

SOUTH DOWNS NATIONAL PARK AUTHORITY

POLICY & RESOURCES COMMITTEE MEETING 29 FEBRUARY 2024

Held at the Council Chamber, County Hall, Lewes at 1pm.

Present: Annie Brown, Tim Burr, Peter Diplock, Baroness Jones of Whitchurch, Theresa Fowler, Joan Grech, Melanie Hunt, Jerry Pett, Steven Ridgeon and Vicki Wells.

Co-opted Members of the Committee: OlaOlu Adedayo and Morris Findley

Independent Members of the Committee: Tom Fourcade

Other SDNPA Members: Vanessa Rowlands (Chair of the Authority), Stephen McAuliffe.

SDNPA Officers: Tim Slaney (Chief Executive (Interim)), Anita Kerwin-Nye (Director of Landscape and Strategy), Mike Hughes (Director of Planning (Interim)), Louise Read (Monitoring Officer), Lynne Govus (Head of Finance and Corporate Services), Nigel Manvel (Chief Finance Officer), Claire Kerr (Countryside and Policy Manager (Eastern Downs), Anne Rehill (Performance and Project Manager), Anooshka Rawden (Cultural Heritage Lead), Hayley Madgwick (Procurement Manager), Carol Brown (DM Systems and Technical Support Manager), Mark Winton (Chief Internal Auditor), Andy Conlan (External Auditor), Richard Sandiford (Head of Governance) and Jane Roberts (Committee Officer).

Also attended by: Kerrie Curzon (Natural England), Laura Newland (Natural England), Emma Goddard (South East Water).

OPENING REMARKS

150. The Chair opened the meeting.

151. 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.

152. The Chair welcomed Anita Kerwin-Nye, the new Director of Landscape and Strategy for the South Downs National Park Authority (SDNPA), Kerrie Curzon and Laura Newland from Natural England (NE) and Emma Goddard from South East Water.

ITEM 1: APOLOGIES FOR ABSENCE

153. Apologies were received from Catriona Aves.

ITEM 2: DECLARATIONS OF INTEREST

154. No declarations of interest.

ITEM 3: MINUTES OF PREVIOUS POLICY AND RESOURCES COMMITTEE HELD ON 23 NOVEMBER 2023

155. The minutes of the Policy and Resources Committee meeting held on 23 November were approved as a correct record.

ITEM 4: UPDATES ON PREVIOUS COMMITTEE DECISIONS

156. The SDNPA was planning to recruit a Co-opted Member in the near future. This would be an open recruitment process without geographic or demographic focus advertised on the SDNPA website and other social media platforms. Members were encouraged to share the post through their networks.
157. The application process to become a responsible body for Conservation Covenant Agreements had started, and a further update would be brought to the next meeting.

ITEM 5: URGENT MATTERS

158. There were none.

ITEM 6: PUBLIC PARTICIPATION

159. There was none.

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

160. Members were asked to consider the exclusion of the public, including the press, from the meeting for Agenda Item 21, Appendices 3, 4 and 5.
161. The Monitoring Officer asked Members to consider whether, in respect of Appendices 3, 4, & 5 of Agenda Item 21, the public, including the press, should be excluded from the meeting on the basis that it was likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if a member of the public were present during the items there would be disclosure to them of exempt information within paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, being information relating to the financial or business affairs of any particular person including the Authority and that in all the circumstances of the case, the public interest in maintaining the exempt information outweighs the public interest in disclosing the information. It was proposed on the basis that whilst there was a public interest in the transparency of Authority proceedings and of audit results, it was felt that on balance this was outweighed by the requirement of the National Park Authority to be able to consider matters in relation to its business and fully consider the implications of its actions or proposed actions particularly in relation to decisions which may have implications on the effective day-to-day running of the Authority without the disclosure of information that could adversely impact the day-to-day running of the Authority and its ability to deliver its services.
162. **RESOLVED:** The meeting would be moved into private session at the appropriate point to consider Agenda Item 21, Appendices 3, 4 and 5 and that the public, including the press, would be excluded from the meeting at that point.

