

# DARTMOOR NATIONAL PARK AUTHORITY

Friday 4 September 2020

Present: K Ball, S Barker, A Cooper, W Dracup, G Gribble, P Harper, G Hill, S Morgan, D Moyse, J Nutley, N Oakley, C Pannell, M Renders, P Sanders, P Smerdon, P Vogel, P Woods

Officers: Dr K Bishop, Chief Executive, (National Park Officer)  
Ms D Healy, Head of Business Support

Apologies: J McInnes, D Webber

The Chair welcomed Mr Mills and Mr Bartlett from Grant Thornton LLP.

## **3259 Minutes of the meeting held on 12 June 2020**

The minutes of the meeting held on 12 June 2020 were agreed and signed as a correct record.

## **3260 Declarations of Interest**

None.

## **3261 Chair's Report**

The Chair, on behalf of all Members, took the opportunity to acknowledge the significant amount of time, resource and effort put in by officers to resolve the issues concerning illegal occupation and illegal camping in the National Park.

The Chief Executive (National Park Officer) and Chair had a meeting with Geoffrey Cox MP; he was very supportive of the National Park Authority and agreed to take away some ideas and thoughts with him.

The Chair invited Mrs Oakley to report on the Climate Change Group, of which she is a Member. Mrs Oakley reported that three meetings had been held. The Group is chaired by Mr Andrew McCloy, Chair of the Peak District National Park Authority. Discussions have included the issue of shared metrics. The aim is to report by Christmas 2020.

Mr Harper reported that National Parks Partnership is recruiting new Board Members. The AGM will take place on 24 September 2020. A new e-magazine is also about to be published. He added that he had attended, on behalf of the Chair, a meeting with the Police and Crime Commissioner at Bellever when she attended to observe the damage, as well as the recovery efforts taking place. She was very impressed by the work undertaken by the Marshalls and the Authority Rangers. The Marshalls have been very well received by the public and local residents. She understood that the problem was on an exceptionally large scale. She was given a tour of the site and saw the significant number of fire pits that had been dug, together with the efforts of Rangers to re-seed areas etc. It was heartwarming to see young families back on the site. He felt that a good understanding between the Authority and the Crime Commissioner had been achieved.

The Chair reminded Members of communication from the Chief Executive (National Park Officer) that informal Member briefings will continue over the next few months. She added that these have been very well received, giving Members the opportunity to ask questions. She reiterated that Members should advise officers whether they are attending meetings as it helps them with their organization of events.

### **3262 Items Requiring Urgent Attention**

Additional Report : NPA/20/022 – Appointments to the Dartmoor Commoners' Council – Report of the Chief Executive (National Park Officer).

The Chief Executive (National Park Officer) advised Members that the Authority is required, under the Dartmoor Commons Act to appoint four people to the Dartmoor Commoners Council, two of these are required to be people “appearing to” represent the interests of owners of land forming part of the Commons. Representatives of the Authority and the Duchy of Cornwall are excluded from these appointments.

Mr Jonathan Aylett has resigned his position with immediate effect. The Authority has liaised with the Chair and Secretary of the Dartmoor Common Owners Association – they are recommending Mrs Penny Warren for this appointment. She is an active member of the Dartmoor Common Owners Association owns land that forms part of Gidleigh Common. She has supported the Authority's Junior Rangers programme in the past, hosting events on the Common and making presentations to the Junior Rangers.

The recommendation is that Mrs Warren be appointed. Her membership would expire at the end of June 2024.

The Chief Executive (National Park Officer) took the opportunity to record his thanks to Mr Aylett for the work he undertook whilst a member of the Dartmoor Commoners Association.

Mr Cooper proposed the recommendation, which was seconded by Mrs Oakley.

**RESOLVED:** Members confirmed the appointment of Penny Warren as one of two land owner representatives as required by the Dartmoor Commons Act 1985 section 3(2d).

