

South Downs National Park Authority

Annual Governance Statement 2022-23

Review Date	Annual
Responsibility	Chief Executive
Approved by	Policy & Resources Committee

ANNUAL GOVERNANCE STATEMENT FOR SOUTH DOWNS NATIONAL PARK AUTHORITY 2022/23

1. Scope of Responsibility

- 1.1 Through carrying out its general statutory duties and responsibilities in connection with the two national park purposes, the South Downs National Park Authority (the SDNPA) seeks to work for and with the local community to foster the social and economic wellbeing of communities within the National Park.
- 1.2 The SDNPA is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively.
- 1.3 The SDNPA also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 1.4 In discharging this overall responsibility, the SDNPA is also responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of the Authority's functions, which includes arrangements for the management of risk.
- 1.5 The SDNPA has approved and adopted a Local Code of Corporate Governance, which is consistent with the principles of the CIPFA/SOLACE guidance Delivering Good Governance in Local Government Framework. The Local Code of Corporate Governance sets out agreed criteria against which the effectiveness of the governance framework will be assessed. This statement explains how the Authority has complied with the Local Code and meets the requirements of Regulation 6(1) of the Accounts and Audit (England) Regulations 2015 for the Authority to prepare an Annual Governance Statement.

2. The purpose of the governance framework

- 2.1 The governance framework comprises the systems and processes, and culture and values, by which the SDNPA is directed and controlled. The framework also includes the Authority's activities through which it is accountable to, engages with, and leads the community. It enables the SDNPA to monitor the achievement of its strategic priorities and to consider whether these priorities have led to the delivery of appropriate, cost-effective services. It is also a driver for the delivery of the Authority's outcomes and objectives, by contributing to the Authority's culture and empowering staff and members to act.
- 2.2 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness.
- 2.3 The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Authority's aims, objectives, and policies, to evaluate the likelihood and potential impact of those risks being realised and to manage them efficiently, effectively, and economically.
- 2.4 The governance framework, which has evolved and been strengthened over many years, has been in place within the SDNPA for the year ended 31 March 2023 and up to the date of approval of the Annual Report and Statement of Accounts.

3. The Governance Framework

- 3.1 The key elements of the systems and processes that comprise the SDNPA's governance arrangements are summarised below.

Vision and Leadership

- 3.2 The SDNPA's purposes, vision, and intended outcomes for residents, visitors and other service users are identified in a range of policy documents set out in our Local Code of Corporate Governance. The overarching vision for the management of the South Downs was agreed in July 2012 and is included in the Partnership Management Plan (PMP), which was launched in 2014. The review of the PMP was completed in 2020 and an updated PMP published. The plan was originally developed with partners and delivery partnerships have been put in place to ensure the objectives are met. The Authority also established a refreshed South Downs Partnership in 2021, with updated terms of reference, an independent Chair and representatives from across a wide range of key sectors, linked to the PMP in order to support delivery of the PMP, review progress against it and embed the PMP across those organisations and sectors operating within the National Park.
- 3.3 The Policy and Resources (P&R) Committee has included during this period on its agenda a standing item which reports on the delivery of the PMP, ensuring that the four key PMP themes of Climate Change, Health & Wellbeing, Rural Economy, and Nature Recovery are kept under review. The Committee has also organised workshops involving key partners to ensure delivery against these themes is monitored and scrutinised.
- 3.4 The Local Plan sets out how the National Park Authority will manage development until 2033. This is based on the statutory purposes and duty for national parks. The Local Plan builds on the framework of the South Downs National Park Partnership Management Plan. The PMP sets out an overarching strategy for the management of the National Park and the Local Plan policies deliver many of the outcomes and policies set out in the PMP.
- 3.5 A review of the Local Plan is ongoing and a revised Local Development Scheme has also been adopted. The Local Plan review will, alongside reviewing local planning policies, also consider the impacts of changing national planning legislation as part of its remit.
- 3.6 The SDNPA's Corporate Plan establishes the high-level objectives and priorities for the organisation and sets out detailed proposals for the forthcoming financial year. The Corporate Plan also sets out our values and includes our climate change action plan. The Corporate Plan action plan has been reviewed during this period and is due to be updated by the NPA to ensure this aligns with the current budget position and organisational priorities setting out clearer priorities and targets to reflect the Authority's flat cash settlement. During this period the Authority also approved an updated Public Affairs Strategy which set out the issues the Authority determined could most be influenced by public affairs work.

