

DARTMOOR NATIONAL PARK AUTHORITY

3 March 2017

2017/18 DRAFT BUSINESS PLANReport of the Chief Executive (National Park Officer)

Recommendation: That Members review the draft business plan for 2017/18 and delegate authority to the Chief Executive (National Park Officer), in consultation with the Chairman, to agree the final version.

1 Background

1.1 The Business Plan is a strategic document. The intention of the document is not to describe all that the Authority does, nor to describe every action we plan to undertake. The purpose of the Business Plan is to:

- Explain the vision for the Authority and outline the way we will work to achieve National Park purposes;
- Identify the core values which will guide our work;
- Set out the Authority's strategic priorities and the key actions to achieve these;
- Detail the funding available to deliver the Business Plan.

1.2 The Business Plan also provides a link between the National Park Management Plan ([Your Dartmoor](#)), individual work programmes and staff appraisals. As approved by the Authority a separate annual review is produced to report on performance and highlight key projects undertaken in each financial year.

1.3 Due to the three year funding settlement we have set out a three year Business Plan. The Business Plan focuses on the first twelve months (ie 2017/18) but identifies where actions/programmes will continue beyond 2017/18.

2 Priorities for 2017/18

2.1 The Authority discussed priorities for 2017/18 and beyond at the meeting in October 2016 Authority meeting. In no particular order they are:

- Conservation of the natural and historic environment;
- Work to support a sustainable farming systems (NB this priority is re-worded to reflect the discussion in October where Members expressed concern that the previous priority 'Work to support a sustainable farming economy' did not accurately reflect the balance between economy and environment);
- Promote a positive experience of Dartmoor National Park for residents and visitors;
- Work towards ensuring Dartmoor has a thriving local economy;
- Improve support to and engagement with local communities;
- Be an excellent organisation.

2.2 The Business Plan (see appendix 1) also sets out the way we will work. Whilst our work is presented under three themes that link to [Your Dartmoor](#) – the National Park Management: Sustain, Enjoy and Prosper, our overall goal is to work in an integrated way (often with partners) to ensure that each work area or priority action considers and delivers across all three themes. A project might be focused on sustaining the natural environment but we will always look to ensure we consider and deliver links with the prosperity and enjoyment themes.

2.3 The Business Plan identifies key actions to help deliver these six priorities. The actions also reflect the desire of Members for our work programmes to have a clearer focus on:

- **Engagement** – how we work with local communities and communities of interest to deliver for Dartmoor.
- **Communication** – more effective at talking with people about what we do, why and how and listening and responding to their views and ideas.
- **Evidence** – able to base our actions on evidence: to demonstrate the impact and value of what we do.
- **Funding** – opportunities to generate external income.

2.4 The Business Plan is supported by a performance management framework that comprises three elements:

Dashboards for key services/teams - these are intended to provide management information on how a service/team is performing and an opportunity to highlight key achievements and pressure points. They use existing data sets. Their primary value should be to the manager for that service area - for them to use to review and potentially improve performance. They are also reported quarterly to Leadership Team (as part of the meeting that focuses on performance) and Leadership Team will reflect key issues in reports to Audit and Governance Committee. In addition, Audit and Governance Committee can request to see any dashboard. The dashboards help to demonstrate the 'day job' whilst the Business Plan focuses on key strategic projects.

Performance indicators (PIs) - these are data sets that we use to gauge the 'quality of the service' we provide and/or potential impact. The current set comprise a mixture of PIs: some are set nationally by Government (eg speed of planning decision); some have been agreed collectively by the English National Park Authorities so that we can benchmark performance; and some are agreed locally (i.e. by Dartmoor National Park Authority). The PI data is reported to Audit and Governance Committee

Business Plan monitor - this document tracks progress with the key actions identified in the Business Plan. It is reported quarterly to Leadership Team and to Audit and Governance Committee. The intention is to better project manage the key actions identified in the Business Plan, ideally to ensure they are delivered on time and within budget but also to identify at an early stage if there are any actions we are at risk of not delivering and to consider any support measures to address project slippage or whether we signal to Members that action will not be completed and why.

3 Equality and Impact Assessment

- 3.1 Under the Equality Act 2010 (the Act) the Authority must prepare and publish one or more objectives it thinks it should achieve in pursuance of the general duty under the Act. Members will note that the Business Plan includes specific priorities to promote a positive experience of Dartmoor National Park for residents and visitors and to be an excellent organisation. These priorities will include actions which promote equality of access and awareness and understanding of diversity and have been incorporated into the performance monitoring framework.

4 Financial Implications

- 4.1 The draft Business Plan has been developed in parallel with the 2017/18 Revenue Budget and Medium Term Financial Plan. There is a clear emphasis within the plan on developing new funding streams and working up potential bids for external funding.

KEVIN BISHOP

DARTMOOR NATIONAL PARK AUTHORITY BUSINESS PLAN 2016-2017

Welcome

The Authority is charged by Parliament to help conserve and sustain the National Park, promote its enjoyment and understanding and foster the well-being of local communities. This is a challenging and rewarding role. We want to hand on to future generations a Dartmoor that is a living, working landscape that can be enjoyed by all.

Following a period of deep and sustained cuts in the last Parliament the Government has protected Dartmoor's National Park Grant for the lifetime of this Parliament. This provides us with an opportunity to plan ahead with certainty and present a three year Business Plan. The Government has also published an 8 Point Plan for National Parks setting out its ambitions for England's ten National Parks. Our Business Plan responds to this agenda and demonstrates how, through key actions and service delivery, we are contributing to this Plan.

Our ambition is to act as a powerful and effective enabler and advocate for Dartmoor National Park, working with others to deliver a National Park that is thriving, inspirational and valued remains. The Business Plan sets out what this means in practice and how we will seek to achieve it. It supports the wider National Park Management Plan – *Your Dartmoor*. *Your Dartmoor* sets out a long-term vision for the National Park, which is shared by the Authority and other partners; there is a close correlation between the Authority's priorities and those identified through consultation and engagement in the preparation of the Management Plan.

Our challenge is to work, in partnership, to conserve Dartmoor's special qualities; enable people to enjoy them, and to do this in ways which help develop understanding of the National Park and contribute to the local economy. We look forward to working with you to deliver this Business Plan and the Vision for Dartmoor National Park.

Bill Hitchins, Chairman
Kevin Bishop, Chief Executive

Vision for Dartmoor National Park

Dartmoor, an inspirational place where, in 2034:

- *The natural beauty, wildlife and cultural heritage are conserved, **sustained** and enhanced*
- *Local people and visitors **enjoy** and learn more about the National Park*
- *Local communities and businesses **prosper** and benefit from Dartmoor's human and natural resources*

The National Park is an exemplar in delivering a range of public benefits, and leading the way in developing new approaches and thinking¹

How we will deliver for Dartmoor National Park

“We will act as an enabler and advocate for Dartmoor National Park; working with others to deliver a National Park that is thriving, inspirational and valued”

By this we mean:

Enabler	Making things happen Generating and receiving ideas Experimenting and learning Prepared to take managed risks
Advocate	Raise the profile The voice for Dartmoor National Park Lead by example
Others	From local communities to Ministers
Thriving	From local businesses, farming, biodiversity to cultural heritage and local services
Inspirational	Through the work we do, and the special qualities of the National Park, inspire people to: <ul style="list-style-type: none"> • Engage, enjoy and help look after the National Park; • Support and demonstrate how to live differently (i.e. within environmental limits); • Encourage people to try new things, learn more.
Valued	Support for the National Park Recognition by local communities, visitors, Government and partners of the importance of the National Park and the work of the Authority

In addition a number of core values will underpin the way in which we work.

We will:

- ensure that our relationships with the public, partners and each other are founded on honesty, transparency, impartiality and consistency, demonstrating equality and fairness in everything that we do and being open to challenge
- value the people who work for Dartmoor - our staff, Members, and volunteers and seek to involve, empower and develop them
- place the environment at the heart of everything we do

¹ Dartmoor National Park Management Plan 2014 – 2019 www.yourdartmoor.org.uk

Our Business Plan

Dartmoor National Park Authority is a small organisation with limited resources available to fulfil our two statutory purposes of:

- *conserve and enhance the natural beauty, wildlife and cultural heritage of the National Park*
- *promote opportunities for the understanding and enjoyment of the special qualities of the area by the public.*
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In carrying out this work, we are also required to:

- *seek to foster the economic and social well-being of local communities within the National Park.*

Much of the work we do is undertaken in partnership with others in order to achieve the best outcomes for Dartmoor National Park, the people who live and work here and those who visit this special place.

