

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

Public Minutes of the virtual meeting held on Monday 16 November 2020.

### **Present:**

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

### **Officers in Attendance:**

Tom Hind, CEO, Chris France (Director of Planning), Briony Fox (Director of Conservation), Michael Graham (Director of Park Services), Ian Nicholls (Head of Corporate Services), Tom Stephenson (External Funding Officer), Pete Williams (Head of Finance), Gareth Mills (Grant Thornton - Auditors), Richard Smith (Authority Solicitor), Jo Swiers (Performance Officer), Vanessa Burgess (Committees Officer)

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### **Copies of All Documents Considered Are In The Minute Book**

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In the absence of the Chair at the start of the meeting, Caroline Patmore, as Deputy, opened the meeting

### 40/20 **Minutes**

**Resolved:**

That the public minutes of the meeting held on 1 September 2020, having been printed and circulated, be taken as read and be confirmed and signed by the Deputy Chair as a correct record.

### 41/20 **Members Interests**

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

### 42/20 **Exclusion of the Public**

**Resolved:**

That the public be excluded from the meeting during consideration of Items 13 and 14 on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 1 & 2. of Part 1 Schedule 12A to the Local Government Act 1972

### 43/20 **External Auditors – Grant Thornton, Verbal Update**

Gareth Mills informed the meeting that the Letter of Assurance regarding pensions was currently still outstanding, but he hoped to receive it from Deloitte later this week, ready for the deadline of 30 November. Audit processes had taken a little longer to complete this year due to covid and the need for more remote delivery of tasks.

## 44/20 Mid Term Finance Strategy/Budget 21/22

Considered:

The report of the Chief Financial Officer

Pete Williams talked members through his report advising that unlike last year when the MTFS was presented to committee in August, this year, due to squeezed timescales the MTFS was being presented at the same time as the proposed 21/22 budget. Pete highlighted the following:

- Covid issues caused significant changes, particularly to income.
- Uncertainty of DEFRA grant for 21/22 – assumption in the MTFS / budget is a freeze.
- Bank Interest rates remain low.
- Officers keeping a close watch on the Landscapes Review and ELMS.
- Inflation quite low, but pay inflation in 20/21 higher. Pay award for 21/22 unknown so continue to assume 2%.
- Risk of overspend - large capital projects.
- Pensions – risk of higher rates at the next valuation.
- Property portfolio – Full property review, due to changes in ways of working.
- Reserves – top up emergency reserve with £88k to return reserve to 5% of gross expenditure.
- Mitigation measures to balance the budget in 21/22.

**Jeremy Walker joined the meeting at 10.20am, Caroline Patmore continued as Chair**

Members commented on:

- Climate Change Officer post, looking forward to the appointment and the work to be undertaken.
- Village Improvement Scheme grant reduction, members hope there will still be money allocated to this important scheme.
- Plans for pensions and changes to reserves seem a prudent measure.
- Concerns re: mid-case scenario proposals to balance budget (deficit of £362k).

Pete Williams informed the meeting that Connectivity funding had initially been increased from £100k to £175k in the business plan, but officers now suggested a return to £100k to help mitigate the increasing deficit. It was also noted that S106 money offers funding in support of a lot of tourism work and Briony Fox also commented that externally funding projects do have a financial impact on core funding and can therefore affect the Authority's capacity to deliver, so it can be a fine balance.

Members commented further on:

- Consider future presentation of core budget expenditure and external funding (twin column), to help inform on anticipated workload.
- Sometimes hard for members to feel connected/informed re: Authority work being delivered on the ground and resource/workload implications for staff.
- Re: para 3.4 of the report and the pressure to be carbon neutral. Members interested to know how carbon positive The Authority is at present, what would it take the organisation to become carbon neutral (running costs).
- Press Release regarding new NP's and A.O.N.B's.

- The need to remain prudent next year to help combat budget pressures in 2-3 years.
- Opportunity to explore possible partnership funding via Parish Council budgets and Council Locality budgets.

Michael Graham informed members that, once in post, the new Climate Change Officer (jointly employed with SBC as a 1 year fixed term contract with potential extension) would be establishing Authority emissions baseline data, with a view to planning to reduce these as far as we can to zero and then turn attention to looking at the potential for carbon off- setting schemes.

Gareth Mills informed members that, as our External Auditor, he strongly supported the proposal to top up the emergency reserve by £88k.

Tom Hind spoke to members saying, it was prudent for the Authority to re-build resilience in finance. The key points being: to prioritise balanced budget in 2021/22, look at the broader issues in tandem with our Management and Business Plans, consider of scope of activity, our Business and Financial models, plus look at our property portfolio and ways of working.