### **3263 Statement of Accounts 2019/20**

The Head of Business Support reported that the Annual Statement of Accounts is produced in line with complex protocols and technical standards. The main aim of the accounts is to explain how the Authority has used public money to deliver public services and achieve strategic objectives. It sets out the Authority's financial transactions for the year and explains the impact of statute on our financial transactions which is something that is not relevant within the private sector. The Accounts are subject to a rigorous, thorough audit which is undertaken by the external auditors Grant Thornton. She confirmed that there are no significant changes to the main format or content of the Accounts this year, compared to 2018/19. The narrative report advises on the Authority's financial and non-financial transactions for the year; it also reports on the future direction for the coming year.

The comprehensive Income and Expenditure Statement which shows the economic cost of services is structured in the same way in which the budgets are set, managed and reported on in-year. Sections 2 and 3 of the report outlines the outturn position and movement of reserves. These have not altered since they were reported to Members in June.

Section 4 of the report details the position regarding pensions as at 31 March 2020. This continues to be a major focus for auditors. The potential impact of the McCloud / Sargeant judgement was reported last year when the Authority had to record a post balance sheet event and re-state the accounts. A further court case – Goodwin, also relating to potential discrimination is also being looked at by the External Auditors this year. The net liability calculation has significant effect on the Authority's balance sheet which shows a negative position. The pension fund has been and is being affected by the economic impact of the Covid pandemic. It is, however, a long-term investment and the liability does not represent an immediate call on reserves. Rather, it is a snapshot evaluation in time.

In order for Members to sign off the Accounts, assurance is required as follows:

1. The Head of Business Support to sign the Statement of Responsibilities as Chief Finance Officer – this confirms that she acknowledges her responsibilities and that the Accounts have been prepared correctly, the Code of Practice has been adhered to and proper records have been kept;
2. Provision of the Letter of Representation to the Auditors. This provides assurances to the Auditors that they have provided complete and accurate information relating to the Accounts;
3. That Management and the Head of Business Support assess the Authority to be a going concern, and that management and Members have responded to auditor's requests for any additional information;
4. That a comprehensive review of the Governance arrangements of the Authority and its system of internal control have been undertaken, as set out in the Annual Governance Statement;
5. Members have received assurances from internal audit throughout the year.

The Head of Business Support advised Members that it was her understanding that an unqualified opinion on the accounts would be issued.

In conclusion, the unaudited accounts were authorised for issue on 29 May 2020; they were placed on deposit for public inspection. No objections or representations were received. Although the government had extended the deadline to 31 August 2020 due to Covid, Team Dartmoor decided to continue as normal and met the original deadline, without compromising accuracy or quality.

In response to a Member query in relation to the rise in short term debtors, as set out in with Note 19, querying the size of debtor balances due from Central Government Bodies, the Head of Business Support explained that these were mainly due to outstanding grant claims due for the Moor than meets the eye Project (from the National Lottery Heritage Fund) and for Postbridge Visitor Centre (from the Rural Payments Agency) both of which have now been paid, so are no longer outstanding.

A Member thanked the Head of Business Support and her team for their hard work in achieving the original deadline and for the report before Members today. All Members endorsed his comments.

Mr Gribble proposed the recommendation, which was seconded by Mr Renders:

**RESOLVED:** Members:

- (i) Approved the 2019/20 Statement of Accounts;
- (ii) Authorised the Chair to sign and date the Statement of Responsibilities in behalf of the Authority;
- (iii) Authorised the Chair and the Chief Executive (National Park Officer) to sign the letter of Representation on behalf of the Authority; and
- (iv) Re-approved the 2019/20 Annual Governance Statement approved by this committee on 12 June 2020.

### **3264 External Audit – Audit Findings Report for Dartmoor National Park Authority 2019/20**

Members received the report provided by Grant Thornton via the Head of Business Support (Chief Finance Officer) (NPA/20/020).

Mr Mills explained the key messages contained within the Executive Summary for Members' information. The ISA260 report is following a requirement to report to those in governance, i.e. Members of the Authority. Auditors received the draft accounts on 29 May 2020, which was a significant achievement by the Head of Business Support and her team. The audit commenced at the beginning of June 2020 and is now substantially complete. There are no audit adjustments to date that would impact on the key statements.

