

DARTMOOR NATIONAL PARK AUTHORITY

AUDIT AND GOVERNANCE COMMITTEE

Friday 24 May 2019

Present: Members
K Ball, P Harper, J McInnes, M Retallick, P Sanders,
D Webber, P Woods
Officers
K Bishop, C Hart, D Healy, N White.

In attendance: Mike Galt (Independent Person), Dominic Measures - Devon Audit Partnership, Julie Masci – Grant Thornton

Apologies: A Cooper, G Gribble, C Pannell.

496 Minutes of the meeting held on 2 November 2018

The Minutes of the meeting held on 2 November 2018 were agreed and signed as a correct record. The Chair advised that the invitation to Rob Hutchins to attend to explain and provide an update regarding internal quality reviews will be rescheduled to the November meeting of Audit and Governance.

497 Declarations of Interest

None.

498 Items Requiring Urgent Attention

None.

499 Public Participation

None.

500 Reports from Devon Audit Partnership, the Authority's Internal Audit Service:

Annual Internal Audit Report 2018/19 and Proposed Internal Audit Plan 2019/20

Members received the report presented by Dominic Measures of Devon Audit Partnership (DAP).

Dominic Measures summarised the findings of the audit programme undertaken in October and November 2018. The Authority was given an audit opinion of "High Standard" meaning the systems and controls in place adequately mitigate exposure to the risks identified. He also confirmed that in DAP's opinion Dartmoor National Park Authority was well placed to achieve a high level of ongoing data protection compliance and are in a good position to deal with the new Data Protection Act (DPA) 2018 requirements going forward.

Signed  Date 1st May 2019

Overall, and based on work performed during 2018/19, Internal Audit is able to provide Full Assurance on the adequacy and effectiveness of the Authority's internal control environment.

Members congratulated the Head of Business Support and her team for their excellent work in achieving this result.

Dominic summarised the proposed internal audit plan for 2019/20.

Internal Audit Charter (March 2019)

Dominic Measures outlined the report bringing Members attention to the change in reference of Chief Auditor to Chief Audit Executive, fulfilled for the Authority by the Head of Devon Audit Partnership (HoDAP).

Internal Audit Strategy (March 2019)

Again Dominic Measures outlined the report informing Members that a Corporate Fraud team from Plymouth City Council has now joined the team and is available to the Authority should they feel there is a need.

RESOLVED: That Members:

- (i) Noted the content of the report
- (ii) Approved the 2019/20 Audit Plan
- (iii) Agreed the Internal Audit Charter (March 2019)
- (iv) Agreed the Internal Audit Strategy(March 2019)

501 External Audit Plan (Year Ending March 2019)

Julie Masci of Grant Thornton presented the External Audit Plan (year ending 31 March 2019) and summarised the responsibilities set by the National Audit Office, how this will be approached and any significant risks addressed.

Julie Masci confirmed that the risk assessment regarding the Authority's arrangements to secure value for money has not identified any value for money significant risks.

She confirmed that Audit fees have reduced this year by £2,000.

The Audit Findings report will be brought back to Authority in July.

RESOLVED: Members NOTED the content of the report.

502 2018/19 Financial Outturn

Members received the report of the Head of Business Support (NPA/AG/19/005).

The Head of Business Support presented the 2018/19 Financial Outturn report informing Members that it has resulted in a revenue surplus of £69,394 which represents a minus 1.69% variation against the budget.

This shows the financial year 2018/19 being one of success in terms of income generation with increased external grants and contributions against budget of just over £185,000 and increased fees and charges against budget of just over £199,000. The Head of Business Support drew Members' attention to the tables in the report that provide a full breakdown.

Due to increased fees and charges, income and other budget savings certain planned expenditure that was to be funded from earmarked reserves has instead been met from in-year surpluses.

The Head of Business Support also drew Members' attention to the Project Fund, Donate for Dartmoor and Car Parking income and running costs.