Service Quality

- 3.7 Progress against the SDNPA's objectives, and the National Park Authority performance indicators is identified via quarterly and annual performance reporting to the P&R Committee and, where appropriate, Planning Committee. The Performance Management Framework reflects the development of high-level objectives for the Partnership Management Plan. Performance is monitored by the P&R Committee with policies and strategies in place to ensure that the SDNPA makes best use of resources. The performance of the Sustainable Communities Fund, which is delivered by the South Downs National Park Trust, is subject to annual reporting to the Committee.
- 3.8 Key data sets, as specified by Defra are reported to allow for national data comparison.
- 3.9 The service quality and performance of the Authority's Teckal Company in its management of Seven Sisters Country Park against the agreed Operating Agreement and Business Plan is also monitored by P&R Committee through a quarterly performance report.

Decision Making

- 3.10 The SDNPA's Standing Orders, Scheme of Delegation, Financial Regulations, Contract Standing Orders and other procedures prescribe how the Authority operates and how decisions are made to ensure that these are efficient, transparent and accountable to local people. The Standing Orders are reviewed regularly and changes recommended to the Authority at least annually to ensure these reflect best practice and latest legislative requirements. During this period the financial delegations relating to contract limits were reviewed and revised to ensure the delegations continued to effectively perform their intended function to ensure officers dealt with contracts of an operational nature, whilst Members retained oversight of contracts of a strategic nature.
- 3.11 The Authority makes use of virtual and hybrid meetings in its informal meeting arrangements, including for Member training, workshops, and briefing sessions. These on-line and hybrid meetings continue to have advantages in terms of enabling Member attendance and reducing travel across the National Park. Where it is considered more conducive to detailed debate and discussion, for example budget workshop, meetings are held in person. In person workshops are often streamed for Members who are not able to attend in person to observe so they are able to keep up to date with discussions that have taken place. The Authority will continue to use virtual/hybrid meetings where it considers it appropriate and within its powers to do so. The Authority continues to await the Government's response to the Local authority remote meetings: call for evidence and will review our practices in the light of any future response.
- 3.12 Member training and engagement activity continued using a blend of in person, hybrid, and on-line 'virtual' meetings. Member training, knowledge and skills development, and other workshops have been held on the following subjects:
- Equity, Diversity, and Inclusion (EDI)
 - SDNPA Corporate Plan high level targets
 - Nature Recovery
 - Climate Change
 - A National Park for All
 - Green Economy / Green Finance
 - Whole Estate Plans
 - Partnership working / projects
 - Social media
 - Paperless working
 - Local Plan Review
 - Community Infrastructure Levy Allocation
 - Development Management
 - Health and Safety
 - SDNPA Risk Register
 - SDNPA Budget
- 3.13 There is a programme for reviewing and updating key documentation. We have a research and evidence strategy, which ensures that comprehensive, good quality data is available to base our decisions on and allow us to monitor progress. Committee reporting templates ensure these capture all relevant information to inform member decision making and

promote consistency. These templates are periodically reviewed and updated as required to ensure they are effective and provide Members with the necessary information for them to deliver their decision-making responsibilities.

