded - Action 49:** CareMoor donations increased 262% last year due in large part to fund raising for projects such as Great Bradley Bridge, and Kings Wood however the increase in general donations exceeded the 5% target.

## EXMOOR NATIONAL PARK AUTHORITY

2 July 2024

### EXTERNAL AUDIT PLAN FOR THE YEAR ENDING 31 MARCH 2024

#### Report of the Chief Finance Officer

**Purpose of Report:** To present to Members the Grant Thornton Audit Plan and ITARA (Informing the Audit Risk Assessment) document.

**RECOMMENDATION:** The Authority is recommended to receive the report with associated appendices.

**Authority priority:** Getting best value from our resources and improving our performance – Finance and Performance - Financial Management.

**Legal and equality implications:** Local Government Act 2003, Parts 1-3 (Capital Finance, Financial Administration and Grants), Sections 1-39, Accounts and Audit Regulations 2015, Sections 3 (Responsibility for Internal Control), 4 (Accounting Records and Control Systems) 5 (Internal Audit), and 6 (Review of Internal Control System).

The equality and human rights impact of the recommendations of this report have been assessed as having no adverse impact on any particular group or individual.

**Financial and risk implications:** Provision has been made in the 2024/25 budget to cover the costs of both external and internal audit. Additional resources should be available to meet the increased cost of External Audit.

**Climate change response:** Nothing contained within this report will impact upon the Authority's ability to meet its climate change targets.

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#### 1. External Audit

- 1.1 Grant Thornton UK LLP is our appointed auditor, appointed to audit finance and governance arrangements within the Authority. They have provided a document which provides an overview of the planned scope and timing of the statutory audit of this Authority for the 2023/24 financial year. The report at Appendix 1 sets out their responsibilities as External Auditors, their view of materiality and risks identified.
- 1.2 Grace Hawkins, Public Sector Audit Director and Oscar Edwards, Public Sector Audit Manager are responsible for undertaking the relevant work. They are endeavouring to present the report themselves electronically and this is attached at Appendix 1.
- 1.3 Appendix 2 contains the Informing the Audit Risk Assessment (ITARA) document for the Authority completed by the Chief Finance Officer for members to review and receive. The ITARA contains responses from management to specific questions including general enquiries of management, fraud, law and regulations, related parties, going concern basis, and accounting estimates.

**Ben Barrett**  
**Chief Finance Officer**  
**June 2024**

# Exmoor National Park Authority Audit Plan

Year ending 31 March 2024

April 2024

# Contents



## Your key Grant Thornton team members are:

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The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit planning process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect the Authority or all weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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# Key matters

## National context

The national economic context continues to present challenges to the local government sector. There are increasing cost pressures nationally, such as a growing population and increasing demand for local government services. Combined with inflationary pressures, pay demands and energy price rises, the environment in which local authorities operate is highly challenging. Public sector funding continues to be stretched and there have been considerable reductions in the grants received by local authorities from government.

Recently, we have seen the additional strain on some public sector bodies from equal pay claims, and there has been a concerning rise in the number of councils issuing s.114 notices. These are issued when an authority's Chief Finance Officer does not believe the authority can meet its expenditure commitments from its income. Additionally, the levels of indebtedness at many authorities is now highly concerning, and we have seen commissioners being sent in to oversee reforms at a number of entities.

Our recent value for money work has highlighted a growing number of governance and financial stability issues at a national level, which is a further indication of the mounting pressure on audited bodies to keep delivering services, whilst also managing transformation and making savings at the same time.

In planning our audit, we have taken account of this national context in designing a local audit programme which is tailored to your risks and circumstances.

## Audit Reporting Delays

Against a backdrop of ongoing audit reporting delays, in October 2023 PSAA found that only five local government accounts had been signed by the September deadline. In June 2023 the Public Accounts Committee (PAC) also produced a report setting out their concerns over these audit reporting delays. We issued our report [About time?](#) In March 2023 which explored the reasons for delayed publication of audited local authority accounts.

In our view, to enable a timely sign off of the financial statements, it is critical that draft accounts are prepared to a high standard and are supported by strong working papers.

# Key matters - continued

## Our Responses

- As a firm, we are absolutely committed to audit quality and financial reporting in the local government sector. Our proposed work and fee, as set out in this Audit Plan has been agreed with the Chief Finance Officer.
- To ensure close work with our local audited bodies and an efficient audit process.
- We offer a private meeting with the Chief Executive twice a year, and with the Chief Finance Officer Quarterly as part of our commitment to keep you fully informed on the progress of the audit.
- At an appropriate point within the audit, we would also like to meet informally with the Chair of the Exmoor National Park Authority, to brief them on the status and progress of the audit work to date.
- We will consider your arrangements for managing and reporting your financial resources as part of our audit in completing our Value for Money work.
- Our Value for Money work will also consider your arrangements relating to governance and improving economy, efficiency and effectiveness.
- We will continue to provide you and the Exmoor National Park Authority with sector updates providing our insight on issues from a range of sources and other sector commentators via our Committee updates.
- We hold annual financial reporting workshops for our audited bodies to access the latest technical guidance and interpretations, to discuss issues with our experts and to facilitate networking links with other audited bodies to support consistent and accurate financial reporting across the sector.
- With the ongoing financial pressures being faced by local authorities, in planning this audit we have considered the financial viability of the Authority. We are satisfied that the going concern basis remains the correct basis behind the preparation of the accounts. We will keep this under review throughout the duration of our appointment as auditors of the Authority.
- There is an increased incentive and opportunity for organisations in the public sector to manipulate their financial statements due to ongoing financial pressures. We are required to identify a significant risk with regard to management override of controls.



# Introduction and headlines

## Purpose

This document provides an overview of the planned scope and timing of the statutory audit of Exmoor National Park Authority ('the Authority') for those charged with governance.

## Respective responsibilities

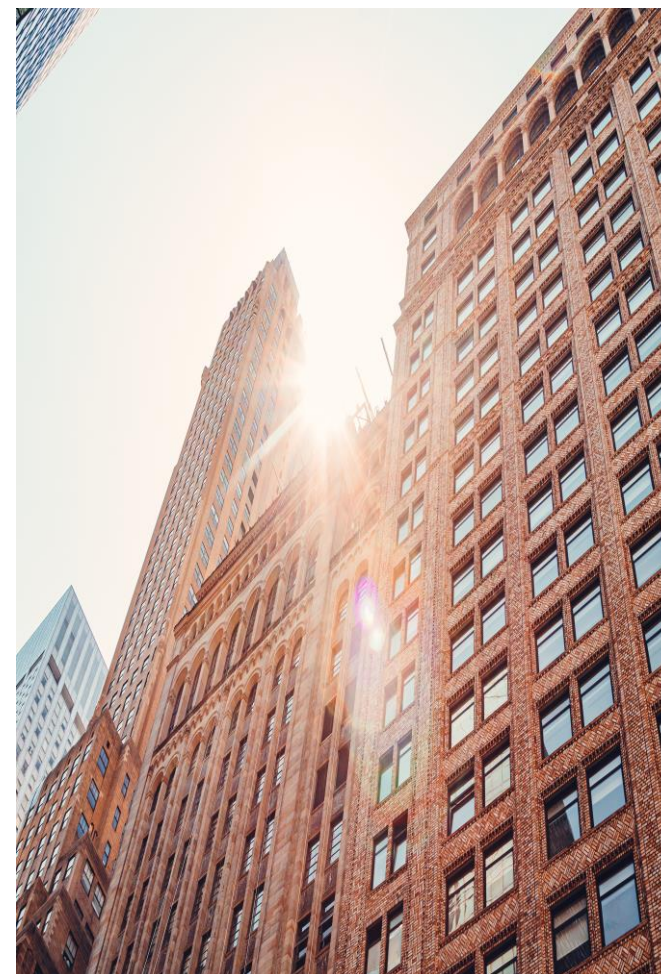
The National Audit Office ('the NAO') has issued a document entitled Code of Audit Practice ('the Code'). This summarises where the responsibilities of auditors begin and end and what is expected from the audited body. Our respective responsibilities are also set out in the Terms of Appointment and Statement of Responsibilities issued by Public Sector Audit Appointments (PSAA), the body responsible for appointing us as auditor. We draw your attention to these documents.

## Scope of our audit

The scope of our audit is set in accordance with the Code and International Standards on Auditing (ISAs) (UK). We are responsible for forming and expressing an opinion on the Authorities financial statements that have been prepared by management with the oversight of those charged with governance (the Exmoor National Park Authority); and we consider whether there are sufficient arrangements in place at the Authority for securing economy, efficiency and effectiveness in your use of resources. Value for money relates to ensuring that resources are used efficiently in order to maximise the outcomes that can be achieved.

The audit of the financial statements does not relieve management or the Exmoor National Park Authority of your responsibilities. It is the responsibility of the Authority to ensure that proper arrangements are in place for the conduct of its business, and that public money is safeguarded and properly accounted for. We have considered how the Authority is fulfilling these responsibilities.

Our audit approach is based on a thorough understanding of the Authorities business and is risk based.



# Introduction and headlines

## Significant risks

Those risks requiring special audit consideration and procedures to address the likelihood of a material financial statement error have been identified as:

- Management override of controls
- Land and Buildings Valuations
- Valuation of the Net Pension liability

We will communicate significant findings on these areas as well as any other significant matters arising from the audit to you in our Audit Findings (ISA 260) Report.

## Materiality

We have determined planning materiality to be £126,000 (PY £117,000) for the Authority, which equates to 2% of your prior year gross operating costs for the year. We are obliged to report uncorrected omissions or misstatements other than those which are 'clearly trivial' to those charged with governance.

Clearly trivial has been set at £6,300 (PY £4,400).

## Value for Money arrangements

Our risk assessment regarding your arrangements to secure value for money has not identified any risks of significant weakness. We will continue to update our risk assessment until we issue our Auditor's Annual Report.

## Audit logistics

Our planning visit took place in March 2024, and our final visit will take place in July – September. Our key deliverables are this Audit Plan, our Audit Findings Report and our Auditor's Annual Report.

Our proposed fee for the audit will be £41,927 (PY: £19,917) for the Authority, subject to the Authority delivering a good set of financial statements and working papers and no significant new financial reporting matters arising that require additional time or specialist input.

We have complied with the Financial Reporting Council's Ethical Standard (revised 2019) and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements.

# Significant risks identified

Significant risks are defined by ISAs (UK) as risks that, in the judgement of the auditor, require special audit consideration. In identifying risks, audit teams consider the nature of the risk, the potential magnitude of misstatement, and its likelihood. Significant risks are those risks that have a higher risk of material misstatement.

Risk	Risk relates to	Reason for risk identification	Key aspects of our proposed response to the risk
Management override of controls	Authority	Under ISA(UK) 240 there is a non-rebuttable presumed risk of management override of controls. We have therefore identified management override of controls, in particular of journals, management estimates and of transactions outside the course of business as a significant risk of material misstatement.	<p>Work planned:</p> <ul style="list-style-type: none"> <li>• evaluate the design effectiveness of management controls over journals.</li> <li>• analyse the journals listing and determine the criteria for selecting high risk unusual journals.</li> <li>• test unusual journals made during the year and after the draft accounts stage for appropriateness and corroboration.</li> <li>• gain an understanding of the accounting estimates and critical judgements applied made by management and consider their reasonableness.</li> <li>• evaluate the rationale for any changes in accounting policies, estimates or significant unusual transactions.</li> </ul>

"In respect of some risks, the auditor may judge that it is not possible or practicable to obtain sufficient appropriate audit evidence only from substantive procedures. Such risks may relate to the inaccurate or incomplete recording of routine and significant classes of transactions or account balances, the characteristics of which often permit highly automated processing with little or no manual intervention. In such cases, the entity's controls over such risks are relevant to the audit and the auditor shall obtain an understanding of them." (ISA (UK) 315)

# Significant risks identified (continued)

Risk	Risk relates to	Reason for risk identification	Key aspects of our proposed response to the risk
Valuation of Land and Buildings	Authority	<p>The valuation of land and buildings is a key accounting estimate that is sensitive to changes in assumptions and market considerations and represents a significant estimate by management in the financial statements. Therefore, we have identified this as a significant risk requiring special audit consideration.</p> <p>This risk will be pinpointed as part of our final accounts work once we have understood the population of the assets revalued.</p>	<p>Work planned:</p> <ul style="list-style-type: none"> <li>• evaluate management's processes and assumptions for the calculation of the estimate, the instructions issued to the valuation experts and the scope of their work.</li> <li>• evaluate the competence, capabilities and objectivity of the valuation expert.</li> <li>• write to the valuer to confirm the basis on which the valuations were carried out.</li> <li>• challenge the information and assumptions used by the valuer to assess completeness and consistency with our understanding.</li> <li>• test, on a sample basis, revaluations made during the year to ensure they have been input correctly into the Authorities asset register, revaluation reserve, and Statement of Comprehensive Income.</li> <li>• evaluate the assumptions made by management for any assets not revalued during the year and how management has satisfied themselves that these are not materially different to current value.</li> <li>• for all assets not formally revalued or revalued on a desktop/indexation basis only, evaluate the judgement made by management or others in determination of current value of these assets.</li> </ul>

Management should expect engagement teams to challenge them in areas that are complex, significant or highly judgmental which may be the case for accounting estimates, going concern, related parties and similar areas. Management should also expect to provide engagement teams with sufficient evidence to support their judgments and the approach they have adopted for key accounting policies referenced to accounting standards or changes thereto.

Where estimates are used in the preparation of the financial statements management should expect teams to challenge management's assumptions and request evidence to support those assumptions.

# Significant risks identified (continued)

Risk	Risk Relates to	Reason for risk identification	Key aspects of our proposed response to the risk
Valuation of the pension fund net liability	Authority	<p>The Authority's pension fund net liability, as reflected in its balance sheet as the net defined benefit liability, represents a significant estimate in the financial statements</p> <p>The pension fund net liability is considered a significant estimate due to the size of the numbers involved and the sensitivity of the estimate to changes in key assumptions.</p> <p>We therefore identified valuation of the Authority's pension fund net liability as a significant risk, which was one of the most significant assessed risks of material misstatement. We have pinpointed this significant risk to the assumptions applied by the professional actuary in their calculation of the net liability.</p>	<p>We will:</p> <ul style="list-style-type: none"> <li>• update our understanding of the processes and controls put in place by management to ensure that the Authority's pension fund net liability is not materially misstated and evaluate the design of the associated controls;</li> <li>• evaluate the instructions issued by management to their management expert (an actuary) for this estimate and the scope of the actuary's work;</li> <li>• assess the competence, capabilities and objectivity of the actuary who carried out the Authority's pension fund valuation;</li> <li>• assess the accuracy and completeness of the information provided by the Authority to the actuary to estimate the liability;</li> <li>• test the consistency of the pension fund asset and liability and disclosures in the notes to the core financial statements with the actuarial report from the actuary;</li> <li>• undertake procedures to confirm the reasonableness of the actuarial assumptions made by reviewing the report of the consulting actuary (as auditor's expert) and performing any additional procedures suggested within the report; and</li> <li>• obtain assurances from the auditor of Somerset Pension Fund as to the controls surrounding the validity and accuracy of membership data; contributions data and benefits data sent to the actuary by the pension fund and the fund assets valuation in the pension fund financial statements.</li> </ul>

# Significant risks identified (continued)

Risk	Risk Relates to	Reason for risk identification	Key aspects of our proposed response to the risk
ISA240 fraudulent revenue recognition	Authority	<p>Under ISA (UK) 240 there is a rebuttable presumed risk that revenue may be misstated due to the improper recognition of revenue.</p> <p>We have considered all revenue streams of the Authority and we have rebutted this risk for all revenue streams.</p> <p>For revenue streams that are derived from Grants we have rebutted this risk on the basis that the income stream is primarily derived from grants from central government and that opportunities to manipulate the recognition of these income streams is very limited.</p> <p>For other revenue streams, we have determined from our experience as your auditor from the previous years, and through our documentation and walkthrough of your business processes around revenue recognition that the risk of fraud arising from revenue recognition could be rebutted, because:</p> <ul style="list-style-type: none"> <li>- there is little incentive to manipulate revenue recognition;</li> <li>- opportunities to manipulate revenue recognition are very limited;</li> <li>- the culture and ethical frameworks of local authorities, including Exmoor National Park Authority, mean that all forms of fraud are seen as unacceptable.</li> </ul>	Not considered to be a significant risk for the audit.

‘Significant risks often relate to significant non-routine transactions and judgmental matters. Non-routine transactions are transactions that are unusual, due to either size or nature, and that therefore occur infrequently. Judgmental matters may include the development of accounting estimates for which there is significant measurement uncertainty.’ (ISA (UK) 315)



# Significant risks identified (continued)

Risk	Risk Relates to	Reason for risk identification	Key aspects of our proposed response to the risk
Fraudulent expenditure recognition	Authority	<p>We have also considered the risk of material misstatement due to the fraudulent recognition of expenditure. We have considered each material expenditure area, and the control environment for accounting recognition.</p> <p>We were satisfied that this did not present a significant risk of material misstatement in the 2023/24 accounts as:</p> <ul style="list-style-type: none"> <li>- The control environment around expenditure recognition (understood through our documented risk assessment understanding of your business processes) is considered to be strong;</li> <li>- We have not identified any fraud in expenditure recognition in the prior years audits;</li> <li>- Our view is that, similarly to revenues, there is little incentive to manipulate expenditure recognition.</li> </ul>	Not considered to be a significant risk for the audit.

# Other matters

## Other work

In addition to our responsibilities under the Code of Practice, we have a number of other audit responsibilities, as follows:

- We read your Narrative Report and Annual Governance Statement and any other information published alongside your financial statements to check that they are consistent with the financial statements on which we give an opinion and our knowledge of the Authority.
- We carry out work to satisfy ourselves that disclosures made in your Annual Governance Statement are in line with requirements set by CIPFA.
- We consider our other duties under legislation and the Code, as and when required, including:
  - giving electors the opportunity to raise questions about your financial statements, consider and decide upon any objections received in relation to the financial statements;
  - issuing a report in the public interest or written recommendations to the Authority under section 24 of the Local Audit and Accountability Act 2014 (the Act);
  - application to the court for a declaration that an item of account is contrary to law under section 28 or a judicial review under section 31 of the Act;
  - issuing an advisory notice under section 29 of the Act.
- We certify completion of our audit.

## Other material balances and transactions

Under International Standards on Auditing, 'irrespective of the assessed risks of material misstatement, the auditor shall design and perform substantive procedures for each material class of transactions, account balance and disclosure'. All other material balances and transaction streams will therefore be audited. However, the procedures will not be as extensive as the procedures adopted for the risks identified in this report.



# Our approach to materiality

The concept of materiality is fundamental to the preparation of the financial statements and the audit process and applies not only to the monetary misstatements but also to disclosure requirements and adherence to acceptable accounting practice and applicable law.

Matter	Description	Planned audit procedures
1	<b>Determination</b> We have determined financial statement materiality based on a proportion of the gross expenditure of the Authority for the financial year. Materiality at the planning stage of our audit is £126,000 for the Authority, which equates to 2% of your draft gross expenditure for the period.	We determine planning materiality in order to: <ul style="list-style-type: none"> <li>– establish what level of misstatement could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements;</li> <li>– assist in establishing the scope of our audit engagement and audit tests;</li> <li>– determine sample sizes and</li> <li>– assist in evaluating the effect of known and likely misstatements in the financial statements.</li> </ul>
2	<b>Other factors</b> An item does not necessarily have to be large to be considered to have a material effect on the financial statements.	An item may be considered to be material by nature where it may affect instances when greater precision is required. <ul style="list-style-type: none"> <li>– We have identified senior officer remuneration as a balance where we will apply a lower materiality level, as these are considered sensitive disclosures. We have set a materiality of £10,000 per individual officer.</li> </ul>

# Our approach to materiality

The concept of materiality is fundamental to the preparation of the financial statements and the audit process and applies not only to the monetary misstatements but also to disclosure requirements and adherence to acceptable accounting practice and applicable law.

Matter	Description	Planned audit procedures
3	<b>Reassessment of materiality</b> Our assessment of materiality is kept under review throughout the audit process.	We reconsider planning materiality if, during the course of our audit engagement, we become aware of facts and circumstances that would have caused us to make a different determination of planning materiality.
4	<b>Other communications relating to materiality we will report to the Audit Committee</b> Whilst our audit procedures are designed to identify misstatements which are material to our opinion on the financial statements as a whole, we nevertheless report to the Exmoor National Park Authority any unadjusted misstatements of lesser amounts to the extent that these are identified by our audit work. Under ISA 260 (UK) 'Communication with those charged with governance', we are obliged to report uncorrected omissions or misstatements other than those which are 'clearly trivial' to those charged with governance. ISA 260 (UK) defines 'clearly trivial' as matters that are clearly inconsequential, whether taken individually or in aggregate and whether judged by any quantitative or qualitative criteria.	We report to the Exmoor National Park Authority any unadjusted misstatements of lesser amounts to the extent that these are identified by our audit work.  In the context of the Authority, we propose that an individual difference could normally be considered to be clearly trivial if it is less than £6,300. If management have corrected material misstatements identified during the course of the audit, we will consider whether those corrections should be communicated to Exmoor National Park Authority to assist it in fulfilling its governance responsibilities.

# Our approach to materiality

The concept of materiality is fundamental to the preparation of the financial statements and the audit process and applies not only to the monetary misstatements but also to disclosure requirements and adherence to acceptable accounting practice and applicable law.

	Amount (£)	Qualitative factors considered
<b>Materiality for the ENPA financial statements</b>	£126,000	Prior years gross expenditure has been used to determine our materiality levels and we have applied a benchmark of 2%. This is the same benchmark as has been applied in prior years.
<b>Performance Materiality</b>	£94,500	Our experience from prior audits is that the Authorities financial reporting is to a high standard. The benchmark has been set as 75% of materiality.
<b>Triviality</b>	£6,300	The triviality threshold is calculated using a 5% benchmark of the materiality.
<b>Materiality for specific transactions, balances or disclosures – Senior officers Remuneration</b>	£10,000	An item may be considered to be material by nature where it may affect instances when greater precision is required and therefore a separate lower materiality is set.

# IT audit strategy

In accordance with ISA (UK) 315 Revised, we are required to obtain an understanding of the relevant IT and technical infrastructure and details of the processes that operate within the IT environment. We are also required to consider the information captured to identify any audit relevant risks and design appropriate audit procedures in response. As part of this we obtain an understanding of the controls operating over relevant Information Technology (IT) systems i.e., IT general controls (ITGCs). Our audit will include completing an assessment of the design and implementation of relevant ITGCs.

The following IT systems have been judged to be in scope for our audit and based on the planned financial statement audit approach we will perform the indicated level of assessment:

IT system	Audit area	Planned level IT audit assessment
SAP	Financial reporting Payroll	Detailed ITGC assessment (Design effectiveness only)
Active Directory (Single sign on)	Financial reporting	Detailed ITGC assessment (Design effectiveness only)

Please note, as Exmoor continue to be reliant on Somerset Council for their IT systems as above, detailed testing on the IT systems will be performed by the Somerset Council audit team. We will obtain any findings directly from them.

# Value for Money arrangements

## Approach to Value for Money work for the period ended 31 March 2024.

The National Audit Office issued its latest Value for Money guidance to auditors in January 2023. The Code expects auditors to consider whether a body has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. Auditors are expected to report any significant weaknesses in the body's arrangements, should they come to their attention. In undertaking their work, auditors are expected to have regard to three specified reporting criteria. These are as set out below:



### Improving economy, efficiency and effectiveness

How the body uses information about its costs and performance to improve the way it manages and delivers its services.



### Financial Sustainability

How the body plans and manages its resources to ensure it can continue to deliver its services.



### Governance

How the body ensures that it makes informed decisions and properly manages its risks.

We have not identified any risks of significant weaknesses from our initial planning work. We will continue our review of your arrangements, including reviewing your Annual Governance Statement, before we issue our auditor's annual report. You should also delete the 'Potential types of recommendations' table

# Risks of significant VFM weaknesses

As part of our planning work, we considered whether there were any risks of significant weakness in the body's arrangements for securing economy, efficiency and effectiveness in its use of resources that we needed to perform further procedures on. The risks we have identified are detailed in the first table below, along with the further procedures we will perform. We may need to make recommendations following the completion of our work. The potential different types of recommendations we could make are set out in the second table below.

## Potential types of recommendations

A range of different recommendations could be made following the completion of work on risks of significant weakness, as follows:



### Statutory recommendation

Written recommendations to the body under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014. A recommendation under schedule 7 requires the body to discuss and respond publicly to the report.



### Key recommendation

The Code of Audit Practice requires that where auditors identify significant weaknesses in arrangements to secure value for money they should make recommendations setting out the actions that should be taken by the body. We have defined these recommendations as 'key recommendations'.



### Improvement recommendation

These recommendations, if implemented should improve the arrangements in place at the body, but are not made as a result of identifying significant weaknesses in the body's arrangements.

# Risks of significant VFM weaknesses – continued

The Audit Code sets out that the auditor's work is likely to fall into three broad areas:

- planning;
- additional risk-based procedures and evaluation; and
- reporting.

We undertake initial planning work to inform this Audit Plan and the assumptions used to derive our fee. A key part of this is the consideration of prior year significant weaknesses and known areas of risk which is a key part of the risk assessment for 2023/24. We set out our reported assessment below:

Criteria	2022/23 Auditor judgement on arrangements informing our initial risk assessment		Additional risk-based procedures planned
Financial sustainability	Green	No risks of significant weakness in arrangements identified. No improvement recommendations raised.	We will undertake sufficient work to ensure that we have documented our understanding of the arrangements in place as required by the Code of Audit Practice.
Governance	Amber	No risks of significant weakness in arrangements identified. Two improvement recommendations made.	We will undertake sufficient work to ensure that we have documented our understanding of the arrangements in place as required by the Code of Audit Practice. We will follow up on the improvement recommendations made and identify if they have been implemented.
Improving economy, efficiency and effectiveness	Green	No risks of significant weakness in arrangements identified. No improvement recommendations raised.	We will undertake sufficient work to ensure that we have documented our understanding of the arrangements in place as required by the Code of Audit Practice.

G	No significant weaknesses in arrangements identified or improvement recommendation made.
A	No significant weaknesses in arrangements identified, but improvement recommendations made.
R	Significant weaknesses in arrangements identified and key recommendations made.

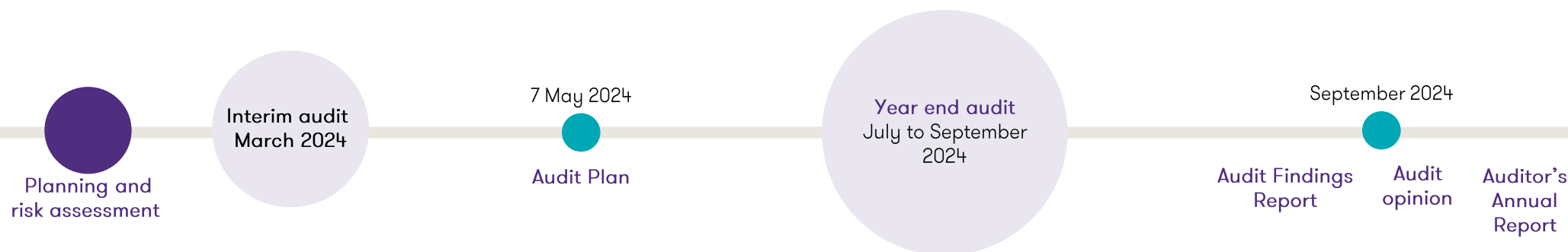
# Risks of significant VFM weaknesses – continued

We report our value for money work in our Auditor's Annual Report. Any significant weaknesses identified once we have completed our work will be reflected in your Auditor's Report and included within our audit opinion.

Our planning work for 2023/24 is not yet complete, and we will update you separately once this has concluded.



# Audit logistics and team



**Carmen Ng**

## Audit In-charge

Key audit contact responsible for the day to day management and delivery of the audit work

## Audited Entity responsibilities

Where audited bodies do not deliver to the timetable agreed, we need to ensure that this does not impact on audit quality or absorb a disproportionate amount of time, thereby disadvantaging other audited bodies. Where the elapsed time to complete an audit exceeds that agreed due to an entity not meeting its obligations we will not be able to maintain a team on site. Similarly, where additional resources are needed to complete the audit due to an entity not meeting their obligations we are not able to guarantee the delivery of the audit to the agreed timescales. In addition, delayed audits will incur additional audit fees.

## Our requirements

To minimise the risk of a delayed audit, you need to :

- ensure that you produce draft financial statements of good quality by the deadline you have agreed with us, including all notes, the Annual Report and the Annual Governance Statement
- ensure that good quality working papers are available at the start of the audit, in accordance with the working paper requirements schedule that we have shared with you. This has been shared via info.
- ensure that the agreed data reports are cleansed, are made available to us at the start of the audit and are reconciled to the values in the accounts, in order to facilitate our selection of samples for testing
- ensure that all appropriate staff are available on site throughout (or as otherwise agreed) the planned period of the audit (as per our responses to key matters set out on slide 4)
- respond promptly and adequately to audit queries.



**Oscar Edwards**

## Audit Manager

Provides oversight of the delivery of the audit including regular engagement with Governance Committees and senior officers



**Grace Hawkins**

## Key Audit Partner

Provides oversight of the delivery of the audit including regular engagement with Governance Committees and senior officers

# Audit fees and updated Auditing Standards

Audit fees are set by PSAA as part of their national procurement exercise. In 2023, PSAA awarded a contract of audit for Exmoor National Park Authority to begin with effect from 2023/24. Grant Thornton have been re-appointed as your auditors. The scale fee set out in the PSAA contract for the 2023/24 audit is £39,417.

This contract sets out four contractual stage payments for this fee, with payment based on delivery of specified audit milestones:

- Production of the final auditor's annual report for the previous Audit Year (exception for new clients in 2023/24 only)
- Production of the draft audit planning report to Audited Body
- 50% of planned hours of an audit have been completed
- 75% of planned hours of an audit have been completed

Any variation to the scale fee will be determined by PSAA in accordance with their procedures as set out here <https://www.psaa.co.uk/appointing-auditors-and-fees/fee-variations-overview/>

## Assumptions

In setting these fees, we have assumed that the Authority will:

- prepare a good quality set of accounts, supported by comprehensive and well-presented working papers which are ready at the start of the audit
- provide appropriate analysis, support and evidence to support all critical judgements and significant judgements made during the course of preparing the financial statements
- provide early notice of proposed complex or unusual transactions which could have a material impact on the financial statements
- maintain adequate business processes and IT controls, supported by an appropriate IT infrastructure and control environment.

## Updated Auditing Standards

The FRC has issued updated Auditing Standards in respect of Quality Management (ISQM 1 and ISQM 2). It has also issued an updated Standard on quality management for an audit of financial statements (ISA 220). We confirm we will comply with these standards.

# Audit fees

Proposed fee 2023/24

Exmoor National Park Authority Audit (Scale Fee)	£39,417
ISA 315	£2,510
Total audit fees (excluding VAT)	£41,927

\*IFRS 16 adoption - As set out on page 27, IFRS 16 will need to be implemented by local authorities from 1 April 2024. The impact of this change will require disclosure in the 2023/24 statements and may necessitate further audit procedures. The impact on our fee of any additional audit work undertaken will be considered at the conclusion of the audit.

## Previous year

In 2022/23 the scale fee set by PSAA was £13,692. The actual fee charged for the audit, was £19,917.

## Relevant professional standards

In preparing our fees, we have had regard to all relevant professional standards, including paragraphs 4.1 and 4.2 of the FRC's [Ethical Standard \(revised 2019\)](#) which stipulate that the Engagement Lead (Key Audit Partner) must set a fee sufficient to enable the resourcing of the audit with partners and staff with appropriate time and skill to deliver an audit to the required professional and Ethical standards.

# IFRS 16 'Leases' and related disclosures

IFRS 16 will need to be implemented by local authorities from 1 April 2024. This Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and replaces IAS17. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an entity. As this is a shadow year for the implementation of IFRS 16, we will need to consider the work being undertaken by the Authority to ensure a smooth adoption of the new standard.

## Introduction

IFRS 16 updates the definition of a lease to:

“a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.”  
In the public sector the definition of a lease is expanded to include arrangements with nil consideration.

IFRS 16 requires all leases to be accounted for 'on balance sheet' by the lessee (subject to the exemptions below), a major departure from the requirements of IAS 17 in respect of operating leases.

IFRS 16 requires a lessee to recognise assets and liabilities for leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. There is a single accounting model for all leases (similar to that of finance leases under IAS 17), with the following exceptions:

- leases of low value assets
- short-term leases (less than 12 months).

Lessor accounting is substantially unchanged leading to asymmetry of approach for some leases (operating) although if an NHS body is the intermediary and subletting there is a change in that the judgement between operating and finance lease is made with reference to the right of use asset rather than the underlying asset

## Authorities systems and processes

We believe that most local authorities will need to reflect the effect of IFRS 16 changes in the following areas:

- accounting policies and disclosures
- application of judgment and estimation
- related internal controls that will require updating, if not overhauling, to reflect changes in accounting policies and processes
- systems to capture the process and maintain new lease data and for ongoing maintenance

## Enquiries

As part of our final accounts visit, we will enquire as to the authority's preparation and procedures for the implementation of IFRS16 for the 2024-25 year. We would appreciate a prompt response to these enquires in due course.

## Further information

Further details on the requirements of IFRS16 can be found in the HM Treasury Financial Reporting Manual. This is available on the following link.

[IFRS 16 Application Guidance December 2020.docx \[publishing.service.gov.uk\]](#)

# Independence and non-audit services

## Auditor independence

Ethical Standards and ISA (UK) 260 require us to give you timely disclosure of all significant facts and matters that may bear upon the integrity, objectivity and independence of the firm or covered persons, relating to our independence. We encourage you to contact us to discuss these or any other independence issues with us. We will also discuss with you if we make additional significant judgements surrounding independence matters.

In this context, we disclose that:

We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention. We have complied with the Financial Reporting Council's Ethical Standard and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements.. Further, we have complied with the requirements of the National Audit Office's Auditor Guidance Note 01 issued in May 2020 which sets out supplementary guidance on ethical requirements for auditors of local public bodies.

We confirm that we have implemented policies and procedures to meet the requirements of the Ethical Standard. For the purposes of our audit, we have made enquiries of all Grant Thornton UK LLP teams providing services to the group and Authority.

## Other services

No other services provided by Grant Thornton were identified.

# Communication of audit matters with those charged with governance

Our communication plan	Audit Plan	Audit Findings
Respective responsibilities of auditor and management/those charged with governance	•	
Overview of the planned scope and timing of the audit, form, timing and expected general content of communications including significant risks and Key Audit Matters	•	
Confirmation of independence and objectivity of the firm, the engagement team members and all other indirectly covered persons	•	•
A statement that we have complied with relevant ethical requirements regarding independence. Relationships and other matters which might be thought to bear on independence. Details of non-audit work performed by Grant Thornton UK LLP and network firms, together with fees charged. Details of safeguards applied to threats to independence	•	•
Significant matters in relation to going concern	•	•
Matters in relation to the group audit, including: Scope of work on components, involvement of group auditors in component audits, concerns over quality of component auditors' work, limitations of scope on the group audit, fraud or suspected fraud	•	•
Views about the qualitative aspects of the Group's accounting and financial reporting practices including accounting policies, accounting estimates and financial statement disclosures		n/a

ISA (UK) 260, as well as other ISAs (UK), prescribe matters which we are required to communicate with those charged with governance, and which we set out in the table here.

This document, the Audit Plan, outlines our audit strategy and plan to deliver the audit, while the Audit Findings will be issued prior to approval of the financial statements and will present key issues, findings and other matters arising from the audit, together with an explanation as to how these have been resolved.

We will communicate any adverse or unexpected findings affecting the audit on a timely basis, either informally or via an audit progress memorandum.

# Communication of audit matters with those charged with governance

Our communication plan	Audit Plan	Audit Findings
Significant findings from the audit		•
Significant matters and issue arising during the audit and written representations that have been sought		•
Significant difficulties encountered during the audit		•
Significant deficiencies in internal control identified during the audit		•
Significant matters arising in connection with related parties		•
Identification or suspicion of fraud( deliberate manipulation) involving management and/or which results in material misstatement of the financial statements ( not typically council tax fraud)		•
Non-compliance with laws and regulations		•
Unadjusted misstatements and material disclosure omissions		•
Expected modifications to the auditor's report, or emphasis of matter		•

## Respective responsibilities

As auditor we are responsible for performing the audit in accordance with ISAs (UK), which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance.

The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.



# Escalation policy

The Department for Levelling Up, Housing and Communities are proposing to introduce an audit backstop date on a rolling basis to encourage timelier completion of local government audits in the future.

As your statutory auditor, we understand the importance of appropriately resourcing audits with qualified staff to ensure high quality standards that meet regulatory expectations and national deadlines. It is the Authority's responsibility to produce true and fair accounts in accordance with the CIPFA Code by the 31 May 2024 and respond to audit information requests and queries in a timely manner.

To help ensure that accounts audits can be completed on time in the future, we have introduced an escalation policy. This policy outlines the steps we will take to address any delays in draft accounts or responding to queries and information requests. If there are any delays, the following steps should be followed:

## **Step 1 - Initial Communication with Finance Director (within one working day of statutory deadline for draft accounts or agreed deadline for working papers)**

We will have a conversation with the Finance Director(s) to identify reasons for the delay and review the Authority's plans to address it. We will set clear expectations for improvement.