The Authority has drawn £372,975 from reserves balances during the year to fund approved expenditure and intends to transfer a total of £404,190 into reserves to be matched against expenditure and projects in 2019/20; the breakdown of which is £229,890 for specific projects, commitments or contract and £174,300 of external funding contributions ring-fenced for specific purposes.

The only unallocated balance to be carried forward at year end is the final revenue surplus of £69,394 (we reported a £18k surplus at month 9) and this will be allocated to the Moor Otters II project as approved by the Authority on 10 May 2019.

In aggregate, the level of reserves and balances held is regarded as sufficient to meet current needs and to provide some assurance that unforeseen risks and emergencies can be managed. These balances are determined in part by our on-going work programmes and projects and by a risk based analysis and methodology approved by the Authority.

In summary The Authority has

- an outturn surplus of £69,394 against the budget - equating to a minus 1.69% variance against the original budget
- controlled costs
- generated a great deal more income
- continued to work in partnership with many people and organisations
- maintained a robust financial position and has committed to some new and exciting projects.

Members were asked to consider the matter of the historical management agreement payments made between 2006-2012 that were identified as falling within the EU definition of state aid - and whether to include a contingent liability note within the statement of accounts this year. The recommendation from management was that there was no change from previous years and therefore the note would not be required.

There was discussion around the maintenance costs of car parks and whether car park charges need to be reviewed with the need for a sinking fund for future maintenance and repairs. It was agreed that future car parking charges and the items raised above will be discussed at the next Park Management Working Panel noting the need for input from insurers and legal.

A Member raised the need for holding sufficient reserves for car park maintenance and Higher Uppacott confirming that a use/purpose needs to be found for the latter due to its costs and liability so that it can partly pay for itself. The Chief Executive (National Park Officer) confirmed that a report will be presented to a future Authority meeting but it is unlikely that Higher Uppacott will ever generate a significant level of income.

Members acknowledged that the National Park Grant for 2018/19 was fully spent and that the revenue surplus has been generated via increased income and grant funding plus Donate for Dartmoor.

Members were keen to publicise the fact that £325,000 in additional money had been generated through funding bids for Dartmoor related projects; to ensure the public are made aware of how much more is being done, that the Authority is not just about planning, and to show how much is being delivered with limited staffing resource. Members are keen to see coverage of this in the local press and a briefing to Parish Councils. The Chief Executive (National Park Officer) confirmed that he will pick this up as an action.

It was felt by Members that Donate for Dartmoor could be 'more visible' and a discussion was had as to whether there is a need to increase the target. The Chief Executive (National Park Officer) agreed that a short briefing note will be drafted and circulated to Members on Donate for Dartmoor; what it is, how it operates, examples of projects funded and that we seek funding for and how Members can help promote it. An evaluation report will be presented to Audit and Governance in November.

A Member highlighted the amount of money drawn in by the Hill Farm Project and it was agreed that the Hill Farm project newsletter is to be sent to all Members.

A Member raised the evident rise in travel costs this year, mainly related to the number of additional meetings necessary in respect of Brexit, the Glover Review, and DEFRA.

Members asked for congratulations to be passed on to all staff and officers for the amount of grant aid that has been successfully levered in.

RESOLVED: That Members:

- (i) Noted the content of the report
- (ii) Agreed the proposal for the Authority to transfer the 2018/19 revenue surplus of £69,394 into reserves;
- (iii) Agreed the proposal for the Authority to approve the transfer of grants and contributions received with specific conditions or restrictions and monies set aside for contractual commitments into earmarked reserves, as set out in section 4.3 (table 10) of the report;
- (iv) Agreed that it is unnecessary to include a note in the Statement of Accounts relating to the remote possibility of a contingent liability, as set out in section 5 of the report.

503 Business Plan Monitoring 2018/19

Members received the report of the Head of Organisational Development (NPA/AG/19/006).

