



# EXMOOR NATIONAL PARK

EXMOOR NATIONAL PARK AUTHORITY  
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21st August 2025

## EXMOOR NATIONAL PARK AUTHORITY

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

A meeting of the Exmoor National Park Authority will be held in the **Committee Room, Exmoor House, Dulverton** on **Tuesday, 2<sup>nd</sup> September 2025 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 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

As set out above, the Authority welcomes public engagement with its work and believes that everyone attending a meeting of Exmoor National Park Authority or one of its Committees has the right to be treated with respect and to feel safe at all times, including before, during and after the meeting they attend.

The Authority understands that some situations can be difficult and lead to frustration; however, the Authority is committed to promoting an environment where everyone feels listened to and respected and is not subjected to unacceptable behaviour. Further guidance is provided in our Customer Notice, available on our [website](#).

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

### **1. Apologies for Absence**

### **2. Declarations of Interest**

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

### **3. Chairperson's Announcements**

### **4. Minutes** (1) To approve as a correct record the Minutes of the meeting of the Authority held on 1<sup>st</sup> July 2025 (Item 4).

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

### **5. Business of Urgency:** To introduce any business which by reason of special circumstances the Chairperson, after consultation with the Chief Executive, is of the opinion should be considered as a matter of urgency and to resolve when such business should be ordered on the Agenda.

### **6. 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.

### **7. Internal Audit Annual Report for 2024/25 and Plan for 2025/26 :** To consider the report of the Chief Finance Officer. (Item 7.)

### **8. 2024/2025 Outturn – Statement of Accounts:** To consider the report of the Chief Finance Officer. (Item 8.)

(1) To consider the report of the Chief Finance Officer on the 2024/25 Outturn – Statement of Accounts (Item 8.1)

(2) Exmoor National Park – Statement of Accounts 2024-25

### **9. Devon Local Nature Recovery Strategy – Public consultation draft:** To consider the report of the Head of Climate, Nature & Communities. (Item 9.)

### **10. Personnel Update:**

Starters: None

Leavers: 31/08/2025 – Angela Hughes, Finance and Facilities Manager

### **11. Members' Reports:** To receive any updates and reports on meetings or events attended by Members as representatives of Exmoor National Park Authority.

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 the Corporate Support Officer, at Exmoor House.

**EXMOOR NATIONAL PARK AUTHORITY**

**MINUTES** of the Annual Meeting of the Exmoor National Park Authority held on Tuesday, 1 July 2025 at 10.00am in the Committee Room, Exmoor House, Dulverton.

**PRESENT**

Miss A V Davis (Chairperson)  
Mr R Milton (Deputy Chairperson)

Mr A Bray	Mrs C Lawrence
Mrs M Chilcott	Mr J Patrinos
Mr W Geen	Mr S J Pugsley
Mr J Holtom	Mrs F Smith
Mr R Hopley	Miss E Stacey
Dr M Kelly	Miss L Williams

Apologies for absence were received from Mr L Baker, Mr T Butt Philip, Mr M Ellicott, Mr D Elson, Mr M Kravis, Mrs F Nicholson, Mr N Thwaites and Dr S Warren.

**13. DECLARATIONS OF INTEREST:** There were none.

**14. CHAIRPERSON'S ANNOUNCEMENTS:** The Chairperson welcomed Claire Callister who had joined the Authority as Democratic Support Officer.

**15. MINUTES**

- i. **Confirmation:** The **Minutes** of the Authority's meeting held on 3 June 2025 were agreed and signed as a correct record.
- ii. **Matters arising:** In relation to the Exmoor Active Travel Plan and the discussion regarding traffic speeds on rural roads, including the impact of overgrown roadside vegetation on sightlines, Mr A Bray reported that Wootton Courtenay and Selworthy and Minehead Without Parish Councils had each resourced hedge cutting, and also that Minehead Cycle Club were willing to participate in evidence gathering to support speed limit assessments.

**16. BUSINESS OF URGENCY:** There was none.

**17. PUBLIC SPEAKING:** There were no public speakers.

**18. CORPORATE PLAN 2024/25 ANNUAL REPORT:** The Authority considered the **report** of the Head of Enterprise & Operations.

**The Authority's Consideration**

Members raised several queries and were advised as follows:

- In relation to the increase in sickness absence, this was partly due to several extended absences which did not fall within the 'long-term sick' parameters. Staff sickness absences would continue to be regularly monitored and any staff returning from sickness were supported through discussion with managers. The current level of staff sickness was not considered to be a concern, and the staff well-being survey would feed into an updated appraisal framework.
- It was noted there was no progress to report on Priority Action 19b – *The woodland carbon toolkit will be explored to develop best practice in line with Woodland Estate performance and actions to expand woodland and tree cover and trial revised forestry contract specifications and management as appropriate to align with recommended actions for 24/25 work season.* Considering this, it was

questioned whether this action should be removed. Members were advised that the woodland carbon toolkit remained an aspiration when staff capacity allowed and would therefore remain as an action.

- The increase in sales from the online shop was welcomed. It was reported that this facility had been operational for a relatively short time (3-4 years) and was run by the in-house staff team. Recent focus and promotion of online shops have elevated sales, in line with the general ongoing trend towards online shopping. Sales of the ENPA car park permits had driven traffic to the online shop providing opportunity for visitors to view other sale items. It was agreed that online sales represented a useful income source and there was potential to promote further sales by linking with annual events, for example the Exmoor Dark Skies Festival.
- In relation to the performance of the Pinkery Outdoor Education Centre, it was reported that the Centre's core business was school and repeat bookings. While it was recognised there was capacity to increase Pinkery's commercial operation there remained complexities, including the Centre's proximity to Driver and the future potential to create a combined offer using both sites. It was requested that the targets for each category of occupancy be reinstated in future reporting.
- While the increased visitor spend was welcomed, it was noted that contributions to Caremoor for Exmoor had fallen slightly. It was hoped that donations could be reinvigorated, as the Scheme represented a valuable opportunity to achieve regular funding contributions.
- The risk of the Authority losing a number of experienced staff through age retirement was recognised, and it was agreed that strategic succession planning should be prioritised. The Chairperson agreed to take this action forward with the Chief Executive.
- Access and Rights of Ways are one of Exmoor's greatest assets, and it remained vital to ensure that improvements to, and replacement of, infrastructure continued to be resourced. It was acknowledged that the response to Storm Darragh had been challenging, and that additional staff had been funded through allocation of reserves. While the percentage of rights of way being Open and Easy to Use was lower than in previous years (89%) compared to 93% 2023/24 and 99% in 2022/23, this figure remained impressive considering resource constraints and was a testament to the dedicated staff team.
- In relation to tree planting across the Authority's estate, it was acknowledged that it would remain important to select resilient native species. It was noted that an automatic watering system had been installed at the nursery.
- The climate emergency was declared in 2020 and delivery of the actions in the climate action plan towards achieving a carbon neutral ENPA by 2030 was on track. Approximately two thirds of emissions resulting from the Authority's buildings and work was in progress making heating systems more efficient. The trajectory of progress took account of decarbonizing electricity through the "greening of the grid" and the ability to choose a green tariff. Sustainable procurement remained challenging, and this would be informed by recent work carried out by the Carbon Trust. It was acknowledged that achieving value for money and sustainable procurement should run as a golden thread throughout the Authority's operations in order to further reduce ENPA's carbon footprint.
- The 43% profit margins across the three National Park Centre's were welcomed. The public service role of the Centre's to support the Authority's second purpose to promote opportunities for the public understanding and enjoyment of the special qualities of Exmoor, was acknowledged and it was recognised that the Centre's were not purely commercial in nature and that the retail element was intended to offset running costs. Overall service costs had been reduced by relocating Dulverton NPC to Exmoor House, streamlining operations, and reducing staff

capacity. It was confirmed that the Authority would be invited to approve an income strategy later in the year.

- It was noted that emissions targets measured by mileage had stabilised and the need to balance reducing emissions with maintaining operational efficiency was recognised.
- In relation to the distribution of funding under the Farming in Protected Landscapes (FiPL) programme, it was confirmed that the Head of Climate, Nature & Communities would provide a detailed breakdown to Members following the meeting. It was also confirmed that there had been a broad range of projects funded; a variety of farmers and landowners supported; and that the Authority continued to encourage new applications to the programme as part of Defra's Agricultural Transitional Plan. Members were mindful that the Authority avoid any reputational risk by continuing to ensure transparency in relation to the distribution of the FiPL funding.
- Staff were congratulated on the achievements made in progressing the Corporate Plan during 2024/25.

Mr B Geen arrived during this agenda item and was therefore ineligible to vote.

**RESOLVED:**

1. To note the progress implementing the Authority's key commitments set out in the Corporate Plan 2024/25.
2. To 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 2026, with a half-year update of the 2025/26 Corporate Plan will be presented to Members in November 2025.

**19. 2024/25 OUTTURN – BUDGET PERFORMANCE, RESERVES, NEW YEAR MONITORING AND MTFP UPDATE:** The Authority considered the **report** of the Chief Finance Officer.

**The Authority's Consideration**

The meeting welcomed the comprehensive report which detailed the financial position in terms of the core budget, fixed term programmes, reserves, capital budget and Defra one-off funding allocations. The report also included an update on the Medium-Term Financial Plan.

Members acknowledged the changing nature of the way in which the Authority was funded, and the significant increase in project-based working. It was also noted that the increased movement of funds to and from reserves could make it challenging to understand the accurate financial position during the year, and particularly whether a project was over or under spent. It was confirmed that the Leadership Team and Delivery Team meet quarterly to look at project budgets and the use of reserves, and to identify any matters of concern.

It was agreed that a different way of presenting budgetary documents may be required and noted that the new finance system would assist with project monitoring and financial planning for 2026/27 and beyond.

In response to a question about funding of the Exmoor Moorland Breeding Birds Survey, Members were advised that details of the funding would be circulated following the meeting. It was confirmed that volunteers were not used to carry out the survey, as a specific methodology was implemented.

Members understood the importance of ensuring a robust business case and reporting framework were in place at the start of each project and welcomed the quarterly reporting mechanism. The importance of maintaining staff morale and continuity was also recognised.

**RESOLVED:**

- (1) To NOTE the financial performance for 2024/25
- (2) To APPROVE the adequacy of the General Fund Balance at 31 March 2025; and
- (3) To APPROVE the transfers to and from Reserves.
- (4) To NOTE the Authority spend as at the end of month 2 in Appendix 4 and section 6.
- (5) To NOTE the spend areas for use of DEFRA one-off Grant in Appendix 5 and section 7
- (6) To NOTE the prudential indicators as at the end of month 2 in section 8.

**20. ANNUAL TREASURY MANAGEMENT REPORT:** The Authority considered the **report** of the Head of Enterprise & Operations.

It was noted that the Authority was currently debt free and it was confirmed that the usual practice was only to incur debt to support larger projects or activities intended to attract external funding. Members were mindful that when receiving applications for grant funding, the financial standing of applicants will be considered by grantors and there was therefore potential for debt to impact negatively on the Authority's ability to access funding.

It was suggested and agreed that Officers and Members consider the Authority's appetite for debt/risk in more detail at a future opportunity.

**RESOLVED:** To note the Treasury Management Outturn for 2024/25.

**21. EXMOOR NATIONAL PARK MANAGEMENT PLAN 2025-30:** The Authority considered the **report** of the Head of Climate, Nature & Communities.

**The Authority's Consideration**

Members welcomed the Exmoor National Park Management Plan 2025-30 and congratulated Officers on preparing this strategic document to take forward the Authority's objectives over the coming 5 years.

During the debate Members were advised as follows:

- The Management Plan would be formally launched in October, date to be confirmed, but the aim would be to coincide with the anniversary of Exmoor's designation as a National Park.
- As before, delivery of the new Management Plan would depend on working with the Authority's many partners, and with Exmoor's farmers, landowners and communities.
- While not technically a joint Plan, partner organisations would be invited to endorse the document, and establishment of a partnership board remained a future option.
- It was recognised that a lengthier Plan period (with the opportunity to refresh the document), might assist longer-term delivery objectives; however, in line with legislation, it was confirmed that Management Plans for all existing Protected Landscapes must be reviewed every 5 years. Nevertheless, there was a degree of discretion in terms of the scale of the 5-year review and where appropriate, some actions could be subject to a light-touch assessment.
- Progress on delivery of the Management Plan would be monitored and reported, including through the State of the Park report, via the website and at the annual Exmoor National Park Forum meeting.

- The Partnership Plan set out how Exmoor National Park would contribute to the delivery of national targets identified in the Government's Environment Improvement Plan.
- Targets to improve water quality in Exmoor's rivers and streams would be supported by a monitoring programme, and it was recognised there was a need to raise public awareness about the impact on riverine ecology of allowing pets which had recently been given flea and tick treatments to enter lakes, rivers and streams.
- The communications team would be working on the final branding and design of the Plan and would be managing the launch event.

Members comments on the Management Plan including the following:

- The use of targets and measures rather than specific actions was welcomed, and it was suggested that Exmoor's unique qualities might be given greater emphasis.
- The need to clearly identify the National Park area was confirmed. It was clarified that this would be achieved using maps to distinguish Exmoor parish from the boundary of Exmoor National Park.
- It would be important to ensure a close interaction between the new Management Plan and the Authority's other strategic documents, including its communications strategy.
- There was concern that within the Plan document, the duty of the National Park Authority to seek to foster the social and economic wellbeing of the local communities was not given the same status as the two National Park purposes, and it was requested that the duty be given greater emphasis. It was clarified that the duty only applies to the National Park Authority in seeking to further the two statutory purposes of the National Park designation and is not part of the designation itself. Officers will make that clear in the final Plan through including a separate heading for the socio-economic duty relating to the Authority.

**RESOLVED:**

1. To approve the Exmoor National Park Management Plan 2025-2030 (the Partnership Plan) for adoption.
2. To delegate to the Chief Executive to make final amendments to the final draft Plan including the supporting text, in consultation with the Chairperson.
3. To note that a Strategic Environmental Assessment and Habitat Regulations Assessment has been carried out.

**22. SOMERSET LOCAL NATURE RECOVERY STRATEGY PUBLIC CONSULTATION**

**DRAFT:** The Authority considered the **report** of the Head of Climate, Nature & Communities.

**The Authority's Consideration**

It was clarified that the Authority was being asked to approve the draft Somerset Local Nature Recovery Strategy ("LNRS") for public consultation.

The compatibility of the draft Strategy with similar work being undertaken by Devon County Council was confirmed, and it was noted that the Authority would soon be asked to approve the Devon LNRS for consultation. It was also confirmed that both the Somerset and Devon LNRS documents would align with the activities of the National Trust, whose work was referenced in the Somerset LNRS as a case study.

In terms of the details of the document, it was noted that some figures were missing from page 34, and that while the document referenced Exmoor, it did not clearly name Exmoor National Park Authority.

Additionally, there was some disparity in the geographical labelling on the map on page 12 and Mrs. F. Smith agreed to follow this up with the appropriate officer at Somerset Council.

**RESOLVED:**

1. To approve the Draft Somerset Local Nature Strategy for wider public consultation.
2. To delegate authority to the Chief Executive to make suggested minor final changes and corrections to the strategy following public consultation.

- 23. DEVELOPING A YOUTH VOICE/BOARD:** The Authority considered the **report** of the Head of Access, Engagement & Estates.

**The Authority's Consideration**

Members thanked officers for the recent informal briefing on this topic and for taking forward the action to consult with the Exmoor Young Voices members, who it was reported had expressed enthusiasm for the formation of the youth board.

It was confirmed that initial funding would be available from existing budgets and that staff would also be exploring external funding opportunities.

The meeting agreed that youth engagement was an important element of the Authority's communications, and that ongoing involvement of Authority Officers and Members would be required to ensure the success of the initiative.

Members appreciated that staff were adding this project to their existing workload, and it was confirmed that the Authority would continue to support the Exmoor Young Voices group which it was anticipated would play a complementary (albeit slightly different) role to that of the proposed youth board.

**RESOLVED:**

1. To approve steps set out in Section 2 of the report.
2. To commit to work with the Learning and Engagement Officer to develop effective interaction between the Youth Board and Members.

- 24. MEMBERS' ALLOWANCES SCHEME:** The Authority considered the **report** of the Chief Finance Officer.

**The Authority's Consideration**

The meeting noted that the home towns of Mr J Patrinos (Lynton) and Miss L Williams (Bournemouth) required amendment in future reporting.

**RESOLVED:** To note the amounts paid to Members in 2024/25 through its Scheme for Members' Allowances.

- 25. PERSONNEL UPDATE:** The Authority noted the recent staff changes and expressed thanks to Carol Carder for her work supporting Members over recent months.

- 26. MEMBERS' REPORTS:** The Authority received the following verbal reports.

- Miss L Williams reported on attendance at the Visit Exmoor AGM.

The meeting closed at 12.20pm

(Chairperson)

## EXMOOR NATIONAL PARK AUTHORITY

2 September 2025

### INTERNAL AUDIT ANNUAL REPORT FOR 2024/25 AND PLAN FOR 2025/26

#### Report of the Chief Finance Officer

**Purpose of Report:** To present to Members the Internal Audit annual report for work carried out during 2024/25 and plan for 2025/26.

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

- (1) **RECEIVE** the Internal Audit Annual Report 2024/25 and Audit Plan 2025/26 at Appendix 1
- (2) **RECEIVE** the Internal Audit Key Financial Systems Audit report for 2024/25 at Appendix 2

**Authority Priority:** Develop and maintain effective and efficient services. 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 implications of this report have been assessed as having no impact on any particular individual or body.

**Financial and Risk Implications:** Provision has been made in the 2023/24 and 2024/25 budgets to cover the costs of both Internal and External Audit. Internal Audit forms a major part of the governance and risk management arrangements of the Authority.

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

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## 1 INTERNAL AUDIT

- 1.1 The Local Government Act 1972 and our Financial Regulations require the Chief Finance Officer (Section 151 Officer) to arrange for the provision of an adequate and effective system of internal audit. This service has been provided through a Service Level Agreement with Devon County Council and delivered by the Devon Assurance Partnership (DAP) which is a shared service arrangement between Devon County Council, Torbay Council, Torridge and Plymouth City Council. The Partnership also provides the internal audit service to Dartmoor National Park Authority.
- 1.2 Attached at Appendix 1 is the Internal Audit Annual Report for 2024/25 and the proposed Audit Plan for 2025/26. Members will note from the annual audit report that there are no significant issues to be brought to the attention of the Authority concerning the Key Financial Systems. Page 3 containing the opinion statement provides 'Substantial Assurance' in respect of Key Financial Systems' on the adequacy and effectiveness in of the internal control. On page 3 of Appendix 1, there is a list of the eight core areas concerning our key financial systems and the auditor has given a 'substantial' level of assurance for all areas (in 2023/24 one of these was assessed as reasonable). In 2023/24 Internal Audit also completed work on Cyber and IT Security.
- 1.3 Pages 5 and 6 detail the Internal Audit Plan for 2025/26. This plan continues at the previously agreed number of 20 audit days per annum. For 2025/26, the allocation of 4 days, previously focused on ICT and Cyber risks, will be allocated to an enhanced review of Key Financial Systems and notably the recent implementation of the 'Access financial system'.
- 1.4 Appendix 2 contains the DAP Internal Audit Report on our Key Financial Systems for 2024/25 providing an in-depth view of the assurance areas covered.
- 1.5 It is anticipated that members of the Devon Assurance Partnership will be present to introduce their reports.

**Ben Barrett**  
**Chief Finance Officer**  
**August 2025**



Internal Audit

# Annual Report 2024-25 Audit Plan 2025-26

## Full Authority of Exmoor National Park

September 2025



**Lee Elson**  
Senior Assurance Officer

**Jo McCormick**  
Deputy Head of Devon Assurance  
Partnership



## Introduction

The Audit Committee is required to consider the Chief Internal Auditor’s annual report, to review and approve the Internal Audit programme, and to monitor the progress and performance of Internal Audit.

