

The Audit Findings for Dartmoor National Park Authority

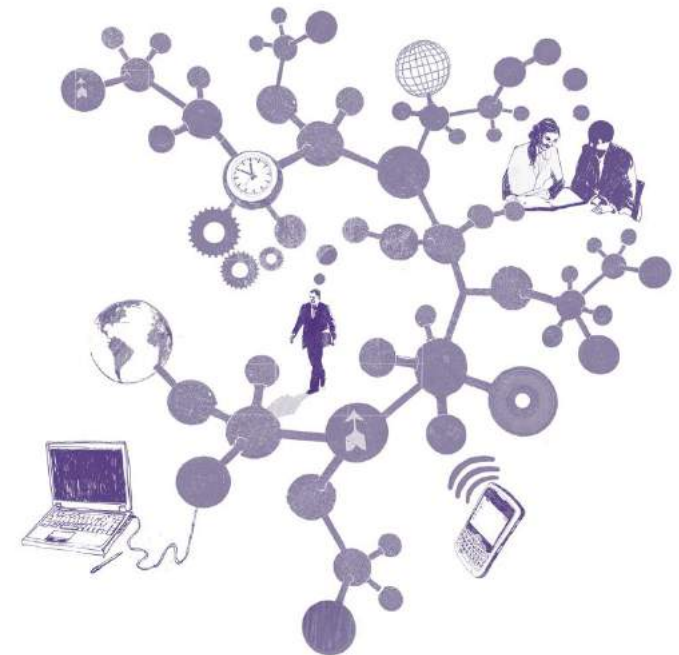
Year ended 31 March 2017

July 2017

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13 July 2017

Dear Members

Audit Findings for Dartmoor National Park Authority for the year ending 31 March 2017

This Audit Findings report highlights the key findings arising from the audit that are significant to the responsibility of those charged with governance (in the case of Dartmoor National Park Authority, the Audit and Governance Committee), to oversee the financial reporting process, as required by International Standard on Auditing (UK & Ireland) 260, the Local Audit and Accountability Act 2014 and the National Audit Office Code of Audit Practice. Its contents have been discussed with officers.

As auditor we are responsible for performing the audit, in accordance with International Standards on Auditing (UK & Ireland) ('ISA (UK&I)'), which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities for the preparation of the financial statements.

The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed primarily for the purpose of expressing our opinion on the financial statements and giving a value for money conclusion. Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify any control weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose defalcations or other irregularities, or to include all possible improvements in internal control that a more extensive special examination might identify. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

We would like to take this opportunity to record our appreciation for the kind assistance provided by the finance team and other staff during our audit.

Yours sincerely



Geraldine Daly
Engagement Lead

Chartered Accountants

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Contents

Section	Page
1. Executive summary	4
2. Audit findings	8
3. Value for Money	27
4. Other statutory powers and duties	30
5. Fees, non-audit services and independence	32
6. Communication of audit matters	34

Section 1: Executive summary

01. Executive summary

02. Audit findings

03. Value for Money

04. Other statutory powers and duties

05. Fees, non audit services and independence

06. Communication of audit matters

Purpose of this report

This report highlights the key issues affecting the results of Dartmoor National Park Authority ('the Authority') and the preparation of the Authority's financial statements for the year ended 31 March 2017. It is also used to report our audit findings to management and those charged with governance in accordance with the requirements of ISA (UK&I) 260, and the Local Audit and Accountability Act 2014 ('the Act').

Under the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to report whether, in our opinion, the Authority's financial statements give a true and fair view of the financial position of the Authority and its income and expenditure for the year and whether they have been properly prepared in accordance with the CIPFA Code of Practice on Local Authority Accounting.

We are also required to consider other information published together with the audited financial statements (including the Annual Governance Statement (AGS) and Narrative Report, whether it is consistent with the financial statements, apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Authority acquired in the course of performing our audit; or otherwise misleading.

We are required to carry out sufficient work to satisfy ourselves on whether the Authority has made proper arrangements to secure economy, efficiency and effectiveness in its use of resources ('the value for money (VFM) conclusion'). Auditor Guidance Note 7 (AGN07) clarifies our reporting requirements in the Code and the Act. We are required to provide a conclusion whether in all significant respects, the Authority has put in place proper arrangements to secure value for money through economic, efficient and effective use of its resources for the year.

The Act also details the following additional powers and duties for local government auditors, which we are required to report to you if applied:

- a public interest report if we identify any matter that comes to our attention in the course of the audit that in our opinion should be considered by the Authority or brought to the public's attention (section 24 of the Act);
- written recommendations which should be considered by the Authority and responded to publicly (section 24 of the Act);
- application to the court for a declaration that an item of account is contrary to law (section 28 of the Act);
- issue of an advisory notice (section 29 of the Act); and
- application for judicial review (section 31 of the Act).

We are also required to give electors the opportunity to raise questions about the accounts and consider and decide upon objections received in relation to the accounts under sections 26 and 27 of the Act.

Introduction

In the conduct of our audit we have made one change to our audit plan, which was dated 24 January 2017. We have included one additional other risk relating to Changes to the presentation of local authority financial statements. More details on this can be found on pages 10 and 15.

Our audit is substantially complete although we are finalising our procedures in the following areas:

- Receipt of pension assurances from the Devon Pension fund auditor
- completing quality control procedures and review
- review of the final version of the financial statements
- obtaining and reviewing the management letter of representation
- review of revised versions of the Annual Governance Statement and Narrative statement
- updating our post balance sheet events review, to the date of signing the opinion
- Whole of Government Accounts

We received draft financial statements and accompanying working papers at the commencement of our work, in accordance with the agreed timetable.

Key audit and financial reporting issues

Financial statements opinion

We have identified no adjustments affecting the Authority's reported financial position (details are recorded in section two of this report). The draft and audited financial statements for the year ended 31 March 2017 recorded net expenditure of £3,608k. We have recommended a number of minor adjustments to improve the presentation of the financial statements.

The key messages arising from our audit of the Authority's financial statements are:

- the draft financial statements and the supporting working papers were prepared to a good standard. The Authority dealt with our additional audit requests and queries in a timely manner.
- there were no adjusted or unadjusted misstatements to the core draft financial statements
- We requested a presentational change moving the Expenditure and Funding Analysis to the notes of the accounts and some other minor amendments to the financial statements.

Further details are set out in section two of this report.

We anticipate providing a unqualified audit opinion in respect of the financial statements.

Other financial statement responsibilities

As well as an opinion on the financial statements, we are required to give an opinion on whether other information published together with the audited financial statements is consistent with the financial statements. This includes if the AGS and Narrative Report is misleading or inconsistent with the information of which we are aware from our audit.

Based on our review of the Authority's Narrative Report and AGS we are satisfied that they are consistent with the audited financial statements. We are also satisfied that the AGS meets the requirements set out in the CIPFA/SOLACE guidance and that the disclosures included in the Narrative Report are in line with the requirements of the CIPFA Code of Practice.

Controls

Roles and responsibilities

The Authority's management is responsible for the identification, assessment, management and monitoring of risk, and for developing, operating and monitoring the system of internal control.

Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify any control weaknesses, we report these to the Authority.

Findings

Our work has not identified any control weaknesses which we wish to highlight for your attention.

Further details are provided within section two of this report.

Value for Money

Based on our review, and risk assessment we are satisfied that, in all significant respects, the Authority had proper arrangements in place to secure economy, efficiency and effectiveness in its use of resources.

Further detail of our work on Value for Money are set out in section three of this report.

Other statutory powers and duties

We have not identified any issues that have required us to apply our statutory powers and duties under the Act.

Further details of our work on other statutory powers and duties is set out in section four of this report.

The way forward

Matters arising from the financial statements audit and our review of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources have been discussed with the the Head of Business Support.

Acknowledgement

We would like to take this opportunity to record our appreciation for the assistance provided by the finance team and other staff during our audit.

Grant Thornton UK LLP
July 2017

Section 2: Audit findings

01. Executive summary

02. Audit findings

03. Value for Money

04. Other statutory powers and duties

05. Fees, non audit services and independence

06. Communication of audit matters

Materiality

In performing our audit, we apply the concept of materiality, following the requirements of ISA (UK&I) 320: Materiality in planning and performing an audit. The standard states that 'misstatements, including omissions, are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements'.

As we reported in our audit plan, we determined overall materiality to be £99k (being 1.9% of gross revenue expenditure). We have considered whether this level remained appropriate during the course of the audit and have made no changes to our overall materiality.

We also set an amount below which misstatements would be clearly trivial and would not need to be accumulated or reported to those charged with governance because we would not expect that the accumulated effect of such amounts would have a material impact on the financial statements. We have defined the amount below which misstatements would be clearly trivial to be £5k. This remains the same as reported in our audit plan.

As we reported in our audit plan, we identified the following items where we decided that separate materiality levels were appropriate. These remain the same as reported in our audit plan.

Balance/transaction/disclosure	Explanation	Materiality level
Cash and cash equivalents	Although the balance of cash and cash equivalents is immaterial, all transactions made by the Authority affect the balance and it is therefore considered to be material by nature.	£10,000
Disclosures of officers' remuneration, salary bandings and exit packages in the notes to the financial statements	Due to public interest in these disclosures and the statutory requirement for them to be made.	£5,000
Disclosure of auditors' remuneration in notes to the statements	Due to public interest in these disclosures and the statutory requirement for them to be made.	£1,000

Misstatements, including omissions, are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements; Judgments about materiality are made in light of surrounding circumstances, and are affected by the size or nature of a misstatement, or a combination of both; and Judgments about matters that are material to users of the financial statements are based on a consideration of the common financial information needs of users as a group. The possible effect of misstatements on specific individual users, whose needs may vary widely, is not considered. (ISA (UK&I) 320)

New issues and risks identified during the course of the audit

This section provides commentary on new issues and risks which were identified during the course of the audit and were not previously communicated in the Audit Plan.

	Issue	Commentary
1.	Changes to the presentation of local authority financial statements	<p>CIPFA has been working on the 'Telling the Story' project, for which the aim was to streamline the financial statements and improve accessibility to the user and this has resulted in changes to the 2016/17 CIPFA Code of Practice. The financial statements should be presented in line with reporting internally and to the Authority during the course of the year.</p> <p>The changes affect the presentation of income and expenditure in the financial statements and associated disclosure notes. A prior period adjustment (PPA) to restate the 2015/16 comparative figures is also required.</p> <p>Given this is a new requirement and involved restatement of the prior year figures, this has been included as an additional 'Other' risk subsequent to issuing our audit plan.</p> <p>Details of the work carried out can be found on page 15.</p>

Audit findings against significant risks

In this section we detail our response to the significant risks of material misstatement which we identified in the Audit Plan. As we noted in our plan, there are two presumed significant risks which are applicable to all audits under auditing standards.

