



EXMOOR

NATIONAL PARK

EXMOOR NATIONAL PARK AUTHORITY
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22 June 2023

EXMOOR NATIONAL PARK AUTHORITY

To: All Members of the Exmoor National Park Authority

The Annual Meeting of the Exmoor National Park Authority will be held in the **Committee Room, Exmoor House, Dulverton** on **Tuesday, 4 July 2023 at 9.30 am.**

Please Note: To better manage Authority business, Agenda items relating to the Authority's role as sole **local planning authority** for the National Park area, including determination of planning applications, will commence at **2.00 pm.**

The meeting will be open to the press and public subject to the passing of any resolution under s.100(A)(4) of the Local Government Act 1972.

There is Public Speaking at this meeting, when the Chairperson will allow members of the public two minutes each to ask questions, make statements, or present a petition relating to any item relevant to the business of the Authority or relating to any item on the Agenda. Anyone wishing to ask questions should notify the Corporate Support Officer as soon as possible, or at the latest by 4pm on the working day before the meeting of the agenda item on which they wish to speak, indicating a brief summary of the matter or matters to be raised (contact Judy Coles on 01398 322250 or email jcoles@exmoor-nationalpark.gov.uk).

The meeting will be **recorded**. By entering the Authority's Committee Room and speaking during Public Speaking you are consenting to being recorded. We will make the recording available via our website for members of the public to listen to and/or view, within 72 hours of the meeting taking place.

Members of the public may use Facebook and Twitter or other forms of social media to report on proceedings at this meeting. Anyone wishing to film part or all of the proceedings may do so unless the press and public are excluded for that part of the meeting or there is good reason not to do so. As a matter of courtesy, anyone wishing to film proceedings is asked to advise the Chairperson so that those present may be made aware.

(The agenda and papers for this meeting can be downloaded from the National Park Authority's website www.exmoor-nationalpark.gov.uk).

Sarah Bryan
Chief Executive

A G E N D A

1. Election of Chairperson

The first section of the meeting will be chaired by the Chairperson of the Authority.

2. Election of Deputy Chairperson

3. Election of Deputy Chairperson (Planning)

4. Apologies for Absence

5. Declarations of Interest/Lobbying of Members/Unaccompanied Site Visits

Members are asked to declare:-

- (1) any interests they may have in relation to items on the agenda for this meeting;
- (2) any lobbying by anyone concerned with a planning application and any unaccompanied site visits where contact has been made with any person concerned with a planning application.

(NB. When verbally making these declarations, members are also asked to complete the Disclosures at Meetings form – attached for members only).

6. Chairperson's Announcements

7. **Minutes**
 - (1) To approve as a correct record the Minutes of the meetings of the Authority held on 2 May 2023 (Item 7)
 - (2) To consider any Matters Arising from those Minutes.

8. **Public Speaking:** The Chairperson will allow members of the public to ask questions, make statements, or present a petition. Questions of a general nature relevant to the business of the Authority can be asked under this agenda item. Any questions specific to an agenda item can be posed when that item is considered subject to the discretion of the person presiding at the meeting.

9. **Internal Audit Arrangements:** To consider the report of the Chief Finance Officer (Item 9)

10. 2022/23 Outturn – Budget Performance and Reserves:

- (1) To consider the report of the Chief Finance Officer on the 2022/23 Outturn - Budget Performance, Reserves, New Year Monitoring and MTFP Update (Item 10.1)
- (2) To consider the report of the Chief Finance Officer on the 2022/23 Outturn - Statement of Accounts (Item 10.2)

11. **Annual Treasury Management Report:** To consider the report of the Head of Finance and Operations (Item 11)

12. **Members' Allowances Scheme:** To consider the report of the Chief Finance Officer (Item 12)

13. **Corporate Plan 2022-23 Annual Report:** To consider the report of the Head of Strategy and Performance (Item 13)

14. **Annual Appointments:** To consider the report of the Head of Strategy and Performance (Item 14)

- 15. Implementing Biodiversity Net Gain in Exmoor National Park:** To consider the joint report of the Head of Strategy and Performance and Head of Planning and Sustainable Development (Item 15)
- 16. Local Need Affordable Housing Assessment Report:** To consider the report of the Head of Strategy and Performance (Item 16)
- 17. Personnel Update**
- Leavers:**
 26/05/2023 – David Thomas – Field Services and Estates Worker (resignation)
 30/07/2023 – Gordon Bryant – Head of Finance and Operations (resignation)
- 18. Any Other Business of Urgency**

18.1 Approval of Section 151 Officer

Staffing matters are usually delegated to the Chief Executive however in the case of Leadership Team members, Standing Orders state that a senior Member must be on the interview panel.

An open and competitive process has been undertaken for the purpose of replacing the Head of Finance and Operations. The result of this process is that Mr Ben Barrett has been successful in his application. Ben is known to many Authority Members as he held the role before the current postholder. Ben starts his role as Head of Finance and Operations on 11 September 2023; however, he has agreed to cover the Section 151 role during the interim period, from 1 July 2023.

Though it is not necessary for Leadership Team appointments to be approved by the full Authority it has been requested previously by our bank, and other key stakeholders can take reassurance from this level of oversight.

Recommendation: To approve the appointment of Section 151 Officer for interim period from 1 July 2023.

Agenda items relating to the Authority’s role as sole local planning authority for the National Park area including determination of planning applications. This section of the meeting will commence at 2.00 pm and will be chaired by the Deputy Chairperson (Planning). If the Deputy Chairperson (Planning) is absent, the Deputy Chairperson of the Authority shall preside.

- 19. Appeal:** To note the decision of the Secretary of State for Levelling Up, Housing and Communities to dismiss the Appeal in relation to Application 6/35/21/102 regarding the proposed establishment of rare breed poultry farm and horticultural business at Little Acres, Brendon Hill, Watchet, TA23 0LG (Item 19)
- 20. Development Management:** To consider the report of the Head of Planning and Sustainable Development on the following:-

Agenda Item	Application No.	Description	Page Nos.
20.1	6/15/22/104	Proposed demolition of existing Site Shop/Office, Information building, telephone building and replacement with two-storey building to house Caravan Site facilities and managers accommodation - Exe Valley Caravan Site, Bridgetown, Dulverton, TA22 9JN	1 – 14

- 20.2 62/41/23/012 Proposed change of use of Heatherville from Guesthouse (Use Class C1) with owner's accommodation (Use Class C3) to a principal residential dwelling (Use Class C3) – The Heatherville, 3 Tors Park, Lynmouth, EX35 6NB 15 - 24
- 21. Application Decisions Delegated to the Chief Executive:** To note the applications determined by the Chief Executive under delegated powers (Item 21).
- 22. Site Visits:** To arrange any site visits agreed by the Committee (the reserve date being Friday, 28 July 2023 (am)).

Further information on any of the reports can be obtained by contacting the National Park Authority at the address and telephone numbers at the top of the agenda. Details of the decisions taken at this meeting will be set out in the formal Minutes which the Committee will be asked to approve as a correct record at its next meeting. In the meantime, details of the decisions can be obtained from Judy Coles, Corporate Support Officer, at Exmoor House.

ITEM 7

EXMOOR NATIONAL PARK AUTHORITY

MINUTES of the Meeting of the Exmoor National Park Authority held on Tuesday, 2 May 2023 at 10.30am in the Committee Room, Exmoor House, Dulverton.

PRESENT

Mr R Milton (Chairperson)
Miss A V Davis (Deputy Chairperson)
Mr S J Pugsley (Deputy Chairperson Planning)

Mr L Baker	Mr E Ley
Mrs L Blanchard	Mrs F Nicholson
Mrs M Chilcott	Mr J Patrinos
Mr M Ellicott	Mrs F Smith
Mr J Holtom	Mrs E Stacey
Dr M Kelly	Dr S Warren
Mr M Kravis	Mrs P Webber
Mrs C Lawrence	Mr J Yabsley

Apologies for absence were received from Mr T Butt Philip and Mr D Elson

145. DECLARATIONS OF INTEREST: There were none

146. CHAIRPERSON'S ANNOUNCEMENTS:

- This would be the last meeting for Mrs Linda Blanchard, who had reached the maximum term as a Secretary of State appointee, having joined the Authority in April 2013. The Authority thanked Mrs Blanchard for her contribution to the work of the Authority, particularly in relation to the Historic Environment.
- As they were not standing at the Local Elections, this was also likely to be the last meeting for Mr Eric Ley (North Devon District appointee) and Mrs Penny Webber (Parish Council appointee). The Authority's thanks were also extended to both Mr Ley and Mrs Webber for their contributions over the years.
- The outgoing Members particularly wished to thank the Authority's hard-working staff for the incredible work that they do to further National Park purposes.
- Mr Lee Baker was welcomed to his first meeting as a new Somerset Council appointee.
- Further changes to the membership of the Authority may occur and the announcement of any new Members would depend upon the speed of the appointment process in relation to Secretary of State, North Devon Council and Parish Council appointees.
- Members were advised that Gordon Bryant, Head of Finance & Operations would be leaving the Authority to join Torridge District Council. Mr Bryant's contribution would be greatly missed and a recruitment process was underway.
- Mr Myc Riggulsford, the Authority's Independent Person was invited to address the meeting, following comments he had made at a Standards Committee meeting held earlier that morning.

Mr Riggulsford raised concerns about behaviour he considered to be inappropriate for Members of a strategic committee, which he had observed whilst watching the recording of the 4 April 2023 Authority meeting, having raised similar concerns last November during Standards training. His specific concerns related to Members not appearing to pay attention to proceedings due to unnecessary use of phones; apparent lack of respect to staff and possibly female Members of the Authority whilst they were speaking; and in relation to the Governance Review item, deferring a strategic decision despite attending a number of meetings during the previous 6 months at which detailed information had been provided.

147. MINUTES

- i. **Confirmation:** The Minutes of the Authority's meeting held on 4 April 2023 were agreed and signed as a correct record.
- ii. **Matters arising:** There were no matters arising.

148. PUBLIC SPEAKING: See Minute 153 for details of public speakers.

149. EXMOOR NATIONAL PARK AUTHORITY CORPORATE PLAN 2023-24

The Authority considered the report of the Chief Executive and Head of Strategy and Performance

The Authority's Consideration

The Chief Executive outlined the reasons for introducing the Exmoor National Park Authority Corporate Strategy which would provide staff, Members and the public with a clear view of the Authority's strategic direction for the next three years.

The Committee were broadly supportive of the draft strategy, however, requested that further consideration be given to Priority 5 – 'A great place to work'. It was suggested that it would be helpful to differentiate between the Authority being a flexible and resilient organisation to work for, and the National Park as a whole being a great place for people to live in and from which to operate businesses.

Furthermore, Members considered that by separating these two elements, it would provide the opportunity to highlight that ENPA was the local planning authority with responsibility for preparing the Local Plan and determining planning applications, whilst other local authorities and service providers had responsibility for housing, economic development transport, health and other services.

In relation to the proposed Corporate Plan Actions for 2023-24, the Committee were mindful of the huge amount of work they represented for staff, particularly in light of the overall pressure on the Authority's resources. Members were also keenly aware of the need to remain focused on the areas that Exmoor National Park Authority were inherently responsible for, whilst working in partnership with those organisations who had different remits.

In respect of the proposed actions, a number of suggestions were made:-

- In relation to Actions 6, 7 and 45, it was suggested the aim should really be to increase profitability rather than just concentrate on income.
- Members who had attended a recent Young Rangers event asked whether more could be done to facilitate their desire to be more involved in the work of the Authority and to have their views and voices heard more

- Introduce an additional action to understand the state of the moorland on Exmoor and consider what steps could be taken to maintain and hopefully improve it.
- Give consideration to introducing a Member Champion role.

Clarification was provided that the Corporate Plan actions would normally be linked to the ambitions of the Partnership Plan, however as work had now commenced on a new Partnership Plan for the period 2024 – 2029, this is something that would be re-introduced after the transition phase had been completed.

RESOLVED:

- (1) To approve the Exmoor National Park Authority Corporate Strategy 2023-26
- (2) To approve the Exmoor National Park Authority Corporate Plan actions 2023-24
- (3) To delegate to the Chief Executive and Chairperson authority to agree minor amendments following Member discussion, and production of the final Plan.

150. BID TO THE NATIONAL LOTTERY HERITAGE FUND: ‘EXMOOR PIONEERS, PAST, PRESENT AND FUTURE’

The Authority considered the [report](#) of the Head of Conservation and Access.

The Authority’s Consideration

The Committee were delighted to learn that the National Lottery Heritage Fund had agreed to grant £60,000 to the Authority to carry out the development phase of the Exmoor Pioneers programme, which would be focused on the royal forest landscape.

Members were appreciative of the effort and work that had already gone into the bid and recognized the scale of the works that would be required over the next 12 months and beyond, should we be fortunate enough to progress to the delivery phase of the project.

The Committee hoped that when developing the scheme consideration could be given to making the landscape more accessible to a wider range of visitors and that there might be an opportunity to work with others to create a skills base on Exmoor as a result of the project.

RESOLVED: To note the National Lottery Heritage Fund’s decision to grant £60,000 to ENPA to carry out the development phase of the Exmoor Pioneers programme.

151. PERSONNEL UPDATE: The Authority noted the recent staff changes as set out on the agenda.

152. ANY OTHER BUSINESS OF URGENCY: There was none.

Items relating to the Authority’s role as sole local planning authority for the National Park area including determination of planning applications. This section of the meeting was chaired by Mr S J Pugsley, Deputy Chairperson (Planning)

The meeting reconvened at 1.30pm

Mr L Baker and Mrs P Webber left the meeting

DEVELOPMENT MANAGEMENT

153. Application No: 6/3/23/002

Location: Pulhams Mill, Brompton Regis, Dulverton, TA22 9NT

Proposal: Change of use of ground floor of the house from E1 (Commercial, Business & Service) to C3 (residential)

The Authority considered the [report](#) of the Head of Planning and Sustainable Development.