- 3.14 Each of the SDNPA's committees has distinct terms of reference, which are kept under review and, where necessary, updated by the NPA. Following the co-opting of two additional members to the P&R Committee in response to some of the findings of the Landscapes Review, a third member has been co-opted during this period to further diversify the range of voices the Committee hears as part of its decision making and consideration of issues. These additional co-optees complement the two Independent (CIPFA) co-opted members that also serve on the P&R committee.
- 3.15 The Authority appoints two independent persons to advise on standards matters. During this period the Authority has undertaken the recruitment and appointment process for these independent persons.
- 3.16 Meetings of the Authority and its committees are held in public (save for individual items of a sensitive nature properly considered in private session, in line with LGA 1972) with publicly available agendas and minutes published on the Authority's website. Members of the public may ask questions and make representations on relevant matters at meetings in accordance with a defined protocol for public engagement, which enshrines the rights of the public to address meetings.
- 3.17 The Authority continues to webcast meetings of the Full Authority, and its Planning and P&R Committees. An archive of webcast meetings in the last 6 months is maintained and is publicly available through the Authority website and our webcasting provider, Public-i.
- 3.18 Work to move to paperless meetings has progressed well during this period, with the successful development, pilot, and subsequent rollout of a new e-Reports system. The vast majority of Members have engaged positively with the new system and its use will continue to be promoted whilst individual needs are met to ensure no Members are disadvantaged in the decision-making process.
- 3.19 The Authority's governance framework is kept under review by the Head of Governance, Monitoring Officer and Chief Finance Officer who are responsible for ensuring that the framework complies with changes in legislation, regulations, codes or guidance issued by government departments, regulatory bodies or relevant professional bodies. Committee and Officer Delegations and terms of reference are also kept under review and have been updated to ensure that the governance framework reflects changes in roles and responsibilities of committees, Members and/or Officers. Changes have also been made to the Authority's indemnity arrangements for members and officers, rules of debate and in relation to reserved matters arising from the establishment of the Teckal Company.
- 3.20 The roles and responsibilities of the Members and officers are defined in Member/Officer job descriptions and there is a Local Protocol for Member and Officer Relations. The roles of Chief Executive, Monitoring Officer and Chief Finance Officer are filled. The SDNPA has a range of contracts for key support services. This includes the provision of the Chief Finance Officer and Monitoring Officer functions. In reaching this decision the SDNPA took into account the governance requirements of CIPFA's Statement on the role of the Chief Financial Officer (CFO) in Local Government (2010). The CFO accordingly has full responsibility for reporting on financial performance and presenting financial performance updates and the annual budget report to members, as well as Internal Audit reviews and the Statement of Accounts.
- 3.21 There is a contract in place with Brighton & Hove City Council for the provision of financial services and Chief Finance Officer support. Under this contract the Authority has appointed its CFO who has a nominated Deputy Chief Finance Officer.

- 3.22 The contracts for legal services and provision of the Monitoring Officer (MO) have been renewed during this period and are managed by the Head of Governance. Under a contract with Hampshire County Council the Authority has appointed its MO.
- 3.23 There are arrangements for consultation with the Monitoring Officer, CFO or Deputy CFO on key decisions and advice to the Authority and its Committees.
- 3.24 Over this period the Authority, through its Teckal Company (South Downs Commercial Operations Limited), has continued its operations at Seven Sisters Country Park (SSCP). An operating agreement is in place between the Teckal Company and the Authority which defines the relationship between the company and the Authority. The Company's Articles of Association are also agreed by the Authority, as is the annual business plan for the company which sets out the approved functions to be delivered by the company and incorporates key performance indicators (KPIs). These KPIs are reviewed on a quarterly basis by the P&R Committee. The developments undertaken on site have been very positive, with significant improvements to both the landscape management and the visitor experience. Whilst there have been challenges in the Company's first year of trading, which were to be expected, the Board of Directors and the Authority continue to have constructive discussions to ensure improvements continue on the site. The Authority, in its role as Shareholder, has also been kept informed of the progress of the Company.
- 3.25 As highlighted in the 2021-22 AGS, the Authority was also undertaking a review of byelaws at SSCP. Whilst initial consideration was given to remaking the existing byelaws it became apparent through the review that the Government's process for the making of byelaws requires an assessment to be undertaken for each proposed byelaw setting out why the byelaw is required, backed by evidence, and why it cannot be addressed through another route. Public consultation is also required on any proposed byelaw. The starting point for any new byelaw would therefore be monitoring at SSCP to identify if there was a need for a particular byelaw. This monitoring is proposed to begin during 2022-23.
- 3.26 The Authority has continued its relationship with the South Downs Trust – which is an independent charity established by the Authority. The Authority continues to have a licence agreement for the use of the shared identify and seconds staff to the Trust. The Authority appoints two Authority members as trustees. The Trust provides an annual update to the Authority, with the update being presented in public. The Trust complies with the reporting requirements of the Charity Commission and Companies House and keeps its governance and policy framework under review to ensure it is robust and fit for purpose.
- 3.27 The annual review of governance has been undertaken, particularly taking into consideration the actions from the 2021-22 AGS which have been implemented during this period. Changes have included a revised and streamlined schedule of Authority and Committee meetings and other Member events as part of the Member Development Programme. As part of this there was also a desire to hold at least one meeting of the Authority or one of its committees elsewhere in the park with the aim of improving local engagement. The February 2023 meeting of the P&R Committee was subsequently held in Lewes. The experiment was a success and will be repeated. The paperless e-Reports system has also been implemented during this period and work has continued within the Authority to improve support for hybrid meetings. Quarterly reporting of Members' attendance statistics is also now undertaken.