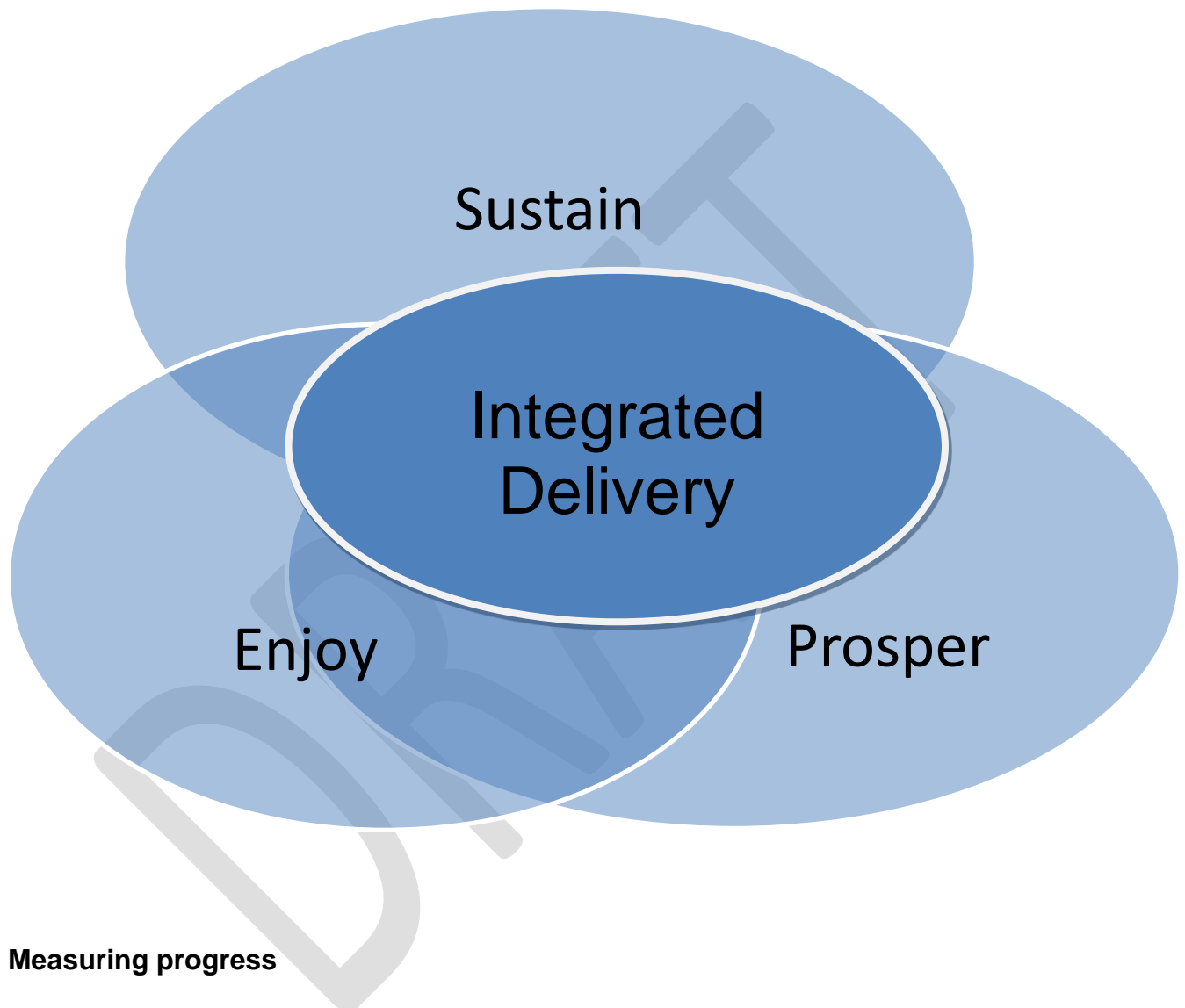
The Business Plan includes key actions that are co-funded through the Heritage Lottery Fund Landscape Partnership scheme – Moor than meets the eye and being managed by the Authority.

The priorities in the Business Plan are led by our requirements to meet outcome targets in Your Dartmoor – the National Park Management Plan, but are also informed by Government; the views of Members and staff; and the residents of Dartmoor National Park (through for a such as the Management Plan Steering Group, National Park Forum, Dartmoor Farmers' Forum, Dartmoor Access Forum etc).

Due to the strong link to the National Park Management Plan, this Business Plan carries the same headline themes of *Sustain, Enjoy and Prosper*.

The Way we Work

Whilst our work is presented under three themes: *Sustain*, *Enjoy* and *Prosper* our overall goal is to work in an integrated way (often with partners) to ensure that each work area or priority action considers and delivers across all three themes. A project might be focused on sustaining the natural environment, but we will always look to ensure we consider and deliver links with the prosperity and enjoyment themes; and vice versa.



Measuring progress

At the end of each financial year, the Authority completes an annual performance review which contains information about the progress made in delivering the actions in the Business Plan, together with achievement against a comprehensive set of performance indicators.

The Work of the Authority

This plan sets out the key strategic actions we will develop in 2017/18 in support of our priorities. Our core business continues on a daily basis, this includes:

Sustain

Helping to conserve and enhance the biodiversity, cultural heritage and landscape

Undertaking, researching and monitoring Dartmoor's biodiversity, cultural heritage and landscape	Over 26% of Dartmoor is of international importance for biodiversity
Implementing practical conservation and enhancement works for biodiversity, cultural heritage and landscape.	Over 1000 Scheduled Monuments. Most important area of Bronze Age archaeology in Western Europe
Offering advice and supporting conservation on Dartmoor through practical projects and partnership working	The Two Moors Butterfly Project has halted and reversed the decline in a number of fritillary butterflies. The Cuckoo Project generated over 1,000 records from the public which will help future positive management.

Enjoy

Providing opportunities for people to enjoy the countryside and contribute to health and wellbeing

Managing and maintaining footpaths and open access land	734km footpaths 46,663ha land
Operating 3 visitor centres and a number of car parks and public toilets	2.3 million visitors a year to the National Park worth £120 million to the local economy
Providing opportunities for people to learn more skills through volunteering	3,500 volunteer days
Supporting formal education and life-long learning	2,300 school children involved in formal educational trips

Prosper

Supporting our local communities and the rural economy

Enabling development that is 'good for Dartmoor' through our role as the local planning authority	Circa. 600 planning applications per year
Providing business support and training to over 350 hill farmers through the Dartmoor Hill Farm project	90% of Dartmoor is used for farming
Supporting community-led planning to provide affordable housing	Approval of an average of 20 units of affordable housing per annum through a variety of tenures and types.

Be an excellent organisation

Being an efficient and effective organisation that works with partners to deliver the best outcome for Dartmoor

Ensuring our financial processes are robust and suppliers are paid within 30 days	99% of invoices paid on time
Bringing in excess of £4.1m each year to Dartmoor (in terms of funding for our core work and other partnership projects)	For every £1 we spend in grant aid £4 is generated for the local economy
Managing our own estate, including the Higher Uppacott Grade 1 Listed Building and areas of open moorland such as Haytor	Higher Uppacott is a rare example of a medieval longhouse with an unaltered shippon (cattle shelter). Haytor is one of the most visited parts of the National Park – over 70,000 visits per annum

KEY ACTIONS TO DELIVER BUSINESS PLAN PRIORITIES

Priorities:

- Conservation of the natural and historic environment
- Work to support a sustainable farming systems
- Promote a positive experience of Dartmoor National Park for residents and visitors
- Work towards ensuring Dartmoor has a thriving local economy
- Improve support to and engagement with local communities
- Be an excellent organisation

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Purpose and duty	Themes	Business Plan Priorities	Examples of potential Key Actions to deliver our priorities 2017/18 – 2019/20	Target start date	Target end date	Funding	Link to 8 Point Plan
Conserve and enhance natural beauty, wildlife and cultural heritage	Sustain	Conservation of the Natural and Historic Environment	Peatland Project – following work to establish the extent and condition of Dartmoor’s peatland, apply for funding to implement an agreed plan to conserve and enhance peatlands, ensuring multiple outcomes and (looking at opportunities for engagement of local contractors and payment for ecosystem services)	Ongoing work	June 2023	Subject to external funding	✓
			Moorland Birds Initiative – work with RSPB, Duchy of Cornwall and other partners on an initiative to promote better management of moorland habitats for birds	April 2017	April 2020		✓
			Common Cause – project with Foundation for Common Land, Duchy, DaCC, RSPB, NE, NT, DWT to develop local visions for three pilot commons, trialling community engagement and new approaches to management	July 2017	July 2020	Subject to External funding	✓
			Continue parish-based approach to biodiversity, building on the Housemartins and Cuckoo projects – focus on community engagement/citizen science	April 2017	Review by end of 2018	Funded	✓
			Scope potential for ‘landmark’ archaeology/cultural heritage project	April 2017	Scoped by October 2017	Scoping work is funded	✓
			Historic Environment Record and Local Heritage Assets – implement process for registering undesignated Heritage Assets	April 2017	March 2018	Funded	✓
			Higher Uppacott – complete restoration and develop a ‘business model’ for future interpretation and management	Started	Business model by December 2017 Restoration by August 2018	Funded	✓
			Review the National Park Management Plan (start in 2017/2018 adopt new plan in 2020)	October 2017	January 2020	Funded	✓
			Develop Natural Capital Account and Natural Infrastructure Investment Plan (2017/18) (EF)	June 2017	December 2018	Subject to External Funding	✓
			Manage MTMTE Landscape Partnership and implement key actions which the Authority is leading on	Started	August 2019	Funded	✓
			Review MTMTE and use the NPMP process to develop thinking on future ambitions for a new large scale multi objective scheme.	Autumn	Review by June 2018	Funded	

Purpose and duty	Themes	Business Plan Priorities	Examples of potential Key Actions to deliver our priorities 2017/18 – 2019/20	Target start date	Target end date	Funding	Link to 8 Point Plan
		Work to support sustainable farming systems	Work to develop a post Brexit model for environmental investment and farm development on Dartmoor.	Started	June 2017	Funded	✓
			Continue to support the Hill Farm Project as a delivery vehicle for farmer engagement and development of new projects to support farming on Dartmoor. Specific actions to include: supporting and promoting Moorskills apprenticeship; training and knowledge transfer; facilitate collaborative working between farming and tourism businesses.	Feb 2017	31 January 2020	Funded	✓
			Scope potential for a Dartmoor Food initiative (linking food, farming and tourism)	April 2017	May 2017	Scoping is funded	✓
			Work with EA, FC and NE to develop an integrated approach to farm based advice with potential for capital grants to address flood management issues	Started	September 2017	External funding	✓