Public Speaking

1. Mr M Ratcliffe, Applicant

The Authority's Consideration

Whilst the Committee were sympathetic to the Applicant's desire to make a success of the whole site for a mixed domestic and business use, the majority of Members agreed with the Officers conclusion that in practical terms the change of use of the building failed in terms of the Local Plan policies. However, they were satisfied that Officers had outlined a clear route for the Applicant to follow in order to gather the required evidence which may enable the Application to be considered again at a future date.

RESOLVED: To refuse planning permission for the reasons set out in the report.

154. Application No: 62/11/23/006DC

Location: Glenthorne, The Towers, Road from County Gate to Wellfield, Brendon, Devon, EX35 6NQ

Proposal: Discharge of condition 3 (Ecological walkover) of approved application 62/11/22/008

The Authority considered the [report](#) of the Head of Planning and Sustainable Development.

RESOLVED: To approve the details and discharge Condition 3 of planning permission 62/11/22/008.

155. APPLICATION DECISIONS DELEGATED TO THE CHIEF EXECUTIVE: The Authority noted the [decisions of the Chief Executive determined under delegated powers](#).

156. SITE VISITS: There were no Site Visits to arrange.

The meeting closed at 2.30pm

(Chairperson)

EXMOOR NATIONAL PARK AUTHORITY

4 July 2023

INTERNAL AUDIT ARRANGEMENTS

Report of the Chief Finance Officer

Purpose of Report: To present to Members a report on the internal audit work carried out during 2022/23 and the planned programme for 2023/24.

RECOMMENDATION: The Authority is recommended to RECEIVE the Internal Audit report for 2022/23 and Charter and Strategy and NOTE the Work Programme planned for 2023/24.

Authority Priority: Achieve by providing core services; getting best value from our resources; and improving our performance.

Legal and Equality Implications: Local Government Act 2003, Parts 1-3 (Capital Finance, Financial Administration and Grants), Sections 1-39, Accounts and Audit (England) Regulations 2011, Part 2 (Financial Management and Internal Control).

The equality and human rights impact of the recommendations of this report have been assessed as having no adverse impact on any particular group or individual.

Financial and Risk Implications: Provision has been made in the 2022/23 and 2023/24 budgets to cover the costs of audit. Internal Audit forms a major part of the governance and risk management arrangements of the Authority.

Climate change response: Nothing contained within this report will impact upon the Authority's ability to meet its climate change targets.

1. Internal Audit

- 1.1 The Local Government Act 1972 and our Financial Regulations require the Chief Finance Officer (Section 151 Officer) to arrange for the provision of an adequate and effective system of internal audit. This service has been provided through a Service Level Agreement with Devon County Council and delivered by the Devon Audit Partnership (DAP) which is a shared service arrangement between Devon County Council, Torbay Council, Torridge and Plymouth City Council. The Partnership also provides the internal audit service to Dartmoor National Park Authority.
- 1.2 Attached is the Internal Audit Annual Report for 2022/23 and the proposed Audit Plan for 2023/24. Members will note from the Annual Audit Report that there are no significant issues to be brought to the attention of the Authority concerning the Key Financial Systems. In Appendix 1 there is a list of the eight core areas concerning our key financial systems and the auditor has given a 'substantial' level of assurance for all of these. In 2022/23 Internal Audit also completed work on Information Governance.

- 1.3 Page 6 shows the Internal Audit Plan for 2023/24. This plan continues at the previously agreed number of 20 audit days per annum.
- 1.4 It is anticipated that a member of the Devon Audit Partnership will be present to introduce their report.

Gordon Bryant
Chief Finance Officer
June 2023



Internal Audit

Audit Committee Annual Internal Audit Report 2022/23 and Proposed Plan 2023/24

Exmoor National Park Authority

July 2023 Committee Meeting
Official

Tony Rose
Head of Audit Partnership

Ken Johnson
Audit Manager



Support, Assurance and Innovation

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Devon Audit Partnership

The Devon Audit Partnership has been formed under a joint committee arrangement comprising of Plymouth, Torbay, Devon, Mid Devon, North Devon, Torridge, South Hams and West Devon councils. We aim to be recognised as a high-quality assurance service provider in the public sector. We work with our partners by providing a professional internal audit service that will assist them in meeting their challenges, managing their risks and achieving their goals. In carrying out our work we are required to comply with the Public Sector Internal Audit Standards along with other best practice and professional standards. The Partnership is committed to providing high quality, professional customer services to all; if you have any comments or suggestions on our service, processes or standards, the Head of Partnership would be pleased to receive them at tony.d.rose@devon.gov.uk

Confidentiality and Disclosure Clause

This report is protectively marked in accordance with the Government Security Classifications. It is accepted that issues raised may well need to be discussed with other officers within the Authority, the report itself should only be copied/circulated/disclosed to anyone outside of the organisation in line with the organisation's disclosure policies.

This report is prepared for the organisation's use. We can take no responsibility to any third party for any reliance they might place upon it.

Introduction

This report provides a summary of the performance against the Internal Audit plan for the 2022/23 financial year, highlighting the key areas of work undertaken and summarising our main findings and recommendations aimed at improving controls, and provides our overall Annual Assurance Opinion.

The key objectives of the Devon Audit Partnership (DAP) have been to provide assurance to Exmoor National Park Authority on the adequacy, security and effectiveness of the systems and controls operating across the Council and to provide advice and assurance to managers and staff.

The Internal Audit plan for 2022/23 was presented to, and approved by, the Audit Committee in 2022. The following report and appendices set out the overall Annual Assurance Opinion.

In addition, this report provides the outline plan for 2023/24.

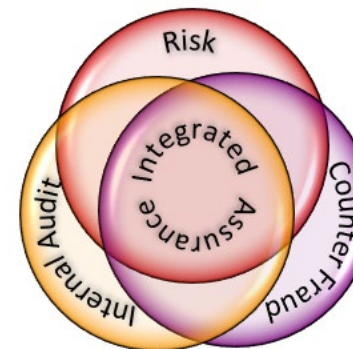
The Public Sector Internal Audit Standards require the Head of Internal Audit to prepare a report providing an opinion at the end of each year that can be used by the organisation to inform its governance statement. Devon Audit Partnership was externally assessed in December 2021 against the framework and confirmed to be conforming with the requirements of the PSIAS.

The level of risk associated with each of the areas in Appendix 1 has been determined either from the Local Authority's Risk Register (LARR), or the Audit Needs Assessment (ANA) carried out at the planning phase. Where the audit was undertaken at the request of client it has not been risk assessed. Assurance and recommendations should be considered in light of these risk levels and the impact this has on achievement of corporate / service goals.

Expectations of the Audit Committee from this report

Members are requested to consider: -

- The opinion statement within this report.
- The completion of audit work against the plan.
- The scope and opportunity of audit to complete the audit work.
- Any audit findings provided.
- The overall performance and customer satisfaction on audit delivery.



In review of these the Audit Committee are required to consider the assurance provided alongside that of Corporate Risk Management and satisfy themselves from this assurance that the internal control framework continues to be maintained at an adequate level to mitigate risks and inform the Executive for governance requirements.

Audit Assurance Statement

Overall, based on work performed during 22/23 and our experience from the previous year’s audit, the Head of Internal Audit’s Opinion is of **“Substantial Assurance”** on Key Financial Systems and **“Reasonable Assurance”** on Information Governance (Including Cyber Security) and the adequacy and effectiveness of the internal control framework within the Authority

Where weaknesses have been identified management have agreed these findings and have either agreed the recommendations or accepted the associated risks. It should be noted that Information Governance and Cyber Security are an ever-changing area of business and will almost always require constant review and adaptation to new information and emerging threats.

Internal Control Framework

The control environment comprises the Authorities policies, procedures and operational systems including processes in place to establish and monitor the achievement of the organisational objectives; facilitate policy and decision making; ensure economical, effective and efficient use of resources, compliance with established policy, procedure, law and regulation; and safeguard the Authorities assets and interests from losses. Core financial and administrative systems along with information governance and ‘Cyber Security’ were reviewed by Internal Audit.

Risk Management

Risk Management process at strategic and operational levels must remain in place.

Governance Arrangements

Governance arrangements have been considered in all our audits but with opportunities to improve consistency or alignment to business need. We will continue to review the improvements to governance and control arrangements in 2023/24.

Performance Management

Performance is subject to monitoring at management level.

Leadership have been provided with details of Internal Audit’s opinion on each audit review carried out in 2022/23. All audit reports include an action plan which identifies responsible officers, and target dates, to address control issues identified during a review.

If significant weaknesses have been identified in specific areas, these will need to be considered by the Authority in preparing its Annual Governance Statement for the Statement of Accounts for 2022/23. **(No significant weaknesses have been identified)**

Substantial Assurance	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.	Limited Assurance	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
Reasonable Assurance	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.	No Assurance	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

Value Added

We know that it is important that the internal audit services seek to "add value" whenever it can. We obtained feedback from those audited during the year to date who considered we were able to add value by:

- Providing objective and relevant assurance.
- Contributing to the effectiveness and efficiency of the governance, risk management and internal control processes.

Executive Summary (s)

In our opinion and based upon our audit work completed and direct advice provided, this audit review has confirmed that there are effective controls in place within the systems reviewed which mitigate key financial risks. This is much to the credit of the staff that work within the Finance Department at the Authority. It is pleasing to confirm that all areas reviewed have been awarded a 'substantial' level of assurance; This clearly displays and confirms the hard work and dedication that is input by all staff involved in the financial management of the Authority.

Exmoor National Park Authority's Finance Department is made up of knowledgeable and competent staff managed by the Head of Finance and Operations who, along with the Finance Officers, have extensive understanding of the financial administration of the Authority and are closely involved with its day to day running and continue to set high standards.

This year's work also concentrated on following up on the 21/22 Information Governance report that used the National Cyber Security Centre's (NCSC) Cyber Essentials framework to assess how cyber threats are mitigated as well as assessing requirements for the migration of data assets to M365 (Microsoft) platform. It is pleasing to report that good progress has been made to address potential weaknesses, with most of the previous recommendations actioned.

A limited number of recommendations are scheduled for completion during the current calendar year. The opinion of "Reasonable Assurance" has been achieved across all seven areas assessed and the current

arrangements form a good technical baseline to protect ENPA's data assets and infrastructure.

Once again, our work has confirmed that the Authority staff dealing with these areas of business have done an exceptional job in very difficult circumstances to ensure that processes remain up to date, robust and well documented. The individual assurance opinions issued in respect of our assignment work are detailed in appendix 1.

Internal Audit Plan 2023/24

As in previous years, the audit plan for the financial year 2023/24 allows for up to 20 days of internal audit support in Key Financial Systems and Information Governance and Cyber Security.

The plan includes a review of the following key financial systems: -

- Ordering and Payments
- Income and Cash Collection
- Bank Reconciliation / Investments/Cheque Control
- Main Accounting System
- Budget monitoring
- Payroll & Travel Expenditure
- AGS

Any major findings (if applicable) from the previous year's audit plan will be reviewed to ensure that agreed recommendations have been implemented and are effective. An annual report for your Audit and Governance Committee will be produced for inclusion.

It must be recognised that the global 'Cyber Threat Landscape' continues to cause concern. In addition to the constant threat from cyber-attack, and

ransomware, in particular there is the growing threat to the supply chain as cyber criminals increasingly target IT service providers. DAP has concentrated its IT audit focus on IT technical controls but having confirmed the existence of a sound baseline, we will utilise NCSC’s new Cyber Assessment Framework (CAF) in 2023/24. We consider that this provides a more complete overview and includes crucial non-technical governance functions, which we consider to better reflect the changing risks. We will also provide observations and opinions in respect of the project to move to the Microsoft 365 platform.

As part of the audit plan, we will also provide assistance and advice and be a central contact point for the Head of Finance and Operations We would be happy to consider undertaking special project work as and when appropriate and required.

Timetable

The timing of the 2023/24 Key Financial Systems and Information Governance and Cyber Security review will be agreed with the Head of Finance and Operations and will take place in the second half of 2023/24.

All findings will be reviewed with the Head of Finance and Operations at the end of the audit programme and prior to the issue of any draft report.

A copy of the final report will be presented to the Audit and Governance Committee and made available to your External Auditors for their information.

2023/24 Plan

The following table sets out the planned internal audit work for 2023/24.

Other issues and systems are sometimes identified during the audits and if found will be discussed with the Head of Finance and Operations. These issues may be incorporated into future audit plans dependent upon priority and risk assessment.

The cost of these 20 days will be £6,300 (plus VAT). Additional support will be provided as and when required. Our standard daily rate for this work will be £315, although specialist support may be at a different rate. Please contact us for further details.

Audit	Days
Material Systems	
Financial Systems	12
Information Governance (Including Cyber Security)	4
Other Work	
Planning / attendance at Audit & Governance Committee and Contingency	4
Total days	20

Appendix 1 of this report details the assurance opinions for the areas covered under this review, for which definitions of the assurance opinion ratings are in Appendix 2.

Customer Value

Public Sector Internal Audit Standards (PSIAS)

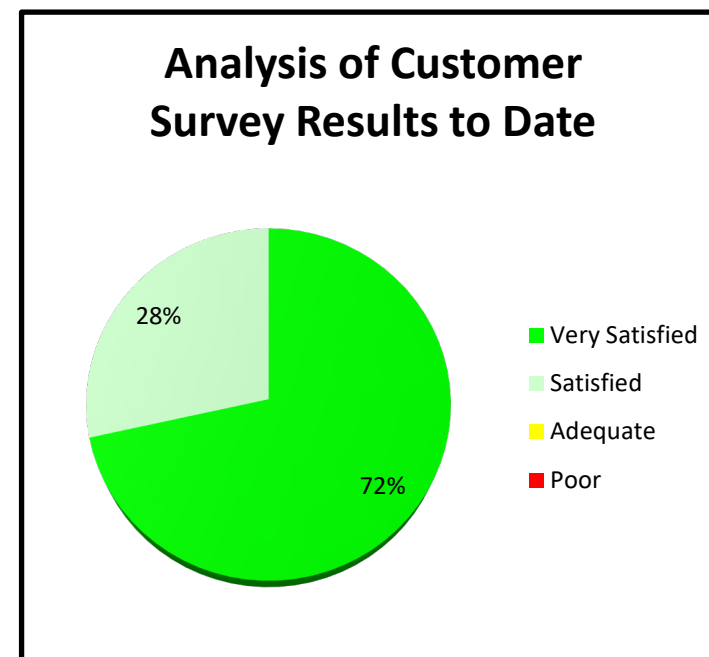
Conformance - Devon Audit Partnership conforms to the requirements of the PSIAS for its internal audit activity. The purpose, authority and responsibility of the internal audit activity is defined in our internal audit charter, consistent with the *Definition of Internal Auditing*, the *Code of Ethics* and the *Standards*.