Risks identified in our audit plan	Work completed	Assurance gained and issues arising
<p>The revenue cycle includes fraudulent transactions</p> <p>Under ISA (UK&I) 240 there is a presumed risk that revenue may be misstated due to the improper recognition of revenue.</p> <p>This presumption can be rebutted if the auditor concludes that there is no risk of material misstatement due to fraud relating to revenue recognition.</p>	<p>Having considered the risk factors set out in ISA240 and the nature of the revenue streams at Dartmoor National Park Authority, we have determined that the risk of fraud arising from revenue recognition can be rebutted, because:</p> <ul style="list-style-type: none"> • there is little incentive to manipulate revenue recognition; • opportunities to manipulate revenue recognition are very limited; and • the culture and ethical frameworks of local authorities, including Dartmoor National Park Authority, mean that all forms of fraud are seen as unacceptable. • We have received assurances that management are not aware of any allegations of fraud during the period 	<p>Our audit work has not identified any issues in respect of revenue recognition.</p>
<p>Management over-ride of controls</p> <p>Under ISA (UK&I) 240 it is presumed that the risk of management over-ride of controls is present in all entities.</p>	<p>Work completed to date:</p> <ul style="list-style-type: none"> • review of journal entry process and selection of unusual journal entries for testing back to supporting documentation • review of accounting estimates, judgements and decisions made by management • review of unusual significant transactions. 	<p>Our audit work has not identified any evidence of management over-ride of controls. In particular the findings of our review of journal controls and testing of journal entries has not identified any significant issues.</p> <p>We set out later in this section of the report our work and findings on key accounting estimates and judgements.</p>

"Significant risks often relate to significant non-routine transactions and judgmental matters. Non-routine transactions are transactions that are unusual, due to either size or nature, and that therefore occur infrequently. Judgmental matters may include the development of accounting estimates for which there is significant measurement uncertainty." (ISA (UK&I) 315) . In making the review of unusual significant transactions "the auditor shall treat identified significant related party transactions outside the entity's normal course of business as giving rise to significant risks." (ISA (UK&I) 550)

Audit findings against significant risks continued

We have also identified the following significant risks of material misstatement from our understanding of the entity. We set out below the work we have completed to address these risks.

Risks identified in our audit plan	Work completed	Assurance gained and issues arising
<p>The expenditure cycle includes fraudulent transactions Practice Note 10 requires us to consider the risk of material misstatement due to fraudulent financial reporting that may arise from manipulation of expenditure recognition, especially where the body is required to meet targets. For your Authority, we have concluded that the greatest risk of material misstatement relates to the completeness of operating expenses and creditor balances.</p>	<p>Having considered the risk factors set out in ISA240 and the nature of the expenditure at the Authority, we have determined that the risk of fraud arising from expenditure recognition can be rebutted, because:</p> <ul style="list-style-type: none"> • there is little incentive to manipulate expenditure. • opportunities to manipulate expenditure recognition are very limited • the culture and ethical frameworks of local authorities, including Dartmoor National Park Authority, mean that all forms of fraud are seen as unacceptable <p>Therefore do not consider this to be a significant risk the Authority. However there is a risk of understatement of creditors identified as reasonably possible and documented in the relevant section of this report. We have tested the other operating costs and employee expenditure where there is a risk of understatement and not identified any issues to report.</p>	<p>Our audit work has not identified any issues in respect of expenditure recognition.</p>

Audit findings against significant risks continued

We have also identified the following significant risks of material misstatement from our understanding of the entity. We set out below the work we have completed to address these risks.

Risks identified in our audit plan	Work completed	Assurance gained and issues arising
<p>Valuation of pension fund net liability</p> <p>The Authority's pension fund net liability, as reflected in its balance sheet, represents a significant estimate in the financial statements.</p>	<ul style="list-style-type: none"> Identified the controls put in place by management to ensure that the pension fund net liability is not materially misstated and assessing whether those controls were implemented as expected and whether they were sufficient to mitigate the risk of material misstatement. Review of the competence, expertise and objectivity of the actuary who carried out the Authority's pension fund valuation. Gained an understanding of the basis on which the IAS 19 valuation was carried out, undertaking procedures to confirm the reasonableness of the actuarial assumptions made. Review of the consistency of the pension fund net liability disclosures in notes to the financial statements with the actuarial report from your actuary. 	<p>Our audit work involved review of the IAS 19 valuation including the reasonableness of the actuarial assumptions made.</p> <p>PwC are an audit expert which carried out a review of the actuarial assumptions used for the valuation of the Authority's pension fund liability. As part of PwC's review of IAS 19 reporting as at 31 March 2017 for the National Audit Office, Audit Scotland and Wales Audit Office which reviewed the assumptions used by actuaries for valuing the pension liability, the following was noted, "For employers advised by Barnett Waddingham, the discount rates proposed fall outside of our expected ranges as the methodology is not as robust as we would expect, particularly under market conditions at 31 March 2017."</p> <p>The Authority's pension liability was estimated by Barnett Waddingham using a discount factor that was 0.1% above PwC's expected range. The impact is a possible overstatement of the liability of 2% (£268k). This has been discussed with management where we challenged the rationale for management using the discount factor of 3.8% and considered it reasonable taking into account other assumptions used.</p> <p>Overall taking into account other assumptions such as CPI and mortality rates which can alter the value of the pension liability estimate and by performing a sensitivity analysis, we considered the overall assumptions as a collective reasonable. The pension liability is an accounting estimate and will therefore never be 100% accurate as they are highly sensitive to changes in assumptions. We discussed with management the rationale for the assumptions used and concluded that the estimate was reasonable.</p>

Audit findings against significant risks continued

Risks identified in our audit plan	Work completed	Assurance gained and issues arising
<p>Valuation of property, plant and equipment The Authority revalues its assets on a rolling basis over a five year period and for this year the Authority instructed a valuation as at 31 March 2017. The Code requires that the Authority ensures that the carrying value at the balance sheet date is not materially different from the current value. This represents a significant estimate by management in the financial statements.</p>	<ul style="list-style-type: none"> • Review of management's processes and assumptions for the calculation of the estimate. • Review of the competence, expertise and objectivity of any management experts used. • Review of the instructions issued to valuation experts and the scope of their work • Discussions with the Authority's valuer about the basis on which the valuation was carried out, challenging the key assumptions. • Review and challenge of the information used by the valuer to ensure it was robust and consistent with our understanding. • Testing of revaluations made during the year to ensure they were input correctly into the Authority's asset register • Evaluation of the assumptions made by management for those assets not revalued during the year and how management satisfied themselves that these were not materially different to current value. 	<p>The Authority revalued all its land and building assets with a value date of 31 March 2017. The valuation was carried out by a suitably qualified expert.</p> <p>Our audit work has not identified any issues in respect of the valuation of property, plant and equipment.</p>

Audit findings against other risks

In this section we detail our response to the other risks of material misstatement which we identified in the Audit Plan.

Transaction cycle	Description of risk	Work completed	Assurance gained & issues arising
Employee remuneration	<p>Payroll expenditure represents a significant percentage of the Authority's gross expenditure.</p> <p>We identified the completeness of payroll expenditure in the financial statements as a risk requiring particular audit attention:</p> <ul style="list-style-type: none"> Employee remuneration accruals understated (Remuneration expenses not correct) 	<p>We have undertaken the following work in relation to this risk:</p> <ul style="list-style-type: none"> Reviewed system documentation and walkthrough of the transaction Reconciled the pay expenditure reported in the financial statements to total expenditure recorded in the payroll. Substantively tested a sample of remuneration transactions. Trend analysis analytical review for the financial year 	<p>Our audit work has not identified any significant issues in relation to the risk identified.</p>
Operating expenses	<p>Non-pay expenditure represents a significant percentage of the Authority's gross expenditure. Management uses judgement to estimate accruals of un-invoiced non-pay costs.</p> <p>We identified the completeness of non- pay expenditure in the financial statements as a risk requiring particular audit attention:</p> <ul style="list-style-type: none"> Creditors understated or not recorded in the correct period (Operating expenses understated) 	<p>We have undertaken the following work in relation to this risk:</p> <ul style="list-style-type: none"> Reviewed system documentation and performed a walkthrough of the transaction Agreed creditors to the ledger Reviewed a sample of creditors/accruals to confirm they have been appropriately accounted for. Reviewed after date payments and sample check for unrecorded liabilities 	<p>Our audit work has not identified any significant issues in relation to the risk identified.</p>

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

Audit findings against other risks continued

Transaction cycle	Description of risk	Work completed	Assurance gained & issues arising
<p>Changes to the presentation of local authority financial statements</p>	<p>CIPFA has been working on the 'Telling the Story' project, for which the aim was to streamline the financial statements and improve accessibility to the user and this has resulted in changes to the 2016/17 CIPFA Code of Practice.</p> <p>The changes affect the presentation of income and expenditure in the financial statements and associated disclosure notes. A prior period adjustment (PPA) to restate the 2015/16 comparative figures is also required.</p>	<p>We have undertaken the following work in relation to this risk:</p> <ul style="list-style-type: none"> documented and evaluated the process for the recording the required financial reporting changes to the 2016/17 financial statements reviewed the re-classification of the Comprehensive Income and Expenditure Statement (CIES) comparatives to ensure that they are in line with the Authority's internal reporting structure reviewed the appropriateness of the revised grouping of entries within the Movement In Reserves Statement (MIRS) tested the classification of income and expenditure for 2016/17 recorded within the Cost of Services section of the CIES tested the completeness of income and expenditure by reviewing the reconciliation of the CIES to the general ledger tested the classification of income and expenditure reported within the new Expenditure and Funding Analysis (EFA) note to the financial statements reviewed the new segmental reporting disclosures within the 2016/17 financial statements to ensure compliance with the CIPFA Code of Practice. 	<p>Our audit work has not identified any significant issues in relation to the risk identified. We confirmed that the disclosures and presentation are in line with what has been reported to the Authority in year.</p> <p>However we did request that the Expenditure and Funding Analysis (EFA) was included in the notes of the accounts. This was due to the CIPFA Code not defining the EFA as a primary statement. If the EFA is not included in the financial statements as a note to the accounts it will not be covered by our audit opinion. The Authority has amended and included it in Note 1 to give it due prominence.</p>

Audit findings against other risks continued


Going concern

As auditors, we are required to “obtain sufficient appropriate audit evidence about the appropriateness of management's use of the going concern assumption in the preparation and presentation of the financial statements and to conclude whether there is a material uncertainty about the entity's ability to continue as a going concern” (ISA (UK&I) 570).

We reviewed the management's assessment of the going concern assumption and the disclosures in the financial statements and concluded that the assessment that the Authority is a going concern is appropriate.

Accounting policies, estimates and judgements


In this section we report on our consideration of accounting policies, in particular revenue recognition policies, and key estimates and judgements made and included with the Authority's financial statements.

