

Report to **South Downs National Park Authority**  
Date **27 March 2025**  
By **Head of Income Generation and Marketing**  
Title of Report **Updated South Downs National Park Trust and South Downs National Park Authority Memorandum of Understanding**

**Decision**

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**Recommendation: The Authority is recommended to:**

- 1. Approve the updated Memorandum of Understanding between the South Downs National Park Trust and South Downs National Park Authority with effect from 1 April 2025; and,**
  - 2. Delegate authority to the Chief Executive, in consultation with the Chair of the Authority, to make and approve any future minor changes to the Memorandum of Understanding, noting that any major changes would be reported to the Authority for approval.**
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**1. Introduction**

- 1.1 This report provides the background to the proposed changes to the Memorandum of Understanding (MoU) that governs the relationship between the South Downs National Park Trust (the Trust) and the South Downs National Park Authority (SDNPA).
- 1.2 The proposed changes aim to enhance financial resilience, reducing reliance on SDNPA, whilst maximising investment in conservation, climate action, and community projects.
- 1.3 The Authority is asked to approve the updated MoU between the Trust and the SDNPA to enable the Trust to fundraise to cover core costs and reduce its future dependency on SDNPA funding. A delegation is also sought to Chief Executive, in consultation with the Chair of the Authority, to make and approve any future minor changes to the MoU. Any major changes, such as the one presented in this report, would be reported to the Authority for approval.

**2. Background**

- 2.1 On 23 June 2016, the SDNPA agreed in principle to the setting up of a charitable entity for the South Downs National Park. This approval was subject to the provision of a business case, articles of association, and governance arrangements, including the appointment of Trustees.
- 2.2 On 30 March 2017, the SDNPA formally approved the formation of the Trust and entered into an MoU and a Grant Agreement with the Trust. The MoU has since been updated every three years, with the latest revision completed in 2023, remaining valid until 2026.
- 2.3 The MoU commits a gift in kind to core cost contribution to the South Downs Trust, through the secondment of 0.6 FTE of the Head of Income Generation and Marketing and 0.8 FTE of the Development Manager. This equates to £109k in direct costs (salaries, NI and

Pensions) with a further £90k in sunk costs/overheads (building, HR support, payroll etc). There is no cash financial commitment by the SDNPA to the Trust.

- 2.4 The MOU also includes support with services such as communication, HR and governance. A separate branding licence allows the Trust to use the National Park branding.
- 2.5 Whilst the SDNPA remains committed to supporting the Trust, acknowledging the return on investment from project funding, it is facing a tightening financial outlook. The SDNPA has therefore encouraged the Trust to explore opportunities for recovering some of its operational costs, thereby reducing its dependency on SDNPA funding.
- 2.6 In preparation for this, the Trust has made progress in this area, securing a 15% core cost contribution from a number of donors.

### 3. Issues for consideration

#### Moving the MOU to an underwriting position

- 3.1 The proposed changes in the MoU move the relationship from providing core funding to the Trust, to a position of underwriting core costs should the Trust be unable to fully cover those costs through fundraising, as outlined in the Tracked Changes within the updated agreement in **Appendix I**. This should result in a reduced financial contribution from the SDNPA in future years.
- 3.2 This approach would enable the Trust to integrate a core cost contribution into donations, reducing the SDNPA's core cost funding obligations while maintaining the Trust's existing restricted and unrestricted funding streams.
- 3.3 This approach aligns with the SDNPA's priority to maximise investment in the National Park and avoids putting the Trust in a position where it may have to compromise project funding for essential core cost support.
- 3.4 In practice, this will enable the Trust to fundraise for costs towards covering the £109k direct costs (salaries, NI, pensions) of seconded staff to the Trust. However, based on financial advice received on this, the fundraising will not contribute towards covering the £90k sunk costs/overheads. Whilst direct costs would not be subject to VAT, overheads may be subject to VAT, therefore, overheads are not included in the current proposal.

### 4. Options & cost implications

- 4.1 Three options have been considered:
  - a. The proposed model, underwriting the Trust.
  - b. Renewing the current MOU unchanged in 2026.
  - c. SDNPA withdrawing all funding from the Trust from 2026, requiring it to become self-sustaining.
- 4.2 Option B was not taken forward for the MoU due to the financial strain on SDNPA. Option C was not taken forward for the MoU, as full withdrawal of funding would require a shift of focus in the Trust in a short period of time to securing core funding, which is harder to obtain than project-specific funding. This could lead to an overall reduction in funding and weaken the strong relationship between SDNPA and the Trust, ultimately diminishing the impact of both parties.
- 4.3 Option A allows the Trust to transition to funding raising for core costs in a sustainable way and this will also have a positive impact on the SDNPA's budget.