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Purpose and duty	Themes	Business Plan Priorities	Examples of potential Key Actions to deliver our priorities 2017/18 – 2019/20	Target start date	Target end date	Funding	Link to 8 Point Plan
Promote opportunities for the understanding and enjoyment of the special qualities of National Park by the public	Enjoy	Promote a positive experience of Dartmoor National Park for residents and visitors	Seek funding for and deliver a new 'Dartmoor Youth Rangers' project to address the gap in informal learning opportunities for teenagers.	August 2017	March 2023	Subject to external funding	✓
			'Recruit' Education Guides to ensure we can sustain our formal education offer	April 2017	Review in 2018	Funded	✓
			Develop and implement three year vision and 'business plan' for the National Park Visitor Centres	Started	Business Plan agreed by	Development of 'business plan' is funded	✓
			Discover England funding bid (joint with all English NPAs)	Started	Submit bid by May 2017	Joint All Parks funding bid	✓
			Scope 'Miles Without Stiles' project to improve access for all visitors to the National Park with NPA partners and seek funding through Sport England's Active Recreation Fund	Started	Scope by August 2017	Joint All Parks funding bid	✓
			Public Arts Project – Moor Otters (2017/18)	Started	Complete and review by January 2018	Funded	✓
			Work with local communities, stakeholders and land managers to maintain PROW to a high standard. Develop a three year rolling programme to guide investment in access infrastructure Review progress in January 2019.	Started	Review January 2019	Funded but with potential work to develop external funding bids	✓
			Visitor management – implement an agreed programme of communication to influence visitor behaviours more effectively; including consideration of interpretation and signing across the National Park Develop key messages and new materials for all partners and stakeholders	Started	Key messages and programme agreed by August 2017	Funded	✓
			Implement three year car park maintenance programme and roll out formal charges	Started	Complete 2018	Funded	
			Haytor Hoppa	Started	Ongoing	External funding	✓

Purpose and duty	Themes	Business Plan Priorities	Examples of potential Key Actions to deliver our priorities 2017/18 – 2019/20	Target start date	Target end date	Funding	Link to 8 Point Plan
Duty to seek to foster the economic and social well-being of local communities	Prosper	Work towards ensuring Dartmoor has a thriving local economy	Review and adopt a revised Dartmoor Local Plan	Started	2019	Funded	
			Affordable Housing – seek funding for the provision of affordable housing on Dartmoor and develop a viable delivery model. Implement Revolving Land Bank proposals if funded. Agree new Supplementary Planning Guidance	Started	New SPG adopted by September 2017	Funded	
		Improve support to and engagement with local communities	Support delivery of high speed broadband on Dartmoor and work in partnership to encourage use of this network by local businesses and communities	Started	December 2017	Funded	✓
			Contribute to the Heart of the South West Productivity Plan (in partnership with Exmoor National Park)	Started	June 2017	Funded	✓
			Rural Productivity Network – secure staff capacity to deliver this initiative	Started		Subject to external funding	✓
			Complete and review Dartmoor Naturally Healthy project, work with other NPAs on a funding application to the BIG Lottery Fund	Started	December 2017	Funded	✓
			Proactive links to local universities – dissemination of research, tap into potential student volunteers and to promote the National Park for tourism (eg focused initiative around graduation and freshers' week)	Started	Workshop event Winter 2017	Funded	
			Rolling programme of apprenticeships across the Authority to meet our business needs and the Government's target	Started	Target of 3 apprentice ships PA	Funded	✓
			Contribute to national celebration of 70 th anniversary of National Parks and Access to the Countryside Act 1949 and develop a specific programme/event for Dartmoor (2019)	Started	2019	Funded	✓

Funding and expenditure

SOURCES OF FUNDING

To be completed

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DARTMOOR NATIONAL PARK AUTHORITY

3 March 2017

**2017/18 NET REVENUE BUDGET, MEDIUM TERM FINANCIAL PLAN
AND CAPITAL BUDGET**Report of the Head of Business SupportRecommendations : **That Members:**

- (i) **approve the Net Revenue Budget for the 2017/18 financial year and the Medium Term Financial Plan for the years 2018/19 and 2019/20 as shown in Appendices 1 - 5; and**
- (ii) **approve the employer Pension contribution rate as set out in paragraph 3.6**

1 Background

- 1.1 The Authority is required by statute to set a balanced revenue budget for each financial year. The basis for the revenue expenditure is the pursuit of the 'Special Purposes' for which the National Parks were designated in the Environment Act 1995 (the Act). Section 65 of the Act determines the purposes as conserving and enhancing the natural beauty, wildlife and cultural heritage of National Parks and of promoting opportunities for the understanding and enjoyment of the Parks by the public. The Authority also has a duty to seek to foster the economic and social well-being of local communities within the National Park.

2 Historical Financial Context and National Park Grant

- 2.1 In November 2015 the Chancellor of the Exchequer announced the outcome of the Comprehensive Spending Review 2015. His statement included a commitment to protect the funding for National Parks and AONBs (Areas of Outstanding Natural Beauty). The Minister with responsibility for National Parks wrote to us on 21 January 2016 to confirm that this protection would be in real terms. The confirmed National Park Grant (NPG) settlement for Dartmoor for the financial years 2015/16 to 2019/20 is set out in the table below.

DNPA National Park Grant 2015/16 to 2019/20

Financial Year	Grant Amount	Increase (£)	Increase (%)
2015-2016	£3,573,586		
2016-2017	£3,635,052	£61,466	1.72%
2017-2018	£3,697,575	£62,523	1.72%
2018-2019	£3,761,173	£63,598	1.72%
2019-2020	£3,825,865	£64,692	1.72%

- 2.2 After five years of deep cuts, we can look forward to a period of relative financial stability in terms of NPG; providing renewed opportunities to plan ahead, commit to new projects and partnerships and re-focus our efforts on sustaining the National Park for

the benefit of current and future generations. However, efforts to diversify our income base have continued and will remain a priority going forward.

3 2017/18 Net Revenue Budget and Medium Term Financial Plan

- 3.1 The financial planning process is guided by the Authority's Business Plan Priorities, the actions in the National Park Management Plan – Your Dartmoor (pertinent to the Authority) and the Government's "Eight Point Plan for England's National Parks". The Authority's new three year Business Plan is also being presented to Members today (NPA/17/009).
- 3.2 Budget bids are submitted by officers, taking into consideration the approved priorities, available funding and the capacity available to take work programmes forward. The output from that process translates into a Net Revenue Budget for the next three years i.e. the Medium Term Financial Plan (MTFP). The Net Revenue Budgets for 2017/18 to 2019/20 are attached at Appendix 1 for Member approval. The Authority does not build its annual budgets within the MTFP on an incremental basis, choosing instead to zero-base its budget each year. The following table provides a summary of some of the most significant projects and income targets year by year.

	2017/18	2018/19	2019/20
	£	£	£
Buildings at Risk Project		30,000	
Dartmoor Card / Friends Scheme / Sponsorship / Donations	17,000		
Visitor behaviour campaigns	8,000	7,000	7,000
Residents Survey			17,000
Car park maintenance	64,000	107,000	110,700
PROW open access infrastructure	15,000	15,000	12,000
Moorland Birds initiative	5,000	5,000	5,000
Interpretation boards	10,000	10,000	10,000
Hill Farm Project - Whole Farm Business plans	5,000	5,000	
Hill Farm Project - Farming year on Dartmoor (4x 5minute films)	20,000		
Email server upgrade		14,000	
Replacement servers (virtual server hosts)			15,000
Student Ranger post	15,000	15,000	15,000
Apprenticeships	40,000	41,000	42,000
Education Guides	5,000	5,000	5,000
National Park Management Plan	16,000	22,000	
Local plan Review	43,000	70,000	
Planning income	-190,500	-196,000	(-201,250)
Sales income VCs	-165,000	-174,000	(-183,000)
Donate for Dartmoor	-18,000	-18,000	(-20,000)

- 3.3 Members' attention is also specifically drawn to the following:

- (i) We have been successful in securing external funding for the Hill Farm Project for another 3 year period: £44,000 from The Prince's Countryside Fund,

£26,197 from the Heritage Lottery Fund, £47,267 from the Duchy of Cornwall and £60,000 from ourselves.

- (ii) The Communities Fund Grant scheme was established two years ago, in partnership with South Hams District Council, West Devon Borough Council and Teignbridge District Council. The three Councils have agreed to provide funding via some of the New Homes Bonus money attributable to housing in the National Park. We have not included this funding in the draft Revenue Budget as we are still awaiting confirmation of the amounts for 2017/18 from South Hams District Council and West Devon Borough Council (Teignbridge District Council agreed a two year programme). Also, it is currently ring-fenced specifically for distribution via a Community Grant.
- (iii) The Moor than meets the eye Landscape Partnership Scheme is in its third year of delivery. The Authority is the lead and accountable body. The partnership budget and accounts are held separately and are therefore not included in the Authority's Revenue Budget. Members receive separate progress and monitoring reports via the Audit and Governance Committee.
- (iv) A column has been inserted into each year's budget to show where we are meeting some costs from Reserves or the 2016/17 Project Fund i.e. costs are being met from a previous year's allocation, e.g. the Farming & Community Wildlife Advisor post, a Land Management post, a Planning Officer post and grant income that will be brought forward.
- (v) We have once again included a specific allocation in the Authority's reserves for future work on the Dartmoor Local Plan review. This money will be drawn down as we progress this work programme and is also shown in the column mentioned in (iv) above.