## **Step 2 - Further Reminder (within two weeks of deadline)**

If the initial conversation does not lead to improvement, we will send a reminder explaining outstanding queries and information requests, the deadline for responding, and the consequences of not responding by the deadline.

## **Step 3 - Escalation to Chief Executive (within one month of deadline)**

If the delay persists, we will escalate the issue to the Chief Executive, including a detailed summary of the situation, steps taken to address the delay, and agreed deadline for responding.

## **Step 4 - Escalation to the Exmoor National Park Authority (at next available Exmoor National Park Authority meeting or in writing to Authority Chair within 6 weeks of deadline)**

If senior management is unable to resolve the delay, we will escalate the issue to the Authority, including a detailed summary of the situation, steps taken to address the delay, and recommendations for next steps.

## **Step 5 – Consider use of wider powers (within two months of deadline)**

If the delay persists despite all efforts, we will consider using wider powers, e.g. issuing a statutory recommendation. This decision will be made only after all other options have been exhausted. We will consult with an internal risk panel to ensure appropriateness.

By following these steps, we aim to ensure that delays in responding to queries and information requests are addressed in a timely and effective manner, and that we are able to provide timely assurance to key stakeholders including the public on the Authority's financial statements.



# Addressing the local audit backlog - consultation

## Consultation

The Department for Levelling Up, Housing and Communities (DLUHC), working with the FRC, as incoming shadow system leader, and other system partners, has put forward proposals to address the delay in local audit. The proposals consist of three phases:

**Phase 1: Reset** involving clearing the backlog of historic audit opinions up to and including financial year 2022/23 by 30 September 2024.

**Phase 2: Recovery** from Phase 1 in a way that does not cause a recurrence of the backlog by using backstop dates to allow assurance to be rebuilt over multiple audit cycles.

**Phase 3: Reform** involving addressing systemic challenges in the local audit system and embedding timely financial reporting and audit.

The consultation ran until 7 March 2024. Full details of the consultation can be seen on the following pages:

- FRC landing page - [Consultations on measures to address local audit delays \(frc.org.uk\)](https://www.frc.org.uk/consultations/consultations-on-measures-to-address-local-audit-delays)
- DLUHC landing page - [Addressing the local audit backlog in England: Consultation - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/addressing-the-local-audit-backlog-in-england)
- NAO landing page - [Code of Audit Practice Consultation - National Audit Office \(NAO\)](https://www.nao.org.uk/consultations/code-of-audit-practice-consultation)

## Our response to the consultation

Grant Thornton responded to the consultation on 5 March 2024. In summary, we recognise the need for change, and support the proposals for the introduction of a backstop date of 30 September 2024. The proposals are necessarily complex and involved. We believe that all stakeholders would benefit from guidance from system leaders in respect of:

- the appropriate form of reporting for a backstopped opinion
- the level of audit work required to support a disclaimer of opinion
- how to rebuild assurance in terms of opening balances when previous years have been disclaimed.

We believe that both auditor and local authority efforts will be best served by focusing on rebuilding assurance from 2023/24 onwards. This means looking forwards as far as possible, and not spending 2023/24 undertaking audit work which was not carried out in previous years. We look for guidance from systems leaders to this effect.

# Preparing for the backstop

For any outstanding years up to 2022/23, local authorities should:

- Prepare, adopt and publish financial statements in line with Code and Statutory requirements (Accounts and Audit Regs 2015 – ‘true and fair’)
- Support statements with a proper set of working papers and audit trail
- Work with the auditor to support the completion of outstanding audit work (where possible) and for the completion of Value for Money Work.

For 2023/24, local authorities should:

- Agree a timetable and working paper requirements with the auditor
- Put project planning and key milestones in place
- Consider the implications of CIPFA consultation (property valuation and pensions)
- Ensure the Audit Committee is properly briefed and prepared

As your auditor we will:

- Keep you updated on all national developments
- Set out clear expectations of the information we will require to conclude our work
- Agree a plan for the delivery of our work programme with a commitment to key milestones

## Next steps

We await the government’s response to the consultation. We will discuss next steps including any implications for your audit once we have further information.



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# Informing the audit risk assessment for Exmoor National Park Authority 2023/24

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# Appendix 2

The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect your business or any weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

**Item 9 - Appendix 2 - Page 2**

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## Purpose

The purpose of this report is to contribute towards the effective two-way communication between Exmoor National Park Authority's external auditors and Exmoor National Park Authority, as 'those charged with governance'. The report covers some important areas of the auditor risk assessment where we are required to make inquiries of the Authority under auditing standards.

## Background

Under International Standards on Auditing (UK), (ISA(UK)) auditors have specific responsibilities to communicate with the Authority. ISA(UK) emphasise the importance of two-way communication between the auditor and the Authority and specify matters that should be communicated.

This two-way communication assists both the auditor and the Authority in understanding matters relating to the audit and developing a constructive working relationship. It also enables the auditor to obtain information relevant to the audit from the Authority and supports the Authority in fulfilling its responsibilities in relation to the financial reporting process.

## Communication

As part of our risk assessment procedures, we are required to obtain an understanding of management processes and the Authority's oversight of the following areas:

- General Enquiries of Management
- Fraud,
- Laws and Regulations,
- Related Parties,
- Going Concern, and
- Accounting Estimates.

## Purpose

This report includes a series of questions on each of these areas and the response we have received from Exmoor National Park Authority's management. The Authority should consider whether these responses are consistent with its understanding and whether there are any further comments it wishes to make.



## General Enquiries of Management

Question	Management response
1. What do you regard as the key events or issues that will have a significant impact on the financial statements for 2023/24?	DEFRA funding agreement (entering 6 <sup>th</sup> year of zero inflated National Park Grant). Inflationary pressures, especially in regards staff cost of living awards.
2. Have you considered the appropriateness of the accounting policies adopted by Exmoor National Park Authority?	Yes.
Have there been any events or transactions that may cause you to change or adopt new accounting policies? If so, what are they?	No although this will be kept under review as the accounts closure process continues.
3. Is there any use of financial instruments, including derivatives? If so, please explain	None
4. Are you aware of any significant transaction outside the normal course of business? If so, what are they?	None

## General Enquiries of Management

Question	Management response
5. Are you aware of any changes in circumstances that would lead to impairment of non-current assets? If so, what are they?	None
6. Are you aware of any guarantee contracts? If so, please provide further details	No
7. Are you aware of the existence of loss contingencies and/or un-asserted claims that may affect the financial statements? If so, please provide further details	No
8. Other than in house solicitors, can you provide details of those solicitors utilised by Exmoor National Park Authority during the year. Please indicate where they are working on open litigation or contingencies from prior years?	<p>We have a shared service arrangement with Devon County Council.</p> <p>Clarke Wilmott used in connection to ongoing pursuit of awarded costs in respect of listed building planning case.</p>

## General Enquiries of Management

Question	Management response
9. Have any of the Exmoor National Park Authority's service providers reported any items of fraud, non-compliance with laws and regulations or uncorrected misstatements which would affect the financial statements? If so, please provide further details	No
10. Can you provide details of other advisors consulted during the year and the issue on which they were consulted?	We use external valuers, actuaries and this year also Rural Surveyors (Norse PS).
11. Have you considered and identified assets for which expected credit loss provisions may be required under IFRS 9, such as debtors (including loans) and investments? If so, please provide further details	No

### Matters in relation to fraud

ISA (UK) 240 covers auditors' responsibilities relating to fraud in an audit of financial statements.

The primary responsibility to prevent and detect fraud rests with both the Authority and management. Management, with the oversight of the Authority, needs to ensure a strong emphasis on fraud prevention and deterrence and encourage a culture of honest and ethical behaviour. As part of its oversight, the Authority should consider the potential for override of controls and inappropriate influence over the financial reporting process.

As Exmoor National Park Authority's external auditor, we are responsible for obtaining reasonable assurance that the financial statements are free from material misstatement due to fraud or error. We are required to maintain professional scepticism throughout the audit, considering the potential for management override of controls.

As part of our audit risk assessment procedures, we are required to consider risks of fraud. This includes considering the arrangements management has put in place with regard to fraud risks including:

- assessment that the financial statements could be materially misstated due to fraud,
- process for identifying and responding to risks of fraud, including any identified specific risks,
- communication with the Authority regarding its processes for identifying and responding to risks of fraud, and
- communication to employees regarding business practices and ethical behaviour.

We need to understand how the Authority oversees the above processes. We are also required to make inquiries of both management and the Authority as to their knowledge of any actual, suspected or alleged fraud. These areas have been set out in the fraud risk assessment questions below together with responses from Exmoor National Park Authority's management.

## Fraud risk assessment

Question	Management response
<p>1. Has Exmoor National Park Authority assessed the risk of material misstatement in the financial statements due to fraud?</p> <p>How has the process of identifying and responding to the risk of fraud been undertaken and what are the results of this process?</p> <p>How do the Authority's risk management processes link to financial reporting?</p>	<p>Yes.</p> <p>No frauds have been identified.</p> <p>Internal Audit, internal controls, budget monitoring and contract management would identify fraud and we would therefore know the impact on financial statements. Risk Management controls and processes in place which link to our Corporate planning , reporting and Authority papers.</p>
<p>2. What have you determined to be the classes of accounts, transactions and disclosures most at risk to fraud?</p>	<p>None more than any other</p>
<p>3. Are you aware of any instances of actual, suspected or alleged fraud, errors or other irregularities either within Exmoor National Park Authority as a whole, or within specific departments since 1 April 2023? If so, please provide details</p>	<p>No</p>

## Fraud risk assessment

Question	Management response
4. As a management team, how do you communicate risk issues (including fraud) to those charged with governance?	We produce an annual Risk Management paper and the Authority receive summary reports from Internal and External Audit. Risk management is linked to our Corporate Reporting.
5. Have you identified any specific fraud risks? If so, please provide details	No
Do you have any concerns there are areas that are at risk of fraud?	None
Are there particular locations within Exmoor National Park Authority where fraud is more likely to occur?	No
6. What processes do Exmoor National Park Authority have in place to identify and respond to risks of fraud?	Internal Audit, internal controls, budget monitoring and contract management would identify fraud and we would therefore know the impact on financial statements. We also ensure that staff are fully committed to the importance of good governance. Full suite of ICT controls and security including end-point assessments.

Question	Management response
<p>7. How do you assess the overall control environment for Exmoor National Park Authority, including:</p> <ul style="list-style-type: none"> <li>the existence of internal controls, including segregation of duties; and</li> <li>the process for reviewing the effectiveness the system of internal control?</li> </ul> <p>If internal controls are not in place or not effective where are the risk areas and what mitigating actions have been taken?</p> <p>What other controls are in place to help prevent, deter or detect fraud?</p> <p>Are there any areas where there is a potential for override of controls or inappropriate influence over the financial reporting process (for example because of undue pressure to achieve financial targets)? If so, please provide details</p>	<p>Excellent</p> <p>Excellent</p> <p>Internal Controls in place.</p> <p>Internal Audit, internal controls, budget monitoring and contract management would identify fraud and we would therefore know the impact on financial statements. ICT Security, end-point assessments. Training and Communication.</p> <p>Senior management are fully committed to the principles of internal control and so would not exert pressure to achieve a particular result. We are also not reliant on any financial ratios having been achieved to access finance of any kind.</p>
<p>8. Are there any areas where there is potential for misreporting? If so, please provide details</p>	<p>No</p>

## Fraud risk assessment

Question	Management response
<p>9. How does Exmoor National Park Authority communicate and encourage ethical behaviours and business processes of its staff and contractors?</p> <p>How do you encourage staff to report their concerns about fraud?</p> <p>What concerns are staff expected to report about fraud? Have any significant issues been reported? If so, please provide details</p>	<p>We send out an e-mail once a year to all staff that remind them of the importance of good governance and attach links to key policies. The tender process has built in key checks for contractors. Monthly staff meetings. Regular Leadership Team and Delivery Team combined meetings. Member forum. Following up any contractor issues as and when they occur.</p> <p>We have a whistle blowing policy.</p> <p>Staff would be expected to report incidences of money going missing or attempts to deceive by contractors. No Issues have been reported.</p>
<p>10. From a fraud and corruption perspective, what are considered to be high-risk posts?</p> <p>How are the risks relating to these posts identified, assessed and managed?</p>	<p>All posts in finance are high risk. Leadership Team and CEO</p> <p>Separation of duties, internal controls and internal audit. Training and annual declarations</p>
<p>11. Are you aware of any related party relationships or transactions that could give rise to instances of fraud? If so, please provide details</p> <p>How do you mitigate the risks associated with fraud related to related party relationships and transactions?</p>	<p>No</p> <p>We would ensure that additional checks or sign offs were introduced in the case of related parties</p>



## Fraud risk assessment

Question	Management response
<p>12. What arrangements are in place to report fraud issues and risks to the Audit committee?</p> <p>How does the Audit committee exercise oversight over management's processes for identifying and responding to risks of fraud and breaches of internal control?</p> <p>What has been the outcome of these arrangements so far this year?</p>	<p>The risk of fraud and financial misgovernance is identified to members annually in the annual review of risk management. Additionally, our Internal Report is presented to members annually.</p> <p>The Authority establish resources, policies and have an oversight over the systems of internal control.</p> <p>Members have noted the work undertaken. No frauds have been identified.</p>
<p>13. Are you aware of any whistle blowing potential or complaints by potential whistle blowers? If so, what has been your response?</p>	<p>None</p>
<p>14. Have any reports been made under the Bribery Act? If so, please provide details</p>	<p>None</p>

## Law and regulations

### Matters in relation to laws and regulations

ISA (UK) 250 requires us to consider the impact of laws and regulations in an audit of the financial statements.

Management, with the oversight of the Authority, is responsible for ensuring that Exmoor National Park Authority's operations are conducted in accordance with laws and regulations, including those that determine amounts in the financial statements.

As auditor, we are responsible for obtaining reasonable assurance that the financial statements are free from material misstatement due to fraud or error, taking into account the appropriate legal and regulatory framework. As part of our risk assessment procedures we are required to make inquiries of management and the Audit Committee as to whether the body is in compliance with laws and regulations. Where we become aware of non-compliance or suspected non-compliance we need to gain an understanding of the non-compliance and the possible effect on the financial statements.

Risk assessment questions have been set out below together with responses from management.

Question	Management response
<p>1. How does management gain assurance that all relevant laws and regulations have been complied with?</p> <p>What arrangements does Exmoor National Park Authority have in place to prevent and detect non-compliance with laws and regulations?</p> <p>Are you aware of any changes to the Authority's regulatory environment that may have a significant impact on the Authority's financial statements?</p>	<p>See below, plus also the work of engineering inspections, internal audit and we have a professional relationship with DCC Procurement. Monitoring Officer (DCC) attends authority meetings. HR 1 (DCC) services procured to support any (potentially) contentious staff situations. Regular policy review and joint working with other NPA's</p> <p>We work closely with DCC Legal Services to check our understanding of the legal position of a variety of things. This includes procurement, governance or new legislation.</p> <p>No</p>
<p>2. How is the Audit committee provided with assurance that all relevant laws and regulations have been complied with?</p>	<p>The Authority has a well-established system of internal control and receive reports from Internal Audit (as well as self-generated reports).</p>
<p>3. Have there been any instances of non-compliance or suspected non-compliance with laws and regulation since 1 April 2023 with an on-going impact on the 2023/24 financial statements? If so, please provide details</p>	<p>No</p>
<p>4. Are there any actual or potential litigation or claims that would affect the financial statements? If so, please provide details</p>	<p>No, listed building planning claim is ongoing in terms of recovery of court awards and outgoings.</p>

## Impact of laws and regulations

Question	Management response
5. What arrangements does Exmoor National Park Authority have in place to identify, evaluate and account for litigation or claims?	We would know if someone was suing us. We would set aside sums at that point.
6. Have there been any reports from other regulatory bodies, such as HM Revenues and Customs, which indicate non-compliance? If so, please provide details	None

# Related Parties

## Matters in relation to Related Parties

Exmoor National Park Authority are required to disclose transactions with bodies/individuals that would be classed as related parties. These may include:

- bodies that directly, or indirectly through one or more intermediaries, control, or are controlled by Exmoor National Park Authority;
- associates;
- joint ventures;
- a body that has an interest in the authority that gives it significant influence over the Authority;
- key management personnel, and close members of the family of key management personnel, and
- post-employment benefit plans (pension fund) for the benefit of employees of the Authority, or of any body that is a related party of the Authority.

A disclosure is required if a transaction (or series of transactions) is material on either side, i.e. if a transaction is immaterial from the Authority's perspective but material from a related party viewpoint then the Authority must disclose it.

ISA (UK) 550 requires us to review your procedures for identifying related party transactions and obtain an understanding of the controls that you have established to identify such transactions. We will also carry out testing to ensure the related party transaction disclosures you make in the financial statements are complete and accurate.

## Related Parties

Question	Management response
<p>1. Have there been any changes in the related parties including those disclosed in Exmoor National Park Authority's 2023/24 financial statements?</p> <p>If so, please summarise:</p> <ul style="list-style-type: none"> <li>the nature of the relationship between these related parties and Exmoor National Park Authority</li> <li>whether Exmoor National Park Authority has entered into or plans to enter into any transactions with these related parties</li> <li>the type and purpose of these transactions</li> </ul>	None
<p>2. What controls does Exmoor National Park Authority have in place to identify, account for and disclose related party transactions and relationships?</p>	Annual Staff Letter, responses from Leadership Team. Members have annual business declaration and are required to state any interests at the start of Authority meetings and to not vote/leave the room for certain discussions.
<p>3. What controls are in place to authorise and approve significant transactions and arrangements with related parties?</p>	We would insist upon additional sign offs or steps in the event of related parties.
<p>4. What controls are in place to authorise and approve significant transactions outside of the normal course of business?</p>	Not aware of any transactions outside of the normal course of business

# Going Concern

## Matters in relation to Going Concern

The audit approach for going concern is based on the requirements of ISA (UK) 570, as interpreted by Practice Note 10: Audit of financial statements and regularity of public sector bodies in the United Kingdom (Revised 2020). It also takes into account the National Audit Office's Supplementary Guidance Note (SGN) 01: Going Concern – Auditors' responsibilities for local public bodies.

Practice Note 10 confirms that in many (but not all) public sector bodies, the use of the going concern basis of accounting is not a matter of significant focus of the auditor's time and resources because the applicable financial reporting frameworks envisage that the going concern basis for accounting will apply where the body's services will continue to be delivered by the public sector. In such cases, a material uncertainty related to going concern is unlikely to exist.

For this reason, a straightforward and standardised approach to compliance with ISA (UK) 570 will often be appropriate for public sector bodies. This will be a proportionate approach to going concern based on the body's circumstances and the applicable financial reporting framework. In line with Practice Note 10, the auditor's assessment of going concern should take account of the statutory nature of the body and the fact that the financial reporting framework for local government bodies presume going concern in the event of anticipated continuation of provision of the services provided by the body. Therefore, the public sector auditor applies a 'continued provision of service approach', unless there is clear evidence to the contrary. This would also apply even where those services are planned to transfer to another body, as in such circumstances, the underlying services will continue.

For many public sector bodies, the financial sustainability of the body and the services it provides are more likely to be of significant public interest than the application of the going concern basis of accounting. Financial sustainability is a key component of value for money work and it is through such work that it will be considered.

## Going Concern

Question	Management response
1. What processes and controls does management have in place to identify events and / or conditions which may indicate that the statutory services being provided by Exmoor National Park Authority will no longer continue?	We monitor the policy and legislative environment and have the opportunity to feed in to consultations. Please note the government response to the Landscape Review.
2. Are management aware of any factors which may mean for Exmoor National Park Authority that either statutory services will no longer be provided or that funding for statutory services will be discontinued? If so, what are they?	No, see above. The initial response of the government to the Landscape Review does not envisage any significant changes to structures.
3. With regard to the statutory services currently provided by Exmoor National Park Authority, does Exmoor National Park Authority expect to continue to deliver them for the foreseeable future, or will they be delivered by related public authorities if there are any plans for Exmoor National Park Authority to cease to exist?	No significant changes expected.  Business Process Review undertaken in 2023/24 to deal with reduced funding (in real terms) from static National Park Grant.
4. Are management satisfied that the financial reporting framework permits Exmoor National Park Authority to prepare its financial statements on a going concern basis? Are management satisfied that preparing financial statements on a going concern basis will provide a faithful representation of the items in the financial statements?	Yes  Yes, medium term financial plan indicates the Authority is operating within its resources for at least the next 5 years.



# Accounting estimates

## Matters in relation to accounting estimates

ISA (UK) 540 (Revised December 2018) requires auditors to understand and assess a body's internal controls over accounting estimates, including:

- The nature and extent of oversight and governance over management's financial reporting process relevant to accounting estimates;
- How management identifies the need for and applies specialised skills or knowledge related to accounting estimates;
- How the body's risk management process identifies and addresses risks relating to accounting estimates;
- The body's information system as it relates to accounting estimates;
- The body's control activities in relation to accounting estimates; and
- How management reviews the outcomes of previous accounting estimates.

As part of this process auditors also need to obtain an understanding of the role of those charged with governance, which is particularly important where the estimates have high estimation uncertainty, or require significant judgement.

Specifically do Authority members:

- Understand the characteristics of the methods and models used to make the accounting estimates and the risks related to them;
- Oversee management's process for making accounting estimates, including the use of models, and the monitoring activities undertaken by management; and
- Evaluate how management made the accounting estimates?

We would ask the Authority to satisfy itself that the arrangements for accounting estimates are adequate.

# Accounting Estimates - General Enquiries of Management

Question	Management response
1. What are the classes of transactions, events and conditions, that are significant to the financial statements that give rise to the need for, or changes in, accounting estimate and related disclosures?	Valuations of PPE and the Pension Fund, and depreciation are most related to accounting estimates.
2. How does the Authority's risk management process identify and address risks relating to accounting estimates?	By ensuring that professional advice is received and there is robust internal challenge.
3. How does management identify the methods, assumptions or source data, and the need for changes in them, in relation to key accounting estimates?	Through best practice, peer review and internal challenge.
4. How do management review the outcomes of previous accounting estimates?	Leadership review the draft accounts. This includes key estimates. Most accounting estimates are provided by way of an independent expert (e.g. Pension actuary, Norse Valuer)
5. Were any changes made to the estimation processes in 2023/24 and, if so, what was the reason for these?	No. This is the fourth year running we are using Norse PS for property valuations. Pensions valuations provided by Somerset Council pension actuaries.

# Accounting Estimates - General Enquiries of Management

Question	Management response
6. How does management identify the need for and apply specialised skills or knowledge related to accounting estimates?	Where internal expertise is available and there is sufficient separation of duties then we would look to use internal expertise. If not, then we would go to the market.
7. How does the Authority determine what control activities are needed for significant accounting estimates, including the controls at any service providers or management experts?	The Authority has a well-established budget development, monitoring and reporting system by which financial reporting is delivered. Members charged with governance receive reports and challenge those presenting their findings.
8. How does management monitor the operation of control activities related to accounting estimates, including the key controls at any service providers or management experts?	Senior staff receive the key reports. This are challenged where results appear unclear or erratic.
9. What is the nature and extent of oversight and governance over management's financial reporting process relevant to accounting estimates, including: <ul style="list-style-type: none"> <li>- Management's process for making significant accounting estimates</li> <li>- The methods and models used</li> <li>- The resultant accounting estimates included in the financial statements.</li> </ul>	LT will discuss the results of key valuations. This includes pension fund and PPE. LT would be informed if the models or approaches were subject to challenge.

# Accounting Estimates - General Enquiries of Management

## Appendix 2

Question	Management response
10. Are management aware of any transactions, events, conditions (or changes in these) that may give rise to recognition or disclosure of significant accounting estimates that require significant judgement (other than those in Appendix A)? If so, what are they?	No
11. Why are management satisfied that their arrangements for the accounting estimates, as detailed in Appendix A, are reasonable?	Yes
12. How is the Audit Committee provided with assurance that the arrangements for accounting estimates are adequate ?	Via the external accounts process and via challenge at Committee. Reliance on experts (e.g. SC Pension Actuaries).

## Appendix A Accounting Estimates

Estimate	Method / model used to make the estimate	Controls used to identify estimates	Whether management have used an expert	Underlying assumptions: - Assessment of degree of uncertainty - Consideration of alternative estimates	Has there been a change in accounting method in year?
Land and buildings valuations	RICS Guidance	Reports received by head of Finance and Estates Team. They are assessed for erratic answers.	External	These are clearly specified.	No
Depreciation	Estimated life spans.	These are assessed to see if the asset is removed before or after the asset is written down.	Internal	We have the ongoing opportunity to assess the accuracy of these.	No
Valuation of defined benefit net pension fund liabilities	As stated in the report.	Professional actuarial standards and external audit.	External	These are clearly specified.	No
Accruals	We have an established practice for identifying accruals.	Incorrect accruals are identified.	Internal	These have a high degree of certainty.	No
Provisions	Oversight and aged debt reporting.	Management oversight and budget monitoring.	Internal	As a small body we identify the need for provisions swiftly and clearly. There is no space to hide.	No

# Appendix 2



# ITEM 10.1

## EXMOOR NATIONAL PARK AUTHORITY

2 July 2024

### 2023/24 OUTTURN – BUDGET PERFORMANCE, RESERVES, NEW YEAR MONITORING AND MTFP UPDATE

#### Report of the Chief Finance Officer

**Purpose of Report:** To report on the outturn for 2023/24 compared with the revised budgets and also to note the position of reserves.

**RECOMMENDATIONS:** Authority is recommended to:

- (1) NOTE the financial performance for 2023/24
- (2) APPROVE the adequacy of the General Fund Balance at 31 March 2024; and
- (3) APPROVE the transfers to and from Reserves.
- (4) NOTE the Authority spend as at the end of month 2 in Appendix 4 and section 6.
- (5) APPROVE the spend areas for use of DEFRA one-off Capital Grant in section 6
- (6) NOTE the spend areas for use of DEFRA one-off Revenue Grant in section 6
- (7) NOTE the prudential indicators as at the end of month 2 in section 7.

**Authority Priority:** Achieve by providing core services; getting best value from our resources and improving our performance.

**Legal and Equality Implications:** Local Government Act 2003, Parts 1-3 (Capital Finance, Financial Administration and Grants), Sections 1-39.

Accounts and Audit (England) Regulations 2015, Part 2 (Financial Management and Internal Control).

The equality and human rights impact of the recommendations of this report have been assessed as having no adverse impact on any particular group or individual.

**Financial and Risk Implications:** The outturn for the year is within the overall net budget of the Authority which is the National Park Grant from Defra.

**Climate Response:** No recommendations contained within this report have an adverse impact upon our ability to meet carbon reduction targets. The report describes spend from the Environmental Resilience reserve that occurred in 2023/24.

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#### 1. INTRODUCTION

- 1.1 The 2023/24 revenue budget was agreed on 7 March 2023 and was revised by the Authority on the 7 November 2023. The grant settlement from Defra for 2023/24 was another year's cash freeze.
- 1.2 The finances of the authority are structured in terms of the core budget, contributions to reserves and top sliced programmes. We have also recently

begun reporting against capital spend. This report is also structured according to those categories. This report will highlight areas of variation or discretion that has been applied in financing in year spend and managing the use of reserves. This report needs to be read in conjunction with the Corporate Plan 2023/24 – Priority Achievements which details the non-financial results for the year.

- 1.3 In addition to the £3.211m of National Park Grant, in 2023/24 the Authority earned another £3.131m (2022/23 £2.209m) across all services and funding streams. This covers traded income, external grants and contributions (e.g. 'Farming in Protected Landscapes'), fees and interest. There were no capital receipts in the year.
- 1.4 The financial year was characterized by the start of a comprehensive business review, continued extraordinary spend on legal services and a large variety of capital and other one-off work. In addition, interest earned increased significantly due to the rebound in interest rates and National Park Centre income continued to increase year-on-year.

## **2. CORE BUDGET OUTTURN 2023/24**

- 2.1 Appendix 1 summarises budget performance for 2023/24 and shows the actual spending for the year against the original and revised budgets. The overall position for 2023/24 is an outturn of £3,057,162 against the approved revised net budget of £2,963,700. This is the position after appropriations to and from reserves have been made to meet specific funding requirements and to fund project work throughout the Authority.
- 2.2 The overspend of £93,462 is transferred from general balances in the first instance.
- 2.3 The pay award was implemented in November and was backdated to the start of the year. The pay award was higher than the original budget, but additional resources were found when we set the revised budget. Additionally, the Business Review was brought into play at the tail end of the calendar year and whilst it will primarily impact from the 1 April 2024, there were some transitional effects in the last two quarters of 2023/24.
- 2.4 The Business Review process was implemented to ensure the best means of meeting the budget gap and had two key drivers: the need to make savings, and the need to refocus work. This process involved regular discussions around the Business Review process and Corporate Plan priority settings. As a result, the Business Review will help to eventually improve the accuracy of budgets by identifying savings and refocusing work to deliver the priorities that government expects of National Park Authorities.
- 2.5 A significant amount of project work was initiated during 2023/24 with development phases agreed for both the Heritage Lottery Funded Pioneers Project, and the DEFRA sponsored Heart of Exmoor Landscape Recovery project. Our Estates and Woodlands team continued to deliver the Estate Strategy, with many projects underway across the Estate including at Driver and the planting of new trees and woodlands.
- 2.6 There are several variations over £10,000 between the final budgets and the actual spend at cost centre level and these are:



### Access & Recreation, Rangers and Field Services Team

- The net underspend across these 3 business areas was £58,962.
- Income received in excess of the revised estimate was £318,000. Of this £123,000 related to creation of the new English Coast Path, £100,000 Grant was received from the DEFRA National Park Fund for Active Transport, and £126,000 of income was internally generated from works carried out on our estate and conservation activities.
- Footpath project spend and increased staffing expenditure offset this income. 3 Field Services Posts and 1 Ranger Post are not budgeted as core activity, and it is the intention of the internally generated income to meet these costs.
- The Great Bradley Bridge project took a significant step forward in 2023/24 with around £50,000 being spent on surveys and pre-construction costs (partly offset by £25,000 contribution from CareMoor reserve).

### Conservation Advice and Support

- This service includes the Woodland Management and Conservation Advice cost centres, as well as the Exmoor Non-Native Invasive Species (ENNIS) and Farming in Protected Landscapes (FiPL) and Landscape Recovery projects. Overall, the service overspent by £84,764.
- The Woodlands Management cost centre overspent by £183,000. This was principally due to tree planting at Kings Wood and Bye Wood totalling £105,000. A debtor was not created for this as a claim has not yet been submitted to the Forestry Commission. The remaining overspend is due to works carried out in respect of Ash Die Back, and the Exford Tree Nursery Project.
- The FiPL project funding provided support for advice and guidance, this contribution enabled an offset of the above overspend by £52,000.

### Development Management

- The overspend in this service is due to several factors, a net under-recovery of income of £6,000 alongside additional Agile Planning System modules purchased (£22,000), offset by an underspend on staffing (including agency staffing) of £12,000.

### Pinkery

- The overspend in this service is primarily due to the under-recovery of income creating an adverse variance of £19,000. Overspends also occurred within cleaning and planned maintenance areas. The cost centre was supported by a reserve transfer from prior year Partnership Fund reserves to minimise the overspend.

### Legal Support

- Further expenditure has been incurred in respect of the long running planning dispute, both in respect of legal fees and maintaining the repossessed property prior to its sale.

### Land and Property Services

- The core reason this area is overspent is due to the Budget assumption that we would have taken on the Driver BPS scheme, this didn't happen in 2023/24.

2.7 As mentioned in 2.1, Appendix 1 shows the revenue outturn position after the take from and contribution to reserves. The net transfer to reserve was

£406,000 prior to the draw from the general fund reserve of the £93,000 deficit.

- 2.8 Within the core budgets are also spend from external revenue grants. This includes £676k of FiPL spend, £123k English Coast Path creation, £113k Basic and Higher Level Stewardship Scheme contributions, £61k HLF Pioneers Project Development, £27k Biodiversity Net Gain Grant and £45k towards grey squirrel control.

### 3. **FIXED TERM PROGRAMMES**

- 3.1 Aside from spend from the Core Budget the Authority also provides budget for contributions to Fixed Term Programmes, Reserves and the small grants scheme. These are detailed in Appendix 2.
- 3.2 The original fixed term programmes budget for 2023/24 was £247,800. Appendix 2 details the schemes approved against the 2023/24 Budget and their associated spend to the end of the year. There was also spend in 2023/24 against schemes that had been approved in previous years.
- 3.3 Approvals that are no longer required have been transferred to General Balances or Contingency. Other unspent approvals have been transferred to an alternative reserve if their objectives are closely aligned.
- 3.4 Of the funds that have been set aside to meet a possible trading deficit at the Outdoor Education Centre, £20k has been applied to assist with the costs of the Pinkery Decarbonisation programme.
- 3.5 2021/22 was the last year when a budget (£20k) for small grants was established. This was primarily aimed at community and partnership groups to facilitate delivery of ambitions within the National Park Partnership Plan. From 2022/23 and onwards a one-off pot (£25k) was established with comparable objectives, with an aspiration that this may be topped up if funds allow. Appendix 2 also shows allocations from the small grants pot in 2023/24.

### 4. **RESERVES**

- 4.1 Reserves play a major role in understanding how Exmoor National Park budgets, finances spend, meets future obligations and receives external contributions. A detailed analysis of the reserves held at 31 March 2024 is shown in Appendix 3.
- 4.2 Over 2023/24 reserves increased by £312,285 (2022/23 £179,733) from £3,214,875 to £3,527,160. This, however, grossly oversimplifies the true picture. In reality, this total figure includes income not yet received and income received from legacies which is committed.
- 4.3 The column, 'Transfers to reserves 2023/24 in Appendix 3 shows the contribution to reserves. The main contributions are detailed below:
- Active Travel Grant. £100k National Park Active Travel Grant from DEFRA received late on in the 2023/24 financial year.
  - Section 106 Payments. £86k. Monies received in respect of S106 agreements held for a specific purpose.

- Planning Skills Delivery Fund. £78k. Grant funding to support clearing of the planning backlog. Monies received late in the 2023/24 financial year with spend to occur in 2024/25.
  - Authority Estate. £79k. £39k from Peatland Historic Payments, £20k project fund for Exford Depot roof refurbishment and £20k commitment in respect of Chains Fencing landlords obligations.
  - CareMoor. £70k. Full Transfer of income/donations received in 2023/24.
  - Exmoor Pioneers. £74k Sponsorship received in respect of the Pioneers scheme, to be spent in 2024/25 onwards.
  - Contingency Fund – Legal. £57k. This is the net increase of debt owed to the Authority in 2023/24 (debtor less bad debt provision). External Audit have suggested that we recognise the income related to the monies owed on the property where we have an order for sale. Rather than risk spending this money in advance of the property being sold, it has been posted to a reserve (less a bad debt provision) and will be released once proceeds have been received.
- 4.4 The column, 'Transfers from reserves 2023/24' shows the take from reserves to finance spend. Key draws from reserves are show below:
- General fund. £93k representing the net management accounts deficit after appropriations to and from reserves.
  - Contingency Fund – General. £100k was withdrawn to meet the costs of the long running planning dispute and another £100k was used to meet the costs of external consultants in the DM service.
  - Programmes - Fixed term. As detailed in Appendix 2. Core elements of this include support for Historic Buildings Officer post £50k, Pinkery overspend PF support £30k and £15k Tourism.
  - Authority Estate. £75k. Driver Farm costs £43k, Lynmouth Pavilion £15k, Blackpitts £12k, Adits & Mines £5k
  - Corporate Equipment & Vehicle Replacement fund. £95k See section 5 below for details of capital spend from this fund.
  - Environmental Resilience Reserve. £30k, £15k towards battery storage at Pinkery, £15k completion of Secondary glazing alongside LED lighting implementation at Exmoor House.
  - CareMoor. £58k. Allocation of restricted funds, Woodlands Projects £31k, Great Bradley Bridge £25k, ENNIS in respect of Knotweed £2k
- 4.5 Members are asked to approve these transfers to/from and between reserves.
- 4.6 The balance on the General Fund is the amount held in reserve to meet any unforeseen or exceptional items of expenditure or to provide working capital. Whilst the balance of the General Fund at 31 March 2024 of £260k is below the minimum considered adequate to maintain the financial viability, security and stability of the Authority and provide working capital (£300k), when taken in combination with the Contingency Fund – General, a combined balance of £611k is in place. I consider this combined balance to be sufficiently robust for the purposes of reporting under section 25 of the Local Government Act 2003 (Estimates made for the purpose of budget calculations and the adequacy of the proposed financial reserves)

- 4.7 Whilst the level of reserves appears robust, please may I draw Members attention to the Contingency Fund – Legal. £427k. As detailed in 4.3, External Audit have suggested that we recognise the income related to the monies owed on the property where we have an order for sale. Rather than risk spending this money in advance of the property being sold, it has been posted to a reserve (less a bad debt provision) and will be released once proceeds have been received. The property is currently being marketed again and until this process has completed, this reserve remains at risk.