### 5. Next Steps

- 5.1 The Trust approved the changes to the MoU at their November meeting.
- 5.2 Should the NPA approve it, the updated MoU would come into effect from the 1 of April 2025, with a core cost payment being made before the end of the financial year.
- 5.3 Expected contribution from the Trust to the SDNPA will be considered in-year and factored into the SDNPA's budget position.

**6. Other implications**

<b>Implication</b>	<b>Yes*/No</b>
Will further decisions be required by another committee/full authority?	No
Does the proposal raise any Resource implications?	No – it results in a positive impact on resources, compared to the current position.
How does the proposal represent Value for Money?	The proposal represents an improvement on the current ROI from the SDNPA's support of the Trust. This was £9.45 as per the 2022/23 accounts.
Which PMP Outcomes/ Corporate plan objectives does this deliver against	Outcome 8 of the PMP and CP4 of the Corporate Plan.
Links to other projects or partner organisations	South Downs National Park Trust.
How does this decision contribute to the Authority's climate change objectives	Funding of the South Downs Trust enables the securing of funding for projects such as Ouse Valley Climate Action, which help deliver against our climate change objectives.
Are there any Social Value implications arising from the proposal?	N/A
Have you taken regard of the South Downs National Park Authority's equality duty as contained within the Equality Act 2010?	Yes, continued support of the South Downs Trust maximises ensures continued support for our programmes supporting protected characteristics, for example the Health and Wellbeing Grant or the Travel Grant.
Are there any Human Rights implications arising from the proposal?	No
Are there any Crime & Disorder implications arising from the proposal?	No
Are there any Health & Safety implications arising from the proposal?	No
Are there any Data Protection implications?	No

**7. Risks Associated with the Proposed Decision**

<b>Risk</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Mitigation</b>
If approved, the Trust is unable to secure budgeted core cost income, leaving the SDNPA exposed.	1	4	No income has been forecast in the SDNPA's coming budget, meaning secured income would improve the current financial position. Careful budgeting between the SDNPA and South Downs Trust will ensure that any future budgeted South Downs Trust core cost income is only included where there is a degree of certainty.
If not approved, the Trust's focus on finding core cost funding reduces the Trust's ability to secure income and this affects PMP outcomes	2	3	The underwriting position proposed within this paper ensures the Trust can maximise funding and therefore maximise impact for the SDNPA and PMP.

**JAMES WINKWORTH**

**Head of Marketing and Income Generation**

**South Downs National Park Authority**

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Appendices I. SDNPA / South Downs Trust MOU

SDNPA Consultees Chief Executive; Director of Countryside Policy and Management; Director of Planning; Monitoring Officer; Legal Services

External Consultees South Downs Trust Galloways

Background Documents [NPA\\_2017January31\\_Agenda-Item-10.pdf](#)  
[https://www.southdowns.gov.uk/wp-content/uploads/2017/03/NPA\\_2017March30\\_Agenda-Item-12.pdf](https://www.southdowns.gov.uk/wp-content/uploads/2017/03/NPA_2017March30_Agenda-Item-12.pdf).

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**Dated:**

**SOUTH DOWNS NATIONAL PARK AUTHORITY**

**and**

**SOUTH DOWNS NATIONAL PARK TRUST**

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**Memorandum of Understanding**

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**THIS AGREEMENT** is made on

2024

**BETWEEN:**

(1) South Downs National Park Authority of South Downs Centre, North Street, Midhurst, West Sussex GU29 9DH ("**SDNPA**"); and

(2) South Downs National Park Trust of South Downs Centre, North Street, Midhurst, West Sussex GU29 9DH ("**the Trust**")

each "a party" and together "the parties".

**1. BACKGROUND**

1.1 On 11 November 2023, the SDNPA and the Trust signed a memorandum of understanding ("**the Original MOU**") which documented their legally non-binding agreement ~~have agreed~~ to work together on the project detailed in Schedule 1 ("**the Project**").

1.2 The Original MOU provided for the secondment of two employees of the SDNPA to the Trust. The Trust may now be able to cover all or part of the salary expenses of the two secondees to the Trust under the Original MOU in accordance with the terms of this Agreement.

1.3 The parties now wish to vary and extend the arrangements envisaged by the Original MOU, by the execution of this new memorandum of understanding ("**the New MOU**") which shall replace and supersede the Original MOU.