Risk management

- 3.28 The SDNPA has a well-established systematic strategy, framework, and processes for managing risk. These are set out in the Authority's Risk Strategy and Guidance which also includes the Authority's risk appetite statement. A corporate risk register is maintained and has been reviewed on an ongoing basis at meetings of the Policy & Resources Committee as well as being subject to regular review by Operational Management Team (OMT) and Senior Management Team (SMT). The Policy and Resources committee has opportunities for

members to better engage with the corporate risk register through a series of meetings – enabling committee members to dig deeper into issues on the risk register in advance of the Committee meeting and better inform the discussions which take place in Committee. This enables relevant risks to be identified and evaluated, with consideration given to appropriate mitigation strategies.

- 3.29 Directorate level risk monitoring is in place and has been reviewed to ensure consistency across the organisation in advance of the review of the Authority's Risk Strategy and Guidance. Risk is also monitored at project level and there is an escalation process from project and directorate risk registers to the corporate risk register.
- 3.30 The Authority's insurance arrangements have been kept under review and updated as new risks identified including for the operations at Seven Sisters Country Park.
- 3.31 The Authority has a Procurement Strategy 2021-26 in place which sets out how the SDNPA will take a proportionate view of risk in procurement, to strike a balance between mitigation and accessibility for small and medium sized enterprises.

Conduct and behaviour

- 3.32 There are Codes of Conduct for Members and officers, in place and performance appraisal processes for both. Training is given to new Members on the Code of Conduct as part of the induction process and bi-annually by external experts. There is a Register of Members' Interests. The Authority operates successor standards arrangements for the conduct of Members following the implementation of the Localism Act 2011. The Appointment Management & Standards Committee is responsible for monitoring the ethical framework of the Authority. The Authority has appointed two independent persons to oversee the investigation of complaints about the conduct of Members.
- 3.33 A thorough review of the Member Code of Conduct has been undertaken by the Monitoring Officer and the Head of Governance, considering both the Local Government Association's Model Councillor Code of Conduct and the Cabinet Office Code of Conduct for Board Members of Public Bodies, which those Members appointed by the Secretary of State are also required to comply with. The revised Code of Conduct was considered by the Appointment, Management and Standards Committee and recommended to the Authority for approval. Throughout the year individual and collective guidance has been issued to Members on the management of standards issues.
- 3.34 An annual update on complaints received, and matters referred to the Local Government and Social Care Ombudsman is considered by the Policy and Resources Committee, so that the Authority can seek service improvement. The SDNPA has a Whistleblowing Policy, with confidential reporting arrangements in place to enable internal and external whistleblowing. There is an Anti-fraud and Corruption Policy in place.
- 3.35 Competencies are incorporated into the performance and development review process for staff and the Authority also has in place a set of corporate values which were developed through collaboration of both staff and Members. A full staff survey is being undertaken in 2023, delayed due to the COVID-19 pandemic, however, during this period surveys on the implementation of blended working practices, and Health & Safety at the Authority have been undertaken.
- 3.36 The Authority developed an action plan, the objectives of which were endorsed at the July 2022 Authority meeting, to assist in improving the Authority's Equity, Diversity, and Inclusion work. This work has included staff and member surveys and sessions to ensure all staff and members have an opportunity to participate. Both staff and Member training has resulted from this, along with work to procure an online learning platform to embed EDI across the organisation.