## 5. CAPITAL

- 5.1 Members will recall the recent recommendation from our external auditors that the Authority formally sets a capital budget each year. The first of these was set for the 2023/24 financial year.
- 5.2 Of the three schemes identified in the 2023/24 original budget, one has been completed (Tarr Steps Borehole) and funded from reserves, one is in progress (Car Park improvements Haddon Hill and Exford) and the other project is on hold awaiting full project planning to be completed (Pinkery Centre Water System).
- 5.3 The table below identifies spend of a capital nature carried out during 2023/24 and how it was financed:

Scheme	Amount £'000s	Funding Source	Funding Name
Woodlands, Exford Tree Nursery	43	Part Capital Grant, part General Fund	Forestry Commission
Field Services Team, Kubota Excavator	31	Revenue Reserve	Corporate Equipment
Field Services Team, Tracked Barrow	11	Revenue Reserve	Corporate Equipment
Field Services Team, Forklift	6	Revenue Reserve	Corporate Equipment
Facilities, Renault Zoe EV Pool Car	18	Revenue Reserve	Corporate Equipment
EH Secondary Double Glazing	15	Revenue Reserve	Environmental Resilience Reserve
Pinkery, Increased PV Storage Batteries	13	Revenue Reserve	Environmental Resilience Reserve
Pinkery, residual Biomass Boiler installation	33	Capital Grant	SALIX
Sowing the Seeds Project/FST, Grillo Meadow Mower	24	Part Capital Grant	FiPL
Rangers, Toyota Pro-Ace EV Van	29	Revenue Reserve	Corporate Equipment
<b>Total</b>	<b>223</b>		

- 5.4 In addition, there was a range of other spend on one-off projects that won't be capitalised. This includes the internal improvements to the Lynmouth National Park Centre, the completion of a bore hole at Tarr Steps Car Park, ICT Hardware refresh and other decarbonization works to Pinkery Outdoor Education Centre.

## **6. 2024/25 BUDGET MONITORING**

- 6.1 Members will recall the recent recommendation from our external auditors that the Authority receive quarterly monitoring financial statements. Appendix 4 shows actual spend as at the end of month 2 and anticipated outturn for the year. Clearly, month 2 is not the end of the first quarter but reporting as at the end of month 2 works more smoothly for the financial reporting cycle.
- 6.2 It is difficult to draw conclusions about financial performance so early in the financial year. Month 2 data is skewed by the presence of accounting entries rolled over from the previous financial year, seasonality, and the presence of spend that will be funded from reserves. There are no areas of concern or interest to direct members attention to other than the delays in receiving the first quarter National Park Grant (received 6 June 24) and FiPL Grant (not yet received, due in July).
- 6.3 The opportunity was taken in the approval of the 2024/25 budget to make changes across the organisation, to realign structures and staffing to deliver the priorities that government expects of National Park Authorities. The budget set out in Appendix 4 reflects the Business Review structure adopted in March 2024, some of the notes in Appendix 4 detail the core change from previous arrangements.
- 6.4 Further changes to the layout include a complete revision to the subjective headings upon which budgets and actual spend are reported on. Back in 2010, when ENPA faced four years of unprecedented reductions in core grant, we refocused the organisation into 3 bubbles, Support to Land Managers, Support to National Park Users and Support to Communities and Businesses. This served us very well for over a decade; however, this is now becoming restrictive in terms of reporting to Defra, other Government departments and internally as part of our management accounts. As part of the Business Review process, our sections and cost centres have been reclassified across the following subjective headings:
- Conservation of Cultural Heritage
  - Conservation of Natural Environment
  - Forward Planning & Communities
  - Development Management
  - Promoting Understanding
  - Rangers, Estates & Volunteers
  - Recreation Management & Tourism
  - Support Services
  - Corporate & Democratic Core
- 6.5 The other changes to budgets can be explained by the assumptions that underpin it. The main assumption is that staff pay will increase by 3%. This is a key assumption as staff costs are such a high proportion of the Authority's overall costs.

- 6.6 2024/25 is the second year when the most recent Local Government Pension Scheme pension fund revaluation affects budgets. This sees a halving in our pensions deficit funding (down to £78,400pa) and an increase in the employer contribution rate from 18.5% to 21.3%. The net effect of these changes is broadly cash neutral. The budget also contains increases for utility bills and further reductions in travel budgets.
- 6.7 Following the approval of the 2024/25 Budget and MTFP by Members, DEFRA announced 2 elements of one-off funding for the 2024/25 year, unfortunately formal confirmation of these amounts was received after the 2024/25 budget and MTFP was approved by Members. The funding comprises £250,000 of revenue funding and £250,000 of capital funding. Whilst both amounts are un-ringfenced, there is a steer from DEFRA for the spend to be matched on their current priorities. Delivery Team members were asked to provide potential schemes to utilise these funds, the schemes were then reviewed by Leadership Team. A list of the proposed schemes including some of the justification is included at Appendix 5.
- 6.8 The Revenue schemes are as follow:

<b>Scheme</b>	<b>Amount £000</b>
Exford Tree Nursery	5
Air Quality Study	50
Additional Communications Support	15
Additional Project Management Resource	15
Additional Ecology Resource	48
Local Plan Support	100
Historic Environment SLA with Cornwall Council	2
Complete Design Guide	15
<b>Total</b>	<b>250</b>

- 6.9 The Capital schemes are as follow:

<b>Scheme</b>	<b>Amount £000</b>
Pinkery Drive	50
Driver Farm	100
Planning System Replacement	25
Pinkery Energy Efficiency and Accessibility Arrangements	50
Lynmouth Centre Toilet Refurbishment	20
Exmoor House Roof Condition Survey	5
<b>Total</b>	<b>250</b>

- 6.10 Members are requested to note the revenue schemes to be progressed and approve the capital schemes in accordance with our standing orders.

## 7. QUARTERLY MONITORING OF PRUDENTIAL INDICATORS

- 7.1 For completeness, and to comply with guidance, Prudential limits set, and actual outcomes are to be reported. All treasury activity was conducted within the benchmarks set as Prudential limits for prudent and sustainable capital plans, financing, and investment. Indicators approved for the year are set out in the left-hand columns, with actual outturns on the right.

<b>1 Borrowing Limits</b>			<b>Actual</b>	
Authorised	£100,000		<b>Nil</b>	
Operational	£100,000		<b>Nil</b>	
<b>2 Maturity Structure</b>				
	<b>Upper Limit</b>	<b>Lower Limit</b>		<b>Actual</b>
	<b>%</b>	<b>%</b>	<b>Value</b>	<b>%</b>
< 12m	100	0	0.00	<b>0.0</b>
> 12m < 24m	0	0	0.00	<b>0.0</b>
> 24m < 5yrs	0	0	0.00	<b>0.0</b>
> 5yrs < 10yrs	0	0	0.00	<b>0.0</b>
> 10yrs	0	0	0.00	<b>0.0</b>
			0.00	<b>0.0</b>
<b>3 Investments &gt; 365 days</b>			<b>0</b>	<b>0</b>

## 8. UPDATE TO THE MEDIUM-TERM FINANCIAL PLAN

- 8.1 When the 2024/25 budget was set by the Authority it contained certain key assumptions such as concerning pay awards, base inflation and movements in National Park Grant. In particular we assumed a common staffing complement, a 3% increase of pay in 2023/24 and a 2% increase in 2024/25.
- 8.2 Inflation however isn't falling as quickly as predicted and the Employer's offer for 2023/24 suggests that the actual pay award may be at least 1% more than budgeted. Pay negotiations between the NJC employers and unions are ongoing. Additionally, our budgeting process for staffing is moving away from the 'Core' establishment as operated previously. The revised approach will consider all posts as part of the establishment and where these posts are supported by grants, other external funding or income generation, these income sources will also be factored in. Historically these were not included.
- 8.3 The Medium-Term Financial Plan distributed in early 2023 indicated a budget gap of £270k for 2024//25 and £325k for 2025/26. Through the adjustments made during the business review it has been possible to eradicate this savings requirement for the next two years, however the MTFP approved in March 2024 indicates further savings requirements in the latter years of the current medium term financial plan.
- 8.4 Whilst one-off funding elements are to be received in 2024/25, the settlement from DEFRA continues to be for flatlined National Park Grant for the 6<sup>th</sup> year

in a row. We have achieved significant additional income in recent years; however, this will not continue to grow exponentially and we continue to challenge DEFRA to add inflationary increased as a minimum to our settlements in future years. Without inflationary NPG growth the budgets of the Authority will continue to be squeezed and will require frequent review.

- 8.5 In year pressures continue to arise. For example, we continue to accrue costs in the long running planning dispute in the knowledge that these are no longer recoverable from the property that we have an order for sale on.
- 8.6 There is a great deal for the Authority to be financially positive about. We are in a strong position to be awarded substantial sums from the Heritage Lottery Fund and Landscape Recovery Projects, we are due to receive £0.9m of FiPL funds this year, the Authority is accessing the new Countryside Stewardship schemes from in hand land and we still possess significant revenue resources and property-based assets. 2024/25 is also potentially the last year of the NPG freeze and the last year of the JE impacting on staff salaries.

**B Barrett**  
**Chief Finance Officer**  
**June 2024**



Section	Budget Heading	2023/24 Original Budget £	2023/24 Revised Expenditure Budget £	2023/24 Revised Income Budget £	2023/24 Revised Budget £	2023/24 Actual £	Variance between 23/24 Revised and 23/24 Outturn
Support to Land Managers	Access & Recreation	78,300	140,400	-61,000	79,400	122,396	42,996
	Archaeology & Historic Environment	89,100	91,000	-1,200	89,800	86,574	-3,226
	Field Services	275,800	341,600	-63,500	278,100	151,653	-126,447
	Conservation Advice & Support	329,600	336,700	-4,000	332,700	417,464	84,764
	Rangers	82,700	141,700	-58,000	83,700	108,189	24,489
<b>Support to Land Managers Total</b>		<b>855,500</b>	<b>1,051,400</b>	<b>-187,700</b>	<b>863,700</b>	<b>886,276</b>	<b>22,576</b>
Support services to the Community	Development Management	336,800	443,700	-83,000	360,700	378,098	17,398
	Rural Enterprise	117,500	118,500	0	118,500	116,840	-1,660
<b>Support services to the Community Total</b>		<b>454,300</b>	<b>562,200</b>	<b>-83,000</b>	<b>479,200</b>	<b>494,938</b>	<b>15,738</b>
Support to National Park Users	Education & Volunteers	108,600	112,700	-3,000	109,700	108,617	-1,083
	National Park & Information Centres	170,800	351,000	-188,500	162,500	159,843	-2,657
	Information & Interpretation Management	160,400	148,400	-16,000	132,400	132,460	60
	Pinkery	0	145,000	-145,000	0	15,088	15,088
	Visitor Facilities	9,400	92,400	-90,000	2,400	1,287	-1,113
<b>Support to National Park Users Total</b>		<b>449,200</b>	<b>849,500</b>	<b>-442,500</b>	<b>407,000</b>	<b>417,295</b>	<b>10,295</b>
Corporate & Customer Support	Legal Support	70,000	70,000	0	70,000	103,634	33,634
	Strategy & Performance	357,600	388,300	0	388,300	387,040	-1,260
Finance and ICT Services	Finance and ICT Services	383,600	457,000	-100,000	357,000	355,867	-1,133
Land and Property Services	Land and Property Services	48,900	329,300	-279,200	50,100	77,103	27,003
<b>Support Services Total</b>		<b>860,100</b>	<b>1,244,600</b>	<b>-379,200</b>	<b>865,400</b>	<b>923,645</b>	<b>58,245</b>
Corporate Management	Corporate Management	154,500	154,500	0	154,500	148,240	-6,260
	Historic Pensions Contributions	75,000	78,000	0	78,000	75,500	-2,500
	Corporate Subscriptions	16,800	16,800	0	16,800	20,980	4,180
	Members	98,300	99,100	0	99,100	90,287	-8,813
<b>Corporate Management Total</b>		<b>344,600</b>	<b>348,400</b>	<b>0</b>	<b>348,400</b>	<b>335,007</b>	<b>-13,393</b>
<b>Total Core Budget</b>		<b>2,963,700</b>	<b>4,056,100</b>	<b>-1,092,400</b>	<b>2,963,700</b>	<b>3,057,162</b>	<b>93,462</b>

**EXMOOR NATIONAL PARK AUTHORITY  
ANALYSIS OF PROGRAMMES, PARTNERSHIPS**

**Appendix 2**

	<b>2023/24</b>			
ORIGINAL BUDGET	<b>247,800</b>			
<b>LESS: Contributions to Reserves</b>				
Woodlands - Ash Die Back	30,000			
Corporate Equipment & Vehicle Replacement	50,000			
Weir Cleave	20,000			
Exford Roof Repairs	20,000			
Internship and Trainee Fund	15,000			
Nature recovery vision and monitoring	10,000			
Partnership Plan review	15,000			
MS 365 Migration	21,800			
	<b>181,800</b>			
<b>LESS: Top sliced Programmes</b>	<b>Approval</b>	<b>Spend 2023/24</b>	<b>Balance Remaining</b>	<b>Treatment of Balance on the Scheme</b>
Tourism	10,000	5,000	5,000	Reallocated to Rural Enterprise Reserve
Hill Farm Network	15,000	7,500	7,500	Balance paid in early 2024/25
Potential Pinkery overspend	20,000	-	20,000	Transferred to PF Reserve to support 2024/25 position
HLF Bid development	7,000	7,000	-	
Website Development	5,000	-	5,000	Retained in PF Reserve for future spend
SERC/DBRC Bio-records	5,000		5,000	Awaiting invoices, retained in reserve to be spent on original purpose
STEAM	4,000	3,700	300	Reallocate residual to Conservation cost centre to meet additional spend in 23/24
	<b>66,000</b>	<b>23,200</b>	<b>42,800</b>	
<b>Spend from Previous Year's Fixed Term Allocations</b>		<b>113,210</b>		
<b>Total Spend in 2023/24 on Fixed Term Priorities</b>		<b>136,410</b>		
<b>Small Grants Scheme - In year Approvals</b>	<b>Approval</b>	<b>Spend 2023/24</b>	<b>Balance Remaining</b>	<b>Treatment of Balance on the Scheme</b>
Porlock Sea Festival	500	500	-	Unallocated funds transferred to General Balances
Getting to the Green	1,240	1,240	-	Approval all spent
	<b>1,740</b>	<b>1,740</b>	<b>-</b>	
<b>Spend from Previous Year's Small Grants Allocations</b>		<b>700</b>		
<b>Total Spend in 2022/23 on Small Grants</b>		<b>2,440</b>		

EXMOOR NATIONAL PARK AUTHORITY  
ANALYSIS OF RESERVES

Appendix 3

	Balance 31/03/23	2023/24 Budget Allocations	2023/24 In year Budget Transfers	Transfers to Reserves 2023/24	Transfers from Reserves 2023/24	Outturn Transfers between Reserves 2023/24	Balance 31/03/24
	£	£	£	£	£	£	£
<b>REVENUE EARMARKED RESERVES</b>							
<b><u>Support to Land Managers</u></b>							
Ashcombe Gardens	8,743					1,000	9,743
Archaeology	14,670			25,000			39,670
Exmoor Pioneers	0			73,787			73,787
Heritage Projects	23,897					3,500	27,397
Deer Monitoring Study	13,424						13,424
Woodland Mgt Reserve	53,362			60,400	-50,000		63,762
Ennis	14,292						14,292
Rights of Way	192,452						192,452
Active Travel Grant	0			100,000			100,000
<b><u>Support to National Park Users</u></b>							
Caremoor For Exmoor	449,500			69,850	-58,206	-4,500	456,644
National Park Centres spend to save	16,236			25,000	-10,000		31,236
Get Involved Programme	1,349				-1,349		0
Health & Well-being	1,088				-1,088		0
Engagement & Outreach	27,738				-6,432		21,306
<b><u>Support to the Community and Business</u></b>							
Development of Planning Service	53,259						53,259
Section 106 Agreements	0			86,400			86,400
Planning Skills Delivery Fund	0			78,255			78,255
Conserv Area Appraisals & Neighbourhd Plan	12,283						12,283
Rural Enterprise	63,218			15,300			78,518
<b><u>Strategy &amp; Performance</u></b>							
Environmental Resilience	50,481				-30,100		20,381
IT and Web Development	61,975			25,000			86,975
ERP Replacement	0			50,000			50,000
Corporate Equipment & Vehicle Replacement	172,325			70,125	-95,200		147,250
Planning Policy	113,356			26,807	-5,128		135,035
Research & Development (Partnership Plan)	21,901			25,000			46,901
Modernisation	199,306				-36,685		162,621
Internship and Trainee Fund	21,293				-21,293		0
Corporate Subscriptions	0			10,000			10,000
Capital Development Reserve	100,000						100,000
Authority Estate	304,234			78,590	-74,547		308,277
	1,990,382	0	0	819,514	-390,028	0	2,419,868
<b>PROGRAMMES &amp; PARTNERSHIPS</b>							
Programmes - fixed term	117,635			35,000	-113,509		39,126
Partnership Fund/ small grants scheme	33,099				-2,351		30,748
	150,735	0	0	35,000	-115,860	0	69,875
<b>GENERAL FUND AND CONTINGENCIES</b>							
General Fund	354,293					-93,461	260,832
Contingency Fund - General	349,966						349,966
Contingency Fund - Legal	369,500			57,120			426,620
	1,073,758	0	0	57,120	0	-93,461	1,037,417
<b>TOTAL RESERVES</b>	3,214,875	0	0	911,634	-505,888	-93,461	3,527,160

## Appendix 4

Section	Budget Heading	2024/25 Month 2 Net Spend £	2024/25 Expenditure £	2024/25 Income £	2024/25 Original Budget £	2024/25 Anticipated Outturn £	Notes
Conservation of Cultural Heritage	Archaeology & Historic Environment	28,063	106,400	-1,200	105,200	105,200	
<b>Conservation of Cultural HeritageTotal</b>		<b>28,063</b>	<b>106,400</b>	<b>-1,200</b>	<b>105,200</b>	<b>105,200</b>	
Conservation of Natural Environment	Woodlands	35,513	112,800	-44,000	68,800	68,800	23/24 included LT post, 24/25 income is £90k Grant Funding support
	Conservation Advice	64,311	219,300	-90,000	129,300	129,300	
<b>Conservation of Natural Environment Total</b>		<b>99,824</b>	<b>332,100</b>	<b>-134,000</b>	<b>198,100</b>	<b>198,100</b>	
Forward Planning & Communities	Planning & Community	15,940	100,400	0	100,400	100,400	
	Rural Enterprise	12,603	125,600	0	125,600	125,600	
<b>Forward Planning &amp; Communities Total</b>		<b>28,543</b>	<b>226,000</b>	<b>0</b>	<b>226,000</b>	<b>226,000</b>	
Development Management	Development Management	59,307	430,800	-116,000	314,800	314,800	Removal of LT post and reorganisation of staffing
<b>Development Management Total</b>		<b>59,307</b>	<b>430,800</b>	<b>-116,000</b>	<b>314,800</b>	<b>314,800</b>	
Promoting Understanding	National Park Centres	46,985	327,300	-139,500	187,800	187,800	Removal of Lynmouth Pavilion Rent to Estates, Impact of BR changes
	Grants and Contributions		3,700	0	3,700	3,700	
	Pinkery	-8,317	151,800	-151,500	300	300	Cost centre was interpretation management in 23/24 staff changes 2023/24 Included Volunteer Engagement element
	Media & Communication	16,009	114,200	-16,000	98,200	98,200	
	Education & Interpretation	18,116	117,100	-24,000	93,100	93,100	
<b>Promoting Understanding Total</b>		<b>72,793</b>	<b>714,100</b>	<b>-331,000</b>	<b>383,100</b>	<b>383,100</b>	
Rangers, Estates & Volunteers	Rangers	29,045	186,600	-58,000	128,600	128,600	Assistant FT Ranger post brought into core establishment
	Field Services	60,096	287,300	-63,500	223,800	223,800	2 long term vacant posts removed from establishment
	Estates	13,989	195,800	-391,000	-195,200	-195,200	CS income in relation to Driver Farm
	Volunteer Engagement	10,355	68,600	0	68,600	68,600	Previously within Education & Interpretation
<b>Rangers, Estates &amp; Volunteers Total</b>		<b>113,485</b>	<b>738,300</b>	<b>-512,500</b>	<b>225,800</b>	<b>225,800</b>	
Recreation Management & Transport	Access & Recreation	29,468	143,800	-61,000	82,800	82,800	
	Visitor Facilities	-3,208	95,400	-95,000	400	400	
<b>Recreation Management &amp; Transport Total</b>		<b>26,260</b>	<b>239,200</b>	<b>-156,000</b>	<b>83,200</b>	<b>83,200</b>	
Support Services	Finance	19,203	154,900	-60,000	94,900	94,900	Removal of LT post offset by increased investment interest budget
	Human Resources & Performance	21,844	171,100	0	171,100	171,100	Removal of LT post, Comms officer to Media & Communications
	ICT & GIS Services	61,956	252,100	0	252,100	252,100	
	Legal Services	13,840	70,000	0	70,000	70,000	
	Facilities	43,453	188,600	0	188,600	188,600	
<b>Support Services Total</b>		<b>160,296</b>	<b>836,700</b>	<b>-60,000</b>	<b>776,700</b>	<b>776,700</b>	
Corporate & Democratic Core	Corporate Management	61,448	405,500	0	405,500	405,500	Includes Leadership Team posts (previously within services)
	Historic Pensions Contributions	0	78,400		78,400	78,400	
	Corporate Subscriptions	850	18,500		18,500	18,500	
	Members	14,612	96,200	0	96,200	96,200	
<b>Corporate &amp; Democratic Core Total</b>		<b>76,910</b>	<b>598,600</b>	<b>0</b>	<b>598,600</b>	<b>598,600</b>	
Core Funding & Partnership Fund	National Park Grant	0	0	-3,211,500	-3,211,500	-3,711,500	First quarter NPG received in June. Additional one-off revenue (£250,000)
	Reserves Transactions	0	270,000		270,000	270,000	and capital grant (£250,000) received in ealry 2024/25
	Partnership Fund Top-Sliced	3,630	30,000		30,000	30,000	Appendix 3
<b>Core Funding &amp; Partnership Fund Total</b>		<b>3,630</b>	<b>300,000</b>	<b>-3,211,500</b>	<b>-2,911,500</b>	<b>-3,411,500</b>	Appendix 3
<b>Total Core Budget</b>		<b>669,111</b>	<b>4,522,200</b>	<b>-4,522,200</b>	<b>0</b>	<b>-500,000</b>	Month 2 outturn £33k above estimated net position, +5%

CAPITAL ITEMS							
Project	Section	Justification	Benefits	Risks	Other Resource Available	Revenue/Capital	Estimated Cost
<b>Pinkery Drive</b> repair/reinstatement	Access, Engagement Estates	Impacting on customer access to Pinkery. Potential liability for vehicle repair claims. Potential to install cattle grid - link to future management at Driver Farm.	Improved access to Pinkery, reduction in potential claims from users	Conservation impact, procurement process	No (although RoW reserve potential?)	Capital	50,000
<b>Driver Farm</b> contribution to capital works	Access, Engagement Estates	Corporate cross-cutting project. Sale of East Anstey progressing slowly	Corporate Priority	Conservation impact, procurement process	No (hand-in-hand with East Anstey sale)	Capital	100,000
<b>Planning Agile System Replacement</b> (£53k in Planning Development Reserve at year-end 23/24)	Climate Nature Communities	Support costs for Agile system replacement which is due early 2025.	Support credible Planning System replacement		Yes (Development of Planning Service Reserve)	Capital	25,000
<b>Pinkery Energy Efficiency</b> and <b>Accessibility People Flow Arrangements</b> (Courtyard, corridor, reception arrangements) Also potential for further solar-thermal and additional PV.	Access, Engagement Estates	The full list of required decarbonisation works fell partially outside the Salix loan funding. It was also felt that a reorganisation of the inner courtyard space would greatly benefit accessibility and the visual aspects of the site.	Accessibility, use of other Access, diversity and inclusion. Carbon savings along with enhanced educational offering.	Need to properly scope out required works	Yes (Some Estates reserve pots, Environmental Resilience Reserve)	Capital	50,000
<b>Lynmouth Centre Toilet Refurbishment</b>	Enterprise Operations	Toilets are now becoming dated and requiring frequent repair	Improved visitor experience, reduced spend on maintenance	Timing of works is critical as centre is open year round	No (Not really within centre Spend to Save Reserve - fund within other resources)	Capital	20,000
<b>Exmoor House Roof</b> - condition survey	Enterprise Operations	Need to have an understanding of future repairs required and timescale to be able to phase major capital works	Better understanding of repair requirements, being able to phase works and allocate spend across the medium term	Bats may impact on this timing	Minor estates reserves	Capital	5,000
Total							250,000
REVENUE ITEMS							
<b>Air Quality Study</b>	Climate Nature Communities	Natural England will not fund this, essential for support planning policy	Will give clear data on a significant planning and conservation issue.	Timing of works	No (Possible match funding from other bodies)	Revenue	50,000
Additional <b>Communications Support</b> 1day per week. Could include fundraising /crowdfunding campaign element.	Enterprise Operations	1 day per week additional of Senior Comms Officer to support Comms/ fundraising and crowd-funding element of team/CareMoor legacies and wills	Possibility of supporting Income Generation	Currently reliant on one member of staff	Yes (Modernisation reserve and core budget)	Revenue	15,000
Additional <b>Project Management Resource.</b> Remanufacturing Project pages on SharePoint, bid-writing, linking to Project Pipeline and DT members to develop projects.	Enterprise Operations	Co-ordinating role will provide support and latency across teams and supports Corporate Plan cross-cutting strategic aims	Co-ordinating role will provide support and latency across teams and supports Corporate Plan cross-cutting strategic aims	Dependant on cross-team working.	Yes (possible use of Modernisation Reserve)	Revenue	15,000
Contribution to <b>extra Ecology Resource</b> (AF/CR). Grade F FT for 2 years to cover Landscape Development Work. SSSI monitoring. Paper inbound)	Climate Nature Communities	Support ecology. Some match funding from other sources (e.g.BNG)	Some budget elsewhere	What happens at end of 2 year period (redundancy costs to be built in). Need ecologist for estate (e.g. bat surveys etc)	Yes (some match funding towards this)	Revenue	48,000
<b>Local Plan Support</b> (£135k in reserve at year end 23/24 but that includes BNG).	Climate Nature Communities	Extra resource in team to support this required.	Support Local Plan process. Needs to review occupancy criteria, windows (upvc etc)	Needs to be formally costed with pay scales, grades and length of project.	Yes (Local Plan Reserve)	Revenue	100,000
<b>Historic Environment</b> - SLA with Cornwall Council to cover until end of June. Hoping to get capacity funding from Historic England for heritage at risk and to cover archaeology advice into planning Historic England advice stalled on this. No progress or provision for archaeology advice after June.	Access, Engagement Estates	25% match funding - a day per week from HER post. If Historic England doesn't go forward then we will be very short on arch support. Possibility of using Modernisation Reserve towards this.	At risk monitoring and repair programme delivery	Will need to find funding for a larger package if HE Capacity Funding is not forthcoming.	Yes (some match funding available)	Revenue	2,000
<b>Complete Design Guide</b> - potentially to include highway / public realm guidance	Climate Nature Communities	Provides a tool-kit of design principles	Helps to maintain the distinctive natural beauty of the National Park area. Provides a framework to ensure that any new development within the park aligns with its unique environmental, historical, and aesthetic values.	May require additional resource. Timing of agreement of the design guide may impact on decisions.	Part (Local Plan reserve exists)	Revenue	15,000
<b>Tree Nursery</b>	Access, Engagement Estates	Expecting Pioneers contribution however that project will not have started prior to required spend on Nursery	Ability to complete Tree Nursery on-time and re-assign projected Pioneers contribution to other activities	Delay may impact on the nursery to be set-up within project timescales.	Yes (Timing of resource availability may be the issue)	Revenue	5,000
DEFRA One-Off Grants 2024/25							Total 250,000

## EXMOOR NATIONAL PARK AUTHORITY

2 July 2024

### 2023/24 OUTTURN – STATEMENT OF ACCOUNTS

#### Report of the Chief Finance Officer

**Purpose of Report:** To note the 2023/24 Statement of Accounts that will be presented to the External Auditors for audit.

**RECOMMENDATION:** The Authority is recommended to CONSIDER and NOTE the Statement of Accounts for 2023/24.

**Authority Priority:** Achieve by providing core services; getting best value from our resources and improving our performance.

**Legal and Equality Implications:** Local Government Act 2003, Parts 1-3 (Capital Finance, Financial Administration and Grants), Sections 1-39.

Accounts and Audit (England) Regulations 2011, Part 2 (Financial Management and Internal Control).

The equality and human rights impact of the recommendations of this report have been assessed as having no adverse impact on any particular group or individual.

**Financial and Risk Implications:** The financial and risk implications are shown throughout the report.

**Climate Change Implications:** Budgets for climate response work have been identified as part of the corporate planning and budgetary processes.

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## 1. INTRODUCTION

- 1.1 The Accounts and Audit (England) Regulations 2015 require the responsible Finance Officer to produce and certify the Statement of Accounts by 31 May. Due to late receipt of by the Authority of the Pension Fund information from our Actuaries (Barnett Waddingham) which was received on 6 June 2024, Exmoor National Park Authority was not able to achieve this date, but instead published the draft accounts on the 11 of June. Of the 315 local authorities in the country, only 41% published by the 31 May 2024.
- 1.2 The certified Statement of Accounts for 2023/24 that has been produced has been presented to the External Auditor for consideration. The Auditor is required to issue an audit report giving their:
  - opinion on whether the financial statements presents a true and fair view of the financial position of the Authority as at 31 March 2024; and
  - conclusion on whether the Authority has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

## **2. STATEMENT OF ACCOUNTS**

- 2.1 The format and content of the Statement of Accounts comply with the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom 2023 (the Code) – and are required to present a true and fair view of the financial position of the Authority at 31 March 2024 and its comprehensive income and expenditure for the year ended 31 March 2024.
- 2.2 As Chief Finance Officer, I signed off the accounts on 10 June 2024.
- 2.3 Members of the Authority will note that the accounts have been prepared on a 'going concern' basis. This is based upon the fact that the Authority has a balanced MTFP, a robust budget setting process, ongoing funding streams and reserves that are adequate to meet challenges that arise. The 'going concern' basis assumes that the Authority will continue for the foreseeable future.
- 2.4 There are no significant changes to the structure of the accounts for 2023/24. Technical accounting changes that were due to be introduced in respect of leases were instead deferred.

**Ben Barrett**  
**Chief Finance Officer**  
**June 2024**



# Exmoor National Park

## Statement Of Accounts 2023/24

**Ben Barrett**  
Chief Finance Officer

**Sarah Bryan**  
Chief Executive





**DRAFT STATEMENT OF ACCOUNTS****2023/24****CONTENTS**

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## STATEMENT OF ACCOUNTS 2023/24

### NARRATIVE REPORT

#### Introduction

1. The Authority was created and given powers under the Environment Act 1995 and came into existence on 1 April 1997. The Act sets out two primary purposes for Exmoor National Park Authority ('the Authority'):
  - To conserve and enhance the natural beauty, wildlife and cultural heritage of the National Park area; and
  - To promote opportunities for understanding and enjoyment of the National Park's special qualities.
2. In carrying out these purposes the Authority also has a duty to seek to foster the social and economic well-being of local communities in the National Park and is the Planning Authority under the Town and Country Planning Acts for the National Park area.
3. Exmoor National Park Authority is required under section 66(1) of the Environment Act 1995 to produce a National Park Management Plan (the 'Partnership Plan') and State of the Park report and review them every five years. The National Park Authority is responsible for preparing the Plan, but it is developed in consultation with partner organizations, communities, visitors and businesses and will be delivered with a wide range of partners. The fundamental basis for the Plan, and for the work of the National Park Authority, are the National Park statutory purposes and duty. Evidence from the updated State of the Park report forms an important basis for the review of the Partnership Plan, and ongoing monitoring. In April 2018 the [Partnership Plan](#) 2018-23 was published by the Authority. This sets out the Vision and Ambitions for the National Park under three themes of 'People, Place and Prosperity'.
4. The Authority has recently established a steering group to support the preparation of the 2024-2029 Partnership Plan. The purpose of the Steering Group is to provide a strategic overview of the Plan; to help shape a collective partnership vision for Exmoor; to act as a challenge group to constructively examine what the Plan is seeking to achieve; and to help steer the work of the partnership organisations to contribute towards the delivery of the Plan vision and ambitions.

#### Governance

5. The Annual Governance Statement is included within this publication but does not form part of the Authority's accounts. The Annual Governance Statement (AGS) is found at the back of this document and explains the:
  - Scope of responsibilities;
  - Governance Framework; and
  - Significant governance issues and challenges faced by the Authority.

6. The AGS also details the impact of the pandemic on governance. Authority meetings are now undertaken in 'hybrid' form where presenters are able to deliver remotely and members are present in person.
7. An enhanced governance relationship with Defra began in 2020/21. This included an annual formal agreement and additional reporting requirements.
8. The AGS also details significant governance issues that will be covered over the course of 2024/25. These include the transition to a new Financial Information System and the commitment to implement an Anti-Money Laundering Policy.

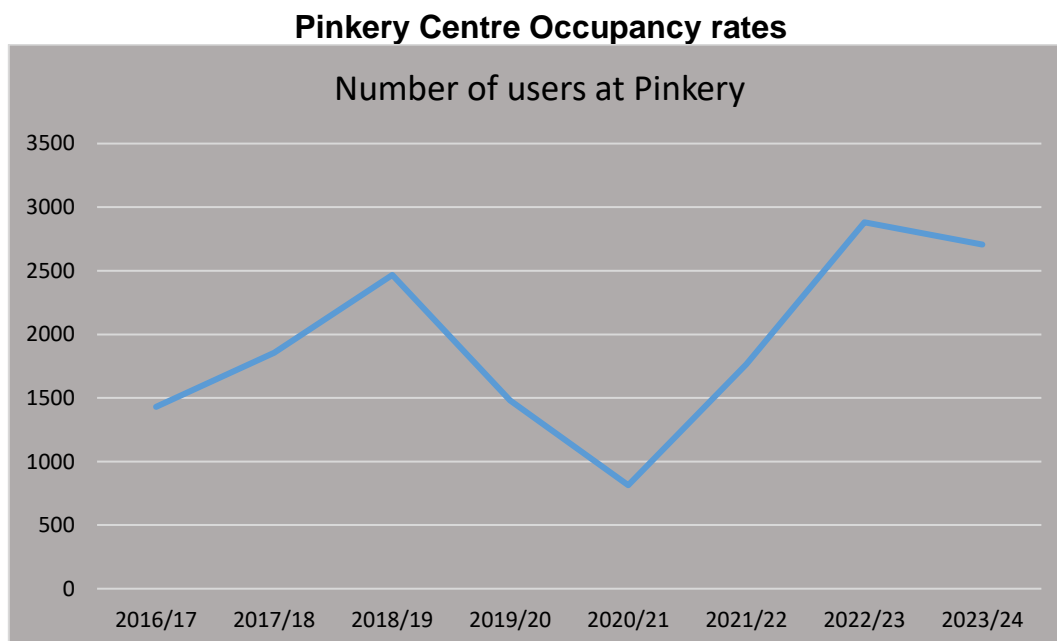
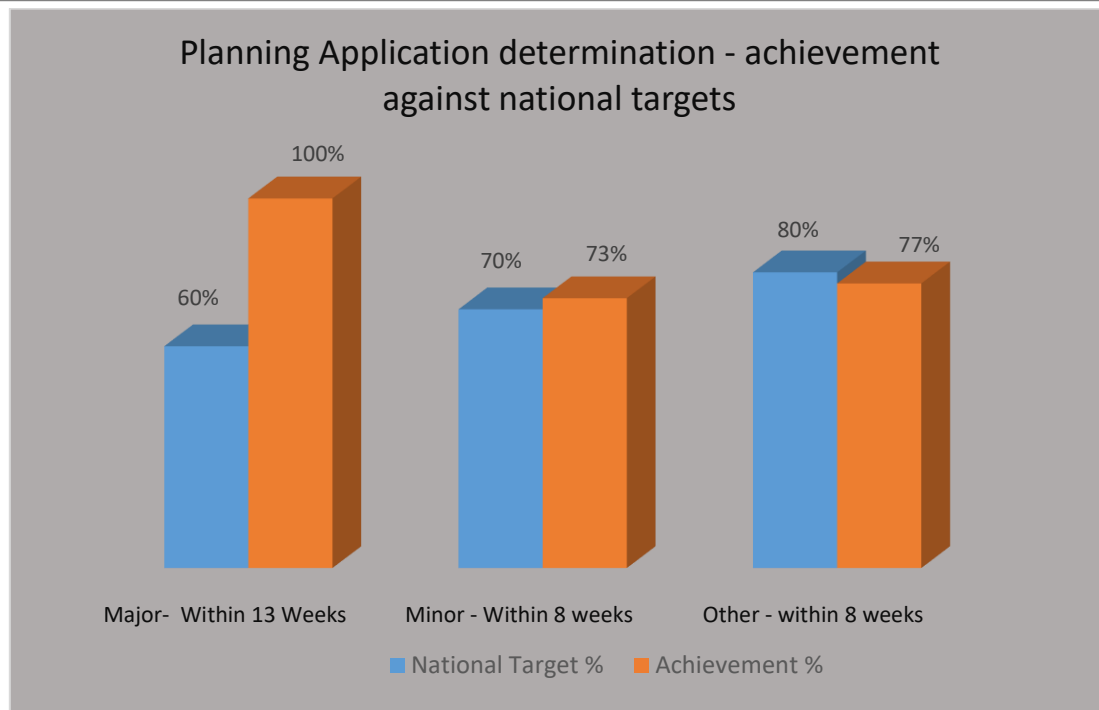
## **Organisation**

9. To achieve the purposes and duty described in 1 and 2, the organisation is structured in terms of Support to Land Managers, Support to National Park Users and Support to the Community and Business.

