

Unconfirmed minutes – to be confirmed at the next meeting of the Committee

SOUTH DOWNS NATIONAL PARK AUTHORITY

POLICY & RESOURCES COMMITTEE MEETING 27 FEBRUARY 2020

Held at the Memorial Hall, South Downs Centre, Midhurst at 1pm.

Present: Sebastian Anstruther, Ken Bodfish (Chair), Chris Dowling, Doug Jones, Michael Lunn, Russell Oppenheimer, Henry Potter, Andrew Shaxson, Isabel Thurston and Richard Waring.

Independent Members of the Committee: Tom Fourcade and Carole Nicholson.

Ex-officio Members: Margaret Paren and Ian Phillips.

Other SDNPA Members: Barbara Holyome and Vanessa Rowlands.

SDNPA Officers: Trevor Beattie (Chief Executive Officer), Andrew Lee (Director of Countryside Policy & Management), Louise Read (Monitoring Officer), Steven Bedford (Principal Accountant), Alan Brough (Head of Business Services), Robin Parr (Head of Governance) and Catherine Sydenham (Committee Officer).

Also Attended by: Tanya Hibberd (Performance and Research Lead), Andy Conlan (External Auditor), Tom Pattison (External Auditor), Liz Gent (Project Management Officer), Bruce Fowkes (Farming Officer), Nigel James (Countryside and Policy Manager and Jeremy Burgess (Landscape and Biodiversity Lead - Water).

OPENING REMARKS

164. The Chair opened the meeting

165. The Chair welcomed all those present and stated that:

- The meeting was being webcast by the Authority and would be available for subsequent on-line viewing. Anyone entering the meeting was considered to have given consent to be filmed or recorded, and for the possible use of images and sound recordings for webcasting and/or training purpose
- SDNPA Members had a primary responsibility for ensuring that the Authority furthers the National Park Purposes and Duty. Members regarded themselves first and foremost as Members of the Authority, and would act in the best interests of the National Park as a whole, rather than as representatives of their appointing body or any interest groups.

ITEM 1: APOLOGIES FOR ABSENCE

166. Apologies were received from Helen Burton, Chris Henry and Helen Jackson.

ITEM 2: DECLARATIONS OF INTEREST

167. Doug Jones declared a Personal Interest in Agenda Item 13, as he was a Trustee of Petersfield Museum.

168. Sebastian Anstruther declared a Personal Interest in Agenda Item 15, as a member of the Rother Valley Farm Cluster and as a Trustee of Arun and Rother Rivers Trust.

ITEM 3: MINUTES OF PREVIOUS POLICY AND RESOURCES COMMITTEE HELD ON 28 NOVEMBER 2019

169. The minutes of the Policy and Resources Committee meeting held on 28 November 2019 were agreed as a correct record, subject to the amendments below, and signed by the Chair

- Minute 147, 2nd bullet, replace 'however, the option of a break clause would be explored' with '*however, Officers would investigate the inclusion of a break clause*'.
- Minute 148, add to the end of the resolution 'subject to the issues raised at the meeting

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being addressed', so it read '*Recommended to the Authority that it approves the proposal relating to Heath Barn Farm at the NPA meeting on the 19 December 2019, subject to the issues raised at the meeting being addressed*'.

ITEM 4: MATTERS ARISING

170. There were none

ITEM 5: URGENT MATTERS

171. There were none

ITEM 6: PUBLIC PARTICIPATION

172. None

ITEM 7: NEED FOR PART II EXCLUSION OF PRESS AND PUBLIC

173. Officers advised that there was no requirement to consider any item in private session.

ITEM 8: CORPORATE PLAN 2020-25 DRAFT

174. The Director of Countryside Policy and Management introduced report PR19/20-30 and reminded members of the report content. The Performance and Research Lead also responded to members questions.

175. The Committee commented that:

- They would like a future committee report to review whether the decision for the SDNPA not to pursue development of a National Park specific App is still correct.