3.4 In recent years the Authority has operated a Project Fund as part of its Revenue Budget. This Fund has enabled us to buy-in additional support and capacity; to match fund new projects; and to invest in new equipment during the year, for example. This strategy has helped to provide the flexibility and agility required as described above and it is therefore proposed that we continue with this approach for the life of this MTFP. The amount allocated to the Project Fund for each year is included in the budget for each year of the MTFP, and is summarised below:

Project Fund	£
2017/18	121,945
2018/19	112,975
2019/20	182,093

3.5 A confirmed four year financial settlement until 2019/20 means we have been able to plan ahead with some certainty: officers are able to think about multi-year programmes and we have potential match funding for new projects. Projects that are ready to go ahead or have started already are included in the Revenue Budget and MTFP. Other projects that are, at this stage, 'ideas in progress' have been captured in a year by year plan (see Appendix 2). This provides us with a useful planning tool to help guide future priority setting, financial planning and work programmes. It provides a high level indication about how the Project Fund might be allocated going forward. It also demonstrates that even though salary costs rise on an annual basis that the Authority will still have some financial capacity to meet new challenges and opportunities as they arise.

3.6 It should be noted that the 2017/18 budget is a robust and accurate financial plan of the three year period but it is inevitable that future years' financial plans can change

for all sorts of reasons and influences; internal and external. The Authority continues to actively manage its financial and non-financial risks and therefore makes allowances for them by promoting a culture of flexibility and agility to militate against threats and actively embrace opportunities as they arise. We must also consider and provide for ongoing issues and uncertainties such as:

- Uncertainty over national pay settlements for the public sector; whilst confirmed for 2017, a 1% per annum increase has been assumed for 2018 and 2019
- Maintaining the pension contributions as determined by the actuary to reflect the triennial valuations, next due in 2020
- We are continuing to look at ways to generate additional revenue and diversify our income streams. In 2016/17 we launched the Donate for Dartmoor scheme and will be developing this in 2017/18 and beyond. The Moor Otters project is another example of an integrated project delivering multi-benefits and also potentially helping with fundraising. The draft Business Plan identifies a number of key actions aimed at securing additional external funding for projects that would benefit the National Park and fit our priorities.

3.7 The triennial valuation of the Local Government Pension Fund took place in 2016 and the Authority received a separate report on 3 February (NPA/17/006) setting out the results and options for the future. The Authority decided to make a £0.5 million one-off contribution to the Pension Fund as an “invest-to-save” initiative. This means that the employer contribution target rate required to be made for each of the next three years has been reduced to just over 19% of pensionable pay rather than 21%, resulting in a saving of £108,691 in the first 3 years. This strategy could see long term cash savings that total just under £300,000 over the 17 year deficit recovery period and will also go some way to protect future revenue budgets against further pension cost rises.

3.8 For the last eight years we have been making payments to the pension fund in excess of the target rate set by the Actuary, in order to provide further resilience and future-proof our deficit recovery strategy. It has therefore recommended that whilst the required target contribution rate for the next three years is 19%, that we further enhance our deficit recovery strategy by making a contribution of 19.5% for the term of this MTFP. This slightly enhanced rate is affordable, it still provides an annual saving and it adds further resilience and sustainability for future years.

4 Reserves

4.1 During 2010/11 the Audit & Governance Committee, at the request of the Authority, undertook work to formulate a risk based approach to determining the level and use of reserves required by the Authority. The outcome of that work was an agreed methodology (NPA/AG/10/014) which has been applied to determine the level of reserves held, on an annual basis.

4.2 Our reserve balances are regularly reviewed and are made up as follows:

- General Reserve (unallocated) - a contingency balance for emergency situations and is the minimum level that we have determined will always be maintained
- Contingency Reserves (allocated) - provisions set aside using a risk based analysis to cushion the impact of uneven cashflows, and unexpected events where the timing of and / or amounts are uncertain

- Earmarked Reserves (allocated) - consisting of ring-fenced grants and contributions received from third parties, sums set aside for capital schemes, commitments against future contracts and agreements and our external funding allocations where we are working in partnership with others

It can therefore be seen that the majority of our Reserve Balances are “allocated”.

4.3 The uncertainty and level of NPG reductions over the last eight years, was unprecedented; which resulted in the Authority having to make provision within an earmarked reserve to:

- Act as a smoothing effect for each year’s budget, over the life of each Parliament
- Protect front line service delivery
- Provide for possible redundancies and strain payments if further staff cuts were needed
- Ensure that the Authority could always set a balanced annual budget

4.4 Much of this uncertainty has now been removed and the Authority is perhaps more in control of its own destiny, in the medium term, than it has been for many years. Attached at Appendix 3 is the Risk Based analysis to guide the level of reserves anticipated to be held at 1 April 2017 and Appendix 4 shows the likely Earmarked and General (unallocated) Reserve Balances for the MTFP period. Members will note that if all current projections are correct that between 1 April 2017 and 31 March 2020 the reserve balances will reduce by £741,000. However the General (unallocated) Reserve would be maintained at £450,000 and is equal to 12% of the net budget in all three years of the MTFP.

4.5 As the Chief Finance Officer (CFO) I am satisfied that there are sufficient reserves in place to deliver the budget for 2017/18 and the MTFP period and that the decisions taken on the level of balances held and the reasons for holding them represents proper stewardship of public funds.

5 Capital Programme & Prudential Code

5.1 The Government introduced the Prudential Code in 2004 and it was revised in 2009 and 2011. It is a professional code of practice to support local authorities when taking capital investment (fixed asset) decisions. The objectives are to ensure, within a clear framework, that capital investment plans are affordable, prudent and sustainable and that treasury management decisions are taken in accordance with good professional practice.

5.2 The Code sets out a number of indicators to be used to demonstrate compliance with the Code’s objectives. However, they are not designed to be comparative performance indicators, and should be considered in parallel with the treasury management indicators. The Authority does not have a capital programme for the MTFP period and has no plans to take up any external borrowing. Therefore, the Prudential Indicators do not currently apply (see Appendix 5).

5.3 If sources of additional capital income become available during the year, for example via additional grants or external contributions, the Authority will be requested to approve a capital programme and any resulting prudential indicators.

6 Equality & Sustainability Impact

- 6.1 Consideration is given when deciding which areas of expenditure should be supported of the impact on under-represented groups, and the need to promote equal opportunities both as an employer and in respect of the services provided.

7 Conclusions

- 7.1 Members will note from this report that the Authority has positioned itself well in respect of setting a balanced budget for 2017/18 and beyond. The work undertaken in prior years to reduce the budget requirement, robustly manage work programmes and associated spending and generate other income streams, means that the Authority is very well positioned to meet the challenges ahead. With a renewed financial commitment from Defra and a personal endorsement from the Secretary of State and our own Minister, we can look to the future with renewed confidence.

DONNA HEALY

Attachments: **Appendix 1 – 2017/18, 2018/19 & 2019/20 Revenue Budgets**
 Appendix 2 – Future Projects and Work Programmes
 Appendix 3 – Reserves risk based analysis
 Appendix 4 – Reserve balances
 Appendix 5 – Summary of Prudential Indicators