## **Performance**

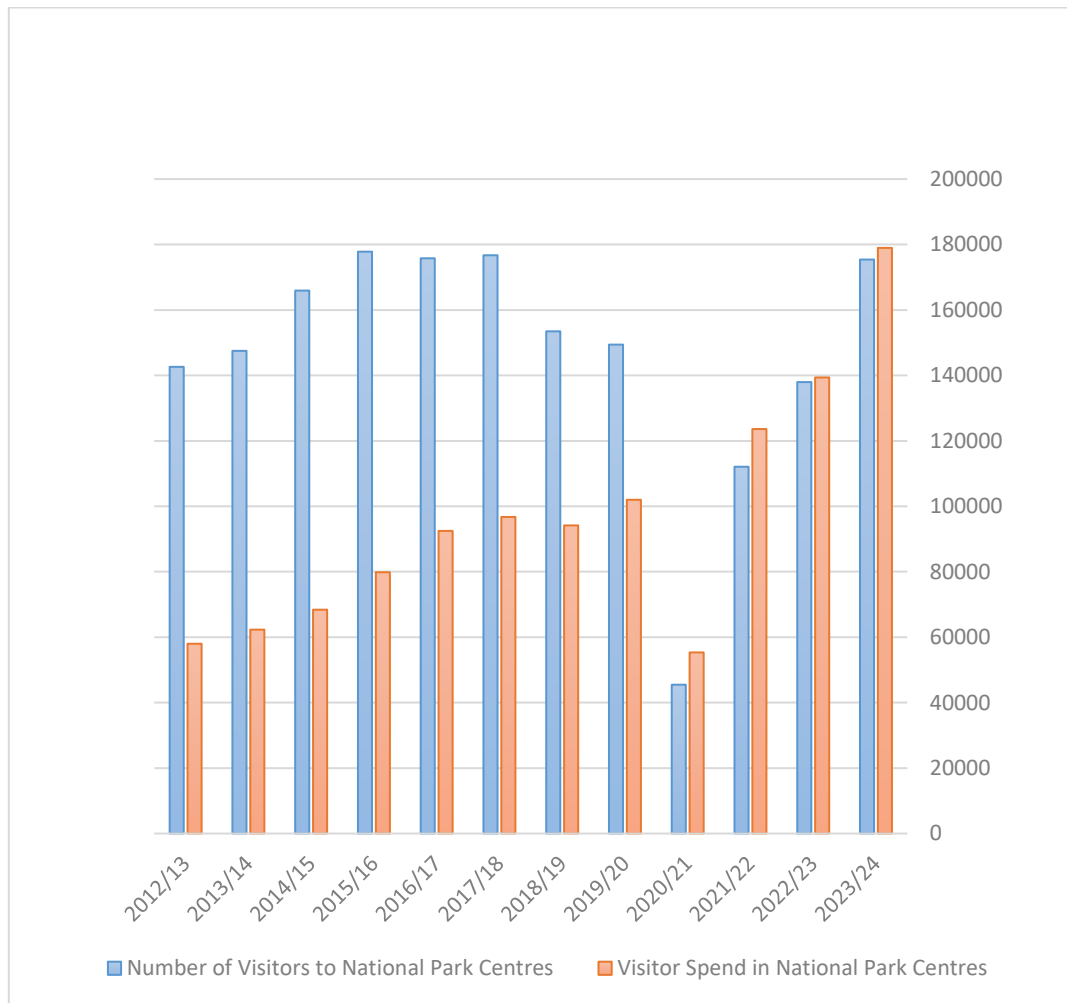
10. 2023/24 saw the implementation of a 3 year Corporate Strategy (2023-2026) with separately defined actions for 2023/24. A mid-year report of progress in implementing the previous Corporate Plan was taken to the Authority in December 2023, and the full report is due to go to the Authority in July 2024. Papers are available from the Exmoor National Park Authority's website.
11. Progress against key corporate indicators is given in the charts below. Performance is monitored quarterly by Leadership Team to ensure that the actions within the Corporate Plan are being achieved and, if necessary, to provide an opportunity for resources to be re-allocated or to review the proposed action.
12. For an analysis of performance in 2023/24 that goes beyond the Key Corporate Indicators please look to the report on the Authority's website.

## Key Corporate Indicators 1 April 2022 to 31 March 2024

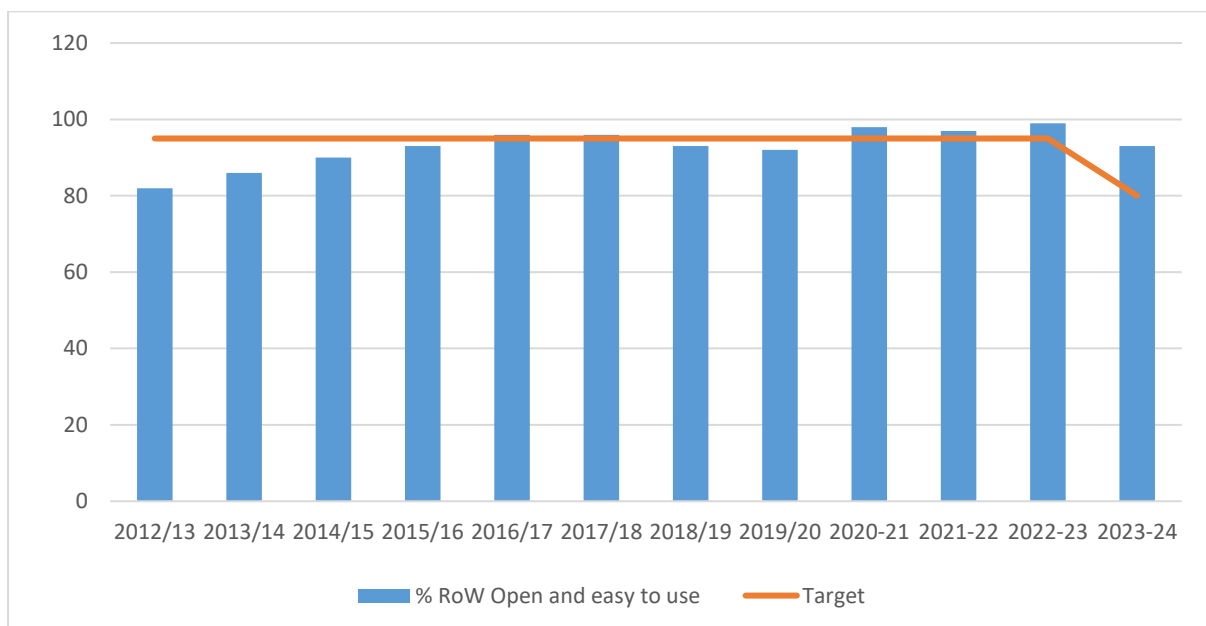


13. The Pinkery Centre is Exmoor National Park Authority's Centre for Outdoor Learning. The user numbers for 2023/24 show a slight downward trend following post-pandemic improvement which peaked in 2022/23.

## National Park Centre Visitor Numbers and Income Trend



## Rights of Way Open and Easy to Use Score



## Financial Statements

14. Information relating to financial performance for the year ended 31 March 2024 is contained in the following statements:

### **Comprehensive Income and Expenditure Statement (page 11);**

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation.

The Comprehensive Income & Expenditure Statement shows a surplus for 2023/24 of £1.377m. This contrasts with a surplus of £10.924m for 2022/23. The 2022/23 surplus was due to a substantial reduction in the pension fund liabilities and a small increase in values in the estate.

### **Movement in Reserves Statement (page 12);**

This statement shows the movement in the year on the different reserves held by the authority, analysed between 'usable' and other 'unusable' reserves. 'Usable' reserves are made up of Earmarked Reserves, General Fund Balances and Capital Receipts. The statement shows how the movements in year of the Authority's reserves are broken down between gains and losses incurred with generally accepted accounting practices and the statutory adjustments required to return the amounts chargeable to government grants for the year.

Usable reserves increased by £0.312m over the course of 2023/24 to £3.525m and unusable also increased over the same period by £1.065m to £18.174m.

### **Balance Sheet (page 13)**

This statement shows the values as at the Balance Sheet date of the assets and liabilities recognised by the Authority. The net assets of the Authority (assets less liabilities) are matched by the reserves held by the Authority.

Exmoor has £22.764m of assets in excess of its liabilities at the end of 2023/24 (£21.387m 2022/23). This is an increase of £1.377m which is primarily due to the decrease in the pensions deficit. The Authority owns £20.504m of Property, Plant and Equipment however many of these assets could not be realized at this level. Covenants attached to certain assets mean that they can only be sold to similar organizations and for the notional sum of £1.

### **Cash Flow Statement (page 14)**

The Cash Flow Statement shows the changes in cash and cash equivalents of the Authority during the reporting period. The statement shows how the Authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities.

The statement shows how the amount of Cash and Cash Equivalents increased by £298k over the course of 2023/24.

## Financial Performance

15. The revenue budget for 2023/24 was agreed on the 7 March 2023. Resources were applied to meet the purposes and duty described in 1 and 2. The approved budget was constructed across two themes:
  - A Core Budget with expenditure of £4,022,100 and income of £1,058,400 giving a net requirement of £2,963,700.
  - A Partnership budget involving expenditure of £247,800 of which £66,000 was top sliced for priority elements and £181,800 added to reserves.
16. When the 2023/24 budget was set, funds were found to support ongoing works at Driver Farm, clear trees affected by Ash Die-Back and for improvement works at Pinkery Outdoor Education Centre, Tarr Steps and across our car parks.
17. The Authority considered a revised budget and reviewed the elements of the budget at its meeting on 7 November 2023. Additional resources were found for the cost of the staff pay award.
18. A Business Process Review was undertaken during 2023/24 in order to meet the continued pressures of static National Park Grant (unchanged for 5 years) and the inflationary increases as a result for international conflicts. At budget setting in march 2023 savings targets for 2024/25 and 2025/26 were identified as £193,000 and £246,000 respectively. Each section of the Authority reviewed its activity and has set challenging targets for achieving cost-savings or enhancing income. The Business Review concluded in late Autumn 2023 and the resulting changes were agreed as part of the 2024/25 budget setting process.
19. 2023/24 is the third year of the Farming in Protected Landscapes (FiPL) programme which saw an increase in grants delivered of £127,000 in comparison to 2022/23. Additional resource was required to support the forthcoming Development Management planning system replacement as well as meeting increased costs of external audit (following National changes) and in respect of HR support relating to our Business Process Review and other one-off issues. In addition, there was also significant capital spend. This is shown below:
  - £43k on the establishment a tree Nursery at Exford Depot (part grant Funded);
  - £48k on replacing Field Service Team plant (Excavator, tracked barrow and forklift);
  - £24k on a Grillo Mower for the Sowing the Seeds project (part grant funded);
  - £45k on the continued decarbonisation scheme at Pinkery Outdoor Education Centre (£33k Biomass Boiler work which was part grant funded and £12k on increased battery storage);
  - £18k on a Renault Zoe EV replacing a diesel Ford Fiesta,
  - £29k on a Toyota Pro Ace EV van replacing a diesel Ranger Land Rover; and
  - £16k on secondary double glazing at Exmoor House.
20. The key recommendations to the Authority the year ended 31 March 2024 are:
  - The core budget shows an overspend for the year of £93k when compared with the revised budget. The reconciliation between this surplus and that shown in the Comprehensive Income and Expenditure Account is as follows:

	£000	£000
<b>Net (Surplus)/Deficit on the Provision of Services in the Comprehensive Income &amp; Expenditure Account</b>		<b>(524)</b>
<i>Non Cash Transactions</i>		
Net Transfers to Reserves	404	
Reverse IAS19 Pensions transactions	89	
Reverse Depreciation & Impairment charges	(120)	
Capital grant received	(71)	
Capital Expenditure	223	
Upwards Revaluation of Assets	21	
Capital Grants Applied	71	
<b>Management Accounts Budget Deficit</b>		<b>93</b>

21. Whilst 2023/24 was a similarly financially stable year to 2022/23, with the changes implemented as part of the Business Review, a move was seen to stabilise and enhance reserves to enable future projects to be funded from these resources. The Authority has continued to perform well against the original and revised budgets set and shown the ability to adapt to be able to meet new challenges. The next great challenge is to meet budgetary pressures in the near term.

## Financial Outlook and Medium-Term Financial Plan

22. In recent years the Authority has been successful in managing resources and meeting obligations in the context of a slightly increasing or flat National Park Grant. This has effectively meant trimming budgets, increasing trading income and the scope and level of charging and seeking external funding for larger schemes. This has been less than ideal but we have been able to maintain service provision.
23. National Park Grant figures will be flat for 2024/25 and with an election due in July 2024, there is no indication for 2025/26 figures. An ambitious Medium Term Financial Plan was set in March 2024. Whilst the business review detailed in paragraph 18 has delivered savings and maintained our financial health, there remain projected future savings gaps to be met in the later years of the MTFP.
24. We remain optimistic that the Authority will be able to deliver exciting conservation and engagement activities and meet our legal responsibilities in the future. We are successfully advancing on significant grant funded schemes such as Farming In Protected Landscapes, the Exmoor Pioneers project and Reviving Exmoor's Heartland (Landscape Recovery) project.
25. Within the Annual review of Risk Management it was stated that the extent of the financial challenge would be a major test of the leadership and governance of the Authority. So far, the test has been passed and the Authority has done very well to get to the point where we were able to recommend a balanced budget for 2024/25. However major challenges remain, and indications are that balanced budgets will be increasingly hard to set. In such circumstance, those external funding pots such as the Farming in Protected Landscape scheme or the proceeds of a Heritage Lottery Fund bid, or other schemes yet to be released become increasingly important to deliver key priorities.

B Barrett  
Chief Finance Officer  
May 2024

.....  
**Mrs S Bryan Chief Executive**

.....  
**Chairman**

**Date: x<sup>th</sup> xx 2024**



## STATEMENT OF ACCOUNTS 2023/24

### 2. STATEMENT OF RESPONSIBILITIES

#### 2.1 The Authority's Responsibilities

The Authority is required to:

- make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this Authority that officer is the Chief Finance Officer.
- manage its affairs to secure economic, efficient and effective use of resources and to safeguard its assets; and
- approve the Statement of Accounts.

#### 2.2 The Chief Finance Officer's Responsibilities

The Chief Finance Officer is responsible for the preparation of the Authority's Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice (the Code).

In preparing this Statement of Accounts, the Chief Finance Officer has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent, and
- complied with the local authority Code.

The Chief Finance Officer has also:

- kept proper accounting records which were up to date; and
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

#### 2.3 Chief Finance Officer's Certificate:

**I certify that this Statement of Accounts has been prepared in accordance with the Accounts and Audit Regulations 2015 and that it gives a true and fair view of the financial position of Exmoor National Park Authority as at 31 March 2024 and its income and expenditure for the year ended 31 March 2024.**

**B Barrett**

**Chief Finance Officer: ..... Date: 10<sup>th</sup> June 2024**

## Comprehensive Income and Expenditure Statement

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from National Park Grant. National Park Authorities receive National Park Grant and raise other income to cover expenditure in accordance with statutory requirements; this may be different from the accounting cost. The taxation (government grant) position is shown in both the Expenditure and Funding Analysis and the Movement in Reserves Statement.

2022/23				2023/24		
Gross Expenditure £000	Gross Income £000 (Notes 10 & 11)	Net Expenditure £000		Gross Expenditure £000	Gross Income £000 (Notes 10 & 11)	Net Expenditure £000
2,024	(993)	1,031	Support to Land Managers	2,352	(1,741)	611
881	(136)	745	Support to the Community	571	(325)	246
944	(427)	517	Support to National Park Users	1,008	(496)	512
1,577	(402)	1,175	Support Services	1,515	(403)	1,112
296	-	296	Corporate Management	244	(10)	234
133	(21)	112	Partnership Fund	40	-	40
<b>5,855</b>	<b>(1,979)</b>	<b>3,876</b>	<b>Cost of Services</b>	<b>5,730</b>	<b>(2,975)</b>	<b>2,755</b>
170	-	170	Other Operating Expenditure (Note 12)	12	-	12
311	(55)	256	Financing and Investment Income and Expenditure (Note 13)	77	(156)	(79)
-	(3,652)	(3,652)	Taxation and Non-Specific Grant Income (Note 14)	-	(3,212)	(3,212)
<b>6,336</b>	<b>(5,686)</b>	<b>650</b>	<b>(Surplus)/Deficit on Provision of Services</b>	<b>5,819</b>	<b>(6,343)</b>	<b>(524)</b>
		(474)	(Surplus) or deficit on revaluation of Property, Plant and Equipment (Notes 22 & 23)			(240)
		(11,100)	Remeasurement of Net Defined Benefit Liability/(Asset) (Note 33)			(613)
		<b>(11,574)</b>	<b>Other Comprehensive Income and Expenditure</b>			<b>(853)</b>
		<b>(10,924)</b>	<b>Total Comprehensive Income and Expenditure (Surplus)/Deficit</b>			<b>(1,377)</b>

## Movement in Reserves Statement

This statement shows the movement in the year on the different reserves held by the authority, analysed into 'General Fund Balance' (i.e. Earmarked Reserves and the General Fund proper which can be applied to fund expenditure) and other 'unusable' reserves. The statement shows how the movements in year of the Authority's reserves are broken down between gains and losses incurred with generally accepted accounting practices and the statutory adjustments required to return the amounts chargeable to government grants for the year. The Net Increase/Decrease line shows the statutory General Fund Balance movements in the year following those adjustments.

	General Fund Balance £000	Capital Receipts Unapplied £000	Total Usable reserves £000	Unusable Reserves £000	Total Authority Reserves £000
<b>Balance at 31 March 2022</b>	<b>3,033</b>	-	<b>3,033</b>	<b>7,430</b>	<b>10,463</b>
<b>Movement in reserves during 2022/23</b>					
Total Comprehensive Income and Expenditure	(650)	-	<b>(650)</b>	11,574	<b>10,924</b>
Adjustments between accounting basis & funding basis under regulations (Note 20)	830	-	<b>830</b>	(830)	-
<b>Net Increase/(Decrease)</b>	<b>180</b>	-	<b>180</b>	<b>10,744</b>	<b>10,924</b>
<b>Balance at 31 March 2023</b>	<b>3,213</b>	-	<b>3,213</b>	<b>18,174</b>	<b>21,387</b>
<b>Movement in reserves during 2023/24</b>					
Total Comprehensive Income and Expenditure	524	-	<b>524</b>	853	<b>1,377</b>
Adjustments between accounting basis & funding basis under regulations (Note 20)	(212)	-	<b>(212)</b>	212	-
<b>Increase/(Decrease) in 2023/24</b>	<b>312</b>	-	<b>312</b>	<b>1,065</b>	<b>1,377</b>
<b>Balance at 31 March 2024 (Notes 21 and 30)</b>	<b>3,525</b>	-	<b>3,525</b>	<b>19,239</b>	<b>22,764</b>

## Balance Sheet

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Authority. The net assets of the Authority (assets less liabilities) are matched by the reserves held by the Authority. Reserves are reported in two categories. The first category of reserves are usable reserves, i.e. those reserves the Authority may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt). The second category of reserves is those that the Authority is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

<b>31 March 2023 £000</b>		<b>Notes</b>	<b>31 March 2024 £000</b>
20,012	Property, Plant & Equipment	22	20,450
131	Heritage Assets	23	54
<b>20,143</b>	<b>Long Term Assets</b>		<b>20,504</b>
69	Inventories	-	79
1,342	Short Term Debtors	25	1,471
2,308	Cash and Cash Equivalents	26	2,606
<b>3,719</b>	<b>Current Assets</b>		<b>4,156</b>
(8)	Receipts in Advance	-	(14)
-	Cash and Cash Equivalents	26	-
(406)	Short Term Creditors	27	(516)
(133)	Bad Debt Provision	25	(140)
<b>(547)</b>	<b>Current Liabilities</b>		<b>(670)</b>
(1,928)	Other Long-Term Liabilities	33	(1,226)
<b>(1,928)</b>	<b>Long Term Liabilities</b>		<b>(1,226)</b>
<b>21,387</b>	<b>Net Assets</b>		<b>22,764</b>
3,213	Usable Reserves	21	3,525
18,174	Unusable Reserves	30	19,239
<b>21,387</b>	<b>Total Reserves</b>		<b>22,764</b>

## Authorised for Issue

The un-audited Accounts were authorised for issue by the Chief Finance Officer on 10 June 2024.

## Cash Flow Statement

The Cash Flow Statement shows the changes in cash and cash equivalents of the Authority during the reporting period. The statement shows how the authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Authority are funded by way of grant income or from the recipients of services provided by the Authority. Investing Activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Authority's future service delivery. Cash flows arising from financing activities are useful in predicating claims on future cash flows by providers of capital (i.e. borrowing) to the Authority.

<b>2022/23 £000</b>		<b>2023/24 £000</b>
<b>650</b>	<b>Net (surplus) or deficit on the Provision of Services</b>	<b>(524)</b>
	<i>Adjustments for-</i>	
(432)	Non Cash Movements (Note 35)	3
<b>218</b>	<b>Net Cash flows from Operating Activities</b>	<b>(521)</b>
299	Investing Activities (Note 36)	223
-	Financing Activities (Note 37)	-
<b>517</b>	<b>Net (increase)/decrease in Cash and Cash equivalents</b>	<b>(298)</b>
2,825	Cash and Cash Equivalents at the beginning of the reporting period	2,308
<b>2,308</b>	<b>Cash and Cash Equivalents at the end of the reporting period</b>	<b>2,606</b>
<b>517</b>	<b>Net (increase)/decrease in Cash and Cash equivalents</b>	<b>(298)</b>

## STATEMENT OF ACCOUNTS 2023/24

### NOTES TO THE ACCOUNTS

#### Note 1: Accounting Policies

##### i **General Principles**

The Statement of Accounts summarises the Authority's transactions for the 2023/24 financial year and its position at the year-end 31 March 2024. The Authority is required to prepare an annual Statement of Accounts by the Accounts and Audit Regulations 2015 in accordance with proper accounting practices. These practices under Section 21 of the 2003 Act primarily comprise the Code of Practice on Local Authority Accounting in the UK 2023/24 (The Code) supported by International Financial Reporting Standards (IRFS) and statutory guidance issued under section 12 of the 2003 Act.

The Statement of Accounts has been prepared using the going concern and accrual basis. The historical cost convention has been applied, modified by the revaluation of certain categories of non-current assets and financial instruments.

##### ii **Accruals of Income and Expenditure**

Activity is accounted for in the year it takes place, not simply when cash payments are made or received. In particular:

- Revenue from the sale of goods is recognised when the Authority transfers the significant risks and rewards of ownership to the purchaser and it is probable that economic benefits or service potential associated with the transaction will flow to the Authority.
- Revenue from the provision of services is recognised when the Authority can measure reliably the percentage of completion of the transaction and it is probable that economic benefits or service potential associated with the transaction will flow to the Authority.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.
- Small amounts outstanding at year end are treated on a payments basis. In total, these do not have a material effect on the year's accounts.

iii **Cash and Cash Equivalents (Note 26)**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in no more than three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Authority's cash management.

iv **Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors**

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively i.e. in the current and future years affected by the change and do not give rise to a prior period adjustment. Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Authority's financial position or financial performance. Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied. Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

v **Charges to Revenue for Non-Current Assets**

Services and support services are debited with the following amounts to record the cost of holding fixed assets during the year:

- depreciation attributable to the assets used by the relevant service
- revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off.

vi **Employee Benefits (Notes 16,33)**

Benefits Payable During Employment

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g. cars) for current employees and are recognised as an expense for services in the year in which employees render service to the Authority. An accrual is made for the cost of holiday entitlements (or any form of leave e.g. time off in lieu) earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is made at the wage and salary rates applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to Surplus or Deficit on the Provision of Services, but then reversed out through the Movement in Reserves Statement so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Authority to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy and are charged on an accruals basis to the Service lines in the Comprehensive Income and Expenditure Statement when the Authority is demonstrably committed to the termination of the employment of an officer or group of officers or making an offer to encourage voluntary redundancy.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund balance to be charged with the amount payable

by the Authority to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and to replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable at the year-end.

#### Post Employment Benefits

Most employees of the Authority are members of the following pension scheme:

- The Local Government Pensions Scheme, administered by Peninsula Pensions.

The scheme provides defined benefits to members (retirement lump sums and pensions), earned as employees who worked for the Authority.

#### *The Local Government Pension Scheme*

**The Local Government Scheme is accounted for as a defined benefits scheme:**

- The liabilities of the SC LGPS pension fund attributable to the Authority are included in the Balance Sheet on an actuarial basis using the projected unit method – i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc. and projections of earnings for current employees.
- Liabilities are discounted to their value at current prices, using a discount rate based on the indicative rate of return on high quality corporate bond (annualised yield at the 20-year point on the Merrill Lynch AA-rated corporate bond yield curve).
- The assets of SC pension fund attributable to the Authority are included in the Balance Sheet at their fair values.
  - quoted securities – current bid price
  - unquoted securities – professional estimate
  - unitised securities – current bid price
  - property – market value
- The change in the net pensions liability is analysed into seven components:
- **Service Cost comprising:**
  - Current service cost: the increase in liabilities as a result of years of service earned this year which is allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked.
  - Past service cost: the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years will be debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non-Distributed Costs.
  - Net interest on the defined liability: i.e. net interest expense for the authority – the change during the period in the net defined liability that arises from the passage of time charged to the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement. This is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined liability at the beginning of the period, taking into account any changes in the net defined liability during the period as a result of contribution and benefit payments.



- **Remeasurement comprising:**
  - The return on plan assets: excluding amounts included in net interest on the net defined liability – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
  - Actuarial gains and losses: changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
- Contributions paid to the Somerset Council pension fund:
  - Cash paid as employer's contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by the Authority to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

#### *Discretionary Benefits*

The Authority also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

### vii **Events After the Balance Sheet Date (Note 6)**

Events after the balance sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the end of the reporting period – the Statement of Accounts is adjusted to reflect such events
- those that are indicative of conditions that arose after the reporting period – the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

### viii **Financial Instruments (Note 24)**

Financial liabilities are recognised on the Balance Sheet when the Authority becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and are carried at their amortised cost.

Financial assets are classified on a classification and measurement approach that reflects the business model for holding the financial assets and their cashflow characteristics: there are three main classes of financial assets measured at:

- Amortised cost
- Fair value through profit and loss (none)
- Fair value through other comprehensive income (none)

Our business model is to hold investments to collect contractual cashflows. Financial assets are therefore classified at amortised cost (bank deposits and debtors).

Financial assets measured at amortised cost are recognised in the Balance Sheet when we become party to the contractual provisions of the instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits are made to the Financing and Investment Income and Expenditure line in the CIES for interest receivable, based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. Any gains and losses that arise on derecognition are credited or debited to the Financing and Investment Income and Expenditure line in the CIES.

Expected Credit Loss Model - we recognise expected credit losses on financial assets held at amortised cost either on a 12-month or lifetime basis and also applies to lease receivables and contract assets. Only lifetime losses are recognised for trade receivables (debtors). Impairment losses are calculated to reflect the expectation that the future cash flows might not take place due to default. Credit risk plays an important part in assessing losses. Where risk has increased significantly since initial recognition, losses are assessed on a life-time basis. Where risk has not increased significantly or remains low, losses are assessed on the basis of 12 month expected losses. If expected losses are not material then no allowance will be made.

**ix Government Grants and Contributions (Note 19)**

Whether paid on account, by instalments or in arrears, government grants and third party contributions and donations are recognised as due to the Authority when there is reasonable assurance that:

- the Authority will comply with the conditions attached to the payments and
- the grants or contributions will be received.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non-ring-fenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

**x Inventories**

Inventories held for resale at the three National Park Centres are included in the Balance Sheet at the lower of net realisable value and cost.

**xi Property, Plant and Equipment (Note 22)**

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Authority and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred.

### De-minimis

Expenditure below £5,000 on property, plant and equipment is treated as revenue expenditure and is charged to the relevant service line in the Comprehensive Income & Expenditure Statement in the year that it is incurred.

### Measurement

Assets are initially measured at cost, comprising the purchase price and any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The cost of assets acquired other than by purchase is deemed to be its fair value, unless the acquisition does not have commercial substance (i.e. it will not lead to a variation in the cash flows of the Authority).

Assets are then carried in the Balance Sheet using the following measurement bases:

- infrastructure, community assets and assets under construction – depreciated historical cost
- all other assets – fair value, determined as the amount that would be paid for the asset in its existing use (existing use value – EUV)

Where there is no market-based evidence of fair value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of fair value. Where non-property assets that have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for fair value.

Assets included in the Balance Sheet at fair value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their fair value at the year-end, but as a minimum every five years. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains.

Where decreases in value are identified, they are accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains)
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

### Impairment

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Where impairment losses are identified, they are accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains)
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line(s) in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

### Depreciation

Depreciation is provided for on all Property, Plant and Equipment assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life (i.e. freehold land and certain Community Assets) and assets that are not yet available for use (i.e. assets under construction).

Depreciation is calculated on the following bases:

- dwellings and other buildings – straight-line allocation over the useful life of the property as estimated by the valuer
- vehicles, plant, furniture and equipment – straight-line allocation over the useful life of the asset

Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

### Disposals

Where an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Amounts received for a disposal in excess of £10,000 are categorised as capital receipts. The balance of receipts is required to be credited to the Capital Receipts Reserve and can then only be used for new capital investment or set aside to reduce the Authority's underlying need to borrow (the capital financing requirement) (England and Wales). Receipts are appropriated to the Reserve from the General Fund Balance in the Movement in Reserves Statement.

The written-off value of disposals is not a charge against National Park Grant, as the cost of fixed assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

### Non-current assets-held-for-sale

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an asset-held-for-sale. The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell.

## xii **Contingent Liabilities and Contingent Assets (Note 34)**

### Contingent Assets

Contingent assets are disclosed by way of note where it is probable that there will be an inflow of economic benefits or service potential.

A contingent asset arises where an event has taken place that gives the Authority a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Authority.

### Contingent Liabilities

A contingent liability arises where an event has taken place that gives the authority a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the authority. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

## xiii **Reserves (Notes 20, 21, 30)**

The Authority sets aside specific amounts as reserves for future purposes or to cover contingencies. Reserves are created by appropriating amounts out of the General Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year to score against the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the General Fund Balance in the Movement in Reserves Statement so that there is no net charge against National Park Grant for the expenditure.

Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments, retirement and employee benefits and do not represent usable resources for the Authority.

## xiv **Heritage Assets (Note 23)**

The Authority's Heritage Assets are assets held by the Authority principally for their contribution to knowledge and/or culture. They are recognised and measured in accordance with the Authority's accounting policies on Property, Plant and Equipment. The authority only recognises three Heritage Assets; the Brendon Hills Incline, the Simonsbath Sawmill and the Pottery Kiln in Dunster. The incline and the sawmill are valued at Existing Use Value while the Pottery Kiln applies the reinstatement (insurance) value as there is no existing use for the Pottery Kiln. During 2023/24 the Sawmill was leased out and has therefore been recategorised as Land & Buildings

Xv      **Provisions (Note 28)**

Provisions are made where an event has taken place that gives the Authority a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that the Authority becomes aware of the obligation and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties. When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year. Where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the Provision is reversed and credited back to the relevant service. leases.

Xvi      **Leases (Note 38)**

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases.

Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification.

Arrangements that do not have the legal status but convey a right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement is dependent on the use of specific assets.

The Authority as Lessee

*Operating Leases*

Rentals paid under operating leases are charged to the Comprehensive Income and Expenditure Statement as an expense of the services benefiting from use of the leased property, plant or equipment.

The Authority as Lessor

*Operating Leases*

Where the Authority grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet

**Note 2: Accounting Standards that have been issued but have not yet been adopted**

There are no changes in accounting requirements for 2024/25 other than IFRS 16 that are anticipated to have a material impact on the Authority's financial performance or financial position.

For the 2024/25 financial year, the Authority must implement IFRS 16 Leases, applying the provisions as they have been adopted in the 2024/25 Code of Practice on Local Authority Accounting.

The main impact of IFRS 16 will relate to property that the Authority holds under operating leases, for which assets and liabilities are not recognised and rents are generally charged as revenue expenditure when they are payable. Under IFRS 16, the accounting treatment for all leases (except those with a term of less than 12 months and those involving low value items) will be to recognise a right-of-use asset in the Balance Sheet, measuring the value of the

Authorities right to use the property over the remaining term of the lease. The Balance Sheet will also include a liability for the rents payable before the lease expires.

When rents are paid, they will be applied partly to write down the liability and partly charged as interest on the outstanding liability. The cost of the right-of-use asset will be reflected in depreciation charges in the Comprehensive Income and Expenditure Statement. However, statutory arrangements are in place that will allow the impact on the General Fund Balance to be unchanged – ie, that the overall charge for each year will be the rents payable in that year.

The Code also requires that changes in accounting policy are to be applied retrospectively unless transitional arrangements are specified, this would result in an impact on disclosures spanning two financial years.

None of these changes in accounting requirements for future years are anticipated to have a material impact on the Council's financial performance or financial position.

### **Note 3: Material Items of Income and Expenditure**

There are no material items to disclose in 2023/24.

### **Note 4: Critical Judgements in Applying Accounting Policies**

In applying the accounting policies set out within the notes in the Statement of Accounts the Authority may have to make certain judgements about complex transactions or those involving uncertainty about future events. These accounts contain no such judgements.

### **Note 5: Assumptions Made About the Future and Other Major Sources of Estimation**

The Statement of Accounts contains estimated figures that are based on assumptions made by the Authority about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

There are three items in the Authority's Balance Sheet as at 31 March 2024, for which there is a significant risk of material adjustment in forthcoming financial years. They are as follows:

<b>Item</b>	<b>Uncertainties</b>	<b>Effect if Actual Results Differ from Assumptions</b>
<b>Pensions Liability</b>	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of actuaries is engaged to provide the Authority with expert advice about the assumptions to be applied.	The effects of the net pension liability of changes in individual assumptions can be measured. For instance, a 0.1% increase in the discount rate assumption would result in a decrease in the pension liability of £296K. However, the assumptions interact in complex ways. During 2023/24, the Authority's actuaries advised that due to estimates being adjusted (as a result of experience and updating the assumptions) the net pension liability had decreased by £702K.
<b>Pensions Asset Ceiling</b>	In calculating the net pensions asset, the Authority has made a judgement that the statutory framework for setting employer's contributions under the Local government Pension Scheme	The effect of the asset ceiling has been determined by the Scheme's actuaries on the basis of the limitations on the Authority's ability to recover the full economic benefit of its asset through reductions in future employer's

	<p>constitutes a minimum funding requirement. As a result, the Authority's ability to realise the full economic benefits of the net pensions asset of £1.064m calculated under the Accounting Code's provisions for post-employment benefits through reductions in future employer's contribution is limited. An asset Ceiling therefore applies. The practical effect of this is to move the basis of measurement for the net pensions closer to the assumptions made in the triennial valuation of the scheme under which the employer's contribution were set by the Scheme's Actuary. It does not indicate that the authority has paid excess amounts into the Scheme that it will never be able to recover</p>	<p>contributions because of the minimum funding requirement imposed on it by the funding strategy for the Scheme in place as at 31 March 2024. The Scheme's Actuary has assessed the Authority's estimated future service costs less the estimated minimum funding requirement contributions to establish the economic benefit that is available to the Authority. The net pensions asset has therefore been adjusted by this effect of the asset ceiling</p>
<b>Property Plant and Equipment - Valuation</b>	<p>The Authority engages a qualified Royal Institution of Chartered Surveyors (RICS) surveyor from NPS, to provide valuations of land and property assets at the year end. The values of assets are adjusted to their current values by reviewing the sales of similar assets in the region, applying indexation and considering impairment of individual assets. The valuer works closely with the finance staff on all valuation matters.</p>	<p>Significant changes in the assumptions of future income streams/growth, occupancy levels, ongoing property maintenance and other factors would result in a significantly higher or lower fair value measurement for these assets. In particular, the pandemic and the high levels of inflation being experienced continue to affect economies and real estate markets globally. Nevertheless, an adequate quantum of market evidence exists upon which to base opinions of value. The year-end balance of PPE was £20.504m.</p>
<b>Debtors/ Bad Debt provision</b>	<p>Contained within these accounts are estimates of the debt outstanding related to a long running planning dispute. These have been estimated by lawyers based upon actual costs incurred but not all of these may be recognized by the courts. The debt will be recovered based upon a house that has been repossessed and is in the process of being sold. These accounts contain a provision for the difference before the estimated debt and the possible proceeds on the repossessed property that are available to the Authority.</p>	<p>A 10% difference between the costs estimate by lawyers and that determined by the courts would equate to a £47k misestimate in the debtor.</p> <p>A 10% difference between the sale proceeds and the estimated value would equate to £90k. This would directly impact on the funds available to meet the related debt.</p>



## **Note 6: Events after the Balance Sheet Date**

The Statement of Accounts was authorised for issue by the Chief Finance Officer on 10 June 2024. Events taking place after this date are not reflected in the financial statements or notes. Where events taking place before this date provided information about conditions existing at 31 March 2024, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

There are no events after the Balance Sheet date that need to be reported.

## **Note 7: Related Parties**

The Authority is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Authority or to be controlled or influenced by the Authority. Disclosure of these transactions allows readers to assess the extent to which the Authority might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Authority.