Members noted the Authority's performance in delivering each of the 28 key actions identified in Business Plan for 2018/19. In summary 57% of actions either completed or what we set out to complete this year has been achieved, a further 39% of actions partially completed/ some ongoing into current Business Plan and only 4% (or 1 action) was not delivered as planned. This action was the Access for All project which has been delayed due to staff capacity and a resignation. A new staff member has now been recruited and is taking this project forward.

Members' attention was drawn to section 3 of the report showing a brief update relating to some key projects, most of which have been delayed for reasons beyond DNPA control.

In conclusion it was agreed the Authority has made very good progress in delivering the key actions in the Business Plan reflecting the hard work and commitment of *Team Dartmoor* – staff, Members and volunteers - to deliver for Dartmoor

RESOLVED: Members NOTED the content of the report.

504 Performance Indicators 2018/19

Members received the report of the Head of Organisational Development (NPA/AG/19/007).

Members were reminded that this report sets out how the Authority has performed against the performance indicator targets agreed for 2018/19 and attention was drawn to Appendix 1 showing the record of performance indicators including:

- The Authority's performance (or outturn) for 2018/19
- performance for the previous year – for comparison
- proposed targets for 2019/20

Performance for 2018/19 is colour coded to identify those targets that have been met or exceeded (green) and those that have not (red).

Examples where performance was met or targets exceeded:

- % income derived from other sources (up to 29% - target 25%; 20% last year)
- overall reduction in CO2 emissions
- short-term sickness absence reduced (4.4 last year; 3.52 this year)
- resolution of enforcement cases w/o the need for legal action
- PROW easy to use
- visitor satisfaction (Trip Adviser)
- planning applications determined within 8 weeks
- volunteering – almost 9000 days; including conservation groups supported by DNPA

Signed Date

- attendance at Parish meetings by officers and Members

A summary of the targets not met was shown in Section 4.1 of the report and Members attention was also drawn to Section 4.2 relating to Appeals.

Levels of sickness absence continue to be higher than the target set, however, Members were reminded that during 2018 Leadership Team and HR met to discuss health, wellbeing and attendance management, including detailed analysis of the data. This led to agreed actions being:

- A new Absence Management Policy introduced from 1 March 2019. All managers have recently received Managing Absence training delivered by ACAS.
- An HR Focus Group will be arranged to consider a holistic wellbeing strategy for the Authority. It is hoped and anticipated that these steps will go some way to reducing our absence figures in future years.
- Analysis of the Authority's sickness data confirms that long-term absences had a significant impact last year. Two cases – both for non-work-related reasons - accounted for almost 300 of the total 976 days lost. Four further long-term cases had a significant impact in terms of days lost. All cases have been actively managed.

New Members induction was discussed with suggestions to be included for the September workshop.

After some discussion it was decided that appeal decisions for officer delegated applications are to be included on future agendas for Planning & Sustainable Development Working Panel.

RESOLVED: That Members:

- (i) Analysed performance for 2018/19 and noted actions to be taken forward.
- (ii) Noted the proposed performance indicator targets for 2019/20.

505 Health & Safety Annual Report

Members received the report of the Head of Organisational Development (NPA/AG/19/008).

This is the second annual report which provides Members with an update on the Authority's progress in managing health and safety during the past 12 months.

Members were pleased to see the introduction of personal trackers for the Ranger Service and focussed work with the Conservation Works Team.

RESOLVED: Members NOTED the content of the report.

506 2019/20 Strategic Risk Register

Members received the report of the Head of Organisational Development (NPA/AG/19/009).

The Strategic Risk Register forms part of the Authority's overall risk management strategy. It is important that Members regularly review the strategic risks for the Authority to raise issues for consideration and highlight areas of risk to be added or removed. The Authority's Leadership Team has recently reviewed and updated the register summarised in the table at 2.4 of the report with changes to risk ratings in 2 areas:

- F4 - *Moor than meets the eye* Heritage Lottery Fund Landscape Partnership Scheme; and
- S6 - New Visitor Centre at Postbridge

RESOLVED: Members APPROVED the updated Strategic Risk Register for 2019/20.