Our internal audit charter was approved by senior management and the Audit Committee in February 2022. This is supported through DAP self-assessment of conformance with Public Sector Internal Audit Standards & Local Government Application note.

Quality Assessment - Through external assessment December 2021 'DAP is continuing to operate in conformance with the standards. External Assessment provides independent assurance against the Institute of Internal Auditors (IIA) Quality Assessment & Public Sector Internal Audit Standards (PSIAS).

The Head of Devon Audit Partnership also maintains a quality assessment process which includes review by audit managers of all audit work. The quality assessment process and improvement are supported by a development programme.

Improvement Programme - DAP maintains a rolling development plan of improvements to the service and customers. All recommendations of the external assessment of PSIAS and quality assurance were included in this development plan and have been completed. This will be further embedded with revision of our internal quality process through peer review.



Customer Service Excellence

DAP maintains accreditation by G4S Assessment Services of the CSE standard during the year. We have had some very complimentary feedback of where our team have been able to add value to the Council these may be found upon our [webpage](#). The chart on the right of this page summarises the customer satisfaction results received to date during 2022/23.

Inherent Limitations

The opinions contained within this report are based on our examination of restricted samples of transactions / records and our discussions with officers responsible for the processes reviewed.

Appendix 1 - Summary of areas reviewed during 2022/23

Areas Covered		Level of Assurance
	Key Financial Systems	
1	Purchasing arrangements and payments to creditors may not be secure or effective resulting in incorrect and / or unauthorised payments.	Substantial Assurance
2	Income due to the organisation may not be suitably controlled (Invoice raising, income collection and banking).	Substantial Assurance
3	The Main Accounting System may not comply with accounting standards and may not accurately report the financial standing of the organisation.	Substantial Assurance
4	Spend against the organisations budget may not be suitably controlled and reported, resulting in the risk of overspend.	Substantial Assurance
5	Bank reconciliation procedures may not be effective and errors or discrepancies may not be promptly identified and addressed.	Substantial Assurance
6	The Payroll (Salaries and Wages) may not be suitably controlled resulting in incorrect and/ or unauthorised payments being made.	Substantial Assurance
7	Non-compliance with Treasury Management statutory requirements, regulations and best practice.	Substantial Assurance
8	Financial loss and undetected error or fraud.	Substantial Assurance
	Information Governance (Including Cyber Security)	
1	Boundary Firewalls and Internet Gateways - Information, applications and computers within the organisation's internal networks are protected against unauthorised access and disclosure from the internet, using boundary firewalls, internet gateways or equivalent network devices	Reasonable Assurance
2	Secure Configuration - Computers and network devices are configured to reduce the level of inherent vulnerabilities and provide only the services required to fulfil their role.	Reasonable Assurance

3	Access Control - User accounts, particularly those with special access privileges (e.g. administrative accounts) are assigned only to authorised individuals, managed effectively and provide the minimum level of access to applications, computers and networks.	Reasonable Assurance
4	Malware protection - Computers that are exposed to the internet are protected against malware infection through the use of malware protection software.	Reasonable Assurance
5	Patch Management - Software running on computers and network devices are kept up-to-date and have the latest security patches installed.	Reasonable Assurance
6	Backup & Business Continuity - Backup procedures exist to safeguard the system and system data and provide for an appropriate 'point in time' restoration that accords to business needs.	Reasonable Assurance
7	Information Governance - The value of Information Assets is optimised and data is held, transferred and processed in accordance with statutory obligations.	Reasonable Assurance

Appendix 2 - Definitions

Definitions of Audit Assurance Opinion Levels

Assurance	Definition
Substantial Assurance	A sound system of governance, risk management and control exist across the organisation, with internal controls operating effectively and being consistently applied to support the achievement of strategic and operational objectives.
Reasonable Assurance	There are generally sound systems of governance, risk management and control exist across the organisation, with internal controls operating effectively and being consistently applied to support the achievement of strategic and operational objectives.
Limited Assurance	Significant gaps, weaknesses or non-compliance were identified across the organisation. Improvement is required to the system of governance, risk management and control to effectively manage risks and ensure that strategic and operational objectives can be achieved.
No Assurance	Immediate action is required to address fundamental control gaps, weaknesses or issues of non-compliance identified across the organisation. The system of governance, risk management and control are inadequate to effectively manage risk to the achievement of strategic and operational objectives.




Devon Audit Partnership

The Devon Audit Partnership has been formed under a joint committee arrangement comprising of Plymouth, Torbay and Devon councils. We aim to be recognised as a high-quality internal audit service in the public sector. We work with our partners by providing a professional internal audit service that will assist them in meeting their challenges, managing their risks and achieving their goals. In carrying out our work we are required to comply with the Public Sector Internal Audit Standards along with other best practice and professional standards. The Partnership is committed to providing high quality, professional customer services to all; if you have any comments or suggestions on our service, processes or standards, the Head of Partnership would be pleased to receive them at tony.d.rose@devon.gov.uk

Definition of Recommendation Priority

High	A significant finding. A key control is absent or is being compromised; if not acted upon this could result in high exposure to risk. Failure to address could result in internal or external responsibilities and obligations not being met.
Medium	Control arrangements not operating as required resulting in a moderate exposure to risk. This could result in minor disruption of service, undetected errors or inefficiencies in service provision. Important recommendations made to improve internal control arrangements and manage identified risks.
Low	Low risk issues, minor system compliance concerns or process inefficiencies where benefit would be gained from improving arrangements. Management should review, make changes if considered necessary or formally agree to accept the risks. These issues may be dealt with outside of the formal report during the course of the audit.
Opportunity	A recommendation to drive operational improvement which may enable efficiency savings to be realised, capacity to be created, support opportunity for commercialisation / income generation or improve customer experience. These recommendations do not feed into the assurance control environment.

Direction of Travel Indicators

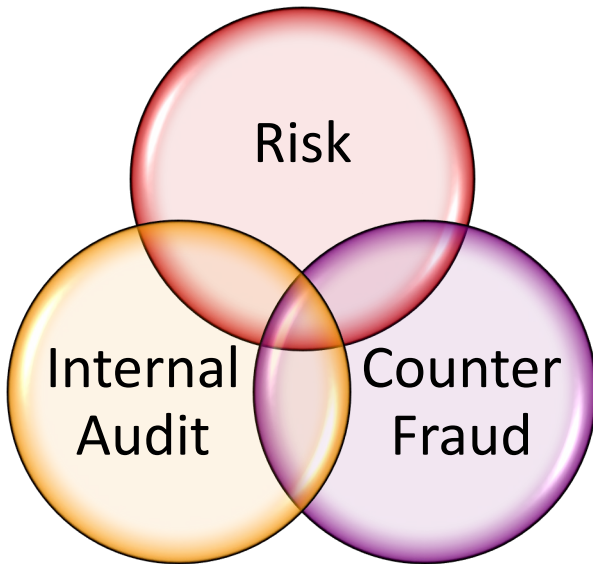
Indicator	Definitions
	No Progress has been made. The action plan is not being progressed at this time; actions remain outstanding.
	Progress has been made but further work is required. The action plan is being progressed though some actions are outside of agreed timescales or have stalled.
	Good Progress has/is being made. Good Progress has continued.

Appendix 3 – Audit Authority



Our Vision

To be a leading provider of internal audit, counter fraud, risk management and other assurance services to public and not-for-profit organisations in the South West and beyond.



Operational delivery

- CFT to co-ordinate / undertake irregularities work coming through the audit plan
- Potential irregularities are triaged to fraud or audit for review
- Proactive fraud work e.g. NFI, developing delivery plan at client level
- Investigation work to be completed jointly (where appropriate) to progress possible fraud review and strengthen internal control frameworks
- Audit scoping to include counter fraud input
- Three-way liaison confirming risk and control
- Integrated reporting to be delivered on a case basis

Our Goals



Client Services

- Counter Fraud Strategy with each client
- Regular client liaison Mtgs.
- POC access to additional integrated services
- CF Service plan with each client for both pro-active and re-active services
- Joint Partner CF work e.g. SPD
- Client training on Fraud Awareness

IA, Risk & CF Working Together

- Joint Working Practices
- Joint scoping of audit and Irregs
- CF Risk Assessment Review - CIFAS
- Joint IA, Risk & CF plan
- Pro-active **Prevention** work
- Pro-active **Detection** work
- Effective **Investigation**
- NFI work co-ordinated by CFT

Efficiency

- Savings Plan £55k by year three
- Restructure of PCC Team work plan (releasing resources)
- Joint working practices
- Single Point of Contact for Fraud and Irregs

Infrastructure

- Budget - Costcentre focused
- Laptops for CFT
- ICT Platform & common network access
- Data Sharing Agreements updated
- Terms and Conditions review

Integration

EXMOOR NATIONAL PARK AUTHORITY

4 July 2023

2022/23 OUTTURN – BUDGET PERFORMANCE, RESERVES, NEW YEAR MONITORING AND MTFP UPDATE

Report of the Chief Finance Officer

Purpose of Report: To report on the outturn for 2022/23 compared with the revised budgets and also to note the position of reserves.

RECOMMENDATIONS: Authority is recommended to:

- (1) NOTE the financial performance for 2022/23
- (2) APPROVE the adequacy of the General Fund Balance at 31 March 2023; and
- (3) APPROVE the transfers between reserves.
- (4) NOTE the Authority spend as at the end of month 2 in Appendix 4 and section 6.
- (5) NOTE the prudential indicators as at the end of month 2 in section 7.
- (6) NOTE the updated savings gap in section 8.

Authority Priority: Achieve by providing core services; getting best value from our resources and improving our performance.

Legal and Equality Implications: Local Government Act 2003, Parts 1-3 (Capital Finance, Financial Administration and Grants), Sections 1-39.

Accounts and Audit (England) Regulations 2015, Part 2 (Financial Management and Internal Control).

The equality and human rights impact of the recommendations of this report have been assessed as having no adverse impact on any particular group or individual.

Financial and Risk Implications: The outturn for the year is within the overall net budget of the Authority which is the National Park Grant from Defra.

Climate Response: No recommendations contained within this report have an adverse impact upon our ability to meet carbon reduction targets. The report describes spend from the Environmental Resilience reserve that occurred in 2022/23.

1. Introduction

- 1.1 The 2022/23 revenue budget was agreed on 1 March 2022 and was revised by the Authority in November. The grant settlement from Defra for 2022/23 was another year's cash freeze.
- 1.2 The finances of the Authority are structured in terms of the core budget, contributions to reserves and top sliced programmes. We have also recently begun reporting against capital spend. This report is also structured according to those

categories. This report will highlight areas of variation or discretion that has been applied in financing in year spend and managing the use of reserves. This report needs to be read in conjunction with the Corporate Plan 2022/23 – Priority Achievements which details the non-financial results for the year.

- 1.3 In addition to the £3.211m of National Park Grant, in 2022/23 the Authority received an additional £440k from DEFRA and earned another £2.209m across all services and funding streams. This covers traded income, external grants and contributions (e.g. 'Farming in Protected Landscapes'), fees and interest. There were no capital receipts in the year.
- 1.4 The financial year was characterized by significant spend in Legal and Planning, and a large variety of capital and other one-off works.

2. Core Budget Outturn 2022/23

- 2.1 Appendix 1 summarises budget performance for 2022/23 and shows the actual spending for the year against the original and revised budgets. The overall position for 2022/23 is an outturn of £3,012,812 against the approved revised net budget of £3,028,500. This is the position after appropriations to and from reserves have been made to meet specific funding requirements and to fund project work throughout the Authority.
- 2.2 The underspend of £15,688 is transferred to general balances in the first instance.
- 2.3 Actual spend for the year is very close to the revised budgets. The pay award was implemented in November and was backdated to the start of the year. The pay award was higher than the original budget, but additional resources were found when we set the revised budget. There was very little in the way of vacancies throughout the year and the Authority was protected from the worst effects of the increase in utility charges due to a pre-existing price fix.
- 2.4 There are a few variations over £5,000 between the final budgets and the actual spend at cost centre level and these are:
 - Archaeology & Historic Environment
 - The service was £7k underspent due to a staff vacancy that arose in year.
 - Information & Interpretation Management
 - The service underspend was due to Exmoor Visitor being managed inhouse.
 - Finance and ICT Services
 - The overspend in this service is due to significant spend on new laptops and the new firewall which was funded from revenue budgets and additional interest received.
- 2.5 As mentioned in 2.1, Appendix 1 shows the revenue outturn position after the take from and contribution to reserves.. In particular there is a £200k take from reserves to meet the costs of the long running planning dispute and another £100k draw from reserves to meet the costs of external consultants employed in development Management.
- 2.6 Within the core budgets are also spend from external revenue grants. This includes £530k of FiPL spend, £43k Accessibility Grant and £45k towards grey squirrel control.