Financial accountability

- 3.37 The SDNPA's Financial Regulations and Procedures, provide a framework for the management of the Authority's financial affairs. The SDNPA has an approved Capital Strategy, Treasury Management Policy and Annual Investment Strategy detailing its approach and risk appetite for managing financing, treasury, and non-treasury investments. Monitoring of the operational budget is conducted during the year and findings incorporated into the budget planning process.
- 3.38 Payment of allowances to Members is made in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003. Allowances have continued to increase with the staff cost of living pay award and will be subject to a full review in 2024.
- 3.39 Members have a key role in providing assurance that the Authority's funds are used economically, efficiently, and effectively in accordance with agreed policies. and the Authority's general Duty of Best Value under the Local Government Act 1999. The financial strategy and budget are agreed by the Authority following scrutiny by all Members via a series of workshops. The P&R Committee receives regular reports on budget monitoring and treasury management performance and has a membership that includes two independent co-opted members who have relevant finance and governance experience. This committee undertakes the core functions of an audit committee. This ensures the provision of appropriate skills and experience in the scrutiny of the Authority's arrangements for financial control and risk management and enhances transparency.
- 3.40 As the Authority's available funds for projects have been significantly reduced, the previous approach of allocating budgets to the Authority's Theme Programme Boards has ended. The limited project funds (allocated through the budget setting process by the NPA) are now administered, and funding approved, by the Authority's Operational Management Team (OMT). The projects the Authority undertakes continue to be driven by the objectives set out in the PMP and Corporate Plan and in approving these projects OMT aims to reflect the priorities of the Authority.
- 3.41 During this period the Authority has also considered carefully how it can best prepare itself to respond to future grant settlements. As part of this the Authority undertook changes in the organisation and approved the creation of an invest to save reserve to be used over the next 12 months to assist with the reduction of overheads.
- 3.42 The Authority's accounts are subject to external audit on an annual basis and reported to the P&R Committee at a public meeting. During this period the Authority received and considered the first Value for Money Audit. The Authority has expressed concerns, both in a public meeting and in a letter to the external auditor, about the performance of the external auditor in regard to the timeliness of their reports. The Authority will be working with the external auditor over the coming year with the aim of ensuring that improvements are delivered.
- 3.43 An Internal Audit service is provided under a service level agreement by Brighton & Hove City Council's Internal Audit Services. The outcomes of internal audits are reported to the P&R Committee and the full reports are sent to the Chair and Deputy Chairs and the Independent co-opted Members of the committee. An independent and external review of internal audit to ensure compliance with the Public Sector Internal Audit Standards was carried out during this period. The Authority's external auditors review the appropriateness of internal audit arrangements and accordingly place reliance on the work done where applicable.
- 3.44 The Authority has also embedded processes to oversee the delivery of the Infrastructure Business Plan and for allocating monies generated through the Community Infrastructure Levy.

3.45 All contracts since June 2013 have been procured through e-sourcing using the In-tend system, or through National frameworks.

Constructive working relationships between officers and Members

3.46 Compliance with relevant legal requirements and the SDNPA's procedures is facilitated by a range of controls. Policies are in place to regulate how the Members and Officers use the resources available to them.

3.47 The SDNPA receives legal advice and Monitoring Officer support as appropriate via separate contracts with West Sussex County Council and Hampshire County Council. This advice includes input into significant Committee/Authority papers. During this period no formal reports by the Monitoring Officer, further to section 5 of the Local Government and Housing Act 1989, were necessary.