Accounting area	Summary of policy	Comments	Assessment
<p>Revenue recognition</p>	<ul style="list-style-type: none"> • Government grant and contributions are recognised as due to the Authority when there is reasonable assurance that the Authority will comply with the conditions of the payment and that they will be received. • Revenue from the sale of goods is recognised when the Authority transfers the risk and rewards of ownership to the purchaser and it is probable that the economic benefit or service 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 associated with the transaction will flow to the Authority 	<p>We have reviewed the Authority's revenue recognition policy and found that:</p> <ul style="list-style-type: none"> • Appropriate policies have been used under the relevant accounting framework • Revenue has been appropriately recognised • Accounting policies have been adequately disclosed 	

Assessment



Accounting policies, estimates and judgements

In this section we report on our consideration of accounting policies, in particular revenue recognition policies, and key estimates and judgements made and included with the Authority's financial statements.

Accounting area	Summary of policy	Comments	Assessment
<p>Judgements and estimates</p>	<ul style="list-style-type: none"> • Key estimates and judgements include: <ul style="list-style-type: none"> – Useful life of PPE – Valuations of PPE – Accruals – Valuation of pension fund net liability 	<p>We have reviewed the accounting areas where the Authority has exercised judgement and used estimates. We found that:</p> <ul style="list-style-type: none"> • Appropriate policies have been used • Areas where judgement has been used were supported by the work of an expert of third party where appropriate • Accounting policies have been adequately disclosed • The Authority's pension liability was estimated by Barnett Waddingham using a discount factor that was 0.1% above PwC's expected range. The impact is a possible overstatement of the liability of 2% (£268k). This has been discussed with management where we challenged the rationale for management using the discount factor of 3.8% and considered it reasonable taking into account other assumptions used. <p>Further details on our work reviewing the significant estimates can be found on pages 12 to 13</p>	

Assessment

Accounting policies, estimates and judgements continued

Accounting area	Summary of policy	Comments	Assessment
Going concern	The Head of Business Support, s151 officer has a reasonable expectation that the services provided by the Authority will continue for the foreseeable future. Members concur with this view. For this reason, the Authority continue to adopt the going concern basis in preparing the financial statements.	We have reviewed the Authority's assessment and are satisfied with management's assessment that the going concern basis is appropriate for the 2016/17 financial statements.	
Other accounting policies		We have reviewed the Authority's policies against the requirements of the CIPFA Code of Practice. The Authority's accounting policies are appropriate and consistent with previous years.	

Assessment

● Marginal accounting policy which could potentially attract attention from regulators
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● Accounting policy appropriate but scope for improved disclosure

● Accounting policy appropriate and disclosures sufficient

Other communication requirements

We set out below details of other matters which we, as auditors, are required by auditing standards and the Code to communicate to those charged with governance.

	Issue	Commentary
1.	Matters in relation to fraud	<ul style="list-style-type: none"> We have previously discussed the risk of fraud with the Audit and Governance Committee. We have not been made aware of any other incidents in the period and no other issues have been identified during the course of our audit procedures.
2.	Matters in relation to related parties	<ul style="list-style-type: none"> From the work we carried out, we have not identified any related party transactions which have not been disclosed.
3.	Matters in relation to laws and regulations	<ul style="list-style-type: none"> You have not made us aware of any significant incidences of non-compliance with relevant laws and regulations and we have not identified any incidences from our audit work.
4.	Written representations	<ul style="list-style-type: none"> A standard letter of representation has been requested from the Authority, which is included in the Audit and Governance Committee papers
5.	Confirmation requests from third parties	<ul style="list-style-type: none"> We requested from management permission to send (a) confirmation request(s) to all institutions where the Authority holds cash balances. This permission was granted and the requests were sent. Of these requests all were returned with positive confirmation.
6.	Disclosures	<ul style="list-style-type: none"> Our review found no material omissions in the financial statements

Other communication requirements continued

	Issue	Commentary
7.	Matters on which we report by exception	<ul style="list-style-type: none"> • We are required to report on a number of matters by exception in a number of areas: We have not identified any issues we would be required to report by exception in the following areas • If the Annual Governance Statement does not meet the disclosure requirements set out in the CIPFA/SOLACE guidance or is misleading or inconsistent with the information of which we are aware from our audit • The information in the Narrative Report is materially inconsistent with the information in the audited financial statements or our knowledge of the Authority acquired in the course of performing our audit, or otherwise misleading.
8.	Specified procedures for Whole of Government Accounts	<p>We are required to carry out specified procedures (on behalf of the NAO) on the Whole of Government Accounts (WGA) consolidation pack under WGA group audit instructions.</p> <ul style="list-style-type: none"> • Note that work is not required as the Authority does not exceed the threshold.

Internal controls

The controls were found to be operating effectively and we have no matters to report to the Audit and Governance Committee.

The matters reported here are limited to those deficiencies that we have identified during the course of our audit and that we have concluded are of sufficient importance to merit being reported to you in accordance with auditing standards.

"The purpose of an audit is for the auditor to express an opinion on the financial statements.

Our audit included consideration of internal control relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control.

The matters being reported are limited to those deficiencies that the auditor has identified during the audit and that the auditor has concluded are of sufficient importance to merit being reported to those charged with governance." (ISA (UK&I) 265)

Misclassifications and disclosure changes

The table below provides details of misclassification and disclosure changes identified during the audit which have been made in the final set of financial statements.

Adjustment type	Value £'000	Account balance	Impact on the financial statements
1 Disclosure	N/A	Expenditure and Funding Analysis	A request was made to move this to the notes to the accounts so it is appropriately covered by the audit opinion

Section 3: Value for Money

01. Executive summary

02. Audit findings

03. Value for Money

04. Other statutory powers and duties

05. Fees, non-audit services and independence

06. Communication of audit matters

Background

We are required by section 21 of the Local Audit and Accountability Act 2014 (the Act) and the NAO Code of Audit Practice (the Code) to satisfy ourselves that the Authority has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. This is known as the Value for Money (VFM) conclusion.

We are required to carry out sufficient work to satisfy ourselves that proper arrangements are in place at the Authority. The Act and NAO guidance state that for local government bodies, auditors are required to give a conclusion on whether the Authority has put proper arrangements in place.

In carrying out this work, we are required to follow the NAO's Auditor Guidance Note 3 (AGN 03) issued in November 2016. AGN 03 identifies one single criterion for auditors to evaluate:

In all significant respects, the audited body takes properly informed decisions and deploys resources to achieve planned and sustainable outcomes for taxpayers and local people.

AGN03 provides examples of proper arrangements against three sub-criteria but specifically states that these are not separate criteria for assessment purposes and that auditors are not required to reach a distinct judgement against each of these.

Risk assessment

We carried out an initial risk assessment in January 2017 and identified no significant risks in respect of specific areas of proper arrangements using the guidance contained in AGN03. We communicated these risks to you in our Audit Plan dated 24 January 2017.

We have continued our review of relevant documents up to the date of giving our report, and have not identified any further significant risks where we need to perform further work.

Significant qualitative aspects

AGN 03 requires us to disclose our views on significant qualitative aspects of the Authority's arrangements for delivering economy, efficiency and effectiveness.

We have focused our work on the review of key Authority documents which includes the Annual Governance statement. In arriving at our conclusion, our main considerations were:

- the arrangements for medium term financial planning finances and to effectively support the sustainable delivery of strategic priorities and using appropriate cost and performance information to support informed decision making
- the governance framework of the Authority and arrangements it has in place throughout the 2016/17 financial year
- The Authority's strategic planning and arrangements for working effectively with third parties to deliver strategic priorities

Overall conclusion

Based on the work we performed to address the significant risks, we concluded that:

- the Authority had proper arrangements in all significant respects to ensure it delivered value for money in its use of resources.

Significant difficulties in undertaking our work

We did not identify any significant difficulties in undertaking our work on your arrangements which we wish to draw to your attention.

Significant matters discussed with management

There were no matters where no other evidence was available or matters of such significance to our conclusion or that we required written representation from management or those charged with governance.

Any other matters

There were no other matters from our work which were significant to our consideration of your arrangements to secure value for money in your use of resources.

Section 4: Other statutory powers and duties

01. Executive summary

02. Audit findings

03. Value for Money

04. Other statutory powers and duties

05. Fees, non audit services and independence

06. Communication of audit matters

We set out below details of other matters which we, as auditors, are required by the Act and the Code to communicate to those charged with governance.

	Issue	Commentary
1.	Public interest report	<ul style="list-style-type: none">• We have not identified any matters that would require a public interest report to be issued
2.	Written recommendations	<ul style="list-style-type: none">• We have not made any written recommendations that the Authority is required to respond to publicly
3.	Application to the court for a declaration that an item of account is contrary to law	<ul style="list-style-type: none">• We have not used this duty
4.	Issue of an advisory notice	<ul style="list-style-type: none">• We have not used this duty
5.	Application for judicial review	<ul style="list-style-type: none">• We have not used this duty

Section 5: Fees, non-audit services and independence

01. Executive summary

02. Audit findings

03. Value for Money

04. Other statutory powers and duties

05. Fees, non audit services and independence

06. Communication of audit matters

We confirm below our final fees charged for the audit and confirm there were no fees for the provision of non audit services.

Fees

	Proposed fee £	Final fee £
Authority audit	11,807	11,807
Total audit fees (excluding VAT)	11,807	11,807

The proposed fees for the year were in line with the scale fee set by Public Sector Audit Appointments Ltd (PSAA).

Independence and ethics

- Ethical Standards and ISA (UK&I) 260 require us to give you timely disclosure of matters relating to our independence.
- We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention. We have complied with the Auditing Practices Board's Ethical Standards and confirm that we are independent and are able to express an objective opinion on the financial statements.
- We confirm that we have implemented policies and procedures to meet the requirements of the Auditing Practices Board's Ethical Standards.
- For the purposes of our audit we have made enquiries of all Grant Thornton UK LLP teams providing services to the Authority. The table below summarises all non-audit services which were identified.

Fees for other services

There are no fees for other services. No non-audit or audited related services have been undertaken for the Authority.

Section 6: Communication of audit matters

01. Executive summary

02. Audit findings

03. Value for Money

04. Other statutory powers and duties

05. Fees, non audit services and independence

06. Communication of audit matters

Communication to those charged with governance

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

This document, The Audit Findings, outlines those key issues and other matters arising from the audit, which we consider should be communicated in writing rather than orally, together with an explanation as to how these have been resolved.

Respective responsibilities

The Audit Findings Report has been prepared in the context of the Statement of Responsibilities of Auditors and Audited Bodies issued by Public Sector Audit Appointments Limited (<http://www.psa.co.uk/appointing-auditors/terms-of-appointment/>)

We have been appointed as the Authority's independent external auditors by the Audit Commission, the body responsible for appointing external auditors to local public bodies in England at the time of our appointment. As external auditors, we have a broad remit covering finance and governance matters.

Our annual work programme is set in accordance with the Code of Audit Practice ('the Code') issued by the NAO (<https://www.nao.org.uk/code-audit-practice/about-code/>). Our work considers the Authority's key risks when reaching our conclusions under the Code.

It is the responsibility of the Authority to ensure that proper arrangements are in place for the conduct of its business, and that public money is safeguarded and properly accounted for. We have considered how the Authority is fulfilling these responsibilities.