3. Fixed Term Programmes

- 3.1 Aside from spend from the Core Budget the Authority also provides budget for contributions to Fixed Term Programmes, Reserves and the small grants scheme. These are detailed in Appendix 2.
- 3.2 The original fixed term programmes budget for 2022/23 was £183,000. Appendix 2 details the schemes approved against the 2022/23 Budget and their associated spend to the end of the year. There was also spend in 2022/23 against schemes that had been approved in previous years.
- 3.3 Approvals that are no longer required have been transferred to General Balances or Contingency. Other unspent approvals have been transferred to an alternative reserve if their objectives are closely aligned.
- 3.4 Of the funds that have been set aside to meet a possible trading deficit at the Outdoor Education Centre, £40k has been applied to assist with the costs of the Pinkery Decarbonisation programme.
- 3.5 2021/22 was the last year when a budget (£20k) for small grants was established. This was primarily aimed at community and partnership groups to facilitate delivery of ambitions within the National Park Partnership Plan. From 2022/23 and onwards a one-off pot (£25k) was established with comparable objectives, with an aspiration that this may be topped up if funds allow. Appendix 2 also shows allocations from the small grants pot in 2022/23.

4. Reserves

- 4.1 Reserves play a major role in understanding how Exmoor National Park Authority budgets, finances spend, meets future obligations and receives external contributions. A detailed analysis of the reserves held at 31 March 2023 is shown in Appendix 3.
- 4.2 Over 2022/23 reserves increased by £179,733 from £3,035,142 to £3,214,875. however this grossly oversimplifies the true picture. In reality, this total figure includes income not yet received, income received from legacies which is committed and a large one-off receipt of core grant that inflates the underlying position.
- 4.3 The column, 'Transfers to reserves 2022/23 column' in Appendix 3 shows the contribution to reserves. The main contributions are detailed below:
 - General fund. £440k of additional Core Grant from DEFRA and the general service underspend.
 - Contingency Fund – Legal. External Audit have suggested that we recognise the income related to the monies owed on the property where we have an order for sale. Rather than risk spending this money in advance of the property being sold, it has been posted to a reserve (less a bad debt provision) and will be released once proceeds have been received.
 - Rights of way. The Authority's Access service receives funds from the County Councils and other external funding bodies to maintain and improve the rights of way network.
 - The Authority's Estate received £60k income in excess of budget.
- 4.4 The column, 'Transfers from reserves 2022/23' shows the take from reserves to finance spend. Key draws from reserves are show below:

- Contingency Fund – General. £100k was withdrawn to meet the costs of the long running planning dispute and another £100k was used to meet the costs of external consultants in the DM service.
- Programmes - Fixed term. As detailed in Appendix 2.
- Contingency Fund – Legal. Another £100k was withdrawn to meet the costs of the long running planning dispute.
- Rights of Way. £95k of spend on contracted works and on Fixed Term staff in the Field Services and Ranger teams.
- NPC Spend to Save. Almost £90k of spend on internal works at the Authority's National Park centres to improve the offer and appearance.

4.5 The column 'Outturn Transfer between Reserves', suggests certain virements between reserves which are listed below. Members are asked to approve these changes.

- General Fund. £200k to the Contingency Fund – General, £100k to the Contingency Fund – Legal and £40k to the Modernisation reserve to restore them to health after the draws from to meet 2022/23 spend. We are also seeking to transfer £100k to the Modernisation Reserve to assist with the costs of service transformation.
- Of the in-year net contributions to CareMoor (£19k), £7k has been transferred to Rights of Way for access work, £4k to Woodlands, £4k to Ashcombe Gardens Restoration, £2k for Invasives and £2k to Heritage Projects for Historic Signpost. All of the remaining balance is from the two legacies. Members have previously been briefed in how this is to be allocated.

4.6 The balance on the General Fund is the amount held in reserve to meet any unforeseen or exceptional items of expenditure or to provide working capital. The balance of the General Fund at 31 March 2023 of £354k is in excess of the minimum considered adequate to maintain the financial viability, security and stability of the Authority and provide working capital (£300k). The excess is available should additional funds be needed on Woodlands to assist with the cost of invasives or for service transformation.

4.7 So even though the level of reserves appears robust, Members will be aware that there is a clear downwards trend in the level of reserves and how the headline total has been skewed by the issues described in 4.2. It is clear that the additional Core Grant arrived at the precise moment when it was needed to top back up the contingency reserves. The Authority's financial health would have been badly impacted without it.

5. Capital

5.1 Members will recall the recent recommendation from our external auditors that the Authority formally sets a capital budget each year. The first of these was set for the 2023/24 financial year. The table below show Authority capital spend in 2022/23 and how it was financed.

Scheme	Amount £'000s	Funding Source	Funding Name
Bye Wood	90	Capital Grant	Forestry Commission
Pinkery Decarbonisation	90	Capital Grant	Salix
Pinkery EV	27	Revenue Reserve	Corporate Equipment
EH Secondary Double Glazing	12	Revenue Reserve	Environmental Resilience
New Printers	12	Revenue Reserve	Corporate Equipment
FiPL Capital Grants	68	Revenue Grant	FiPL
Total	299		

5.2 In addition, there was a range of other spend on one-off projects that won't be capitalized. This includes the internal improvements to the National Park Centres, the completion of the car park scheme in the Valley of Rocks with the repair of the dry-stone wall and the repairs to the roof of the Dulverton Town Centre Offices.

6. 2023/24 Budget Monitoring

6.1 Members will recall the recent recommendation from our external auditors that the Authority receive quarterly monitoring financial statements. Appendix 4 shows actual spend as at the end of month 2 and anticipated outturn for the year. Clearly, month 2 is not the end of the first quarter but reporting as at the end of month 2 works more smoothly for the financial reporting cycle.

6.2 It is difficult to draw conclusions about financial performance so early in the financial year. Month 2 data is skewed by the presence of accounting entries rolled over from the previous financial year, seasonality, and the presence of spend that will be funded from reserves. There are no areas of concern or interest to direct Members attention to, but car parks are reporting a brisk trade.

7. Quarterly Monitoring of Prudential Indicators

7.1 For completeness, and to comply with guidance, Prudential limits set, and actual outcomes are to be reported. All treasury activity was conducted within the benchmarks set as Prudential limits for prudent and sustainable capital plans, financing, and investment. Indicators approved for the year are set out in the left-hand columns, with actual outturns on the right.

1 Borrowing Limits		<u>Actual</u>
Authorised	£100,000	Nil
Operational	£100,000	Nil

2 Maturity Structure

	Upper Limit	Lower Limit	Value	Actual
	%	%		%
< 12m	100	0	0.00	0.0
> 12m < 24m	0	0	0.00	0.0
> 24m < 5yrs	0	0	0.00	0.0
> 5yrs < 10yrs	0	0	0.00	0.0
> 10yrs	0	0	0.00	0.0
			<u>0.00</u>	0.0

3 Investments > 365 days 0 0

8. Update to the Medium-Term Financial Plan

- 8.1 When the 2023/24 budget was set by the Authority it contained certain key assumptions such as concerning pay awards, base inflation and movements in National Park Grant. In particular we assumed a common staffing complement, a 5% increase of pay in 2023/24 and a 3.5% increase in 2024/25.
- 8.2 Inflation however is not falling as quickly as predicted and the Employer’s offer for 2023/24 suggests that the actual pay award will be at least 1% more than budgeted. The Authority has also made permanent a member of staff who was previously on a fixed term contract in advance of a service restructure.
- 8.3 Below is a table that shows the budget gap that was shown when the MTFP was determined, and today’s savings gap with the latest available assumptions.

£'000s	2024/25	2025/26
Savings Gap in March	193	246
Latest Savings Gap	270	325

- 8.4 Though we were able to achieve ongoing savings of £225k and an additional one-off extra income of £63k in setting the 2023/24 budget, the savings shown above are a greater challenge to that which has been met previously. The same savings will not be available in future years as were available over the last 12 months.
- 8.5 In year pressures continue to arise. For example, we continue to accrue costs in the long running planning dispute in the knowledge that these are no longer recoverable from the property that we have an order for sale on.
- 8.6 Because of the range of financial challenges that the Authority faces, I would suggest that three issues need to be settled before new ventures are considered or non-obligatory schemes are committed to. These are shown below:

- Clear and definite progress towards the majority of the revenue savings gap;
- Receipt of proceeds from the more valuable plots of land that were agreed to be sold by the Authority in February (and we are dependent on to finance certain capital schemes); and
- Disposing of the property that we have an order for sale on, so that our liability can be established.

8.7 There is a great deal for the Authority to be financially positive about. We are in a strong position to be awarded substantial sums from the National Lottery Heritage Fund, we are due to receive £1.6m of FiPL funds over this year and the next, the Authority is accessing the new Countryside Stewardship schemes from in hand land and we still possess significant revenue resources and property-based assets. 2024/25 is also potentially the last year of the NPG freeze and the last year of the JE impacting on staff salaries. However, we must remain focused on the revenue budget gap in order that the Authority's financial health can be maintained.

Gordon Bryant
Chief Finance Officer
June 2023

Section	Budget Heading	2022/23 Original Budget £	2022/23 Revised Expenditure Budget £	2022/23 Revised Income Budget £	2022/23 Revised Budget £	2022/23 Actual £	Variance between 22/23 Revised and 22/23 Outturn
Support to Land Managers	Access & Recreation	130,200	139,000	-27,500	111,500	109,984	-1,516
	Archaeology & Historic Environment	81,900	83,700	-1,200	82,500	75,273	-7,227
	Field Services	298,900	330,000	-23,000	307,000	304,317	-2,683
	Conservation Advice & Support	302,100	325,400	-4,000	321,400	323,498	2,098
	Rangers	107,200	126,500	-18,000	108,500	112,313	3,813
Support to Land Managers Total		920,300	1,004,600	-73,700	930,900	925,385	-5,515
Support services to the Community	Development Management	308,100	433,500	-95,000	338,500	336,368	-2,132
	Rural Sustainability	105,600	112,400	0	112,400	117,009	4,609
Support services to the Community Total		413,700	545,900	-95,000	450,900	453,377	2,477
Support to National Park Users	Education & Volunteers	95,500	99,600	-2,000	97,600	93,511	-4,089
	National Park & Information Centres	155,200	319,800	-164,500	155,300	159,568	4,268
	Information & Interpretation Management	166,900	146,600	0	146,600	134,505	-12,095
	Pinkery	0	140,000	-140,000	0	289	289
	Visitor Facilities	9,400	84,900	-75,000	9,900	5,881	-4,019
Support to National Park Users Total		427,000	790,900	-381,500	409,400	393,754	-15,646
Corporate & Customer Support	Legal Support	70,000	70,000	0	70,000	73,024	3,024
	Strategy & Performance	331,900	331,800	0	331,800	334,126	2,326
Finance and ICT Services	Finance and ICT Services	411,800	420,300	-18,700	401,600	406,974	5,374
Land and Property Services	Land and Property Services	21,400	271,100	-255,000	16,100	12,978	-3,122
Support Services Total		835,100	1,093,200	-273,700	819,500	827,102	7,602
Corporate Management	Corporate Management	150,500	145,000	0	145,000	143,530	-1,470
	Historic Pensions Contributions	150,000	150,000	0	150,000	150,000	0
	Corporate Subscriptions	33,400	33,400	0	33,400	30,785	-2,615
	Members	98,500	89,400	0	89,400	88,879	-521
Corporate Management Total		432,400	417,800	0	417,800	413,194	-4,606
Total Core Budget		3,028,500	3,852,400	-823,900	3,028,500	3,012,812	-15,688

EXMOOR NATIONAL PARK AUTHORITY
ANALYSIS OF PROGRAMMES, PARTNERSHIPS AND
CONTRIBUTIONS TO RESERVES

ITEM 10.1 - Appendix 2

2022/23

ORIGINAL BUDGET **183,000**

LESS: Contributions to Reserves

Woodlands - ADB	30,000
Corporate Equipment & Vehicle Replacement	50,000
Estates Reserve - Driver Farm	25,000
Internship and Trainee Fund	10,000

115,000

LESS: Top sliced Programmes	Approval	Spend 2022/23	Balance Remaining	Treatment of Balance on the Scheme
Tourism	15,000	11,506	3,494	Balance kept within Programmes - Top Sliced
Hill Farm Network	19,000	19,000	-	Approval all spent
Potential Pinkery overspend	20,000	20,000	-	Approval all spent
Website Development	5,000	-	5,000	Unallocated funds transferred to IT & Web Reserve
SERC/DBRC Bio-records	5,000	3,000	2,000	Balance kept within Programmes - Top Sliced
STEAM	4,000	-	4,000	Balance kept within Programmes - Top Sliced
	<u>68,000</u>	<u>53,506</u>	<u>14,494</u>	

Spend from Previous Year's Fixed Term Allocations **75,811**

Total Spend in 2022/23 on Fixed Term Priorities **129,317**

Small Grants Scheme - In year Approvals	Approval	Spend 2022/23	Balance Remaining	Treatment of Balance on the Scheme
Unforgotten Exmoor	1,000	1,000	-	Approval all spent
Porlock Pilgrims Trail	2,330	1,509	821	Unallocated funds transferred to General Balances
Getting to the Green	1,240	-	1,240	Balance kept within Programmes - Small Grants
	<u>3,330</u>	<u>2,509</u>	<u>821</u>	