3.48 Senior managers and Committee Chairs and Deputy Chairs meet monthly in an informal capacity to horizon scan and consider the forward management of Authority business. Although this is not a decision-making body it allows for a constructive dialogue between officers and Members and ensures activities are informed by a wide range of views.

3.49 The Authority has continued its practice of a small number of Members who are not appointed to committees, this enables the particular skills of these Members to be best employed in the work of the Authority in specific policy areas or activities. All Members are still required to attend NPA meetings and other Member development and engagement activities and are subject to the requirements to attend meetings set out in the Local Government Act 1972 and the Authority's Standing Orders.

3.50 The induction of new Members has been reviewed and will be delivered using a variety of in person events with SMT and other officers, along with Committee Chairs and Deputy Chairs, to ensure that new Members joining the Authority are able to fully engage in the work of the Authority.

Skills and Learning for staff and Members

3.51 Member and Officer learning and development needs are identified and met through induction programmes, the Performance and Development Review process, individual staff learning and development plans, and the Member Engagement Protocol. There are annual Member discussions between individual Members and the Chair of the Authority which include a consideration of any development needs.

3.52 An e-learning platform is maintained as part of a blended approach to training delivery. This includes a series of mandatory courses to be undertaken by all staff as well as optional courses focussing on personal development and growth. These courses are also available to Members. For staff, completion of courses is linked to the annual Performance and Development Review process.

3.53 Mid and end of Project evaluations are reported to the Policy and Resources Committee and key organisational learnings are identified from these and used to inform the development of future projects and ways of working.

3.54 Budget managers have access to one-to-one support for budget management and also briefings on financial procedures and administration, further budget management, and closedown procedures. All financial guidance and procedure notes are available on the Authority's Intranet. Contract management training has been provided to relevant staff.

Clear relationships with Partners and the public

3.55 A key element in the SDNPA's guiding principles is working with partners and community groups. The SDNPA has therefore developed and maintained a range of relationships and arrangements with other agencies in the public, private, and voluntary sectors to ensure that they are able to engage with and contribute to the work of the Authority. The SDNPA has

an Accord with Natural England and Memoranda of Understanding with the South Downs Network and South Downs Land Management Group. A Memorandum of Understanding with the Association of Local Councils within the South Downs is also in place and communications with parishes and local communities have been improved through the approach to parish workshops, which over this period have also included a return to in person events following the COVID19 pandemic. These workshops now include in person events alongside on-line webinars and Q&A sessions. The Authority has continued Member appointments to a number of local and national partner organisations and groups including the South Downs Local Access Forum, Campaign for National Parks and the South Downs National Park Trust.

- 3.56 The Authority oversaw the establishment of an independently chaired South Downs Partnership in 2021 with a remit to champion the outcomes in the Partnership Management Plan (PMP) through:
- Being a strong partnership in pursuit of common goals across the diverse landscape and communities of the SDNP and its environs
 - Working alongside the NPA and other partners to drive and monitor continual improvement across the landscape and communities of the National Park
 - Embedding the PMP as a vehicle for change across the National Park
 - Providing 'integrated thinking' and seeking to resolve issues arising when there is a conflict between competing policy objectives;
 - Providing a forum for those with a stake in delivery of the PMP
- 3.57 We continue to work with neighbourhood planning groups across the National Park, to prepare neighbourhood plans that respect the purposes and duty of the National Park Authority and enhance the special qualities the National Park.
- 3.58 During this period a revised Statement of Community Involvement (SCI) was approved. The SCI which sets out how the Authority will consult with all stakeholders, including local communities, businesses and public bodies, on planning matters.
- 3.59 SI01 agreements with the 5 Planning Host authorities are in place, having been renewed during 2021-22. These agreements define the relationship with the host Authorities who deliver planning services on behalf of the SDNPA and include quality and performance measures which are reported to the Policy and Resources Committee as part its performance monitoring.
- 3.60 Whole Estate Plans (WEPs) are seen as a key way of deepening engagement with estates and landowners. These plans are subject to consideration by the Policy and Resources Committee and involve visits to the estate to help Members and officers understand the context of these plans and the issues facing landowners in the National Park. The processes associated with the delivery of WEPs were reviewed and updated in 2021-22 and during 2022-23 have proved to be effective in ensuring improved Member engagement with emerging WEPs at the most appropriate time.
- 3.61 The Authority uses a range of methods to maintain regular contact with its communities and wider public, including through its two regular newsletters and its presence on social media on the work of the Authority and its activities in the National Park. Engagement through in person and virtual events across the year also form an important aspect of the Authority's engagement programme.
- 3.62 The Authority has in place appropriate policies to ensure it complies with its duties under the Equality Act 2010. Every report considered by the NPA or its committees includes a consideration of whether the decision would impact upon groups with protected characteristics, with full equality impact assessments being undertaken where this is

