

**DARTMOOR NATIONAL PARK AUTHORITY**

**AUDIT AND GOVERNANCE COMMITTEE**

**Friday 12 February 2021**

**Present:** Members

A Cooper (Chairman), G Gribble, P Harper, G Hill, J Nutley, C Pannell,  
P Sanders, P Vogel, P Woods

Officers

K Bishop, A Kohler, D Healy, N White

In attendance: N Tigwell (Independent Person)

**Apologies:** K Ball, J McInnes

Agreed Leave of Absence – D Webber

**536 Minutes of the meeting held on 20 November 2020**

The minutes of the meeting held on 20 November 2020 were agreed as a correct record.

**537 Declarations of Interest**

None.

**538 Items Requiring Urgent Attention**

None.

**539 Public Participation**

None.

**540 Internal Audit Report – Key Financial Systems Review 2020-2021**

The Head of Business Support recorded apologies from Mr Dominic Measures, Audit Manager at Devon Audit Partnership and advised that he had requested that she present the report on his behalf. The report before Members is, essentially, a summary of the work undertaken during 2020/21. Members had already received a detailed report in November 2020.

Members' attention was particularly drawn to the executive summary; one paragraph was highlighted and was read out at the request of Mr Measures:

*'2020 has been a challenging and difficult year regarding the COVID-19 worldwide pandemic and this has had a significant effect on all businesses and organisations who have had to adopt different styles and*

*methods of working during this time. Dartmoor National Park Authority's Finance staff have worked remotely during the pandemic which is acknowledged as having its own set of demands and challenges. However, this audit has confirmed that the Authority staff dealing with finance, admin and HR have done an exceptional job in very difficult circumstances to ensure that the financial processes remain up to date, robust and well documented.'*

Section 4 of the report details the areas looked at by the Devon Audit Partnership and the assurances given. Every area of work has been given a 'substantial assurance' which is the highest level that the Authority can achieve.

With regard to the detailed observations, all have received 'substantial assurance' with the exception of the Authority's recruitment process. The Head of Organisational Development has addressed the issues raised.

The Head of Organisational Development and Head of Business Support were both very pleased with the report, both as team leaders and as Monitoring Officer and Section 151 Officer. High standards have been maintained, despite enforced changes to working conditions and methods.

In response to a Member query the Head of Organisational Development confirmed that any out of date procedures have been updated for future use.

Mr Sanders proposed the recommendation, which was seconded by Mr Harper.

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

Members congratulated Officers for the positive audit report.

The meeting was paused for a short while due to the Chairman having lost connection.

**541 Financial Management 1 April to 30 September 2020 and Forecast Financial Outturn 2020/21**

Members received the report of the Head of Business Support (NPA/AG/21/001). She advised that the impact of the Coronavirus Pandemic (Covid 19) continues to influence and limit everyone's daily lives, both at home and at work; the ability to generate normal levels of income, planned work programmes, and the Authority's core business activity have all been affected to varying degrees. This has resulted in some increased costs, some lost income and conversely some savings. The Authority has made use of the Coronavirus Job Retention Scheme (CJRS) and other government support mechanisms made available e.g., Business Support Grant and Business Rate Relief.

Based on current projections officers forecast a potential surplus of £111,813 at year end (was £28,464 at month 6) – See Appendix 1. It is intended to use

this surplus to help balance the 2021/22 Budget as it is anticipated that there will be no increase in core funding from Defra for 2021/22. The Draft Budget and Medium Term Financial Plan will be presented to Members on 5 March 2021.

Appendix 2 details a full variance analysis of both income and expenditure. Further details of the most significant variations and movements by individual cost centre are set out in section 2.4 of the report.