Spend from Previous Year's Small Grants Allocations **7,835**

Total Spend in 2022/23 on Small Grants **10,344**

EXMOOR NATIONAL PARK AUTHORITY
ANALYSIS OF RESERVES

	Balance 31/03/22	2022/23 Budget Allocations	2022/23 In year Budget Transfers	Transfers to Reserves 2022/23	Transfers from Reserves 2022/23	Outturn Transfers between Reserves 2022/23	Balance 31/03/23
	£	£	£	£	£	£	£
REVENUE EARMARKED RESERVES							
Support to Land Managers							
Ashcombe Garden Restoration	3,942		728		-4,927	9,000	8,743
Mire - Archaeology	29,758				-88	-15,000	14,670
Heritage Projects	25,297			3,800	-7,200	2,000	23,897
Deer Monitoring Study	13,424						13,424
Woodland Mgt Reserve	716	30,000		8,646		14,000	53,362
Ennis	13,528				-1,446	2,210	14,292
Rights of Way	206,663			74,600	-95,500	6,689	192,452
Simonsbath Project Delivery	728		-728				(0)
Support to National Park Users							
Caremoor For Exmoor	460,084			18,315	-10,000	-18,899	449,500
National Park Centres spend to save	105,336				-89,100		16,236
Get Involved Programme	1,349						1,349
Health & Well-being	7,003				-5,915		1,088
Engagement & Outreach	23,968			10,000	-6,230		27,738
Support to the Community and Business							
Development of Planning Service	50,559				-37,300	40,000	53,259
Conserv Area Appraisals & Neighbourhd Plan	12,283						12,283
Dunster Action Plan	20,891				-20,891		0
Rural Enterprise	63,218				-11,690	11,690	63,218
Strategy & Performance							
Environmental Resilience	65,081				-14,600		50,481
IT and Web Development	56,975					5,000	61,975
Corporate Equipment & Vehicle Replacement	163,125	50,000			-40,800		172,325
Planning Policy	103,356			10,000			113,356
Research & Development	21,901						21,901
Modernisation	99,306					100,000	199,306
Internship and Trainee Fund	46,993	10,000			-35,700		21,293
Capital Development Reserve	100,000						100,000
Authority Estate	282,034	25,000		60,000	-62,800		304,234
	1,977,518	115,000	0	185,361	-444,187	156,690	1,990,382
PROGRAMMES & PARTNERSHIPS							
Programmes - fixed term	200,286	68,000			-129,317	-21,334	117,635
Partnership Fund/ small grants scheme	34,821	25,000			-10,344	-16,378	33,099
Programmes & Partnership Earmarked - County Gate	30,000				-30,000		0
	265,108	93,000	0	0	-169,661	-37,712	150,735
GENERAL FUND AND CONTINGENCIES							
General Fund	317,551			455,720		-418,978	354,293
Contingency Fund - General	374,966	-25,000			-200,000	200,000	349,966
Contingency Fund - Legal	100,000			269,500	-100,000	100,000	369,500
	792,516	-25,000	0	725,220	-300,000	-118,978	1,073,758
TOTAL RESERVES	3,035,142	183,000	0	910,581	-913,848	0	3,214,875

Section	Budget Heading	2023/24 Month 2 net Spend	2023/24 Expenditure £	2023/24 Income £	2023/24 Original Budget £	2023/24 Anticipated Outturn
Support to Land Managers	Access & Recreation	34,819	139,300	-61,000	78,300	78,300
	Archaeology & Historic Environment	21,782	90,300	-1,200	89,100	89,100
	Field Services	50,800	339,300	-63,500	275,800	275,800
	Conservation Advice & Support	72,257	333,600	-4,000	329,600	329,600
	Rangers	32,380	140,700	-58,000	82,700	82,700
Support to Land Managers Total		212,038	1,043,200	-187,700	855,500	855,500
Support services to the Community	Development Management	69,691	439,800	-103,000	336,800	336,800
	Rural Sustainability	17,406	117,500	0	117,500	117,500
Support services to the Community Total		87,097	557,300	-103,000	454,300	454,300
Support to National Park Users	Education & Volunteers	16,720	111,600	-3,000	108,600	108,600
	National Park & Information Centres	60,140	330,300	-159,500	170,800	170,800
	Information & Interpretation Management	22,745	176,400	-16,000	160,400	160,400
	Pinkery	10,937	145,000	-145,000	0	0
	Visitor Facilities	9,284	94,400	-85,000	9,400	9,400
Support to National Park Users Total		119,826	857,700	-408,500	449,200	449,200
Strategy & Performance	Legal Support	3,611	70,000	0	70,000	70,000
	Strategy & Performance	46,100	357,600	0	357,600	357,600
Finance and ICT Services	Finance and ICT Services	153,443	463,600	-80,000	383,600	383,600
Land and Property Services	Land and Property Services	67,664	328,100	-279,200	48,900	48,900
Support Services Total		270,818	1,219,300	-359,200	860,100	860,100
Corporate Management	Corporate Management	20,400	154,500	0	154,500	154,500
	Historic Pensions Contributions	15,000	75,000	0	75,000	75,000
	Corporate Subscriptions	0	16,800	0	16,800	16,800
	Members	14,717	98,300	0	98,300	98,300
Corporate Management Total		50,117	344,600	0	344,600	344,600
Total Core Budget		739,896	4,022,100	-1,058,400	2,963,700	2,963,700

EXMOOR NATIONAL PARK AUTHORITY

4 July 2023

2022/23 OUTTURN – STATEMENT OF ACCOUNTS

Report of the Chief Finance Officer

Purpose of Report: To note the 2022/23 Statement of Accounts that will be presented to the External Auditors for audit.

RECOMMENDATION: The Authority is recommended to CONSIDER and NOTE the Statement of Accounts for 2022/23.

Authority Priority: Achieve by providing core services; getting best value from our resources and improving our performance.

Legal and Equality Implications: Local Government Act 2003, Parts 1-3 (Capital Finance, Financial Administration and Grants), Sections 1-39.

Accounts and Audit (England) Regulations 2011, Part 2 (Financial Management and Internal Control).

The equality and human rights impact of the recommendations of this report have been assessed as having no adverse impact on any particular group or individual.

Financial and Risk Implications: The financial and risk implications are shown throughout the report.

Climate Change Implications: Budgets for climate response work have been identified as part of the corporate planning and budgetary processes.

1. Introduction

- 1.1 Before the pandemic the Accounts and Audit (England) Regulations 2015 have required the responsible Finance Officer to produce and certify the Statement of Accounts by 31 May. Due to the COVID-19 pandemic, these dates were relaxed to 31 July for the draft accounts. The target date for the draft 2022/23 has reverted back to the 31st May. Exmoor National Park Authority was not able to achieve this date, but instead published the draft accounts on the 12th of June. This was still one of the earliest dates in the south-west.
- 1.2 The certified Statement of Accounts for 2022/23 that has been produced has been presented to the External Auditor for consideration. The Auditor is required to issue an audit report giving their:
 - opinion on whether the financial statements presents a true and fair view of the financial position of the Authority as at 31 March 2023; and
 - conclusion on whether the Authority has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

2. Statement of Accounts

- 2.1 The format and content of the Statement of Accounts comply with the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom 2022 (the Code) – and are required to present a true and fair view of the financial position of the Authority at 31 March 2023 and its comprehensive income and expenditure for the year ended 31 March 2023.
- 2.2 As Chief Finance Officer, I signed off the accounts on 12 June 2023.
- 2.3 Members of the Authority will note that the accounts have been prepared on a ‘going concern’ basis. This is based upon the fact that the Authority has a balanced MTFP, a robust budget setting process, ongoing funding streams and reserves that are adequate to meet challenges that arise. The ‘going concern’ basis assumes that the Authority will continue for the foreseeable future.
- 2.4 There are no significant changes to the structure of the accounts for 2022/23. Technical accounting changes that were due to be introduced were instead deferred.

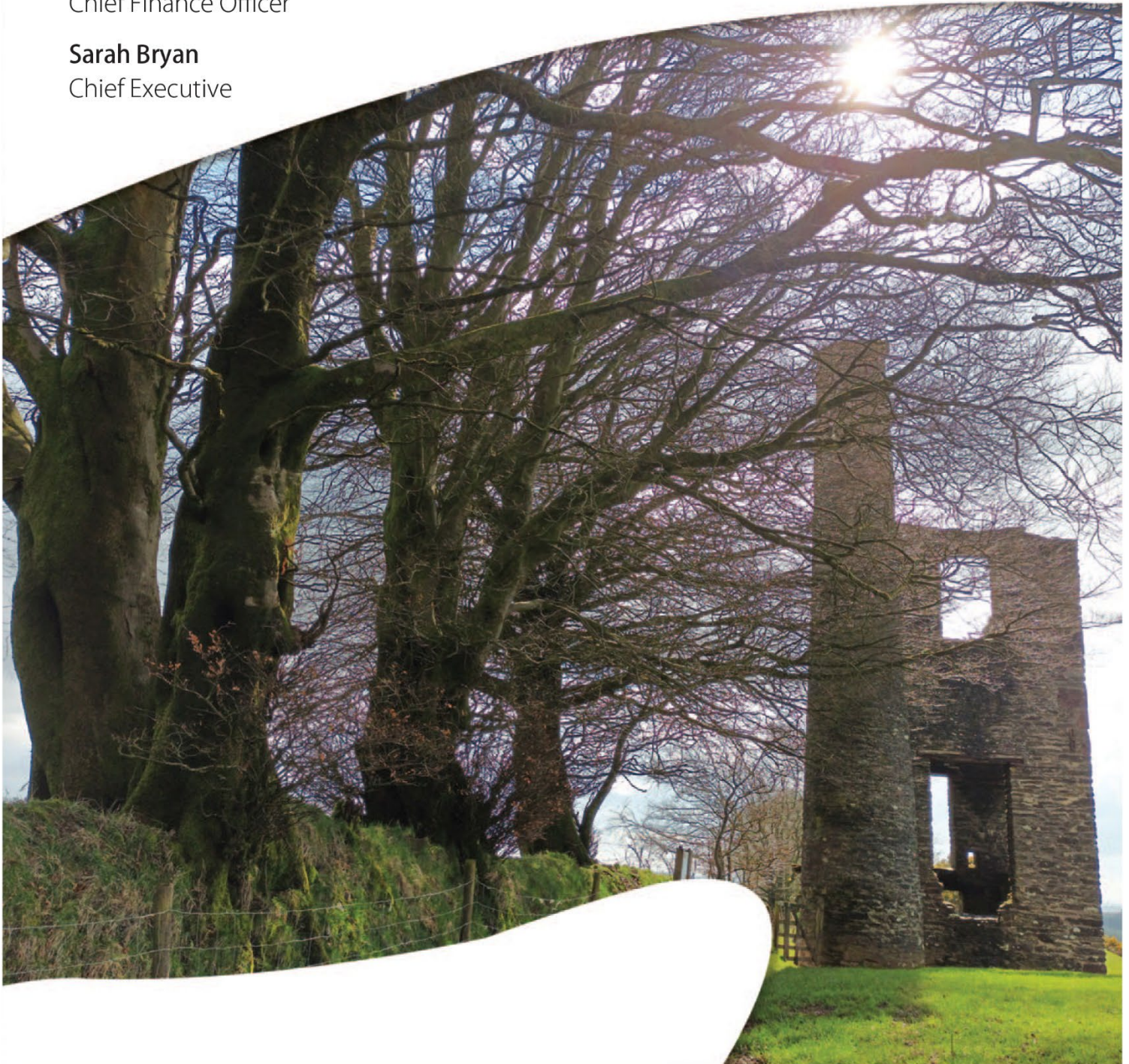
Gordon Bryant
Chief Finance Officer
June 2023

Exmoor National Park

Statement Of Accounts 2022/23

Gordon Bryant
Chief Finance Officer

Sarah Bryan
Chief Executive



DRAFT STATEMENT OF ACCOUNTS

2022/23

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STATEMENT OF ACCOUNTS 2022/23

NARRATIVE REPORT

Introduction

1. The Authority was created and given powers under the Environment Act 1995 and came into existence on 1 April 1997. The Act sets out two primary purposes for Exmoor National Park Authority ('the Authority'):
 - To conserve and enhance the natural beauty, wildlife and cultural heritage of the National Park area; and
 - To promote opportunities for understanding and enjoyment of the National Park's special qualities.
2. In carrying out these purposes the Authority also has a duty to seek to foster the social and economic well-being of local communities in the National Park and is the Planning Authority under the Town and Country Planning Acts for the National Park area.
3. Exmoor National Park Authority is required under section 66(1) of the Environment Act 1995 to produce a National Park Management Plan (the 'Partnership Plan') and State of the Park report and review them every five years. The National Park Authority is responsible for preparing the Plan, but it is developed in consultation with partner organizations, communities, visitors and businesses and will be delivered with a wide range of partners. The fundamental basis for the Plan, and for the work of the National Park Authority, are the National Park statutory purposes and duty. Evidence from the updated State of the Park report forms an important basis for the review of the Partnership Plan, and ongoing monitoring. In April 2018 the [Partnership Plan](#) 2018-23 was published by the Authority. This sets out the Vision and Ambitions for the National Park under three themes of 'People, Place and Prosperity'.
4. The Authority has recently established a steering group to support the preparation of the 2024-2029 Partnership Plan. The purpose of the Steering Group is to provide a strategic overview of the Plan; to help shape a collective partnership vision for Exmoor; to act as a challenge group to constructively examine what the Plan is seeking to achieve; and to help steer the work of the partnership organisations to contribute towards the delivery of the Plan vision and ambitions.

Governance

5. The Annual Governance Statement is included within this publication but does not form part of the Authority's accounts. The Annual Governance Statement (AGS) is found at the back of this document and explains the:
 - Scope of responsibilities;
 - Governance Framework; and
 - Significant governance issues and challenges faced by the Authority.

6. The AGS also details the impact of the pandemic on governance. Authority meetings are now undertaken in 'hybrid' form where presenters are able to deliver remotely and members are present in person.
7. An enhanced governance relationship with Defra began in 2021/22. This included an annual formal agreement and additional reporting requirements.
8. The AGS also details significant governance issues that will be covered over the course of 2023/24. These include the transition to a new Financial Information System and the commitment to implement an Anti- Money Laundering Policy.