### *Central Government*

Central government has effective control over the general operations of the Authority – it is responsible for providing the statutory framework within which the Authority operates, provides the majority of its funding in the form of grants. Grants received from government departments are set out in the subjective analysis in Note 19 on Grant Income.

### *Members*

Members of the Authority have direct control over the Authority's financial and operating policies. 12 of the Authority's members are also elected members of other local authorities within Devon and Somerset. The Authority's Standing Orders requires a register to be kept of members disclosable pecuniary interests and declarations of related party transactions in a register of interests. In addition, members are asked to declare separately any transactions with the Authority. A summary of the Members' allowances paid in 2023/24 is shown in Note 15.

### *Officers*

Officers of the Authority are bound by the Authority's Code of Conduct which seeks to prevent related parties exerting undue influence over the Authority. Senior Officers are required to declare any transactions with the Authority. No transactions have been disclosed.

The Authority's transactions with the Somerset Council Pension Fund are detailed within Note 33 to the Financial Statements.

## Note 8: Expenditure and Funding Analysis

The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources (government grants, other grants and contributions, sales, fees and charges) by the Authority in comparison with those resources consumed or earned by the Authority in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the Authority's service areas. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

2022/23				2023/24		
Net Expenditure Chargeable to the General Fund £000	Adjustments between Funding & Accounting basis £000 (Note 9)	Net Expenditure in the CI&ES £000		Net Expenditure Chargeable to the General Fund £000	Adjustments between Funding & Accounting basis £000 (Note 9)	Net Expenditure in the CI&ES £000
987	44	1,031	Support to Land Managers	859	(248)	611
657	88	745	Support to the Community	260	(14)	246
509	8	517	Support to National Park Users	488	24	512
1,012	163	1,175	Support Services	1,155	(43)	1,112
262	34	296	Corporate Management	250	(16)	234
100	12	112	Partnership Fund	43	(3)	40
<b>3,527</b>	<b>349</b>	<b>3,876</b>	<b>Net Cost of Services</b>	<b>3,055</b>	<b>(300)</b>	<b>2,755</b>
(3,707)	481	(3,226)	Other Income & Expenditure	(3,367)	88	(3,279)
<b>(180)</b>	<b>830</b>	<b>650</b>	<b>(Surplus)/Deficit on Provision of Services</b>	<b>(312)</b>	<b>(212)</b>	<b>(524)</b>
<b>(3,033)</b>			<b>Opening General Fund Balance</b>	<b>(3,213)</b>		
(180)			Deficit/(surplus) on General Fund in Year	(312)		
<b>(3,213)</b>			<b>Closing General Fund Balance</b>	<b>(3,525)</b>		

## Note 9: Note to the Expenditure and Funding Analysis

Adjustments between the Funding and Accounting Basis 2023/24.

Adjustments from the General Fund to arrive at the CIES amounts	Adjustments for Capital Purposes (note a)	Net change for Pensions Adjustment (note b)	Other Differences (note c)	Total Adjustments
	£000	£000	£000	£000
Support to Land Managers	(202)	(46)	-	(248)
Support to the Community	1	(15)	-	(14)
Support to National Park Users	53	(29)	-	24
Support Services	25	(68)	-	(43)
Corporate Management	-	(16)	-	(16)
Partnership Fund	-	(3)	-	(3)
<b>Net Cost of Services</b>	<b>(123)</b>	<b>(177)</b>	<b>-</b>	<b>(300)</b>
Other Income & Expenditure	0	88	-	88
<b>Surplus/Deficit on the Provision of Services</b>	<b>(123)</b>	<b>(89)</b>	<b>-</b>	<b>(212)</b>

Adjustments from the General Fund to arrive at the CIES amounts	Adjustments for Capital Purposes (note a)	Net change for Pensions Adjustment (note b)	Other Differences (note c)	Total Adjustments
	£000	£000	£000	£000
Support to Land Managers	(78)	126	(4)	44
Support to the Community	-	91	(3)	88
Support to National Park Users	(54)	65	(3)	8
Support Services	32	136	(5)	163
Corporate Management	-	35	(1)	34
Partnership Fund	-	13	(1)	12
<b>Net Cost of Services</b>	<b>(100)</b>	<b>466</b>	<b>(17)</b>	<b>349</b>
Other Income & Expenditure	161	320	-	481
<b>Surplus/Deficit on the Provision of Services</b>	<b>61</b>	<b>786</b>	<b>(17)</b>	<b>830</b>

**a) Adjustments for Capital Purposes** - this column adds in depreciation and impairment, financing and revaluation gains and losses in the services line

**b) Net Change for Pensions Adjustments** - Net change for removal of pension contributions and the addition of IAS19 Employee Benefits pension related expenditure and income:

- **For services** - this represents removal of the employer pension contributions made by the Authority as allowed by statute and the replacement with current service costs and past service costs
- **For Financing and investment income and expenditure** - the net interest on the defined benefit liability is charged to the CIES

**c) Other Differences** - other differences debited / credited to the CIES and amounts payable / receivable to be recognised under statute i.e. accumulated absences.

### Notes Supporting the Comprehensive Income and Expenditure Statement

#### Note 10: Expenditure and Income Analysed by Nature

2022/23 £000	Expenditure	2023/24 £000
3,074	Employee Benefits Expenses	3,311
2,815	Other Service Expenses	2,274
136	Depreciation, Amortisation & Impairment	157
311	Interest Payments	77
<b>6,336</b>	<b>Total Expenditure</b>	<b>5,819</b>
	<b>Income</b>	
(1,979)	Grants, Fees, Charges and other Service Income	(2,975)
(3,652)	Government Grants & Contributions	(3,212)
(55)	Interest & Investment Income	(156)
<b>(5,686)</b>	<b>Total Income</b>	<b>(6,343)</b>
<b>650</b>	<b>Deficit on the provision of service</b>	<b>(524)</b>

## Note 11: Segmental Income

### 2023/24

	<b>Grants &amp; Contributions</b>	<b>Fees &amp; Charges</b>	<b>Sales Income</b>	<b>Other</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Support to Land Managers	(1,492)	(96)	(12)	(140)	<b>(1,740)</b>
Support to the Community	(89)	(164)	-	(72)	<b>(325)</b>
Support to National Park Users	(48)	(244)	(165)	(40)	<b>(497)</b>
Support Services	(172)	(11)	(3)	(227)	<b>(413)</b>
Partnership Fund	-	-	-	-	-
<b>Total Income</b>	<b>(1,801)</b>	<b>(515)</b>	<b>(180)</b>	<b>(479)</b>	<b>(2,975)</b>

### 2022/23

	<b>Grants &amp; Contributions</b>	<b>Fees &amp; Charges</b>	<b>Sales Income</b>	<b>Other</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Support to Land Managers	(976)	(12)	-	(5)	<b>(993)</b>
Support to the Community	(40)	(96)	-	-	<b>(136)</b>
Support to National Park Users	(30)	(241)	(126)	(30)	<b>(427)</b>
Support Services	(38)	(28)	(5)	(331)	<b>(402)</b>
Partnership Fund	-	(21)	-	-	<b>(21)</b>
<b>Total Income</b>	<b>(1,084)</b>	<b>(398)</b>	<b>(131)</b>	<b>(366)</b>	<b>(1,979)</b>

## Note 12: Other Operating Expenditure

<b>2022/23 £000</b>		<b>2023/24 £000</b>
161	(Gains)/Losses on the disposal of non-current assets	-
9	IAS19 Administration expense	12
<b>170</b>	<b>Total</b>	<b>12</b>

## Note 13: Financing and Investment Income and Expenditure

<b>2022/23 £000</b>		<b>2023/24 £000</b>
311	Net interest on the net defined pensions liability	77
(55)	Interest receivable and similar income	(156)
<b>256</b>	<b>Total</b>	<b>(79)</b>

## Note 14: Taxation and Non-Specific Grant Incomes

<b>2022/23 £000</b>		<b>2023/24 £000</b>
(3,652)	Non-ring-fenced government grants	(3,212)
<b>(3,652)</b>	<b>Total</b>	<b>(3,212)</b>

## Note 15: Members Allowances

The Authority paid the following amounts to members of the Authority during the year:

<b>2022/23 £000</b>		<b>2023/24 £000</b>
17	Special Responsibility Allowance	18
66	Basic Allowance	67
4	Allowance for mileage	3
<b>87</b>	<b>TOTAL</b>	<b>88</b>

## Note 16: Officers' Remuneration

The Authority is required to name all officers that earn over £150,000 per annum for all or part of a year (there are none); and to list all officers who earn between £50,000 and £150,000 for all or part of a year, and who also fit the following criteria:

- They report directly to the Chief Executive, or;
- They are part of the Authority's Senior Management Team, or;
- They hold posts required by statute (the Chief Finance Officer and the Monitoring Officer)

	Salary, Fees and Allowance  £000	Expense Allowance  £000	Total Remuneration (excl. pension contribution)  £000	Pension Contribution  £000	Total Remuneration including pension contribution £000
<b>Chief Executive –</b>					
2023/24 -	93	-	93	20	113
2022/23 -	90	-	90	17	107
<b>Head of Finance and Operations</b>					
2023/24 – (Post holder resigned and vacant post filled during year)	52	-	52	11	63
2022/23	55	-	55	10	65
<b>Head of Strategy &amp; Performance</b>					
2023/24	59	-	59	12	71
2022/23	55	-	55	10	65
<b>Head of Planning &amp; Sustainable Development</b>					
2023/24 – Post removed mid-year	44	-	44	9	53
2022/23	55	-	55	10	65
<b>Head of Conservation &amp; Access</b>					
2023/24	59	-	59	12	71
2022/23	55	-	55	10	65

The number of employees whose remuneration, excluding employer's pension contributions, was £50,000 or more in bands of £5,000 (including those detailed in the above table) were:

2022/23 Number of employees	Remuneration band	2023/24 Number of employees
-	£50,000 - £54,999	-
4	£55,000 - £59,999	2
-	£60,000 - £64,999	-
-	£65,000 - £69,999	-
-	£70,000 - £74,999	-
-	£75,000 - £79,999	-
-	£80,000 - £84,999	-
-	£85,000 - £89,999	-
1	£90,000 - £94,999	1

## Note 17: Termination Benefits

The number of exit packages with total cost per band and total cost of the compulsory and other redundancies are set out in the table below:

Exit package cost band (including special payments)	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band		Total cost of exit packages in each band £000	
	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
£0 - £20,000	-	-	-	3	-	3	-	39
£20,001 - £40,000	-	-	-	-	-	-	-	-
£40,001 - £60,000	-	-	-	-	-	-	-	-
£60,001 - £80,000	-	-	-	-	-	-	-	-
£80,001 - £100,000	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	<b>3</b>	-	<b>3</b>	-	<b>39</b>

### Note 18: External Audit Costs

The Authority has incurred the following costs in relation to the audit of the Statement of Accounts, certification of grant claims and statutory inspections and to non-audit services provided by the Authority's external auditors:

2022/23 £000		2023/24 £000
14	Fees payable to Grant Thornton with regard to external audit services carried out by the appointed auditor.	39
6*	Audit Fee variation (*Proposed)	3*
<b>20</b>	<b>Total</b>	<b>42</b>

### Note 19: Grant Income

The Authority credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement in 2023/24:

Credited to Taxation and Non Specific Grant Income	2022/23 £000	2023/24 £000
National Park Grant – DEFRA	3,652	3,212
<b>Total</b>	<b>3,652</b>	<b>3,212</b>
<b>Credited to Services</b>		
Access Improvement Grant	43	-
Farming in Protected Landscapes - DEFRA	529	676
Biodiversity Net Gain (Planning Policy) - DEFRA	27	27
Planning Skills Development Fund	-	78
VESP Grant – Somerset Council	7	-
Pioneers Project Development Funding (HLF)	-	61
Tree Nursery Development (Forestry Commission)	-	19
National Park Fund – Active Transport	-	100
Community Support Grant (NPE)	-	2
Richmond Review Local Audit Grant (DLUHC)	-	5
Carbon Aware Tree Planting Contribution	-	11
Woodlands – Plantlife	3	-
ENNIS – Natural England	8	-
Sowing the Seeds – Natural England	5	-
English Coast Path – Natural England	6	123
South West Coast Path – Natural England	16	16
Grey Squirrel Control – Forestry Commission	45	45
Basic Payment & Higher Level Stewardship Scheme – RPA	74	113
Countryside Stewardship – RPA	65	20
<b>Total</b>	<b>828</b>	<b>1,296</b>

## Notes to Support the Movement in Reserves Statement

### **Note 20: Adjustments between accounting basis and funding basis under regulations**

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Authority in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Authority to meet future capital and revenue expenditure.

2023/24	General Fund Balance £000	Capital Receipts Reserve £000	Capital Grants Unapplied £000	Movement in Unusable Reserves £000
<b>Adjustments to Revenue Resources:</b>				
<u>Amounts by which income &amp; expenditure included in the CIES are different from revenue for the year calculated in accordance with statutory requirements:</u>				
Pension Costs	(89)	-	-	89
Holiday pay	-	-	-	-
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account)	28	-	71	(99)
<b>Total Adjustments to Revenue Resources</b>	<b>(61)</b>	<b>-</b>	<b>71</b>	<b>(10)</b>
<b>Adjustments between Revenue and Capital Resources:</b>				
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	(151)	-	-	151
Transfer of sales proceeds credited as part of the gain/loss on disposal	-	-	-	-
<b>Total Adjustments between Revenue and Capital resources</b>	<b>(151)</b>	<b>-</b>	<b>-</b>	<b>151</b>
<b>Adjustments to Capital Resources:</b>				
Application of Capital Grants to finance Capital Expenditure		-	(71)	71
Application of Capital Receipts to finance Capital Expenditure	-	-	-	-
<b>Total Adjustments to Capital Resources</b>	<b>-</b>	<b>-</b>	<b>(71)</b>	<b>71</b>
<b>Total Adjustments</b>	<b>(212)</b>	<b>-</b>	<b>-</b>	<b>212</b>

2022/23	General Fund Balance £000	Capital Receipts Reserve £000	Capital Grants Unapplied £000	Movement in Unusable Reserves £000
<b>Adjustments to Revenue Resources:</b>				
Amounts by which income & expenditure included in the CIES are different from revenue for the year calculated in accordance with statutory requirements:				
Pension Costs	786	-	-	(786)
Holiday pay	(17)	-	-	17
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account)	185	-	175	(360)
<b>Total Adjustments to Revenue Resources</b>	<b>954</b>	<b>-</b>	<b>175</b>	<b>(1,129)</b>
<b>Adjustments between Revenue and Capital Resources:</b>				
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	(124)	-	-	124
Transfer of sales proceeds credited as part of the gain/loss on disposal	-	-	-	-
<b>Total Adjustments between Revenue and Capital resources</b>	<b>(124)</b>	<b>-</b>	<b>-</b>	<b>124</b>
<b>Adjustments to Capital Resources:</b>				
Application of Capital Grants to finance Capital Expenditure		-	(175)	175
Application of capital Receipts to finance Capital Expenditure	-	-	-	-
<b>Total Adjustments to Capital Resources</b>	<b>-</b>	<b>-</b>	<b>(175)</b>	<b>175</b>
<b>Total Adjustments</b>	<b>830</b>	<b>-</b>	<b>-</b>	<b>(830)</b>

## Note 21: Transfers to/ from Earmarked Reserves

The Authority's reserve balances are continually reviewed to determine the appropriate level and use. We regularly establish new reserves, assess the appropriate level of existing reserves or cancel reserves that have met their objective. Our reserves are made up as follows:

- General Reserve (unallocated) – this is the minimum level required to maintain working balances (in accordance with CIPFA guidance).
- Partnership Fund Reserves (allocated) – these sums are set aside to meet one-off priorities that assist in the delivery of the Partnership Plan.
- Earmarked Reserves (allocated) – these consist of ring-fenced grants and contributions received from third parties, sums set aside for capital schemes and commitments against future obligations.
- Capital Grants – these include funds received from external organisations towards investment in assets.
- Capital Receipts Reserve – holds the proceeds from the disposal of land or other assets which are restricted by statute from being used other than to fund new capital expenditure or to be set aside to finance historical capital expenditure



It can therefore be seen that the majority of our Reserve Balances are “allocated”. The following table sets out the amounts set aside from the General Fund balance in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund expenditure in year.

	Balance at 31 March 2022 £000	Transfers between Reserves £000	Transfers In 2022/23 £000	Transfers Out 2022/23 £000	Increase/ Decrease (-) in useable Reserves 2022/23 £000	Balance at 31 March 2023 £000	Transfers between Reserves £000	Transfers In 2023/24 £000	Transfers Out 2023/24 £000	Increase/ Decrease in useable Reserves 2023/24 £000	Balance at 31 March 2024 £000
<b>Earmarked Reserves</b>	<b>2,452</b>	457	371	(570)	<b>258</b>	<b>2,710</b>	-	877	(391)	<b>486</b>	<b>3,196</b>
<b>Partnership Fund Reserves</b>	<b>265</b>	(38)	93	(169)	<b>(114)</b>	<b>151</b>	-	35	(116)	<b>(81)</b>	<b>70</b>
<b>General Fund Balance</b>	<b>316</b>	(419)	455	-	<b>36</b>	<b>352</b>	-	-	(93)	<b>(93)</b>	<b>259</b>
<b>Capital Grants Unapplied</b>	-	-	175	(175)	-	-	-	71	(71)	-	-
<b>Capital Receipts Reserve</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Total Useable Reserves</b>	<b>3,033</b>	-	<b>1,094</b>	<b>(914)</b>	<b>180</b>	<b>3,213</b>	-	<b>983</b>	<b>(671)</b>	<b>312</b>	<b>3,525</b>

## Notes to Support the Balance Sheet

### **Note 22: Property, Plant and Equipment**

#### Movements on Balances

	<b>Land &amp; Buildings £000</b>	<b>Vehicles, Plant &amp; Equipment £000</b>	<b>Infrastructure £000</b>	<b>Assets Under Construction £000</b>	<b>Total £000</b>
<b>Cost or Valuation 1 April 2023</b>	<b>19,857</b>	<b>263</b>	<b>70</b>	<b>0</b>	<b>20,190</b>
Additions	48	174	-	-	222
De-recognition – Disposals	-	-	-	-	-
Revaluation Increase/decrease (-):					
- to Revaluation Reserve	169	-	-	-	169
- to Surplus/Deficit on the provision of service	21	-	-	-	21
Other movement in cost of valuation	77	-	-	-	77
<b>Cost or Valuation 31 March 2024</b>	<b>20,172</b>	<b>437</b>	<b>70</b>	<b>0</b>	<b>20,679</b>
<b>Accumulated depreciation 1 April 2023</b>	<b>-</b>	<b>(169)</b>	<b>(9)</b>	<b>-</b>	<b>(178)</b>
Depreciation Charge	(106)	(48)	(3)	-	(156)
Derecognition - Disposals	-	-	-	-	-
Depreciation written out to the Revaluation Reserve	35	-	-	-	35
Depreciation written out to the Surplus/ Deficit on the provision of services	71	-	-	-	70
<b>Total Depreciation at 31 March 2024</b>	<b>0</b>	<b>(217)</b>	<b>(12)</b>	<b>-</b>	<b>(229)</b>
<b>Net Book Value at 1 April 2023</b>	<b>19,857</b>	<b>94</b>	<b>61</b>	<b>-</b>	<b>20,012</b>
<b>Net Book Value at 31 March 2024</b>	<b>20,172</b>	<b>220</b>	<b>58</b>	<b>-</b>	<b>20,450</b>

	Land & Buildings £000	Vehicles, Plant & Equipment £000	Infrastructure £000	Assets Under Construction £000	Total £000
<b>Cost or Valuation 1 April 2022</b>	<b>19,487</b>	<b>224</b>	<b>70</b>	<b>0</b>	<b>19,781</b>
Additions	191	39	-	-	<b>230</b>
De-recognition – Disposals	(161)	-	-	-	<b>(161)</b>
Revaluation Increase/ decrease (-):	-	-	-	-	-
- to Revaluation Reserve	374	-	-	-	<b>374</b>
- to Surplus/Deficit on the provision of service	(34)	-	-	-	<b>(34)</b>
Other movement in cost of valuation	-	-	-	-	-
<b>Cost or Valuation 31 March 2023</b>	<b>19,857</b>	<b>263</b>	<b>70</b>	<b>0</b>	<b>20,190</b>
<b>Accumulated depreciation 1 April 2022</b>	-	<b>(137)</b>	<b>(6)</b>	-	<b>(143)</b>
Depreciation Charge	(101)	(32)	(3)		<b>(136)</b>
Derecognition - Disposals	-	-	-	-	-
Depreciation written out to the Revaluation Reserve	28	-	-	-	<b>28</b>
Depreciation written out to the Surplus/Deficit on the provision of services	73	-	-	-	<b>73</b>
<b>Total Depreciation at 31 March 2023</b>	-	<b>(169)</b>	<b>(9)</b>	-	<b>(178)</b>
<b>Net Book Value at 1 April 2022</b>	<b>19,487</b>	<b>87</b>	<b>64</b>	-	<b>19,638</b>
<b>Net Book Value at 31 March 2023</b>	<b>19,857</b>	<b>94</b>	<b>61</b>	-	<b>20,012</b>

### Depreciation

The following useful lives and depreciation rates have been used in the calculation of depreciation:

- Land and Buildings: 40-80 years
- Vehicles, Plant, Furniture and Equipment: 5-10 years
- Infrastructure: 25 years

## Revaluations

The Authority carries out a valuation programme which ensures all Property, Plant and Equipment is measured at fair value in accordance with IAS16 and revalued at least every five years. We are currently revaluing assets every year to ensure that the values stated are materially correct. The valuation date is the 31<sup>st</sup> March. For 2023/24 the valuation was carried out by Jenny Bryant MRICS and Registered Valuer while employed by the NPS Group Limited in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors – the RICS Valuation – Global Standards January 2020, Chartered Institute of Public Finance and Accountancy (CIPFA) accounting code and the International Financial Reporting Standards (IFRS) and the RICS Code of Measuring Practice.

There were no capital commitments at the 31 March 2024.

### Note 23: Heritage Assets

	<b>Heritage Assets £000</b>
<b>Cost or Valuation 1 April 2023</b>	<b>131</b>
Additions	-
Revaluation Increase/ decrease (-):	
- to Revaluation Reserve	(77)
- to Surplus/ Deficit on the provision of service	-
<b>Cost or Valuation 31 March 2024</b>	<b>54</b>
<b>Cost or Valuation 1 April 2022</b>	<b>92</b>
Additions	-
Revaluation Increase/ decrease (-):	
- to Revaluation Reserve	39
- to Surplus/ Deficit on the provision of service	-
<b>Cost or Valuation 31 March 2023</b>	<b>131</b>

One Heritage asset (Simonsbath Sawmill) was reclassified to operational land and buildings from Heritage Asset due to the property being rented out during the year.

### Note 24: Financial Instruments

Financial instruments are defined as contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### Financial Assets: Amortised Cost

<b>31 March 2023 £000</b>		<b>31 March 2024 £000</b>
2,302	Funds held by Somerset Council	2,544
-	Cash in hand and at bank	-
1,323	Contractual Debtors	1,410
<b>3,625</b>	<b>Total</b>	<b>3,954</b>

#### Financial Liabilities: Amortised Cost

<b>31 March 2023 £000</b>		<b>31 March 2024 £000</b>
-	Bank Overdraft	-
(354)	Contractual Creditors	(469)
<b>(354)</b>	<b>Total</b>	<b>(469)</b>

## Interest and Investment Income:

The (gains) and losses recognised in the Comprehensive Income and Expenditure Statement in relation to financial instruments is as follows:

31 March 2023 £000		31 March 2024 £000
(55)	Interest Income	(156)
(55)	<b>Total</b>	<b>(156)</b>

Financial assets and liabilities are carried in the Balance Sheet at amortised cost. Their fair value has been assessed by calculating the present value of the cash flows that will take place over the remaining life of the instrument using the following assumptions:

- The fair value of trade and other receivables and payables is taken to be the invoiced or billed amount
- The fair value of cash deposits is taken to be the cash balance as at 31 March

## Nature and Extent of Risks Arising from Financial Instruments

The Authority's activities expose it to a variety of financial risks:

- Credit risk – the possibility that other parties might fail to pay amounts due
- Liquidity risk – the possibility that the Authority may not have funds available to meet its commitments to make payments
- Market risk – the possibility that financial loss might arise for the Authority as a result of changes in such measures as interest rates and stock market movements

The Authority's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the resources available to fund services. Risk management is carried out by the Chief Finance Officer, under policies approved by the Authority. The Authority has adopted the CIPFA Code of Practice for Treasury Management and as part of this approves an annual Treasury Management Strategy and Practices which sets out the policies on borrowing, investment, credit risk and interest rate exposure.

## Credit Risk and Expected Credit Loss Allowances

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Authority's customers. This risk is minimised through the Authority's Annual Investment Strategy and investment solely with Somerset Council.

Amounts arising from expected credit losses would normally be established for investments and debtors based upon estimates of the losses that might be incurred if those owing money to the Authority fail to pay it back. As our primary counter party is a public body and as statute prevents a local authority from default, we have concluded that the expected credit loss is not material and therefore no allowance has been made.

The Authority's standard terms and conditions for payment of invoices (trade receivables) are 28 days from invoice date. Low risk, no history of default and with signed agreements in place with third parties, we have concluded that the expected credit loss is not material therefore no allowance has been made.

## Liquidity Risk

The Authority has a comprehensive cash flow management system that seeks to ensure that cash is available when needed. Surplus cash is invested using an overnight clearing system operated by Somerset Council.

All trade and other payables are due to be paid in less than one year. The Authority currently has no borrowings and so there is no significant current or future risk that it will be unable to raise finance to meet its commitments under financial instruments.

### Market Risk

The Authority is currently debt free and does not have any investments in equity shares or financial assets or liabilities denominated in foreign currencies. Market Risk is therefore limited to Interest Rate Risk on our cash investments.

- Interest Risk

In terms of short-term cash investments, the variable rate of interest earned on surplus funds moves during the year and any assumptions in annual budgets are made cautiously based on current market and treasury forecasts. A 1% movement in interest rates would result in approximately £25,000 more or less than budget if investments were held for a year.

### Note 25: Debtors

31 March 2023 £000		31 March 2024 £000
528	Central government bodies	488
13	Other local authorities	161
171	Public corporations and trading funds	158
630	Other entities and individuals	663
(133)	Bad Debts	(141)
<b>1,209</b>	<b>Total</b>	<b>1,329</b>

### Note 26: Cash and Cash Equivalents

The balance of Cash and Cash Equivalents is made up of the following elements:

31 March 2023 £000		31 March 2024 £000
6	Bank Current Accounts	63
2,302	Funds held by Somerset Council	2,543
<b>2,308</b>	<b>Total Cash and Cash Equivalents</b>	<b>2,606</b>

### Note 27: Creditors

31 March 2023 £000		31 March 2024 £000
(51)	Other local authorities	(78)
(52)	Public corporations and trading funds	(162)
(303)	Other entities and individuals	(94)
<b>(406)</b>	<b>Total</b>	<b>(334)</b>

### Note 28: Provisions

31 March 2023 £000		31 March 2024 £000
-	Provisions	-
-	<b>Total</b>	-

### Note 29: Capital Grants

31 March 2023 £000		31 March 2024 £000
-	<b>Balance at 1 April</b>	-
(175)	Capital grants received	(71)
175	Capital grants used to finance spend	71
-	<b>Balance at 31 March</b>	-

## Note 30: Unusable Reserves

31 March 2023 £000		31 March 2024 £000
(11,354)	Revaluation Reserve	(11,503)
(8,788)	Capital Adjustment Account	(9,002)
1,928	Pensions Reserve	1,226
40	Accumulated Absences Account	40
<b>(18,174)</b>	<b>Total Unusable Reserves</b>	<b>(19,239)</b>

### Revaluation Reserve

The Revaluation Reserve contains the gains made by the Authority arising from increases in the value of its Property, Plant and Equipment. The balance is reduced when assets with accumulated gains are:

- Revalued downwards or impaired and the gains are lost
- Used in the provision of services and the gains are consumed through depreciation, or
- Disposed of and the gains are realised.

The Reserve contains only revaluation gains accumulated since 1 April 2007, the date that the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

2022/23 £000		2023/24 £000
<b>(11,017)</b>	<b>Balance at 1 April</b>	<b>(11,354)</b>
(622)	Upward revaluation of assets	(474)
211	Downward revaluation of assets and impairment losses not charged to the Surplus/Deficit on the provision of Services	304
<b>(411)</b>	<b>Surplus or deficit on revaluation of non-current assets not posted to the Surplus or Deficit on the Provision of Services</b>	<b>(170)</b>
20	Difference between fair value depreciation and historical cost depreciation	21
54	Accumulated gains on assets sold or scrapped	-
<b>74</b>	<b>Amount written off to the Capital Adjustment Account</b>	<b>21</b>
<b>(11,354)</b>	<b>Balance at 31 March</b>	<b>(11,503)</b>

### Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The Account is credited with the amounts set aside by the Authority as finance for the costs of acquisition, construction and enhancement.

The Account also contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains.

Note 22 provides details of the source of all the transactions posted to the Account, apart from those involving the Revaluation Reserve.

<b>2022/23 £000</b>		<b>2023/24 £000</b>
<b>(8,712)</b>	<b>Balance at 1 April</b>	<b>(8,788)</b>
	Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:	
136	Charges for depreciation and impairment of non-current assets	157
(67)	Revaluation gains on Property, Plant and Equipment	(127)
(20)	Difference between fair value depreciation and historical cost depreciation	(21)
69	Revenue expenditure funded from capital under statute	0
106	Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	0
<b>(8,488)</b>		<b>(8,779)</b>
-	Adjusting amounts written out of the Revaluation Reserve	-
<b>(8,488)</b>	<b>Net written out amount of the cost of non-current assets consumed in the year</b>	<b>(8,779)</b>
<b>Capital financing applied in the year:</b>		
(175)	Use of Capital Grants to finance capital expenditure	(71)
-	Use of Capital Receipts to finance capital expenditure	-
(125)	Capital Expenditure charged against the General Fund	(151)
<b>(8,788)</b>	<b>Balance at 31 March</b>	<b>(9,001)</b>

## Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Authority accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Authority makes employer's contributions to pension funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Authority has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

<b>2022/23 £000</b>		<b>2023/24 £000</b>
<b>12,242</b>	<b>Balance at 1 April</b>	<b>1,928</b>
(11,100)	Remeasurement of net defined liability	(613)
1,356	Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the CI & E	545
(570)	Employer's pensions contributions and direct payments to pensioners payable in the year	(634)
<b>1,928</b>	<b>Balance at 31 March</b>	<b>1,226</b>



## Accumulated Absences Account

The Accumulated Absences Account absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year, e.g. annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.

<b>2022/23 £000</b>		<b>2023/24 £000</b>
<b>57</b>	<b>Balance at 1 April</b>	<b>40</b>
(57)	Settlement or cancellation of accrual made at the end of the preceding year	(40)
40	Amounts accrued at the end of the current year	40
-	Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements.	-
<b>40</b>	<b>Balance at 31 March</b>	<b>40</b>

## Note 31: Capital Expenditure and Capital Financing

The total amount of capital expenditure incurred in the year is shown in the table below, together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Authority, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the Authority that has yet to be financed. The Authority remains Debt Free throughout the periods contained in this Statement of Accounts and therefore does not have incurred expenditure yet to be financed.

	<b>2022/23 £000</b>	<b>2023/24 £000</b>
<i>Capital Investment</i>		
<b>Property, Plant &amp; Equipment</b>	<b>231</b>	<b>223</b>
Revenue Expenditure Funded from Capital under Statute	69	0
<i>Sources of finance</i>		
Capital Receipts	-	-
Government Grants and other contributions	175	71
Sums set aside from revenue	125	152

## Note 32: Impairment Losses

The Authority did not recognise any impairment losses during 2023/24 (2022/23 £0k). Impairment losses are recognised as part of the valuation of the authority's non-current assets.

## Note 33: Defined Benefit Pension Schemes

### Participation in Pension Schemes:

As part of the terms of employment of its officers, the Authority makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until employees retire, the Authority has a commitment to make the payments that needs to be disclosed at the time that employees earn their future entitlement. The Authority participates in the Local Government Pension Scheme that is administered locally by Somerset Council. This is a funded defined benefit final salary scheme, meaning that the

Authority and employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets.

The Pension Fund Committee, at Somerset Council, oversees the management of the Fund whilst the day-to-day fund administration is undertaken by a team within the administering authority. Where appropriate some functions are delegated to the Fund's professional advisers. As administering authority to the Fund, Somerset Council, after consultation with the Fund Actuary and other relevant parties, is responsible for the preparation and maintenance of the Funding Strategy Statement and the Statement of Investment Principles. These should be amended when appropriate based on the Fund's performance and funding.

Contributions are set every three years as a result of the actuarial valuation of the Fund required by the Regulations. The latest actuarial valuation of the Fund was carried out as at 31 March 2023 and contributions have been set for the period from 1 April 2023 to 31 March 2026. There are no minimum funding requirements in the LGPS but the contributions are generally set to target a funding level of 100% using the actuarial valuation assumptions.

In general, participating in a defined benefit pension scheme means that the Employer is exposed to a number of risks:

- Investment risk. The Fund holds investment in asset classes, such as equities, which have volatile market values and while these assets are expected to provide real returns over the long-term, the short-term volatility can cause additional funding to be required if a deficit emerges;
- Interest rate risk. The Fund's liabilities are assessed using market yields on high quality corporate bonds to discount future liability cash flows. As the Fund holds assets such as equities the value of the assets and liabilities may not move in the same way;
- Inflation risk. All of the benefits under the Fund are linked to inflation and so deficits may emerge to the extent that the assets are not linked to inflation; and
- Longevity risk. In the event that the members live longer than assumed a deficit will emerge in the Fund. There are also other demographic risks

In addition, as many unrelated employers participate in the Somerset Council Pension Fund, there is an orphan liability risk where employers leave the Fund but with insufficient assets to cover their pension obligations so that the difference may fall on the remaining employers. All of the risks above may also benefit the employer e.g. higher than expected investment returns or employers leaving the Fund with excess assets which eventually get inherited by the remaining employers. The Authority's Pension Fund liability does not represent an immediate call on reserves; it is a snap-shot valuation in time, based on assumptions. The true value of the deficit is assessed on a triennial basis with contribution rates set to recover the balance over the longer-term.

The Court of Appeal judgment on the McCloud and Sargeant cases, relate to age discrimination against the age-based transitional provisions put into place when the new judicial pension arrangements were introduced in 2015. Regulations in respect of the McCloud and Sargeant judgements came into force on 1 October 2023. These may affect the value of the liabilities in respect of accrued benefits and therefore the Actuary has made an allowance which is consistent with the method adopted at the last actuarial valuation.

## **Transactions Relating to Post-Employment Benefits**

We recognise the cost of retirement benefits in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid out as pensions. However, the charge we are required to make is based on the cash payable in the year, so the real cost of post-employment/retirement benefits is reversed out of the General Fund via the Movements in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance through the Movement in Reserves Statement during the year:

	<b>2022/23 £000</b>	<b>2023/24 £000</b>
<i>Service Cost</i>		
• Current Service Cost	1,036	456
• Past Service Costs (including curtailments)	-	-
<b>Total Service Cost</b>	<b>1,036</b>	<b>456</b>
<i>Financing and Investment Income and Expenditure</i>		
• Net interest on the defined liability	311	77
• Administration expenses	9	12
<b>Total Net Interest</b>	<b>320</b>	<b>89</b>
<b>Total Post Employment Benefit Charged to the Surplus or Deficit on the Provision of Services</b>	<b>1,356</b>	<b>545</b>
<i>Remeasurement of the Net Defined Liability Comprising:</i>		
• Return on plan assets excluding amounts included in net interest	750	(1,332)
• Experience (gain)/loss on defined benefit obligation	2,430	62
• Actuarial losses arising from changes in demographic assumptions	(2,308)	(242)
• Actuarial losses arising from changes in financial assumptions	(11,944)	(165)
• Changes in effect of asset ceiling	-	1,064
• Other actuarial gains & losses on assets	(28)	-
<b>Total re-measurements recognised in Other Comprehensive Income</b>	<b>(11,100)</b>	<b>(613)</b>
<b>Total Post Employment Benefits Charged to the Comprehensive Income and Expenditure Statement</b>	<b>(9,744)</b>	<b>(68)</b>
<b>Movement in Reserves Statement</b>		
• Reversal of net charges made to the Surplus or Deficit for the Provision of Services for post employment benefits in accordance with the Code	<b>(1,356)</b>	<b>(545)</b>
<b>Actual amount charged against the General Fund Balance for pensions in the year:</b>		
• Employer's contributions payable to scheme	<b>570</b>	<b>634</b>

**Pension Assets and Liabilities in Relation to Post-Employment Benefits Recognised in the Balance Sheet**

	<b>2022/23 £000</b>	<b>2023/24 £000</b>
Present value of funded obligation	(18,154)	(18,079)

Fair value of employer assets	16,412	18,085
Present value of unfunded obligation	(186)	(168)
Impact of Asset Ceiling	-	(1,064)
<b>Net Liability Arising from Defined Benefit Obligation</b>	<b>(1,928)</b>	<b>(1,226)</b>

#### Reconciliation of Present Value of the Scheme Liabilities (Defined Benefit Obligation):

	<b>2022/23 £000</b>	<b>2023/24 £000</b>
<b>Opening Balance at 1 April</b>	<b>(28,786)</b>	<b>(18,340)</b>
Current service cost	(1,036)	(456)
Interest cost	(743)	(855)
Change in financial assumptions	11,944	165
Change in demographic assumptions	2,308	242
Experience loss / (gain) on defined benefit obligation	(2,430)	(62)
Estimated benefits paid net of transfers in	528	1,192
Past service costs, including curtailments	-	-
Contributions by scheme participants	(146)	(156)
Unfunded pension payments	21	23
<b>Closing Balance at 31 March</b>	<b>(18,340)</b>	<b>(18,247)</b>

#### Reconciliation of the Movements in Fair Value of the Scheme (plan) Assets:

	<b>2022/23 £000</b>	<b>2023/24 £000</b>
<b>Opening Balance at 1 April</b>	<b>16,544</b>	<b>16,412</b>
Interest on assets	432	778
Return on assets less interest	(750)	1,332
Other actuarial gains/(losses)	28	-
Administration expenses	(9)	(12)
Contributions by employer including unfunded	570	634
Contributions by scheme participants	146	156
Estimated benefits paid plus unfunded net of transfers in	(549)	(1,215)
<b>Closing Balance at 31 March</b>	<b>16,412</b>	<b>18,085</b>

The liabilities show the underlying commitments that the authority has to pay post-employment (retirement) benefits. In prior years the pension fund liability had a substantial impact on the net worth of the authority as recorded in the Balance Sheet. However, the £10m reduction in the deficit over the course of 2022/23 significantly reduced the pension fund's impact on the balance sheet. Pensions Reserve totalled (£1,226k) in 2023/24 (2022/23 (£1,928k)) of the total reserves of £22,764k (2022/23 £21,387k).