Appendix 1 to NPA/17/008

2017/2018 Revenue Budget	Salaries	Travel	Transport	Premises	Supplies & Services	GROSS EXPENDITURE	Grants	Treasury	Fees & Charges	Sales	Rents	From Reserves / Project Fund	GROSS INCOME	NET EXPENDITURE
	£	£	£	£	£	£	£	£	£	£	£	£	£	£
BIO-DIVERSITY	71,860	1,100			27,246	100,206	(5,432)					(12,664)	(18,096)	82,110
LAND MANAGEMENT	42,246	550			44,549	87,345	0		(4,069)			(34,841)	(38,910)	48,435
WOODLANDS	39,074	2,020			5,000	46,094	0		0				0	46,094
CENTRAL COSTS	0	1,100	400		4,500	6,000							0	6,000
HILL FARM PROJECT	44,607	1,500			13,700	59,807	(39,250)					(5,557)	(44,807)	15,000
NATURAL ENVIRONMENT	197,787	6,270	400	0	94,995	299,452	(44,682)	0	(4,069)	0	0	(53,062)	(101,813)	197,639
ARCHAEOLOGY	113,017	3,200	0		12,376	128,593	(29,146)		(500)				(29,646)	98,947
BUILT ENVIRONMENT	39,074	300			0	39,374			0				0	39,374
UPPACOTT	0	0		27,064	0	27,064			0				0	27,064
CULTURAL HERITAGE	152,091	3,500	0	27,064	12,376	195,031	(29,146)	0	(500)	0	0	0	(29,646)	165,385
VISITOR MANAGEMENT	56,410	0	3,180	12,070	141,309	212,969	0		(59,607)				(59,607)	153,362
ACCESS & RECREATION	79,436	400	250		26,007	106,093	0						0	106,093
PROW	87,861	0			58,929	146,790	(43,000)						(43,000)	103,790
SUSTAINABLE TOURISM & TRANSPORT	10,507	500			8,250	19,257			(850)				(850)	18,407
RECREATION MANAGEMENT	234,214	900	3,430	12,070	234,495	485,109	(43,000)	0	(60,457)	0	0	0	(103,457)	381,652
VISITOR CENTRES	206,475	1,950		9,206	134,235	351,866			(6,550)	(165,000)			(171,550)	180,316
COMMUNICATIONS	170,728	750			59,889	231,367			(29,500)				(29,500)	201,867
NATURALLY HEALTHY DARTMOOR	9,983				0	9,983						(9,983)	(9,983)	0
EDUCATION	112,761	2,740	1,480		15,092	132,073			(3,925)				(3,925)	128,148
PROMOTING UNDERSTANDING	499,947	5,440	1,480	9,206	209,216	725,289	0	0	(39,975)	(165,000)	0	(9,983)	(214,958)	510,331
RANGERS	361,044	0	41,774	5,150	21,660	429,628							0	429,628
CONSERVATION WORKS SERVICE	196,505	30	15,704	13,416	15,484	241,139							0	241,139
RANGERS, ESTATES & VOLUNTEERS	557,549	30	57,478	18,566	37,144	670,767	0	0	0	0	0	0	0	670,767
DEVELOPMENT MANAGEMENT	446,442	5,750	0	0	49,726	501,918	0	0	(190,500)	0	0	0	(190,500)	311,418
FORWARD PLANNING & COMMUNITY	203,377	1,000	0	0	72,900	277,277	0	0	0	0	0	(85,662)	(85,662)	191,615
CORPORATE CENTRE	204,534	3,600	800		55,881	264,815		(10,000)	(18,000)				(28,000)	236,815
MEMBERS	45,045	9,000			500	54,545							0	54,545
CORPORATE & DEMOCRATIC CORE	249,579	12,600	800	0	56,381	319,360	0	(10,000)	(18,000)	0	0	0	(28,000)	291,360
INFORMATION TECHNOLOGY	135,995	1,200	250		37,290	174,735			0				0	174,735
CORPORATE OPERATING COSTS	0	0	7,110		112,218	119,328			(75)				(75)	119,253
FINANCE AND ADMIN	167,762	20			10,741	178,523							0	178,523
LEGAL	93,733	500			11,621	105,854			(4,500)				(4,500)	101,354
HUMAN RESOURCES	92,943	420			39,897	133,260							0	133,260
OFFICE ACCOMMODATION (PARKE)	23,718	0		82,256		105,974			(4,177)				(4,177)	101,797
OFFICE ACCOMMODATION (PRINCETOWN)	0	0		67,791		67,791					(21,250)		(21,250)	46,541
SUPPORT SERVICES	514,151	2,140	7,360	150,047	211,767	885,465	0	0	(8,752)	0	(21,250)	0	(30,002)	855,463
PROJECT FUND	0	0	0	0	121,945	121,945	0	0	0	0	0	0	0	121,945
TOTAL	3,055,137	37,630	70,948	216,953	1,100,945	4,481,613	(116,828)	(10,000)	(322,253)	(165,000)	(21,250)	(148,707)	(784,038)	3,697,575

Summary:

Gross Expenditure	4,481,613
Income	(784,038)
Net Budget	3,697,575
National Park Grant	(3,697,575)
Deficit / (Surplus)	0

2018/2019 Revenue Budget	Salaries	Travel	Transport	Premises	Supplies & Services	GROSS EXPENDITURE	Grants	Treasury	Fees & Charges	Sales	Rents	From Reserves / Project Fund	INCOME	NET EXPENDITURE
	£	£	£	£	£	£	£	£	£	£	£	£	£	£
BIO-DIVERSITY	74,558	1,100			27,596	103,254	(6,390)					(13,300)	(19,690)	83,564
LAND MANAGEMENT	43,729	550			21,549	65,828			(4,069)			(12,906)	(16,975)	48,853
WOODLANDS	39,476	2,020			5,000	46,496							0	46,496
CENTRAL COSTS	0	1,100	500		4,500	6,100							0	6,100
HILL FARM PROJECT	45,695	1,500			16,300	63,495	(38,750)		(4,800)			(5,000)	(48,550)	14,945
NATURAL ENVIRONMENT	203,458	6,270	500	0	74,945	285,173	(45,140)	0	(8,869)	0	0	(31,206)	(85,215)	199,958
ARCHAEOLOGY	108,901	3,200	0		11,640	123,741	(25,662)		(500)				(26,162)	97,579
BUILT ENVIRONMENT	39,476	300			30,000	69,776							0	69,776
UPPACOTT	0	0		22,264	0	22,264							0	22,264
CULTURAL HERITAGE	148,377	3,500	0	22,264	41,640	215,781	(25,662)	0	(500)	0	0	0	(26,162)	189,619
VISITOR MANAGEMENT	43,831	0	3,180	12,290	169,166	228,467			(59,607)				(59,607)	168,860
ACCESS & RECREATION	80,229	400	250		26,950	107,829							0	107,829
PROW	88,791	0			58,965	147,756	(43,000)						(43,000)	104,756
SUSTAINABLE TOURISM & TRANSPORT	10,609	500			8,400	19,509			(600)				(600)	18,909
RECREATION MANAGEMENT	223,460	900	3,430	12,290	263,481	503,561	(43,000)	0	(60,207)	0	0	0	(103,207)	400,354
VISITOR CENTRES	211,460	1,950		10,794	137,397	361,601			(7,500)	(174,000)			(181,500)	180,101
COMMUNICATIONS	169,158	750			43,407	213,315			(30,500)				(30,500)	182,815
EDUCATION	113,562	2,740	1,480		16,852	134,634			(3,975)				(3,975)	130,659
PROMOTING UNDERSTANDING	494,180	5,440	1,480	10,794	197,656	709,550	0	0	(41,975)	(174,000)	0	0	(215,975)	493,575
RANGERS	364,716	0	41,774	3,175	22,710	432,375							0	432,375
CONSERVATION WORKS SERVICE	189,858	30	15,704	16,685	13,584	235,861							0	235,861
RANGERS, ESTATES & VOLUNTEERS	554,574	30	57,478	19,860	36,294	668,236	0	0	0	0	0	0	0	668,236
DEVELOPMENT MANAGEMENT	456,013	5,850	300	0	52,065	514,228	0	0	(196,000)	0	0	0	(196,000)	318,228
FORWARD PLANNING & COMMUNITY	165,641	1,000	0	0	105,900	272,541	0	0	0	0	0	(92,413)	(92,413)	180,128
CORPORATE CENTRE	206,773	3,800	800		52,058	263,431		(10,000)	(18,000)				(28,000)	235,431
MEMBERS	45,490	9,000			500	54,990							0	54,990
CORPORATE & DEMOCRATIC CORE	252,263	12,800	800	0	52,558	318,421	0	(10,000)	(18,000)	0	0	0	(28,000)	290,421
INFORMATION TECHNOLOGY	140,080	1,200	250		43,437	184,967							0	184,967
CORPORATE OPERATING COSTS	0	0	7,220		113,302	120,522			(75)				(75)	120,447
FINANCE AND ADMIN	161,220	20			12,042	173,282							0	173,282
LEGAL	94,782	500			12,086	107,368			(4,500)				(4,500)	102,868
HUMAN RESOURCES	93,906	420			98,402	192,728							0	192,728
OFFICE ACCOMMODATION (PARKE)	23,955	0		76,561		100,516			(4,177)				(4,177)	96,339
OFFICE ACCOMMODATION (PRINCETOWN)	0	0		58,548		58,548					(21,500)		(21,500)	37,048
SUPPORT SERVICES	513,943	2,140	7,470	135,109	279,269	937,931	0	0	(8,752)	0	(21,500)	0	(30,252)	907,679
PROJECT FUND	0	0	0	0	112,975	112,975	0	0	0	0	0	0	0	112,975
TOTAL	3,011,909	37,930	71,458	200,317	1,216,783	4,538,397	(113,802)	(10,000)	(334,303)	(174,000)	(21,500)	(123,619)	(777,224)	3,761,173

Summary:	
Gross Expenditure	4,538,397
Income	(777,224)
Net Budget	3,761,173
National Park Grant	(3,761,173)
Deficit / (Surplus)	0