ITEM 8: UPDATE ON PROTECTED LANDSCAPES TARGETS AND OUTCOMES FRAMEWORK

163. The Director of Landscape and Strategy provided a verbal update.

ITEM 9: THE CHALK COAST NATIONAL NATURE RESERVE: PROPOSAL TO EXTEND LULLINGTON HEATH NATIONAL NATURE RESERVE TO INCLUDE LAND AT SEVEN SISTERS COUNTY PARK

164. The Countryside and Policy Manager (Eastern Downs) introduced report PR23/24-27 and reminded members of the report content.
165. The Committee commented that:
- Pleased to be working in partnership with Natural England (NE) and South East Water (SEW) on the delivery of this project.
 - What resources would NE be able to make available for the project and would there be money to underpin it?

- Would the Crown be contributing resources to the project as part of the King's Series of National Nature Reserves?
- Sites of Specific Scientific Interest (SSSI) must retain focused support as attention was diverted to the creation of the SNNR.
- Could the project be extended along the coastline?
- The report outlined the potential for a partnership officer, would NE or partner contributions fund this officer?
- Community engagement was important, bringing the local population on the journey and helping them understand the importance and impact of the project. An opportunity to host informative events. Don't leave engagement to the end of the project but from the start.
- How was the aquifer being protected and what was being done to reduce nitrates?
- How confident were NE that volunteers would engage long-term?
- With multiple stakeholders involved how would governance work?
- Whilst the SDNPA was the landowner at Seven Sisters County Park (SSCP), how would the project outcomes be achieved if other landowners did not engage, and how would this project impact the Authority as landowner?
- Encouraged that farmers were being engaged and that the sensitive issue around tuberculosis was acknowledged around grazing.
- Farming was a business decision and if the project could demonstrate economic benefits to the agri-environmental work then this would bring good outcomes.
- One of the potential benefits from the shared working was around private finance and the SDNPA have developed their own model for green financing. Good to consider how the Authority could work with NE and other partners around private finance for this project.

166. Members were advised:

- NE were committing resources to the establishment phase of the project and there was a small team working with the core partners. The Nature Recovery Project budget was funding research projects, such as a scrub project and a soils project to build an evidence base. The aspiration was that the brand of the NNR would attract external funding and that SEW could also support through the Environment Programme.
- SEW was progressing with the initiative as part of its national environment programme to look at what techniques could be used for land management that reduced nitrates whilst also having a biodiversity benefit.
- This project could encourage other water companies to follow suit but was also linking with universities to explore how certain habitats could yield more water which would benefit the local population, as well as the environment and agriculture.
- Bringing partners together and working at landscape scale can have tangible benefits and this project would help with that partnership working in a cost-effective way. A recent farmer lead meeting at the Firle Estate had looked at conservation grazing by ponies which would help improve that SSSI.
- NE were keen to explore if the project could be extended to deliver across the wider coastline. If other partners were interested in nature conservation, this could be extended as the project progressed, whether as approved bodies or through affiliated

status. Important to protect the NNR brand as the best conservation sites in the country.

- The partnership officer resource was being provided by NE during this initial stage, but future funding requirements would be decided by the partners.
- Online surveys were being considered to assist with community engagement as well as holding events with partners.
- The aim was to protect the aquifer through trying to reduce nitrate soil health and soil science. SEW were working with farmers on how they could apply pesticides more effectively to avoid water contamination and improve biodiversity.
- Volunteering opportunities were a possibility but would depend on the partners.
- Partners would need to decide on governance collaboratively. The NNR would also require a joint management framework which would be co-designed by the partners.
- The proposal relied on co-operation and partnership, as a voluntary declaration it couldn't impose on landowners. The Authority's ambitions and targets around SSCP, for bigger, better more joined up nature recovery align with the selection principles and management standards of the SNNR.