The majority of variations and changes since month six are as follows:

- Staff turnover resulting in vacancy savings
- Staff training, seminars and joint NPA (face-to-face) working group meetings have reduced due to covid restrictions
- Staff travel has been significantly reduced due to Covid restrictions
- Member expenses and hospitality costs are almost zero as a result of remote meetings and no other travel
- Further premises related savings when buildings are closed
- Business running cost savings due to continued remote working
- Curtailment of people facing projects and work programmes e.g., outreach, that cannot be delivered due to Covid restrictions
- Postbridge Visitor Centre build project delivered under budget, fees therefore reduced
- Coronavirus Job Retention Scheme grant for furloughed Visitor Centre staff likely to continue until year-end
- As the Visitor Centres have been closed more than being open, officers have not purchased normal levels of stock for resale (£88k saving) but this is also offset by lost sales income of £75k
- Car parking income has recovered well since the closures at the start of the year, but is still not likely to meet the target budget
- The production of Enjoy Dartmoor has been revised resulting in reduced costs, but surprisingly advertising demand has held up which means that this area will break even for the first time
- Planning fee income is forecast to be around £30k under that predicted (based on previous years experience) and although the number of applications received appears to be similar, there has been less larger applications which in turn generate bigger fees
- External funding that will be carried forward for partnership projects
- Costs associated with visitor management and behaviour has increased i.e. Dartmoor Marshal scheme last summer and increased toilet cleaning

Moor Otters II – Costs incurred to date are £79,995 and income received is £37,050. The project was delayed due to Covid 19 but officers are aiming to launch the arts trail in the spring; the current situation is being closely monitored and in the current economic climate the same level of financial support from the public in 2017 may not be achieved.

Section 2.6 of the report sets out the bids that have been funded from the Project Fund to date. The Fund is an unallocated pot of money that allows officers to bid for money in year, to enable new unplanned projects to start, to add capacity to teams if required and meet unforeseen expenditure and pressures.

With regard to the capital program, the table at 3.1 of the report shows the total anticipated spend per project, how the projects are funded and timing of any income streams.

Section 4 of the report sets out how and why the Authority has reserve balances. They are held for specific purposes, are working balances and are not just a “means to save up funds”.

At Appendix 3 there is a detailed breakdown of individual reserve balances and how and when those balances are to be used. Appendix 4 is the risk based analysis of our reserve balances.

The forecast outturn surplus of £111,813 represents a -2.64% variance against the (revised) budget. As reported in November 2020, some fluctuations were anticipated and many have materialised, much of this is due to the impact of the Coronavirus pandemic.

The financial and non-financial results and outcomes achieved in 2020-21, set out within the report and in the Business Plan Monitoring report demonstrates that “Team Dartmoor” has worked relentlessly to maintain focus, commitment and passion to “Deliver for Dartmoor”.

In response to Member queries, Officers responded as follows:

- Postbridge Visitor Centre – the build costs were 100% funded. Project Management and Architect’s fees were borne by the Authority;
- Parke & Princetown – the Authority has negotiated a new lease for Parke with the aid of external consultancy support which stated that the lease for Parke was still good value. With regard to Princetown, the building is leased on a full repairing lease from the Duchy of Cornwall. When the Authority negotiated with the Duchy over the distillery agreement the Authority agreed the Heads of Terms for a new Lease for Princetown. The building is very expensive to maintain; it is a liability for the Authority and there is an opportunity, between now and when the existing Lease expires, to review whether we want to continue with the Lease long-term or whether we want to revisit the existing Heads of Terms for the new Lease. At this stage Officers are intending to take the opportunity for a discussion with the Duchy. Issues to consider include funding and the visitor centre within the building. It was agreed that this item would be raised for discussion at a future meeting.

Dr Bishop left the meeting.