176. In response to questions officers clarified that:

- The Seven Sisters project had its own heading within the draft Corporate Plan because the project had its own project board, which consisted of both Officers and Members, and was working within the business plan whose parameters were set by the NPA. Officers confirmed that the project would make a significant contribution to many different Corporate Plan objectives.
- The Authority had the opportunity to access Government funding for sustainable tourism projects and Officers were currently working with Defra to assist getting the additional resource.
- If it becomes clear that the Heathrow judgement will have significant implications for infrastructure proposals affecting the National Park this issue would be brought back to a future P&R Committee.
- SDNPA would be developing a local enterprise network to support rural businesses across the SDNP.
- The draft Climate Change Strategy and Action Plan would be considered at the next NPA meeting.
- In light of recent government announcements about bus services, the information on rural transport within the corporate plan would be updated in the final version presented to NPA.
- The diversification of volunteers target had been updated to a profile closer to that of the South East and would be presented in the final version of the Corporate Plan presented to the NPA. As the volunteer strategy develops it would be brought back to a future committee.
- The process of allocated CIL monies through the Infrastructure Business Plan had proven to be robust and would be repeated in future years. All monies were allocated in the year that they were collected and the list of eligible projects is currently well in excess of the level of funds available.
- Currently the Authority had a 69% success rate with appeals – which compares to a 65% national average. The measure of success for appeals in year 1 of the Corporate

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Plan could be to measure the percentage of appeals against the SDNPA which are dismissed, rather than the time and number of appeals.

177. **RESOLVED:** That the Committee:

- 1) Received the draft Corporate Plan 2020-25.
- 2) Recommended approval of the Corporate Plan to the National Park Authority (NPA) in March 2020.

ITEM 9: BUDGET MONITORING REPORT 2019/20: MONTH 9

178. The Principal Accountant introduced report PR19/20-31 and reminded members of the report content.

179. In response to questions officers clarified that:

- There had been a significant reduction in the number of planning applications received which was the key reason for the budget variance reported. Officers confirmed that the reduction was in line with national trends.
- The move to payment per planning application for host Authorities had been successful in reducing expenditure in line with the reduction in applications determined.
- Health and Wellbeing work programme was being developed with other Southern National Parks, and neighbouring AONBs. Initially it was anticipated that there would be £100,000 of Cabinet Office funding for projects in the South Downs area. It had subsequently become clear that this funding would be focused on improving the working relationships between health bodies, not projects on the ground. However, Public Health England had agreed to fund 3 of the 4 planned projects.
- To date in the current financial year there had been 12 staff resignations, giving a turnover rate of 8%. 5 of these resignations were in the Corporate Strategy Directorate, 5 in the Planning Directorate and 2 in the Countryside Policy Directorate, therefore there is no evidence of disproportionately high staff turnover in Planning. All staff were automatically offered exit interviews and the results were always analysed, but some decline to participate. The majority of leavers gave the reason for leaving as either commute to work or family commitments. The Authority was jointly recruiting with Lewes District Council with the aim of basing planners there.
- The 2 new transport and infrastructure posts had different but complementary remits. One is transport focused with support for the Protected Landscape role on Transport for the South East the top priority. The other strengthens our capacity to work on National Significant Infrastructure Projects of all types.

180. **RESOLVED:** That the Committee:

- 1) Noted the 2019/20 revenue forecast position as at month 9 of a net (£141,000) below budget variance.
- 2) Noted the 2019/20 capital forecast position as at month 9 of a zero budget variance and recommends that the National Park Authority (the “NPA”) approve the capital variation
- 3) Noted the reserves position as at month 9.
- 4) Noted the Treasury Management overview and position as at month 9.

ITEM 10: TREASURY MANAGEMENT STRATEGY 2020/21

181. The Principal Accountant and Head of Business Services jointly presented report PR19/20-32 and reminded members of the report content.

182. The Committee commented that:

- At the point of any borrowing being needed, Members should be made aware of both the cost and the risk of the borrowing needed in order that they could make an informed decision for the best approach for the Authority.

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- Variable interest rates should be considered rather than fixed rates.
- They were pleased to see the changes of short dated bonds and internal borrowing made to the Treasury Management Strategy which should enable to authority to get an investment return close to that of the level of inflation.
- It would like included in the report to the NPA the evidence behind the selection of the Short Dated Bond funds.

183. In response to questions officers clarified that:

- Short dated bond funds were not rated in the traditional way, and the Authority would only invest in these after a tendering process. Each bond would be assessed against the bench mark risk factor of 0.05%.
- Link Asset Service were Brighton and Hove City Council's (BHCC) treasury advisors and provide treasury advice to the SDNPA as part of the contract with BHCC.
- The Treasury Management Strategy provides assumptions for several projects going ahead at the same time. The Authority had reserves and at the time of any borrowing being needed it would be a balance between the reserves and external borrowing. Historically the Public Works Loan Board was the most advantageous place for Local Authorities to borrow from but this was no longer the case and the Authority would also consider other lenders. The final decision on any borrowing would be taken by the NPA.