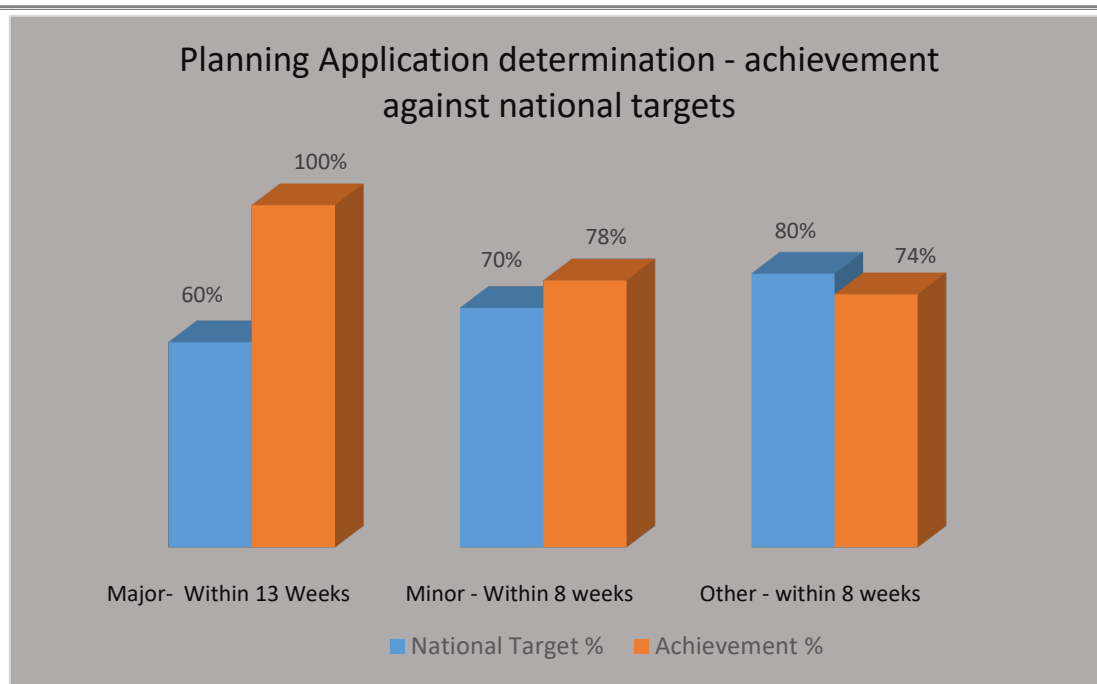
Organisation

9. To achieve the purposes and duty described in 1 and 2, the organisation is structured in terms of Support to Land Managers, Support to National Park Users and Support to the Community and Business.

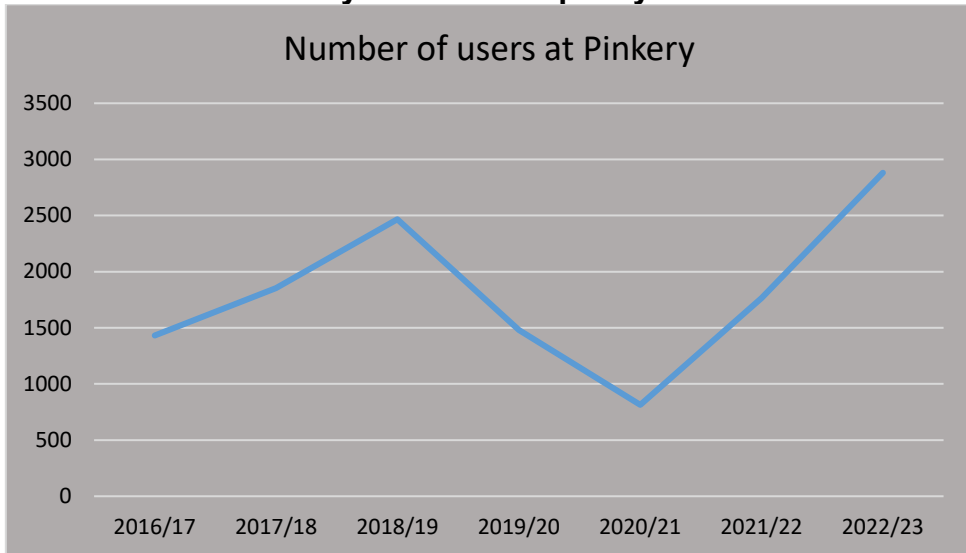
Performance

10. 2022/23 saw the completion of the single year Corporate plan for the Authority. A mid-year report of progress in implementing the previous Corporate Plan was taken to the Authority in December 2022, and the full report is due to go to the Authority in July 2023. Papers are available from the Exmoor National Park Authority's website.
11. Progress against key corporate indicators is given in the charts below. Performance is monitored quarterly by Leadership Team to ensure that the actions within the Corporate Plan are being achieved and, if necessary, to provide an opportunity for resources to be re-allocated or to review the proposed action.
12. For an analysis of performance in 2022/23 that goes beyond the Key Corporate Indicators please look to the report on the Authority's website.

Key Corporate Indicators 1 April 2022 to 31 March 2023

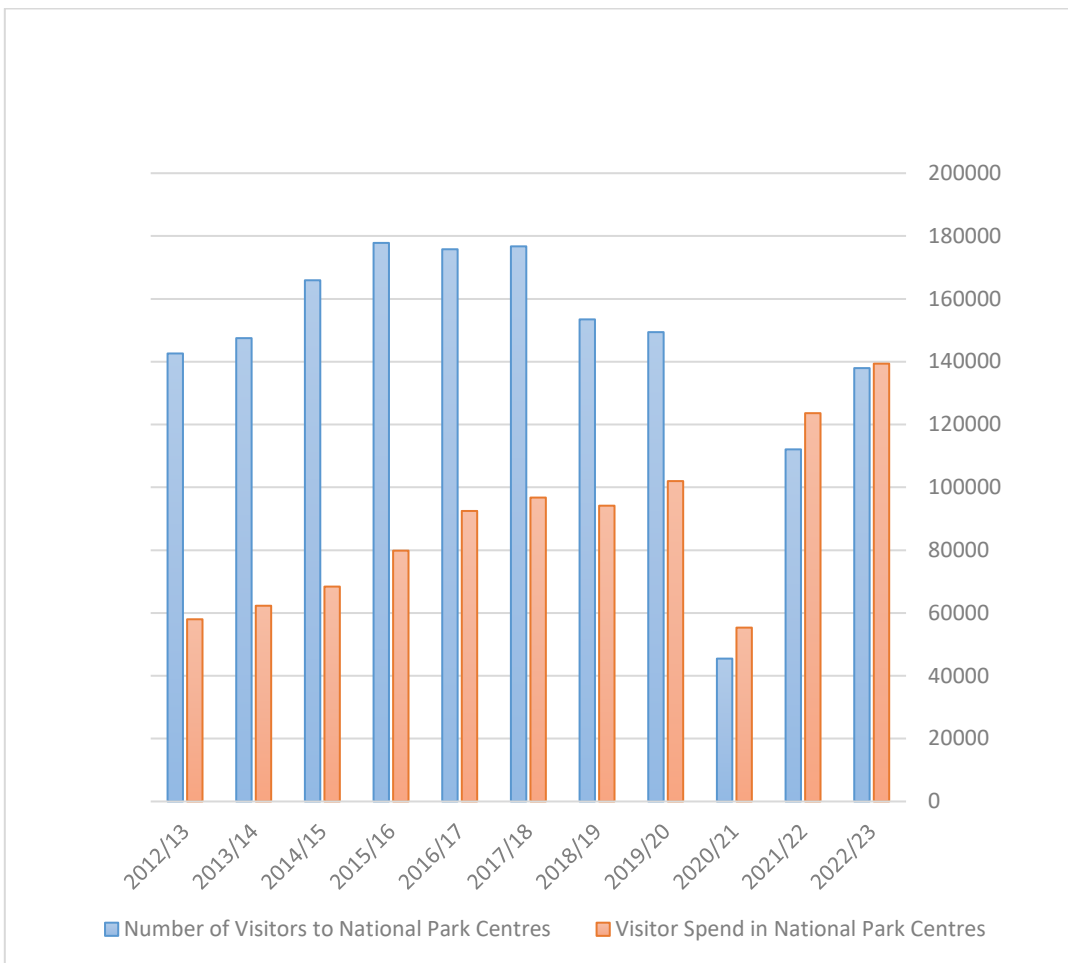


Pinkery Centre Occupancy rates

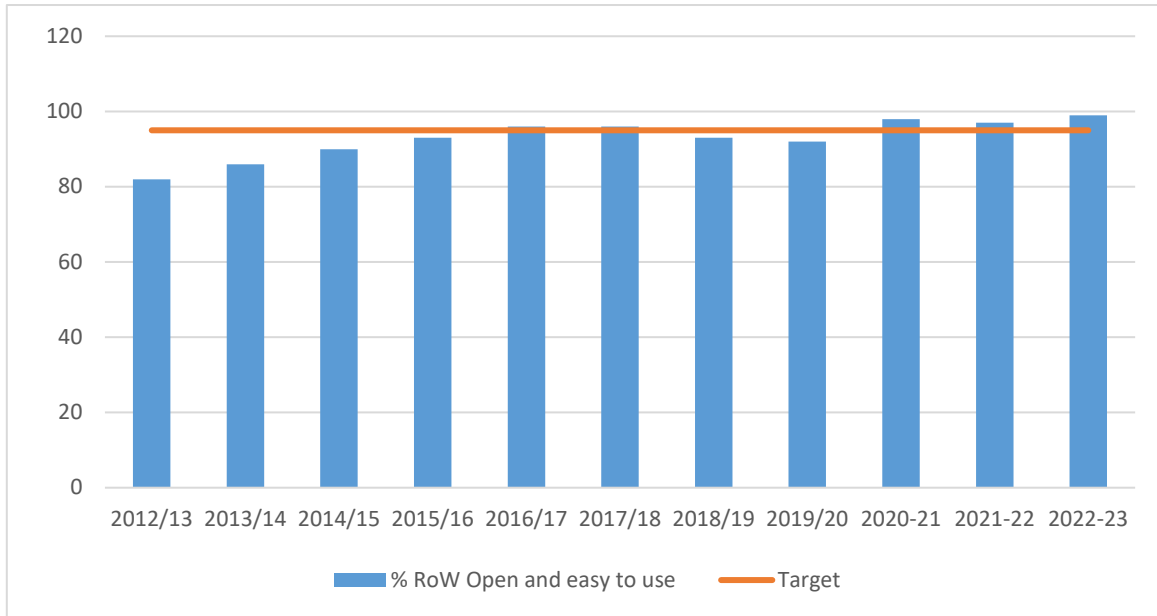


13. The Pinkery Centre is Exmoor National Park Authority’s Centre for Outdoor Learning. The user numbers for 2022/23 show a clear trend back towards the pre-pandemic numbers.

National Park Centre Visitor Numbers and Income Trend



Rights of Way Open and Easy to Use Score



Financial Statements

14. Information relating to financial performance for the year ended 31 March 2023 is contained in the following statements:

Comprehensive Income and Expenditure Statement (page 11);

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation.

The Comprehensive Income & Expenditure Statement shows a surplus for 2022/23 of £10.924m. This contrasts with a surplus of £2.323m for 2021/22. 2022/23's surplus is due to a large reduction in the pension fund liabilities and a small increase in values in the estate.

Movement in Reserves Statement (page 12);

This statement shows the movement in the year on the different reserves held by the authority, analysed between 'usable' and other 'unusable' reserves. 'Usable' reserves are made up of Earmarked Reserves, General Fund Balances and Capital Receipts. The statement shows how the movements in year of the Authority's reserves are broken down between gains and losses incurred with generally accepted accounting practices and the statutory adjustments required to return the amounts chargeable to government grants for the year.

Usable reserves increased by £180k over the course of 2022/23 to £3.213m and unusable also increased over the same period by £10.744m to £18.174m. The increase in usable reserves is primarily due to the receipt of £440k of additional core grant from DEFRA.

Balance Sheet (page 13)

This statement shows the values as at the Balance Sheet date of the assets and liabilities recognised by the Authority. The net assets of the Authority (assets less liabilities) are matched by the reserves held by the Authority.

Exmoor has £21.387m of assets in excess of its liabilities at the end of 2022/23. This is an increase of £10.924m which is primarily due to the decrease in the pensions deficit. The Authority owns £20.143m of Property, Plant and Equipment however many of these assets could not be realized at this level. Covenants attached to certain assets mean that they can only be sold to similar organizations and for the notional sum of £1.

Cash Flow Statement (page 14)

The Cash Flow Statement shows the changes in cash and cash equivalents of the Authority during the reporting period. The statement shows how the Authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities.

The statement shows how the amount of Cash and Cash Equivalents decreased by £517k over the course of 2022/23.

Financial Performance

15. The revenue budget for 2022/23 was agreed on the 1 March 2022. Resources were applied to meet the purposes and duty described in 1 and 2. The approved budget was constructed across two themes:
 - A Core Budget with expenditure of £3,830,000 and income of £801,500 giving a net requirement of £3,028,500.
 - A Partnership budget involving expenditure of £183,000 of which £68,000 was top sliced for priority elements and £115,000 added to reserves.
16. When the 2022/23 budget was set, funds were found to support the transfer of Driver Farm and to clear trees affected by Ash Die-Back.
17. The Authority considered a revised budget and reviewed the elements of the budget at its meeting on 1 November 2022. Additional resources were found for the cost of the staff pay award and to meet the cost of external consultants employed within Development Management.
18. 2022/23 is the second year of the Farming in Protected Landscapes (FiPL) programme. There was significant spend in Development Management on consultants, £200k on a long running planning dispute, and over £350k was spent on our woodlands. The National Park centres underwent a significant programme of internal development and the County Gate facilities were transferred. In addition, there was also significant capital spend. This is shown below:
 - £90k on the establishment of Bye Wood;
 - £90k on the decarbonisation scheme at the Outdoor Education Centre;
 - £27k on an electric minibus; and
 - £12k on secondary double glazing at Exmoor House.