The Accounts and Audit (Amendment) (England) Regulations 2015 introduced the requirement that all Authorities carry out an annual review of the effectiveness of their internal audit system, and to incorporate the results of that review into their Annual Governance Statement (AGS), published with the annual Statement of Accounts.

The Internal Audit plan for 2024-25 was presented and approved by the Audit Committee in September 2024. The following report and appendices set out the background to audit service provision, a review of work undertaken during the year and provides an opinion on the overall adequacy and effectiveness of the Authority’s internal control environment.

The Institute of Internal Audit (IIA) are the key body involved in setting out the global standards for the profession which form the basis for the Public Sector Internal Audit Standards (PSIAS) which have now been revised and renamed the Global Internal Audit Standards (GIAS). The new Global Internal Audit Standards take effect for the UK public Sector as of 1st April 2025.

There are three key aspects:

- [The GIAS](#);
- [The CIPFA Code on the Governance of Internal Audit](#); and
- [The CIPFA Application Note for the GIAS in the Public Sector](#).

These documents combine to set out the framework for Internal Audit that must be followed as per Section 5 of the Accounts and Audit Regulations 2015.

During 2025/26 DAP will be undertaking a GAP Analysis of existing processes in relation to the above for each DAP Partner. The outcomes will result in action plans that will be worked through with the Partners to ensure compliance, this is likely to require actions from both DAP and Partners to ensure compliance with the revised governance arrangements and other applicable activities. Further information will be provided in due course.

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## Expectations of the Audit Committee from this annual report

Audit Committee members are requested to consider:

- the assurance statement within this report.
- the basis of our opinion and the completion of audit work against the plan.
- the scope and ability of audit to complete the audit work.
- audit coverage and findings provided.
- the overall performance and customer satisfaction on audit delivery.

In review of the above the Audit Committee are required to consider the assurance provided alongside that of the Executive, Corporate Risk Management and external assurance including that of the External Auditor as part of the Governance Framework (see appendix 3) and satisfy themselves from this assurance to support signing the Annual Governance Statement.

CONFIDENTIAL

# Opinion Statement

This statement of opinion is underpinned by:

<p><b>Internal Control Framework</b>          The control environment comprises the Authority’s policies, procedures and operational systems including processes in place to establish and monitor the achievement of the Authority’s objectives; facilitate policy and decision making; ensure economical, effective and efficient use of resources, compliance with established policy, procedure, law and regulation; and safeguard the Authority’s assets and interests from losses of all kinds.</p> <p>Core financial and administrative systems were reviewed by us, and controls were found to be effective.</p> <p>The Authority’s overall internal control framework is considered to have operated effectively during the year. Where we have highlighted weaknesses in compliance to key controls, none are considered to have had a material impact on operations.</p>		
<p><b>Risk Management</b>          Risk Management processes, training and awareness has been improved and DAP have been directly involved in this with ENPA .</p>	<p><b>Governance Arrangements</b>          There is an appropriate Governance framework including senior management and member review and approval of budgets.</p>	<p><b>Performance Management</b>          Performance Levels are at the expected and required levels in the areas audited.</p>

Based on work performed during 2024-25, the Head of Internal Audit’s Opinion is “**Substantial Assurance**” in respect of Key Financial Systems.

*This opinion statement will provide Members with an indication of the direction of travel for their consideration for the Annual Governance Statement see appendix 5.*

The Authority’s internal audit plan for the year includes specific assurance, risk, governance, and value-added reviews which, with prior years audit work, provide a framework and background within which we assess the Authority’s control environment.

The Head of Internal Audit’s Opinion is informed by the assurance conclusions obtained in the audit undertaken in year. Significant weaknesses (if identified) should be considered by the Authority in preparing its Annual Governance Statement for 2025-26.

In carrying out reviews, Internal Audit assesses whether controls are operating satisfactorily and provide an overall opinion on the adequacy of controls to management within the audit report.

Audit reports include an action plan with responsible officers and target dates to address control issues. While implementation of action plans rests with management, high priority recommendations are reviewed during subsequent audits or as part of specific follow-up.

Substantial Assurance	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.	Limited Assurance	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
Reasonable Assurance	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.	No Assurance	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

## Summary Assurance Opinions

The summaries below shows our assurance opinions broken down by Risks covered. Ratings are relevant at the time of the audit so may have subsequently improved since.

### Audit Opinion

**Substantial Assurance** - Exmoor National Park Authority's Treasury Management and financial operations are supported by a strong control framework, with robust governance, accurate reporting, and effective risk management practices in place. Key financial processes (including income, payroll, and payments) are well-structured, compliant with regulations, and consistently implemented without any identified weaknesses.

### Key Financial Systems

The audit confirmed that Exmoor National Park Authority's Treasury Management operates within a robust control framework, with no weaknesses identified. Strategies comply with CIPFA codes, and governance, reporting, and staffing arrangements are strong. Financial systems, managed by Somerset Council (SC), are secure and well-controlled, with accurate reporting and reconciliations. Budgeting and reserves are sound, despite informal controls over budget uploads. Ordering, payments, and income processes are well-structured, with effective segregation of duties and VAT compliance. Payroll services via SC are timely, accurate, and properly authorised, with strong monitoring and reconciliation. Overall, financial oversight is effective, with embedded risk management and anti-fraud measures supporting operational resilience.

Risks or Areas Covered - Key Findings	Level of Assurance
Non-compliance with Treasury Management statutory requirements, regulations and best practice.	Substantial Assurance
Financial loss and undetected error or fraud	Substantial Assurance
The Main Accounting System may not comply with accounting standards and may not accurately report the financial standing of the organisation	Substantial Assurance
Spend against the organisations budget may not be suitably controlled and reported, resulting in the risk of overspend	Substantial Assurance
Bank reconciliation procedures may not be effective and errors or discrepancies may not be promptly identified and addressed.	Substantial Assurance
Purchasing arrangements and payments to creditors may not be secure or effective resulting in incorrect and / or unauthorised payments.	Substantial Assurance
Income due to the organisation may not be suitably controlled (Invoice raising, income collection and banking).	Substantial Assurance
The Payroll (Salaries and Wages) may not be suitably controlled resulting in incorrect and/ or unauthorised payments being made	Substantial Assurance

## Audit Coverage and performance against plan

DAP delivered 100% of the audit work in the agreed plan for 2024/25 (to final report stage).

## Value Added

We know that it is important that the internal audit service seeks to "add value" whenever it can, and we believe internal audit activity has added value to the organisation and its stakeholders by:

- Providing objective and relevant assurance.
- Contributing to the effectiveness and efficiency of the governance, risk management and internal control processes. This includes providing advice and guidance on good practice related to Governance, Risk Management and potential Fraud.

## Internal Audit Plan 2025/26

As in previous years, the audit plan for the 2025/26 financial year includes an allocation of up to 20 days for internal audit support across Key Financial Systems and Information Governance & Cyber Security. However, following confirmation from the Head of Enterprise and Operations, this support will be dedicated exclusively to Key Financial Systems, reflecting the implementation of the new Finance System (Access Financials). Looking ahead, future audit plans will consider rotating coverage to address areas representing the highest risks to the Authority.

The plan includes a review of the following key financial systems:

- Ordering and Payments
- Income and Cash Collection
- Bank Reconciliation / Investments/Cheque Control
- Main Accounting System
- Budget monitoring
- Payroll & Travel Expenditure

Any major findings (if applicable) from the previous year's audit plan will be reviewed to ensure that agreed recommendations have been implemented and are effective. An annual report for your Audit Committee will be produced for inclusion. Contingency days have been built into this year's Plan and will be utilised in agreement to any emerging requirement throughout the year.

## Timetable

The timing of the 2025/26 Key Financial Systems has been agreed with the Head of Enterprise and Operations and will take place in the second half of 2025/26 (October 2025).

All findings will be reviewed with the Head of Enterprise and Operations at the end of the audit programme and prior to the issue of any draft report.

A copy of the final report will be presented to the Audit Committee and made available to your External Auditors for their information.

## 2025/26 Plan

The following table sets out the planned internal audit work for 2025/26. Other issues and systems are sometimes identified during the audits and if found will be discussed with the Head of Enterprise and Operations. These issues may be incorporated into future audit plans dependent upon priority and risk assessment.

The cost of these 20 days will be £6,760 (plus VAT). Additional support will be provided as and when required. Specialist support would be available at varying day rates, please contact us for further details.

<b>Audit</b>	<b>Days</b>
Financial Systems	16
Contingency	2
Management time Planning / attendance at Audit & Governance Committee and Reports	2
<b>Total days</b>	<b>20</b>

## Devon Assurance Partnership

The Devon Assurance Partnership has been formed under a joint committee arrangement. We aim to be recognised as a high-quality assurance service provider. We work with our partners by providing a professional assurance services that will assist them in meeting their challenges, managing their risks, and achieving their goals. In carrying out our work we are required to comply with the Public Sector Internal Audit Standards along with other best practice and professional standards.

The Partnership is committed to providing high quality, professional customer services to all; if you have any comments or suggestions on our service, processes or standards, the Head of Partnership would be pleased to receive them at [Tony.d.Rose@devon.gov.uk](mailto:Tony.d.Rose@devon.gov.uk)

## Confidentiality and Disclosure Clause

This report is protectively marked in accordance with the National Protective Marking Scheme. It is accepted that issues raised may well need to be discussed with other officers within the authority, the report itself should only be copied/circulated/disclosed to anyone outside of the organisation in line with the organisation's disclosure policies.

This report is prepared for the organisation's use. We can take no responsibility to any third party for any reliance they might place upon it.

## Appendix 1 - Professional Standards and Customer Service

**Quality Assessment** - the Head of Devon Assurance Partnership maintains a quality assessment process which includes review by audit managers of all audit work. The quality assessment process and improvement is supported by a development programme.

**External Assessment** - The PSIAS states that a quality assurance and improvement programme must be developed; the programme should be informed by both internal and external assessments.

An **external assessment** must be conducted at least once every five years by a suitably qualified, independent assessor. For DAP this was recently conducted in 2024 by an IIA qualified ex Assistant Director of an Audit Partnership.

The assessment result was that *“Based on the work carried out, it is our overall opinion that DAP generally conforms\* with the Standards and the Code of Ethics”*. The report noted that *“As a result of our work, a small number of areas where partial conformance was identified. These were minor observations, none of which were significant enough to affect the overall opinion”*. DAP is actively addressing these improvement areas.

\* **Generally Conforms** – This is the top rating and means that the internal audit service has a charter, policies and processes that are judged to be in conformance to the Standards

**Improvement Programme** – DAP maintains a rolling development plan of improvements to the service and customers. Our development plan is regularly updated and links to our overall strategy, both of which are reported to the DAP Management Board and DAP Committee.

The Institute of Internal Audit (IIA) are the key body involved in setting out the global standards for the profession which form the basis for the Public Sector Internal Audit Standards (PSIAS) which have now been revised and renamed the Global Internal Audit Standards (GIAS). The new Global Internal Audit Standards take effect for the UK public Sector as of 1st April 2025.

There are three key aspects:

- [The GIAS](#);
- [The CIPFA Code on the Governance of Internal Audit](#); and
- [The CIPFA Application Note for the GIAS in the Public Sector](#).

These documents combine to set out the framework for Internal Audit that must be followed as per Section 5 of the Accounts and Audit Regulations 2015.

During 2025/26 DAP will be undertaking a GAP Analysis of existing processes in relation to the above for each DAP Partner. The outcomes will result in action plans that will be worked through with the Partners to ensure compliance, this is likely to require actions from both DAP and Partners to ensure compliance with the revised governance arrangements and other applicable activities. Further information will be provided in due course.

### **Customer Service Excellence (CSE)**

DAP was successful in re-accreditation by G4S Assessment Services of the CSE standard during 2024. This accreditation is a UK-wide quality mark which recognises organisations that prioritise customer service and are committed to continuous improvement.

## Appendix 2 - Audit Authority



## Appendix 3 - Annual Governance Framework Assurance

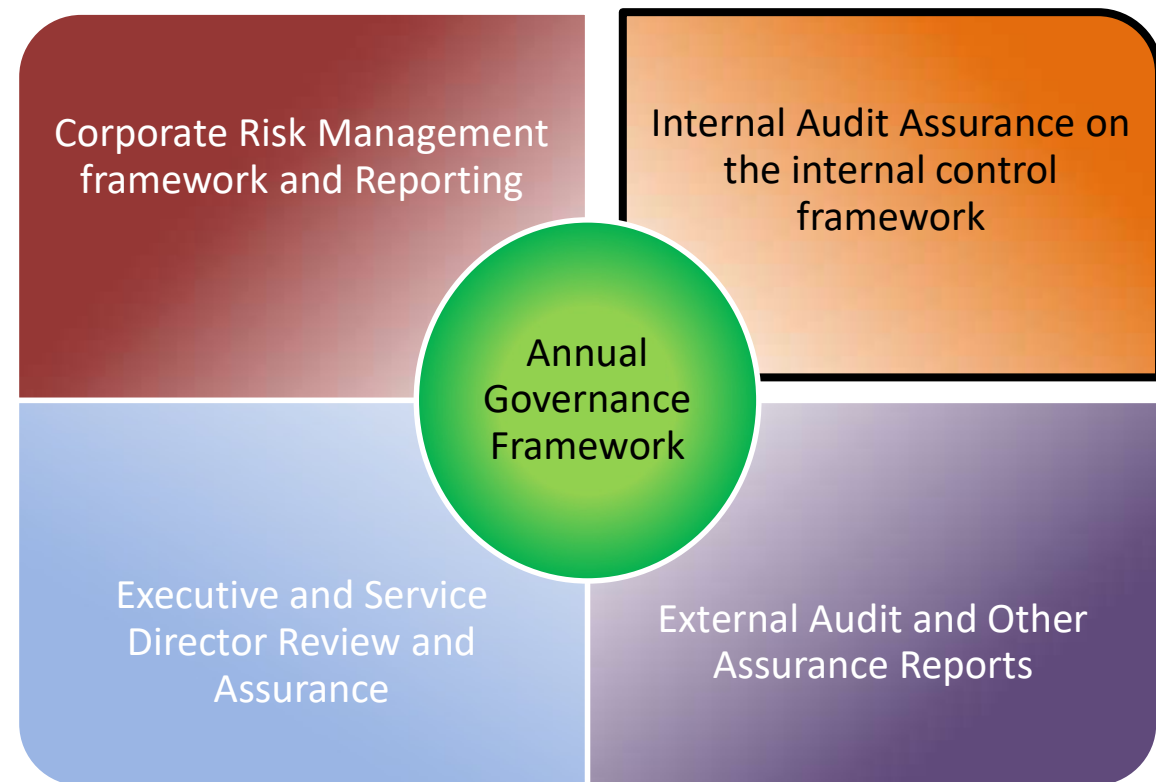
***The conclusions of this report provide the internal audit assurance on the internal control framework necessary for the Committee to consider when reviewing the Annual Governance Statement.***

The Annual Governance Statement provides assurance that

- Authority's policies have been complied with in practice.
- High quality services are delivered efficiently and effectively.
- Ethical standards are met.
- Laws and regulations are complied with.
- Processes are adhered to.
- Performance statements are accurate.

The statement relates to the governance system as it is applied during the year for the accounts that it accompanies. It should:

- Be prepared by senior management and signed by the Chief Executive and Chair of the Audit Committee.
- Highlight significant events or developments in the year.
- Acknowledge the responsibility on management to ensure good governance.
- Indicate the level of assurance that systems and processes can provide.
- Provide confirmation the Authority complies with CIPFA / SOLACE Framework Delivering Good Governance in Local Government. If not, a statement is required stating how other arrangements provide the same level of assurance.
- Provide a narrative on the process that has been followed to ensure that the governance arrangements remain effective. This includes comment on:
  - The Authority.
  - Audit Committee.
  - Risk Management.
  - Internal Audit.
  - Other reviews / assurance.



The AGS needs to be presented to, and approved by, the Audit Committee, and then signed by the Chief Executive and Leader of the Authority.

The Committee should satisfy themselves, from the assurances provided by the Corporate Risk Management Group, Executive and Internal Audit that the statement meets statutory requirements and that the management team endorse the content.

## Appendix 4 - Basis for Opinion

The Chief Internal Auditor is required to provide the Authority with an opinion on the adequacy and effectiveness of its accounting records and its system of internal control in the organisation.

In giving our opinion, it should be noted that this assurance can never be absolute. The most that the internal audit service can do is to provide substantial assurance, formed from risk-based reviews and sample testing, of the framework of governance, risk management and control.

This report compares the work carried out with the work that was planned through risk assessment; presents a summary of the audit work undertaken; includes an opinion on the adequacy and effectiveness of the Authority's internal control environment; and summarises the performance of the Internal Audit function against its performance measures and other criteria. The report outlines the level of assurance that we are able to provide, based on the internal audit work completed during the year. It gives:

- a statement on the effectiveness of the system of internal control in meeting the organisations objectives;
- a comparison of internal audit activity during the year with that planned;
- a summary of the results of audit activity and;
- a summary of significant fraud and irregularity investigations carried out during the year and anti-fraud arrangements.

The extent to which our work has been affected by changes to audit plans has not been notable this year and we have been able to accommodate the changes required within planned resources and completed the work.

In assessing the level of assurance, the following have been taken into account:

All audits completed during 2024/25, including those audits carried forward from 2023/24;

Any follow up action taken in respect of audits from previous periods;

Any significant recommendations not accepted by management and the consequent risks;

The quality of internal audit's performance;

The proportion of the organisations audit need that has been covered to date;

The extent to which resource constraints may limit this ability to meet the full audit needs of the Organisation;

Any limitations that may have been placed on the scope of internal audit.

**Audit Opinion**

**Substantial Assurance** - Exmoor National Park Authority's Treasury Management and financial operations are supported by a strong control framework, with robust governance, accurate reporting, and effective risk management practices in place. Key financial processes (including income, payroll, and payments) are well-structured, compliant with regulations, and consistently implemented without any identified weaknesses.

No Assurance	Limited Assurance	Reasonable Assurance	Substantial Assurance
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**Number of Actions**

High	0
Medium	0
Low	0
Opportunity	0

**Service Objective**

To ensure that Exmoor National Park Authority's financial systems operate effectively, efficiently, and in compliance with statutory requirements, supporting the delivery of the Authority's purposes by maintaining sound financial management, accurate reporting, and robust internal controls.

Risks or Areas Covered - Key Findings	Level of Assurance
Non-compliance with Treasury Management statutory requirements, regulations and best practice.	Substantial Assurance
Financial loss and undetected error or fraud	Substantial Assurance
The Main Accounting System may not comply with accounting standards and may not accurately report the financial standing of the organisation	Substantial Assurance
Spend against the organisations budget may not be suitably controlled and reported, resulting in the risk of overspend	Substantial Assurance
Bank reconciliation procedures may not be effective and errors or discrepancies may not be promptly identified and addressed.	Substantial Assurance
Purchasing arrangements and payments to creditors may not be secure or effective resulting in incorrect and / or unauthorised payments.	Substantial Assurance
Income due to the organisation may not be suitably controlled (Invoice raising, income collection and banking).	Substantial Assurance
The Payroll (Salaries and Wages) may not be suitably controlled resulting in incorrect and/ or unauthorised payments being made	Substantial Assurance

## Background and Context

Section 151 of the Local Government Act 1972 requires that every Local Authority in England and Wales should "make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs". The Head of Enterprise and Operations, as the responsible financial officer, has this statutory responsibility and must establish an appropriate control environment and effective internal controls for all financial activity and systems of the Exmoor National Park Authority (ENPA).

