

North York Moors National Park Authority Finance, Risk, Audit and Standards Committee

Public Minutes of the virtual meeting held on 22 June 2020.

Present:

Jim Bailey, Peter Berry, Malcolm Bowes, Patrick James, David Jeffels, Shaun Moody, Caroline Patmore, Andrew Scott, Jeremy Walker

Apologies:

Gareth Mills (Grant Thornton – External Auditors)

Officers in Attendance:

Andy Wilson (Chief Executive), Chris France (Director of Planning), Michael Graham (Director of Park Services), Briony Fox (Director of Conservation), Ian Nicholls (Head of Corporate Services), Tom Stephenson (External Funding Officer), Pete Williams (Head of Finance), Sandra Strickland (NYCC, Accountant), Ian Morton (Audit Manager – Veritau), Vanessa Burgess (Committees Officer)

Copies of All Documents Considered Are In The Minute Book

17/20 Minutes

Resolved:

That the public minutes of the meeting held on 3 February 2020, having been printed and circulated, be taken as read and be confirmed and signed by the Chair as a correct record.

18/20 Members Interests

Members were reminded of their responsibility to declare any personal and prejudicial interests relating to any agenda item prior to its consideration.

19/20 Exclusion of the Public

Resolved:

That the public be excluded from the meeting during consideration of Item 15 on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 1,2,3 & 4 of Part 1 Schedule 12A to the Local Government Act 1972

20/20 Health and Safety

Considered:

The report of the Head of Corporate Services

Ian Nicholls updated members, particularly in relation to COVID 19 and the various changes made to working practices and health and safety to manage the effects of pandemic restrictions.

Members commented on/discussed the following:

- Grateful for the comprehensive report and attention to detail regarding risk management.
- The rising cost of PPE, post COVID outbreak.
- Lone working out in the NP.
- Possible shift from current 2 metres distancing to 1 metre and whether this would incur more work to make visitor areas safe and increase the need for more PPE such as masks.

Ian informed members that the Authority was closely monitoring the additional PPE costs and increased usage. With regard to lone working, the system currently in place had transferred well to home working with staff adhering to the usual reporting arrangements and volunteers maintaining contact. The Rangers teams are using the Track Plot system, especially at weekends. The Authority was awaiting news regarding the possible relaxation of the distancing rules, but was confident that robust systems were in place to cope, especially regarding the NP's Visitor Centres and Cafes. Ian informed members that additional documentation was being completed by those Volunteers in the 'at greater risk' category who wished to return to their volunteering roles sooner.

<p>Resolved: Members, supported the Authority's H&S response and commented, as indicated above on the work undertaken since the last FRASC meeting.</p>
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21/20 **External Audit – Audit Letter**

Considered:

The report of the Auditors

In the absence of the Auditors, items 6, 7 and 8 of the agenda were presented by Pete Williams, Head of Finance. Members were asked to note:

- Additional audit risk re: COVID 19 19/20 and going forward 20/21.
- Regulation changes and fee increase, although there would be no additional fee increase relating to COVID work.

22/20 **External Audit – Audit Plan**

Considered:

The report of the Auditors

Members were asked to note:

- Added risk and VFM work.

23/20 External Audit – Progress Report

Considered:

The report of the Auditors

Members were asked to note:

- The sector update, which was just for information.
- Interim Audit – no issues.
- CIPFA – extended timelines for audit completion and sign off.

The Chair thanked Grant Thornton for their report, members noted the content.

24/20 Internal Audit Annual Report

Considered:

The report of the Auditors

Ian Morton, Audit Manager for Veritau advised that the overall opinion of the Auditors on the framework of governance, risk management and control operating in the Authority was that it provided Substantial Assurance although COVID 19 had added an additional risk to the last couple of weeks of the year.

Ian also updated members on:

- CIPFA – standardisation process, moving to 4 opinions in 2021.
- Annual Plan for coming year, now very different due to COVID 19 – intending to focus on – Creditors, Planning, Budget Management, Payroll/Furlough and Data Security, due to the sharp increase in remote working.

A brief discussion followed regarding changing work practices both during and post COVID. Andy Wilson advised that work would take place across the Authority regarding ways of working, savings and the impact on staff over the next couple of years

Members agreed to the change in focus of the forthcoming Audit and considered it sensible. Members noted the Annual Report and looked forward to receiving the new Audit Plan.