19. The key recommendations to the Authority the year ended 31 March 2023 are:

- The allocations of the £440k additional core grant from Defra. It has been recommended to transfer this to the Legal and General Contingencies, and the DM reserve after they have been used to finance one-off spend in year.
- The revenue outturn for the year recommends that funds are redistributed towards the Web Development, Woodlands, Ashcombe Gardens and the Development of the Planning Service Reserves. Funding was also allocated to extend the Learning and Engagement Assistant post.
- The core budget shows an underspend for the year of £16k when compared with the revised budget. The reconciliation between this surplus and that shown in the Comprehensive Income and Expenditure Account is as follows:

	£000	£000
Net Deficit on the Provision of Services in the Comprehensive Income & Expenditure Account		650
<i>Non Cash Transactions</i>		
Net Transfers from Reserves	166	
Reverse IAS19 Pensions transactions	(786)	
Reverse Depreciation & Impairment charges	(97)	
Capital grant received	(175)	
Capital Expenditure	299	
Refcus	(69)	
Movement in Employee absence Accrual	17	
Downwards Revaluation of Assets	(35)	
Capital Grants Applied	175	
Asset written off on disposal	(161)	
Management Accounts Budget Surplus		(16)

20. 2022/23 was a more financially stable year than the previous three. The impact of the pandemic was reduced, although visitor numbers were down. The Authority has continued to perform well against the original and revised budgets set and shown the ability to adapt to be able to meet new challenges. The next great challenge is to meet budgetary pressures in the near term.

Financial Outlook and Medium-Term Financial Plan

21. In recent years the Authority has been successful in managing resources and meeting obligations in the context of a slightly increasing or flat National Park Grant. This has effectively meant trimming budgets, increasing trading income and the scope and level of charging and seeking external funding for larger schemes. This has been less than ideal but we have been able to maintain service provision.
22. We have been informed that the National Park Grant figures will be flat for 2023/24 and 2024/25. In the context of high inflation, this is very challenging. The savings target when the 2023/24 budget was set was £193k for 2024/25 and increasing in later years. This target will increase if the staff pay award is above 5%, as currently appears likely.
23. It will clearly be major challenge to continue with our existing level of service provision and set balanced budgets. The Leadership Team has begun considering how this will be delivered. It is possible that the failure of funding to keep pace with inflation means that service provision will need to be scaled back.

24. We remain optimistic that the Authority will be able to deliver exciting conservation and engagement activities and meet our legal responsibilities in the future. The Authority has £1,600k of FiPL funds to deliver over the course of 2023/24 and 2024/25, £450k from legacies and is in a strong position to receive major funding from the Heritage Lottery Fund.

25. There will always be challenges arising and pressures to manage however, the Authority continues to maintain a solid financial position and opportunities from the Glover Review and new funding streams will also continue to arise.

G Bryant
Chief Finance Officer
June 2023

STATEMENT OF ACCOUNTS 2022/23**2. STATEMENT OF RESPONSIBILITIES****2.1 The Authority's Responsibilities**

The Authority is required to:

- make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this Authority that officer is the Chief Finance Officer.
- manage its affairs to secure economic, efficient and effective use of resources and to safeguard its assets; and
- approve the Statement of Accounts.

2.2 The Chief Finance Officer's Responsibilities

The Chief Finance Officer is responsible for the preparation of the Authority's Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice (the Code).

In preparing this Statement of Accounts, the Chief Finance Officer has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent, and
- complied with the local authority Code.

The Chief Finance Officer has also:

- kept proper accounting records which were up to date; and
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

2.3 Chief Finance Officer's Certificate:

I certify that this Statement of Accounts has been prepared in accordance with the Accounts and Audit Regulations 2015 and that it gives a true and fair view of the financial position of Exmoor National Park Authority as at 31 March 2023 and its income and expenditure for the year ended 31 March 2023.

G Bryant

Chief Finance Officer: Date: 12th June 2023

Comprehensive Income and Expenditure Statement

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from National Park Grant. National Park Authorities receive National Park Grant and raise other income to cover expenditure in accordance with statutory requirements; this may be different from the accounting cost. The taxation (government grant) position is shown in both the Expenditure and Funding Analysis and the Movement in Reserves Statement.

2021/22				2022/23		
Gross Expenditure £000	Gross Income £000 (Notes 10 & 11)	Net Expenditure £000		Gross Expenditure £000	Gross Income £000 (Notes 10 & 11)	Net Expenditure £000
1,877	(658)	1,219	Support to Land Managers	2,024	(993)	1,031
648	(553)	95	Support to the Community	881	(136)	745
940	(456)	484	Support to National Park Users	944	(427)	517
1,565	(286)	1,279	Support Services	1,577	(402)	1,175
303	-	303	Corporate Management	296	-	296
128	(20)	108	Partnership Fund	133	(21)	112
5,461	(1,973)	3,488	Cost of Services	5,855	(1,979)	3,876
7	-	7	Other Operating Expenditure (Note 12)	170	-	170
276	(9)	267	Financing and Investment Income and Expenditure (Note 13)	311	(55)	256
-	(3,211)	(3,211)	Taxation and Non-Specific Grant Income (Note 14)	-	(3,652)	(3,652)
5,744	(5,193)	551	(Surplus)/Deficit on Provision of Services	6,336	(5,686)	650
		(222)	(Surplus) or deficit on revaluation of Property, Plant and Equipment (Notes 22 & 23)			(474)
		(2,652)	Remeasurement of Net Defined Benefit Liability/ (Asset) (Note 33)			(11,100)
		(2,874)	Other Comprehensive Income and Expenditure			(11,574)
		(2,323)	Total Comprehensive Income and Expenditure (Surplus)/Deficit			(10,924)

Movement in Reserves Statement

This statement shows the movement in the year on the different reserves held by the authority, analysed into 'General Fund Balance' (i.e. Earmarked Reserves and the General Fund proper which can be applied to fund expenditure) and other 'unusable' reserves. The statement shows how the movements in year of the Authority's reserves are broken down between gains and losses incurred with generally accepted accounting practices and the statutory adjustments required to return the amounts chargeable to government grants for the year. The Net Increase/Decrease line shows the statutory General Fund Balance movements in the year following those adjustments.

	General Fund Balance £000	Capital Receipts Unapplied £000	Total Usable reserves £000	Unusable Reserves £000	Total Authority Reserves £000
Balance at 31 March 2021	2,823	100	2,923	5,217	8,140
Movement in reserves during 2021/22					
Total Comprehensive Income and Expenditure	(551)	-	(551)	2,874	2,323
Adjustments between accounting basis & funding basis under regulations (Note 20)	761	(100)	661	(661)	-
Net Increase/(Decrease)	210	(100)	110	2,213	2,323
Balance at 31 March 2022	3,033	-	3,033	7,430	10,463
Movement in reserves during 2022/23					
Total Comprehensive Income and Expenditure	(650)	-	(650)	11,574	10,924
Adjustments between accounting basis & funding basis under regulations (Note 20)	830	-	830	(830)	-
Increase/(Decrease) in 2022/23	180	-	180	10,744	10,924
Balance at 31 March 2023 (Notes 21 and 30)	3,213	-	3,213	18,174	21,387

Balance Sheet

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Authority. The net assets of the Authority (assets less liabilities) are matched by the reserves held by the Authority. Reserves are reported in two categories. The first category of reserves are usable reserves, i.e. those reserves the Authority may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt). The second category of reserves is those that the Authority is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

31 March 2022 £000		Notes	31 March 2023 £000
19,638	Property, Plant & Equipment	22	20,012
92	Heritage Assets	23	131
19,730	Long Term Assets		20,143
70	Inventories	-	69
485	Short Term Debtors	25	1,342
2,900	Cash and Cash Equivalents	26	2,308
3,455	Current Assets		3,719
(13)	Receipts in Advance	-	(8)
(75)	Cash and Cash Equivalents	26	-
(392)	Short Term Creditors	27	(406)
-	Provisions	28	(133)
(480)	Current Liabilities		(547)
(12,242)	Other Long-Term Liabilities	33	(1,928)
(12,242)	Long Term Liabilities		(1,928)
10,463	Net Assets		21,387
3,033	Usable Reserves	21	3,213
7,430	Unusable Reserves	30	18,174
10,463	Total Reserves		21,387

Authorised for Issue

The un-audited Accounts were authorised for issue by the Chief Finance Officer on 12 June 2023.

Cash Flow Statement

The Cash Flow Statement shows the changes in cash and cash equivalents of the Authority during the reporting period. The statement shows how the authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Authority are funded by way of grant income or from the recipients of services provided by the Authority. Investing Activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Authority's future service delivery. Cash flows arising from financing activities are useful in predicating claims on future cash flows by providers of capital (i.e. borrowing) to the Authority.

2021/22 £000		2022/23 £000
551	Net (surplus) or deficit on the Provision of Services	650
	<i>Adjustments for-</i>	
(748)	Non Cash Movements (Note 35)	(432)
(197)	Net Cash flows from Operating Activities	218
227	Investing Activities (Note 36)	299
-	Financing Activities (Note 37)	-
30	Net (increase)/decrease in Cash and Cash equivalents	517
2,855	Cash and Cash Equivalents at the beginning of the reporting period	2,825
2,825	Cash and Cash Equivalents at the end of the reporting period	2,308
30	Net (increase)/decrease in Cash and Cash equivalents	517

STATEMENT OF ACCOUNTS 2022/23

NOTES TO THE ACCOUNTS

Note 1: Accounting Policies

i **General Principles**

The Statement of Accounts summarises the Authority's transactions for the 2022/23 financial year and its position at the year-end 31 March 2023. The Authority is required to prepare an annual Statement of Accounts by the Accounts and Audit Regulations 2015 in accordance with proper accounting practices. These practices under Section 21 of the 2003 Act primarily comprise the Code of Practice on Local Authority Accounting in the UK 2022/23 (The Code) supported by International Financial Reporting Standards (IRFS) and statutory guidance issued under section 12 of the 2003 Act.

The Statement of Accounts has been prepared using the going concern and accrual basis. The historical cost convention has been applied, modified by the revaluation of certain categories of non-current assets and financial instruments.

ii **Accruals of Income and Expenditure**

Activity is accounted for in the year it takes place, not simply when cash payments are made or received. In particular:

- Revenue from the sale of goods is recognised when the Authority transfers the significant risks and rewards of ownership to the purchaser and it is probable that economic benefits or service potential associated with the transaction will flow to the Authority.
- Revenue from the provision of services is recognised when the Authority can measure reliably the percentage of completion of the transaction and it is probable that economic benefits or service potential associated with the transaction will flow to the Authority.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.
- Small amounts outstanding at year end are treated on a payments basis. In total, these do not have a material effect on the year's accounts.

iii **Cash and Cash Equivalents (Note 26)**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in no more than three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Authority's cash management.

iv **Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors**

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively i.e. in the current and future years affected by the change and do not give rise to a prior period adjustment. Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Authority's financial position or financial performance. Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied. Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

v **Charges to Revenue for Non-Current Assets**

Services and support services are debited with the following amounts to record the cost of holding fixed assets during the year:

- depreciation attributable to the assets used by the relevant service
- revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off.

vi **Employee Benefits (Notes 16,33)**

Benefits Payable During Employment

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g. cars) for current employees and are recognised as an expense for services in the year in which employees render service to the Authority. An accrual is made for the cost of holiday entitlements (or any form of leave e.g. time off in lieu) earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is made at the wage and salary rates applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to Surplus or Deficit on the Provision of Services, but then reversed out through the Movement in Reserves Statement so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Authority to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy and are charged on an accruals basis to the Service lines in the Comprehensive Income and Expenditure Statement when the Authority is demonstrably committed to the termination of the employment of an officer or group of officers or making an offer to encourage voluntary redundancy.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund balance to be charged with the amount payable

by the Authority to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and to replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable at the year-end.

Post Employment Benefits

Most employees of the Authority are members of the following pension scheme:

- The Local Government Pensions Scheme, administered by Peninsula Pensions.

The scheme provides defined benefits to members (retirement lump sums and pensions), earned as employees who worked for the Authority.

The Local Government Pension Scheme

The Local Government Scheme is accounted for as a defined benefits scheme:

- The liabilities of the SCC LGPS pension fund attributable to the Authority are included in the Balance Sheet on an actuarial basis using the projected unit method – i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc. and projections of earnings for current employees.
- Liabilities are discounted to their value at current prices, using a discount rate based on the indicative rate of return on high quality corporate bond (annualised yield at the 20-year point on the Merrill Lynch AA-rated corporate bond yield curve).
- The assets of SCC pension fund attributable to the Authority are included in the Balance Sheet at their fair values.
 - quoted securities – current bid price
 - unquoted securities – professional estimate
 - unitised securities – current bid price
 - property – market value
- The change in the net pensions liability is analysed into seven components:
- **Service Cost comprising:**
 - Current service cost: the increase in liabilities as a result of years of service earned this year which is allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked.
 - Past service cost: the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years will be debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non-Distributed Costs.
 - Net interest on the defined liability: i.e. net interest expense for the authority – the change during the period in the net defined liability that arises from the passage of time charged to the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement. This is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined liability at the beginning of the period, taking into account any changes in the net defined liability during the period as a result of contribution and benefit payments.

- **Remeasurement comprising:**
 - The return on plan assets: excluding amounts included in net interest on the net defined liability – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
 - Actuarial gains and losses: changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
- Contributions paid to the Somerset Council pension fund:
 - Cash paid as employer’s contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by the Authority to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Discretionary Benefits

The Authority also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

vii **Events After the Balance Sheet Date (Note 6)**

Events after the balance sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the end of the reporting period – the Statement of Accounts is adjusted to reflect such events
- those that are indicative of conditions that arose after the reporting period – the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

viii **Financial Instruments (Notes 24)**

Financial liabilities are recognised on the Balance Sheet when the Authority becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and are carried at their amortised cost.

Financial assets are classified on a classification and measurement approach that reflects the business model for holding the financial assets and their cashflow characteristics: there are three main classes of financial assets measured at:

- Amortised cost
- Fair value through profit and loss (none)
- Fair value through other comprehensive income (none)

Our business model is to hold investments to collect contractual cashflows. Financial assets are therefore classified at amortised cost (bank deposits and debtors).