An effective internal audit service reports on, and gives an objective opinion to management, on the effectiveness of the control environment and internal controls in managing the risks, including the financial risks, facing the Authority. This audit was undertaken as part of the annual plan agreed with the Head of Enterprise and Operations. The review of the financial systems in operation throughout the Authority was undertaken between April and July 2025.

Our opinions given in this report are based on the discussions and evaluation of the systems and controls reviewed and the results of testing a restricted sample of transactions. Our overall opinion and the level of assurance given in respect of each of the areas reviewed is detailed above.

## Executive Summary

Exmoor National Park Authority's Treasury Management function is operating effectively within a strong and well-defined control framework, with no weaknesses identified. The approved strategies for 2024/25 and 2025/26 comply with CIPFA codes, and responsibilities, reporting, and governance arrangements are robust. Treasury operations are supported through a Service Level Agreement with Somerset Council (SC), skilled staff, and sound contingency planning. Key controls such as reconciliations, segregation of duties, and access restrictions are in place and functioning well. Liquidity is consistently maintained above £2.5 million, with provisions to reinstate monthly cashflow reporting if needed, and training, risk management, and anti-fraud measures are appropriately embedded.

Somerset Council retained control over the financial system, with access appropriately restricted and aligned to user roles. Financial reporting remained timely, accurate, and compliant with standards, while reconciliation processes (including those for creditors, debtors, and bank accounts) were consistently well-managed and documented. The Authority transitioned to Access Financials in April 2025, introducing new governance and security considerations. Budget setting and monitoring processes were robust, with a mid-year revision approved in December 2024 and reserves standing at £3.49 million. Although no formal process exists to verify uploaded budget lines against approvals, informal controls offer some assurance, and overall financial oversight remains strong.

The ordering and payment processes are well-structured and effectively implemented, guided by clear Financial Regulations. All officers can raise requisitions using a standard form, which is verified and approved by designated budget holders, with Finance maintaining an up-to-date list of authorised signatories. Payment controls are strong, with BACS approvals restricted to Finance staff and credit card use limited to three officers under set financial limits. Regular reconciliations ensure prompt identification of irregularities. Testing confirmed robust documentation, proper budget holder approvals, and segregation of duties throughout the process. VAT is accurately accounted for, with timely return submissions.

The audit found that ENPA's income-related controls are well-designed and effectively implemented, covering timely invoicing, segregation of duties, income reconciliation, and secure handling of funds. Financial Regulations clearly outline responsibilities for income collection and debt recovery, with appropriate authority levels for debt write-offs. At the time of review, there were no overdue debts or write-offs, indicating strong credit control. Sales invoicing was accurate and timely, with sample testing confirming correct VAT treatment and coding. Automated income collection, especially for car parks, enhances efficiency, and no issues were identified with the remaining manual cash handling processes.

Somerset Council continues to provide payroll services to ENPA via the SAP system, which is regularly updated and accurately maintained. ENPA's HR staff have appropriate access and actively monitor payroll transactions, ensuring accuracy and compliance. The audit confirmed that payroll data is submitted timely, authorisation processes are robust, and outputs are properly reconciled with financial records. Manual records are maintained by HR and Finance, with SC handling processing. Testing showed payroll changes and staff absences are recorded accurately and promptly. Regular budget monitoring and monthly payroll reviews support effective cost management, and procedures for travel, subsistence, and additional hours are well-documented and properly authorised.

The detailed findings are described in Appendix A. No observations have been identified and the assurance opinion ratings are also given in the Appendices to this report.

Detailed Observations and Action Plan

<b>Risk Area: Non-compliance with Treasury Management statutory requirements, regulations and best practice.</b>	<b>Level of Assurance</b>
	<b>Substantial Assurance</b>

**Opinion Statement:**  
 The control framework in relation to the Authority's treasury management remains well managed and comprehensive which is much to the credit of the staff involved.

The Treasury Management Strategy for Exmoor National Park Authority (ENPA) was appropriately proposed and approved by the Full Authority for both the 2024/25 and 2025/26 financial years, on 5 March 2024 and 4 March 2025 respectively. These proposals reaffirmed compliance with the CIPFA Prudential and Treasury Management Codes and included approval of the Treasury Management and Annual Investment Strategies for the respective years.

Responsibility for Treasury Management is clearly assigned to the Head of Enterprise and Operations under the Authority's Financial Regulations, which also mandate biannual reporting to ENPA. This requirement has been met through strategic reporting at the start of the financial year, performance reporting post-year-end (July 2024), and an additional update in December 2024. All reports confirmed adherence to CIPFA guidance.

Treasury investments are managed through a Service Level Agreement with Somerset Council (SC), with monthly interest statements provided to the Head of Enterprise and Operations. For 2024–25, ENPA continues to use SC's finance system and maintains direct access to support teams. ENPA benefits from two finance officers with complementary specialisms, and contingency arrangements are in place to ensure continuity of financial operations during the absence of the Chief Finance Officer.

Training records are centrally maintained by HR on SharePoint, with staff encouraged to discuss training needs with their line managers. All completed and available training is appropriately documented.

Treasury Management is currently assessed as low risk and is therefore not included in the risk register. However, provisions exist to escalate its status should risk levels increase. ENPA also maintains robust governance through its Anti-Fraud and Corruption Policy and Anti-Money Laundering Policy, with anti-money laundering principles embedded within Treasury Management procedures.

<b>Risk Area: Financial loss and undetected error or fraud.</b>	<b>Level of Assurance</b>
	<b>Substantial Assurance</b>

**Opinion Statement:**  
 The audit reviewed key controls including segregation of duties, authorisation and approval processes, reconciliations, exception reporting and access restrictions within the financial systems. These controls were found to be appropriately structured and operating effectively. No weaknesses or areas for improvement were identified during the review.

It is noted that ENPA currently prepares a cashflow statement solely for inclusion in the year-end Financial Statements. While a monthly cashflow sheet was historically produced alongside management accounts, this practice was discontinued approximately eight years ago following a decision by the then Chief Financial Officer, who deemed it of limited operational value.

Cash holdings are monitored via a Treasury Management file, which reflects the level of overnight deposits with Somerset Council. Over recent years, these balances have consistently exceeded £2.5 million. Management has indicated that should this balance fall below the threshold on a sustained basis, the reinstatement of monthly cashflow reporting would be considered to support capital expenditure planning.

Key controls are in place to safeguard liquidity and ensure sufficient working capital is maintained. These include adherence to the Investment Strategy, the Service Level Agreement with Somerset Council, and ongoing oversight of Treasury Management performance. Additionally, the requirement for authorised bank signatories ensures that no unauthorised withdrawals can occur.

ENPA operates two bank accounts (one for income and one for payments) both of which have overdraft facilities. These facilities remain unused, and no charges would be incurred should they be activated.

Reconciliation between the Treasury Management system and the Main Accounting System is conducted monthly as part of the receipts account bank reconciliation process. The Treasury file is updated regularly, typically in line with the processing of new bank transactions by the Finance Officer.

<b>Risk Area: The Main Accounting System may not comply with accounting standards and may not accurately report the financial standing of the organisation.</b>	<b>Level of Assurance</b> <b>Substantial Assurance</b>
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**Opinion Statement:**  
For the 2024/25 audit period, administration and access to the financial system remained under the control of Somerset Council. The Authority maintained restricted access, limited to key finance personnel, with appropriate permissions granted to relevant ENPA officers based on their roles. These access rights appeared appropriate, and all users with system access were confirmed as current employees.

There are no feeder systems in operation that require routine reconciliation with the Authority’s main accounts. It is encouraging to note that both the creditor module and the manual debtor sales ledger are subject to regular review and reconciliation, which reflects good financial practice.

Financial reporting continues to be timely, accurate, and appropriately tailored to the needs of Authority Members, the Senior Management Team, and Budget Holders. The main accounting system remains compliant with applicable accounting standards and provides a reliable representation of the Authority’s financial position.

From April 2025, the Authority transitioned to a new cloud-based accounting platform, Access Financials. Unlike the previous system, this is not hosted by another council or external body but is provided directly by Access. This change introduces new considerations around system governance, data security, and the Authority’s reliance on third-party service provision.

<b>Risk Area: Spend against the organisations budget may not be suitably controlled and reported, resulting in the risk of overspend.</b>	<b>Level of Assurance</b> <b>Substantial Assurance</b>
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**Opinion Statement:**  
The audit reviewed the Authority’s budget setting, approval, and monitoring processes, including variance analysis and the role of budget holders in financial oversight. The annual budget for 2024/25 was formally approved by Authority Members in March 2024, with a revised budget subsequently approved in December 2024. This mid-year revision is standard practice for ENPA and is intended to ensure the budget remains a realistic reflection of the Authority’s financial position. As of the December 2024 report, the level of financial reserves stood at £3,493,422, which is considered appropriate.

There have been no material changes to internal controls in this area since the previous financial year. A robust framework remains in place for budget monitoring, with accurate and timely reports regularly shared with Authority Members, the Senior Management Team, and Budget Holders. These reports support informed financial decision-making across the organisation.

While there is no formal process in place at ENPA to verify that uploaded budget lines match the approved budget, the Head of Enterprise and Operations indicated that any discrepancies would likely be identified during the preparation of monthly budget monitoring reports. This informal control provides a degree of assurance, though a more structured verification process could further strengthen oversight.

**Risk Area: Bank reconciliation procedures may not be effective and errors or discrepancies may not be promptly identified and addressed.**

**Level of Assurance**

**Substantial Assurance**

**Opinion Statement:**

Bank reconciliation processes at ENPA are well-established and effectively managed. Reconciliations are performed regularly and promptly, with clear evidence of appropriate segregation of duties, accurate transaction recording, and a robust review and sign-off process.

Financial records maintained by the Finance Officers are comprehensive and support the conclusion that reconciliations are conducted accurately and in a timely manner. Bank mandates are current and adaptable to reflect changes in key personnel as needed.

Access to online banking functions is appropriately restricted to a minimal number of authorised officers, ensuring secure management of payments (primarily via BACS) and banking instructions. Furthermore, well-documented procedures are in place to guide the reconciliation of bank accounts, contributing to the overall strength of financial controls.

**Risk Area: Purchasing arrangements and payments to creditors may not be secure or effective resulting in incorrect and / or unauthorised payments.**

**Level of Assurance**

**Substantial Assurance**

**Opinion Statement:**

The ordering and payment processes are appropriately designed and effectively implemented. The Financial Regulations provide clear guidance on the procedures for raising orders and authorising payments. Requisitioning is open to all officers via a standard form, which is subject to verification and approval by designated budget holders. A current list of authorised signatories is maintained by the Finance team, supporting effective control and oversight.

The BACS payment process is appropriately restricted, with only Finance staff authorised to approve payments, thereby reducing the risk of unauthorised transactions. Credit card usage is limited to a small number of officers (three cardholders), with defined financial limits in place. Monthly reconciliation and review by the Finance team provide assurance that any irregularities would be promptly identified.

Testing confirmed that the ordering process is well-managed, with evidence of appropriate budget holder approval and sound documentation practices. Purchase orders and invoices are properly maintained and cross-referenced, and deliveries are restricted to approved ENPA addresses. Invoices are authorised prior to payment, and segregation of duties is evident throughout the process (from order initiation to final payment authorisation). VAT has been correctly identified and accounted for, with returns submitted in a timely manner.

Due to time constraints during the current audit period, the following areas could not be assessed. These will be incorporated into the 2025–26 audit plan, aligned with the implementation of the new Finance System:

- Operational guidance available to officers regarding procurement procedures,
- A current and complete register of budget holders, including their authorised spending limits,
- Confirmation of credit card holders, associated card storage arrangements, and spending limits,
- Review of petty cash expenditure,
- Verification of updates to the leavers pro-forma checklist, specifically the inclusion of tick-boxes for credit cards, Equals cards, and banking privileges,
- Confirmation that a process is in place for the periodic review of bank mandates and similar financial agreements.

<b>Risk Area: Income due to the organisation may not be suitably controlled (Invoice raising, income collection and banking).</b>	<b>Level of Assurance</b>
	<b>Substantial Assurance</b>

**Opinion Statement:**

The audit reviewed the design and operation of key income-related controls, including the timely and accurate raising of invoices, segregation of duties in income processing, reconciliation of income to bank statements, and the secure handling and banking of funds. These controls were found to be well-designed and operating effectively.

ENPA's Financial Regulations clearly define expectations for income collection and debt recovery. Responsibility for maintaining accurate and complete income records rests with the Head of Enterprise and Operations, in consultation with Section Heads. Where income is not received by the due date, appropriate recovery actions are required. Authority to write off debts exceeding £5,000 lies with the Chief Executive, while smaller amounts may be approved by the Head of Enterprise and Operations.

At the time of the audit, there were no outstanding debts over 30 days on the sales ledger, and no debt write-offs had been recorded in the current financial year. This reflects strong credit control and effective debtor management practices.

The Finance team has maintained accurate and timely sales invoicing records. Sample testing of the sales ledger confirmed that invoices were raised promptly and appropriately coded within the accounting system.

A review of a sample of sales invoices and rental income transactions confirmed that all were correctly charged and treated in accordance with VAT requirements. Income collection processes are largely automated, particularly for car park revenue, which is now predominantly contactless and directly credited to the Authority's accounts. While some manual cash handling remains, no issues were identified in this area.

<b>Risk Area: The Payroll (Salaries and Wages) may not be suitably controlled resulting in incorrect and/ or unauthorised payments being made.</b>	<b>Level of Assurance</b>
	<b>Substantial Assurance</b>

**Opinion Statement:**

Somerset Council (SC) continues to deliver payroll services to Exmoor National Park Authority (ENPA) through the provision and maintenance of the SAP payroll system. The system is regularly updated, and key standing data (such as pay scales) are accurately maintained. HR staff at ENPA have appropriate access to SAP and are actively involved in monitoring and verifying payroll transactions. SAP is widely used across Local Authorities and is considered suitable for its intended purpose.

The audit assessed the accuracy and timeliness of payroll data submitted to Somerset Council, the robustness of authorisation processes, reconciliation of payroll outputs to financial records, and the overall governance framework ensuring compliance with internal policies. Controls in these areas were found to be well-designed and operating effectively, supporting the delivery of accurate, authorised, and secure salary payments.

Manual records of payroll inputs and outputs are maintained by the HR and Finance teams, with processing carried out by Somerset Council. Testing of payroll changes( including new starters, leavers, and salary adjustments) confirmed that transactions were processed accurately and in a timely manner. Similarly, a review of staff absences demonstrated that these are reported and recorded promptly.

Regular budget monitoring is undertaken, alongside monthly reviews of payroll outputs, to ensure salary costs are appropriately managed. In addition, there are comprehensive procedures in place for managing staff travel, subsistence claims, and additional hours. Testing of a sample of claims confirmed that all were fully completed, properly authorised, and supported by appropriate evidence.

### Scope and Objectives

The objective of this audit was to provide assurance on the adequacy and effectiveness of the organisation's financial management and control environment, with a particular focus on compliance, accuracy, and risk mitigation across key financial systems and processes. The audit has assessed whether controls are in place and operating effectively to manage the following areas:

#### **Non-Compliance with Treasury Management Requirements**

To evaluate whether the organisation complies with statutory requirements, regulations, and best practice guidance in relation to Treasury Management, and to assess the adequacy of controls in place to prevent financial loss or reputational damage.

#### **Financial Loss and Undetected Error or Fraud**

To determine whether financial systems are designed and operating to prevent, detect, and respond to errors or fraudulent activity in a timely and effective manner.

#### **Main Accounting System Compliance and Accuracy**

To assess whether the Main Accounting System complies with relevant accounting standards and accurately reflects the financial position of the organisation.

#### **Budgetary Control and Reporting**

To review the effectiveness of controls over budget monitoring and reporting, ensuring that spend is appropriately authorised, monitored, and reported to prevent overspending.

#### **Bank Reconciliation Procedures**

To evaluate the effectiveness and timeliness of bank reconciliation processes, and whether discrepancies are promptly identified, investigated, and resolved.

#### **Purchasing and Creditor Payments**

To assess the security and effectiveness of purchasing arrangements and creditor payment processes, ensuring that payments are accurate, authorised, and supported by appropriate documentation.

#### **Income Management**

To review the controls over income due to the organisation, including invoice generation, collection, and banking, to ensure completeness and accuracy of income recognition.

#### **Payroll Controls**

To assess the adequacy of controls over payroll processing, including the accuracy and authorisation of salary and wage payments, to prevent incorrect or unauthorised disbursements.

### Acknowledgements

We thank those who provided support and assistance during this audit.

#### DAP staff involved in the review:

**Chloe Byrne**

**Lee Elson**

**Jo McCormick**

**Tony Rose**

**Assurance Officer**

**Senior Assurance Officer**

**Deputy Head of Partnership**

**Head of Partnership**

### Inherent Limitations

The opinions and observations contained within this report are based on our examination of restricted samples of transactions / records and our discussions with officers responsible for the processes reviewed.

### Devon Assurance Partnership

Devon Assurance Partnership has been formed under a joint committee arrangement, details of our partners can be found on our [website](#). We aim to be recognised as a high-quality assurance service provider. We collaborate with our Partners by providing a professional service that will assist them in meeting their challenges, managing their risks and achieving their goals.

In conducting our work, we are required to comply with the Global Internal Audit Standards along with other best practice and professional standards. The Partnership is committed to providing high quality, professional customer services to all; if you have any comments or suggestions on our service, processes or standards, the Head of Partnership would be pleased to receive them at [tony.d.rose@devon.gov.uk](mailto:tony.d.rose@devon.gov.uk).

## Confidentiality under the National Protective Marking Scheme

This report is protectively marked in accordance with the National Protective Marking Scheme. It is accepted that issues raised may well need to be discussed with other officers within the organisation, the report itself should only be copied/circulated/disclosed to anyone outside of the organisation in line with the organisation’s disclosure policies. This report is prepared for the organisation’s use. We can take no responsibility to any third party for any reliance they might place upon it.

### Marketing

Official

### Definitions

The majority of information that is created or processed by the public sector. This includes routine business operations and services, some of which could have damaging consequences if lost, stolen or published in the media, but are not subject to a heightened threat profile.

Official: Sensitive

A limited subset of OFFICIAL information could have more damaging consequences if it were lost, stolen or published in the media. This subset of information should still be managed within the ‘OFFICIAL’ classification tier but may attract additional measures to reinforce the ‘need to know’. In such cases where there is a clear and justifiable requirement to reinforce the ‘need to know’, assets should be conspicuously marked: ‘OFFICIAL–SENSITIVE’. All documents marked OFFICIAL: SENSITIVE must be handled appropriately and with extra care, to ensure the information is not accessed by unauthorised people.

## Definitions of Audit Assurance Opinion Levels

## Definition of Observation Priority

Assurance	Definition		
Substantial Assurance	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.	High	A significant finding. A key control is absent or is being compromised; if not acted upon this could result in high exposure to risk. Failure to address could result in internal or external responsibilities and obligations not being met.
Reasonable Assurance	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.	Medium	Control arrangements not operating as required resulting in a moderate exposure to risk. This could result in minor disruption of service, undetected errors or inefficiencies in service provision. Important observations made to improve internal control arrangements and manage identified risks.
Limited Assurance	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.	Low	Low risk issues, minor system compliance concerns or process inefficiencies where benefit would be gained from improving arrangements. Management should review, make changes if considered necessary or formally agree to accept the risks. These issues may be dealt with outside of the formal report during the course of the audit.
No Assurance	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.	Opportunity	An observation to drive operational improvement which may enable efficiency savings to be realised, capacity to be created, support opportunity for commercialisation / income generation or improve customer experience. These observations do not feed into the assurance control environment.