167. **RESOLVED:** The Committee:

1. Noted and welcomed the emergence of the Chalk Coast National Nature Reserve proposal of Natural England which involves the extension of Lullington Heath National Nature Reserve: and,
2. Recommended to the National Park Authority that the SDNPA apply to Natural England to become an Approved Body under section 35 of the Wildlife and Countryside Act 1981 and to seek a declaration from Natural England that the land at Seven Sisters Country Park currently designated as a Site of Special Scientific Interest also be designated as a National Nature Reserve and become part of the emerging Chalk Coast National Nature Reserve.

168. Vicki Wells joined the meeting at 1.25pm

ITEM 10: DIRECTION OF TRAVEL FOR THE APPROACH TO CULTURAL HERITAGE IN THE SDNPA

169. The Cultural Heritage Lead introduced report PR23/24-28 and reminded members of the report content.

170. The Committee commented that:

- Good to see conservation being treated with the same priority as social engagement with the heritage.
- The use of the terminology 'underrepresented people' in the appendix was excellent and would like to see that terminology used in the future.
- Could the work done by artificial intelligence (AI) have been done by community historians? Would not like to see the use of AI as a precedent.
- Would heritage be involved in the conservation of historic development as part of the Local Plan review?
- Hampshire County Council (HCC) were running a live consultation to identify savings, one element would potentially be the withdrawal of grants to the Hampshire Cultural Trust. Had the Authority submitted a response to the consultation?

- In the current Partnership Management Plan (PMP) there was a watercress project focused solely on the Itchen. Watercress was also part of the Meon's heritage. Could watercress bed management on the Meon be considered as part of the upcoming Partnership Management Plan review?
- What was the depth of ranger knowledge in terms of cultural heritage? Their knowledge of nature and ecology was first class.
- Many estate owners were not aware how to connect cultural heritage to their Whole Estate Plan (WEP). This could be achieved through setting out basic guidelines. It would be good to tie cultural heritage into Whole Estate Plans.
- Consideration could be given to sharing condition monitoring tools with landowners as part of the WEP process.

171. Members were advised:

- Condition monitoring was a priority and needed to be done as efficiently as possible with the resources available. The ranger teams have been working with landowners to achieve better integrated management plans to support both nature and culture.
- Within the timeframe available AI was necessary to achieve the results.
- The Authority had two full time conservation officers in the planning team, in addition to the Cultural Heritage Lead. The planning department were well versed in dealing with conservation matters, with five and a half thousand listed buildings in the Park and 167 conservation areas. Heritage conservation would be a key part of the Local Plan Review.
- Work was being done through the Arts Council in regard to Hampshire Cultural Trust. Consideration would be given to providing an Authority response to HCC's consultation.
- Heritage was not designed to keep the landscape static but to manage transition. The Partnership Management Plan (PMP) consultation would be an opportunity to explore the issue in policy terms.
- Rangers had a wide range of skills depending on their career journey however there would be opportunities for levelling up their cultural heritage knowledge. Rangers were already involved with WEP site visits and the Cultural Heritage Lead commented on WEP consultations. There was an opportunity for Members to consider cultural heritage when reviewing WEPs.
- The SDNPA would become the first national park to join the Heritage Alliance to help improve the Authority's partnership working in this area.

172. **RESOLVED:** The Committee noted and endorsed the direction of travel of the SDNPA's approach to Cultural Heritage as part of the development of the next Partnership Management Plan and Corporate Plan.

ITEM II: REVISED CORPORATE PLAN MEASURES

173. The Performance and Project Manager introduced report PR23/24-29 and reminded members of the report content.

174. The Committee commented that:

- Did HLT 6.1 include volunteering?
- Important to consider the quality and impact, not just the number of businesses.

175. Members were advised:

- HLT 6.1 did include volunteering.

- Consideration would be given to the quality and benefit of businesses in the next Corporate Plan.
- Members were encouraged to send feedback on the latest Projects and Performance briefing.