#### The Local Government Pension Scheme's assets consist of the following categories, by proportion of the total assets held:

	<b>2022/23</b>		<b>2023/24</b>	
	£000	%	£000	%
Equities	12,241	75%	13,351	74%
Gilts	587	4%	775	4%
Other Bonds	1,705	10%	2,172	12%
Property	1,317	8%	1,265	7%
Cash and cash equivalents	562	3%	522	3%
<b>Total</b>	<b>16,412</b>	<b>100%</b>	<b>18,085</b>	<b>100%</b>

- The deficit on the Local Government Pension Scheme will be made good by increased contributions over the remaining working life of employees (i.e. before payments fall due), as assessed by the scheme actuary
- Finance is only required to be raised to cover discretionary benefits when the pensions are actually paid.

The total contributions expected to be made to the LGPS by the Authority in the year to 31 March 2024 is £573k.

### Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years' dependant on assumptions about mortality rates, salary levels, etc. The LGPS liabilities have been assessed by Barnett and Waddingham, an independent firm of actuaries, estimates for the Somerset Council Fund being based on the latest full valuation as at 31 March 2023. The deficit is assumed to be repaid over a period of 16 years. This is based on membership data provided as part of the recent valuation.

### The principal assumptions used by the actuary have been:

<i>Mortality assumptions</i>	<b>2022/23</b>	<b>2023/24</b>
Retiring today:		
• Men	21.4	21.1
• Women	23.2	23.0
Retiring in 20 years:		
• Men	22.7	22.4
• Women	24.7	24.4
Rate of Inflation (CPI)	2.85%	2.90%
Rate of increase in salaries	3.85%	3.90%
Rate of increase in pensions	2.85%	2.90%
Rate for discounting scheme liabilities	4.80%	4.90%
Take-up of option to convert annual pension into retirement lump sum	50%	50%
Take-up of active members to pay 50% contributions for 50% benefits	10%	10%

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analysis below is based on reasonably possible changes to the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all the other assumptions remain constant. The assumptions in longevity, for example, assume that life expectancy increases or decreases for men and women. In practice this is unlikely to occur, and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e. on an actuarial basis using the projected unit cost method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in 2022/23.

<b>Sensitivity Analysis</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	17,951	18,247	18,551
Projected service cost	428	441	456
Adjustment to long term salary increase	+0.1%	0.0%	-0.1%

Present value of total obligation	18,276	18,247	18,219
Projected service cost	442	441	441
Adjustment to pension increases and deferred revaluation	+0.1%	0.0%	-0.1%
Present value of total obligation	18,528	18,247	17,973
Projected service cost	455	441	427
Adjustment to mortality age rating assumption	+1 Year	None	-1 Year
Present value of total obligation	18,926	18,247	17,596
Projected service cost	457	441	426

### Note 34: Contingent Liability

Devon County Council agreed as part of its Investing in Devon Programme to grant the sum of £600,000 to support the refurbishment, improvement and adaptation of Lynmouth Pavilion. A contingent liability exists as part of the grant conditions require that in the event of the premises ceasing to be used as a visitor and interpretation centre and learning hub during the period of 20 years from the date of completion of the Project the Grantee shall repay the Grant to the Council but subject to a reduction of five per cent for each complete year which has elapsed following the date of completion of the project. With the completion date being the 8 August 2013 at the balance sheet date a contingent liability exists for £300,000.

### Notes to Support the Cash Flow Statement

#### Note 35: Cash Flow Statement – Adjustments to surplus or deficit on the Provision of Services for non-cash movements

2022/23 £000		2023/24 £000
(97)	Depreciation and Amortisation	(120)
(34)	Impairment and Downward Valuations	18
(786)	Actuarial Charges for Retirement Benefits	89
-	Increase/(Decrease) in Inventory	10
857	Increase/(Decrease) in Debtors	129
(133)	(Increase) in Bad Debt Provision	(7)
(9)	(Increase) in Creditors & Receipts in Advance	(116)
(69)	Revenue Expenditure funded from Capital under Statute (Refcus)	-
(161)	Carrying amount of Non-Current Assets de-recognised	-
<b>(432)</b>		<b>3</b>

#### Note 36: Cash Flow Statement – Investing Activities

2022/23 £000		2023/24 £000
299	Purchase of property, plant and equipment, investment property and intangible assets	223
-	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	-
<b>299</b>	<b>Net cash flows from investing activities</b>	<b>223</b>

**Note 37: Cash Flow Statement – Financing Activities**

<b>2022/23 £000</b>		<b>2023/24 £000</b>
-	Cash receipts of short and long-term borrowing	-
-	Other receipts from financing activities	-
-	Cash payments for the reduction of the outstanding liabilities relating to finance leases	-
-	Repayment of short and long-term borrowing	-
-	Other payments for financing activities	-
-	<b>Net cash flows from financing activities</b>	-

**Note 38: Leases****Finance Leases**

The Authority does not hold any Lease considered to be a Finance Leases as either Leasee or lessor.

**Operating Leases**

The Authority has entered into leases in relation to land holdings in prior years. The future minimum lease payments due under non-cancellable leases in future years are:

<b>2022/23</b>		<b>2023/24</b>
8	<12 Months	5
2	1-5 Years	2
3	5 Years +	4
<b>13</b>		<b>11</b>

The Authority leases out property for the fulfilment of National Park Purposes. The future annual minimum lease payments receivable under non-cancellable leases in future years are:

<b>2022/23 £000</b>		<b>2023/24 £000</b>
73	<12 Months	39
7	1-5 Years	10
77	5 Years +	141
<b>157</b>		<b>190</b>



## ANNUAL GOVERNANCE STATEMENT

### 1. Scope of responsibility

- 1.1 Exmoor National Park Authority is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Authority also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 1.2 In discharging this overall responsibility, the Authority is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.
- 1.3 Exmoor National Park Authority has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*. A copy of the code can be obtained from the Chief Executive, Exmoor House, Dulverton, TA22 9HL. This statement explains how the Authority has complied with the Local Code of Corporate Governance and also meets the requirements of regulation 4(2) of the Accounts and Audit (England) Regulations 2015 and the amended regulations for 2021 in relation to the publication of statement on internal control.

### 2. The purpose of the governance framework

- 2.1 The governance framework comprises the systems and processes, and the culture and values, by which the Authority is directed and controlled and its activities through which it accounts to, engages with and the leads the community. It enables the Authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.
- 2.2 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Authority's policies and aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.
- 2.3 A governance framework has been in place at Exmoor National Park Authority for the year ended 31 March 2024 and up to the date of approval of the Corporate Plan and statement of accounts.

### 3. The Governance Framework

- 3.1 The key elements of the governance framework include:
  - A National Park Partnership Plan that contains a vision, priorities and a corporate strategy to meet National Park purposes;
  - The production of a Medium Term Financial Plan taking account of the anticipated level of National Park Grant;



- The production of a Corporate Plan that includes data on performance and objectives both achieved and planned;
- Committee papers that are linked to National Park Partnership Plan or Corporate Plan objectives and in compliance with equality and human rights legislation;
- Standing orders and financial regulations to regulate the conduct of the Authority's affairs;
- A Scheme of Delegation which sets out the functions and workings of the Authority and the powers delegated to Committees and the Chief Executive;
- Formal codes of conduct which define the standards of personal behaviour of members and staff. The code for Members was initially adopted in 2012 along with the establishment of a Standards Committee comprising 5 Authority members and the appointment of an "Independent Person" under the provisions of the 2011 Localism Act. A further process was the provision of guidance on the registration of interests. This was reviewed and refined in August 2012 with recommendations to Authority for standards arrangements and for the provision of member training on the new standards regime;
- Responsibility for audit matters are retained by the Authority;
- A Solicitor and Monitoring Officer who has a statutory responsibility supported by the Chief Finance Officer and financial regulations to ensure the legality of transactions, activities and arrangements the Authority enters;
- Financial management arrangements of the Authority which conform with the governance requirements of the CIPFA Statement on the role of the Chief Financial Officer in Local Government (2010) ;
- A Complaints procedure and a whistle-blowing policy in place for members of the public, members, staff or contractors;
- An Anti Fraud, Corruption and Bribery Policy;
- An ICT Acceptable Use Policy;
- Risk Management Policy, Registers and Business Continuity and Disaster Recovery systems which are approved, in place and subject to annual regular review;
- Extensive arrangements for partnership working on a range of projects. Partnership working is crucial to the achievement of the priorities set out in the National Park Partnership Plan.
- A staff performance and development review process which identifies training and development needs;
- Training, briefing and induction programmes for members; and
- Wide consultation with interested parties and an Exmoor Consultative and Parish Forum meets to engage with the community and a Local Access Forum considers access and rights of way issues. Numerous diverse organisations are represented on these consultative mechanisms.

#### **4. Review of Effectiveness**

- 4.1 Exmoor National Park Authority has responsibility for conducting at least annually, a review of effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the Chief Executive and Heads of Section within the Authority who have responsibility for the development and maintenance of the governance environment, the annual report on internal audit, and by the Annual Governance Report of the external auditors. The annual review of the effectiveness of the governance framework is undertaken by the Standards Committee and the Authority approve this Annual Governance Statement.

The Standards Committee now also undertake an annual self-assessment of effectiveness.

4.2 The process that has been applied in maintaining and reviewing the effectiveness of the governance framework is:

- The adoption of an updated Code of Corporate Governance in March 2017 with an annual review by the National Park Authority carried out by the Authority's Solicitor and Monitoring Officer to ensure compliance with the Code and audited by the Chief Finance Officer;
- Adoption of Standing Orders, the scheme of delegation and financial regulations which are periodically reviewed, updated and approved;
- Reports to the Authority on performance management including sustainability and the corporate planning and performance framework;
- Annual reports presented to the Authority in respect of internal audit which is a contracted service, and from the external auditor appointed by the PSAA;
- Annual reports presented to the Authority on risk management, performance indicators and treasury management; and
- An internal audit service is contracted from the Devon Audit Partnership and an annual work programme is agreed with the Chief Finance Officer with the internal auditors producing an annual report covering their activities for presentation to the Authority.

**5. Significant governance issues**

5.1 In general the governance and internal control systems within the Authority are working effectively and have been reviewed by the Solicitor and Monitoring Officer and the Chief Finance Officer and are independently validated by the internal and external auditors. As a consequence of certain Internal Audit findings, the Authority has undertaken a review of Safeguarding policies and practices. These changes were confirmed with Internal Audit during 2023/24.

5.2 During 2024/25 the Authority will be:

- Develop a new National Park Partnership Plan;
- Progressing work arising from the five year review of the Local Plan including on affordable housing delivery, climate change and a new Design Guide; also making preparations for the introduction of new statutory Biodiversity Net Gain requirements for planning;
- Working with Defra to deliver the National policy agenda on climate, nature and engagement with communities;
- Monitoring new legislation and changes in policy to ensure that account is taken of the impact on National Parks and National Park communities;
- Continuing to operate within limited resources while increasing revenue from alternative sources;
- Continuing to develop customer service standards and culture;
- Monitoring the performance of the Corporate Plan;
- Continue to engage and communicate flexibly while making best use of technology;
- Implement an Anti-Money Laundering policy;
- Ensure capital investment decisions are fully debated by FAPAP in advance of budgetary decisions being made by Authority;
- Continue to adapt the Farming in Protected Landscapes panel and model of decision making;

- Understand the implications of the new Somerset Unitary on the Authority's decision making; and
- Implementing a new financial information system to ensure that ENPA's requirements are fully met.

5.3 We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our annual review.

**Signed** .....

S Bryan, Chief Executive

A Davis, Chairman

**Date** .....

## EXMOOR NATIONAL PARK AUTHORITY

2 July 2024

### ANNUAL TREASURY MANAGEMENT REPORT

#### Report of the Head of Enterprise & Operations

**Purpose of Report:** To report to members on Treasury Management Performance in 2023/24.

**Recommendation:** The Authority is recommended to NOTE the Treasury Management Outturn for 2023/24.

**Authority Priority:** Achieve by providing core services; getting best value from our resources; and improving our performance.

**Corporate Strategy Reference:** The actions contained within this report underpin all six corporate priority areas.

**Legal and Equality Implications:** Section 65(4) Environment Act 1995 – provides powers to the National Park Authority to *“do anything which in the opinion of the Authority, is calculated to facilitate, or is conducive or incidental to-*

*(a) The accomplishment of the purposes mentioned in s. 65 (1) [National Park purposes]*

*(b) The carrying out of any functions conferred on it by virtue of any other enactment.”*

The Local Government Act 2003 (LGA 2003)

The CIPFA Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes: 2021 Edition (CIPFA TM Code).

The CIPFA Prudential Code for Capital Finance in Local Authorities: 2021 Edition (CIPFA Prudential Code).

Statutory Guidance on Local Government Investments was revised as from 1st April 2018.

The equality and human rights impact of the recommendations of this report have been assessed as having no adverse impact on any particular group or individual.

**Financial and Risk Implications:** Managing and overseeing treasury activities is an important way to reduce financial risk.

**Climate Change Response:** This report does not have an adverse impact on our ability to respond to Climate Change.

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#### 1. Introduction

- 1.1 The Authority's Treasury Management activities are defined as follows: -  
*“The management of the Authority's investments and cash flows, its banking and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”*

It is acknowledged that effective treasury management provides support to the business and service objectives of the Authority.

- 1.2 The CIPFA Treasury Management Code requires public sector authorities to determine an annual Treasury Management Strategy and as a minimum, formally report on their treasury activities and arrangements mid-year and after the year-end. These reports enable those tasked with implementing policies and undertaking transactions to demonstrate they have properly fulfilled their responsibilities and enable those with ultimate responsibility/governance of the treasury management function to scrutinise and assess its effectiveness and compliance with policies and objectives.
- 1.3 During 2023/24, Somerset Council (SC) has continued to manage Treasury Management activities under an agreed Service Level Agreement. Investments were made on the basis of aggregating funds in order to maximise the benefits for both parties. Accounting arrangements were in place to divide the interest gained between the Authorities.
- 1.4 As a result of the second Markets in Financial Instruments Directive (MiFID II), from 3rd January 2018 local authorities were automatically treated as retail clients but could “opt up” to professional client status, providing certain criteria was met. SC continues to meet the conditions to opt up to professional status and has done so in order to maintain its erstwhile MiFID II status prior to January 2018. As a result, SC will continue to have access to products including money market funds, pooled funds, treasury bills, bonds, shares and to financial advice.
- 1.5 The Authority delegates responsibility for the implementation and monitoring of its treasury management policies and practices, and the execution of administration of treasury management decisions, to me as Head of Enterprise & Operations.

## **2. The Economic Background to 2023/24**

- 2.1 All Treasury Management decisions are made in a dynamic environment in which market sentiment, and rates for borrowing and investment are subject to constant change from many different factors. Any volatility in markets makes risk management, forecasting and decision making more difficult. Here follows a brief review of the key issues for 2023/24.
- 2.2 UK inflation continued to decline from the 8.7% rate seen at the start of 2023/24. By the last quarter of the financial year headline consumer price inflation (CPI) had fallen to 3.4% in February but was still above the Bank of England’s 2% target at the end of the period. The core measure of CPI, i.e. excluding food and energy, also slowed in February to 4.5% from 5.1% in January, a rate that had stubbornly persisted for three consecutive months.
- 2.3 Over the 2023 calendar year GDP only expanded by 0.1% compared to 2022. Of the recent monthly data, the Office for National Statistics reported a rebound in activity with the economy expanding 0.2% in January 2024. While the economy may somewhat recover in Q1 2024, the data suggests that prior increases in interest rates and higher price levels are depressing growth, which will continue to bear down on inflation throughout 2024.
- 2.4 Labour market data provided a mixed message for policymakers. Employment and vacancies declined, and unemployment rose to 4.3% (3mth/year) in July 2023. The same month saw the highest annual growth rate of 8.5% for total pay (i.e. including bonuses) and 7.8% for regular pay growth (i.e. excluding bonuses). Thereafter, unemployment began to decline, falling to 3.9%

(3mth/year) in January and pay growth also edged lower to 5.6% for total pay and 6.1% for regular pay, but remained above the Bank of England's forecast.

- 2.5 Having begun the financial year at 4.25%, the Bank of England's Monetary Policy Committee (MPC) increased Bank Rate to 5.25% in August 2023. The rate was maintained at 5.25% through to March 2024. The vote at the March MPC meeting was 8-1 in favour of maintaining rates at this level, with the single dissenter preferring to cut rates immediately by 0.25%.
- 2.6 Although financial markets shifted their interest rate expectations downwards with expectations of a cut in June, the MPC's focus remained on assessing how long interest rates would need to be restrictive in order to control inflation over the medium term.
- 2.7 Over the financial year, the 10-year UK benchmark gilt yield rose from 3.44% to peak at 4.75% in August, before then dropping to 3.44% in late December 2023 and rising again to 4.12% in February, before once again dropping, reaching 3.92% at 28<sup>th</sup> March. Gilt yields have a direct correlation to Public Works Loan Board (PWLB) rates. Rates across all maturities rose from April to July, the 5 and 10-year EIP rates peaking at 6.42% and 6.06% respectively in the first week in July. All other maturities continued to rise before hitting a peak in late October, maturity loans for the 20, 30, and 40-year periods peaking at 6.14%, 6.14%, and 6.05% respectively. All maturities gradually declined before inflation was seen to be stickier than anticipated and rates spiked again in February.
- 2.8 Sterling Overnight Interbank Average (SONIA) money market rates moved up broadly in sync with borrowing rates. The 1-month, 3-month, 6-month, and 12-month SONIA rates averaged 5.03%, 5.23%, 5.40%, and 5.55% respectively over the period, and ended the period at 5.21%, 5.18%, 5.14%, and 5.11% respectively.

Base rate averaged 5.03% for the year. A summary of PWLB and key benchmark lending rates is included at Appendix A.

### **3. Treasury Management Outturn for 2023/24**

#### **3.1 Debt Management**

The Authority is currently debt free. Any potential borrowing is driven by the capital plan. There were no plans that necessitated borrowing during 2023/24.

#### **3.2 Investment Activity**

- 3.2.1 The Guidance on Local Government Investments in England gives priority to security and liquidity and the Authority's aim is to achieve a yield commensurate with these principles.
- 3.2.2 As mentioned in 1.4, SC has managed Treasury Management activities under an agreed Service Level Agreement. Investments were made on the basis of aggregating funds in order to maximise the benefits for both parties. The current arrangement strategy of lending all surplus funds to SC represents an investment that is virtually free from risk of counterparty default, as SC is the only counterparty. Also, with MiFID II, SC will continue to have access to products that would be beyond ENP.
- 3.2.3 Security of capital remained SC's main investment objective. Current SC approved counterparties are listed below. Those used during the year are denoted with a star.

<b>Bank or Building Society</b>		<b>Sterling LVNAV Money Market Funds</b>	
Australia & NZ Bank	*	Deutsche MMF	*
Bank of Scotland		Invesco Aim MMF	*
Bank of Montreal		Federated Prime MMF	*
Bank of Nova Scotia		Insight MMF	*
Barclays Bank Plc		Aberdeen Standard MMF	*
Canadian Imperial Bank of Commerce		LGIM MMF	*
Commonwealth Bank of Australia		SSGA MMF	*
DBS Bank Ltd	*	Aviva MMF	*
DZ Bank		<b>Other Counterparties</b>	
HSBC Bank		Other Local Authorities (Number of Deals)	* (17)
Landesbank Hessen- Thuringen	*	Debt Management Office	
Lloyds Bank	*	<b>Strategic Pooled Funds</b>	
National Australia Bank		CCLA Property Fund	*
National Bank of Canada	*	RLAM Bond Fund	*
National Westminster	*	M&G Bond Fund	*
Nationwide BS		Aegon Diversified Fund	*
Nordea Bank	*	CCLA Diversified Fund	*
OP Corporate Bank		Fidelity Equity Fund	*
Oversea-Chinese Banking Corporation (Singapore Bank)		Columbia Threadneedle Bond Fund	*
Rabobank		Ninety-One Diversified Fund	*
Royal Bank of Scotland		Paydon & Rygel Bond Fund	*
Santander UK	*	RLAM Short-Term Fund	*
Standard Chartered Bank	*	Schroder Equity Fund	*
Handelsbanken Plc		UBS Equity Fund	*
<b>Bank or Building Society (Continued)</b>			
Toronto-Dominion Bank	*		
United Overseas Bank			

- 3.2.4 SC has continuously monitored counterparties, and all ratings of proposed counterparties have been subject to verification on the day, immediately prior to investment. Other indicators taken into account have been:
- Credit Default Swaps and Government Bond Spreads.
  - GDP and Net Debt as a Percentage of GDP for sovereign countries.
  - Likelihood and strength of Parental Support.
  - Banking resolution mechanisms for the restructure of failing financial institutions i.e. bail-in.
  - Share Price.
  - Market information on corporate developments and market sentiment towards the counterparties and sovereigns.
- 3.2.5 In October 2023, S&P revised the UK sovereign outlook to stable and upgraded Barclays Bank to A+. Moody's also revised the UK outlook to stable, Handelsbanken's outlook to negative, downgraded five local authorities, and affirmed HSBC's outlook at stable.
- 3.2.6 In the final quarter of the financial year, Fitch revised the outlook on the UK sovereign rating to stable from negative based on their assessment that the risks to the UK's public finances had decreased since its previous review in October 2022, the time of the mini- budget.
- 3.2.7 Moody's, meanwhile, upgraded the long-term ratings of German lenders Helaba, Bayern LB and LBBW on better solvency and capital positions, despite challenges from a slowing German economy and exposure to the commercial real estate sector. Moody's also upgraded or placed on review for an upgrade, Australian banks including ANZ, CBA, NAB and Westpac on the back of the introduction of a new bank resolution regime.
- 3.2.8 Credit default swap prices began the financial year at elevated levels following the fallout from Silicon Valley Bank and collapse/takeover of other lenders. From then the general trend was one of falling prices and UK lenders' CDS ended the period at similar levels to those seen in early 2023.
- 3.2.9 In response to an improving outlook for credit markets, in January 2024 Arlingclose, SC's treasury advisors moved away from its previous stance of a 35-day maximum duration and increased its advised recommended maximum unsecured duration limit on all banks on its counterparty list to 100 days.
- 3.2.10 Market volatility is expected to remain a feature, at least in the near term and, as ever, the institutions and durations on the SC counterparty list remains under constant review.
- 3.2.11 In order to increase diversification of SC's portfolio, some deposits were placed with UK Local Authorities. Seventeen deposits were placed with Local Authorities during the year. This allowed for some longer-dated maturities with excellent creditworthiness and an appropriate yield.
- 3.2.12 It should be emphasised that the current Authority strategy of lending all surplus funds to SC represents an investment that is virtually free from risk of counterparty default, as SC is the only counterparty.
- 3.2.13 The Treasury portfolio at the end of this and the previous financial year is set out below.

	<b>Balance on 31/03/2023 £000</b>	<b>Rate (gross) %</b>	<b>Balance on 31/03/2024 £000</b>	<b>Rate (gross) %</b>	<b>Average Balance £000</b>	<b>Average Rate (gross) %</b>
Cash Balance	2,303	4.25	2,544	6.26	3,118	5.00



There was an increase of £241,000 in overall cash balances held by the Authority at 31st March 2024 as compared with 31st March 2023.

3.2.14 The average daily balance of the Authority's cash was around £3.12m, an increase from the £3.07m in 2022-23. Gross interest earned in the year was £156,331 compared to £55,697 for the year in 2022-23. The average rate earned was 5.00%, just 0.03% below average base rate for the year.

#### 4. Compliance

4.1 During the year, all ENPA treasury management policies, practices, and activities remained compliant with all relevant statutes and guidance, namely the MHCLG investment guidance issued under the Local Government Act 2003, the CIPFA Code of Practice for Treasury Management, and the CIPFA Prudential Code.

4.2 The DLUHC's current Guidance on Investments, revised 1<sup>st</sup> April 2018, reiterated security and liquidity as the primary objectives of a prudent investment policy. All lending was compliant with guidance issued by the DLUHC, and as SC was the only counterparty for all funds for the year, this was achieved at minimal risk.

4.3 For completeness, and to comply with guidance, Prudential limits set, and actual outcomes are to be reported. All treasury activity was conducted within the benchmarks set as Prudential limits for prudent and sustainable capital plans, financing, and investment. Indicators approved for the year are set out in the left-hand columns, with actual outturns on the right.

##### 1 Borrowing Limits

		Actual
Authorised	£100,000	<b>Nil</b>
Operational	£100,000	<b>Nil</b>

##### 2 Maturity Structure

	Upper Limit	Lower Limit		Actual
	%	%	Value	%
< 12m	100	0	0.00	<b>0.0</b>
> 12m < 24m	0	0	0.00	<b>0.0</b>
> 24m < 5yrs	0	0	0.00	<b>0.0</b>
> 5yrs < 10yrs	0	0	0.00	<b>0.0</b>
> 10yrs	0	0	0.00	<b>0.0</b>
			0.00	<b>0.0</b>

##### 3 Investments > 365 days

0 0

**Ben Barrett**  
Head of Enterprise & Operations

**May 2024**

**Table 1: Bank Rate, Money Market Rates -SONIA (Sterling Overnight Interbank Rates - BID)**

<b>Date</b>	<b>Bank Rate</b>	<b>O/N SONIA</b>	<b>7-day SONIA</b>	<b>1-month SONIA</b>	<b>3-month SONIA</b>	<b>6-month SONIA</b>	<b>12-month SONIA</b>
01/04/2023	4.25	4.17	4.20	4.11	4.43	4.59	4.89
30/04/2023	4.25	4.17	4.20	4.37	4.70	4.93	5.17
31/05/2023	4.50	4.42	4.45	4.54	4.95	5.21	5.56
30/06/2023	5.00	4.90	4.91	5.02	5.42	5.90	6.38
31/07/2023	5.00	4.91	5.10	5.27	5.48	5.80	6.17
31/08/2023	5.25	5.17	5.18	5.31	5.52	5.82	6.05
30/09/2023	5.25	5.19	5.19	5.22	5.51	5.63	5.77
31/10/2023	5.25	5.13	5.18	5.20	5.43	5.53	5.62
30/11/2023	5.25	5.04	5.14	5.33	5.31	5.40	5.49
31/12/2023	5.25	5.12	5.14	5.18	5.23	5.26	5.06
31/01/2024	5.25	5.04	5.14	5.19	5.28	5.24	5.11
29/02/2024	5.25	5.20	5.15	5.23	5.24	5.28	5.25
31/03/2024	5.25	5.19	5.22	5.21	5.18	5.14	5.11
<b>Minimum</b>	<b>4.25</b>	<b>4.06</b>	<b>4.20</b>	<b>4.11</b>	<b>4.39</b>	<b>4.53</b>	<b>4.86</b>
<b>Maximum</b>	<b>5.25</b>	<b>5.24</b>	<b>5.35</b>	<b>5.49</b>	<b>5.59</b>	<b>5.95</b>	<b>6.60</b>
<b>Average</b>	<b>5.03</b>	<b>4.93</b>	<b>4.96</b>	<b>5.03</b>	<b>5.23</b>	<b>5.40</b>	<b>5.55</b>
<b>Spread</b>	<b>1.00</b>	<b>1.18</b>	<b>1.15</b>	<b>1.38</b>	<b>1.20</b>	<b>1.42</b>	<b>1.74</b>

**Table 2. PWLB Rates 2023/24 (Maturity rates unless stated)**

<b>Change Date</b>	<b>Notice No</b>	<b>4½-5 yrs</b>	<b>9½-10 yrs</b>	<b>19½-20 yrs</b>	<b>29½-30 yrs</b>	<b>39½-40 yrs</b>	<b>49½-50 yrs</b>
01/04/2023	128/23	4.53	4.53	4.89	4.85	4.72	4.60
30/04/2023	163/23	4.73	4.72	5.09	5.07	4.95	4.84
31/05/2023	203/23	5.21	5.15	5.48	5.47	5.39	5.29
30/06/2023	247/23	5.91	5.45	5.56	5.45	5.28	5.15
31/07/2023	289/23	5.59	5.33	5.55	5.49	5.37	5.25
31/08/2023	333/23	5.55	5.38	5.64	5.60	5.47	5.33
30/09/2023	373/23	5.42	5.45	5.83	5.84	5.74	5.61
31/10/2023	417/23	5.34	5.49	5.89	5.90	5.80	5.68
30/11/2023	461/23	5.07	5.16	5.60	5.60	5.50	5.35
31/12/2023	496/23	4.39	4.57	5.10	5.11	5.02	4.87
31/01/2024	044/24	4.79	4.93	5.45	5.49	5.41	5.27
29/02/2024	086/24	5.20	5.24	5.64	5.65	5.58	5.44
31/03/2024	126/24	4.88	4.49	5.38	5.41	5.34	5.21
	<b>Low</b>	<b>4.33</b>	<b>4.40</b>	<b>4.78</b>	<b>4.73</b>	<b>4.59</b>	<b>4.46</b>
	<b>High</b>	<b>6.13</b>	<b>5.73</b>	<b>6.14</b>	<b>6.14</b>	<b>6.05</b>	<b>5.93</b>
	<b>Average</b>	<b>5.19</b>	<b>5.16</b>	<b>5.52</b>	<b>5.50</b>	<b>5.40</b>	<b>5.27</b>
	<b>Spread</b>	<b>1.80</b>	<b>1.33</b>	<b>1.36</b>	<b>1.41</b>	<b>1.46</b>	<b>1.47</b>

**Table 3: PWLB Borrowing Rates – Fixed Rate, Equal Instalment of Principal (EIP) Loans**

<b>Change Date</b>	<b>Notice No</b>	<b>4½-5 yrs</b>	<b>9½-10 yrs</b>	<b>19½-20 yrs</b>	<b>29½-30 yrs</b>	<b>39½-40 yrs</b>	<b>49½-50 yrs</b>
01/04/2023	128/23	4.74	4.50	4.54	4.78	4.48	4.89
30/04/2023	163/23	4.94	4.70	4.74	4.98	5.09	5.10
31/05/2023	203/23	5.45	5.20	5.16	5.37	5.48	5.49
30/06/2023	247/23	6.24	5.84	5.45	5.52	5.56	5.53
31/07/2023	289/23	5.85	5.53	5.34	5.48	5.55	5.53
31/08/2023	333/23	5.81	5.50	5.38	5.56	5.64	5.64
30/09/2023	375/23	5.63	5.39	5.47	5.72	5.85	5.87
31/10/2023	417/23	5.51	5.32	5.51	5.77	5.90	5.92
30/11/2023	461/23	5.33	5.04	5.18	5.47	5.60	5.62
31/12/2023	496/23	4.74	4.35	4.55	4.88	5.04	5.07
31/01/2024	044/24	5.08	4.76	4.95	5.29	5.45	5.49
29/02/2024	086/24	5.44	5.17	5.25	5.50	5.64	5.67
31/03/2024	126/24	5.16	4.84	4.96	5.24	5.38	5.42
	<b>Low</b>	<b>4.53</b>	<b>4.30</b>	<b>4.41</b>	<b>4.66</b>	<b>4.78</b>	<b>4.78</b>
	<b>High</b>	<b>6.42</b>	<b>6.06</b>	<b>5.75</b>	<b>6.02</b>	<b>6.14</b>	<b>6.16</b>
	<b>Average</b>	<b>5.44</b>	<b>5.15</b>	<b>5.18</b>	<b>5.41</b>	<b>5.52</b>	<b>5.53</b>
	<b>Spread</b>	<b>1.87</b>	<b>1.76</b>	<b>1.34</b>	<b>1.36</b>	<b>1.36</b>	<b>1.38</b>

## EXMOOR NATIONAL PARK AUTHORITY

2 July 2024

### BIODIVERSITY NET GAIN – HABITAT BANK S106 AGREEMENTS & BIODIVERSITY NET GAIN MONITORING FEES

#### Report of the Head of Climate, Nature and Communities

**Purpose of Report:** To consider updates to the Exmoor National Park Biodiversity Net Gain Technical Guidance Note, and agreement of habitat banks through the signing of S106 agreements.

**RECOMMENDATIONS:** The Authority is recommended to:

- (1) AGREE the updated Exmoor National Park Biodiversity Net Gain Technical Guidance Note (Appendix 1) with delegated responsibility for Officers to make any necessary changes arising from national legislation and guidance or correct typographical or factual errors.
- (2) NOTE that the Technical Guidance Note sets out the fees for habitat bank approval and for BNG monitoring and that an additional legal fee will be charged for S106s.
- (3) DELEGATE to the Chief Executive the agreement of habitat banks in Exmoor National Park through the signing of a S106 agreement.

**Authority Priority:** A clear response to the nature and climate crises; flourishing, vibrant, communities and businesses: Priority 4 of the Exmoor National Park Authority Corporate Strategy 2023-26 is to prepare for the introduction of new legislative requirements for Biodiversity Net Gain and efficient services.

**Legal and Equality Implications:** The Environment Act 2021 introduced Biodiversity Net Gain which became mandatory from 12th February 2024 and for small sites from 2nd April 2024. Section 65(4) Environment Act 1995 – provides powers to the National Park Authority to “*do anything which in the opinion of the Authority, is calculated to facilitate, or is conducive or incidental to:-*

- (a) *the accomplishment of the purposes mentioned in s. 65 (1) [National Park purposes]*
- (b) *the carrying out of any functions conferred on it by virtue of any other enactment.”*

**The equality impact of the recommendations of this report has been assessed as follows:** There are no foreseen adverse impacts on any protected group(s).

**Consideration has been given to the provisions of the Human Rights Act 1998 and an assessment of the implications of the recommendations of this report is as follows:** There are no implications for the Human Rights Act.

**Financial and Risk implications:** Biodiversity Net Gain is an additional requirement for ENPA to implement as Local Planning Authority, and as such Government stated that additional funding would be provided. Some funding has already been provided to help planning authorities prepare for the new requirements. The BNG Technical Guidance Note (Appendix 1) sets out the fees for habitat bank approval and monitoring.

**Climate Response:** No impact is anticipated although the provision of new habitat or habitat enhancements as part of Biodiversity Net Gain could also provide climate mitigation and adaptation. A Corporate Plan priority is a clear response to the nature and climate crises.

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## **1. Background**

- 1.1 Biodiversity Net Gain (BNG) is an approach to development which aims to leave biodiversity in a measurably better state than before. The Environment Act 2021 introduced a mandatory 10% Biodiversity Net Gain for new development with some exemptions. This statutory requirement is intended to ensure that developments deliver measurable improvements to biodiversity through enhancing existing habitats or by creating new ones.
- 1.2 A report on BNG: Implementing Biodiversity Net Gain in Exmoor National Park was considered by members on 4 July 2023. Members resolved to trial implementation of BNG and to approve the Exmoor National Park BNG Technical Guidance Note (TGN) to support implementation of BNG requirements, Local Plan policy on biodiversity enhancement and making a meaningful contribution to nature recovery on Exmoor.
- 1.3 Now that BNG is a legal requirement, specific exemptions from BNG rules have been confirmed for some development. These include permitted development; developments below specified thresholds that do not impact a priority habitat; householder developments; 9 or fewer self/custom build houses; and development mainly for the purpose of fulfilling the BNG planning condition for another development. For development which is exempt from 10% BNG requirements, Exmoor National Park Authority (ENPA) still requires biodiversity enhancements in line with adopted Exmoor Local Plan policies.
- 1.4 BNG requirements do not alter existing requirements and protections for the natural environment such as protecting important habitats and species. The mitigation hierarchy also still applies.<sup>1</sup>
- 1.5 The Exmoor National Park BNG Technical Guidance Note agreed by members on 4 July 2023 needs to be updated to reflect national changes and to provide additional information on the consideration and arrangements for off-site BNG through habitat banks. This is explained in more detail below. The updated version is attached in Appendix 1. The updates are primarily to sections 1 and 2 to reflect mandatory BNG implementation, section 2.5 and appendix 2 setting out the habitat bank process and 2.6 relating to habitat bank application fees. A quick guide to BNG will be uploaded to the Authority's website once it has been updated.