With regard to the outstanding issues, as can be seen on page 3 of the report, Mr Mills advised that things have moved on since the report. In terms Pension Fund issues; the McCloud judgement queries have been satisfied; but assurances from the pension fund auditor are still awaited (and may not be received for a few weeks); an additional case, of a discriminatory nature has recently come to light (Goodwin) and further queries have been raised with the pension fund and the actuary. Because pension funds are considered to be a significant risk within local authority accounts, auditors do require clear assurances.

Mr Mills advised that it was his intention to issue a clean, unmodified audit opinion, subject to clarification on the pension issues. There will be an 'emphasis of matter' paragraph within his opinion which will state that there is material uncertainty in respect of the value of the Authority's land and buildings as a result of the impact of Covid 19. This is not unique to Dartmoor National Park Authority. A clean opinion will be issued with regard to Value for Money.

Mr Bartlett highlighted for Members the level of materiality which is set at £121k; this is relatively low due to the level of spend that the Authority has. He also talked through and explained the 'significant audit risks' pertinent to the Authority and the work they have carried out.

He advised Members that he, and his colleagues were very pleased with the level of co-operation and the quality of the working papers that they received from officers of the Authority, especially as meetings etc had had to be undertaken remotely, and thanked the Head of Business Support and her team.

In response to a Member query regarding cost savings due to a lack of travel expenses due to Covid-19 and whether the Authority may expect a reduction in fees, Mr Mills, whilst acknowledging that there has been a reduction in expenses, advised that these savings had been more than offset with the costs involved in auditing remotely. Audits have taken longer than originally planned; the Authority's audit is usually concluded by 31 July and that additional auditing requirements have been placed upon them by the regulators. There will therefore, not necessarily be a reduction in fees going forward, in fact Grant Thornton has submitted an increase in fees. This fee variation as submitted to the Authority in the Audit plan is subject to PSAA approval as the Authority has declined to accept it; no fee determination has been approved as yet by PSAA. He added that, in respect of all of the National Park Authorities in their portfolio, the actual work undertaken and audit delivery actually costs a lot more than the £9,000 Scale Fee (as submitted in their original bid).

The Chair raised a query, regarding the potential for further audit fees in relation to expected additional work on pension figures (page 21 of the report). Mr Mills explained that the very low level of materiality, £121k, the valuation of fixed assets and the pension fund are deemed to be significant risks. The issue of the Goodwin case could lead to additional work with regard to the pension fund and, therefore, an additional fee.

With regard to a Member query concerning National Park Grant and National Park financial sustainability, Mr Mills replied that, in headline terms, the auditors work around going concern and use of resources and value for money related to the query. If, for example, an auditor felt that the sustainability of a National Park was in question then there are things that auditors could do:

- Qualify the value for money conclusion and state that arrangements are not in place for the future financial position;
- In more extreme cases, a public interest report would be issued to the Secretary of State stating that inappropriate controls were in place (none of these has ever been issued for Dartmoor National Park).

Looking at this new financial year and beyond, particularly with regards to the impact of Covid 19, and more widely the unconfirmed future level of grant funding from Defra, Grant Thornton is satisfied with the arrangements in place at the moment and that the Authority is continuing to make plans to mitigate against these and any future potential issues.

With regard to timescale for the final report, Mr Mills advised that Grant Thornton will need firm assurances regarding the Goodwin case and from colleagues on the Pension Fund, but it is hoped that this will be achieved by the end of September.

**RESOLVED:** Members NOTED the content and findings of the Audit Findings Report for Dartmoor National Park Authority 2019/20

**3265 Tree Preservation Orders, Section 211 Notifications (Works to Trees in Conservation Areas) and Hedgerow Removal Notices Determined Under Delegated Powers**

Members received the report of the Trees and Landscape Officer (NPA/20/021).

**RESOLVED:** Members NOTED the content of the report.

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