176. **RESOLVED:** The Committee:

1. Received and considered the revised measures for Higher Level Target no.6 and Corporate Priority no.7 in the SDNPA Corporate Plan Action Plan Years 4 & 5.
2. Recommended that the National Park Authority approved the revised measures for Higher Level Target no.6 and Corporate Priority no.7 in the SDNPA Corporate Plan Action Plan Years 4 & 5.

ITEM 12: Q3 SOUTH DOWNS COMMERCIAL OPERATIONS LIMITED PERFORMANCE REPORT 2023/24

177. The Head of Governance introduced report PR23/24-30 and reminded members of the report content.

178. The Committee commented that:

- The recent Christmas Fair was excellent.
- The impact weather had on events and visitor numbers was appreciated.
- Could the livestock units per hectare number be checked?
- Paragraph 3.7 showed that the largest revenue opportunity was from the cottages. Had any commercial paying visitors stayed in the cottages yet?
- Significant strides had been made to increase average spend per head by more than 60%, yet the average spend was £1, so it appeared many visitors were not spending anything. What could be done to increase trade?
- Car parking delivered a good income. Was this serving as a proxy entrance fee?
- The Key Performance Indicator (KPI) mentioned a decline in Asian visitors completing the survey. This method of tracking engagement could be difficult for non-English speaking visitors, could it be tracked in another way?
- The Countryside Stewardship Agreement was scheduled to start on January 1 2024, had it started?
- Welcomed the efforts to reduce the operating costs. Photovoltaic system to reduce costs was an excellent way forward.
- Could the buildings at Exceat be used by local play groups?
- If the end of year deficit had increased, did the SDNPA loan need to increase?

179. Members were advised:

- Officers would check the exact number of grazing cattle.
- At present one cottage was being let to commercial paying visitors through bookings.com. The tender to manage the cottages and camping barn was currently live and should be awarded by April 2024.
- SSCP were aiming to increase average spend per transaction rather than average spend per person. Officers were constantly analysing the offer to visitors.
- In the medium-term future, car parking would be a major source of the company's income. Travelling to the site via sustainable transport was encouraged but realistically a

lot of visitors would arrive by car as, other than a direct bus from Eastbourne or Lewes, the site was difficult to get to. If SSCP were to stop cars there would be less visitors, and if car parking charges were too high, people might park on verges or otherwise unsafely.

- The methodology of surveys to engage Asian visitors was being examined.
- The Countryside Stewardship Agreement work had begun and was just awaiting final sign off.
- Consideration was being given on how to make best use of spaces at Exceat for both engagement and income generation, as well as attract new visitors, and details would be in the forthcoming business plan.
- There would no effect in terms of the loan facility as most had yet to be drawn down.

180. **RESOLVED:** The Committee received and considered the Q3 South Downs Commercial Operations Limited (SDCOL) performance report 2023/24.

ITEM 13: PROCUREMENT OF PLANNING ADMINISTRATION SYSTEM

181. The Procurement Manager introduced report PR23/24-31 and reminded members of the report content.

182. The Committee commented that:

- Was the Authority looking at the net zero potential of businesses in the procurement process? What were they doing in their own companies to get their carbon emissions down?
- Was there a formula to calculate the value in paragraph 3.2, was it an upper estimate, and were Officers confident that figure could be achieved?
- KPIs measure performance, but were always historic data so there was a risk that by the time KPIs had been measured and reported the project may already be off course. It would be good to consider alternative measures of performance that didn't carry such lag?
- Would this change the shape of how planning committee see applications? Was the planning committee aware this process was happening?
- Was Artificial Intelligence (AI) transforming innovation in the sector such that it might affect how the procurement was specified?