~~1.2.1.4~~ 1.4 The parties wish to record the basis on which they will collaborate with each other on the Project under the new arrangements. This New Memorandum of Understanding ("**MoU**") sets out:

~~1.2.1.4.1~~ 1.4.1 the key objectives of the Project;

~~1.2.2.1.4.2~~ 1.4.2 the principles of collaboration; and

~~1.2.3.1.4.3~~ 1.4.3 the respective roles and responsibilities the parties will have during the Project.

**2. KEY OBJECTIVES FOR THE PROJECT**

The parties shall continue to undertake the Project, ~~between which commenced on March 2023~~ in 2017, from the date of execution of this Agreement by the parties ("**the Commencement Date**") up to and including the third anniversary of the Commencement Date in order ~~March 2026~~ to achieve the key objective set out in Schedule 1 to this MoU ("**Key Objective**").

**3. STATUS**

3.1 This MoU is not intended to be legally binding, and no legal obligations or legal rights shall arise between the parties from this MoU. The parties enter ~~into~~ the MoU intending to honour all their obligations.

3.2 Nothing in this MoU is intended to, or shall be deemed to, establish any partnership or joint venture between the parties, constitute either party as the agent of the other party, nor authorise either of the parties to make or enter into any commitments for or on behalf of the other party.

4. **PRINCIPLES OF COLLABORATION**

4.1 The parties agree to adopt the following principles when carrying out the Project ("**Principles**"):

- 4.1.1 collaborate and co-operate;
- 4.1.2 be accountable. Take on, manage and account to each other for performance of the respective roles and responsibilities set out in this MoU;
- 4.1.3 be open. Communicate openly about concerns, issues or opportunities relating to the Project;
- 4.1.4 learn, develop and seek to achieve full potential. Share information, experience, materials and skills, as appropriate, to learn from each other and develop effective working practices, work collaboratively to identify solutions, eliminate duplication of effort, mitigate risk and reduce cost;
- 4.1.5 adopt a positive outlook. Behave in a positive, proactive manner;
- 4.1.6 adhere to statutory requirements and best practice. Comply with applicable laws and standards including EU procurement rules, data protection and freedom of information legislation employment, safeguarding and health and safety legislation, fundraising and financial legislation and regulations (if applicable);
- 4.1.7 act in a timely manner;
- 4.1.8 manage stakeholders effectively;
- 4.1.9 deploy appropriate resources. Ensure sufficient and appropriately qualified resources are available and authorised to fulfil the responsibilities set out in this MoU; and
- 4.1.10 act in good faith to support achievement of the Key Objective and compliance with these Principles.

4.2 **Meetings**

4.2.1 The Trust (represented by the Chair, Director and/or another trustee) and the Chair and CEO of the SDNPA will meet at least once a year. In addition, both the Trust and SDNPA shall present an update on progress to each other.



**5. ROLES AND RESPONSIBILITIES**

5.1 The parties, to the extent that each determines that it is in their best interests to do so, shall undertake the roles and responsibilities set out in Schedule 2.

5.2 For the avoidance of doubt, either party may cease to undertake any of the roles and/or responsibilities set out in Schedule 2 if it determines that it is in its best interests.

5.25.3 The parties agree that they do not intend that the Transfer of Undertakings (Protection of Employment) Regulations 2006, as amended from time to time, shall apply to these arrangements and each party shall do all things necessary to mitigate the risk that a Seconded claims that his or her contract of employment has transferred to the Trust.

**6. ESCALATION**

6.1 If either party has any issues, concerns or complaints about the Project, or any matter in this MoU, that party shall notify the other party and the parties shall then seek to resolve the issue by a process of consultation. If the issue cannot be resolved within a reasonable period of time, the matter shall be escalated to the CEO of the SDNPA in consultation with the Chair of the SDNPA and the Chair of the Trust, who shall decide on the appropriate course of action to take.

6.2 If either party receives any formal inquiry, complaint, claim or threat of action from a third party (including, but not limited to, claims made by a supplier or requests for information made under the Freedom of Information Act 2000) in relation to the Project, the matter shall be promptly referred to the CEO of the SDNPA in consultation with the Chair of the SDNPA and the Chair of Trustees. No action shall be taken in response to any such inquiry, complaint, claim or action, without the prior approval of the CEO of the SDNPA in consultation with the Chair of the SDNPA, and the Chair of the Trust.