## EXMOOR NATIONAL PARK AUTHORITY

2 September 2025

### 2024/25 OUTTURN – STATEMENT OF ACCOUNTS

#### Report of the Chief Finance Officer

**Purpose of Report:** To note the 2024/25 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 2024/25.

**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, and CIPFA Bulletin 19 (Closure of the 2024/25 financial Statements) require the responsible Finance Officer to produce and certify the unaudited Statement of Accounts by 30 June 2025. Exmoor National Park Authority was able to achieve this date with publication of the unaudited accounts and accompanying notices on the 30<sup>th</sup> of June.
- 1.2 The certified Statement of Accounts for 2024/25 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 2025; 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 2024/25 (the Code) – and are required to present a true and fair view of the financial position of the Authority at 31 March 2025 and its comprehensive income and expenditure for the year ended 31 March 2025.
- 2.2 As Chief Finance Officer, I signed off the accounts on 30 June 2025.
- 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 2024/25. Technical accounting changes that were introduced in respect of leases (IFRS16) were investigated and deemed to have an immaterial impact on the statement of accounts.

**Ben Barrett**  
**Chief Finance Officer**  
**August 2025**



# Exmoor National Park

## Statement Of Accounts 2024/25

**Ben Barrett**  
Chief Finance Officer

**Sarah Bryan**  
Chief Executive





## STATEMENT OF ACCOUNTS

2024/25

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## STATEMENT OF ACCOUNTS 2024/25

### 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 Management Plan 2025-2030, The Partnership Plan for Exmoor. 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 the Department for Food and Rural Affairs (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 2025/26. These include the transition to a new Financial Information System and the commitment to implement an Anti-Money Laundering Policy.

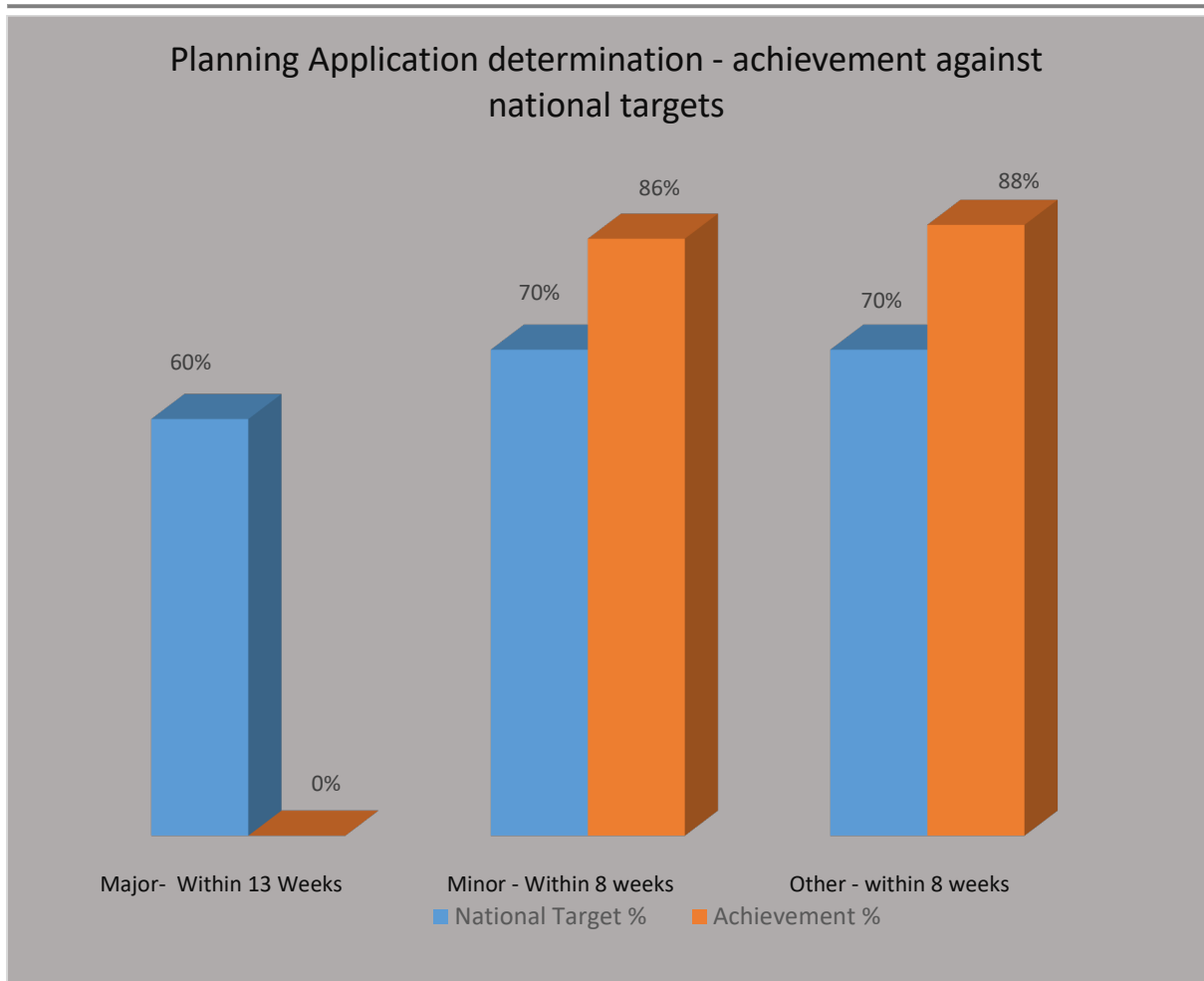
## Organisation

9. To achieve the purposes and duty described in 1 and 2, the organisation is structured in terms of the following headings: Conservation of Cultural Heritage, Conservation of the Natural Environment, Forward Planning, Development Management, Promoting Understanding, Rangers, Estates & Volunteers and Recreation Management. This changed during the 2024/25 year from the previous headings of: Support to Land Managers, Support to National Park Users and Support to the Community and Business.

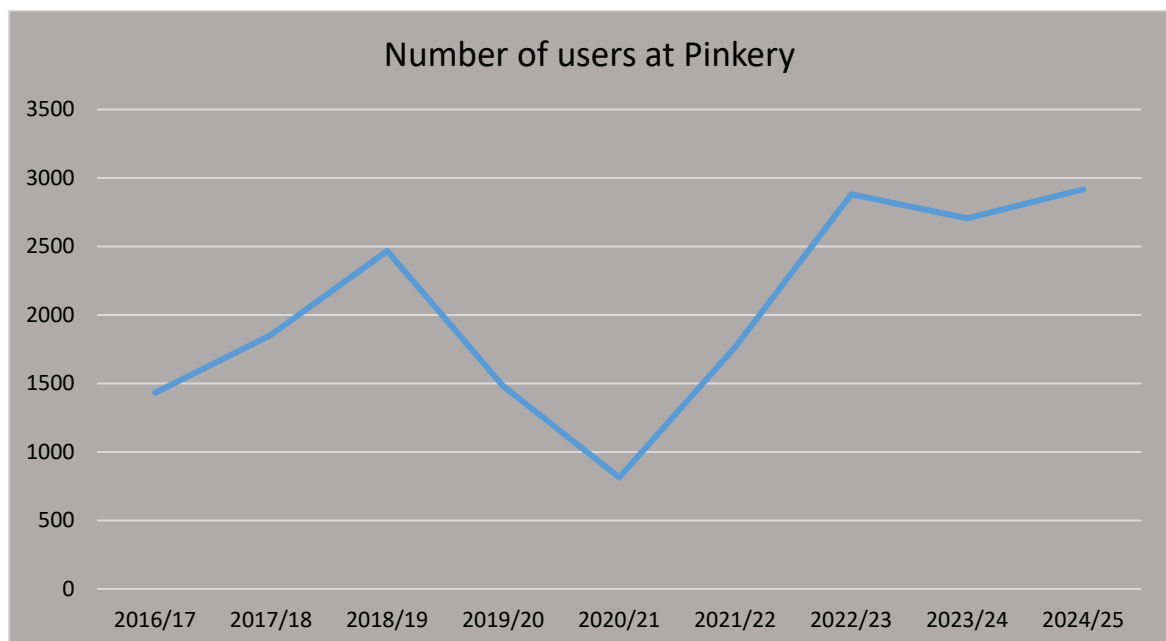
## Performance

10. 2024/25 was the mid-year of a 3-year Corporate Strategy (2023-2026) with separately defined actions for 2024. A mid-year report of progress in implementing the Corporate Plan was taken to the Authority in December 2024, and the full report is due to go to the Authority in July 2025. Papers are available from the Exmoor National Park Authority's website.
11. 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**
12. 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.
13. For an analysis of performance in 2024/25 that goes beyond the Key Corporate Indicators please look for the report on the Authority's website.

## Key Corporate Indicators 1 April 2024 to 31 March 2025

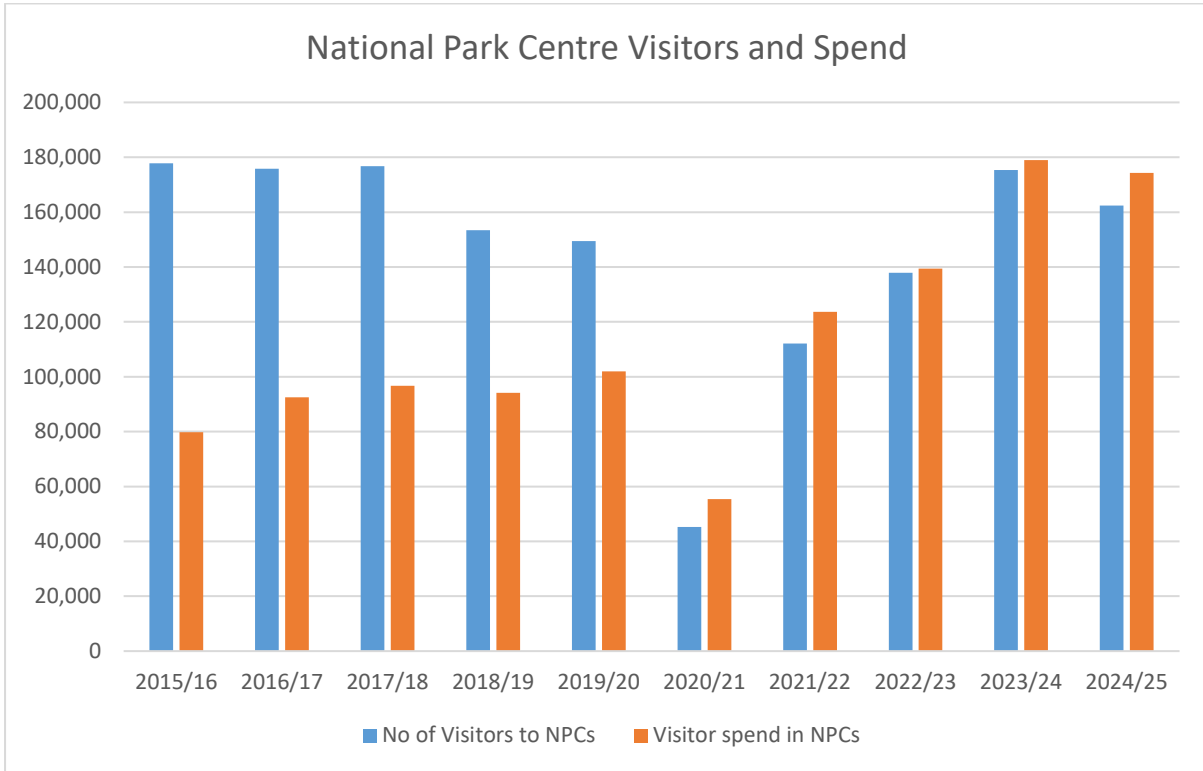


### Pinkery Centre Occupancy rates

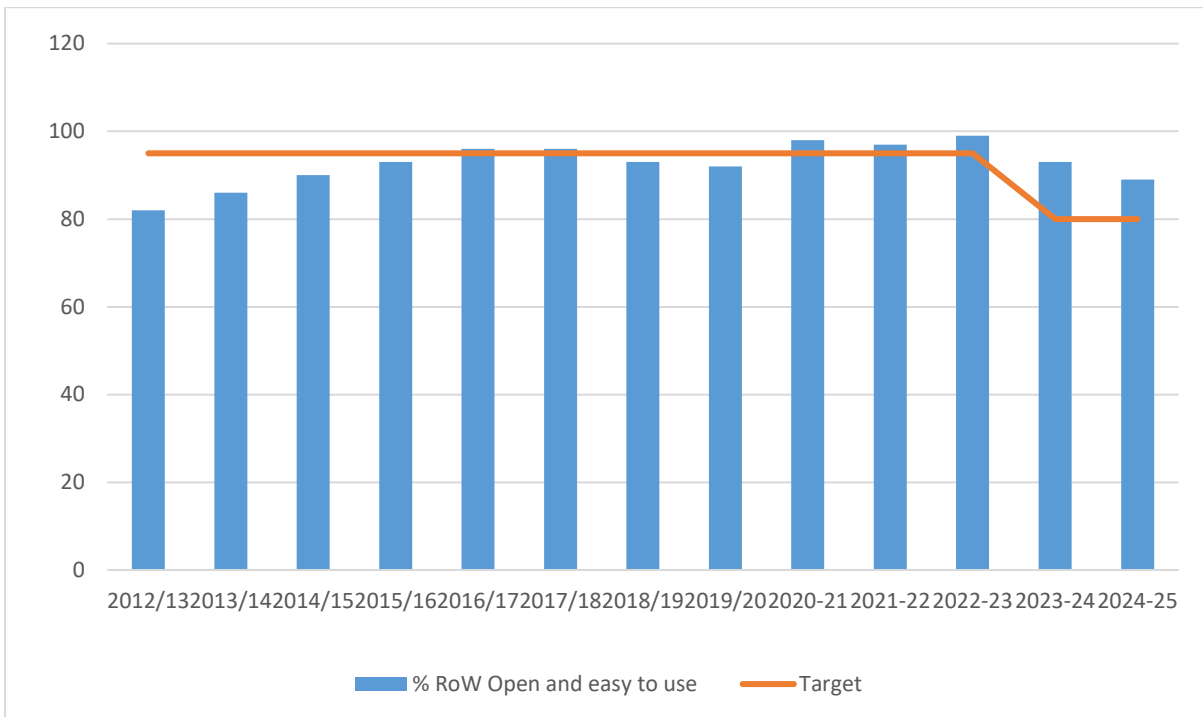


14. The Pinkery Centre is Exmoor National Park Authority's Centre for Outdoor Learning. The user numbers for 2024/25 at 2,917 exceeded the previous highest level of 2,881 recorded in 2022/23.

## National Park Centre Visitor Numbers and Income Trend



## Rights of Way Open and Easy to Use Score



## Financial Statements

15. Information relating to financial performance for the year ended 31 March 2025 is contained in the following statements:

### **Comprehensive Income and Expenditure Statement (page 12);**

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 2024/25 of £1.354m. This compares with a surplus of £1.343m for 2023/24.

### **Movement in Reserves Statement (page 13);**

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 £0.45m over the course of 2024/25 to £3.938m and unusable reserves also increased over the same period by £0.91m to £20.15m.

### **Balance Sheet (page 14)**

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 NPA has £24.088m of assets in excess of its liabilities at the end of 2024/25 (£22.730m 2023/24). This is an increase of £1.358m which is primarily due to a capital receipt (£0.45m) and capital additions (£0.54m). The Authority owns £21.341m 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 15)**

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 £1.15m over the course of 2024/25.

## Financial Performance

16. The revenue budget for 2024/25 was agreed on the 5 March 2024. The approved budget was constructed across two themes:
  - A Core Budget of £2,9,11,500 with contribution to reserves of £270,000 and £30,000 top sliced for priority elements.
17. When the budget was set, funds were found for Modernisation support for the recently completed Business Review (implemented wef 1 April 2024), continued investment in the authorities Estate and a continued investment in meeting the costs of removing trees impacted by Ash Die- Back. Top-sliced support was made available for Exmoor Hill Farming Network, Tourism Support, STEAM and SERC/DBRC records.
18. In early April 2024, DEFRA gave notification of a one-off, in-year, additional grant of £500,000 for each NPA. The Authority considered a revised budget and reviewed the elements of the budget at its meeting on 3 December 2024. Additional resources were found for the cost of the staff pay award.
19. A Business Process Review was undertaken during 2023/24 and implemented on the 1 April 2024. This was required to meet the continued pressures of static National Park Grant (unchanged for 5 years) and the inflationary increases as a result for international conflicts. The Business Review concluded in late Autumn 2023 and the resulting changes were agreed as part of the 2024/25 budget setting process.
20. 2024/25 was the third year of the Farming in Protected Landscapes (FiPL) programme which saw an increase in FiPL funding and grants delivered of £811k in comparison to 2023/24. This included one-off allocations of £495k in respect of Heritage Building Restoration Grant (HBRG). Additional resources were required to support the forthcoming Development Management planning system replacement as well as 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:
  - £155k on the enhancement of the East Barn at Driver (supported by FiPL HBRG funding)
  - £100k on the construction of Great Bradley Bridge
  - £57k on the enhancement of reception area at Exmoor House and the relocation of the Dulverton National Park Centre
  - £51k on greening the corporate pool car fleet (2 Nissan Leaf EVs and 1 Peugeot Plug-in hybrid)
  - £42k on capping a mine-shaft at Wheal Eliza
  - £32k on a Citroen 9 seater EV to replace a diesel vehicle for the Volunteers and Education Support teams
  - £30k On an Isuzu DMax 4x4 for the Ranger Team
  - £22k on a new Kubota Excavator for the Field Services Team
  - £20k on a new water supply and purification system for the Pinkery Outdoor Education Centre
  - £18k on the stabilisation of a cliff face at Weir Cleave
  - £9k on a Solar PV and battery system for the Tree Nursery at Exford
  - £9k on new PV Batteries at Blackpitts

In addition, during 2024/25 the authority secured a sale on land at East Anstey, this generated a capital receipt of £449k. Additionally, a further capital receipt of £10k from the part-exchange of a mini-excavator was secured.

21. The key recommendations to the Authority the year ended 31 March 2025 are:

- The core budget shows an underspend for the year of £5k 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>(721)</b>
<i>Non Cash Transactions</i>		
Net Transfers to Reserves	440	
Reverse IAS19 Pensions transactions	57	
Reverse Depreciation & Impairment charges	(184)	
Capital Receipts	(450)	
Capital Expenditure	545	
Gain on sale of Assets	279	
Upwards revaluation of Assets	37	
Movement in employee absence accrual	(8)	
<b>Management Accounts Budget Deficit</b>		<b>(5)</b>

22. Whilst 2024/25 was a similarly financially stable year to 2023/24, 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

23. 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

24. A letter of intent in respect of the 2025/26 Grant Funding Settlement was received on the 2 April 2025. This letter informed us of an 8.2% reduction in RDEL resources allocation (revenue funding) amounting to £263,443. This reduction was accompanied by an in-year capital allocation of £263,443 to match the revenue reduction, and a further fixed amount of capital of £1,140,000, giving us a total in-year CDEL (capital) allocation of £1,403,500.

25. 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.

26. 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. Major challenges remain, the necessity of the reducing revenue grant is justification of this alone. Indications are that balanced budgets will be increasingly

harder to set. In such circumstance, those external funding pots such as the Farming in Protected Landscape scheme, the proceeds of a Heritage Lottery Fund bids, or other schemes yet to be released become increasingly important to deliver key priorities.

27. Whilst confirmation on the long-term settlement is awaited, figures for 2026/27 onwards should be viewed with a high degree of uncertainty. Work will be continuing to be undertaken during 2025/26 to identify further savings and income generation opportunities. The impact of any change (positive or negative) will need careful consideration to make sure our future expenditure is sustainable.