25/20 2019/20 Finance Draft Outturn Report

Considered:

The report of the Chief Finance Officer (S151)

Pete Williams updated members on the following points:

- Q4 surplus - £266K, controlled surplus of £138K forecast at Q3, surplus to support 20/21 delivery.
- S106 - £1.4 million spent in year against budget of £1.66 million.
- Land of Iron £3 million spent to date with a further £1.2 million to be spent by project end.
- Ryevitalise - £203K of £3.4 million spent in 2019/20.
- Sutton Bank – Project commenced in May 2021 after a successful funding bid of £702K.

Jeremy Walker asked officers and members to note a £200K risk (Ryevitalise ERDF bid) for the revised budget.

Action: AMW to send letter to CEO's at Ryedale DC and Scarborough BC

Resolved: Members noted the content of the report and approved the budgets for carry forward as laid out in 7.1 of the report.
Members approved the surplus to be transferred to reserves and used to support delivery of the 2020/21 revised budget which is under additional pressure from covid-19, DEFRA grant freeze and increased pay award.

26/20 Revised Budget Estimate 2020/21

Considered:

The report of the Chief Finance Officer

Pete Williams informed members of the need to revise the budget which was approved in March 2020 to provide a more realistic baseline to help mitigate the effects of the COVID 19 pandemic. The use of reserves was needed to support 20/21. Pete Williams updated members on the following points:

- Q1 – Essential spend, plus external funding projects and S106 only
- Impact of COVID 19 – Loss of income April – Sept £869K.
- Support received from Government schemes.
- Proposal for a £200K Rural Recovery Fund.
- Proposal re: car park machine replacement.
- Externally funded projects.
- Additional £111K allocated.
- Adjustments and virements in future if required.

The Chair, agreed it would be better to manage the revised budget via adjustments and virements going forward, members were unsure though about the suggestion that emergency reserves should be recovered in only one year.

Andy Wilson advised members of the following:

- The need to identify projects for spend if current position improves.
- MTFS – difficult task, plus timing important. Sensible to move FRASC and NPA to later in the year to assist budget process and new CEO.

Members commented on the following:

- The need to think about criteria for rural recovery money and timescales.
- Issues re: National Funding, need to be cautious, new schemes only if existing schemes aren't covered.
- Postponement of toilet refurbishment for one year.

Michael Graham gave members a brief presentation on the proposal to replace the NP's current car park ticket machines with new contactless payment machines.

Action: Members to advise officers on areas for possible spend on rural recovery

Action: Officers to cost out and firm up proposal, then take report to July NPA

Resolved: Members approved the revised budget for 2020/21 and approved the use of £111k of the emergency reserve to help balance the 2020/21 budget. Members also approved, in principle, but subject to full costing and analysis, the use of funds from the unallocated reserve to fund replacement of the car park machines as per section 8 of the report.

27/20 **Annual Treasury Management and Prudential Indicators Outturn Report**

Considered:

The report of the Chief Finance Officer (S151)

Resolved: Members noted the performance of the Treasury Management operation during 2019/20 and the outturn position on Prudential Indicators.

28/20 **External Funding**

Considered:

The report of the External Funding Officer

Tom Stephenson updated members on work currently being undertaken to secure external funding. In summary the Authority currently had £2.2 million secured funding with a further £200K unsecured. The COVID pandemic was impacting on projects currently in delivery and funding applications going forward. Although funding organisations were being flexible discussions were still taking place regarding extending timescales, possible reduced outputs and additional staffing costs which may be incurred if projects are delayed.

Resolved: Members approved the contents of the report and agreed the current work being done to secure external funding.

29/20 **Verbal Report on Delayed Items**

Andy Wilson updated Members on the following delayed items:

- Annual Governance Statement - Report to next FRASC/NPA.
- Members Governance training - Lisa Dixon to report to next NPA.
- Risk – Report to next FRASC.
- IT – Simon Baum, update report to next NPA.
- Purchasing Policy – Next update in December.
- PIs – Still collecting data, though collection/use needs a rethink going forward.
- Complaints - Have continued to record complaints in the normal way. There has only been one in Quarter 4, and we have also received 11 compliments during the same period. Other 'recordable' correspondence e.g. Fol requests have continued and been dealt with in the normal way.
- The LGO suspended operations due to COVID 19. There has been no contact at all from the LGO re Mr Garner.

A copy of all presentations can be found in the relevant e-file

..... (Chair)
1 September 2020

**Public Summary of Items considered "in private"
at the meeting of the Finance, Risk, Audit and Standards Committee
on 22 June 2020**

Private Minutes

Members agreed that the private minutes of the meeting held on 3 February 2020, having been printed and circulated, be taken as read and be confirmed and signed by the Chair as a correct record.