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<sup>1</sup> Avoid impacts, then mitigate (minimise) unavoidable impacts, as a last resort (if unavoidable) compensate for impacts. Para 186(a) [National Planning Policy Framework - 15. Conserving and enhancing the natural environment - Guidance - GOV.UK \(www.gov.uk\)](#)

## **2. Delivering BNG**

### **2.1** There are 3 ways a developer can achieve BNG:

- Enhance and restore biodiversity on-site (within the red line boundary of a development site).
- If developers cannot achieve all of their BNG on-site, they can deliver through a mixture of on-site and off-site. Developers can either make off-site biodiversity gains on their own land outside the development site or buy off-site biodiversity units on the market from a habitat bank.
- If developers cannot achieve on-site or off-site Biodiversity Net Gain, they must buy statutory biodiversity credits from Natural England. Statutory biodiversity credits are different from off-site biodiversity units sold in the [off-site](#) private market. This must be a last resort.

### **2.2** Developers can combine all 3 options but must follow the steps in order. This order of steps is called the [biodiversity gain hierarchy](#).

### **2.3** ENPA's role, as local planning authority (LPA), will be to ensure that BNG is delivered for planning applications where BNG applies. This includes reviewing the submitted Biodiversity Gain Plan and accompanying Metric, checking that the mitigation hierarchy has been followed, and determining the application. If significant on-site gains, any off-site gains or statutory credits are being used to deliver the BNG, then ENPA will need to ensure that these gains have been secured through a legal Section 106 (S106) agreement (or conservation covenant). In addition, ENPA also plays a role in assessing proposed habitat banks and potentially entering into a S106 for these. ENPA will also play a role in monitoring and enforcing delivery of on-site and off-site BNG, including habitat banks.

## **3. Off-site Biodiversity Net Gain**

### **3.1** Where compensation / BNG requirements cannot all be met on-site, developers are required to provide habitat outside the development site or "off-site". There are several off-site delivery options which include:

- The developer delivers off-site BNG through works on land it controls; or
- The developer (or a facilitator/broker) finds a landowner/occupier (with control of the land for at least 30 years) and pays them to provide the required habitat; or
- The developer buys units from an existing BNG habitat bank in Exmoor National Park if any are available.
- Alternatively, some developments will need biodiversity units purchased from a habitat bank elsewhere which could include in the Exmoor National Character Area outside the National Park.

### **3.2** All off-site habitat created or enhanced through BNG should be: secured through a legal agreement (S106) or a conservation covenant recorded in the biodiversity gain sites register ('the national register') operated by Natural England; be overseen by a professional Ecologist; and must be maintained for at least 30 years with monitoring reports provided to the National Park Authority (NPA) as the LPA.

Developers pay for habitat creation, enhancement, management, and monitoring over this 30-year period.

- 3.3 Whilst it will be the developer (or habitat bank provider's) responsibility to ensure the implementation of BNG, the LPA will need to monitor and enforce the conditions and obligations that are linked to planning permissions. The NPA has prepared the BNG Technical Guidance Note to provide Exmoor specific advice on assessing BNG evidence in support of planning applications and reporting and monitoring of BNG.

#### **4. Habitat banks**

- 4.1 A habitat bank is a site where habitat creation is secured, delivered, and managed long term in accordance with the requirements for BNG for the purpose of delivering habitats required by other development proposals. The habitat bank is registered on the national register. Developers then enter into contracts with the Habitat Provider to buy units necessary for their development. Habitat banks are therefore new wildlife habitats which are created on the basis that costs can be met through selling biodiversity units to developers. They are set up at the owner's risk and in an open marketplace for purchasing biodiversity units.
- 4.2 Currently, four main models for habitat bank creation are emerging:
- A private landowner or leaseholder sets up the bank themselves
  - A broker working on behalf of a landowner or leaseholder sets up the bank
  - A specialist habitat bank provider enters into an agreement with a landowner, and they set up and manage the site under a 30 year lease
  - An LPA creates a habitat bank.
- 4.3 Habitat bank sites must be subject to controls to ensure that the habitats are created in accordance with the proposals, that they reach their target condition as proposed, and they are monitored and maintained for the prescribed 30-year BNG maintenance period (which starts from the completion of habitat enhancement works). They need to be legally secured by using S106 of the Town and County Planning Act 1990 (as amended) through agreement with the LPA. This is a different use of S106 and will create standalone S106 agreements that are not associated with a particular planning permission. The other route is through the use of new Conservation Covenants, secured with Responsible Bodies. Currently, ENPA is not registered as a Responsible Body and so will not be involved with agreeing Conservation Covenants. This will mean that the habitat is provided but the Authority has no role in monitoring the habitat bank delivery.
- 4.4 As entering into S106 legal agreements for habitat banks is discretionary, the LPA can apply criteria to proposals in order to decide which ones (if any) to support. A set of criteria have been developed and incorporated into the Exmoor BNG Technical Guidance Note (Appendix 2 of the TGN) with some additional detail on the process of assessment (section 2.5 of the TGN).



4.5 It is proposed that, following the assessment process set out in the BNG Technical Guidance Note, the final decision on whether to accept a habitat bank proposal would be through a S106 legal agreement signed by the Chief Executive under delegated powers. The Scheme of Delegation for Planning authorises the Chief Executive to act for the Authority on all matters which relate to its role as Local Planning Authority. S106 agreements are a longstanding planning mechanism and a S106 agreement for a habitat bank would fall under the role of the NPA as a local planning authority.

## **5. Assessment and monitoring fees for off-site habitat and habitat banks**

- 5.1 The NPA is able to secure a fee to cover the costs of assessing and monitoring off-site habitats and habitat banks. Details of these costs are included in the Exmoor National Park BNG Technical Guidance Note (section 2.6).
- 5.2 Legal fees will also need to be charged on top of the costs above. It is envisaged that the above fees will be paid by the developer or habitat bank provider at the point of signing of the relevant legal agreement (in most cases a Section 106 agreement).

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**June 2024**



## Biodiversity Net Gain

### Technical Guidance Note

V3 June 2024



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# 1 Introduction

Biodiversity Net Gain (BNG) is an approach to development, land and marine management which aims to leave biodiversity in a measurably better state than before.

Under the Environment Act 2021, it has been mandatory for all planning permissions in England to achieve at least 10% net gain since 12 February 2024 (and for small sites from 2 April 2024), with some exemptions, following the national regulations.

The purpose of this Technical Guidance Note (TGN) is to provide guidance for applicants and agents explaining how BNG is implemented in Exmoor National Park, in accordance with the national regulations.

Policies in the Exmoor National Park Local Plan (2011 – 2031) also support the enhancement of biodiversity, including:

- Policy CE-S3 – Biodiversity and Green Infrastructure
  - 2. Development delivery ... will conserve, restore and re-create priority habitats and conserve and increase priority species identified for Exmoor in the Exmoor Wildlife Research and Monitoring Framework (or successor publication).
  - 6. The enhancement of biodiversity and creation of multi-functional green infrastructure networks at a variety of spatial scales, including cross-boundary connectivity to areas adjacent to the National Park, that help support ecosystem services will be encouraged.
  - Opportunities will be promoted for habitat management, restoration, expansion that strengthens the resilience of the ecological network, and enables habitats and species to adapt to climate change or to mitigate the effects of climate change.
  - Green infrastructure that incorporates measures to enhance biodiversity, including dispersal areas identified within the ecological network, should be provided as an integral part of development.
- Policy CE-D2 – Green Infrastructure Provision
  - 1. Development proposals should include measures that will enhance green infrastructure provision and create opportunities for wildlife in the National Park commensurate with the scale of the proposal and intensity of activity expected.

Further, more detailed, guidance on the process of preparing an application can be found from [Devon County Council](#) and [Somerset Council](#) along with the national [planning practice guidance](#) for biodiversity net gain.

This TGN is a material consideration that will be considered by decision makers when determining planning applications in Exmoor National Park.

Well designed and executed BNG is expected to make a meaningful contribution to nature recovery on Exmoor in line with the [Exmoor Nature Recovery Vision](#).

## 2 Biodiversity Net Gain requirements

The Environment Act 2021 requires a **minimum of 10%** net gain in biodiversity (secured for a minimum of 30 years). This will be re-considered when the Local Plan is reviewed and may increase. Proposals should maximise opportunities for biodiversity and make a meaningful contribution to nature recovery in line with our Nature Recovery Vision.

Under the statutory framework for Biodiversity Net Gain, every grant of planning permission in England is deemed to have been granted subject to a general biodiversity gain condition to secure the biodiversity gain objective. This objective is to deliver at least a 10% increase in relation to the pre-development biodiversity value of the development granted permission. The general biodiversity gain condition is a pre-commencement condition: once planning permission has been granted, a Biodiversity Gain Plan must be submitted and approved by the planning authority before commencement of the development.

### 2.1.1 Exemptions

A minimum of 10% BNG (secured for a minimum of 30 years) will be required for all applications, except:

- Householder applications
- Permitted development
- Development impacting an area below a 'de minimis' threshold of 25m<sup>2</sup> (5m by 5m) of on-site habitat or 5m of on-site linear habitats (such as hedgerows), where no priority habitat is present
- Biodiversity gain sites (where habitats are being enhanced for the purpose of fulfilling the biodiversity gain condition for another development)
- Self-build and custom build (as defined in section 1(A1) of the Self-build and Custom Housebuilding Act 2015) where there will be no more than nine dwellings on a site no larger than 0.5ha.
- Urgent crown development
- BNG also does not apply to retrospective applications

For development which is exempt from 10% BNG requirements, we still require biodiversity enhancements in line with our local plan policy (see Appendix 1).

## 2.2 What is needed to support a planning application

### 2.2.1 Exmoor Biodiversity Trigger List

Every planning application should be submitted with a completed [Exmoor Biodiversity Trigger List](#), Ecological Impact Assessment and survey reports as required.

The [Natural Environment Record](#) (NER) is Exmoor's repository for biological information, containing wildlife data collected from throughout the National Park. The NER includes an interactive map which can help with finding information on Exmoor's wildlife habitats, species and designations. For detailed data searches please contact the local records centre (Somerset Environmental Records Centre or Devon Biodiversity Records Centre).

### 2.2.2 BNG requirements

Where development would be subject to the general biodiversity gain condition, the application must be accompanied by minimum information set out in Article 7 of The Town and Country Planning (Development Management Procedure) (England) Order 2015:

- A statement as to whether the applicant believes that planning permission, if granted, would be subject to the biodiversity gain condition
- The pre-development biodiversity value of the onsite habitat on the date of application (or an earlier date) including the completed metric calculation tool used showing the calculations, the publication date and version of the biodiversity metric used to calculate that value
- Where the applicant wishes to use an earlier date, the proposed earlier date and the reasons for proposing that date
- A statement confirming whether the biodiversity value of the onsite habitat is lower on the date of application (or an earlier date) because of the carrying on of activities ('degradation') in which case the value is to be taken as immediately before the carrying on of the activities, and if degradation has taken place supporting evidence of this
- A description of any irreplaceable habitat (as set out in column 1 of the Schedule to the Biodiversity Gain Requirements (Irreplaceable Habitat) Regulations [2024]) on the land to which the application relates, that exists on the date of application, (or an earlier date)
- A plan, drawn to an identified scale which must show the direction of North, showing onsite habitat existing on the date of application (or an earlier date), including any irreplaceable habitat

*If this information has not been provided, the local planning authority must refuse to validate the application.*

Where significant onsite delivery of biodiversity net gain will be provided, the BNG statement should provide details of both pre-development biodiversity value of the site and post-development biodiversity value of the site, with appropriate scaled plans, a copy of the completed metric and associated documents. In addition, a draft Habitat Management and Monitoring Plan should be provided to set out proposals for long-term maintenance of the habitats proposed.

Significant enhancements are areas of habitat enhancement which contribute significantly to the proposed development's biodiversity net gain relative to the biodiversity value before development. What counts as a significant enhancement will vary depending on the scale of development and existing habitat, but these would normally be:

- Habitats of medium or higher distinctiveness in the biodiversity metric
- Habitats of low distinctiveness which create a large number of biodiversity units relative to the biodiversity value of the site before development
- Habitat creation or enhancement where distinctiveness is increased relative to the distinctiveness of the habitat before development
- Areas of habitat creation or enhancement which are significant in area relative to the size of the development
- Enhancements to habitat condition, for example from poor or moderate to good

### 2.2.3 The Metric

The statutory biodiversity metric must be used for the calculation of pre-development and post-development biodiversity value of sites and projects.

The statutory biodiversity metric should be used for:

- Any development site where priority habitat is present
- Residential development of 10 or more dwellings on a site of  $\geq 1\text{ha}$
- Where the number of dwellings is not known the site area is  $\geq 0.5\text{ha}$
- For all other development types, the site area is  $\geq 1\text{ha}$  or floorspace  $\geq 1000\text{m}^2$

The metric should be completed by a competent person, normally an ecologist.

The small sites statutory biodiversity metric is a simplified version of the statutory biodiversity metric and may be used for small sites, which are defined as:

- Residential development of 1-9 dwellings on a site of  $< 1\text{ha}$
- Where the number of dwellings is not known the site area is  $< 0.5\text{ha}$
- For non-residential, the floorspace to be created is  $< 1000\text{m}^2$  or the site area is  $< 1\text{ha}$

The small sites metric cannot be used on sites where: habitats not available in the small sites metric are present; where priority habitats are in the development site (excluding some hedgerow and arable field margins); where protected species are present; where any off-site interventions are required.

The small sites metric does not necessarily need to be completed by an ecologist, but again, it must be completed by a competent person who “is confident in identifying habitats present on the site before the development and identifying the management requirements for habitats which will be created or enhanced within the landscape design.”

The metric habitat condition assessments provide criteria to allow a standard approach to assessing habitat condition for the metric and these should be provided alongside the metric.

The statutory biodiversity metric tool and user guide can be found [online](#).

### 2.2.4 Strategic significance

The table below outlines the areas that ENPA considers to be of High, Medium or Low strategic significance. This is provided as an interim measure whilst the Local Nature Recovery Strategies are in development, and will be reviewed and updated. The list is not exhaustive and the assessment may be informed by several other strategic documents for specific species or habitats on their route to recovery. The assessment should be supplemented by justification within the comments section of the metric.

Strategic significance (metric multiplier)	Definition
High (x1.15)	a) Within a designated site (Special Area of Conservation (SAC), Site of Special Scientific Interest (SSSI), County/Local Wildlife Site (CWS/LWS)) b) Within 1km of a designated site c) Habitat creation or enhancement which supports the recovery of priority species or protected sites (SAC, SSSI and CWS/LWS)* d) Priority habitat



Medium (x1.10)	Only where habitat creation or enhancement clearly contributes to ecological functionality in the landscape, and makes a meaningful contribution to nature recovery across Exmoor, but falls outside the areas identified as 'high'.
Low (x1.0)	Any other areas which do not meet the above criteria

\* This may be further informed by specific guidance such as the Exmoor & Quantock Oakwoods SAC guidance.

#### 2.2.5 Additionality

BNG must be additional, over-and-above, other mitigation or compensation requirements such as that required for protected species or priority habitats.

#### 2.2.6 Irreplaceable habitats

Development likely to result in the loss or deterioration of irreplaceable habitats or protected sites will not be permitted unless there are wholly exceptional reasons, in line with Local Plan policy CE-S3.

Impacts on irreplaceable habitats are not adequately addressed by the metric and it should not be used for this purpose.

Irreplaceable habitats will be further defined following national public consultation in 2024, but an initial list has been provided by DEFRA comprising:

- Ancient woodland
- Ancient and veteran trees
- Blanket bog
- Limestone pavements
- Coastal sand dunes
- Spartina saltmarsh swards
- Mediterranean saltmarsh scrub
- Lowland fens

#### 2.2.7 Outline applications

Outline planning applications should be supported by a BNG Strategy which will show how the development will realistically be able to deliver BNG based on the land available for different uses. For phased developments, the Strategy should show how each phase will deliver a pre-determined proportion of habitat provision for BNG.

### 2.3 Pre-commencement

#### 2.3.1 Biodiversity Gain Plan

Where the general biodiversity gain condition applies, a Biodiversity Gain Plan will need to be submitted no earlier than the day after planning permission has been granted. The Environment Act 2021 states that the plan should include:

- How adverse impacts on habitats have been minimised
- The pre-development biodiversity value of the onsite habitat
- The post-development biodiversity value of the onsite habitat
- The biodiversity value of any registered off-site habitat provided in relation to the development



- Any statutory biodiversity credits purchased
- Any further requirements as set out in secondary legislation

A plan/map should be provided as part of the Biodiversity Gain Plan showing clearly where habitats will be protected, enhanced and created. Where development is not to proceed in phases, additional information is required as set out in the Planning Practice Guidance<sup>1</sup>. There is a standard Biodiversity Gain Plan template which may be used.

Development may not commence until the Biodiversity Gain Plan has been approved.

Other on-site wildlife enhancements should still be incorporated into development proposals in line with good practice (and Appendix 1). For example, integrated bat/bird/bee bricks in buildings, hedgehog holes or habitat piles and these should also be shown on a suitable figure.

## 2.4 Implementation and monitoring

The landowner and/or developer is responsible for delivering and monitoring the BNG requirements as per the details set out in conditions or a legal agreement.

The LPA will review monitoring reports submitted and will undertake enforcement for any non-compliance with conditions or legal agreements.

## 2.5 Habitat banks

The assessment process that the NPA will follow to consider and register an interest in land for a habitat bank is set out below.

Register Interest	Landowner/agent submits a registration of interest via email to <a href="mailto:plan@exmoor-nationalpark.gov.uk">plan@exmoor-nationalpark.gov.uk</a> or a 'call for sites'
	Landowner/agent submits the required information (see Appendix 2)
ENPA's assessment of the site's suitability as a habitat bank	ENPA ecologist reviews draft Habitat Management and Monitoring Plan (HMMP) and Statutory Metric and considers monitoring requirements
	Site visit by ENPA ecologist
	Consultation with ENPA officers including consideration of landscape and historic environment impacts (wider consultation with statutory nature conservation bodies and non-statutory nature conservation organisations may also be considered)
	Consideration of alignment with nature recovery strategy
	Consideration of alignment with other ENPA priorities
Risk Assessment	Consideration of existing consents, covenants, charges and compatible finance, business plan, risk management and contingency, delivery and partners
Decision making	Resolution to approve subject to a S106 by ENPA's Chief Executive
Legal agreement	Agree monitoring fees (based on DCC monitoring fees and set out in this guidance) to include in the S106
	Share draft S106 and engage legal team
	S106, once agreed, signed by Chief Executive under delegated powers
Finalised	Habitat bank approved

<sup>1</sup> Paragraph: 032 Reference ID: 74-032-2023 [Draft biodiversity net gain planning practice guidance - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/draft-biodiversity-net-gain-planning-practice-guidance)

## 2.6 Fees

### 2.6.1 Biodiversity Gain Plan

The submission of a Biodiversity Gain Plan falls under Regulation 16 of the Town and Country Planning (Fee for Applications, Deemed Applications, Requests and Site Visit) (England) Regulations 2012. The current fee is £145 for each request.

### 2.6.2 Habitat bank application fee

ENPA will require a fee when registering an interest in land for a proposed habitat bank in the National Park.

Fees to register a habitat bank with Exmoor National Park Authority will be as follows:

- Small site (0-10ha) £499.50
- Medium site (11-20ha) £582.75
- Large site (21+ha) £666

These are in addition to the fees for monitoring and enforcement set out below in brackets.

### 2.6.1 Monitoring and enforcement

The LPA will require a fee to cover costs of assessment, monitoring and enforcement of **off-site** Biodiversity Gain Plans, and **significant on-site** BNG proposals. The below is a breakdown of how the costs have been derived by Devon Authorities and will be used as a base from which Devon LPAs can derive their monitoring fees. We will be using these values as the basis for monitoring fees across Exmoor National Park.

The day rate for a principal ecologist to review monitoring reports and undertake site visits has been calculated at £333 (£44.44 /hr). A yearly inflation of 3% per annum has been included (this inflation rate will be regularly reviewed by Devon authorities).

Monitoring reports will be expected to be submitted to ENPA on Years 2, 5, 10, 15, 20, 25 and 30 of the agreement. Site visits will be undertaken by an ENPA officer (or someone employed by ENPA) on years 1, 5, 15, 25 and 30. Costings for a sixth site visit at an unspecified time (with required access notice period included in the S106) have also been included.

Based on Devon Authorities fees, in Exmoor National Park monitoring costs for significant on-site and registered off-site provision will be associated with the size of the on-site/off-site/habitat bank land parcel. The following fees have been calculated. The lower figure in brackets applies to habitat banks.<sup>2</sup>

- Small site (0-10ha) - £4,131.08 (for habitat banks excluding application fee £3,631.58)
- Medium site (11-20ha) - £5,076.97 (for habitat banks excluding application fee £4,494.22)
- Large site (21ha+) - £6,022.86 (for habitat banks excluding application fee £5,356.86)

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<sup>2</sup> For habitat banks which have been assessed and agreed by the National Park Authority through the application process, fees will be reduced to reflect that the costs of an initial assessment have been paid at application stage. The reduced figure for habitat banks in such cases is shown in brackets.

The review of monitoring reports on the years stated above are assumed to take 0.5 days, regardless of site size. The length of site visits will be dependent on the sizes of sites and have been assumed to take 0.5 days for a small site, 0.75 days for a medium site and 1 day for a large site.

Legal fees will need to be charged on top of the costs above to be agreed at the start of the S106 process. It is envisaged that the above fees will be paid by the developer or habitat bank provider at the point of signing of the relevant legal agreement.

### 3 Making a meaningful contribution to nature recovery on Exmoor

The purpose of BNG is to ensure we take measurable steps towards recovering what has been lost in a wider sense over a longer time period. In order to make this succeed, BNG proposals must be meaningful, respond to context, maximise opportunities for nature and follow best practice principles.

The mitigation hierarchy requires that impacts on biodiversity features are first avoided, then mitigated, and only as a last resort, compensated. This must be done before measures to provide BNG are considered. How this has been done must be detailed in the biodiversity gain plan. BNG does not replace existing protections for designated sites or protected species and BNG does not take these into consideration. As above, it will be necessary to demonstrate how these have been appropriately addressed in line with national legislation and local and national policy and how BNG is additional to these.

The following principles should be followed:

#### **Plan for BNG early**

Be informed early by a Preliminary Ecological Appraisal which will provide information on the habitats on site and do a metric early so that you can see how BNG might be deliverable within the proposals. Respond to the site's current status and history (which may include information on soil types and fertility levels) to decide on the most appropriate options for habitat retention, creation and enhancement to increase the likelihood of success.

#### **Be informed by strategic guidance**

The Exmoor Nature Recovery Vision sets out targets for creating more space for nature and diversity of habitats on Exmoor. Local Nature Recovery Strategies (LNRs), set out in the Environment Act 2021 are being prepared for both Devon and Somerset and will inform strategic areas for biodiversity net gain.

#### **Consider the Lawton Principles**

More – bigger – better – joined

Look for opportunities to reconnect fragmented linear habitats such as hedgerows or tree lines, look for opportunities to create connectivity to or buffer priority habitats such as woodland, streams or species-rich grassland and protected sites. Habitat delivered for BNG should not be too small, isolated or impacted by surrounding uses that would impair its functionality e.g. lighting or residential amenity pressures.

#### **Consider the landscape context of the site**

When planning new habitat creation, consider how it fits into the landscape and whether it is appropriate to the character of the landscape and the features within it. The Exmoor Landscape Character Assessment, 2018, identifies landscape character types across the National Park to reflect local character and distinctiveness. The natural assets and ecosystem services are described for each, as well as management guidelines and the issues driving change; these can provide a useful landscape scale guide when planning new habitat creation.

#### **Look for opportunities to support functioning ecosystems**

By building nature-based solutions into BNG proposals, the development is more likely to achieve wider environmental benefits such as improvements in water quality, flood risk or air quality.

## Appendix 1: Enhancements for wildlife

This document contains some suggestions for enhancement measures that could be incorporated into your development proposals. These must be additional to any mitigation requirements that may otherwise be required due to, for example, impacts on a bat roost.

Development falling below the threshold for mandatory net gain will nonetheless be required to deliver enhancement in accordance with the following thresholds:

Type of development	One enhancement feature required for every (or part of*)
New and replacement residential dwellings (including dwellings, extensions, conversions, garages and outbuildings)	20m <sup>2</sup> of floorspace
New non-residential buildings and conversions	30m <sup>2</sup> of floorspace
New non-residential roads, tracks, hardstandings and car parks	30m <sup>2</sup> of footprint developed

\*e.g. a residential extension of 30m<sup>2</sup> will need to provide 2 biodiversity enhancement features

The table below details what constitutes one enhancement feature for the application of the requirements outlined in the table above.

<i>What constitutes one enhancement feature?</i>
<b>Habitat</b> 10m <sup>2</sup> native wildflower meadow 10m native hedgerow Three native trees (including fruit trees (orchard)) Two integrated bird or bat boxes 2m <sup>3</sup> permanent pond (minimum 0.6m in depth) 2m length (minimum 1m high) stone bank (with corridors) 8m <sup>2</sup> swale or wetland 25m length of fence to prevent grazing in rivers, woodland, ditches, scrapes, scrub, other habitats
<b>Habitat connectivity</b> Permeable boundaries including wildlife corridors under fences and walls – all new boundary treatments at least one corridor per 2m Wildlife corridors under main roads and amphibian friendly kerbing – two corridors and one kerb
<b>Sustainable drainage</b> 1 rainwater butt (simple rainwater harvesting) 8m <sup>2</sup> swale or wetland

The following text boxes detail ideas for enhancement (several of which are included in the table above) which can be used to deliver enhancement for sites which sit below the threshold for mandatory net gain, but also provide ideas for opportunities for wildlife (including some species-specific) to sit alongside net gain, which principally focuses on delivery of habitats.

### Bat boxes

Integrated bat boxes, which can be incorporated into walls, are favoured as they offer an opportunity in perpetuity, do not require maintenance and are designed to be discrete in-situ.

In general, bat boxes should be sited on a tree or building, between 3m and 5m above ground, in a sunny position facing between south-west and south-east. They must be protected from artificial light sources/light-spill, and it is best practice not to site them above windows or doors. Long-lasting woodcrete/woodstone (or similar) materials are good. If siting on a tree, it is good to put them in groups of three, with a mixture of designs, facing in slightly different directions to create a variety of microclimates.

Example integrated boxes:



Schwegler 1FR Habibat bat box 001

Example external boxes:



Schwegler 1FF Schwegler 2F Kent bat box

### Bee bricks

Integrated bee bricks provide opportunities for solitary bees. They should be sited in a warm sunny spot, ideally south facing at a minimum height of 1m above ground level with no vegetation obscuring the entrance.



### Beetle banks

Beetle banks are 2m wide banks which support tussocky vegetation and provide an opportunity to encourage predatory insect numbers which can help with pest control.

See [How to create and manage beetle banks](#) (RSPB) for further information

## Bird boxes

Integrated bird boxes are favoured, as described for bat boxes above. Swift bricks have been shown to be used by a range of small cavity-nesting birds (including declining species) and are strongly encouraged.

In general, bird boxes should be sited on a tree or building facing between north and east, where they will not get too hot. Different bird boxes should be sited at different heights, with most small hole boxes best sited between 2-3m above ground, and swift, swallow and marten nests best sited around 5m above ground. Open fronted boxes should generally have some light vegetation cover nearby to provide protection from predation.

Example integrated boxes:



Swift brick

Example external boxes:



Small hole



Open fronted



Sparrow terrace



Nest cup

Opportunities for swallow should be provided where possible, and in all instances where opportunities will be lost (such as barn conversions or renovations). Swallows prefer to nest in sheltered positions so mitigation may include provision in barns, log-sheds, car ports or porches, through providing access to a retained building or through purpose-built structures such as a covered structure at a gable apex.

Owl boxes can also be a fantastic addition where space allows. They should be sited in undisturbed areas, in buildings on or trees, typically at least 5m above ground.



Barn owl box



Tawny owl box

## Bug hotels

Bug hotels can vary from small pre-fabricated boxes which can be installed on external walls, to large stacks which provide opportunities for a range of wildlife including toads and hedgehogs.

The RSPB have advice [here](#) on creating a 'stack' for wildlife.



### **Hibernacula**

Hibernacula are piles of logs, bricks/rocks and tubes covered in soil and turf which provide a space for reptiles and amphibians to take refuge during the active season and to hibernate during winter. They can be below ground if on dry soil or above ground if the soil is generally wet and must be in a position which is generally sunny and won't flood.

Wiltshire Wildlife Trust has advice [here](#) on their creation.

### **Hedgehog holes**

In order to find enough food and mate, hedgehogs need to be able to move through greenspace including parks and gardens. Holes in fences can make a big difference in their ability to do this. A hole 13cm by 13cm square is sufficient for a hedgehog.

Hedgehog Street provides more advice on this [here](#) along with more ideas about ways to help hedgehogs.

### **Hedgerow creation**

The creation of new hedgerows can provide a range of benefits including for wildlife, screening, carbon capture, flood management and even wood fuel or as a source of fruit and nuts. Hedgerows provide connectivity across landscapes and link existing hedges or habitats.

When creating a new hedge, you may consider building a bank, which is typical of many hedgerows on Exmoor. Species planted will depend on local conditions and what the hedgerow is for. In some areas of Exmoor beech hedges are dominant, but where appropriate a range of native species is preferred for wildlife, aiming for a mixture of seven or more species. Suitable species might include hawthorn, blackthorn, holly, rowan, oak, hazel, field maple and guelder rose. Select trees to become standards and do not trim these. Use locally sourced plants where possible.

Devon Hedge Group has lots of advice on creation and management of hedgerows [here](#).

### **Meadow creation/restoration**

97% of species-rich meadows have been lost since the 1930s, including in the last 30 years on Exmoor there has been ongoing dramatic decline in meadows. Species-rich meadows provide opportunities for a multitude of wildlife including rare flora as well as pollinators and other fauna whilst also acting as carbon stores.

Magnificent Meadows provides advice on creating or restoring meadows [here](#) and Exmoor National Park's Sowing the Seeds project may be able to provide locally sourced seed for some projects.



### **Ponds**

The addition of ponds in gardens provides excellent habitat for wildlife, with opportunities for amphibians as well as reptiles, birds, invertebrates and small mammals.

The Wildlife Trusts provide some good advice on pond creation [here](#). It is really important to ensure that you provide access for wildlife to the pond – either through a sloping ‘beach’ or through carefully placed rocks to create easy steps. Varying the depth and edges of the pond provides opportunities for different species. It is also really important to ensure that any planting is carefully considered and sourced to prevent spread of invasive non-native species.

### **Tree planting**

Tree planting can provide a range of benefits, for wildlife, amenity, carbon capture, water management or as a source of fruit and nuts. Mature trees provide the greatest benefits to wildlife, but immature trees are still really beneficial and encouraged.

When planting a tree, consider the space available (how big will it get), how quickly it will grow, ground conditions (does it like being on wet ground) and what you want from the tree (shade, colour, berries, fruit, nuts). Use native species and locally sourced plants where possible.

Photos from NHBS and RSPB as illustrations, similar suitable boxes are available from other reputable retailers.

## Appendix 2: Habitat Bank Criteria

### Exmoor Habitat Bank Criteria

This document outlines what information should be submitted to ENPA to allow the consideration of a site as a proposed habitat bank and are adapted from Devon County Council's guidance.

*These criteria will be refined and updated as needed.*

#### Definition of Stages

- Stage 1: Initial submission for ENPA officers to consider the suitability of the site as a habitat bank
- Stage 2: Detailed information required prior to signing S106 agreements

	Criteria	Suggested documents required	Tick
Stage 1			
1	<p><b>The applicant must have legal control over the land</b></p> <p><u>Ownership</u> Information on form of legal control over the land. Including conditional contract. If the latter what are the conditions, are you in control and able to satisfy them?</p> <p><u>Tenant / Leasehold Considerations</u> Details of any leasehold agreement or tenancy agreement or any other contract that enables the habitat bank broker to deliver BNG on this land for a minimum of 30 years. The habitat bank broker or landowner needs to be able to place a charge on the land</p>	<p>Land Registry Title and plan of the land boundary from owner</p> <p>Charges register of title and plan, Copy of Leasehold Agreement</p>	
2	<p><b>No conflicting consents, licences or permissions for the site including extant restoration plans</b></p> <p>Are there any other legal barriers or consents / licences or permissions that are required to enter the site and undertake habitat management works over the specified 30-year period?</p> <p>Please provide details of any licences. E.g. (not an exhaustive list): shooting or mineral working rights, planning permissions, extant restoration plans, felling licences, aerodrome safeguarding considerations, rights of way issues.</p>	<p>Statement of no conflicting consents are known and reasonable checks have been undertaken.</p> <p>Documents submitted if required</p>	
3	<p><b>Contaminated land</b></p> <p>Is the site considered to be 'contaminated land' and if it is, what costing remediation</p>	<p>Costed remediation plan if required or, statement confirming not required</p>	

	<p>measures are provided to ensure habitats proposed are feasible?</p> <p>If contaminated land exists, a costed remediation plan will need to be provided in stage 2.</p>		
4	<p><b>Is the landowner prepared to enter into a S106 agreement with Exmoor National Park Authority?*</b></p> <p>S106 to agree the number/ type of biodiversity units available for developers and the management and maintenance schedule of the land for at least 30 years from the date of transfer/lease of each unit?</p> <p>Specify who needs to be a party to the S106.</p>	<p>Statement of intent</p> <p>Written consent from owner to broker to apply for the site to be registered as a habitat bank</p> <p>Owner to be party to S106</p>	
5	<p><b>Additionality</b></p> <p>Can you prove Legal, Financial &amp; Ecological Additionality compliance for the BNG proposed at the site?</p> <p>Financial additionally includes: other funds for land management e.g. environmental stewardship, nutrient mitigation etc.</p> <p>Do you intend to sell other ecosystem services units from the land?</p> <p>Outline how you intend to stack and bundle any Nature market credits including Biodiversity units in line with Best Practice Guidance</p>	<p>Written confirmation of proof of additionality principles and compliance with stacking and bundling rules in line with guidance</p>	
6	<p><b>Location Plan</b></p> <p>Location of the site provided</p> <p>Note: If a GIS layer / shape file is available then this is helpful but not essential</p>	<p>Map to be provided</p>	
7	<p><b>Alignment with nature recovery strategies</b></p> <p>An assessment of how the proposals make a meaningful contribution to nature recovery on Exmoor in line with the Technical Guidance note for BNG and how the proposal fits with Exmoor's Nature Recovery Vision and Devon/Somerset's Local Nature Recovery Strategies (when published).</p>	<p>Justification text in a report and evidence of the Strategic Significance of habitats proposed in the bank</p> <p>Note: Provision of a brief assessment to ensure the conservation value in the landscape context of the site is being considered rather than unit delivery alone</p>	

8	<p><b>Adequate ecological baseline, habitat survey and condition assessments</b></p> <p>Provision of full baseline and condition assessment survey information (dates, personnel, methods) undertaken using UK Hab and the appropriate habitat condition assessment and the statutory metric.</p> <p>This must be undertaken in the correct survey season and by a competent ecologist. Limitations on survey methods and other assumptions made regarding proposed habitat creation and enhancement and their implications must be clearly explained.</p>	BNG Report, baseline habitat survey report, with metric excel spreadsheet and completed condition assessment spreadsheets provided	
9	<p><b>Provision of achievable uplift in biodiversity value</b></p> <p>A full statutory metric completed for the site of the habitat bank for which units are to be released.</p> <p>Habitat creation and enhancement proposals within the Defra metric should be based on a realistic scenario (i.e. it is better to aim for habitats in worse condition that can later be upgraded, than an unachievable higher condition and face subsequent enforcement action). Have appropriate soil tests been undertaken linked to criteria 18</p>	Excel of metric completed and justification text for why habitats and specific conditions are proposed	
10	<p><b>Irreplaceable Habitats</b></p> <p>Confirmation that proposals will not negatively impact irreplaceable habitats or other features or species of existing conservation interest, including protected and notable species and/or habitat.</p>	A statement in the text and provision of metric which flags these in red	
11	<p><b>Competence</b></p> <p>Can the ecological advisors and others involved in the scheme provide proof of their competence in BNG?</p> <p>This should include brief paragraph of experience and skills to undertake relevant BNG surveys and provide appropriate habitat management recommendations as well as membership of an appropriate professional membership body that signs up to a code of professional conduct (e.g. CIEEM). Competence should be in line with definitions provided by</p>	We would expect a statement in the text to highlight the competence of all professional persons involved in the delivery of BNG as per the statutory metric definition on competency. This could include professional memberships, training and experience.	