considered necessary. The delivery of EDI training for staff and Members has contributed to the effectiveness of this and ongoing development will be delivering in the coming year through the use of an online EDI training platform. The Authority has sought to engage with communities across the national park and, through its comms, engagement and outreach work, improve awareness of the National Park across a wide range of groups. An EDI action plan is in place to further support the embedding of this work within the Authority and to promote and encourage access to the National Park to all individuals and communities.

- 3.63 The P&R Committee has, as part of its membership, co-opted members from communities in and around the National Park with aim of diversifying the range of voices the Committee hears as part of its decision making and consideration of issues.
- 3.64 The Authority has maintained youth ambassador roles to strengthen engagement with young people across the National Park and has in place the appropriate safeguarding policies and mechanisms, all approved through the Authority's HR Team.
- 3.65 The Authority has engaged with partners across a range of consultations including in relation the M3 Junction 9 and the A27 Arundel Bypass, reforms to national planning policy, minerals and waste, and the Surrey Hills AONB Boundary Review.
- 3.66 The Authority has also worked very closely with a range of partners in relation to the exceptional circumstances concerning the fire in Midhurst and the multi-agency response.

4. Review of Effectiveness

- 4.1 The SDNPA has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the Senior Management Team and other officers within the Authority who have responsibility for the development and maintenance of the governance environment, the work done to review the Local Code of Corporate Governance, and also by responding to comments and recommendations made by external auditors and others. In 2023 the P&R Committee met to consider the effectiveness of the Committee and its performance against its terms of reference.
- 4.2 The annual review exercise, which incorporated a review of the Local Code of Corporate Governance, was initiated by the Head of Governance and the Monitoring Officer and included consultations with the Strategic Management Team, the Chief Finance Officer and the Internal Auditor.
- 4.3 The Internal Audit Annual Opinion is that Reasonable Assurance can be provided that an effective system of internal control is in place at the SDNPA for the year ended 31 March 2023. Of the six audits undertaken, there were two substantial assurance opinions given and four reasonable assurance opinions given as set out below:
- Substantial Assurance – ICT Contract Arrangements Follow Up
 - Substantial Assurance – Community Infrastructure Levy
 - Reasonable Assurance – Creditors/Accounts Payable
 - Reasonable Assurance – Payroll
 - Reasonable Assurance – Seven Sisters IT Arrangements
 - Reasonable Assurance – Main Accounting and Budget Management
- 4.4 Following the partial assurance opinion in 2021-22 on ICT Arrangements, improvements made have proved effective as evidenced by substantial assurance in the ICT Contract Arrangements audit and reasonable assurance in the Seven Sisters IT Arrangements audit. The ICT Contract Arrangements audit prompted improvements to the Authority's directorate level risk register processes to ensure they were up to date and consistent.

Improvements have also been made to the Authority's Accounting and Budget Management, Creditor/Accounts Payable, and Payroll processes following the internal audit actions.