B Barrett  
Chief Finance Officer  
June 2025

**STATEMENT OF ACCOUNTS 2024/25****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 2025 and its income and expenditure for the year ended 31 March 2025.**

**B Barrett**

**Chief Finance Officer: ..... Date: 30<sup>th</sup> June 2025**

## 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.

2023/24				2024/25		
Gross Expenditure £000 (as amended *)	Gross Income £000 (as amended *)	Net Expenditure £000		Gross Expenditure £000	Gross Income £000 (Notes 10 & 11)	Net Expenditure £000
151	(134)	17	Conservation of Cultural Heritage	286	(113)	173
1,213	(880)	333	Conservation of Natural Environment	2,225	(2,041)	184
127	(83)	44	Forward Planning	32	(107)	(75)
444	(242)	202	Development Management	452	(99)	353
846	(408)	438	Promoting Understanding	814	(405)	409
561	(319)	242	Rangers, Estates & Volunteers	579	(639)	(60)
491	(367)	124	Recreation Management	287	(240)	47
1,482	(403)	1,079	Support Services	1,551	194	1,745
244	(10)	234	Corporate Management	582	-	582
40	-	40	Partnership Fund	36	-	36
<b>5,599</b>	<b>(2,846)</b>	<b>2,753</b>	<b>Cost of Services</b>	<b>6,844</b>	<b>(3,450)</b>	<b>3,394</b>
12	-	12	Other Operating Expenditure (Note 12)	13	(279)	(266)
77	(156)	(79)	Financing and Investment Income and Expenditure (Note 13)	47	(184)	(137)
-	(3,212)	(3,212)	Taxation and Non-Specific Grant Income (Note 14)	-	(3,712)	(3,712)
<b>5,688</b>	<b>(6,214)</b>	<b>(526)</b>	<b>(Surplus)/Deficit on Provision of Services</b>	<b>6,904</b>	<b>(7,625)</b>	<b>(721)</b>
		(204)	(Surplus) on revaluation of Property, Plant and Equipment (Notes 22 & 23)			(611)
		(613)	Remeasurement of Net Defined Benefit Liability/(Asset) (Note 33)			(26)
		<b>(817)</b>	<b>Other Comprehensive Income and Expenditure</b>			<b>(637)</b>
		<b>(1,343)</b>	<b>Total Comprehensive Income and Expenditure (Surplus)/Deficit</b>			<b>(1,354)</b>

\*The subjective headings used during 2023/24 (Support to Land Managers, Support to Community and Support to National Park Users) were refreshed during 2024/25 and the gross expenditure and gross income for the year has been aligned with the revised headings in the Comprehensive Income and Expenditure Statement above.

## 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 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	526	-	<b>526</b>	817	<b>1,343</b>
Adjustments between accounting basis & funding basis under regulations (Note 20)	(246)	-	<b>(246)</b>	246	-
<b>Increase/(Decrease) in 2023/24</b>	<b>280</b>	-	<b>280</b>	<b>1,063</b>	<b>1,343</b>
<b>Balance at 31 March 2024 (Notes 21 and 30)</b>	<b>3,493</b>	-	<b>3,493</b>	<b>19,237</b>	<b>22,730</b>
<b>Movement in reserves during 2024/25</b>					
Total Comprehensive Income and Expenditure	721	-	<b>721</b>	637	<b>1,358</b>
Adjustments between accounting basis & funding basis under regulations (Note 20)	(726)	450	<b>(276)</b>	276	-
<b>Increase/(Decrease) in 2024/25</b>	<b>(5)</b>	<b>450</b>	<b>445</b>	<b>913</b>	<b>1,358</b>
<b>Balance at 31 March 2025 (Notes 21 and 30)</b>	<b>3,488</b>	<b>450</b>	<b>3,938</b>	<b>20,150</b>	<b>24,088</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 2024 £000</b>		<b>Notes</b>	<b>31 March 2025 £000</b>
20,450	Property, Plant & Equipment	22	21,287
54	Heritage Assets	23	54
<b>20,504</b>	<b>Long Term Assets</b>		<b>21,341</b>
79	Inventories	-	83
1,331	Short Term Debtors	25	718
2,551	Cash and Cash Equivalents	26	3,697
<b>3,961</b>	<b>Current Assets</b>		<b>4,498</b>
(48)	Receipts in Advance	-	(12)
(461)	Short Term Creditors	27	(596)
<b>(509)</b>	<b>Current Liabilities</b>		<b>(608)</b>
(1,226)	Other Long-Term Liabilities	33	(1,143)
<b>(1,226)</b>	<b>Long Term Liabilities</b>		<b>(1,143)</b>
<b>22,730</b>	<b>Net Assets</b>		<b>24,088</b>
3,493	Usable Reserves	21	3,938
19,237	Unusable Reserves	30	20,150
<b>22,730</b>	<b>Total Reserves</b>		<b>24,088</b>

## Authorised for Issue

The un-audited Accounts were authorised for issue by the Chief Finance Officer on 30<sup>th</sup> June 2025.

**B Barrett**

**Chief Finance Officer: .....** **Date: 30<sup>th</sup> June 2025**

## 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>2023/24 £000</b>		<b>2024/25 £000</b>
<b>(526)</b>	<b>Net (surplus) or deficit on the Provision of Services</b>	<b>(721)</b>
	<i>Adjustments for-</i>	
60	Non Cash Movements (Note 35)	(520)
<b>(466)</b>	<b>Net Cash flows from Operating Activities</b>	<b>(1,241)</b>
223	Investing Activities (Note 36)	95
-	Financing Activities (Note 37)	-
<b>(243)</b>	<b>Net (increase)/decrease in Cash and Cash equivalents</b>	<b>1,146</b>
2,308	Cash and Cash Equivalents at the beginning of the reporting period	2,551
<b>2,551</b>	<b>Cash and Cash Equivalents at the end of the reporting period</b>	<b>3,697</b>
<b>(243)</b>	<b>Net (increase)/decrease in Cash and Cash equivalents</b>	<b>1,146</b>

**STATEMENT OF ACCOUNTS 2024/25****NOTES TO THE ACCOUNTS****Note 1: Accounting Policies****i General Principles**

The Statement of Accounts summarises the Authority's transactions for the 2024/25 financial year and its position at the year-end 31 March 2025. 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 2024/25 (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.
- Revaluation gains are credited to the Revaluation Reserve except where there has been a previous loss written off.

Depreciation, revaluation and impairment losses are replaced by the contribution in the General Fund Balance by way of an adjusting transaction within the Capital Adjustment Account.

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.
  - Gains or losses on settlements and curtailments – the results of actions to relived the Authority of liabilities or events that reduce the expected future service or accrual of benefits of employees, debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non-Distributed Costs.
  - 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. Intangible assets are those without a physical substance such as websites and software.

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 unless the terms of a grant require it to be applied to capital expenditure.

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 two Heritage Assets; the Brendon Hills Incline, and the Pottery Kiln in Dunster. The incline is valued at Existing Use Value while the Pottery Kiln applies the reinstatement (insurance) value as there is no existing use for the Pottery Kiln.

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 37)**

Where under IAS17 Leases it is judged that substantially all of the risks and rewards incidental to the ownership of an asset have been transferred, then the lease is classified as a Finance Lease. 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 accounting changes due in 2024/25 that are anticipated to have a material effect on the Authority's financial performance or financial position.

## Note 3: Material Items of Income and Expenditure

There are no material items to disclose in 2024/25.

## 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 2025, for which there is a significant risk of material adjustment in forthcoming financial years. They are as follows:

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
<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 £242K. However, the assumptions interact in complex ways. During 2024/25, 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 £83K.
<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 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 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 contributions because of the minimum funding requirement imposed on it by the funding strategy for the Scheme in place as at 31 March 2025. 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

	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	
<b>Property Plant and Equipment - Valuation</b>	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.	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 £21.287m, a 1% increase in valuation would equate to £0.2m
<b>Debtors/ Bad Debt provision</b>	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.	A 10% difference between the costs estimate by lawyers and that determined by the courts would equate to a £50k misestimate in the debtor.  A 10% difference between the sale proceeds and the estimated value would equate to £73k. This would directly impact on the funds available to meet the related debt.

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

The unaudited Statement of Accounts was authorised for issue by the Chief Finance Officer on 30 June 2025. 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 2025, 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 2024/25 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.

2023/24				2024/25		
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
52	(35)	17	Conservation of Cultural Heritage	185	(12)	173
447	(114)	333	Conservation of Natural Environment	192	(8)	184
47	(3)	44	Forward Planning & Communities	(78)	3	(75)
213	(11)	202	Development Management	363	(10)	353
473	(35)	438	Promoting Understanding	454	(45)	409
348	(106)	242	Rangers, Estates & Volunteers	(276)	216	60
61	63	124	Recreation Management	135	(88)	47
1,155	(76)	1,079	Support Services	1,835	(90)	1,745
250	(16)	234	Corporate Management	601	(19)	582
41	(1)	40	Partnership Fund	40	(4)	36
<b>3,087</b>	<b>(334)</b>	<b>2,753</b>	<b>Net Cost of Services</b>	<b>3,451</b>	<b>(57)</b>	<b>3,514</b>
(3,367)	88	(3,279)	Other Income & Expenditure	(3,896)	(219)	(4,115)
<b>(280)</b>	<b>(246)</b>	<b>(526)</b>	<b>(Surplus)/Deficit on Provision of Services</b>	<b>(445)</b>	<b>(276)</b>	<b>(721)</b>
<b>(3,213)</b>			<b>Opening General Fund Balance</b>	<b>(3,493)</b>		
(280)			Deficit/(surplus) on General Fund in Year			
<b>(3,493)</b>			<b>Closing General Fund Balance</b>	<b>(3,938)</b>		

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

Adjustments between the Funding and Accounting Basis 2024/25.

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
Conservation of Cultural Heritage	(6)	(6)	-	(12)
Conservation of Natural Environment	(2)	(6)	-	(8)
Forward Planning & Communities	-	3	-	3
Development Management	-	(13)	1	(12)
Promoting Understanding	(33)	(14)	2	(45)
Rangers, Estates & Volunteers	211	5	-	216
Recreation Management	(87)	(1)	-	(88)
Support Services	(31)	(64)	5	(90)
Corporate Management	-	(21)	-	(21)
Partnership Fund	-	-	-	-
<b>Net Cost of Services</b>	<b>52</b>	<b>(117)</b>	<b>8</b>	<b>(57)</b>
Other Income & Expenditure	(279)	60	-	(219)
<b>Surplus/Deficit on the Provision of Services</b>	<b>(227)</b>	<b>(57)</b>	<b>8</b>	<b>(276)</b>

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	(171)	(46)	-	(217)
Support to the Community	1	(15)	-	(14)
Support to National Park Users	19	(29)	-	(10)
Support Services	(8)	(68)	-	(76)
Corporate Management	-	(16)	-	(16)
Partnership Fund	-	(2)	-	(2)
<b>Net Cost of Services</b>	<b>(159)</b>	<b>(176)</b>	<b>-</b>	<b>(334)</b>
Other Income & Expenditure	0	89	-	88
<b>Surplus/Deficit on the Provision of Services</b>	<b>(159)</b>	<b>(87)</b>	<b>-</b>	<b>(246)</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

2023/24 £000	Expenditure	2024/25 £000
3,311	Employee Benefits Expenses	3,639
2,623	Other Service Expenses	3,712
(323)	Depreciation, Amortisation & Impairment	(494)
77	Interest Payments	47
<b>5,688</b>	<b>Total Expenditure</b>	<b>6,904</b>
	<b>Income</b>	
(2,846)	Grants, Fees, Charges and other Service Income	(3,729)
(3,212)	Government Grants – National Park Grant	(3,712)
(156)	Interest & Investment Income	(184)
<b>(6,214)</b>	<b>Total Income</b>	<b>(7,625)</b>
<b>(526)</b>	<b>(Surplus)/Deficit on the provision of service</b>	<b>(721)</b>

### Note 11: Segmental Income

#### 2024/25

	Grants & Contributions £000	Fees & Charges £000	Sales Income £000	Other £000	Total £000
Conservation of Cultural Heritage	(113)	-	-	-	(113)
Conservation of Natural Environment	(2,032)	(3)	(7)	-	(2,042)
Forward Planning & Communities	(27)	-	-	(80)	(107)
Development Management	-	(89)	-	(10)	(99)
Promoting Understanding	(72)	(162)	(160)	(11)	(405)
Rangers, Estates & Volunteers	(460)	(10)	(281)	(166)	(917)
Recreation Management & Transport	(89)	(116)	-	(35)	(240)
Support Services	(6)	-	-	200	194
Corporate Management	-	-	-	-	-
<b>Total Income</b>	<b>(2,799)</b>	<b>(380)</b>	<b>(448)</b>	<b>(102)</b>	<b>(3,729)</b>

#### 2023/24

	Grants & Contributions £000	Fees & Charges £000	Sales Income £000	Other £000	Total £000
Support to Land Managers	(1,469)	(27)	(12)	(137)	(1,645)
Support to the Community	(175)	(78)	-	(72)	(325)
Support to National Park Users	(47)	(244)	(165)	(41)	(497)
Support Services	(172)	(11)	(3)	(193)	(379)
Partnership Fund	-	-	-	-	-
<b>Total Income</b>	<b>(1,863)</b>	<b>(360)</b>	<b>(180)</b>	<b>(443)</b>	<b>(2,846)</b>

### Note 12: Other Operating Expenditure

2023/24 £000		2024/25 £000
-	(Gains)/Losses on the disposal of non-current assets	(279)
12	IAS19 Administration expense	13
<b>12</b>	<b>Total</b>	<b>(266)</b>

**Note 13: Financing and Investment Income and Expenditure**

<b>2023/24 £000</b>		<b>2024/25 £000</b>
77	Net interest on the net defined pensions liability	47
(156)	Interest receivable and similar income	(184)
<b>(79)</b>	<b>Total</b>	<b>(137)</b>

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

<b>2023/24 £000</b>		<b>2024/25 £000</b>
(3,212)	Non-ring-fenced government grants	(3,712)
<b>(3,212)</b>	<b>Total</b>	<b>(3,712)</b>

**Note 15: Members Allowances**

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

<b>2023/24 £000</b>		<b>2024/25 £000</b>
18	Special Responsibility Allowance	18
67	Basic Allowance	70
3	Allowance for mileage	2
<b>88</b>	<b>TOTAL</b>	<b>90</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>					
2024/25 -	96	-	96	20	<b>116</b>
2023/24 -	93	-	93	20	<b>113</b>
<b>Head of Finance and Operations (was Head of Finance and Operations)</b>					
2024/25 -	62	-	62	13	<b>75</b>
2023/24 – (Post holder resigned and vacant post filled during year)	52	-	52	11	<b>63</b>
<b>Head of Climate, Nature and Communities (was Head of Strategy &amp; Performance)</b>					
2024/25 -	62	-	62	13	<b>75</b>
2023/24 -	59	-	59	12	<b>71</b>
<b>Head of Planning &amp; Sustainable Development</b>					
2024/25 -	-	-	-	-	<b>-</b>
2023/24 – Post removed mid-year	44	-	44	9	<b>53</b>
<b>Head of Access, Engagement and Estates (was Head of Conservation &amp; Access)</b>					
2024/25 -	62	-	62	13	<b>75</b>
2023/24 -	59	-	59	12	<b>71</b>

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:

2023/24 Number of employees	Remuneration band	2024/25 Number of employees
4	£50,000 - £54,999	5
2	£55,000 - £59,999	-
-	£60,000 - £64,999	3
-	£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	-
-	£95,000 - £95,999	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	
	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25
£0 - £20,000	-	2	3	1	3	3	39	22
£20,001 - £40,000	-	-	-	-	-	-	-	-
£40,001 - £60,000	-	-	-	-	-	-	-	-
£60,001 - £80,000	-	-	-	-	-	-	-	-
£80,001 - £100,000	-	-	-	-	-	-	-	-
<b>Total</b>	-	<b>2</b>	<b>3</b>	<b>1</b>	<b>3</b>	<b>3</b>	<b>39</b>	<b>22</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:

2023/24 £000		2024/25 £000
39	Fees payable to Grant Thornton with regard to external audit services carried out by the appointed auditor.	46
3*	Audit Fee variation (*Proposed)	-
1*	Additional fees for IFRIC14 Pension work (*Proposed)	TBC
<b>43</b>	<b>Total</b>	<b>46</b>

## Note 19: Grant & Contribution Income

The Authority credited the following grants and contributions to the Comprehensive Income and Expenditure Statement in 2024/25:

<b>Credited to Taxation and Non Specific Grant Income</b>	<b>2023/24 £000</b>	<b>2024/25 £000</b>
National Park Grant – DEFRA	3,212	3,712
<b>Total</b>	<b>3,212</b>	<b>3,712</b>
<b>Credited to Services</b>		
Farming in Protected Landscapes - DEFRA	676	1,487
Basic Payment & Higher Level Stewardship Scheme – RPA	113	299
Landscape Recovery – Natural England	-	255
Somerset Council and Devon County Council – Rights of Way Agency Contributions	156	146
Woodland Countryside Stewardship – RPA	20	117
Pioneers Project Development Funding (HLF)	60	80
Generation Green – Green Recovery Challenge Fund	-	69
Grey Squirrel Control – Forestry Commission	45	55
Access for All (DEFRA)	-	51
Moorland Bird Survey contributions (Various)	-	45
Air Quality Management – Natural England	-	40
MIRE Project contributions	-	31
Biodiversity Net Gain (Planning Policy) - DEFRA	27	27
South West Water – Moorland Restoration PES Contributions	39	19
English Coast Path – Natural England	123	17
National Park Fund – Active Transport	100	-
Somerset Council – Woodland Creation Accelerator Fnd	96	-
National Parks Partnership	85	-
Planning Skills Development Fund	78	-
South West Coast Path – Natural England	16	16
Feed in Tariff Contributions	5	12
Section 106 Contributions	86	10
SALIX – Pinkery Carbonisation	30	-
Woodland Grants – FC/RPA	-	9
Tree Nursery Development (Forestry Commission)	19	8
Carbon Aware Tree Planting Contribution	11	-
ENNIS – Natural England	9	-
Rural Payments Agency – Archaeology HEFER Contribution	8	-
Richmond Review Local Audit Grant (DLUHC)	5	6
South West Coast Path – New Stretch	5	-
Community Support Grant (NPE)	2	-
Other	49	-
<b>Total</b>	<b>1,863</b>	<b>2,799</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.