Our communication plan	Audit Plan	Audit Findings
Respective responsibilities of auditor and management/those charged with governance	✓	
Overview of the planned scope and timing of the audit. Form, timing and expected general content of communications	✓	
Views about the qualitative aspects of the entity's accounting and financial reporting practices, significant matters and issues arising during the audit and written representations that have been sought		✓
Confirmation of independence and objectivity	✓	✓
A statement that we have complied with relevant ethical requirements regarding independence, relationships and other matters which might be thought to bear on independence. Details of non-audit work performed by Grant Thornton UK LLP and network firms, together with fees charged Details of safeguards applied to threats to independence	✓	✓
Material weaknesses in internal control identified during the audit		✓
Identification or suspicion of fraud involving management and/or others which results in material misstatement of the financial statements		✓
Non compliance with laws and regulations		✓
Expected modifications to auditor's report, or emphasis of matter		✓
Unadjusted misstatements and material disclosure omissions		✓
Significant matters arising in connection with related parties		✓
Significant matters in relation to going concern	✓	✓



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DARTMOOR NATIONAL PARK AUTHORITY

28 July 2017

ANNUAL STATEMENT OF ACCOUNTS 2016/17Report of the Head of Business SupportRecommendation : **That:**

- (i) Members approve the 2016/17 Statement of Accounts;**
- (ii) The Chairman be authorised to sign and date the Statement of Responsibilities on behalf of the Authority;**
- (iii) Members endorse the conclusion of Management and the Chief Finance Officer that the Authority's accounts should be prepared on a Going Concern basis;**
- (iv) The Chairman and the Chief Executive (NPO) be authorised to sign the Letter of Representation on behalf of the Authority (appendix 2);**
- (v) Members re-approve the 2016/17 Annual Governance Statement approved by the Authority in April 2017 (NPA/17/012);**
- (vi) The Chairman and the Chief Executive (NPO) be authorised to sign the 2016/17 Annual Governance Statement**

1 Introduction

- 1.1 The Statement of Accounts (SoA) is a statutory document which all local authorities must produce and make available for public inspection. In addition, the accounts are subject to external examination by the Authority's external auditors.
- 1.2 The Chartered Institute of Public Finance and Accountancy (CIPFA) publishes The Code of Practice on Local Authority Accounting (The Code) which specifies the principles and practices of accounting that must be followed in preparing the Statement of Accounts. The Statement of Accounts must be authorised for issue and made available for public inspection by 30 June and the audit must be completed by 30 September. Members will be aware that from 2017/18 these dates are being brought forward to 31 May and 31 July respectively. It is pleasing to report that we have achieved the new 31 May deadline 2 years running.
- 1.3 The un-audited copy of the SoA can be accessed on our website at <http://www.dartmoor.gov.uk/aboutus/au-theauthority/au-whatwedo/finance-and-expenditure>. An audited copy has been provided to Members (hard copy only) for this meeting, so that it can be reviewed, approved and signed, see Appendix 1. The audit opinion provided by Grant Thornton (GT), will be added to the Accounts after the meeting, once the Audit Findings Report has been presented and approved (next agenda item).
- 1.4 Changes to the content of the Statement of Accounts this year include:
 - The introduction of a new statement and associated notes, contained within the notes to the accounts, called the "Expenditure and Funding Analysis" (EFA), which can be found on page 17. The Code requires the EFA (itself) to be given

“due prominence” and has therefore been placed at the beginning of the “Notes” section, with further related and explanatory notes being included on pages 31 and 32;

- The introduction of the EFA is classified as a change in accounting policy and therefore means that the 2015/16 Comprehensive Income and Expenditure Statement (CIES) figures have to be restated (a prior period restatement note can be found on page 28);
- The EFA and the CIES include a segmental analysis which reports performance on the basis of how the Authority is structured, i.e. how we operate and how we monitor and manage performance (rather than in a universally prescribed manner);
- The EFA brings together local authority performance reported on the basis of expenditure measured under proper accounting practices, with statutorily defined charges to the General Fund; and lastly
- The Movement in Reserves Statement has been re-formatted and streamlined

These changes reflect CIPFA’s “Telling the Story” review of the presentation of local authority financial statements.

- 1.5 Once Members have approved the Statement of Accounts, the Chairman will be asked to sign the Statement of Responsibilities on behalf of all Members (below the Chief Finance Officer’s Certification) on page 8 of the accounts.
- 1.6 The Chairman and the Chief Executive (National Park Officer) are also required to sign a Letter of Representation to the Auditors on behalf of the Authority, a copy of which is provided at Appendix 2. The purpose of the Letter of Representation is to confirm to the Auditors that the Authority’s financial statements give a true and fair view.

2 Financial Performance

- 2.1 The Authority reviewed and approved the outturn position on 26 May 2016 (NPA/17/017). Members congratulated staff for the efforts made and outcomes achieved during the year, and for continuing to maintain a culture of robust financial management. A summary of the year’s financial performance is set out in the Narrative Report starting on page 2 of the Statement of Accounts.
- 2.2 The actual revenue outturn, in terms of its in-year Management Account reporting was a surplus of £5,822 (£158,018 surplus in 2014/15) against a net Revenue Budget of £3,868,148 which represents a -0.15% variance (-4% in 2015/16). This figure is reconciled to the deficit shown in the Comprehensive Income and Expenditure Statement on page 13 of the Statement of Accounts, in the table 1 below:

<i>Table 1.</i>	£000
Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	558
Reverse amortisation, depreciation & impairment charges	(158)
Reversal of IAS19 Retirement Benefit adjustments	(13)
Reversal of Accumulated Absences adjustment	(3)
Transfers to or (from) reserves per Management Accounts	(390)
Revenue Budget Surplus (NPA/15/016)	(6)

2.3 There have been no changes to the financial outturn, as reported in May, or as a result of the Audit.

3 Reserves

3.1 The net transfer from Earmarked Reserves as at 31 March was £383,760 i.e. our Earmarked Reserves balances have been reduced by this much. The General Reserve (unallocated) is to be maintained at £450,000 as previously approved (NPA/16/009) and equates to 12.2% of the 2017/18 Net Budget Requirement and is the minimum level of balances that the Authority has determined must be retained. A summary of the total opening and closing Reserve Balances is set out in table 2 below and in the Movement in Reserves Statement on page 14 of the Statement of Accounts. Notes 13 and 23 of the Statement of Accounts shows the reserve movements for the whole financial year.

<i>Table 2.</i>	£
2016/17 Opening Balance	2,987,831
Use of reserves in 2016/17	(724,719)
Transfers to reserves for specific purposes	335,137
2016/17 Revenue Surplus	5,822
Total Reserve Balances at 31 March 2016	2,604,071

3.2 In aggregate, the level of reserves and balances held is regarded as sufficient to meet current needs and to provide 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.

4 Pension Scheme Assets and Liabilities

4.1 The pension liability is based on an actuarial valuation and represents the benefits that have been accrued by members of the local government pension scheme. The disclosures show many things, with a key factor being that they are highly unpredictable due mainly to the “snapshot” valuation of assets and liabilities on one particular day at year-end and the mismatch between assets held and the corporate bonds based method that is used to value the liabilities in the “annual accounting valuation process” i.e. to meet the IAS19 accounting standard and the requirements of The Code. This accounting standard asks the question: “how much would the Authority have to borrow on the bonds market to fund the liabilities?” Which is completely different to the questions posed during the triennial funding valuation, i.e. “how much do employers need to pay in the future to have enough assets to pay benefits?”

4.2 The result of the annual accounting valuation as at 31 March 2017 for the Authority is that the net liability has increased by £3.106 million from £10.316 million to £13.422 million. The net liability has increased as a result of the change in the key financial assumptions required to determine the defined benefit obligation i.e. the discount rate linked to corporate bond yields and the future rate of inflation. Bond yields fell sharply during 2016/17 and although partially recovered at 31 March 2016, overall they are lower than at the start of the year. This has had a significant effect on employers’ defined obligations and has increased the deficit disclosed on the balance sheet. The assumed level of future inflation determines the rate at

which benefits increase in deferment and in payment. The market's view of future inflation has increased noticeably and has therefore added to the defined benefit obligation. Overall asset returns have been strong over the year, particularly equities; gilts and bonds have had a volatile year, primarily driven by political events. This strong performance has resulted in an outperformance against the discount rate, leading to an actuarial gain, therefore improving the accounting position.

- 4.3 The annual accounting valuation included in these accounts makes use of many assumptions, especially in relation to the discount rate, which is based on the Corporate Bonds yield (and the assumption that funds are invested in corporate bonds, which they are not). This results in inconsistent, volatile and counter intuitive results when producing asset and liability valuations at each year-end period.
- 4.4 The pension fund deficit as reported in these accounts does not represent an immediate call on the Authority's reserves but simply provides an accounting valuation snapshot (at 31 March 2017) with the value of assets and liabilities changing on a daily basis. It is arguable whether the annual calculation of the pension fund deficit accurately reflects the long run position, many believe it does not. It clearly asks different questions and gives different results from the triennial funding valuation.
- 4.5 The most recent triennial valuation took place as at 31 March 2016 and we were notified of the results and the required level of employer contributions for 2017 to 2020 in December 2016. Members received a detailed report on 3 February 2017 (NPA/17/006). As a reminder, the 2016 valuation results for the Dartmoor National Park element of the Fund are set out below (with a 2013 comparison):

Dartmoor National Park Fund	2013	2016
Assets	£13.5m	£15.6m
Less Liabilities	£15.3m	£17.3m
Deficit	£1.8m	£1.7m
Scheme Funding Position	88%	90%
Future Service Contribution Rate (as a % of pensionable pay)	13.3%	15.2%
Past Service Deficit Rate (as a % of pensionable pay)	5.0%	5.4%
Total Contribution Rate	*18.8%	20.6%
Average recovery period	20 years	17 years

Members will be aware that the Authority decided to pay an Employer Contribution Rate of 19.7% of pensionable pay (between 2014 and 2017) whilst we could afford to and in order to enhance our deficit recovery strategy. The fact that our Funding level increased from 88% to 90% has demonstrated that this strategy is indeed working.

- 4.6 The Actuary also provided Fund Employers with an opportunity to consider making a one-off cash contribution during 2016/17 in order to reduce past service deficits. Any such cash lump sum paid is then spread across the whole deficit recovery period to reduce the past service deficits and to potentially reduce future years revenue budget pressures (increased employer contributions). Members approved the payment of a lump sum cash contribution of £500,000; which was paid in March 2017 and has been funded from earmarked reserves. This also meant that the Employer contribution rate could be reduced to 19.5% of pensionable pay from 1 April 2017 (instead of rising to 20.6%).

5 Going Concern and Responses to Auditor Questions

- 5.1 Each year the authority assesses whether it should be considered as a Going Concern and whether the accounts should be prepared on that basis. Management considers that the authority is a Going Concern and that the accounts should be produced on that basis. Evidence to support this conclusion is contained within a copy of the response to the Auditor's requests for Information from Management at Appendix 3. A copy of the response to the Auditor's request for information from "Those Charged with Governance" is also provided for information at Appendix 4.