- A Member requested that a review regarding Higher Uppacott be included in any future discussion. The Chief Executive advised that the Authority's hands are tied in that should the property be sold, the Authority would potentially be required to pay back Heritage Lottery Funds which are not insignificant. With regard to the accommodation part of Higher Uppacott, it is proposed that this is refurbished to be used by long-term volunteers who work for the Authority.
- Reserves were explained by the Head of Business Support. Reserve balances are for service delivery, not for building up, they are not supposed to be large. As they are working balances they will fluctuate.
- Enjoy Dartmoor – has been reformatted into a smaller size. Printed numbers will be reduced.
- Vacancy savings – these often happen due to officers leaving and there being a gap until a replacement is recruited. All but a couple of posts have been re-filled. The Authority has traditionally reviewed every post that comes up for renewal. In addition, with current one-year settlements from Defra the Authority has no set direction of travel.
- Staff training – a lot of training has changed to online and officers have the opportunity to undertake these courses.
- It is essential to get the balance right between working at the office and at home. Officers have been working from home for many months now. The Medium Term Financial Plan reflects this going forward; the travel budget, for example, has been cut by 25% to act as a CO2 reduction target
- Forward Planning & Community – The last of the coronavirus community grant scheme funds have now been allocated. There is currently nothing set aside in the budget for communities to apply for in respect of climate change.
- Returning to work and face-to-face meetings – Officers are aware of discussions across the country regarding the issue of remote committee meetings legislation. The Authority will need to be prepared should the current legislation not be extended.
- Parking fees – the fees and charges that were agreed last year have not yet been implemented, firstly due to the car parks being closed due to Covid-19 lockdown, and subsequently due to the contractor's staff having been furloughed etc.

Mr Gribble left the meeting.

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

#### **542 Business Plan Monitoring 2020/21 (April to December 2020)**

Members received the report of the Head of Organisational Development (NPA/AG/002). The report sets out the Authority's performance at Quarter 3 in delivering the 27 key actions identified in the current Business Plan – plus the three additional actions relating to our response to the Covid pandemic. A summary of progress is provided in the table at 2.4 and full details at Appendix 1.

Since March 2020, the focus of the Authority's work has been responding to the pandemic and this has inevitably had an impact on delivery of some key actions. A summary of those actions that will not be completed is provided at para 2.6 of the report. Members were advised that while the pandemic continues to have a direct impact on how staff work and what can be delivered, the Authority has responded quickly and positively to this situation, finding new ways of working and refocusing resources appropriately.

Mr Sanders proposed the recommendation, which was seconded by Mr Vogel.

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

On behalf of all Members, Mr Harper thanked staff and Leadership Team for their hard work and flexibility during this time.

**543 Performance Indicators 2020/2021**

Members received the report of the Head of Organisational Development (NPA/AG/003). The report sets out how the Authority has performed against the indicator targets agreed for 2020/21 at quarter 3 of the business year. The full set of performance indicators are reported annually to Authority, with this Committee focusing on the Indicators that relate to how services are performing (see Appendix 1).

Section 3 of the report notes the direct impact that the coronavirus pandemic has had upon the work of the Authority; for example:

- a significantly reduced outreach programme
- volunteering being suspended and
- our Visitor Centres closed

The pandemic (and lockdown periods) has also brought about other significant changes that the Authority will continue to learn from, including:

- a significant reduction in staff sickness absence & CO2 emissions
- healthy Member attendance at Authority meetings
- increased digital engagement has been a particular success story

As stated in the conclusion, 'Team Dartmoor' – staff, Members, and volunteers - have shown remarkable dedication, flexibility, and adaptability to meet the challenge of working differently and in doing so remaining positive and looking out for each other.

In response to Member comments and queries, the Head of Organisational Development responded as follows:

- Sickness absence – the reduction in sickness absence during the pandemic – reasons for this reduction have been discussed. The key

action to take forward is how to maintain these levels in the future. Focus needs to be on employee wellbeing as well as sickness absence.

- Development Management has performed extremely well to maintain their results and deal with some very large applications.
- Staff working from home – efficiency and effectiveness – as the Authority works towards more ‘blended’ working hours in the future, this will need to be monitored and considered going forward
- Staff downtime / leave etc - from the outset, staff have been encouraged to take leave, hours worked etc are being considered regularly.

Mr Harper proposed the recommendation, which was seconded by Mr Vogel.

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

DRAFT