2024/25	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	(57)	-	-	57
Holiday pay	(8)	-	-	8
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)	334	-	-	(334)
<b>Total Adjustments to Revenue Resources</b>	<b>269</b>	<b>-</b>	<b>-</b>	<b>(269)</b>
<b>Adjustments between Revenue and Capital Resources:</b>				
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	(545)	-	-	<b>545</b>
Transfer of sales proceeds credited as part of the gain/loss on disposal	(460)	460	-	-
<b>Total Adjustments between Revenue and Capital resources</b>	<b>(1,005)</b>	<b>460</b>	<b>-</b>	<b>545</b>
<b>Adjustments to Capital Resources:</b>				
Application of Capital Grants to finance Capital Expenditure	-	-	-	-
Application of Capital Receipts to finance Capital Expenditure	-	-	-	-
<b>Total Adjustments to Capital Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Adjustments</b>	<b>(736)</b>	<b>460</b>	<b>-</b>	<b>276</b>

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>				
Amounts by which income & expenditure included in the CIES are different from revenue for the year calculated in accordance with statutory requirements:				
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)	(6)	-	71	(65)
<b>Total Adjustments to Revenue Resources</b>	<b>(95)</b>	<b>-</b>	<b>71</b>	<b>(24)</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>(246)</b>	<b>-</b>	<b>-</b>	<b>246</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 2023 £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	Transfers between Reserves £000	Transfers In 2024/25 £000	Transfers Out 2024/25 £000	Increase/ Decrease in useable Reserves 2024/25 £000	Balance at 31 March 2025 £000
<b>Earmarked Reserves</b>	<b>2,710</b>	877	(391)	<b>486</b>	<b>3,196</b>	20	953	(956)	17	<b>3,213</b>
<b>Partnership Fund Reserves</b>	<b>151</b>	35	(116)	<b>(81)</b>	<b>70</b>	(20)	3	(10)	<b>(27)</b>	<b>43</b>
<b>General Fund Balance</b>	<b>352</b>	-	(125)	<b>(125)</b>	<b>227</b>	-	5	-	<b>5</b>	<b>232</b>
<b>Capital Grants Unapplied</b>	-	71	(71)	-	-	-	-	-	-	-
<b>Capital Receipts Reserve</b>	-	-	-	-	-	-	449	-	<b>449</b>	<b>449</b>
<b>Total Useable Reserves</b>	<b>3,213</b>	<b>983</b>	<b>(703)</b>	<b>280</b>	<b>3,493</b>	-	<b>1,410</b>	<b>(966)</b>	<b>444</b>	<b>3,938</b>

## Notes to Support the Balance Sheet

### Note 22: Property, Plant and Equipment

#### Movements on Balances

	Land & Buildings £000	Vehicles, Plant & Equipment £000	Infrastructure £000	Assets Under Construction £000	Total £000
<b>Cost or Valuation 1 April 2024</b>	<b>20,172</b>	<b>437</b>	<b>70</b>	<b>0</b>	<b>20,679</b>
Additions	292	153	100	0	545
De-recognition – Disposals	(165)	(44)	-	-	(209)
Revaluation Increase/ decrease (-):				-	-
- to Revaluation Reserve	581	-	-	-	581
- to Surplus/Deficit on the provision of service	(35)	-	-	-	(35)
Other movement in cost of valuation	-	-	-	-	-
<b>Cost or Valuation 31 March 2025</b>	<b>20,845</b>	<b>546</b>	<b>170</b>	<b>0</b>	<b>21,561</b>
<b>Accumulated depreciation 1 April 2024</b>	<b>-</b>	<b>(217)</b>	<b>(12)</b>	<b>-</b>	<b>(229)</b>
Depreciation Charge	(101)	(76)	(7)	-	(184)
Derecognition - Disposals	-	38	-	-	38
Depreciation written out to the Revaluation Reserve	30	-	-	-	30
Depreciation written out to the Surplus/ Deficit on the provision of services	71	-	-	-	71
<b>Total Depreciation at 31 March 2025</b>	<b>0</b>	<b>(255)</b>	<b>(19)</b>	<b>0</b>	<b>(274)</b>
<b>Net Book Value at 31 March 2024</b>	<b>20,172</b>	<b>220</b>	<b>58</b>	<b>0</b>	<b>20,450</b>
<b>Net Book Value at 31 March 2025</b>	<b>20,845</b>	<b>291</b>	<b>151</b>	<b>0</b>	<b>21,287</b>

	Land & Buildings £000	Vehicles, Plant & Equipment £000	Infrastructure £000	Assets Under Construction £000	Total £000
<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>200</b>	<b>58</b>	<b>-</b>	<b>20,450</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 2024/25 the valuation was carried out by Helen Bond 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.

	<b>Land &amp; Buildings £000</b>	<b>Heritage Assets £000</b>	<b>Infrastructure Assets £000</b>	<b>Property, Plant and Equipment £000</b>	<b>Total £000</b>
Carried at Historical Cost	8,859	12	151	292	9,314
Valued at Current Value at 31 March 2025	11,985	42	0	0	12,027
<b>Total</b>	<b>20,844</b>	<b>54</b>	<b>151</b>	<b>292</b>	<b>21,341</b>

There were no capital commitments at the 31 March 2025.

### Note 23: Heritage Assets

	<b>Heritage Assets £000</b>
<b>Cost or Valuation 1 April 2024</b>	<b>54</b>
Additions	-
Revaluation Increase/ decrease (-):	
- to Revaluation Reserve	-
- to Surplus/ Deficit on the provision of service	-
<b>Cost or Valuation 31 March 2025</b>	<b>54</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>

One Heritage asset (Simonsbath Sawmill) was reclassified during 2023/24 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

31 March 2024 £000		31 March 2025 £000
2,543	Funds held by Somerset Council	3,689
8	Cash in hand and at bank	8
1,410	Contractual Debtors	718
<b>3,961</b>	<b>Total</b>	<b>4,415</b>

### Financial Liabilities: Amortised Cost

31 March 2024 £000		31 March 2025 £000
(407)	Contractual Creditors	(542)
<b>(407)</b>	<b>Total</b>	<b>(542)</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 2024 £000		31 March 2025 £000
(156)	Interest Income	(184)
<b>(156)</b>	<b>Total</b>	<b>(184)</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 2024 £000		31 March 2025 £000
488	Central government bodies	114
161	Other local authorities	152
158	Public corporations and trading funds	138
663	Other entities and individuals	705
(139)	Bad Debts	(391)
<b>1,331</b>	<b>Total</b>	<b>718</b>

### Note 26: Cash and Cash Equivalents

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

31 March 2024 £000		31 March 2025 £000
8	Bank Current Accounts	8
2,543	Funds held by Somerset Council	3,689
<b>2,551</b>	<b>Total Cash and Cash Equivalents</b>	<b>3,697</b>

## Note 27: Creditors

31 March 2024 £000		31 March 2025 £000
(132)	Other local authorities	(123)
(54)	Public corporations and trading funds	0
(275)	Other entities and individuals	(473)
<b>(461)</b>	<b>Total</b>	<b>(596)</b>

## Note 28: Provisions

31 March 2024 £000		31 March 2025 £000
-	Provisions	-
-	<b>Total</b>	-

## Note 29: Capital Grants

31 March 2024 £000		31 March 2025 £000
-	<b>Balance at 1 April</b>	-
(71)	Capital grants received	-
71	Capital grants used to finance spend	-
-	<b>Balance at 31 March</b>	-

## Note 30: Unusable Reserves

31 March 2024 £000		31 March 2025 £000
(11,538)	Revaluation Reserve	(11,996)
(8,967)	Capital Adjustment Account	(9,345)
1,226	Pensions Reserve	1,143
40	Accumulated Absences Account	48
<b>(19,239)</b>	<b>Total Unusable Reserves</b>	<b>(20,150)</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.

2023/24 £000		2024/25 £000
<b>(11,354)</b>	<b>Balance at 1 April</b>	<b>(11,538)</b>
(474)	Upward revaluation of assets	(803)
269	Downward revaluation of assets and impairment losses not charged to the Surplus/Deficit on the provision of Services	222
<b>(205)</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>(581)</b>
21	Difference between fair value depreciation and historical cost depreciation	18
-	Accumulated gains on assets sold or scrapped	105
<b>21</b>	<b>Amount written off to the Capital Adjustment Account</b>	
<b>(11,538)</b>	<b>Balance at 31 March</b>	<b>(11,996)</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.

2023/24 £000		2024/25 £000
<b>(8,788)</b>	<b>Balance at 1 April</b>	<b>(8,967)</b>
	Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:	
157	Charges for depreciation and impairment of non-current assets	184
(92)	Revaluation gains on Property, Plant and Equipment	(103)
(21)	Difference between fair value depreciation and historical cost depreciation	(18)
0	Revenue expenditure funded from capital under statute	-
0	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	104
<b>(8,744)</b>		<b>(8,800)</b>
-	Adjusting amounts written out of the Revaluation Reserve	-
<b>(8,744)</b>	<b>Net written out amount of the cost of non-current assets consumed in the year</b>	<b>(8,800)</b>
(71)	Use of Capital Grants to finance capital expenditure	-
-	Use of Capital Receipts to finance capital expenditure	-
(152)	Capital Expenditure charged against the General Fund	(545)
<b>(8,967)</b>	<b>Balance at 31 March</b>	<b>(9,345)</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>2023/24 £000</b>		<b>2024/25 £000</b>
<b>1,928</b>	<b>Balance at 1 April</b>	<b>1,226</b>
(613)	Remeasurement of net defined liability	26
545	Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the CI & E	586
(634)	Employer's pensions contributions and direct payments to pensioners payable in the year	(643)
<b>1,226</b>	<b>Balance at 31 March</b>	<b>1,143</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>2023/24 £000</b>		<b>2024/25 £000</b>
<b>40</b>	<b>Balance at 1 April</b>	<b>40</b>
(40)	Settlement or cancellation of accrual made at the end of the preceding year	(40)
40	Amounts accrued at the end of the current year	48
-	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>48</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>2023/24 £000</b>	<b>2024/25 £000</b>
<i>Capital Investment</i>		
<b>Property, Plant &amp; Equipment</b>	<b>223</b>	<b>545</b>
Revenue Expenditure Funded from Capital under Statute	-	-
<i>Sources of finance</i>		
Capital Receipts	-	-
Government Grants and other contributions	71	-
Sums set aside from revenue	152	545

### Note 32: Impairment Losses

The Authority did not recognise any impairment losses during 2024/25 (2023/24 £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 2022 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>2023/24 £000</b>	<b>2024/25 £000</b>
<i>Service Cost</i>		
<ul style="list-style-type: none"> <li>• Current Service Cost</li> <li>• Past Service Costs (including curtailments)</li> </ul>	456 -	526 -
<b>Total Service Cost</b>	<b>456</b>	<b>526</b>
<i>Financing and Investment Income and Expenditure</i>		
<ul style="list-style-type: none"> <li>• Net interest on the defined liability</li> <li>• Administration expenses</li> </ul>	77 12	47 13
<b>Total Net Interest</b>	<b>89</b>	<b>60</b>
<b>Total Post Employment Benefit Charged to the Surplus or Deficit on the Provision of Services</b>	<b>545</b>	<b>586</b>
<i>Remeasurement of the Net Defined Liability Comprising:</i>		
<ul style="list-style-type: none"> <li>• Return on plan assets excluding amounts included in net interest</li> <li>• Experience (gain)/loss on defined benefit obligation</li> <li>• Actuarial losses arising from changes in demographic assumptions</li> <li>• Actuarial losses arising from changes in financial assumptions</li> <li>• Changes in effect of asset ceiling</li> <li>• Other actuarial gains &amp; losses on assets</li> </ul>	(1,332) 62 (242) (165) 1,064 -	415 (42) (47) (2,752) 2,400 -
<b>Total re-measurements recognised in Other Comprehensive Income</b>	<b>(613)</b>	<b>(26)</b>
<b>Total Post Employment Benefits Charged to the Comprehensive Income and Expenditure Statement</b>	<b>(68)</b>	<b>560</b>
<b>Movement in Reserves Statement</b>		
<ul style="list-style-type: none"> <li>• Reversal of net charges made to the Surplus for the Provision of Services for post employment benefits in accordance with the Code</li> </ul>	<b>(545)</b>	<b>(586)</b>
<b>Actual amount charged against the General Fund Balance for pensions in the year:</b>		
<ul style="list-style-type: none"> <li>• Employer's contributions payable to scheme</li> </ul>	<b>634</b>	<b>643</b>

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

	<b>2023/24 £000</b>	<b>2024/25 £000</b>
Present value of funded obligation	(18,079)	(16,095)
Fair value of employer assets	18,085	18,608
Present value of unfunded obligation	(168)	(140)
Impact of Asset Ceiling	(1,064)	(3,516)
<b>Net Liability Arising from Defined Benefit Obligation</b>	<b>(1,226)</b>	<b>(1,143)</b>

**Reconciliation of Change in Impact of Asset Ceiling**

	<b>2023/24 £000</b>	<b>2024/25 £000</b>
<b>Opening Impact of asset ceiling</b>	-	<b>(1,064)</b>
Interest on impact of asset ceiling	-	(52)
Actuarial losses / (gains)	(1,064)	(2,400)
<b>Closing impact of asset ceiling</b>	<b>(1,064)</b>	<b>(3,516)</b>

The asset ceiling is the present value of any economic benefit available to the Employer in the form of refunds or reduced future employer contributions. The Actuaries calculation of the asset ceiling has followed their interpretation of IFRIC14.

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

	<b>2023/24 £000</b>	<b>2024/25 £000</b>
<b>Opening Balance at 1 April</b>	<b>(18,340)</b>	<b>(18,247)</b>
Current service cost	(456)	(482)
Interest cost	(855)	(883)
Change in financial assumptions	165	2,752
Change in demographic assumptions	242	47
Experience (gain) on defined benefit obligation	(62)	42
Estimated benefits paid net of transfers in	1,192	722
Past service costs, including curtailments	-	(44)
Contributions by scheme participants	(156)	(167)
Unfunded pension payments	23	25
<b>Closing Balance at 31 March</b>	<b>(18,247)</b>	<b>(16,235)</b>

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

	<b>2023/24 £000</b>	<b>2024/25 £000</b>
<b>Opening Balance at 1 April</b>	<b>16,412</b>	<b>18,085</b>
Interest on assets	778	888
Return on assets less interest	1,332	(415)
Other actuarial gains/(losses)	-	-
Administration expenses	(12)	(13)
Contributions by employer including unfunded	634	643
Contributions by scheme participants	156	167
Estimated benefits paid plus unfunded net of transfers in	(1,215)	(747)
<b>Closing Balance at 31 March</b>	<b>18,085</b>	<b>18,608</b>

The liabilities show the underlying commitments that the authority has to pay post-employment (retirement) benefits. Pensions Reserve totalled (£1,143) in 2024/25 ((£1,226k) in 2023/24) of the total reserves of £24,088k (2023/24 £22,730k).

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

	2023/24		2024/25	
	£000	%	£000	%
Equities	13,351	74%	13,823	74%
Gilts	775	4%	706	4%
Other Bonds	2,172	12%	2,299	12%
Property	1,265	7%	1,241	7%
Cash and cash equivalents	522	3%	539	3%
<b>Total</b>	<b>18,085</b>	<b>100%</b>	<b>18,608</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 2026 is £621k.

### **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 2022. 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>	2023/24	2024/25
Retiring today:		
• Men	21.1	21.1
• Women	23.0	23.0
Retiring in 20 years:		
• Men	22.4	22.4
• Women	24.4	24.4
Rate of Inflation (RPI)	3.20%	3.20%
Rate of increase in salaries	3.90%	3.90%
Rate of increase in pensions (CPI)	2.90%	2.90%
Rate for discounting scheme liabilities	4.90%	5.85%
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 2023/24.

<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	15,993	16,235	16,482
Projected service cost	345	356	368
Adjustment to long term salary increase	+0.1%	0.0%	-0.1%
Present value of total obligation	16,258	16,235	16,211
Projected service cost	356	356	356
Adjustment to pension increases and deferred revaluation	+0.1%	0.0%	-0.1%
Present value of total obligation	16,465	16,235	16,010
Projected service cost	368	356	344
Adjustment to mortality age rating assumption	+1 Year	None	-1 Year
Present value of total obligation	16,777	16,235	15,712
Projected service cost	368	356	344

#### **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 £270,000.

#### **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**

<b>2023/24 £000</b>		<b>2024/25 £000</b>
(120)	Depreciation and Amortisation	(114)
54	Impairment and Downward Valuations	(35)
89	Actuarial Charges for Retirement Benefits	57
10	Increase/(Decrease) in Inventory	4
129	Increase/(Decrease) in Debtors	(363)
(7)	(Increase) in Bad Debt Provision	(250)
(95)	(Increase) in Creditors & Receipts in Advance	(98)
-	Revenue Expenditure funded from Capital under Statute (Refcus)	-
-	Carrying amount of Non-Current Assets de-recognised	279
<b>60</b>		<b>(520)</b>

## Note 36: Cash Flow Statement – Investing Activities

2023/24 £000		2024/25 £000
223	Purchase of property, plant and equipment, investment property and intangible assets	545
-	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	(450)
<b>223</b>	<b>Net cash flows from investing activities</b>	<b>95</b>

## Note 37: 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:

2023/24		2024/25
5	<12 Months	4
2	1-5 Years	1
4	5 Years +	4
<b>11</b>		<b>9</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:

2023/24 £000		2024/25 £000
39	<12 Months	36
10	1-5 Years	6
141	5 Years +	141
<b>190</b>		<b>183</b>

### Note 37 Accounting Standards Issued but Not Yet Adopted

The Code requires the disclosure of information relating to the expected impact of any accounting change that will be required by a new standard which has been issued but is yet to be adopted by the 2024/25 Code. The Code requires that changes in accounting policy are applied retrospectively unless transitional arrangements are specified, this would result in an impact on disclosures spanning two financial years. IFRS16 Finance Leases has been implemented from 1 April 2024. The impact of IFRS 16 on opening lease balances, and right of use assets has been calculated and can be found in the lease note, and balance sheet.

Right of Use Assets and corresponding Lease Liabilities have been recognised as follows on 31/3/24:

<b>Assets</b>	<b>Balance at 31/3/24 £000</b>
Land & Property	5
	<hr/>
	<b>5</b>

## **ANNUAL GOVERNANCE STATEMENT 2024/25**

### **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 2025 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 National Park 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 Assurance 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 2025/26 the Authority will be:

- Finalising its 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 Somerset Unitary and the proposed Devon and Torbay Combined County Authority 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 September 2025

### DEVON LOCAL NATURE RECOVERY STRATEGY - PUBLIC CONSULTATION DRAFT

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

**Purpose of the report:** To provide Members with a briefing on the Devon Local Nature Strategy, produced by Devon County Council.

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

- (1) Approve the Draft Devon Local Nature Strategy for wider public consultation.
- (2) Delegate authority to the Chief Executive to make suggested minor final changes and corrections to the strategy following public consultation.

#### Authority Priority:

Partnership Plan Ambitions:

- Exmoor is richer in wildlife. Habitats are in good condition, expanded, connected, and support a greater abundance of species
- Implementation of the plan will support our Climate Emergency ambition to reduce carbon emissions across the National Park

#### Legal and Equality Implications:

**The equality impact of the recommendations of this report has been assessed as follows:** There are no equality impacts for this decision and it does not affect policy or operational service delivery.

**Consideration has been given to the provisions of the Human Rights Act 1998 and an assessment of the implications of the recommendation(s) of this report is as follows:** There are considered to be no human rights issues in relation to this report.

**Financial and Risk Implications:** The strategy does not commit the Authority to any specific proposal or associated financial risk. Media releases and information about the strategy needs to be carefully managed so as not to create unrealistic expectations.

#### Environmental sustainability

These proposals for the LNRS process align with our commitments to environmental sustainability.