183. Members were advised:

- The net zero potential for prospective businesses was addressed. There was a valuation in the weighting on social value, making sure bidders provided information on economic, and environmental aspects and KPIs had been set for that. The tender portal provided potential ideas for bidders such as funding tree planting and events for the community.
- The sum in 3.2 was based on the current contract paid and Officers were hopeful a similar figure could be achieved. The Authority was looking to reduce the licencing costs by reducing the number of users and by combining the two contracts together to achieve some net savings.
- The planning committee were aware of the requirement to go out to tender. There would be no impact in the way the statutory function was being delivered. The system would only affect how the back end worked, and the host authorities, so there would be no visible change for the public.
- AI was changing elements of the service but it tended to be established providers bidding. Although a direct award could be made, Officers felt it was right to test the

market. The Authority's priority was to achieve value for money and the best functionality to allow the SDNPA to move forward as an innovative authority for the next three to five years.

184. **RESOLVED:** The Committee:

1. Agreed that SDNPA aims to consolidate into a single contract the two existing Planning Administration System contracts that are due to expire on 31 March 2025.
2. Approved the commencement of a procurement process leading to the appointment of a contractor to provide a Planning Administration System for a period of 3 years (and up to 5 with extensions) from 1 April 2025.
3. Delegated authority to the Chief Executive to award the contract for the above, following competitive process carried out under the terms of the Crown Commercial Services Framework Agreement.

185. Committee adjourned for a comfort break 3.23pm

186. Peter Diplock and Annie Brown left the meeting 3.23pm

ITEM 14: CORPORATE RISK REGISTER

187. The Head of Governance introduced report PR23/24-32 and reminded members of the report content.

188. The Committee commented that:

- The road crossing at Seven Sisters was of continued concern.

189. **RESOLVED:** The Committee received and considered the Corporate Risk Register as at February 2024.

ITEM 15: BUDGET MONITORING REPORT 2023/24: MONTH 9

190. The Chief Finance Officer introduced report PR23/24-33 and reminded members of the report content.

191. The Committee commented that:

- Thanked Officers for their efforts.
- Did paragraph 3.6, regarding the reed bed, need to be amended as it was not yet finalised?

192. Members were advised:

- The monies had not yet been received for the reed bed, but this might change before the National Park Authority meeting so Officers were of the opinion to leave as it is.

193. **RESOLVED:** The Committee:

1. Noted the 2023/24 Revenue Forecast position as at month 9 of a net (£368,000) below budget variance.
2. Noted the 2023/24 Capital Forecast position as at month 9 of a zero-budget variance and recommend that the National Park Authority (the "NPA") approve the Capital Variations set out in Appendix 2.
3. Noted the Reserves position as at month 9, as set out at Appendix 3.
4. Noted the Treasury Management overview and position as at month 9, as set out at Appendix 4.

ITEM 16: TREASURY MANAGEMENT STRATEGY 2024/25

194. The Chief Finance Officer introduced report PR23/24-34 and reminded members of the report content.
195. The Committee commented that:
- Did members of the committee have adequate treasury management training?
 - Would be good for the SDNPA to have environmental compliance statements that supported the Authority's aims and objectives alongside its social responsibility statement.
 - Did the SDNPA have an (Environment, Social, Governance) ESG statement?
196. Members were advised:
- The Chief Finance Officer and Head of Governance would discuss the potential for using the P&R Committee away day in April to deliver treasury management training.
 - The SDNPA produced an annual governance statement but could look at creating an ESG statement going forward.
197. **RESOLVED:** The Committee recommended that the National Park Authority ("NPA") approves the Treasury Management Strategy 2024/25 as set out in Appendix I comprising the:
- Treasury Management Policy Statement 2024/25;
 - Borrowing Strategy 2024/25;
 - Prudential and Treasury Indicators 2024/25 to 2026/27;
 - Minimum Revenue Provision Policy Statement; and
 - Annual Investment Strategy 2024/25 including the benchmark risk factor of 0.05%.