184. **RESOLVED:** That the Committee:

- 1) Recommend that the National Park Authority ("NPA") approves the Treasury Management Strategy 2020/21 comprising of:
 - Treasury Management Policy Statement 2020/21;
 - Treasury Management Practices 2020/21;
 - Borrowing Strategy 2020/21;
 - Prudential and Treasury Indicators 2020/21 to 2024/25;
 - Minimum Revenue Provision Policy Statement; and
 - Annual Investment Strategy 2020/21, including the benchmark risk factor of 0.05%.

ITEM 11: EXTERNAL AUDIT PLAN 2019/20

185. The External Auditors introduced report PR19/20-33 and reminded members of the report content.

186. In response to questions officers clarified that:

- The auditors had initially identified as a significant risk management of CIL and Section 106 monies, and conducted detailed audit work around the systems in place. This highlighted issues - such as BHCC recognition of income - and resulted in one material and several immaterial adjustments to the accounts. This area would continue to have a high level of testing and monitoring to ensure that the recommendations suggested had been implemented.
- There were new regulations in place regarding the reporting of CIL to Central Government, which had to be followed by all bodies that receive CIL. Officers were confident that robust procedures were in place to do this.
- They would engage in the audit work earlier to ensure that the timetable was achievable for the July deadline.
- The triviality difference for reporting to Authority was £13,300.

187. **RESOLVED:** That the Committee:

1. Noted the External Audit Plan 2019/20

ITEM 12: REVIEW OF FINANCIAL REGULATION AND FINANCIAL PROCEDURES

188. The Head of Business Services introduced report PR19/20-34 and reminded members of the report content.
189. **RESOLVED:** That the Committee:
- 1) Agreed to recommend the revised Financial Procedures and Financial Regulations to the Authority for adoption.
 - 2) Noted the proposed changes to the Committee terms of reference arising from these changes, which were subject to the approval of the Authority.

ITEM 13: Q3 CORPORATE PERFORMANCE AND PROJECT PERFORMANCE REPORT

190. The Performance and Research Lead and Project Management Lead introduced report PR19/20-35 and reminded members of the report content.
191. The Committee commented that:
- Truleigh Hill Youth Hostel was an iconic site within the SDNP and the YHA should be encouraged to implement its plans to upgrade
 - Even though the Youth Hostel project was on hold it should be kept on the register and included in reports.
 - It was pleased to see the Health and Wellbeing projects underway.
 - When the SDNPA was involved in a project it was important that its contribution was recognised by others to demonstrate what public money was being spent on.
192. In response to questions officers clarified that:
- The Chief Executive was in regular contact with the YHA Chief Executive and they remained committed to refurbishing the Truleigh Hill Hostel.
 - The Beggars Bush project would be treated as a new project due to major changes to its scope and programme. It would be funded from Rampion who had confirmed that they would rather see good outcomes than a rushed project.
 - The project completion and spend graph would be updated so that projects finished at 100% rather than 110% as was currently shown. Some of projects were shown as completed or largely completed with no spend because external funding has been deployed first to the benefit of the SDNPA budget.
 - The Climate Change Strategy and Action Plan would be reported to NPA in March 2020 and then projects would appear as part of the annual programmes in the Corporate Plan and budget or as major project proposals at future Committees.
193. **RESOLVED:** That the Committee:
- 1) Received and noted the Quarter 3 Corporate Performance and Project Performance report.

ITEM 14: SEVEN SISTERS COUNTRY PARK – PROJECT PROGRESS UPDATE

194. The Project Management Lead introduced the report and gave a presentation.
195. The Committee commented that:
- A risk should be added that the planning application might be turned down or deferred.
 - The Project Board was a good example of joint Officer and Member working.
196. In response to questions officers clarified that:

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- The Secretary of State approval was a technical consent from the Ministry of Housing, Communities and Local Government (MHCLG) because East Sussex County Council (ESCC) were disposing of an asset at less than best financial value. The approval was not in the hands of the SDNPA but the Authority was doing everything it could to be ready as soon as the transfer was approved.
- The only funds that were spent currently were those already accounted for within a capped budget allocation set out in the Business Plan agreed by the NPA. No contracts would be awarded until assurance was given from the Secretary of State that the transfer would go ahead.
- The Officers putting together the planning application were not the same officers that would be determining the application and appropriate governance arrangements were in place. The application submitted would be an exemplary landscape led planning application as the SDNPA would expect from any private developer.
- If successful, the CIL bid for up to £500,000 would be spent on specific elements such as a changing places toilet.
- Forecast of potential income from other sources were in addition to the £1.4 million business plan investment and are for additional elements not fundamental to the delivery of the business plan.
- ESCC was the Highway Authority responsible for the bridge at Exceat and Officers would be meeting to discuss plans for the new bridge.

197. **RESOLVED:** That the Committee:

- 1) Receive and note the progress made in the Seven Sisters Country Park project

198. The Committee adjourned at 3.35pm and recommenced at 3.44pm.

ITEM 15: FARM CLUSTER IMPLEMENTATION MID-TERM REVIEW

199. The Farming Officer and Countryside and Policy Manager introduced report PR19/20-37 and gave a presentation.

200. The Committee commented that:

- They were highly supportive of the work with farm clusters and the work undertaken by the Farming Officer in bringing farmers together and providing opportunities for the SDNPA to engage directly with farming and other experts.
- They had received positive feedback from landowners on the role of the Authority in supporting the farm clusters.
- The farm clusters were vitally important to the SDNP and help to deliver Purpose 1.

201. In response to questions officers clarified that:

- There was aspiration that every landowner had the opportunity to join a farm cluster and that these clusters cover the entire SDNP. However, it was extremely important that the clusters were landowner led and the right size. Each of the clusters works differently and had different strengths, but the important thing was that each cluster worked towards clear outcomes.
- They were assisting and encouraging landowners to take up the new ELMS schemes.
- Farm Clusters were not unique to the SDNP and occur throughout England, however the cluster coverage within the SDNP is unusual.
- During the recently held Farmers' Breakfasts Officers spoke about the carbon cutting tool kit which was available to farmers. Officers hoped some farmers would undertake the work in order that a case study could be produced and shared.

202. Tom Fourcade, Carole Nicholson, Vanessa Rowlands and Richard Waring left the meeting.

203. **RESOLVED:** That the Committee:

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- 1) Noted the Farm Cluster Implementation & Development mid-term review.
- 2) Noted the importance of the farm clusters programme and the role farm clusters play in delivering the purposes and duty of the National Park authority.
- 3) Endorsed the principle of continued Authority support for the ongoing operation and expansion of the farm clusters programme at least until the detail of the new ELMS schemes published
- 4) Endorsed the continuation of staff resource and capacity to support the emerging landscape agenda at least until roll-out of the new Environmental Land Management (ELM) system (in late 2024).

ITEM 16: END OF PROJECT EVALUATION – BRIGHTON CHALK INTEGRATED CATCHMENT MANAGEMENT PARTNERSHIP (ChaMP) Project

204. The Landscape and Biodiversity Lead (Water) introduced report PR19/20-38 and gave a presentation
205. In response to questions officers clarified that:
- The issues highlighted in the end of the project evaluation with regards governance had been taken account of in developing the ChaMP 2 project, approved in December 2019.
 - It was challenging getting multiple stakeholders and partners to effectively work together, and this issue will; feature as part of a new leadership programme for Strategy Leads and Lead Rangers.
 - Ongoing maintenance of water gardens on new build estates should be part of section 106 agreements.
206. **RESOLVED** That the Committee:
- I. Received and considered the end of project review for the for the ChaMP project Phase I as included in Appendix I.

ITEM 17: CORPORATE RISK REGISTER

207. The Head of Governance introduced report PR19/20-39, reminded members of the content and highlighted that Risk 2, Finance and Budgets, would be re-examined in light of the recent communications received from Defra.
208. In response to questions officers clarified that:
- Communication had been sent to all staff and members in light of the Covid-19 outbreak and would be updated with any Government change to the advice. Handwashing advice had been placed in all lavatories and sink areas. Through the business continuity plans Officers were confident that day to day management of the Authority could continue.
 - Risk 24, Major Infrastructure Projects, highlights the Authority's response to major infrastructure projects.
209. **RESOLVED:** That the Committee:
- I. Noted the Corporate Risk Register as at February 2020.

CHAIR

The meeting closed at 4.25pm

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