2019/2020 Revenue Budget	Salaries	Travel	Transport	Premises	Supplies & Services	GROSS EXPENDITURE	Grants	Treasury	Fees & Charges	Sales	Rents	From Reserves / Project Fund	INCOME	NET EXPENDITURE
	£	£	£	£	£	£	£	£	£	£	£	£	£	£
BIO-DIVERSITY	75,610	1,100			29,771	106,481	(7,934)					(7,527)	(15,461)	91,020
LAND MANAGEMENT	29,391	550			16,549	46,490			(4,069)			(16,053)	(20,122)	26,368
WOODLANDS	39,883	2,020			5,000	46,903							0	46,903
CENTRAL COSTS	0	1,100	500		4,500	6,100							0	6,100
HILL FARM PROJECT	46,926	1,500			12,250	60,676	(39,464)		(1,000)			(5,000)	(45,464)	15,212
NATURAL ENVIRONMENT	191,810	6,270	500	0	68,070	266,650	(47,398)	0	(5,069)	0	0	(28,580)	(81,047)	185,603
ARCHAEOLOGY	111,439	3,200	150		11,658	126,447	(27,675)		(500)				(28,175)	98,272
BUILT ENVIRONMENT	39,883	300			0	40,183							0	40,183
UPPACOTT	0	0		22,564	0	22,564							0	22,564
CULTURAL HERITAGE	151,322	3,500	150	22,564	11,658	189,194	(27,675)	0	(500)	0	0	0	(28,175)	161,019
VISITOR MANAGEMENT	44,324	0	3,180	12,450	184,849	244,803			(59,607)				(59,607)	185,196
ACCESS & RECREATION	81,059	400	250		27,000	108,709							0	108,709
PROW	90,899	0			55,965	146,864	(43,000)						(43,000)	103,864
SUSTAINABLE TOURISM & TRANSPORT	18,863	500			8,550	27,913			(500)				(500)	27,413
RECREATION MANAGEMENT	235,145	900	3,430	12,450	276,364	528,289	(43,000)	0	(60,107)	0	0	0	(103,107)	425,182
VISITOR CENTRES	217,317	1,950		9,432	143,959	372,658			(8,550)	(183,000)			(191,550)	181,108
COMMUNICATIONS	163,890	750			61,725	226,365			(32,500)				(32,500)	193,865
EDUCATION	114,869	2,740	1,480		13,962	133,051			(4,025)				(4,025)	129,026
PROMOTING UNDERSTANDING	496,076	5,440	1,480	9,432	219,646	732,074	0	0	(45,075)	(183,000)	0	0	(228,075)	503,999
RANGERS	368,317	0	43,450	3,175	23,460	438,402							0	438,402
CONSERVATION WORKS SERVICE	192,791	30	15,704	20,074	13,984	242,583							0	242,583
RANGERS, ESTATES & VOLUNTEERS	561,108	30	59,154	23,249	37,444	680,985	0	0	0	0	0	0	0	680,985
DEVELOPMENT MANAGEMENT	466,264	5,850	250	0	52,742	525,106	0	0	(201,250)	0	0	0	(201,250)	323,856
FORWARD PLANNING & COMMUNITY	152,933	1,000	0	0	13,900	167,833	0	0	0	0	0	(6,900)	(6,900)	160,933
CORPORATE CENTRE	208,942	3,800	800		51,248	264,790		(10,000)	(20,000)				(30,000)	234,790
MEMBERS	45,935	9,000			500	55,435							0	55,435
CORPORATE & DEMOCRATIC CORE	254,877	12,800	800	0	51,748	320,225	0	(10,000)	(20,000)	0	0	0	(30,000)	290,225
INFORMATION TECHNOLOGY	143,178	1,200	250		56,677	201,305							0	201,305
CORPORATE OPERATING COSTS	0	0	6,560		117,443	124,003			(75)				(75)	123,928
FINANCE AND ADMIN	164,747	20			11,148	175,915							0	175,915
LEGAL	96,039	500			12,561	109,100			(4,500)				(4,500)	104,600
HUMAN RESOURCES	94,878	420			78,088	173,386							0	173,386
OFFICE ACCOMMODATION (PARKE)	24,212	0		93,111		117,323			(4,177)				(4,177)	113,146
OFFICE ACCOMMODATION (PRINCETOWN)	0	0		41,440		41,440					(21,750)		(21,750)	19,690
SUPPORT SERVICES	523,054	2,140	6,810	134,551	275,917	942,472	0	0	(8,752)	0	(21,750)	0	(30,502)	911,970
PROJECT FUND	0	0	0	0	182,093	182,093	0	0	0	0	0	0	0	182,093
TOTAL	3,032,589	37,930	72,574	202,246	1,189,582	4,534,921	(118,073)	(10,000)	(340,753)	(183,000)	(21,750)	(35,480)	(709,056)	3,825,865

Summary:	
Gross Expenditure	4,534,921
Income	(709,056)
Net Budget	3,825,865
National Park Grant	(3,825,865)
Deficit / (Surplus)	0

Potential Future Work Programmes and "Ideas"	2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £
Conservation of the Natural & Cultural Environment					
Peatland Studies Projects	5,000	10,000	10,000	10,000	10,000
Haymeadows		5,000	5,000		
Moorland birds	5,000	5,000	5,000	5,000	5,000
Non-native Invasive species	5,000	5,000	5,000	5,000	5,000
Greater Horseshoe Tracking	2,000	2,000	2,000		
Parsh based approach to bioiversity (trial)		5,000	5,000	5,000	
Common Cause - delivery phase		10,000	10,000	10,000	
Weirs Project (SWRT)	10,000	10,000	10,000		
Townscape Heritage HLF bid (Princetown CA)					
Scope up project for a "landmark" archaeology/cultural heritage scheme					
Sustainable Farming					
Food, Farming & Tourism (with SHDC/Tamar AONB)					
Managemnt of small woodlands - joint post with FC/WT)					
Recreational Management Grant scheme	10,000				
Recreation Management					
Implement car parking improvements and pay & display	30,000	10,000	8,000		
Promote positive experience					
CAMSWEB	10,000				
Communit management of RoW	7,000	5,000	5,000	5,000	5,000
Discover England external funding for Tourism (joint NPA)					
Defra - cycling & walking project					
Investment plans for Haytor Vistor Centre					
Investment plans for Princetown Visitor Centre					
Investment plans for Postbridge Visitor Centre					
Public Arts Projects					
Naturally Healthy Dartmoor Project - succession	4,000	14,000	14,000	14,000	14,000
Natural Health BIG lottery (Joint NPAs)		10,000	10,000	10,000	10,000
Youth Rangers	15,000	15,000	15,000	15,000	15,000
Links to universities (volunteers/overseas)					
Excellent Organisation					
ICT infrastructure / support					
Deliver ODS Strategy					
Large format plotter/scanner (replacement of) - Planning Service	8,700				
Property maintenance and improvements					
Volunteers					
Total per year	111,700	106,000	104,000	79,000	64,000

2017/18 RESERVES: RISK BASED ANALYSIS	Risk Level	Rate	2017/18 Forecast Opening Balance £'000
Grants & Contributions with Restrictions carried forward: Grants & Contributions with Restrictions	N/A	Actual	(107)
Employees: Maternity / Paternity Cover / Pay Awards	Low	Est.	(52)
Costs & Awards: Appeals / Public Enquiries / Litigation	High	Est.	(250)
Loss of Income and / or Price Increases: Reduced Sales, Fees & Charges or Inflation cost	Medium	Est	(34)
Capital - Property: Repairs & maintenance (sinking fund)	Medium	Est.	(150)
Capital - Vehicles Provision for future replacement of vehicles (sinking fund)	N/A	Est.	(49)
Known Commitments/Contracts			
Chagford Cattle Grid	N/A	Actual	(3)
Local Plan Review	N/A	Est.	(122)
All Moor Butterflies	N/A	Actual	(15)
MIRES PR14	N/A	Actual	(10)
2016/17 Project Fund allocations	N/A	Actual	(138)
Match Funding Reserve			
Greater Dartmoor LEAF	N/A	Actual	(14)
Naturally Healthy Dartmoor	N/A	Actual	(10)
Dartmoor's Wild Stories - HLF	N/A	Actual	(19)
Our Common Cause	N/A	Actual	(8)
National Parks Partnerships LLP	N/A	Actual	(10)
Public Arts Project	N/A	Actual	(70)
Moor Than Meets The Eye - match funding	N/A	Actual	(150)
Moor Than Meets The Eye - cash flow provision	N/A	Actual	(300)
Superfast Broadband	N/A	Actual	(65)
Unallocated to match future opportunities	N/A	Actual	(144)
Revenue			
Invest to save and / or Generate Projects	N/A	Actual	(134)
2016/17 Revenue Outturn Surplus		Est	(26)
General Reserve - Minimum amount to cover unanticipated costs / emergencies		Actual	(450)
Total Reserve Balance			(2,330)