	<p>CIEEM 2021, the British Standard on Biodiversity Net Gain (8683: 2021) and Natural England / Defra Guidance.</p> <p>The Statutory Metric User Guide defines a competent person someone who ‘has the knowledge and skills to perform specified tasks to complete and review biodiversity metric calculations. You obtain this through training, qualifications, experience, or a combination of them’.</p> <p>River Condition Assessment assessors must be trained and accredited in the River Condition Assessment methodology.</p>		
Stage 2			
12	<p><b>Sufficient cash flow / funding for 30 years</b></p> <p>Who is going to be responsible for the habitat management if different from the owner? What are the contingency plans should this / your firm fold or go into liquidation within the 30 years to ensure the habitat proposed will continue to be enhanced and maintained as proposed?</p> <p>Provision of proof of funds including third party bond, guarantee, ring fenced fund etc.</p> <p>These must be sufficient to cover ‘up-front capital’ creation / enhancement works and the subsequent 30 years of management.</p> <p>Funds must be held for duration of the agreement and held independently for large schemes. An appropriate payment schedule should be in place. All required prior to S106 sign-off.</p> <p>Options to consider on case-by-case basis for proof of funds include:</p> <ul style="list-style-type: none"> <li>• Submission of 30 year cash flow model for running and management of site for council assurance only to sense check creation / management costs but also from finance perspective in terms of underlying assumptions.</li> <li>• Assurance that separate code had been set up in your accounts i.e. ring fencing of funding in relation to habitat bank.</li> </ul>	<p>Discuss on a site by site basis</p> <p>Check proof of funds which could include 30 year cash flow model, assurance of finance codes, and commitment to financial reporting</p> <p>Agree a payment schedule throughout the 30 year period</p>	

	<ul style="list-style-type: none"> <li>• Potential to require the need to report on high level progress in line with cash flow model into the monitoring/reporting requirements in S106.</li> <li>• Provision of a third party back guarantee (e.g. a bond agreement provided by a national bank) which can be called on by the local authority in cases of breach and/or insolvency.</li> <li>• Remediation clause.</li> </ul>		
13	<p><b>Method of unit sale from habitat bank</b></p> <p>If the habitat bank is going to be selling units in the future but starting the habitat management work now or prior to sale and (thereby increasing the units available for sale) the 'habitat creation in advance' function in the metric should be used and a procedure for calculating and auditing this must be agreed between the LPA and Habitat Bank provider.</p> <p>If the habitat bank is to be split into 'phases' for selling at different dates into the future, the LPA and Habitat Bank provider need to agree:</p> <ol style="list-style-type: none"> <li>1. When the baseline is calculated from for each phase and;</li> <li>2. When the 30 years for habitat creation / enhancement starts for any one 'phase'</li> </ol> <p>The above should be provided on a spatial plan as recommended by Defra.</p> <p>Will the broker / owner provide a certificate and Unique Transaction Number for each sale?</p>	<p>Case by case basis</p> <p>Statement on method of sale of units and how these will be calculated and sold in the future.</p> <p>Plans provided</p>	
14	<p><b>Sale of units outside of ENPA remit</b></p> <p>Are you proposing to sell units outside of Exmoor?</p>	Statement of intent	
15	<p><b>Pay the council a monitoring fee for the habitat creation / enhancement for the duration of the Habitat Bank (at least 30 years)</b></p> <p>Agree to the provision of a Monitoring fee to be paid to the Council to monitor the establishment phase and on-going habitat maintenance agreement over a 30 year period.</p>	<p>Statement of intent to pay Devon Council's monitoring fee</p> <p>Suitable Monitoring Plan for 30 years</p>	
16	<p><b>Provision of a detailed and costed Habitat Management and Monitoring Plan and consider other legal and environmental constraints</b></p>	Habitat Management and Monitoring Plan, Costed management plan	

	<p>This must set out the detailed prescriptions required that will be undertaken in both the 'establishment' phase as well as the monitoring phase to achieve the desired habitats.</p> <p>Dates of commencement of BOTH the establishment phase and the monitoring for 30 year phase to be agreed between parties before s.106 is signed.</p> <p>This shall take into account practical environmental constraints and be supported by evidence. Best Practice should be followed.</p> <p>Adequate plans showing all habitats proposed for enhancement and creation.</p> <p>Ensure all maps are spatially accurate if using the GIS the same software should be used throughout the scheme. GPS should be used where possible to allow appropriate monitoring.</p>	<p>Plans showing all habitats proposed for enhancement and creation</p> <p>Dates for commencement of 'establishment' and 'monitoring' phases agreed between parties</p>	
17	<p><b>Consideration of other environmental constraints</b></p> <p>Provider to have undertaken appropriate due diligence, surveys and assessments and considered <u>all other environmental constraints to achieving suggested habitat enhancement / creation prior to approaching the Council with a proposal</u> e.g. (but not an exhaustive list).</p> <ul style="list-style-type: none"> <li>• Soil analysis data for specific habitat types. This may include details of any specific nutrient / soil stripping and remediation techniques that may be required and evidence that these methods have been adequately costed into the management plan to ensure feasibility.</li> <li>• Are the hydrological conditions suitable for habitats proposed for creation or enhancement (e.g. risk of flooding)?</li> <li>• Are there historic / archaeological / landscape constraints / arboricultural to proposed habitat works? These must have been adequately considered. Please provide evidence that these considerations have been considered appropriately and any mitigation required is proposed employing professional advice where required.</li> </ul>	<p>A check of information is provided, we expect the applicant to submit all information required and to undertake due diligence, Devon LPAs will not be liable for any missing information that prevents the habitat proposals being delivered as specified</p>	

	<ul style="list-style-type: none"> <li>• Access available for required on-site machinery, movement of and infrastructure for cattle and sufficient storage on-site for machinery or other habitat management aspects (e.g. storage of logs from coppicing or provision of corals for cattle – provide evidence that machinery and cattle can access the site as required.)</li> </ul>		
18	<p><b>A monitoring plan</b></p> <p>Sets out when habitat surveys will take place as part of the 30 year monitoring plan for the Council for review over the 30 year period . Agree date for commencement</p>	Monitoring Report for review and how frequently LPA will receive reports	
19	<p><b>Permission for Devon LPAs to enter the land for spot checks</b></p> <p>Permission for spot inspections by ENPA officer(s) or a subcontractor to ensure habitat management is being undertaken as promised</p>	Statement of compliance	
20	<p><b>Agreement on how to deal with a fundamental breach of management prescriptions</b></p> <p>The ability to enforce a breach if management prescriptions and targets promised are not delivered</p>	Statement of compliance	
21	<p><b>How does the site meet BNG Best Practice Principles</b></p> <p>Outline of how the habitat bank meets the 10 key principles of BNG as per CIEEM 2016 directly in relation to the habitat bank.</p> <p>Is the Habitat Bank compliant with best practice as outlined in the British Standard BS 8683: 2021 and other subsequent guidance on habitat banks provided by Natural England / Defra that is available at the time of the agreement / survey and report production?</p> <p>Providers should provide brief written justification text to demonstrate how the proposals fit with best practice on BNG. Extent and detail of information required should be linked to size and complexity of habitats provided by the habitat bank.</p> <p>Evidence will need to include but not be limited to:</p>	Justification text in a report / statement of compliance	



	<ul style="list-style-type: none"> <li>• All habitat parcels must be individually referenced and systematically measured with the same software throughout the lifetime of the project.</li> <li>• Management plans to have SMART targets.</li> <li>• Proportionate monitoring proposals for all Biodiversity Units, methods, frequency, timing and reporting procedures with procedures for remedial works if needed</li> <li>• Roles and responsibilities and competencies of all those involved in implementing the BNG MMP (including contractors)</li> <li>• Legal, financial, and other resource requirements for delivery of the detailed management plan including the need for any public or statutory or non-statutory consultation if required</li> </ul>		
22	<p><b>Biological Records</b></p> <p>All Ecological Records from the Habitat Bank must be submitted to Devon Biodiversity Records Centre (DBRC)/Somerset Environmental Records Centre (SERC). This occurs with each subsequent monitoring report submitted to the LPA.</p>	A statement to confirm this will be undertaken and submitted to DBRC	

\*S106 based on Devon County Council's template S106

## EXMOOR NATIONAL PARK AUTHORITY

2 July 2024

### MEMBERS' ALLOWANCES SCHEME

#### Report of the Chief Finance Officer

**Purpose of Report:** To publish the amounts paid to Members during 2023/24 by way of the Members' Allowances Scheme adopted by the Authority for that year.

**RECOMMENDATION:** The Authority is recommended to NOTE the amounts paid to Members in 2023/24 through its Scheme for Members' Allowances.

**Authority Priority: Achieve** by providing core services; getting best value from our resources; and improving our performance.

**Legal and Equality Implications:** Publication of the amounts paid to members through the Members' Allowance Scheme is required under The Local Authorities (Members' Allowances) (England) Regulations 2003.

The equality and human rights impact of the recommendation of this report has been assessed as having no adverse impact on any particular group or individual.

**Financial and Risk Implications:** No financial or risk implications have been identified in publishing the amounts paid to members of the Authority by way of the approved scheme of allowances.

**Climate change response:** Nothing contained within this report will impact upon the Authority's ability to meet its climate change targets.

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#### 1. Introduction

- 1.1 Members agreed the Scheme of Members' Allowances to be operated in 2023/24 at the Authority's meeting held on 7 March 2023. The scheme adopted provided for future in-year adjustments to Basic Allowances and Special Responsibility Allowances to be linked to staff pay cost of living awards.
- 1.2 The final pay award for allowances for senior staff and Members for 2023/24 was 3.88%. This was agreed by the National Joint Council for local government services on 1 November 2023 and backdated increases were processed at the end of November 2023.

#### 2. Scheme of Allowances 2023/24

- 2.1 The total allowances paid to Members for meetings attended during the year are set out in Appendix 1.

- 2.2 The allowances and reimbursements paid in 2023/24 totals £88,595 (2022/23 = £86,633). This is an increase of £1,692 from the previous year.
- 2.2 The financial data in the Appendix is supplemented by columns which show for each Member the actual mileage claimed, the number of main meetings of the Authority Committee, Standards Committee and Final Accounts Committee attended by Members in the year, and the number of other meetings and training/awareness events attended.

**Ben Barrett**  
**Chief Finance Officer**  
**June 2024**

SUMMARY OF ALLOWANCES PAID TO MEMBERS 2023/24

Member (Home town)	Basic Allowance £	Special Respons- ibility Allowance £	Sub- sistence £	Re- imbursement for Fares, Tickets etc £	Mileage Allowance £	Total Allowances paid £	Miles claimed in connection with Authority business	Main business meetings attended Actual/Possible	Other meetings and training events attended
Mr Lee Baker (Taunton)	3,095					3,095		5 / 9	3
Mrs L Blanchard Tansley (appointed to 30 June 2023) (Parracombe)	745					745		2 / 2	2
Mr Andrew Bray (appointed from 30 June 2023) (Tivington)	2,330					2,330		5 / 7	16
Mr T Butt Philip (Wells)	3,095					3,095		7 / 9	11
Mrs M Chilcott (Minehead)	3,095					3,095		8 / 9	14
Miss A Davis (Kentisbury)	3,095	5,791		36	182	9,105	410	9 / 9	18
Mr M Ellicott (Exford)	3,095	1,548		2	178	4,823	400	11 / 11	18
Mr D Elson (Combe Martin)	3,095					3,095		7 / 9	17
Mr W Geen (appointed from 30 June 2023) (North Molton)	2,330			23	121	2,474	270	8 / 8	22
Mr J Holtom (Parracombe)	3,095			10	45	3,150	100	8 / 9	21
Mr M Kelly (Barnstaple)	3,095				407	3,502	910	9 / 9	20
Mr M Kravis (Blue Anchor)	3,095					3,095		7 / 9	19
Mrs C Lawrence (Minehead)	3,095				64	3,159	148	3 / 9	6
Mr E Ley (appointed to 31 May 2023) (Bishops Nympton)	497				65	561	150	2 / 2	0
Mr R Milton (West Anstey)	3,095	5,042		5	293	8,435	675	8 / 9	24
Mrs F Nicholson (East Anstey)	3,095					3,095		8 / 9	19
Mr J Patrinós (Parracombe)	3,095	774			251	4,120	560	10 / 11	14
Mr S Pugsley (Withypool)	3,095	4,643		2	165	7,906	380	11 / 11	26
Mrs F Smith (Taunton)	3,095			10	393	3,498	880	8 / 9	14
Mrs E Stacey (Chudleigh)	3,095				402	3,498	900	8 / 11	10
Mr N Thwaites (Dulverton)	2,330			33		2,363		7 / 9	14
Dr S Warren (Ottery St Mary)	3,095			37	367	3,500	820	7 / 9	10
Mrs P Webber (appointed to 30 June 2023) (Minehead)	745				16	761	40	1 / 2	0
Miss L Williams (appointed from 11 July 2023) (Bristol)	2,238			262	375	2,875	840	4 / 4	16
Mr J Yabsley (Witheridge)	3,095				123	3,218	275	8 / 9	15
TOTALS	66,930	17,798	0	419	3,448	88,595	7,758		

NB:

- Mileage allowances paid vary because of the distances members have to travel to attend meetings
- Those members in particular who receive a special responsibility allowance attended a range of other meetings and events outside the recognised Authority meetings
- Some details of "Other meetings and training events attended" are noted from claims submitted by members. If members have chosen not to claim, it may mean that some meetings attended by that member are not included.

## EXMOOR NATIONAL PARK AUTHORITY

2 July 2024

### ANNUAL APPOINTMENTS

#### Report of the Head of Climate, Nature and Communities

**Purpose of the report:** In accordance with Standing Orders to set out the annual appointments to be made to the Authority's statutory Committees, partnership boards, working groups and external organisations.

**RECOMMENDATION:** To make appointments as listed in the Appendix to this report, or as agreed by the Authority Committee.

**Authority priorities:** The Authority's annual appointments are central to the achievement of each of the Partnership Plan and Corporate Plan priorities.

**Legal and equality implications:** The meetings and proceedings of a National Park Authority are regulated by local government law as if the National Park Authority was a local authority. The equality impact of the recommendations of this report have been assessed as having no adverse impact on any particular group or individual.

**Financial and risk implications:** There are no significant financial or risk implications of the recommendation of this report.

**Climate change implications:** It has been assessed that this report does not have an adverse impact on our ability to respond to climate change. Many of the groups listed will be instrumental in supporting our climate response.

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#### 1. Introduction

- 1.1 At its Annual Meeting, the Authority makes appointments to its statutory Committees and to the various partnership boards, working groups and external organisations as are necessary to carry out the work of the Authority.
- 1.2 At its meeting on 7 November 2023, the Authority resolved to form a separate Planning Committee of 12 Members for a trial period. At its meeting on 5 December 2023 the Authority confirmed that when appointments to the Committee were made, these would stand until the Authority's annual meeting in July 2025, including the election of Chairperson and Deputy Chairperson.
- 1.3 Appointments to the new Planning Committee were made at the Authority's meeting on 5 March 2024 and the Committee began operating from April 2024. Mr S J Pugsley was elected as Chairperson and Dr M Kelly was elected as Deputy Chairperson.

## **2. Appointments to Committees, Partnership Boards, Working Groups and Outside Bodies**

- 2.1 Appendix 1 includes a schedule of the Authority's statutory Committees (i.e. Final Accounts Committee, Standards Committee and Exmoor Local Access Forum), as well as the various partnership boards, working groups and external organisations to which Member appointments are required to be made.
- 2.2 The Appendix also sets out the current appointments and the expressions of interest received from Members interested in appointment/reappointment for 2024-2025.
- 2.3 The Authority is recommended to consider and agree appointments in accordance with this schedule.

**Clare Reid**  
**Head of Climate, Nature and Communities**  
**June 2024**

## MEMBER APPOINTMENTS: 2024/25

Statutory Meetings	Current Appointments	Expressions of Interest
<p><b>Final Accounts Committee</b></p> <p>The Committee comprises at least 5 Members of the Authority (with a maximum of 11), of whom at least one shall be a local authority Member and at least one shall be a Member appointed to the Authority by the SoS. The Members shall be the Chairperson of the Authority (who shall preside at meetings) and the Deputy Chairperson of the Authority and at least 3 Members chosen by the Authority.</p> <p>The Committee will meet annually to receive and approve the annual Statement of Accounts in accordance with statutory deadlines. Committee Members will meet at regular intervals as the <b>Finance &amp; Performance Advisory Panel</b> with the Chief Executive, Head of Enterprise &amp; Operations and Head of Climate, Nature &amp; Communities to maintain a detailed overview of the financial position, overall performance and management of risk within the Authority; the membership of the Panel to comprise (but not be limited to) the Members of the Final Accounts Committee.</p>	<p><u>Chairperson of the Authority</u> Miss A V Davis (DCC)</p> <p><u>Deputy Chairperson of the Authority</u> Mr R Milton (Parish) (DCC)</p> <p>Mrs M Chilcott (SC) Mr M Ellicott (Parish) Mr B Geen (Parish) Mrs F Nicholson (SC) Mr J Patrinos (NDC) Mr S J Pugsley (SC) Mrs E Stacey (SoS)</p>	<p><u>Chairperson of the Authority</u> <u>Deputy Chairperson of the Authority</u></p> <p>Mr A Bray (Parish) Mrs M Chilcott (SC) <a href="#">Mr M Ellicott (Parish)</a> Mr B Geen (Parish) <a href="#">Mrs F Nicholson (SC)</a> Mr S J Pugsley (SC) <a href="#">Mrs E Stacey (SoS)</a></p>
<p><b>Planning Committee –</b> <b>APPOINTMENTS STAND UNTIL ANNUAL MEETING 2025</b></p> <p>The Committee comprises 12 Members of the Authority. The Members shall be: 4 Somerset Council Members; 1 Devon County Council Member; 1 North Devon District Council Member; 3 Parish Members; and 3 Secretary of State appointed Members.</p> <p>The Committee shall exercise the Authority's functions as sole local planning authority and minerals and waste authority for the area of Exmoor National Park Authority; the Authority's delegated and other functions in relation to footpaths and bridleways under relevant legislation conferring order-making functions on the Authority; as hazardous substances authority under the Planning (Hazardous Substances) Act 1990; and to consider and report to the Authority on any matter delegated to it by the Authority. Meets as required.</p>	<p><u>Chairperson</u> Mr S J Pugsley (SC)</p> <p><u>Deputy Chairperson</u> Dr M Kelly (SoS)</p> <p>Mr A Bray (Parish) Mr D Elson (SoS) Mr B Geen (Parish) Mr J Holtom (Parish) Mrs C Lawrence (SC) Mrs F Nicholson (SC) Mr J Patrinos (NDC) Mrs F Smith (SC) Mrs E Stacey (SoS) Mr J Yabsley (DC)</p>	

\*blue type indicates to be confirmed

<p><b>Standards Committee</b></p> <p>Comprises 5 Authority Members of whom at least one shall be a local authority Member and at least one shall be a Member appointed to the Authority by the SoS.</p> <p>The general functions of the Committee are to promote and maintain high standards of conduct by members and officers; to assist members to observe the Code of Conduct; and to consider and determine complaints against members under the Code of Conduct and keep an overview of other complaints received by the Authority. Meets as required, at least twice a year including shortly after the Authority AGM to appoint a Chairperson and Deputy Chairperson.</p>	<p><u>Chairperson</u> John Patrinos (NDC)</p> <p><u>Deputy Chairperson</u> Steven Pugsley (SC)</p> <p>Mr M Ellicott (Parish) Mr B Geen (Parish) Mrs E Stacey (SoS)</p>	<p>Mr M Ellicott (Parish) Mr B Geen (Parish) Mr J Patrinos (NDC) Mr S J Pugsley (SC) Mrs E Stacey (SoS) Mr N Thwaites (Parish)</p>
<p><b>Exmoor Local Access Forum</b> (Lead Officer: Dan Barnett, Access &amp; Recreation Manager)</p> <p>The Forum provides advice to Exmoor National Park Authority and others on how to improve public access for the purposes of open-air recreation and the enjoyment. It has a remit to advise on and identify potential for strategic programmes, projects, policies and provides an arena within which to raise strategic issues, exchange ideas and share good practice and experiences. Meetings are open for members of the public to attend.</p> <p><i>Includes 2 Authority Members and meets twice a year.</i></p>	<p>Mr D Elson (SoS) Mr N Thwaites (Parish)</p>	<p>Mr A Bray (Parish) Mr N Thwaites (Parish)</p>
<p><b>External Consultation Group</b></p>	<p><b>Current Appointments</b></p>	<p><b>Expressions of Interest</b></p>
<p><b>Exmoor National Park Forum</b> (Lead Officer: Sarah Bryan Chief Executive)</p> <p>The Exmoor National Park Forum is an informal event, aimed at people who live and work on Exmoor and anyone with an interest in the National Park. It will be a chance to get together and hear more about the work of Exmoor National Park Authority. Meets twice a year.</p>	<p><u>Chairperson</u> Mr M Ellicott (Parish)</p> <p><u>Deputy Chairperson</u> Mr A Bray (Parish)</p>	<p>* All Authority Members invited to attend meetings</p>

\*blue type indicates to be confirmed



Partnership Boards and Working Groups	Current Appointments	Expressions of Interest
<p><b>Exmoor Historic Environment Advisory Group</b> (Lead Officer: Rob Wilson-North, Head of Access, Engagement &amp; Estates).</p> <p>The Group is a <i>Partnership Plan Group</i> and reviews current issues, opportunities, work and research relating to the Historic Environment on Exmoor.</p> <p><i>Comprises representatives from partner organisations, public, private and voluntary sectors and 2-3 Authority Members.</i> Meets twice a year.</p>	<p>Mr J Holtom (Parish) Dr M Kelly (SoS) Mr S J Pugsley (SC)</p>	<p><a href="#">Mr J Holtom (Parish)</a> Dr M Kelly (SoS) Mr S J Pugsley (SC)</p>
<p><b>Exmoor Learning and Engagement Network</b> (Lead Officer: Ben Totterdell, Learning &amp; Engagement Manager).</p> <p>The Network brings groups, projects and individuals together who have a role in delivering learning and engagement work in Exmoor. It promotes and enables the sharing of best practice, support for partnership working and influencing of strategic actions among both Exmoor National Park Authority and our Partners.</p> <p><i>Comprises representatives from partner organisations and up to 4 Authority Members.</i> Meets as required.</p>	<p>Mrs C Lawrence (SC) Mrs F Smith (SC) Dr S Warren (SoS) Miss L Williams (SoS)</p>	<p>Mrs C Lawrence (SC) Mrs F Smith (SC) Dr S Warren (SoS) Miss L Williams (SoS)</p>
<p><b>Exmoor Moorland &amp; Farming Board</b> (Lead Officers: Alex Farris, Natural Environment Manager and Heather Harley, Farming &amp; Land Management Officer).</p> <p>The group is a <i>Partnership Plan Group</i> and works with land managers to help deliver the Partnership Plan and supporting them over changes in agri-environment policy and funding.</p> <p><i>Comprises 4 Members plus people nominated by other organisations with a particular interest in Exmoor's moorlands and farmlands.</i> Meets twice a year.</p>	<p>Mr L Baker (SC) Mr J Holtom (Parish) Mr R Milton (NDC) Mr J Yabsley (DCC)</p>	<p>Mr L Baker (SC) <a href="#">Mr J Holtom (Parish)</a> <a href="#">Mr R Milton (NDC)</a> <a href="#">Mr J Yabsley (DCC)</a></p>
<p><b>Exmoor Nature Conservation Advisory Panel</b> (Lead Officer: Ali Hawkins, Senior Ecologist).</p> <p>The group is a <i>Partnership Plan Group</i> with a key role to lead in the development and delivery of a Wildlife Delivery Plan to take forward the wildlife ambition in the Exmoor National Park Partnership Plan and deliver the Nature Recovery Vision for Exmoor.</p> <p><i>Comprises representatives from partner organisations and up to 5 Authority Members.</i> Meets twice a year.</p>	<p>Mr B Geen (Parish) Mr J Holtom (Parish) Mrs F Smith (SC) Dr S Warren (SoS) Miss L Williams (SoS)</p>	<p>Mr B Geen (Parish) <a href="#">Mr J Holtom (Parish)</a> Mrs F Smith (SC) Dr S Warren (SoS) Miss L Williams (SoS)</p>

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Partnership Boards and Working Groups	Current Appointments	Expressions of Interest
<p><b>Exmoor Woodland and Forestry Advisory Group</b> (Lead Officer: Graeme McVittie, Senior Woodlands Officer)</p> <p>The group is a <i>Partnership Plan Group</i> with a key role to lead in the development and delivery of the Exmoor National Park Partnership Plan, to develop and steer a Tree and Woodland Strategy for Exmoor and to consider and comment on other tree, woodland, forestry and timber related issues in the National Park.</p> <p><i>Comprises representatives from partner organisations and up to 2 Authority Members.</i> Meets as required.</p>	<p>Mr N Thwaites (Parish) Mr J Yabsley (DCC)</p>	<p>Mr D Elson (SoS) Mr N Thwaites (Parish) <a href="#">Mr J Yabsley (DCC)</a></p>
<p><b>Equality, Diversity &amp; Inclusion Group</b> (Lead Officers: Clare Reid, Head of Climate, Nature &amp; Communities, Ben Totterdell, Learning &amp; Engagement Manager, and Ellie Woodcock, HR Officer).</p> <p>A group is being set up to support delivery of the Corporate Plan action to review and update the Authority's approach to Equality, Diversity and Inclusion and take positive action to support this. This work will also link in with the Organisational Development process.</p> <p><i>The group will include officers from across the organisation, plus up to 4 Authority Members.</i> Meets as required.</p>	<p>Mr D Elson (SoS) Mrs E Stacey (SoS) Dr S Warren (SoS) Miss L Williams (SoS)</p>	<p>Mr D Elson (SoS) <a href="#">Mrs E Stacey (SoS)</a> Dr S Warren (SoS) Miss L Williams (SoS)</p>
<p><b>External Funding Working Group</b> (Lead Officer: Dan James, Enterprise &amp; Communications Manager).</p> <p>The group is a joint Member/Officer task force to help develop and implement strategy and approach to securing external project funding.</p> <p><i>Comprises relevant Leadership and Delivery Team Members and 3-4 Authority Members.</i> Meets as required.</p>	<p>Mr A Bray (Parish) Mr M Ellicott (Parish) Mrs E Stacey (SoS) Miss L Williams (SoS)</p>	<p>Mr A Bray (Parish) <a href="#">Mr M Ellicott (Parish)</a> <a href="#">Mrs E Stacey (SoS)</a> <a href="#">Miss L Williams (SoS)</a></p>
<p><b>FiPL Assessment Panel</b> (Lead Officer: Alex Farris, Natural Environment Manager)</p> <p>The Panel considers applications over the value of £10,000 to the Farming in Protected Landscapes programme. The Panel is required to meet at least every 8 weeks and may meet as often as every 4 weeks. The Panel is set up for the duration of the FiPL programme which ends in March 2025.</p> <p><i>Comprises 4 Authority Members plus people nominated by other organisations with a particular interest in Exmoor's farming and ecology.</i></p>	<p>Mr D Elson (SoS) Mr J Holtom (Parish) Mr R Milton (NDC) Dr S Warren (SoS)</p>	<p>Mr D Elson (SoS) <a href="#">Mr J Holtom (Parish)</a> <a href="#">Mr R Milton (SoS)</a> Dr S Warren (SoS)</p>

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Partnership Boards and Working Groups	Current Appointments	Expressions of Interest
<p><b>Planning Policy Advisory Group</b> (Lead Officer: Ruth McArthur, Policy &amp; Community Manager).</p> <p>The Advisory Group assists Officers in relation to the preparation of planning policy and documents to guide the development and use of land in the National Park, and which inform decisions on planning applications and appeals. The group also considers national consultations, and key issues for the community and economy. Meets as required.</p> <p><i>Formal membership of the group is made up of the Chairperson and both Deputy Chairpersons of the Authority, <b>and up to 7 appointed Authority Members</b>, however the meetings are open to other Authority Members to attend if they wish.</i></p>	<p><u>Authority Chairperson</u> Miss A V Davis (DCC) <u>Authority Deputy Chairperson</u> Mr R Milton (NDC) <u>Planning Committee Chairperson</u> Mr S Pugsley (SC)</p> <p>Mr A Bray (Parish) Mr M Ellicott (Parish) Mr B Geen (Parish) Mr J Holtom (Parish) Dr M Kelly (SoS) Mrs F Nicholson (SC)</p>	<p><u>Authority Chairperson</u> <u>Authority Deputy Chairperson</u></p> <p><u>Chairman of the Planning Committee</u> Mr S J Pugsley (SC)</p> <p>Mr A Bray (Parish) <a href="#">Mr M Ellicott (Parish)</a> Mr B Geen (Parish) <a href="#">Mr J Holtom (Parish)</a> Dr M Kelly (SoS) <a href="#">Mrs F Nicholson (SC)</a></p>
<p><b>Rural Enterprise Exmoor Group</b> (Lead Officer: Dan James, Enterprise &amp; Communications Manager).</p> <p>A Partnership Plan Group overseeing the sustainable economy priority alongside representative views of Local Authorities and business networks. Provides an advisory role in overseeing progress with the Rural Enterprise Exmoor Vision.</p> <p><i>Comprises <b>2 Authority Members</b> – 1 from each side of the county boundary. Meets as required.</i></p>	<p>Mr A Bray (Parish) Mrs M Chilcott (SC) Miss A V Davis (DCC)</p>	<p>Mr A Bray (Parish) <a href="#">Miss A V Davis (DCC)</a></p>
Appointments to Outside Bodies	Current Appointments	Expressions of Interest
<p><b>UK National Parks Chairs Forum</b> (Lead Officer: Sarah Bryan, Chief Executive)</p> <p>NPUK as a formal entity was wound up in 2021, however a 'Chairs Forum' involving all 15 UK Chairs continues to meet at least once or twice a year. The Chairs along with the UK CEOs continue to have sight of the work carried out by NPUK Communications Unit based with the Broads Authority.</p>	<p><u>Authority Chairperson</u> Miss A V Davis (DCC) <u>Authority Deputy Chairperson</u> (sub) Mr R Milton (NDC)</p>	<p><u>Authority Chairperson</u> <u>Authority Deputy Chairperson</u></p>
<p><b>Campaign for National Parks</b> (Lead Officer: Sarah Bryan, Chief Executive)</p> <p>The Campaign for National Parks is a national charity that campaigns and speaks out to protect and promote National Parks.</p> <p><b>1 Member representative.</b></p>	<p>Mr D Elson (SoS)</p>	<p><b>VACANCY</b></p>

\*blue type indicates to be confirmed

Appointments to Outside Bodies	Current Appointments	Expressions of Interest
<p><b>Exmoor Hill Farming Network</b> (Lead Officer: Heather Harley, Farming &amp; Land Management Officer)</p> <p>The Network helps livestock farmers to improve the profitability of their businesses, including the development of strategic projects as well as encouraging access to support and funding.</p> <p><b>1 Member representative.</b></p>	Mr M Ellicott (Parish)	Mr M Ellicott (Parish)
<p><b>Exmoor Landscape Advisory Group</b> (Lead Officer: Julie Layzell – Future Landscapes Officer)</p> <p>Chaired by the Exmoor Society to provide independent input to the Authority on landscape issues, the group also acts as a <i>Partnership Plan Group</i> with a key role in the development and delivery of relevant action plans in the Exmoor National Park Partnership Plan. The group is a partnership of landscape specialists, planners and managers and reviews landscape matters, in particular the relationships between people and place.</p> <p><i>Comprises representatives from partner organisations and up to 2 Authority Members.</i> Meets as required, usually twice a year.</p>	Dr M Kelly (SoS) Mr M Kravis (SC)	Dr M Kelly (SoS) Mr M Kravis (SC)
<p><b>Exmoor Rural Housing Network</b> (Lead Officers: Ruth McArthur, Policy &amp; Community Manager and Joe White, Development Manager).</p> <p>The Exmoor Rural Housing Network recognises that the delivery of housing is increasingly difficult in Exmoor and other rural areas across the country. The aim of the Network is to actively:</p> <ul style="list-style-type: none"> <li>• find solutions that work for everyone in housing need on Exmoor, by supporting a locally managed and delivered programme for local needs rural housing in perpetuity.</li> <li>• bring together a group of organisations/individuals with a broad range of experiences in order to share information and ideas in a collaborative way that will help provide and improve access to housing on Exmoor for local people.</li> </ul> <p><i>Comprises representatives from partner organisations and up to 5 Authority Members.</i> Meets as required.</p>	Mr M Ellicott (Parish) Mr B Geen (Parish) Mr J Holtom (Parish) Mrs F Nicholson (SC) Mr S J Pugsley (SC)	Mr M Ellicott (Parish) Mr B Geen (Parish) Mr J Holtom (Parish) Mrs F Nicholson (SC) Mr S J Pugsley (SC)

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Appointments to Outside Bodies	Current Appointments	Expressions of Interest
<p><b>North Devon AONB Partnership</b> (Lead Officer: Rob Wilson-North, Head of Access, Engagement &amp; Estates)</p> <p>The North Devon AONB Partnership's primary task is taking forward the objective of conserving the natural beauty of the landscape of the North Devon Area of Outstanding Natural Beauty.</p> <p><b>1 Member representative</b></p>	Mr D Elson (SoS)	Mr D Elson (SoS)
<p><b>Team Devon Joint Committee</b> (Lead Officer: Clare Reid, Head of Climate, Nature &amp; Communities)</p> <p>The Team Devon Joint Committee meets monthly on Teams and brings together the District Councils, Devon Association of Local Councils, Dartmoor and Exmoor National Park Authorities. Enables a joint approach to common issues and shared challenges, and creates opportunities to strengthen joint work, partnership and collaboration.</p> <p><b>1 Member representative</b></p>	---	<b>VACANCY</b>
<p><b>Visit Exmoor CIC</b> (Lead Officer: Dan James, Enterprise &amp; Communications Manager).</p> <p>Visit Exmoor CIC is the recognised tourism industry body promoting Exmoor, its brand and visitor economy businesses.</p> <p><i>ENPA are invited to have 1 Member representative as an observer, alongside an Officer observer, at 2 board meetings a year.</i></p> <p>In addition, the <b>Exmoor Tourism Network</b> brings together ENPA, Visit Exmoor and local tourism organisations together to act as a <i>Partnership Plan Group</i> with a key role to lead in the development and delivery of relevant action plans set out in the Exmoor National Park Partnership Plan (comprises representatives of the tourism organisations and industry providers). Meets as required.</p> <p><i>The same Authority Member is required to serve on both Visit Exmoor and the Exmoor Tourism Network.</i></p>	Miss L Williams (SoS)	Miss L Williams (SoS)

Independent Person	Current Appointments	
<p>Under the Localism Act 2011, the Authority must promote and maintain high standards of conduct by Members and co-opted Members of the authority.</p> <p>To this end the Authority has adopted a Code of Conduct for Members and has agreed arrangements for dealing with any allegation that a member or co-opted member has breached the code. In accordance with the requirements of the Localism Act 2011, these arrangements include the appointment of an Independent Person to advise on breaches of the Member Code of Conduct.</p>	<p>Diana Mortimer Adam Stanyer</p>	

## EXMOOR NATIONAL PARK AUTHORITY

2 July 2024

### APPOINTMENT OF INDEPENDENT PERSON UNDER THE LOCALISM ACT 2011

#### Report of the Solicitor and Monitoring Officer

**Purpose of Report:** To inform Members of the process for the appointment of Independent Persons under the Localism Act 2011.

**Recommendation:** The Authority is recommended to appoint Diana Mortimer and Adam Stanyer as Independent Persons under the provisions of the Localism Act 2011 with immediate effect.

**Corporate Strategy Reference:** The actions contained within this report underpin all six corporate priority areas.

**Legal and Equality Implications:** Section 65(4) Environment Act 1995 – provides powers to the National Park Authority to *“do anything which in the opinion of the Authority, is calculated to facilitate, or is conducive or incidental to-*

*(a) The accomplishment of the purposes mentioned in s. 65 (1) [National Park purposes]*

*(b) The carrying out of any functions conferred on it by virtue of any other enactment.”*

The Localism Act 2011 requires the Authority to promote and maintain high standards of conduct.

The equality and human rights impact of the recommendations of this report have been assessed as having no adverse impact on any particular group or individual.

**Financial and Risk Implications:** Reputational and other risks could arise should the Authority and its Members fail properly to comply with the provisions of the Localism Act.

**Climate Change Response:** This report does not have an adverse impact on our ability to respond to Climate Change.

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## 1. Introduction

1.1 The provisions of the Localism Act 2011 include that the standards arrangements adopted by the Authority must include the appointment of at least one Independent Person.

### 1.2 The Independent Person

- must be consulted by the Authority before it makes a finding as to whether a Member has failed to comply with the Code of Conduct or decides on action to be taken in respect of that Member; and
- may be consulted by the Authority in respect of a Standards complaint at any other stage; and
- may be consulted by the Member of the Authority against whom a complaint has been made.

- 1.3 A person may not be appointed as an Independent Person unless:
- (i) the vacancy for an independent person has been advertised in such manner as the Authority considers is likely to bring it to the attention of the public,
  - (ii) the person has submitted an application to fill the vacancy to the Authority, and
  - (iii) the person's appointment has been approved by a majority of the members of the Authority.
- 1.4 Following the post of Independent Person becoming vacant, the role was advertised, and interviews were conducted by a panel comprising the Chief Executive, the Deputy Chairman of the Authority and the Chairman of the Standards Committee.
- 1.5 The panel recommended the appointment of both Diana Mortimer and Adam Stanyer, as it was felt that having two Independent Persons would provide flexibility in terms of availability, as well as opportunity for collaborative working.
- 1.6 Ideally, appointments of the Independent Persons would be proposed at a formal Standards Committee meeting, however as no meeting was scheduled and to avoid delay, the panel's recommendation was put to the Members of the Standards Committee by email. The Committee unanimously confirmed that both candidates be proposed for formal appointment by the Authority at its annual meeting.

**Andrew Yendole**  
**Solicitor and Monitoring Officer**  
**June 2024**