6 Local Code of Corporate Governance and the Annual Governance Statement

- 6.1 In April Members received a report (NPA/17/012) outlining the new CIPFA Framework and Principles required for producing a local Authority Local Code of Corporate Governance. Members determined to approve the review and assessment of the Authority's governance arrangements against the revised Local Code of Corporate Governance; to adopt the revised Local Code and Approved the Authority's new Local Code of Corporate Governance.
- 6.2 At the same time Members reviewed progress made against the action plan for 2016/17 as set out in the 2015/16 Annual Governance Statement (AGS) and received an update on other governance arrangements that had been reviewed, improved and updated during the year, including the annual review of control systems and results from work undertaken by internal and external audit. A 2016/17 AGS was presented and approved by the Authority, and this must now be formally published alongside the Statement of Accounts. There are no changes or amendments that would result in the AGS presented to you in April being altered and it can therefore be found on page 58 of the Statement of Accounts, ready for re-approval and signing.

7 Conclusion

- 7.1 The External Auditors, Grant Thornton (GT) will present their "Audit Findings Report" and their "Audit Opinion" to you separately (next item on the agenda). It is pleasing to note that they have not identified any adjustments, mis-statements or control weaknesses, only making minor recommendations to improve the presentation of the accounts and to enable them to comply with their own auditing standards and requirements. They have also determined that the Authority had proper arrangements in place to secure economy, efficiency and effectiveness in its use of resources (value for money). GT anticipates being able to provide an unqualified opinion in respect of the financial statements, and an unqualified value for money conclusion.

- 7.2 Once GT's work is complete the formal Audit Opinion will be added to the Statement of Accounts, after this meeting. The Statement of Accounts, the audit reports and notification of completion of the audit will be published on the website as soon as possible; with a copy being forwarded to Defra, Natural England, our constituent Local Authorities and others.
- 7.3 This means that both the Authority and Grant Thornton will have achieved the new accounts and audit deadline of 31 July, one year early and is a good example of "Team Dartmoor" in practice. The Finance Team have worked hard for the last two years to make this happen, and this year in particular, many more staff across the Authority played their part to achieve this outcome.
- 7.4 Financial performance and resilience has again been achieved by:
- Absorbing additional costs in-year (planned and unplanned) rather than using reserves;
 - Increasing income from sales, fees and charges, sponsorship, donations and treasury;
 - Robust cost control and efforts to seek the best prices and value for money;
 - Proactively seeking and achieving efficiency savings where ever possible; and
 - Continued success at leveraging in external grant income and contributions by working in partnership with others
- 7.5 Our performance monitoring and reporting framework consisting of:
- The Medium Term Financial Plan and budget management practices;
 - The Business Plan;
 - The Strategic Risk Register;
 - Performance Indicators and Service "Dashboards"
- helps us to maintain robust strategic, operational and financial management and guard against unplanned expenditure, loss of income and programme slippage.
- 7.6 The Authority continues to maintain a robust financial position; and is demonstrating a proactive approach to building stronger partnerships, generating new income streams and financial resilience and agility. We are well placed to continue to deliver good outcomes for Dartmoor and to support and deliver against the Government's "8-Point Plan for England's National Parks".

DONNA HEALY

Background Papers:

NPA/AG/16/016; NPA/AG/17/001; NPA/17/006; NPA/17/017; NPA/16/009 & 008; NPA/17/006; NPA/17/012

Attachments: Appendix 1 – Statement of Accounts & Annual Governance Statement (Members only)
Appendix 2 – Letter of Representation
Appendix 3 – Response to the Auditor from Management
Appendix 4 – Response to the Auditor from Members



Dartmoor National Park Authority, Parke, Bovey Tracey, Newton Abbot, Devon TQ13 9JQ. T: 01626 832093 E: hq@dartmoor.gov.uk

Appendix 2 to Report No. NPA/17/xxx

Grant Thornton UK LLP
Hartwell House
55-61 Victoria Street
Bristol
BS1 6FT

Your ref:
Please quote: DH/PB
Direct line: 01626 831030
28 July 2017

Dear Geraldine

Dartmoor National Park Authority

Financial Statements for the year ended 31 March 2017

This representation letter is provided in connection with the audit of the financial statements of Dartmoor National Park Authority for the year ended 31 March 2017 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view in accordance with International Financial Reporting Standards and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2016/17 and applicable law.

We confirm that to the best of our knowledge and belief having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

- i We have fulfilled our responsibilities for the preparation of the financial statements in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2016/17 ("the Code") which give a true and fair view in accordance therewith.
- ii We have complied with the requirements of all statutory directions affecting the Authority and these matters have been appropriately reflected and disclosed in the financial statements.

- iii The Authority has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance. There has been no non-compliance with requirements of regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.
- iv We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
- v Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- vi We are satisfied that the material judgements used in the preparation of the financial statements are soundly based, in accordance with the Code and adequately disclosed in the financial statements. There are no other material judgements that need to be disclosed.
- vii Except as disclosed in the financial statements:
 - a there are no unrecorded liabilities, actual or contingent
 - b none of the assets of the Authority has been assigned, pledged or mortgaged
 - c there are no material prior year charges or credits, nor exceptional or non-recurring items requiring separate disclosure.
- viii We confirm that we are satisfied that the actuarial assumptions underlying the valuation of pension scheme assets and liabilities for IAS19 Employee Benefits disclosures are consistent with our knowledge. We confirm that all settlements and curtailments have been identified and properly accounted for. We also confirm that all significant post-employment benefits have been identified and properly accounted for.
- ix Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of the Code.
- x All events subsequent to the date of the financial statements and for which the Code requires adjustment or disclosure have been adjusted or disclosed.
- xi Actual or possible litigation and claims have been accounted for and disclosed in accordance with the requirements of the Code.
- xii We have considered the adjusted misstatements, and misclassification and disclosures changes schedules included in your Audit Findings Report. The financial statements have been amended for these misstatements, misclassifications and disclosure changes and are free of material misstatements, including omissions.
- xiii We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.
- xiv We believe that the Authority's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the Authority's needs. We believe that no further

disclosures relating to the Authority's ability to continue as a going concern need to be made in the financial statements.

Information Provided

xv We have provided you with:

- a access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- b additional information that you have requested from us for the purpose of your audit; and
- c unrestricted access to persons within the Authority from whom you determined it necessary to obtain audit evidence.

xvi We have communicated to you all deficiencies in internal control of which management is aware.

xvii All transactions have been recorded in the accounting records and are reflected in the financial statements.

xviii We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

xix We have disclosed to you all our knowledge of fraud or suspected fraud affecting the Authority involving:

- a management;
- b employees who have significant roles in internal control; or
- c others where the fraud could have a material effect on the financial statements.

xx We have disclosed to you all our knowledge of any allegations of fraud, or suspected fraud, affecting the Authority's financial statements communicated by employees, former employees, regulators or others.

xxi We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.

xxii We have disclosed to you the identity of all the Authority's related parties and all the related party relationships and transactions of which we are aware.

xxiii We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

Annual Governance Statement

xxiv We are satisfied that the Annual Governance Statement (AGS) fairly reflects the Authority's risk assurance and governance framework and we confirm that we are not aware of any significant risks that are not disclosed within the AGS.

Narrative Report

xxv The disclosures within the Narrative Report fairly reflect our understanding of the Authority's financial and operating performance over the period covered by the financial statements.

Approval

The approval of this letter of representation was minuted by the Authority Committee at its meeting on 28 July 2017.

Yours sincerely

Signed on behalf of the Authority

Dr Kevin Bishop
Chief Executive (National Park Officer)
28 July 2017

P W Hitchens
Chairman of the Authority
28 July 2017

Responses from Management:

Auditor question	Response
What do you regard as the key events or issues that will have a significant impact on the financial statements for 2016/17?	None at this time – no significant change or issues that have had a significant impact. We will update you further when we actually get to year end.
Have you considered the appropriateness of the accounting policies adopted by the Authority? Have there been any events or transactions that may cause you to change or adopt new accounting policies?	Yes None
Are you aware of any changes to the Authority's regulatory environment that may have a significant impact on the Authority's financial statements?	None
How would you assess the quality of the Authority's internal control processes?	Excellent – see internal audit reports
How would you assess the process for reviewing the effectiveness of internal control?	Excellent – very thorough. See review of AGS and Internal Audit's Systems Audits as above
How do the Authority's risk management processes link to financial reporting?	Comprehensive 'live' strategic Risk Register (which includes financial risk) is reviewed quarterly and Operational risk are monitored on an on-going basis along-side the monthly budget monitoring process The finance team is appropriately qualified, trained & skilled with robust performance management. All financial transactions centralised. S151 Officer sits with the Finance Team so also has operational oversight. Appropriate levels of internal control & separation of duties in place.
How would you assess the Authority's arrangements for identifying and responding to the risk of fraud?	See above
What has been the outcome of these arrangements so far this year?	Robust monitoring & review as normal – nothing significant to report
What have you determined to be the classes of accounts, transactions and disclosures most at risk to fraud?	The risk of fraud is very low – but the obvious are Creditors and Payroll

Are you aware of any whistle blowing potential or complaints by potential whistle blowers? If so, what has been your response?	None
Have any reports been made under the Bribery Act?	None
As a management team, how do you communicate risk issues (including fraud) to those charged with governance?	Strategic Risk Register Financial Regulations Procurement Policy & Procedures Standing Orders & Scheme of Delegation Employee & Member Code of Conduct Internal & External Audit Reports Annual Governance Statement Local Code of Corporate Governance Performance & Financial Management Reports
As a management team, how do you communicate to staff and employees your views on business practices and ethical behaviour?	Strategic Risk Register Financial Regulations Procurement Policy & Procedures Standing Orders and Scheme of Delegation Employee Code of Conduct HR Policies & Procedures and Organisational development Strategy Staff induction training Team briefings and all staff meetings Appraisals All key documents are on the Intranet and some are available of the Authority's website
What are your policies and procedures for identifying, assessing and accounting for litigation and claims?	The Head of Business Support works closely with the Head of Legal & Democratic Services. Both Officers also liaise and with and update Leadership Team regularly. We are a small Authority and therefore we are able to communicate easily, and can work together to assess any risk and account for any claims accordingly. Robust complaints procedure, Head of Organisational Development manages this are in consultation with Head of Legal and all Leadership Team Members Officers are professionally qualified, who carry out appropriate CPD.
Is there any use of financial instruments, including derivatives?	None

Are you aware of any significant transaction outside the normal course of business?	None at this stage. The Authority may make a one off payment of £0.5m to the LGP Fund in March (report to Authority 3Feb) tbc.
Are you aware of any changes in circumstances that would lead to impairment of non-current assets?	None
Are you aware of any guarantee contracts?	None
Are you aware of allegations of fraud, errors, or other irregularities during the period?	None
Are you aware of any instances of non-compliance with laws or regulations or is the Authority's on notice of any such possible instances of non-compliance?	None
Have there been any examinations, investigations or inquiries by any licensing or authorising bodies or the tax and customs authorities?	None
Are you aware of any transactions, events and conditions (or changes in these) that may give rise to recognition or disclosure of significant accounting estimates that require significant judgement?	None
Where the financial statements include amounts based on significant estimates, how have the accounting estimates been made, what is the nature of the data used, and the degree of estimate uncertainty inherent in the estimate?	None
Are you aware of the existence of loss contingencies and/or un-asserted claims that may affect the financial statements?	None
Has the management team carried out an assessment of the going concern basis for preparing the financial statements? What was the outcome of that assessment?	The financial outturn position, the level of Reserve Balances and a risk assessed analysis of the reserve balances are considered in detail by both Management and the Authority. This is also carried out when building the annual budget and MTFP. Management, the Authority and the S151 Officer considers the Authority to be in a strong financial position for the future, with a robust level of reserves and an effective operating budget. Future risk & uncertainty is identified in the Strategic Risk Register and Business Plan, with appropriate work programmes in place to ensure that the Authority can continue as a going-concern. NPG has been confirmed up to the 2019/20 financial year.