2016/17 to 2019/20 MTFP - FORECAST RESERVE BALANCES

Appendix 4 to NPA/17/009

Earmarked Reserves	2016/17 Opening Balance £	2016/17 Transfers Within £	2016/17 Transfers to Revenue in year £	2016/17 Transfers from Revenue at year end £	2017/18 Forecast Opening Balance £	2017/18 Forecast Closing Balance £	2018/19 Forecast Closing Balance £	2019/20 Forecast Closing Balance £	Notes
Grants & Contributions with Restrictions									
Defra: Flood & Winter Storm Damage - Grant b/fwd	(31,256)		31,256		0				Transferred to revenue budget
Hill Farm Project	(15,003)		15,003	(15,627)	(15,627)	(10,000)	(5,000)		New Project, with match funding commence Feb 2017 for 36 Months
Natural England - Internship	(12,871)		12,871		0				Transfer to revenue at year end / included in budget
English Heritage: White Horse Hill	(20,036)				(20,036)	(20,036)			To fund the Exhibition at Postbridge VC, timing unknown
DCC: Public Rights of Way	(9,467)		9,467		0				Service Level Agreement fund balance allocated to 2015/16
TDC: Communities Fund Grant prior years contributions	(50,000)		50,000	(25,000)	(25,000)				Allocated not yet paid tbc at year end
WDBC: Communities Fund Grant prior years contributions	(22,093)		22,093		0				Allocated not yet paid tbc at year end
SHDC: Communities Fund Grant prior years contributions	(5,784)		5,784		0				Allocated not yet paid tbc at year end
DCC: Naturally Healthy Dartmoor Project 2014-2017	(6,948)		6,948	(14,000)	(14,000)				Allocate at start of the year and carry forward balances at year end
DCLG: Vanguard Right to Buy	(10,000)		10,000		0				SPD review in 2016/17
SWW contribution towards Upstream scientific monitoring	(2,000)				(2,000)				Timing of project spend uncertain
Discovering Dartmoor's Wild Stories	(646)		646		0				Matches HLF Funding , to be used in early 2016/17
Neighbourhood Planning Grant				(5,000)	(5,000)	(5,000)			
Self Build Register Grant				(5,850)	(5,850)	(5,850)			
Donate for Dartmoor Balances				(19,077)	(19,077)				Allocated either during the year or at year end
Budget management Fund - Provisions (risk based)									
Employees	(262,000)	210,000			(52,000)	(52,000)	(52,000)	(52,000)	See risk assessment for breakdown
Costs and Awards: Appeals/Public Enquiries/Litigation	(250,000)				(250,000)	(250,000)	(250,000)	(250,000)	See risk assessment for breakdown
Loss of Income and Inflation	(80,000)	45,500			(34,500)	(34,500)	(34,500)	(34,500)	See risk assessment for breakdown
Invest to Save and / or Generate Projects	(378,233)	244,500			(133,733)	(148,007)	(148,007)	(148,007)	To be utilised / allocated in the new MTFP
LGPS Past Deficit Recovery		(500,000)	500,000		0				NPA/17/006
Annual Revenue Outturn	(158,018)	158,018		(26,274)	(26,274)				To be allocated via the annual Budget & MTFP process
Capital Expenditure Fund									
Vehicles - Sinking Fund - Replacement	(36,596)	(12,000)			(48,596)	(60,596)	(60,596)	(60,596)	
Property - Sinking Fund - Repairs & Maintenance	(150,000)				(150,000)	(150,000)	(150,000)	(150,000)	
Known Commitments									
Rural Community Broadband - phase 1	(10,000)	10,000			0				Not required
Chagford Cattle Grid	(3,000)				(3,000)				Timing not known
Local Plan Review	(122,500)				(122,500)	(79,500)			Between 2015 & 2019 (estimates only/timing unknown)
All Moor Butterflies NPA/15/037	(17,500)		2,500		(15,000)	(10,000)	(5,000)		Project start delayed likely 2017 / spans more than 1 year
Peatland Study	(15,000)		15,000		0				Expected completion June 2016
MIRES PR14	(10,000)				(10,000)	(5,000)			Project spans more than 1 year - timing unknown
Higher Uppacott - septic tank installation	(20,000)		20,000		0				Expected completion 2016
Website redesign	(15,000)		15,000		0				Completion 2016
Contribution to Plymouth Area Sub-regional Study	(3,500)		3,500		0				Completed
Project Fund allocations in 2016/17 against salaries				(138,310)	(138,310)	(38,000)			Being built into 2017/18 Budget and MTFP
Match Funding Reserve									
HLF - Moor Than Meets the Eye match funding	(200,000)		50,000		(150,000)	(100,000)			Allocated but held by DNP until required to match cash flows
Moor than Meets the Eye - Cash Flow	(300,000)				(300,000)	(300,000)	(300,000)	(300,000)	Based on project cash flow - retention and final claim in year 5
Superfast Broadband - connecting Dartmoor & Exmoor	(65,000)				(65,000)	0			Approved in 2015/16, due to be paid in 2017/18
NPA/14/044 Princes Countryside Fund match funding	(15,000)		15,000		0				Spans years 2015-2017
Greater Dartmoor LEAF 2015-2020	(20,700)		6,900		(13,800)	(6,900)			NPA/14/038 for years 2018-2020
Naturally Healthy Dartmoor Project	(25,000)		15,000		(10,000)	0			NPA/14/031 for years 2015-2017
Dartmoor's Wild Stories	(48,800)		30,000		(18,800)	0			Matches HLF Funding in 2016/17 & 2017/18
National Parks Partnerships LLP	(10,000)				(10,000)	0			To be paid to NPP Ltd in 2017/18
Our Common Cause: Our Upland Commons NPA/16/009	(8,000)				(8,000)	0			Unsuccessful, at first attempt. To be re-submitted
Dartmoor Arts Initiative NPA/16/020		(140,000)	70,000		(70,000)	(40,000)			Arts Trail to be installed May-Sept 2017
Unallocated fund balance	(127,880)	(16,018)			(143,898)	(143,898)	(143,898)	(143,898)	
	(2,537,831)	0	906,968	(249,138)	(1,880,001)	(1,459,287)	(1,149,001)	(1,139,001)	
General Reserve (unallocated emergency reserve)	(450,000)			0	(450,000)	(450,000)	(450,000)	(450,000)	
Total General Fund Balance	(2,987,831)	0	906,968	(249,138)	(2,330,001)	(1,909,287)	(1,599,001)	(1,589,001)	

SUMMARY OF PRUDENTIAL INDICATORS

Capital Expenditure, Capital Financing Requirement, Limits for External Debt and Capital Financing Costs

	Prudential Indicator	2017/18	2018/19	2019/20
1	Forecast Annual Capital Expenditure	Nil	Nil	Nil
2	Capital Financing Requirement as at 31 March	Nil	Nil	Nil
3	Total Authorised Limit for External Debt	Nil	Nil	Nil
4	Total Operational Boundary for External Debt	Nil	Nil	Nil
5	Ratio of Financing Costs to Net Revenue Stream	Nil	Nil	Nil
6	Net borrowing will only be for a capital purpose. Net borrowing will not, except in the short term, exceed the total of the capital financing requirement in the preceding year, plus the estimate of any additional capital financing requirement for the current and next two financial years.			

Treasury Management

7	The Dartmoor National Park Authority has adopted the CIPFA Code of Practice for Treasury Management in the Public Services		
		Upper Limit %	Lower Limit %
8	Limits on borrowing at fixed interest rates	Nil	Nil
9	Limits on borrowing at variable interest rates	Nil	Nil
10	Percentage of Fixed Rate Debt maturing in:		
	Under 12 months	Nil	Nil
	12 months to within 24 months	Nil	Nil
	24 months to within 5 years	Nil	Nil
	5 years to within 10 years	Nil	Nil
	10 years and above	Nil	Nil

DARTMOOR NATIONAL PARK AUTHORITY

3 March 2017

TREASURY MANAGEMENT AND INVESTMENT STRATEGY 2017/18Report of the Head of Business Support

Recommendation: That the Authority approves and adopts the 2017/18 Treasury Management & Investment Strategy at Appendix 1

1 Introduction

- 1.1 In March 2016 the Authority, in accordance with the revised Chartered Institute of Public Finance & Accountancy (CIPFA) Code of Practice for Treasury Management in Public Services, adopted a Treasury Management Policy Statement together with a statement of its Treasury Management Practices (TMPs). No changes are proposed to these policies for 2017/18.
- 1.2 The policy requires the Authority to consider a Treasury Strategy report, setting out the strategy and plans to be followed in the coming year as part of the budget process.

2 Treasury Management and Investment Strategy

- 2.1 The Treasury Management and Investment Strategy is set out at Appendix 1.
- 2.2 The overriding objective continues to be to invest prudently, with priority being given to security and liquidity before yield. Interest rates remain extremely low and the Authority does not have large surplus cash balances to invest.

3 Conclusion

- 3.1 The Authority's arrangements for treasury management continue to be maintained at a high standard. The Head of Business Support continues to consult with Devon County Council's Investment Manager to investigate opportunities to maximise the Authority's investment income and will bring a report to the Authority for approval if changes to our practices are proposed.

DONNA HEALY

Attachments: Appendix 1 - Treasury Management and Investment Strategy

20170303 DH Treasury Management 2017-18.doc

TREASURY MANAGEMENT AND INVESTMENT STRATEGY 2017/18

Introduction

The Treasury Management Strategy sets out the Authority's policies in relation to:

- the management its cash flows,
- its banking;
- borrowing and investment strategies;
- monitoring of the level of debt (if it has any) and
- funding of the capital programme.

The Authority has adopted the CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management in the Public Services. This is one of the Prudential Indicators required by the Code. The current Code of Practice was published by CIPFA in November 2011 and requires the Authority to approve a Treasury Management Policy Statement together with a statement of its 'Treasury Management Practices' (TMPs). A revised Policy Statement and TMPs were agreed by the Authority in March 2016 and these remain appropriate and no changes are proposed for 2017/18.

This Treasury Management Strategy document sets out:

- Capital expenditure funding
- The current treasury position, debt and investments;
- Prospects for interest rates;
- The borrowing strategy;
- Prudential indicators on impact of capital financing and monitoring of the level and make-up of debt;
- The investment strategy

Capital Expenditure Funding

The Authority does not have a Capital programme in the current Medium Term Financial plan period

Analysis of Long Term Debt

The Authority has no long term debt.

Schedule of Investments

At the time of writing this report the all of the Authority's working capital was being held in its Current and FIBCA bank accounts. During the year we have used the Barclays Treasury Deposit service to invest sums of between £0.75 million to £3.7 million for periods between 1 month and 9 months. The annual investment returns history and current position is set out in the following table.

Table 1:

2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17 Forecast
£13,841	£10,809	£21,920	£15,000	£17,998	£19,162	£18,000

The Authority's cash balance available for investment varies during the year, with the balance building up on a quarterly basis, when we receive National Park Grant; it then tapers down towards the end of the financial year. It is anticipated that the cash balances at 31st March 2017 will be circa £2.265 million (was £2.987 million at 1 April 2016).

The recent investment performance of the Authority's cash investments has been affected by the low interest rates introduced as part of the measures used to alleviate the global credit crunch. Interest rates have also been impacted by the introduction of new banking regulations requiring banks to hold higher levels of liquidity to act as a buffer.

The rates on offer are extremely low and the returns on the Authority's cash investments are forecast to remain at the current low levels for the foreseeable future; the Treasury Management Strategy will continue to ensure a prudent and secure approach.

Prospects for Interest Rates

Forecasting future interest rate movements even one year ahead is always difficult. The factors affecting interest rate movements are clearly outside the Authority's control. Whilst short term rates are generally linked to the Bank of England's Base Rate, long term rates are determined by other factors e.g. the market in Gilts.