ITEM 17: AUDITED STATEMENT OF ACCOUNTS 2022/23 AND LETTER OF REPRESENTATION

198. The Chief Finance Officer introduced report PR23/24-35 and reminded members of the report content.
199. The Committee commented that:
- What was the reason for the variance in the reclassified transactions between the Authority and South Downs Commercial Operations Limited (SDCOL), the change being 0.17 million, compared with the trivial matters' materiality limit of 0.9?
200. Members were advised:
- Officers would respond to Members post committee as to the reasoning of the variance in the reclassified transactions between the Authority and SDCOL.
201. **RESOLVED:** The Committee:
1. Noted the Commentary on the Statement of Accounts 2022/23 set out in Appendix I.
 2. Approved the Statement of Accounts 2022/23 as set out in Appendix 2 for publication.
 3. Authorised the Chief Finance Officer, in consultation with the Chair of the P&R Committee, to make any minor amendments to the accounts required, providing that the amendments have no impact on the financial position (outturn) of the Authority.
 4. Noted that the Chief Finance Officer would sign the formal Letter of Representation as required by the external auditor as set out in Appendix 3 on the conclusion of all audit queries.
202. Theresa Fowler and Maggie Jones left the meeting at 4.06pm

ITEM 18: EXTERNAL AUDIT FINDINGS AND OPINION

203. The External Auditor introduced report PR23/24-36 and reminded members of the report content.
204. The Committee commented that:
- Thanked the Officer for delivery of the report which was virtually complete and to the timetable.
205. **RESOLVED:** The Committee received and considered the findings as set out in The Audit Findings for South Downs National Park Authority, Year ended 31 March 2023 at Appendix I.

ITEM 19: VALUE FOR MONEY – AUDITORS ANNUAL REPORT 2022/23

206. The External Auditor introduced report PR23/24-37 and reminded members of the report content.
207. The Committee commented that:
- Grateful for the reassurance delivered in the report.
208. **RESOLVED:** The Committee received and considered the Value for Money – Auditor’s Annual Report 2022/23.

ITEM 20: INTERNAL AUDIT STRATEGY, ANNUAL AUDIT PLAN AND CHARTER

209. The Chief Internal Auditor introduced report PR23/24-38 and reminded members of the report content.
210. The Committee commented that:
- With the Health and Safety audit (H&S) focused on governance arrangements, should SSCP be included in the audit, as the complexity around the arrangements raised a risk that items may fall between the gaps?
 - Paragraph 2.6 referred to a 3-year cyclical programme of audits for key financial systems but the table underneath seems to show them being looked at every two years.
 - Whilst the internal audit charter stated 'the board will be the SDNPA Policy & Resources Committee (described generically in this Charter as the Audit Committee)' approval of this report did not constitute a formal decision to designate the P&R Committee as the audit committee.
 - Page 303, 'completion to draft report stage by 31st March 2023' should be changed to '2024'.
211. Members were advised:
- The Teckal company had its own audit arrangements, and the shareholder could suggest it consider undertaking external audit.
 - The 3-year cycle was shown due to there being a 3-year planning cycle, but the key financial systems were looked at every two years.
212. An additional recommendation was discussed 'with the agreement of the directors of South Down's Commercial Operations Limited, the scope of the Health and Safety Audit Plan to take place in 2024/25 shall include consideration of the health and safety governance arrangements in relation to operations at Seven Sisters Country Park.'
213. Noting that the Service Systems Operational Activities Audit had recently been completed, which did make comment on Health and Safety related governance issues, and that a workshop on SDCOL was scheduled for March and it was advised that any recommendations be deferred until the next meeting of the committee.

214. **RESOLVED:** The Committee approved the Internal Audit Strategy, Annual Audit Plan and Charter for 2024/25.

ITEM 21: INTERNAL AUDIT PROGRESS AND IMPLEMENTATION

215. The Chief Internal Auditor introduced report PR23/24-39 and reminded members of the report content.

PART II EXCLUSION OF PRESS AND PUBLIC

216. The meeting was closed to the public, including the press, and moved into private session at 16.26pm.
217. **RESOLVED:** The Committee noted progress against the Internal Audit Strategy and Annual Plan (2023/24)
218. The Chair closed the meeting at 16.33pm.

CHAIR