<p>Although the public sector interpretation of IAS1 means that unless services are being transferred out of the public sector then the financial services should be prepared on a going concern basis, Management is still required to consider whether there are any material uncertainties that cast doubt on the Authority's ability to continue as a business. What is the process for undertaking a rigorous assessment of going concern? Is the process carried out proportionate in nature and depth to the level of financial risk and complexity of the organisation and its operations? How will you ensure that all available information is considered when concluding the organisation is a going concern at the date the financial statements are approved?</p>	<p>There are currently no material uncertainties identified. See statement above. Risks are identified in the Strategic Risk Register which continues is monitored throughout the year.</p> <p>Yes the process is proportionate to the size and complexity of this type of organisation; especially as the Authority is funded most significantly by 1 single source i.e. Defra NPG.</p> <p>*See also additional statement below</p>
<p>Can you provide details of those solicitors utilised by the Authority's during the year. Please indicate where they are working on open litigation or contingencies from prior years?</p>	<p>Solicitors: None</p> <p>Barristers: Steward Wood enforcement appeal – Stephen Whale, Barrister of Landmark Chambers, London</p> <p>Little Sigford planning appeal - Stephen Whale, Barrister of Landmark Chambers, London</p> <p>East Shallowford pre-action protocol letter – Charles Streeten, Barrister of Francis Taylor Building, London</p> <p>East Shallowford claim for Judicial Review - Stephen Whale, Barrister of Landmark Chambers, London</p>
<p>Can you provide details of other advisors consulted during the year and the issue on which they were consulted?</p>	<p>Advisors: Gallant le Bower: transfer of part title (land) – NPS(SW) Ltd Land at Princetown: access issues – NPS (SW) Ltd Parke House lease: Noon Roberts Kenwyn, Ashburton: Noon Roberts</p>
<p>Have any of the Authority's service providers reported any items of fraud, non-compliance with laws and regulations or uncorrected misstatements which would affect the financial statements?</p>	<p>None</p>

***Going Concern**

The accounts have been prepared on a going concern basis. The concept of a going concern assumes that an authority, its functions and services will continue in operational existence for the foreseeable future.

Financial Performance – the authority has a strong track record of not overspending its budget. The Authority consistently delivers a surplus or breaks even at the year end. This is in spite of significant cuts to Government funding in recent years, which has now improved due to a 4 year funding settlement that provides a year-on-year increase.

Continuing Provision of Services – Recent cuts to public sector expenditure have resulted in significant reductions in National Park Grant. The authority has made considerable savings since the comprehensive spending review of 2010. Services have been reduced, efficiencies found and different delivery models identified. These changes do not affect the going concern status of the authority, as overall, services for and protection of the National Park continue. The authority has the ability to raise money from fees and charges, continues to lever in significant non-core grants and is still in receipt of a significant level of National Park Grant. Defra has committed to the protection of National Park Budgets for the period of this parliament and has confirmed the level of National Park Grant up until 2019/20.

Cash flow/financing - At the year end the authority is likely to have cash and cash equivalents of £2.768 million which includes Earmarked reserves of £2.318 million. These sums are considered to be adequate by the Authority and Management. If the Authority approves a one-off contribution to the LGP Fund in March they will be reduced by £0.5million.

Our conclusion is therefore that the authority is a Going Concern and the accounts should be prepared on that basis.

As part of the budget process, the Authority prepares a detailed MTFP covering the next three years and this supports the declaration on the robustness of estimates and the adequacy of reserves. The Authority continues to make cash and efficiency savings where ever possible in order to meet the risk of further reduced level of resources in the future. The Authority is also actively seeking alternative ways to diversify its income base a most recent on more innovative example being the Public Arts Project “Moor Otters”. The whole National Park family (15) has also set up a LLP company (National Parks Partnerships) to explore income generation, sponsorship (financial and in-kind), philanthropic donations and other support.

The Authority’s gross revenue budget is in excess of £4 million. The long and short term assets of the authority exceed £6.4 million. There are no structural changes proposed by Government for National Park Authorities, in fact National Park Authorities have had their budgets protected, in real terms, over the life of the new parliament and Defra is launching its own National Parks Plan and 25 year Environmental Strategy. Therefore no doubt exists around the medium term future of the Authority or its classification as a going concern.

Response from Audit and Governance Committee Chair

Fraud risk assessment

Auditor Question	Response
Has the Authority assessed the risk of material misstatement in the financial statements due to fraud?	Yes
What are the results of this process?	The view of A&G Committee is that the risk is low, there are adequate systems of internal controls & separation of duties. The committee receives regular financial, performance and governance reports including the risk register and business plan. The Authority has an excellent track record in terms of financial management and reporting, and the committee received all audit reports - which are exemplary. The finance team are experienced, qualified and high performing. As an extra check the financial statements are reviewed colleagues at Devon County Council (peer review and support).
What processes does the Authority have in place to identify and respond to risks of fraud?	*Annual programme of internal audit to test, verify & give assurance which is reported to A&G Robust financial management and reporting systems. Experienced and qualified finance staff. Risk monitored by Leadership Team and A&G Committee Comprehensive suite of governance policies, including anti-fraud & Corruption and Whistleblowing A&G Committee oversight AGS & Local Code of Corporate Governance supported by evidence & approved by A&G Committee Work undertaken by Internal and External Audit
Have any specific fraud risks, or areas with a high risk of fraud, been identified and what has been done to mitigate these risks?	None
Are internal controls, including segregation of duties, in place and operating effectively?	Yes
If not, where are the risk areas and what mitigating actions have been taken?	N/A
Are there any areas where there is a potential for override of controls or inappropriate influence over the financial reporting process (for example because of undue pressure to achieve financial targets)?	No
Are there any areas where there is a potential for misreporting?	No
How does the Audit & Governance Committee exercise oversight over management's processes for identifying and responding to risks of fraud?	See above *
What arrangements are in place to report fraud issues and	Strategic Risk Register

risks to Members?	Anti-Fraud & Corruption Policy and Whistleblowing Policy S151 Officer and Monitoring Officer Annual Governance Statement (and annual review of) Systems & Processes of Internal Control Internal Audit Reports Performance reports
How does the Authority communicate and encourage ethical behaviour of its staff and contractors?	Strategic Risk Register Financial Regulations Standing Orders and Scheme of Delegation Employee Code of Conduct Anti-Fraud & Corruption Policy and Whistleblowing Policy Procurement Policy & procedures Contractors Vetting Policy Staff & Member Induction and training Team Meetings, All Staff meetings Appraisals Organisational Development Strategy
How does the Audit & Governance Committee encourage staff to report their concerns about fraud? Have any significant issues been reported?	See above None
Are you aware of any related party relationships or transactions that could give rise to risks of fraud?	None
Are you aware of any instances of actual, suspected or alleged, fraud, either within the Authority as a whole or within specific departments since 1 April 2016?	None

Law and regulation

Auditor Question	Response
What arrangements does the Authority have in place to prevent and detect non-compliance with laws and regulations?	Professional Officers, professionally qualified Training (including CPD) Supervision & appraisal Oversight by statutory officers: Monitoring Officer & S151 Officer
How does management gain assurance that all relevant laws and regulations have been complied with?	Professional Officers (as above) and assurance gained from the work of Internal / External Audit reports
How is the Audit & Governance Committee provided with assurance that all relevant laws and regulations have been complied with?	Via Reports from and contact with Professional Officers & Internal / External audit reports
Have there been any instances of non-compliance or suspected non-compliance with law and regulation since 1 April 2016?	None
What arrangements does the Authority have in place to identify, evaluate and account for litigation or claims?	The Head of Business Support works closely with the Head of Legal & Democratic Services. Both Officers also liaise and with and update Leadership Team regularly. We are a small Authority and therefore we are able to communicate easily, and can work together to assess any risk and account for any claims accordingly. Robust complaints procedure, Head of Organisational Development manages this are in consultation with Head of Legal and all Leadership Team Members

	Officers are professionally qualified, who carry out appropriate CPD.
Is there any actual or potential litigation or claims that would affect the financial statements?	None
Have there been any reports from other regulatory bodies, such as HM Revenues and Customs, which indicate non-compliance?	None

DARTMOOR NATIONAL PARK AUTHORITY

28 July 2017

**SITE SIZE THRESHOLD FOR THE USE OF SECTION 106 AND
AFFORDABLE HOUSING CONTRIBUTIONS**

Report of the Forward Planning Manager

Recommendation : **That Members:**

- (i) rescind the Interim Statement on the use of Section 106 Agreements; and**
- (ii) agree to adopt the lower threshold of five units or less in applications where the Written Ministerial Statement and Planning Practice Guidance are relevant.**

1 Introduction

1.1 In November 2014 Government published a Written Ministerial Statement (WMS) which brought in a national threshold for affordable housing on small sites. The key elements being:

- For units of 10 units or less, and which have a maximum combined gross floor space of 1,000 sqm, affordable housing and tariff style contributions should not be sought.
- In designated areas (including National Parks) the local planning authority may choose to implement a lower threshold of five units, beneath which affordable housing and tariff style contributions should not be sought.
- If the five unit threshold is implemented, then payment of affordable housing and tariff style contributions on developments of between 6-10 units should also be sought as a cash payment only and be commuted until after completion of units within the development.
- These changes will not apply to Rural Exception Sites, which, subject to the local area demonstrating sufficient need, remain available to support the delivery of affordable homes for local people.
- Where a vacant building is brought back into any lawful use, or is demolished to be replaced by a new building, the developer should be offered a financial credit equivalent to the existing gross floorspace of relevant vacant buildings when the local planning authority calculates any affordable housing contribution which will be sought. Affordable housing contributions may be required for any increase in floorspace.