**Action:** PW to provide more information on budget availability at Dec NPA

**Action:** PW to look at twin column presentation suggestion

**Action:** PW to provide information to members on the number of applications for Community Grants and whether budget cuts are affecting demand.

**Resolved:** Members commented, as indicated above, on the draft MTFs for further transmission to full Authority in December.  
Members commented, as indicated above, on the draft budget proposals in section 7 for further transmission to full Authority in December including the change in the purpose of the building reserve as laid out in 3.7.5 and use of the unallocated reserve to top the emergency reserve back up and balance the budget in 21/22 as per points 5.6.3 and 7.3.

**Jeremy Walker, resumed as chair at 10.55am**

#### 45/20 Q2 Financial Update

Considered:

The report of the Chief Financial Officer

Pete Williams reminded members of the revised budget assumptions and presented information relating to Rural Recovery Fund (RRF) spend, a total budget of £262k divided into a number of different delivery pots.

Members asked for a little more information regarding current spend levels of RRF

**Action:** PW to provide members with more information on RRF committed spend to date and project spend which may be moved into the next financial year.

**Action:** MG to contact David Jeffels with more information re: rural transport joint funded leaflet with SBC.

**Resolved:** Members noted the report.

#### 46/20 **Mid-Year Treasury Management Review**

Considered:

The report of the Chief Financial Officer

**Resolved:** The Executive: noted the position on the Authority's Treasury Management activities during the first half of 2020/21. Approved the revised Prudential Indicators for the period 2020/21 to 2022/23, as set out in **Appendix B** of the report.

**Jim Bailey left the meeting at 11.11am**

#### 47/20 **Corporate Risk Register**

Considered:

The report of the Head of Corporate Services

Ian Nicholls updated members on the main changes to risk as indicated in para 3.2 of the report.

Members asked Officers to look again at the risk level allocated to climate change, stating that they considered it should be classed as a lower risk than some of the others listed. It was noted that a full review of corporate risk would be undertaken by officers in Jan 2021 and would be presented to the next meeting.

**Action:** IN, TH to undertake further work on CCR and update members further at Feb FRASC

**Resolved:** Members commented, as shown above, on Officers' proposals to amend the risk categories as outlined in part 3 of this report.

#### 48/20 **Health and Safety**

Considered:

The report of the Head of Corporate Services

Ian Nicholls informed members:

- Sickness levels remained low.
- Slight increase in staff reporting being covid positive.
- Trailer wheel incident – DT carried out a thorough investigation, but couldn't find an underlying cause for the incident. Though recommendations and actions put forward by DT are considered really useful going forward
- Covid impacting overall day to day H&S work.
- Virtual staff meetings, good method of information sharing, managing to reach more staff via virtual meeting than face-to-face.

Jeremy Walker conveyed members' thanks, gratitude and best wishes to all staff for their continuing hard work during covid.

**Resolved:** Members supported the work undertaken on H&S since the last FRASC meeting and thanked all staff for their continued hard work during difficult covid times.

**David Jeffels left the meeting at 11.35am**

49/20 **External Funding**

Considered:

The report of the External Funding Officer

Tom Stephenson updated members.

Members asked about the Authority's plans for the next round of big projects

Briony Fox informed members that scoping and feasibility work was underway for a Landscape project and she hoped to update members further in the New Year. Officers were also looking at Historic Environment Action Plan to decide which activities to take forward first.

**Resolved:** That Members approve the contents of the report and agree the current work being done to secure external funding.

**Patrick James left the meeting at 11.45am**

50/20 **Business Plan – 6 Month Performance Indicators Update**

Considered:

The report of the Chief Executive and the Performance Officer

Jo Swiers gave the presentation to members, informing them that the agreed 12 headline indicators weren't reviewed earlier in the year due to covid, but that indicators would be revisited when the Business Plan was updated.

**Jeremy Walker left the meeting at 11.54am, Caroline Patmore resumed as Chair**

**Resolved:** Members reviewed the report which provided an overview on progress since November 2019 against the 12 key indicators in the Authority's Business Plan.

..... (Chair)  
1 February 2021

**Public Summary of Items considered "in private"  
at the meeting of the Finance, Risk, Audit and Standards Committee  
on 16 November 2020**

**Private Minutes**

Members agreed that the private minutes of the meeting held on 1 September 2020, having been printed and circulated, be taken as read and be confirmed and signed by the Chair as a correct record.

**Complaints and Compliments Update**

Members noted the report of complaints and compliments registered in Quarter 2 2020/21