**7. INTELLECTUAL PROPERTY**

7.1 The parties intend that notwithstanding any secondment any intellectual property rights created in the course of the Project shall vest in the party whose employee created them (or in the case of any intellectual property rights created jointly by employees of both parties in the party that is lead party noted in Schedule 3 below for the part of the Project that the intellectual property right relates to).

7.2 Where any intellectual property right vests in either party in accordance with the intention set out in clause 7.1 above, that party may grant a licence to the other party to use that intellectual property for the purposes of the Project.

**8. TERM AND TERMINATION**

8.1 This MoU shall commence on the ~~date of signature by both parties~~ Commencement Date, and shall expire on the third anniversary of the ~~date of signature by both parties~~ Commencement Date.

8.2 Either party may terminate this MoU by giving at least six months' notice in writing to the other party (such notice to be given on the anniversary of the ~~date of this MoU~~ Commencement Date only).

**9. VARIATION**

This MoU, including the Schedules, may only be varied by written agreement of both parties.

**10. CHARGES AND LIABILITIES**

10.1 Except as otherwise provided, the parties shall each bear their own costs and expenses incurred in complying with their obligations under this MoU.

10.2 Both parties shall remain liable for any losses or liabilities incurred due to their own or their employee’s actions and neither party intends that the other party shall be liable for any loss it suffers as a result of this MoU.

**11. GOVERNING LAW AND JURISDICTION**

This MoU shall be governed by and construed in accordance with English law and, without affecting the escalation procedure set out in clause 6, each party agrees to submit to the exclusive jurisdiction of the courts of England and Wales.

Signed for and on behalf of South Downs National Park Authority	
Signature:	.....
Name:	.....
Position:	.....
Date:	.....
Signed for and on behalf of South Downs National Park Trust	
Signature:	.....
Name:	.....
Position:	.....
Date:	.....

## **SCHEDULE 01**

### **THE PROJECT**

#### **Key Objective**

Over the course of this MoU the parties agree to work together to raise funds for the benefit of the South Downs National Park and to support the development and delivery of South Downs National Park's Partnership Management Plan to the extent that it furthers the Trust's charitable objects.

#### **Provisions**

In accordance with this MoU:

The SDNPA agrees to: provide a grant, in the form of resource, until the 3rd anniversary of [the Commencement Date](#) ~~this MoU~~. The resource will not be fixed and can be varied with agreement by both parties. However, initially the SDNPA commits to provide the following:

- [Continuation of the s](#)Secondment of 0.6 of the SDNPA's Head of Income Generation and Marketing, to act as the Charity Director.
- [Continuation of the S](#)secondment of 0.8 of the Fundraising Development Manager.
- Use of the South Downs National Park Trust's shared identity logo, as set out in the Licence agreement.
- Other resource (inclusive of accommodation, support and facility needs) as necessary to achieve the roles and responsibilities identified in this [a](#)Agreement and which the SDNPA is happy to provide.
- Adopt the Trust as its official charity.

The South Downs National Park Trust agrees to:

- Use the resource provided by The SDNPA to fundraise for work and projects that support the South Downs National Park's Partnership Management Plan, where this meets with their charitable objectives.
- Ensure best practice, through its governance, operation and fundraising in order not to bring the park into disrepute (for example through a thorough ethical fundraising policy and related procedures).

**1 SCHEDULE ~~12~~**  
**ROLES AND RESPONSIBILITIES**

	<b>SDNPA</b>	<b>The Trust</b>
<b>1. Partnership Management Plan and Long Term Vision for the National Park</b>	With the South Downs Partnership, which will include a nominated individual from the Trust amongst other organisations, carry out the consultation, drafting and approving of the Partnership Management Plan.	As part of the South Downs National Park Partnership input into the drafting of the Partnership Management Plan and assist in its delivery.
<b>2. Trust's Strategic Plan and Policies</b>	Provide the Trust with assistance by providing any expertise for the formation of the Trust's strategic plan, as agreed by the SDNPA and the Trust.  Annual review of the <del>Trust's</del> Trust's progress towards the achievement of the Partnership Management Plan at the Trust's AGM.	Determining the overall strategic direction of the Trust.  Including sub-strategies which expedite the implementation of the Strategic Plan.  Annual review of progress towards the Trust Strategic Plan, at the SDNPA's AGM.
<b>3. Fundraising</b>	Support of Trust fundraising activity through communications and marketing activity and other means as agreed between the SDNPA and the Trust.	Determining and driving forward fundraising strategy, plan and activity.  Ensure all activities are carried out in line with guidance from the Charity Commission and the Fundraising Regulator.
<b>4. Annual Report &amp; Accounts</b>	Provide assistance as required with the drawing up of the Trust's Annual Report & Accounts.	Production of Annual Report and Accounts, and of the financial policies used therein, in conjunction with the Director and relevant staff (inc. the appointment of auditors).
<b>5. Cash, Funds and Assets</b>	Provide assistance with preparation of financial policy proposals for the	Ensuring that the Trust remains solvent and ensuring the safe and secure management of all