Following the outcome of the EU referendum in June, the Bank of England decided to reduce UK interest rates from 0.5% to 0.25%, as a result of concerns about the impact of the decision on the UK economy. UK interest rates had already been held at an unprecedented low level of 0.5% since March 2009. Interest rates have also been under pressure across the world, with both the Eurozone and Japan seeing negative interest rates. Quantitative Easing measures to provide liquidity have been utilised widely and remain in place in the UK, the Eurozone and Japan. The introduction of new regulations requiring banks to hold a higher cash buffer has also had the effect of reducing the rates on offer. Only in the United States have interest rates begun to rise as a result of a strengthening economy.

A rise in the Bank of England Base Rate is thought unlikely during 2017/18, as a result of the uncertainty arising from the decision to leave the European Union and the nature of the UK's future relationship with the EU. The following Table 11 sets out interest rate forecasts over the next year. The forecasts from Capita and Capital Economics (provided by Devon County Council to the Authority) reflect the view that the Bank of England base rate is unlikely to increase over the next financial year.

Table 2:

Base Rate Forecasts	Dec 2016	Mar 2017	June 2017	Sep 2017	Dec 2017	Mar 2018
Capita	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Capital Economics	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%

When budgeting for interest receipts a prudent approach has been adopted to ensure that, as far as is possible, the budget will be achieved.

Borrowing and Debt Management Strategy 2017/18 – 2019/20

As the Authority is debt free and has no current plans to borrow, there is nothing to report under this heading.

Treasury Management Prudential Indicators

As the Authority is debt free and has no current plans to borrow, there is nothing to report under this heading.

INVESTMENT STRATEGY 2016/17 – 2018/19

The Authority continues to adopt a very prudent approach to its cash investments to the counterparties to whom the Authority is willing to lend; adhering to strict criteria for inclusion on the counterparty list and the prudent management of deposits. The Treasury Management Strategy will continue to be set to ensure a prudent and secure approach.

The Authority is required under the guidance in the CIPFA Treasury Management Code of Practice to approve an Annual Investment Strategy. The overall aims of the Authority's strategy continue to be to:

- Limit the risk to the loss of capital;
- Ensure that funds are always available to meet cash flow requirements;
- Maximise investment returns, consistent with the first two aims; and
- Review new investment instruments as they come to the Local Authority market, and to assess whether they could be a useful part of our investment process.

The overriding objective will be to invest prudently, with priority being given to security and liquidity before yield.

The outlook for cash investment remains challenging. Whereas in the past there has been a perception that Governments would not allow banks to fail, the new regulatory environment is putting more emphasis on the requirement for investors to take a hit by funding a "bail-in". A bail-in is where the bank's creditors, including local authorities depositing money with them, bear some of the burden by having part of the debt they are owed written off. The balance of risk is therefore changing, and as a result the Authority has considered alternative forms of investment in order to diversify its risk.

A variety of investment instruments are available to the Local Authority market. In addition to the notice accounts and fixed term deposits available from UK and overseas banks, it is also possible for the Authority to invest, for example, in UK Government Gilts, bond funds and property funds. However, these alternative instruments would either require the Authority to tie up its cash for significantly longer periods, thus reducing liquidity, or would carry a risk of loss of capital if markets go down. The Authority also has a fairly limited cash balance, which precludes it from accessing many investment instruments and must also consider the cost associated with making alternative arrangements. The Authority's policy therefore is not to invest in these more risky and less liquid forms of investment.

Security is achieved by the creation of an 'Approved List of Counterparties'. These are the banks, building societies, money market funds and other public bodies with whom we are prepared to deposit funds. In preparing the list, a number of criteria will be used not only

to determine who is on the list, but also to set limits as to how much money can be placed with them, and how long that money can be placed for.

Banks are expected to have a high credit rating. The Authority uses the ratings issued by all three of the major credit rating agencies, Fitch, Moody's and Standard & Poor's, made available to the Authority via Devon County Council's Investment Manager, who monitors them daily and advises the Authority accordingly.

The lowest rating published by any of the agencies is used to decide whether an institution is eligible for inclusion. Where the counterparty is only rated by two of the major ratings agencies, the lowest rating published by either of the two is used.

Where the short term rating of a counterparty is one notch below the stated criteria, but the counterparty meets the long term rating criteria, they may still be used subject to the advice of our advisor at Devon County Council who will take into account a range of other metrics in arriving at their advice.

The time length of all deposits with financial institutions will be managed prudently, taking account of the latest advice from Devon County Council Investment manager.

Money Market Funds must have an 'AAA' rating, but are not currently being used.

Other public sector bodies are principally arms of Government, or other local authorities, and although not rated are deemed suitable counterparties because of their inherent low risk.

The 'Approved List of Counterparties' specifies individual institutions, and is formally reviewed at least monthly. Notification of credit rating downgrades (or other market intelligence) is acted upon immediately, resulting in any further lending being suspended.

Counterparty Approved List Summary

Table 3:

Counterparty Type		Fitch	Moody's	Standard & Poors
UK Banks	Not below	A- & F1	A3 & P-1	A- & A-1
UK Building Societies	Not below	A- & F1	A3 & P-1	A- & A-1
Non-Eurozone Overseas Banks	Sovereign rating of	AAA	Aaa	AAA
	And not below	A- & F1	A3 & P-1	A- & A-1
Money Market Funds		AAA	Aaa	AAA

The Authority seeks to operate its accounts in credit and any short-term surplus funds are deposited with Barclays Bank Plc, and/or placed on short-term deposit with Barclays or with other major UK Clearing Banks who meet the credit rating criteria.

Credit ratings are subject to change, and a review of implied Government support for banks within its jurisdiction may lead to downgrades across the banking sector. Should such an event occur and have a significant impact on the Authority's ability to implement its investment strategy then a report will be brought before Members to consider any changes required to achieve the objective of our investment strategy going forward.

Liquidity of investments is the second key factor in determining our strategy. Funds may be earmarked for specific purposes or may be general balances, and this will be a consideration in determining the period over which the investment will be made.

Where cash is expected to be available long-term (at least a year) we maximise the length of time for the deposit in order to obtain the best interest rate possible. All known short-term commitments are covered before lending for over 1 month and as the Authority currently only uses a callable deposit account, investments can be realised at any time.

For 2017/18 financial year it has been assumed that the average interest rate earned on short-term lending will be 0.35% p.a. This is thought to be a cautious assumption and should be achievable. Interest rates are forecast to remain low for the foreseeable future. Medium Term Financial Plan forecasts will be based on average rates for lending to banks and building societies continuing to be 0.35% for 2018/19 and 2019/20. However these will be reviewed in the light of changes to the rate on offer to the Authority over the MTFP period.

Performance Targets

The primary targets of the Treasury Management Strategy are to maximise interest receipts over the long term, whilst achieving annual budgets, without taking any undue risk. Where there are comparative statistics available for individual aspects of the Strategy (e.g. the CIPFA Treasury Management Statistics) these will be used to monitor performance.

DARTMOOR NATIONAL PARK PLANNING AUTHORITY

3 March 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: 16/0039 Coppelia House, Moretonhampstead SX 7518 8594

Application to fell a semi-mature ash. The tree is growing close to the property and is an inappropriate species for the location. 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. Replacement planting of one standard cherry tree within the crown spread of the original during the first planting season following felling.

Ref: 16/0044 Gate House, North Bovey SX 7409 8388

Application to fell a Monterey cypress and reduce a mature beech. The Monterey cypress is in very poor condition and the works to the beech tree will have minimal impact on the health or appearance of the tree.

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

South Hams

Ref: 16/0042 Village Farm, Holne SX 7058 6952

Application to crown lift and thin a beech. The works are minor and will have minimal impact on the health or appearance of the tree. 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 work are carried out in accordance with British Standard 3998:2010 Tree Work – Recommendations.

SECTION 211 NOTICES

Teignbridge

Ref: 16/0045 **The Linney, Buckfastleigh** **SX 7356 6620**

Notification to fell a eucalyptus. The tree dominates the small garden and will continue to increase in size.

A Tree Preservation Order has not been made.

Ref: 16/0046 **68 East Street, Ashburton** **SX 7588 7000**

Notification to reduce a willow, magnolia, willow and eucalyptus. The trees are hidden from view and have no public amenity value.

A Tree Preservation Order has not been made.

West Devon

Ref: 16/0040 **Meavy House, Meavy** **SX 5410 6722**

Notification to fell two ash, reduce the height of a mature ash and crown lift a yew. The trees to be felled are in poor condition. The works to the other trees will have minimal impact on the health or appearance of the trees.

A Tree Preservation Order has not been made.

Ref: 16/0041 **2 Windsor Villas, Princetown** **SX 5875 7363**

Notification to fell a spruce and thin the canopy of a beech. The works will have minimal impact on the character of the Conservation Area.

A Tree Preservation Order has not been made.

Ref: 16/0043 **Clearview, Lydford** **SX 5110 8488**

Notification to fell a mature beech and reduce a second beech. The tree to be felled dominates the small garden and the adjacent house. The felling will have a significant impact on the character of the Conservation Area, but the felling is supported by the Parish Council. The works to the other beech tree are minor and will have minimal impact on the health or appearance of the tree.

A Tree Preservation Order has not been made.

Ref: 16/0047 **Princetown** **SX 7857 7395**

Notification to fell beech, alder, sycamore, cypress and spruce trees in various locations in Princetown. All the trees are in poor condition. The works will have minimal impact on the character of the Conservation Area.

A Tree Preservation Order has not been made.

BRIAN BEASLEY