- 4.5 The SDNPA's Chief Finance Officer and Monitoring Officer have also provided assurance that there have been no significant control issues which have:
- Required the need for formal action or reporting in their respective roles,
 - Required the need for significant additional funding not already provided for within the approved budget,
 - Had a material impact on the accounts; or
 - Resulted in significant public interest, damaging the reputation of the Authority.
- 4.6 Although a review of the effectiveness of the Governance arrangements is reported once per year to the Authority, the process of gathering evidence and monitoring performance is continual and is managed through reports to the Authority and its Committees, and through the improvement planning process. Management action required to maintain effective governance arrangements is evident from reports and from other management reporting processes taken throughout the year.
- 4.7 We have been advised on the implications of the result of the review of the effectiveness of the governance framework and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework. The areas already addressed and those to be specifically addressed with new actions planned are outlined below.

5. Governance issues

- 5.1 No significant governance issues have been identified. The following key areas of work have been conducted during 2022/23:
- **Further embedding of processes related to paperless meetings** through the launch of the eReports system and successful take up by the majority of Members.
 - **Review the position regarding the use of byelaws at Seven Sisters Country Park.** A thorough review has been conducted, as set out in paragraph 3.26 of this AGS, and an action is included for 2023-24 in regard to the process for any future byelaw.
 - **Implementation of changes arising from the review of the staff PDR process.** The staff PDR process has been reviewed and a revised process and guidance have been approved which are being trialled during 2023-24, before rollout across the Authority in 2024-25.
 - **Complete the review of the model councillor code of conduct recently published by the Local Government Association to identify whether further revision of the Member Code of Conduct is needed.** A thorough review has been undertaken, as set out in paragraph 3.34 of this AGS, and proposed changes were considered by the Appointment, Management & Standards Committee in May 2023 with the Committee subsequently recommending the changes for approval by the Authority.
 - **Implement the outcomes of the 2022 Member survey and review of governance as reported to the NPA in May 2022.** The 12 actions from the May 2022 Review of Governance, undertaken by a Member Task and Finish Group, have been implemented and completed.
 - Nos.1-4: a streamlined cycle of Member meetings and workshops has been agreed and implemented.
 - No.5: transition of Members to the use of electronic payslips has been implemented.
 - No.6: move to paperless meeting reports packs has been implemented through introduction of the eReports system.

- No.7: revisions of the rules of debate were agreed by the Authority.
- No.8: The holding of P&R Committee meeting at a location other than Midhurst; the February 2023 meeting of P&R Committee was held in Lewes and this is intended to take place annually.
- No.9: The schedule of Member events has been kept under review and adapted as the restrictions put in place during the COVID-19 pandemic receded.
- No.10: A training session was held for Members on the new paperless system and the use of the SDNPA intranet; training of new Members will be ongoing.
- No.11: Work is being undertaken to upgrade the IT/AV equipment in the Memorial Hall and main meeting rooms to facilitate better hybrid meetings.
- No.12: The format of Member attendance statistics has been agreed and are now published on the SDNPA website.
- Organisational polices on blended/hybrid working have been kept under review and a Blended Working Action Plan put in place following a staff survey.
- Continued refinement of governance procedures in relation to the Authority's Teckal Company.

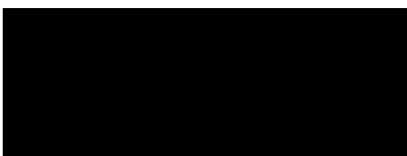
5.2 Actions for 2023-2024 include the following:

- Review the Authority's arrangements against the CIPFA Audit Committee Guidance
- Implement suitable monitoring at Seven Sisters Country Park to inform the future development of any byelaw required
- Work with the Authority's External Auditors to improve the timeliness of reports to the Policy and Resources Committee
- Ensure good governance mechanisms are in place to support the Authority's growing work in the area of Green Finance
- Review of the Authority's Fraud and Anti-corruption and Whistleblowing Policies
- Develop an Authority policy on the use of non-corporate communication channels

5.3 We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements, and delivery against these will continue to be monitored by the P&R committee.

5.4 We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Chair



On behalf of the SDNPA

Chief Executive Officer