	<p>Trust (if requested to do so by the Trust) and arrangement of insurance cover.</p>	<p>assets. Setting the financial investment, reserves and other policies and procedures and monitoring performance against them.</p>
<p><b>6. Risk Management</b></p>	<p>Provide assistance with preparation of risk assessment and management policy and procedures for the Trust (if requested to do so by the Trust).</p>	<p>Regular review and implementation of the Trust’s Risk Register.  Annual discussion of necessary changes to the Trust Risk Register to ensure continued robustness of the Trust’s strategy.  Maintenance of appropriate systems of internal control and risk management, and provision of regular reports to Trustees.  Ensuring that Trustees are advised of any material changes to perceived risks, in line with Charity Commission guidance.</p>
<p><b><u>7. Secondments</u></b></p>	<p><u>Continuation of the secondment of 0.6 of the SDNPA's Head of Income Generation and Marketing, to act as the Charity Director.</u></p> <p><u>Continuation of the secondment of 0.8 of the Fundraising Development Manager</u></p> <p><u>(each of these members of the SDNPA’s staff being a “Secondee” and together “the Secondees”.</u></p> <p><b><u>Reimbursement</u></b></p> <p><u>Preparation no earlier than thirty days prior to the anniversary of the Commencement Date or such other date as may be agreed by the parties of a “Statement of Costs” in relation to the Secondees, including</u></p>	<p><b><u>Cost Reimbursement</u></b></p> <p><u>Prompt review, in consultation with the SDNPA, of the Statement of Costs submitted by the SDNPA.</u></p> <p><u>Confirm the Trust’s financial and contractual / legal ability, pursuant to the terms of the relevant donation and/or grant agreement, to reimburse the wages/salary costs identified in the Statement of Costs.</u></p> <p><u>Agree the value of cost reimbursement, if any, that the Trust is able to make provided that in the event of dispute, the Trust’s decision shall be binding.</u></p> <p><u>Make payment to the SDNPA of any sums to be reimbursed within 30 days of the date of agreement or determination of the sum to be paid.</u></p>

	<a href="#"><u>without limitation a breakdown of the cost of wages, salary, employer national insurance, other employment benefits</u></a>	
<b>1. HR Issues</b>	Line management of the Head of Charity plus the setting of the Director's terms and conditions.  <u> </u>	Inputs into the current Director's objectives, performance reviews (annual and otherwise) and the recruitment of any future replacement.
<b>2. <del>Health</del>Health &amp; Safety plus Safeguarding</b>	Provide assistance to the Trust on Health & Safety matters.	Ensure that any activities entered into by the Trust have appropriate Health and Safety and Safeguarding measures (i.e. Children and Vulnerable Adults) in line with relevant legislation and best practice.
<b>3. Communication Issues</b>	May refer issues to the Trust to be considered by the trustees. Provide PR and other Communication support.	Production of the Trust's Communication Strategy  Signing off all press releases in the Trust's Name and other statements related to the Trust where the statement is on a matter of public, political or reputational significance.
<b>4. Grant Giving Matters, plus Other Charitable Activity</b>	Provide grant specific expertise and advice through the provision of Grants Giving expertise and strategic expertise through relevant leads at the National Park (i.e. Biodiversity Officer)	Determining Trust grants and grant giving policies, in line with its charitable objects.  Approval of all grants to external bodies.
<b>5. Data</b>	Responsible for IT security and data management where systems are shared with the Trust subject to a formal agreement with the	Oversight of data systems and management processes. Responsible for the management of all data owned by the Trust.

	Trust.	
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## 2 SCHEDULE 23

### CONTACTS

CONTACT POINTS	
<b>SDNPA</b>	
Name:	<a href="#">Sion McGeevor</a>
Office address:	<a href="#">South Downs National Park Authority, South Downs Centre, North Street, Midhurst, West Sussex, GU29 9DH</a>
Tel No:	<a href="#">01730 819305</a>
E-mail Address:	<a href="mailto:Sion.mcgeavor@southdowns.gov.uk">Sion.mcgeavor@southdowns.gov.uk</a>
<b>The Trust</b>	
Name:	Dean Orgill
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