## 1. Introduction and Background

- 1.1 Local Nature Recovery Strategies (LNRSs) are a new system of spatial strategies for nature covering the whole of England. They are designed as tools to drive more coordinated, practical, and focused action to help nature. They will support the delivery of Biodiversity Net Gain and provide a focus for the strengthened duty on all public authorities to conserve and enhance biodiversity.
- 1.2 Under the Environment Act 2021, 48 Tier 1 Authorities across England have been appointed as Responsible Authorities to produce Local Nature Recovery Strategies (LNRS) to collectively address the decline in nature, based on county boundaries. Devon County Council (DCC) and Somerset Council are the Responsible Authorities that cover Exmoor with each producing an LNRS for their respective county. Exmoor National Park Authority is a Supporting Authority and a formal consultee for each LNRS, alongside Natural England. ENPA officers have liaised with the Responsible Authority councils of both counties to ensure the plans are relevant to Exmoor and are compatible across the county boundary.
- 1.3 The LNRS gives guidance as to what action is needed within a county for nature to recover and where actions are likely to be most beneficial. It will be published online and will include interactive mapping.
- 1.4 This paper is to approve the draft Devon LNRS for public consultation, in ENPA's capacity as a supporting authority. The Devon LNRS is the second of the two strategies that cover Exmoor to reach this stage.
- 1.5 Currently we are within a formal 28 day consultation period allowed by the LNRS development process and granted by DCC for the supporting authorities to approve this stage and this will expire in mid September 2025.
- 1.6 The format for all LNRSs is set by Defra and must include the following:
  - A written statement of biodiversity priorities, consisting of:
    - a description of the strategy area and its biodiversity.
    - a description of the opportunities for recovering or enhancing biodiversity in the strategy area.
    - priorities for recovering or enhancing biodiversity.
    - proposals of potential measures relating to those priorities.
  - A local habitat map consisting of:
    - national conservation sites and local nature reserves in the strategy area.
    - areas which are of particular importance for biodiversity.
    - areas which could become of particular importance for biodiversity
    - areas where the recovery or enhancement of biodiversity could make a particular contribution to other environmental benefits (eg reducing flood risk or improving water quality).
- 1.7 Areas that are of particular importance for biodiversity are also those that are already afforded protection. Areas that could become of particular importance for biodiversity are the focus areas for delivery of the strategy's measures. There is no statutory

requirement for the measures to be implemented. There is also little funding opportunity identified to deliver the measures identified in the strategy, other than to target the delivery of Biodiversity Net Gain (BNG) projects.

- 1.8 LNRSs have been given a statutory link to BNG by determining where habitat creation or enhancement for BNG will be of 'high strategic significance'. This means that when habitat is created or enhanced to generate biodiversity units for the purposes of BNG, it gets a 15% uplift in the biodiversity metric if it follows what was set out in the LNRS. In addition, Local Planning Authorities have a legal requirement to 'take account' of the content of the LNRS, to ensure nature recovery is properly reflected in the planning system and will need to reflect mapped areas in the local plan.
- 1.9 It is understood that Defra also intends LNRS's will be used as a primary means of targeting funding through other mechanisms such as Environmental Land Management Schemes however there is no confirmed mechanism for this at present.
- 1.10 The government has made it clear that LNRSs are not intended to act as a barrier to development or place new restrictions on developing land or making land use changes. LNRSs are not prescriptive and do not require landowners to take them forward. Similarly, they will not be used to identify areas for legal protection. Instead they provide guidance and an evidence base to inform Local Plans and decision making.
- 1.11 Co-benefits to nature recovery include:
  - Climate change adaptation and mitigation
  - Water quality
  - Natural capital and ecosystem services
  - Wellbeing
- 1.12 Guidance on reviewing and updating the strategies is expected to be published by DEFRA later in 2025.

## **2. The Devon Local Nature Recovery Strategy**

- 2.1 Development of the Devon LNRS has been undertaken by DCC in partnership with a wide range of local stakeholders including environment professionals, farmers, foresters, wildlife experts, local businesses and others through a series of workshops, surveys and events. It has been based on combining local ecological data, national biodiversity datasets, and stakeholder input to identify key areas for intervention.
- 2.2 The draft Devon LNRS is in an online format consisting of general guidance information, detailed descriptions of Devon's habitats and species and a habitat map.
- 2.3 Please see the Appendix for a slide deck of the website content.
- 2.4 It identifies six main habitat types across the county and at least 250 priority species. For each of the habitat types and some of the species, measures are proposed to ensure their recovery.
- 2.5 The six habitat types are:
  - Woodland and trees
  - Woody mosaics
  - Grassland, heath, bog and mire

Freshwater  
Coast  
Soils and arable

- 2.6 The draft mapping in the consultation document is detailed and is a comprehensive assemblage of all available relevant biodiversity and other environmental data. It allows users to identify both existing habitat and wider opportunities to create or restore habitat. The main categories are:
- Designated sites and irreplaceable habitats
  - High opportunity areas (for habitats)
  - Species opportunity areas
  - Water quality and flood risk opportunity areas
- 2.7 It also has a 'Near Me' function to facilitate close scrutiny of habitat and species data within proximity of any given location or site.

### **3. Significance for Exmoor**

- 3.1 ENPA officers have liaised closely with the DCC team to ensure that the habitats are representative, and the opportunities are realistic and that they are consistent across the county boundary. These habitats include ancient woodland, upland heath, blanket bog and species rich grasslands and are an accurate representation of existing vegetation and the aims and ambition within Exmoor's Nature Recovery Vision.
- 3.2 Similarly species listed reflect those of importance on Exmoor such as Whinchat, Pied Flycatcher, Wood Warbler, Fritillary butterflies, Otter and bats.

### **4. Next steps for the Devon LNRS**

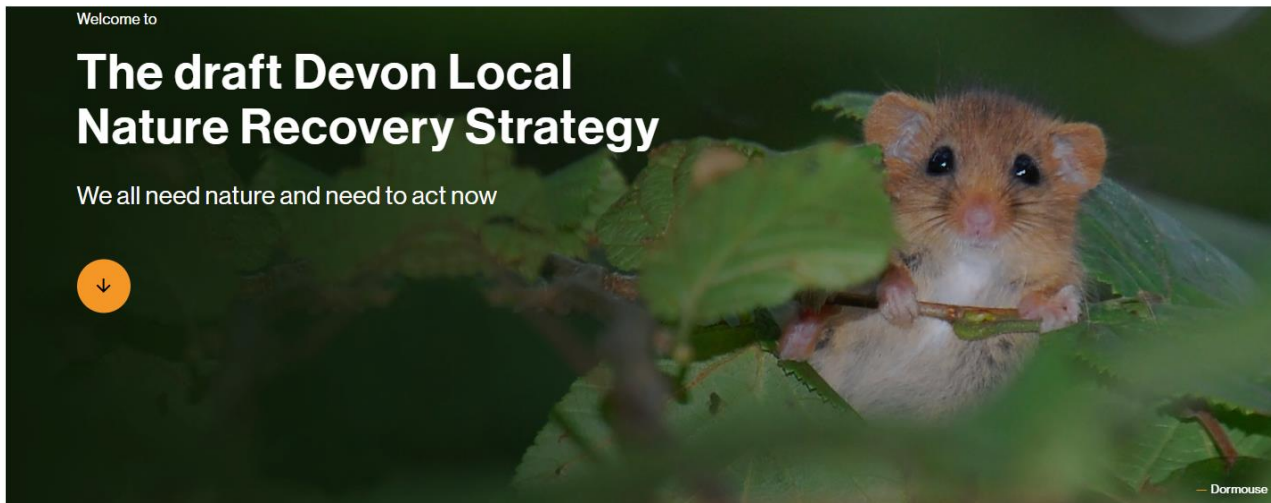
- 4.1 Following formal feedback from the supporting authorities, ENPA and Natural England, it is planned that DCC will commence the public consultation phase for five weeks from 29<sup>th</sup> September 2025. Public consultation will be hosted on a web platform and will be publicised via both local and social media. It will also include two public webinars, one in an evening, one during office hours in early to mid October and five in-person drop-in sessions across the county.
- 4.2 This will be followed by a review period and a report back to the supporting authorities for any further discussion. It is expected the complete strategy will be published by the end of November 2025. The current requirement from Defra is for all LNRS's to be published by the end of 2025.

### **5. Proposal**

- 5.1 In ENPA's capacity as a supporting authority, Members are asked to approve the Draft Devon Local Nature Strategy for wider public consultation by Devon Council.
- 5.2 Members are also asked to delegate authority to the Chief Executive to make suggested minor final changes and corrections to the strategy following public consultation.

**Alex Farris**  
**Natural Environment Manager**

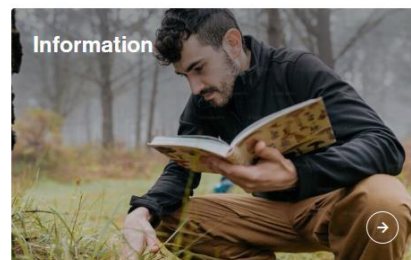
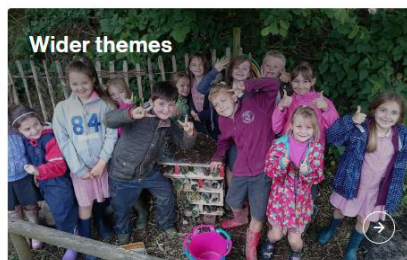
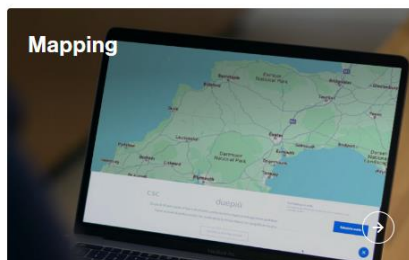
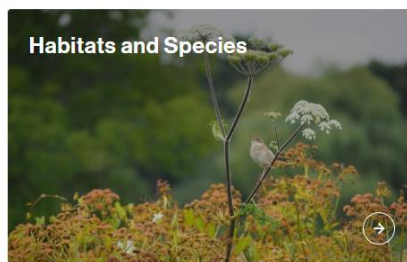
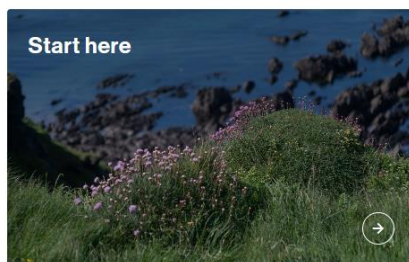
# APPENDIX 1



The home page of the Devon LNRS  
It has tiles to explore and navigate to the rest of the website.

Shared in confidence. Website being completed in the pre-consultation period.

### Explore this site





# Start here

Coastal view, Veronica White

The Start here tab – provides background of what the LNRS is, who it's for and how to use it, including a few examples of different sectors.

This page is being edited and restructured by our copywriter. We will have a menu on the rhs to move between sections.

## We need Local Nature Recovery Strategies (LNRS)

**TO DRAFT** – We need this new plan because nature is under huge pressure. xxxxx couple of reality check sentences about the state of nature and then be positive – huge ops – –

Ref land use framework? Lots of demands on Devon's land – food, energy, timber, housing, shops, business and industrial sites, transport infrastructure, recreation areas, quarries etc – wildlife needs to be integrated within these land uses and in some cases (rare habitats) needs to be prioritised over other needs – give example- restoring wildlife and providing for all our other needs is possible and we need to get better at it.....

ref national targets – 30x30 / nature recovery network / climate / connecting people and nature

– as a society we need to be better-organised and more focused if we want to give nature the space it needs and a chance to recover.

## They are for everyone to use

Everyone can do something for wildlife, either directly (farmers, gardeners, developers and planners, parks and green space managers/contractors, volunteers) or indirectly (funders, educators, policy makers, voters). A few examples are listed under 'How to use the Devon LNRS' below.

Did you know

**Vision here**



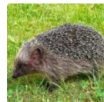

add vision here?

Devon Local Nature Recovery Strategy

Start here ▾ Habitats and Species ▾ Wider themes ▾ Information ▾ Mapping 🔍

IMPORTANT: The LNRS mapping is for guidance only and, given the size of Devon, has not been checked at field level. Land management decisions must be based on knowledge of soils, habitat and species surveys, and knowledge of past management.

A few examples of how some different sectors can use the Devon LNRS are given below:

	<b>Farming</b>	+
	<b>Forestry and arboriculture</b>	+
	<b>Greenspace management (tourism, landscaping, parks, gardening)</b>	+
	<b>Communities</b>	+

Example habitat page, showing habitat snapshot, and lower down the page, the priority and actions for the habitat. Please note the side menu which allows easily navigate the page: 1. About 2. What we need to do and where 3. Inspiration and 4. Find out more. What we need to do and where includes the priorities and actions and links to the mapping viewer and explanation of relevant mapping layers.

Devon Local Nature Recovery Strategy

Start here ▾ Habitats and Species ▾ Wider themes ▾ Information ▾ Mapping 🔍


Home — Habitats and Species — Habitats — Ancient and veteran trees

## Ancient and veteran trees

The dead and decaying wood in and from these trees is one of the most wildlife-rich and important habitats in Devon.

Other important microhabitats include small rot holes, loose bark and sap runs.

**What we need to do and where →**



— Arlington Court, Cheryl Duerden

### Snapshot for ancient and veteran trees

<p><b>What wildlife-rich looks like:</b></p> <p>Dead branches, decaying wood, holes, cavities, splits, sap runs and loose bark. Ancient trees with wide and hollow trunks. Features support a wealth of wildlife, particularly moths, beetles, flies, fungi, lichens, nesting birds and roosting bats. A range of flowering plants, trees and shrubs are close by and provide nectar and pollen for the moths, beetles and flies.</p>	<p><b>Focus Species:</b></p> <p><b>Birds:</b> Lesser spotted woodpeckers, pied flycatchers, spotted flycatchers.</p> <p><b>Insects:</b> Dartmoor ancient oak wood moths (especially beautiful bark moth and silver-streaked beauty), blue ground beetle, six-spotted longhorn beetle, apple lacebug, veteran tree flies (<i>Madiza britannica</i> and <i>Rhipidia ctenophora</i>).</p> <p><b>Lichens and fungi:</b> Veteran tree lichens (<i>fungi to be added</i>).</p>	<p><b>UK significance:</b></p> <p><b>UK priority habitat:</b> Yes</p> <p><b>Statutory irreplaceable habitats:</b> Ancient and veteran trees</p>
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Devon Local Nature Recovery Strategy

Start here ▾ Habitats and Species ▾ Wider themes ▾ Information ▾ Mapping 🔍

Cultural and historic value

## 2. What we need to do and where

### Priority

Better (healthy and wildlife-rich) and more ancient and veteran trees, with existing veteran trees forming the core of a future veteran tree network that's growing across Devon.

See **Find out more** below for detailed guidance and sources of funding and advice.

### Actions for ancient and veteran trees

**Follow best practice guidance to maximise the wildlife value of ancient and veteran trees in woodlands and open habitats, including their microhabitats**

- Leave standing and fallen deadwood, collapsed trees and branches (even small ones), other than where there's a clear safety issue and no alternatives. Pile up deadwood and fallen branches rather than chipping or burning them.
- Protect the root zone through sensitive management (consider impacts from vehicles, ploughing and stocking rates) and during infrastructure projects. Consider brash piling (especially fallen deadwood) and bramble zones to prevent compaction and increase habitat.
- Carry out works at times that are least likely to affect wildlife. For example, take care during breeding and hibernation seasons.
- Avoid carrying out works in woodlands that will cause sudden changes in light levels or humidity as these can reduce the wildlife value of veteran trees, including by affecting bat roosts.
- Carry out sensitive thinning of woodlands around existing veteran trees to give them more space and exposure to light.

Ancient and veteran trees

1. About

**2. What we need to do and where**

3. Inspiration

4. Find out more

Key:

🔍 = Glossary term

Example species page, has a call-to-action box to take you directly to what you need to do and where, lower down the page, the priority and actions including focus species groups and individual focus species. If you wish to read more about the species, you can click on the read more box.

Devon Local Nature Recovery Strategy


Start here ▾ Habitats and Species ▾ Wider themes ▾ Information ▾ Mapping 🔍

Home — Habitats and Species — Species — Moths and butterflies

## Moths and butterflies

Moths and butterflies are sounding the alarm for nature. They're vital pollinators, but data from 2024 shows that their numbers have declined dramatically.

[What we need to do and where →](#)



← 1/3 →

— Narrow bordered bee hawk-moth, Barry Henwood

1. About
2. What we need to do and where
3. Inspiration
4. Find out more

Key:

● = Glossary term

Flower-rich habitats: Adult moths and butterflies feed on nectar produced by flowers so depend on habitats with a wide


## 2. What we need to do and where

Priority

Increase the abundance and distribution of moths and butterflies across Devon, especially those listed as Focus Species.

See [Find out more](#) below for any relevant national and local targets.

Focus species

 **Bracken and violet butterflies** [Read more +](#)

Actions

- Manage and restore a network of large bracken and violet rich habitats connected by flower rich corridors and stepping stones
- Explore the potential to re-introduce high-brown fritillaries to previous sites such as the Teign Valley.
- Extend existing habitats and create new breeding habitats, taking into account dispersal distances (see above).
- Provide networks of flower-rich corridors (hedgerows, field margins and along watercourses) to increase connectivity and stepping stones to help species disperse.

Where to focus action

High Opportunity Areas:

- Mapped for the pearl-bordered fritillary and high brown fritillary, based on where action is needed most to restore and link populations.


Moths and butterflies

1. About
2. What we need to do and where
3. Inspiration
4. Find out more

Key:

● = Glossary term

Focus species

 **Bracken and violet butterflies** [Read more —](#)

All three of these Focus Species rely on acid grassland habitats with bracken and violets. Violets are the caterpillar foodplant and bracken provides shelter and safe places to hibernate.

**Pearl-bordered fritillary**  
*Boloria euphrosyne*

Pearl-bordered fritillaries are one of the earliest of the three Focus Species to emerge in the spring flying from late April into May. They're very sedentary and some will only travel a few metres to new habitats although others will fly up to 400m. Studies have shown that even a 10 year coppice growth can be a complete barrier to low flying females. Caterpillars prefer to feed on common dog-violet but will feed on marsh dog-violet and heath dog-violet.

In Devon, they're mainly found on the moorland fringes and woodland edges of eastern Dartmoor, although smaller colonies survive at Torrington Common, Marsland DWT Reserve; and Lydford Butterfly Conservaton Reserve. They've disappeared from former sites like Roborough Common and Ashclyst Forest, reflecting a significant national decline — around 90% since the 1970s.

**Small pearl-bordered fritillary**  
*Boloria selene*

The small pearl-bordered fritillary is a fast-flying butterfly which can be seen during May and June. They are widespread across Devon but in significant decline. They typically travel 1-2 km, although will go as far as 5 km, so are vulnerable to habitat fragmentation. Caterpillars prefer common dog-violet and marsh violet.

In Devon, they're found in the Rhos pastures of Dartmoor, north Devon culm, wet heaths in the Pebblebeds and wetland mosaics in Haldon and the Blackdown Hills.