2 Background

- 2.1 In response to the WMS, DNPA adopted an Interim Statement (see below).
- 2.2 In July 2015 the High Court quashed the Ministerial Statement and associated elements of the National Planning Practice Guidance, and as such, DNPA withdrew its Interim Statement in September 2015.
- 2.3 In May 2016 the Government successfully appealed the High Court judgement, with the WMS and associated National Planning Practice Guidance reinstated with immediate effect. In response in June 2016 DNPA again adopted an Interim Statement setting out how it intended to consider applications where the Written Ministerial Statement and associated Guidance will be material considerations.

To be rescinded:

DNPA Interim Statement on Section 106 obligations

This statement is in response to recent changes to National Planning Practice Guidance, the Ministerial Statement of 28 November 2015 and the introduction of a threshold on affordable housing and tariff style contributions on small residential developments.

Sustainable development is about positive growth whilst ensuring an appropriate balance of environmental, social and economic benefit, consistent with National Park purposes. Dartmoor National Park Authority (DNPA) will determine all applications for housing development in line with the adopted policies in its local plan, and the presumption in favour of sustainable development, whilst recognising the due weight to be given to the National Planning Practice Guidance. Proposals which do not offer affordable housing consistent with the adopted policies in the local plan will need to demonstrate how they constitute sustainable development. We believe that the provision of affordable housing on-site remains the most appropriate use of development land in the National Park; commuted sums for off-site provision will require clear justification.

We have adopted the lower threshold of 5 units or less, meaning schemes of 6-10 units should make an affordable housing contribution in the form of a commuted sum in line with local plan policy for the total number of units. Schemes of 11 or more units will continue to be required to make on-site affordable housing contributions in accordance with adopted policies.

In line with national guidance we will still seek obligations for site specific infrastructure on small sites, such as highways works, where this is appropriate, to make a site acceptable in planning terms.

Proposals for new residential development must be consistent with the relevant sections of the local plan in respect of the suitability of the site for residential development. Supplementary Planning Documents will also be relevant, including Design Guidance (which sets out advice on site suitability, and density), and Affordable Housing (which includes information on commuted sums).

It remains the case that the National Park is not a suitable location for isolated homes in the countryside (outside classified settlements) consistent with the National Planning Policy Framework (Para 55) and English National Parks Vision and Circular (Paras 76-79).

2.4 Over the past 12 months a number of application and appeal decisions in England have tested the weight which might be applied to the WMS and national guidance, relative to local planning policy.

2.5 In essence these cases have provided clarity that the WMS and guidance is not necessarily overriding of local plan policy. The Planning Inspectorate set out a helpful clarification in a letter to Richmond and Wondsworth Councils, which stated

“..the effect of the WMS was not to reduce the weight that should be given to the statutory development plan , or automatically to outweigh relevant development plan policies. Local policies still have weight as the starting point from S.38(6) and the WMS comes into play as a material consideration which post-dates the plan, and which has to be balanced against the plan and the evidence base supporting the LPA’s application of the policy. The decision maker therefore has the discretion in applying his or her judgement as to where the balance should lie, drawing on the evidence presented.”

2.6 It went on to say that if minded to allow an appeal, an Inspector would:

“start with the development plan and any evidence presented by the LPA supporting the need for an affordable housing contribution, establish whether the proposal is in conflict with those policies if no contribution is provided for, and, if there is conflict, only then go on to address the weight to be attached to the WMD as a national policy that post-dates the development plan policies. An Inspector would then be entitled to find in the balancing exercise that the WMS outweighs the development plan policies, as opposed to discounting the development plan’s weight at the outset”.

3 Discussion

3.1 The advice from the Planning Inspectorate reflects by and large the cases which have tested the application of the policy over the past 12 months. In essence this had led to a position that the adopted Local Plan policies are still and should be the starting point for decision making. However in applying those policies the LPA must have regard to the evidence which supports a requirement for affordable housing in that instance, and afford the local policy position appropriate weight in that context. Only where the evidence does not support the requirement for affordable housing would the WMS and national guidance become relevant.

3.2 On this basis it is felt unhelpful that the Authority retains the adopted Interim Statement. Whilst the statement seeks to reinforce sustainable development as the foundation for decision making it does introduce a degree of uncertainty, indeed in some part by its acknowledgement of the WMS and adoption of the lower threshold.

3.3 It could be considered of value to amend or adopt an alternative interim statement. However on balance it is not considered that this would add to the current position. This report in itself sets out the Authority’s preferred approach in respect of the Local Plan retaining primacy in decision making then having due regard to the weight applied. Furthermore the Authority will shortly consider a revised Affordable Housing SPD which will itself provide advice on this point, and with significantly more weight and transparency than a further interim policy position.

3.4 In the longer term the Authority will benefit from new planning policy in relation to housing through the new Local Plan. This plan will be supported by robust evidence, thus ensuring that the policy position at a local level is defensible in all cases where an approach which may not wholly align with national guidance is taken. In particular it will be subject to viability testing which may itself recommend an appropriate local threshold or criteria based approach to affordable housing contributions on smaller sites.

4 Conclusion

4.1 It is most important to recognise the role which small sites play in providing affordable housing within the National Park. Government's assertion that affordable housing makes all small sites unviable, and that delivery should be focussed upon larger sites only is ultimately inconsistent with the deeply rural area with significant pressure to deliver affordable housing via limited opportunities in the National Park context.

4.2 It should be acknowledged that this may not in all cases mean that affordable housing in line with policy is provided. Correctly applying due process the Authority may conclude that a requirement for affordable housing is not justified in a specific case. Equally the Authority should continue to recognise the role of viability in affordable housing development and acknowledge the need for cross subsidy where appropriate and consistent with our own policy and guidance. Ultimately though proposals which 'in principle' do not deliver affordable housing on smaller sites, in particular where there is evidence of need and no evidence of viability issues, should not be supported.

4.3 Given there may therefore be circumstances in which the WMS and national guidance may become relevant, it is recommended the Authority retains the lower threshold available to it, for use when appropriate. This would, in cases where the WMS and national guidance are relevant, enable the Authority to seek equivalent off-site contributions towards affordable housing on developments of between 6-10 units.

4.4 The Authority should therefore rescind its Interim Statement and revert back to a position where the Local Plan is the clear starting point for decision relating to affordable housing on small sites. In doing so though, it should retain the lower threshold for use in applications where it would be relevant.

5 Financial Implications

5.1 This decision has no direct financial implication for the Authority. The decision will enable the Authority to better support the provision of on-site affordable housing, and off-site affordable housing contributions from small sites.

DAN JANOTA

DARTMOOR NATIONAL PARK AUTHORITY

28 July 2017

DARTMOOR COMMUNITIES FUNDReport of the Communities Officer

Recommendation: That Members note the contents of this report and welcome the commitment of West Devon Borough, South Hams District and Teignbridge District Councils to continuing to support Dartmoor Communities in 2017/18.

1 Introduction

- 1.1 The “New Homes Bonus” (NHB) is a Government scheme encouraging local authorities to grant planning permission for the building of new houses in return for additional revenue. Currently the grant is paid directly to district councils as local housing authorities, it is not ‘ring fenced’ and can be used as the local authority determines.
- 1.2 In recognition of the housing delivery role of the National Park Authority (NPA) as a local planning authority, West Devon Borough (WDBC), South Hams District (SHDC) and Teignbridge District (TDC) transferred a proportion of the NHB accrued through new housing development on Dartmoor to the NPA to support the 2016/17 Dartmoor Communities Fund.

2 Dartmoor Communities Fund 2016/17

- 2.1 The fund covers all of Dartmoor, with the exception of Cheriton Bishop (Mid Devon) and the Teignbridge parishes of Ashburton and Buckfastleigh. It was managed as a single grant scheme with the contributions from each council, and any underspend from previous year, brought forward and ring fenced. Total budgets for 2016/17 were:
- Teignbridge £42,954
 - West Devon £22,129
 - South Hams £30,390
- 2.2 As previously, the grant criteria maximised community benefit and return, offering an accessible source of support to help communities maintain and enhance community facilities and infrastructure on Dartmoor. The reintroduction of the expression of interest stage improved the quality of applications submitted and the addition of a small grants (max £500) ‘Community Action’ pot supported ‘quick win’ environmental projects undertaken by local community action.
- 2.3 The fund opened to applications in early summer 2016. A good range of applications were received with total grant requests of £131,565 and exceeding the

funding available in West Devon. By working with applicants, it was possible to support all but 4 eligible projects from West Devon.

- 2.4 Over £70,000 has been awarded to 29 successful projects, with a total project value in excess of £300,000. Projects supported include the Pub is the Hub project at Shaugh Prior Village Hall, a compost toilet at St Raphael's, Huccaby and the creation of a much needed new community car park for residents and visitors to Hennock. Any underspend will be brought forward to the 2017/18 fund. A list of supported projects (2016/17) is attached at Appendix 1.
- 2.5 Over the last three years, the Dartmoor Communities Fund has supported community led projects in 28 Dartmoor parishes. It has awarded £140,000 to 50 projects with a total project value in excess of £810,000.

3 Dartmoor Communities Fund 2017/18

- 3.1 The continuing commitment of the Borough and Districts' Councils to support the Dartmoor Communities Fund programme in 2017/18 is welcomed.

Dartmoor Communities Fund 2017/18			
	2017/18 Allocation	Previous underspend	Total
West Devon	£ 9,880	£ 1,254	£11,134
South Hams	£ 3,060	£19,554	£22,614
Teignbridge	£25,000	£ 4,070	£29,070

- 3.2 The format of the Dartmoor Communities Fund is designed to meet the needs of Dartmoor's communities while respecting the constraints imposed by the primary funders. It is well established and the assessment criteria and nature of the fund remain the same for 2017/18. As previously, full applications will be competitively assessed against the scheme criteria and will need to show good value for money as well as deliverability. The fund opened to applications in June 2017.
- 3.3 Applications are assessed by the Communities Officer, with reference to the appropriate DNPA Parish Link Members, local WDBC & SHDC Ward Councillors, the Chair of the TDC Rural Aid Committee and the local Parish Council, with the final decision being delegated to the National Park Officer in accordance with the Scheme of Delegation.
- 3.4 A good level of interest has already been shown in the fund, which closes to applications on 6 September 2017.
- 3.5 The total fund available in West Devon is significantly reduced from previous years and community expectation will need to be managed accordingly. While the South Hams award is similarly reduced, underspend from last year will allow for a good range of projects to be supported.

4 Conclusions

- 4.1 The Dartmoor Communities Fund has proven invaluable in supporting Dartmoor communities to achieve their aspirations and help in the delivery of key 'Your

Dartmoor' objectives. It remains the only Authority grant scheme offering targeted support and funding to Dartmoor communities.

5 Financial Implications

- 5.1 The Communities Fund is supported through the West Devon Borough Council, South Hams District Council and Teignbridge New Homes Bonus ring fenced allocation. There are no direct budgetary implications for this financial year. Management of the Grant Scheme for the Communities Fund is included in the Communities Officer's 2017/18 Work Programme.

6 Sustainability and equality impact assessment

- 6.1 The Communities Fund will form a key mechanism for the Authority to engage with communities at a local level helping them to meet community needs and aspirations, supporting wider National Park Management Plan objectives. Sustainability and equality are intrinsic in the assessment of grant applications.

JOANNA RUMBLE

List of Dartmoor Communities Fund Projects 2016/17**SOUTH HAMS****Cornwood donation box** **£205.00**

A 'Just Do it' small grant to provide an alms box and sign to encourage users to donate to support the management of the public loos to secure their future.

Bittaford community garden **£225.00**

A 'Just Do It' small grant to enable a group of local community volunteers to create a small community landscaped garden area to improve the public space in Bittaford adjacent to the main road and bus shelter.

Bittaford Bus Shelter **£1,400.00**

A project to provide a new bus shelter in response to a community drive to enhance the village and improve the overall area. The works were undertaken by DCC highways.

Bittaford Play Equipment **£2,000.00**

The provision of additional play equipment for Bittaford Playpark. The playpark is well used by the community, and additional play equipment would enhance this popular facility.

South Brent Recreation field showers and cricket nets **£2,175.00**

A project to provide heating and ventilation to the Pavillion changing rooms at the South Brent Recreation Field making the rooms fit for purpose and encouraging use by a wider range of the community. In addition the application includes request for funding to purchase cricket nets to support the success of the cricket team which is now part of the Devon Cricket League.

Pub is the hub in the Hall, Shaugh Prior **£2,445.00**

An innovative project at Shaugh Prior to develop the hall into a community hub following the loss of the local pub, which was not only a valued community focal point but also home to childrens play area. The application is for the development of bar area in the hall, revamp of disabled toilet, new fencing to car park area and provision of outside community recreational area.

Outside seating Holne Community Shop & Tea Room **£431.00**

Improving the garden area of Holne Community Shop and Tearoom to increase seating and thereby accommodating more customers and increasing income. Will also allow them to put on community event in the summer.

Improved lighting, Scorrition Village Hall **£1,965.00**

Scorrition village hall is a well-used village hall that hosts a diverse range of activities including yoga, badminton, weddings and music events. The current lighting is poor quality, inefficient and cannot be adjusted to suit the needs of each user, the grant will enable purpose designed lighting to be installed, increasing use and reducing cost thereby improving hall sustainability.

WEST DEVON

War memorial works, Princetown **£250.00**

A 'Just Do It' small grant to enable the inscription of additional names to the existing war memorial following significant local volunteer research.

Hall extension, Walkhampton **£10,000.00**

A proposal to extend the Walkhampton Village Hall to accommodate a Play-Group storeroom and the enlargement and modernisation of the kitchen to bring it up to standard. The Play-group are an important regular hall user who provide a vital service in the community, using the main hall each weekday, they currently have no internal store for equipment.

Fire safety improvements Sheepstor **£650.00**

Improvements to Sheepstor Village Hall and installation of hatch and fire door to meet fire standards, improve health and safety and circulation to enable full use of the kitchen for community events and get togethers.

Fireproof cabinet for archive Sticklepath **£503.40**

The provision of a lockable fire resistant cabinet to securely house Sticklepath community archive materials (mainly documents and photographs) at the Village Hall to provide a safe, accessible centralised community heritage resource.

Archive storage, Throwleigh **£2,510.00**

The Throwleigh Archive was established in 2000. A community resource that presents the heritage of the parish through different media, including a successful book now in its second print. The project reconfigures existing space in the village hall to provide stable storage space and a pleasant reading room where the public can access items for study purposes.

Dark Sky Friendly Churches, Chagford **£1,000.00**

This project is to make the church of St Michael the Archangel, Chagford "dark sky friendly", achieved through improvements to external lighting replacement and improved control functions, thereby reducing light pollution by minimising light scatter and

hours of operation, reducing energy consumption and promoting the dark sky initiative with its associated benefits for residents and wildlife such as bats.

Drainage, Weir Park, Horrabridge **£796.00**

The Youth Shelter in Weir Park, Horrabridge is popular and takes heavier foot traffic than the rest of the Park. The ground has compacted, leaving the area perpetually wet and muddy which will be significantly improved by the proposed new land drain.

Compost Loo, St Raphael's Huccaby **£2,675.00**

An innovative project to install a fully accessible compost toilet at St Raphael's Church, Huccaby, which has no access to mains water or sewerage. The new loo will enable this small but popular chapel to expand its use for community events such as concerts, meetings, weddings, funerals and social get togethers, helping to bring an isolated, dispersed rural community together. The Chapel was also designed as a school and the intention is also to open up for school visits, increasing understanding of Dartmoor's cultural heritage.

Skate & Ride, Chagford **£2,490.00**

A project to extend the current 2 strip Skate/Ride facility for Chagford and villages to create 4 strips, providing the older and more skilled users with a greater level of challenge than the existing beginner and intermediate runs. Also proposed to improve perimeter fencing and provide a picnic table, as currently those watching have nowhere to sit and socialise.

TEIGNBRIDGE

Dunsford Smatter **£370.00**

A 'Just Do It' small grant to provide equipment for 'Smatter' a new community cares litter picking group in the village.

North Bovey Swifts **£300.00**

A 'Just Do It' small grant to support a local community project to create 'swift' nest boxes to encourage this much loved and declining species to return to the village.

Screen, Teign Valley Hall **£1,330.00**

A proposal to support the expansion of Teign Valley Film nights held at Christow, a community led film society that has proved so successful it has outgrown original home and equipment. Support will enable purchase of new motorised projection screen, permanently fitted and wired in to complement the existing audio visual projection equipment.

Play Dunsford **£2,702.00**

A play project to improve the community offer at Village Green at Dunsford to benefit the whole community. The grant is to cover final 10% to match the Viridor grant.

Rood Screen, Buckland in the Moor **£3,712.00**

Extending conservation works to Rood Screen at St Peters, Buckland in the Moor, to include the conservation of the door surrounds and at least 2 further screens. The Conservator will be on site for up to 6 weeks and there will be opportunities for people to visit and learn more about the screens and the restoration work during this time.

Car Park, Hennock **£4,370.00**

A new community carpark for Hennock to address its chronic lack of car parking, improve the sustainability of the Parish Church, Village Hall and benefit local Tourist related businesses and residents.

Car Park, Manaton **£6,077.60**

Resurfacing the popular village car park at Manaton to provide a facility which is safe for all cars to use. The car park is well used by both residents and visitors to Manaton and Dartmoor.

Seating Area, Moretonhampstead **£5,000.00**

Creating a community seating area in the town's only public open space at The Sentry, Moretonhampstead. The town's tight planform means few residents have gardens and as such the community space is particularly well used.

Swimming Pool Covers, Moretonhampstead **£5,227.00**

A proposal to upgrade the swimming pool covers and roller system for Moretonhampstead open air 25m community-run swimming pool. The equipment is essential as not only will the covers reduce heat loss and prevent debris from falling in to the pool, the existing roller system is heavy and difficult for volunteers to use thereby jeopardising on-going support.

Lighting, Widecombe Sports area **£2,535.00**

Replacing the floodlighting at North Hall playing courts in Widecombe in the Moor. The current floodlighting is unsafe, inefficient and creates a lot of overspill light pollution to the detriment of the night sky and wildlife. The proposal will 'future proof' the facility and will enable it to be enjoyed by members and visitors and for the associated sports clubs to attract a wider membership.

Dark Sky Friendly, Widecombe Church**£1,000.00**

This project is to make the church of St Pancras, Widecombe “dark sky friendly”, achieved through the replacement of external lighting and improved control functions. It will reduce light pollution by minimising light scatter and hours of operation, reduce energy consumption and promote the dark sky initiative with associated benefits for residents and wildlife such as bats.

10 Commandments Stones, Buckland In the Moor**£6,000.00**

The renovation and re-inscription of the 10 Commandments Stones on Buckland Beacon. The Stones are an important heritage asset that is much loved by the local community and a popular visitor destination.

DARTMOOR NATIONAL PARK PLANNING AUTHORITY

28 July 2017

**TREE PRESERVATION ORDERS, SECTION 211 NOTIFICATIONS
(WORKS TO TREES IN CONSERVATION AREAS)
AND HEDGEROW REMOVAL NOTICES
DETERMINED UNDER DELEGATED POWERS**

Report of the Trees and Landscape Officer

Recommendation : **That the decisions be noted.**

TREE PRESERVATION ORDERS**Teignbridge****Ref: 17/0002****St Lukes, Hawkmoor****SX 8020 8080**

Application to reduce the crown of two sycamore trees. The works will have minimal impact on the health or the appearance of the trees.. Consent was granted subject to the following conditions:

1. Five working days' notice to be given to the Authority prior to the commencement of approved works.
2. All works are carried out in accordance with British Standard 3998:2010 Tree Work Recommendations

Ref: 17/0008**1 Hawkmoor Parke, Bovey Tracy****SX 8018 8088**

Application to coppice three sycamore trees. The works will have minimal impact on the amenity of the area. Consent was granted subject to the following conditions:

1. Five working days' notice to be given to the Authority prior to the commencement of approved works.
2. All works are carried out in accordance with British Standard 3998:2010 Tree Work Recommendations

West Devon**Ref: 16/0069****Greenfield, South Brent****SX 6994 5952**

Application to fell a pine tree. The felling will allow retained trees to form balanced crowns. Consent was granted subject to the following conditions:

1. Five working days' notice to be given to the Authority prior to the commencement of approved works.

SECTION 211 NOTICES

Teignbridge

Ref: 16/0070 **12 Plymouth Road, Buckfastleigh** **SX 7391 6606**

Notification to reduce a yew tree. The works will have minimal impact on the health or appearance of the tree.

A Tree Preservation Order has not been made.

Ref: 17/0001 **Buckfastleigh Primary School** **SX 7375 6603**

Notification to fell three cypress trees and to crown lift a maple tree. The works will have minimal impact on the character of the Conservation Area

A Tree Preservation Order has not been made.

Ref: 17/0004 **Burrowcott, Lustleigh** **SX 7874 8112**

Notification to fell a walnut tree. The tree is in very poor condition.

A Tree Preservation Order has not been made.

West Devon

Ref: 17/0033 **Penshurst, South Zeal** **SX 6512 9315**

Notification to fell remove a sub-dominant stem. The works are necessary to prevent stem failure.

A Tree Preservation Order has not been made.

Ref: 17/0005 **2 Moorland Villas, Princetown** **SX 7375 6603**

Notification to reduce a branch from a beech tree. The crown of the tree is unbalanced and the works will improve the form of the tree.

A Tree Preservation Order has not been made.

Ref: 17/0006 **Olde Stone, Lydford** **SX 5104 8487**

Notification to fell an elm, cypress and fir tree. The trees are in poor condition.

A Tree Preservation Order has not been made.

Ref: 17/0007 **Little Phantasy, Throwleigh** **SX 6679 9081**

Notification to reduce a holly tree. The works will have minimal impact on the character of the Conservation Area.

A Tree Preservation Order has not been made.

BRIAN BEASLEY