**High brown fritillary**  
*Fabriciana adippe*

The high brown fritillary is a large, fast-flying butterfly with striking orange and black wings that can

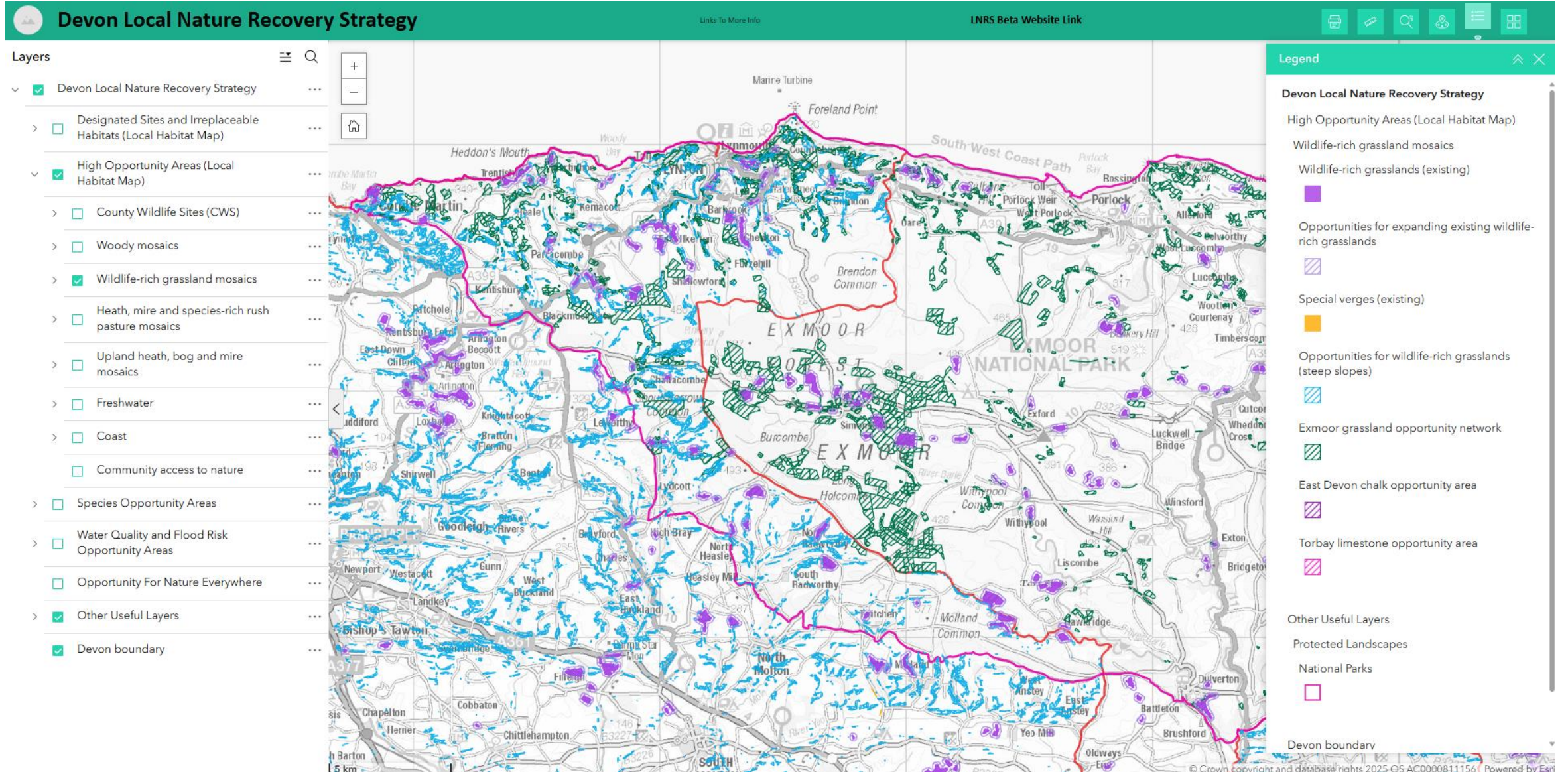
Moths and butterflies

1. About
2. What we need to do and where
3. Inspiration
4. Find out more

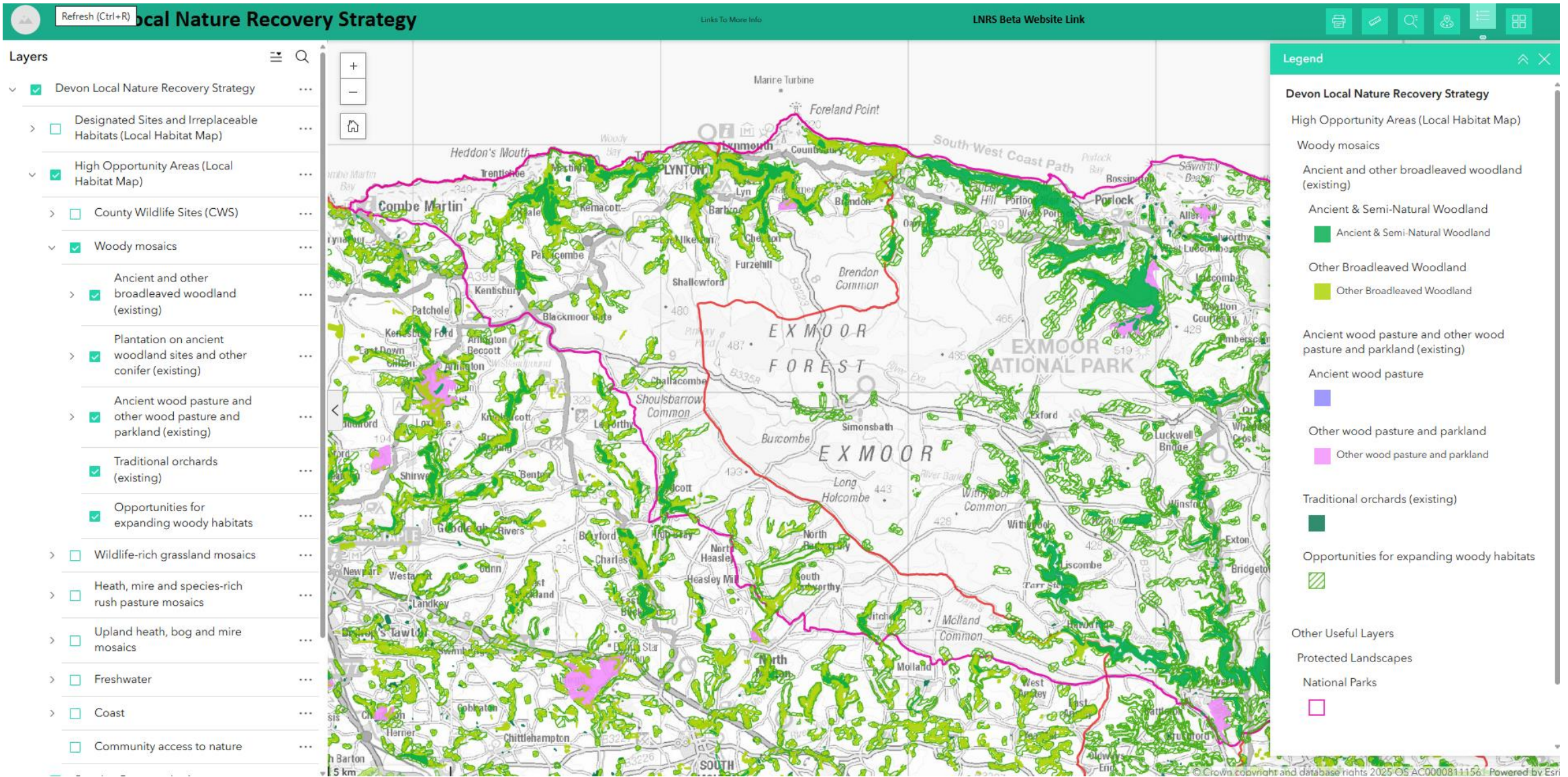
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# Mapping examples

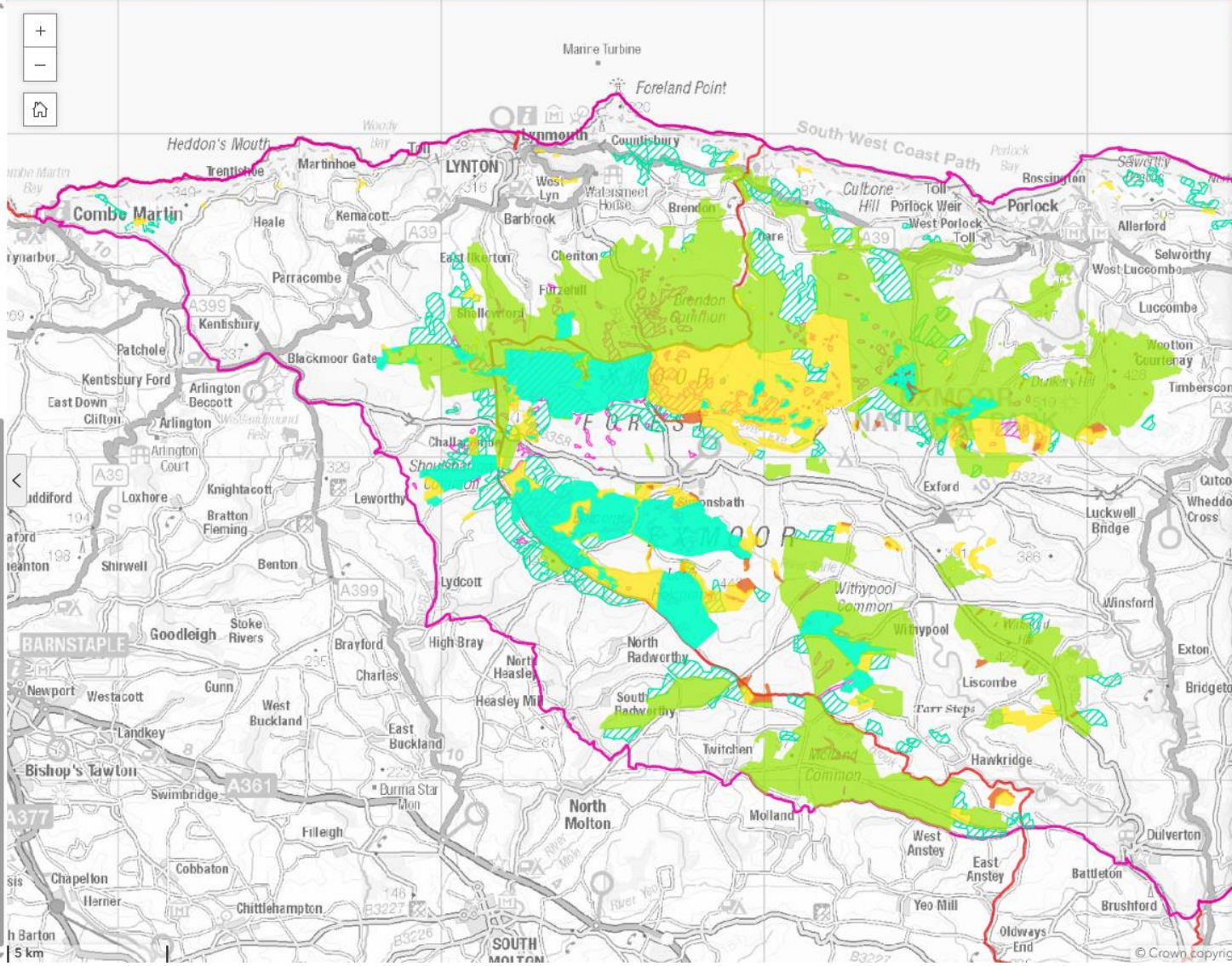


Devon LNRS mapping showing as an example some of the High Opportunity Areas (HOA) for Wildlife for grasslands



Devon LNRS mapping showing the High Opportunity Areas (HOA) for Woody mosaics: Ancient and other broadleaved woodland (existing), Ancient wood pasture and other wood pasture and parkland (existing) and Opportunities for expanding woody habitats

- Dartmoor blanket bog (existing) ...
- Dartmoor unvegetated degraded blanket bog (existing) ...
- Dartmoor heathland over degraded blanket bog (existing) ...
- Dartmoor deep peat ...
- Exmoor upland heath (existing) ...
- Exmoor grass moorland (existing) ...
- Exmoor upland flushes, fens and swamps (existing) ...
- Exmoor blanket bog (existing) ...
- Exmoor potential heath restoration ...
- Exmoor deep peat ...
- >  Freshwater ...
- >  Coast ...
- Community access to nature ...
- >  Species Opportunity Areas ...
- >  Water Quality and Flood Risk Opportunity Areas ...
- Opportunity For Nature Everywhere ...
- >  Other Useful Layers ...
- Devon boundary ...



**Legend**

**Devon Local Nature Recovery Strategy**

High Opportunity Areas (Local Habitat Map)

Upland heath, bog and mire mosaics

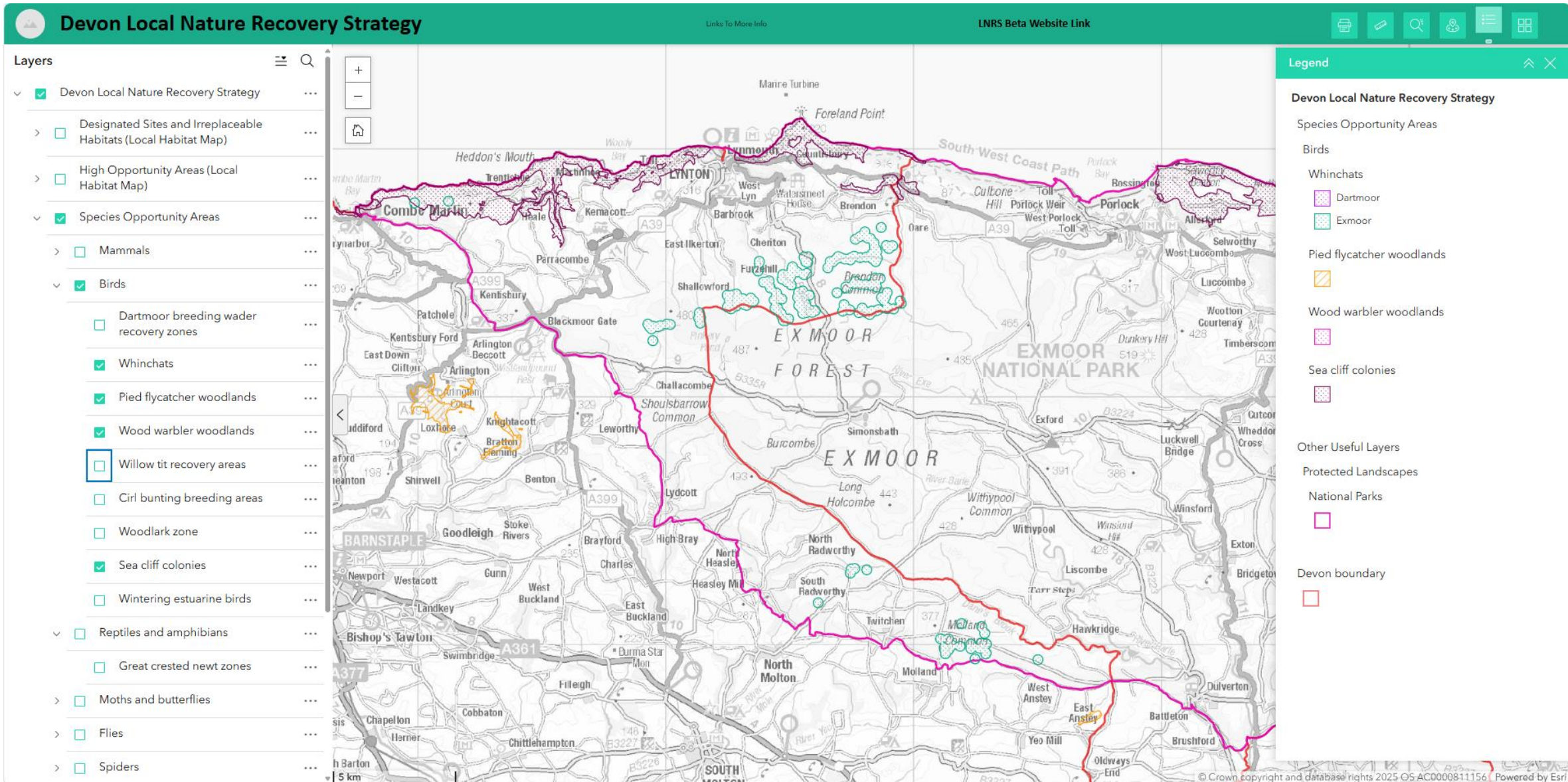
- Exmoor upland heath (existing) ■
- Exmoor grass moorland (existing) ■
- Exmoor upland flushes, fens and swamps (existing) ■
- Exmoor blanket bog (existing) ■
- Exmoor potential heath restoration ▨
- Exmoor deep peat ▨

Other Useful Layers

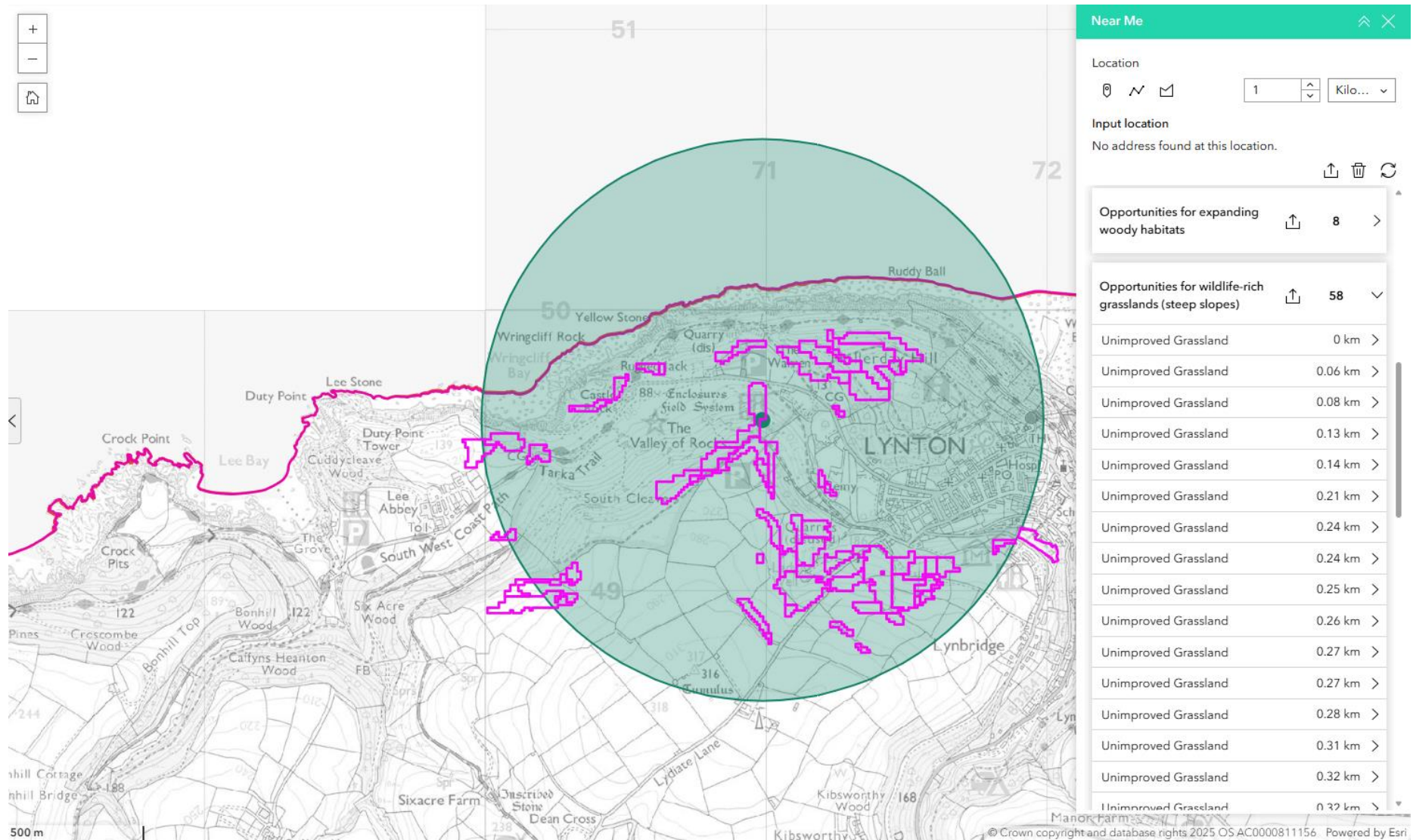
- Protected Landscapes
- National Parks □
- Devon boundary □

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Devon LNRS mapping showing the High Opportunity Areas (HOA) for upland heath, bog and mire habitats



Example mapping of Species Opportunity Areas for priority bird species on Exmoor.



Example of the "Near me" function on the mapping platform, where you can enter a point, or draw a polygon and set a buffer distance around it and the mapping will display all layers that fall within the chosen area. You can then look at the various layers as shown here for Wildlife-rich grasslands (existing): Good quality semi improved grassland. When clicking on a particular mapped area (displayed in yellow) the info from the mapping pop-up box also appears in the "Near me" window.