Financial assets measured at amortised cost are recognised in the Balance Sheet when we become party to the contractual provisions of the instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits are made to the Financing and Investment Income and Expenditure line in the CIES for interest receivable, based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. Any gains and losses that arise on derecognition are credited or debited to the Financing and Investment Income and Expenditure line in the CIES.

Expected Credit Loss Model - we recognise expected credit losses on financial assets held at amortised cost either on a 12-month or lifetime basis and also applies to lease receivables and contract assets. Only lifetime losses are recognised for trade receivables (debtors). Impairment losses are calculated to reflect the expectation that the future cash flows might not take place due to default. Credit risk plays an important part in assessing losses. Where risk has increased significantly since initial recognition, losses are assessed on a life-time basis. Where risk has not increased significantly or remains low, losses are assessed on the basis of 12 month expected losses. If expected losses are not material then no allowance will be made.

ix Government Grants and Contributions (Note 19)

Whether paid on account, by instalments or in arrears, government grants and third party contributions and donations are recognised as due to the Authority when there is reasonable assurance that:

- the Authority will comply with the conditions attached to the payments and
- the grants or contributions will be received.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non-ring-fenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

x Inventories

Inventories held for resale at the three National Park Centres are included in the Balance Sheet at the lower of net realisable value and cost.

xi Property, Plant and Equipment (Note 22)

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Authority and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred.

De-minimus

Expenditure below £5,000 on property, plant and equipment is treated as revenue expenditure and is charged to the relevant service line in the Comprehensive Income & Expenditure Statement in the year that it is incurred.

Measurement

Assets are initially measured at cost, comprising the purchase price and any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The cost of assets acquired other than by purchase is deemed to be its fair value, unless the acquisition does not have commercial substance (i.e. it will not lead to a variation in the cash flows of the Authority).

Assets are then carried in the Balance Sheet using the following measurement bases:

- infrastructure, community assets and assets under construction – depreciated historical cost
- all other assets – fair value, determined as the amount that would be paid for the asset in its existing use (existing use value – EUV)

Where there is no market-based evidence of fair value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of fair value. Where non-property assets that have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for fair value.

Assets included in the Balance Sheet at fair value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their fair value at the year-end, but as a minimum every five years. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains.

Where decreases in value are identified, they are accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains)
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

Impairment

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Where impairment losses are identified, they are accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains)
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line(s) in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Depreciation

Depreciation is provided for on all Property, Plant and Equipment assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life (i.e. freehold land and certain Community Assets) and assets that are not yet available for use (i.e. assets under construction).

Depreciation is calculated on the following bases:

- dwellings and other buildings – straight-line allocation over the useful life of the property as estimated by the valuer
- vehicles, plant, furniture and equipment – straight-line allocation over the useful life of the asset

Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

Disposals

Where an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Amounts received for a disposal in excess of £10,000 are categorised as capital receipts. The balance of receipts is required to be credited to the Capital Receipts Reserve and can then only be used for new capital investment or set aside to reduce the Authority's underlying need to borrow (the capital financing requirement) (England and Wales)]. Receipts are appropriated to the Reserve from the General Fund Balance in the Movement in Reserves Statement.

The written-off value of disposals is not a charge against National Park Grant, as the cost of fixed assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

Non-current assets-held-for-sale

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an asset-held-for-sale. The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell.

xii **Contingent Liabilities and Contingent Assets (Note 34)**

Contingent Assets

Contingent assets are disclosed by way of note where it is probable that there will be an inflow of economic benefits or service potential.

A contingent asset arises where an event has taken place that gives the Authority a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Authority.

Contingent Liabilities

A contingent liability arises where an event has taken place that gives the authority a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the authority. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

xiii **Reserves (Notes 20, 21, 30)**

The Authority sets aside specific amounts as reserves for future purposes or to cover contingencies. Reserves are created by appropriating amounts out of the General Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year to score against the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the General Fund Balance in the Movement in Reserves Statement so that there is no net charge against National Park Grant for the expenditure.

Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments, retirement and employee benefits and do not represent usable resources for the Authority.

xiv **Heritage Assets (Note 23)**

The Authority's Heritage Assets are assets held by the Authority principally for their contribution to knowledge and/or culture. They are recognised and measured in accordance with the Authority's accounting policies on Property, Plant and Equipment. The authority only recognises three Heritage Assets; the Brendon Hills Incline, the Simonsbath Sawmill and the Pottery Kiln in Dunster. The incline and the sawmill are valued at Existing Use Value while the Pottery Kiln applies the reinstatement (insurance) value as there is no existing use for the Pottery Kiln.

Xv Provisions (Note 28)

Provisions are made where an event has taken place that gives the Authority a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that the Authority becomes aware of the obligation and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties. When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year. Where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the Provision is reversed and credited back to the relevant service.

Note 2: Accounting Standards that have been issued but have not yet been adopted

The 2022/23 Code of Practice on Local Authority Accounting requires the Authority to identify any accounting standards that have been issued and are due to be adopted for the next financial year's accounts. The Code also requires that changes in accounting policy are to be applied retrospectively unless transitional arrangements are specified, this would result in an impact on disclosures spanning two financial years.

The following accounting changes may impact on future Statements of Accounts.

- IAS 37 Provisions, Contingent Assets and Contingent Liabilities - specification of costs to be included when assessing whether a contract will be onerous.
- IFRS 16 Leases – lease incentives
- IAS 16 Property, Plant and Equipment - proceeds before intended use.

None of these changes in accounting requirements for future years are anticipated to have a material impact on the Council's financial performance or financial position.

Note 3: Material Items of Income and Expenditure

There are no material items to disclose in 2022/23.

Note 4: Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out within the notes in the Statement of Accounts the Authority may have to make certain judgements about complex transactions or those involving uncertainty about future events. These accounts contain no such judgements.

Note 5: Assumptions Made About the Future and Other Major Sources of Estimation

The Statement of Accounts contains estimated figures that are based on assumptions made by the Authority about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

There are three items in the Authority's Balance Sheet as at 31 March 2023, for which there is a significant risk of material adjustment in forthcoming financial years. They are as follows:

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
Pensions Liability	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of actuaries is engaged to provide the Authority with expert advice about the assumptions to be applied.	The effects of the net pension liability of changes in individual assumptions can be measured. For instance, a 0.1% increase in the discount rate assumption would result in a decrease in the pension liability of £411K. However the assumptions interact in complex ways. During 2022/23, the Authority's actuaries advised that due to estimates being adjusted (as a result of experience and updating the assumptions) the net pension liability had decreased by £10.3m.
Property Plant and Equipment - Valuation	The Authority engages a qualified Royal Institution of Chartered Surveyors (RICS) surveyor from NPS, to provide valuations of land and property assets at the year end. The values of assets are adjusted to their current values by reviewing the sales of similar assets in the region, applying indexation and considering impairment of individual assets. The valuer works closely with the finance staff on all valuation matters.	Significant changes in the assumptions of future income streams/growth, occupancy levels, ongoing property maintenance and other factors would result in a significantly higher or lower fair value measurement for these assets. In particular, the pandemic and the high levels of inflation being experienced continue to affect economies and real estate markets globally. Nevertheless, an adequate quantum of market evidence exists upon which to base opinions of value. The year-end balance of PPE was £20.143m.
Debtors/ Bad Debt provision	<p>Contained within these accounts are estimates of the debt outstanding related to a long running planning dispute. These have been estimated by lawyers based upon actual costs incurred but not all of these may be recognized by the courts.</p> <p>The debt will be recovered based upon a house that has been repossessed and we are in the process of selling. We have commissioned a Fair Value assessment of the value of the property as at 31/03/23 but the actual proceeds could be different to this.</p> <p>These accounts contain a provision for the difference before the estimated debt and the possible proceeds on the repossessed property that are available to the Authority.</p>	<p>A 10% difference between the costs estimate by lawyers and that determined by the courts would equate to a £40k misestimate in the debtor.</p> <p>A 10% difference between the sale proceeds and the estimated value would equate to £82k. This would directly impact on the funds available to meet the related debt.</p>

Note 6: Events after the Balance Sheet Date

The Statement of Accounts was authorised for issue by the Chief Finance Officer on 12 June 2023. Events taking place after this date are not reflected in the financial statements or notes. Where events taking place before this date provided information about conditions existing at 31 March 2023, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

There are no events after the Balance Sheet date that need to be reported.

Note 7: Related Parties

The Authority is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Authority or to be controlled or influenced by the Authority. Disclosure of these transactions allows readers to assess the extent to which the Authority might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Authority.

Central Government

Central government has effective control over the general operations of the Authority – it is responsible for providing the statutory framework within which the Authority operates, provides the majority of its funding in the form of grants. Grants received from government departments are set out in the subjective analysis in Note 19 on Grant Income.

Members

Members of the Authority have direct control over the Authority's financial and operating policies. 12 of the Authority's members are also elected members of other local authorities within Devon and Somerset. The Authority's Standing Orders requires a register to be kept of members disclosable pecuniary interests and declarations of related party transactions in a register of interests. In addition members are asked to declare separately any transactions with the Authority. A summary of the Members' allowances paid in 2022/23 is shown in Note 15.

Officers

Officers of the Authority are bound by the Authority's Code of Conduct which seeks to prevent related parties exerting undue influence over the Authority. Senior Officers are required to declare any transactions with the Authority. No transactions have been disclosed.

The Authority's transactions with the Somerset Council Pension Fund are detailed within Note 33 to the Financial Statements.

Note 8: Expenditure and Funding Analysis

The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources (government grants, other grants and contributions, sales, fees and charges) by the Authority in comparison with those resources consumed or earned by the Authority in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the Authority's service areas. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

2021/22				2022/23		
Net Expenditure Chargeable to the General Fund £000	Adjustments between Funding & Accounting basis £000 (Note 8)	Net Expenditure in the CI&ES £000		Net Expenditure Chargeable to the General Fund £000	Adjustments between Funding & Accounting basis £000 (Note 8)	Net Expenditure in the CI&ES £000
1,072	147	1,219	Support to Land Managers	987	44	1,031
80	15	95	Support to the Community	657	88	745
512	(28)	484	Support to National Park Users	509	8	517
1,097	182	1,279	Support Services	1,012	163	1,175
258	45	303	Corporate Management	262	34	296
91	17	108	Partnership Fund	100	12	112
3,110	378	3,488	Net Cost of Services	3,527	349	3,876
(3,320)	383	(2,937)	Other Income & Expenditure	(3,707)	481	(3,226)
(210)	761	551	(Surplus)/Deficit on Provision of Services	(180)	830	650
(2,823)			Opening General Fund Balance	(3,033)		
(210)			Deficit/ (surplus) on General Fund in Year	(180)		
(3,033)			Closing General Fund Balance	(3,213)		

Note 9: Note to the Expenditure and Funding Analysis

Adjustments between the Funding and Accounting Basis 2022/23.

Adjustments from the General Fund to arrive at the CIES amounts	Adjustments for Capital Purposes (note a)	Net change for Pensions Adjustment (note b)	Other Differences (note c)	Total Adjustments
	£000	£000	£000	£000
Support to Land Managers	(78)	126	(4)	44
Support to the Community	-	91	(3)	88
Support to National Park Users	(54)	65	(3)	8
Support Services	32	136	(5)	163
Corporate Management	-	35	(1)	34
Partnership Fund	-	13	(1)	12
Net Cost of Services	(100)	466	(17)	349
Other Income & Expenditure	161	320	-	481
Surplus/ Deficit on the Provision of Services	61	786	(17)	830

Adjustments from the General Fund to arrive at the CIES amounts	Adjustments for Capital Purposes (note a)	Net change for Pensions Adjustment (note b)	Other Differences (note c)	Total Adjustments
	£000	£000	£000	£000
Support to Land Managers	(35)	191	(9)	147
Support to the Community	1	15	(1)	15
Support to National Park Users	(97)	72	(3)	(28)
Support Services	(5)	195	(8)	182
Corporate Management	-	47	(2)	45
Partnership Fund	-	18	(1)	17
Net Cost of Services	(136)	538	(24)	378
Other Income & Expenditure	100	283	-	383
Surplus/ Deficit on the Provision of Services	(36)	821	(24)	761

a) Adjustments for Capital Purposes - this column adds in depreciation and impairment, financing and revaluation gains and losses in the services line

b) Net Change for Pensions Adjustments - Net change for removal of pension contributions and the addition of IAS19 Employee Benefits pension related expenditure and income:

- **For services** - this represents removal of the employer pension contributions made by the Authority as allowed by statute and the replacement with current service costs and past service costs
- **For Financing and investment income and expenditure** - the net interest on the defined benefit liability is charged to the CIES

c) Other Differences - other differences debited / credited to the CIES and amounts payable / receivable to be recognised under statute i.e. accumulated absences.

Notes Supporting the Comprehensive Income and Expenditure Statement

Note 10: Expenditure and Income Analysed by Nature

2021/22 £000	Expenditure	2022/23 £000
2,913	Employee Benefits Expenses	3,074
2,424	Other Service Expenses	2,815
131	Depreciation, Amortisation & Impairment	136
276	Interest Payments	311
5,744	Total Expenditure	6,336
	Income	
(1,973)	Grants, Fees, Charges and other Service Income	(1,979)
(3,211)	Government Grants & Contributions	(3,652)
(9)	Interest & Investment Income	(55)
(5,193)	Total Income	(5,686)
551	Deficit on the provision of service	650

Note 11: Segmental Income

2022/23

	Grants & Contributions	Fees & Charges	Sales Income	Other	Total
	£000	£000	£000	£000	£000
Support to Land Managers	(976)	(12)	-	(5)	(993)
Support to the Community	(40)	(96)	-	-	(136)
Support to National Park Users	(30)	(241)	(126)	(30)	(427)
Support Services	(38)	(28)	(5)	(331)	(402)
Corporate Management	-	-	-	-	-
Partnership Fund	-	(21)	-	-	(21)
Total Income	(1,084)	(398)	(131)	(366)	(1,979)

2021/22

	Grants & Contributions	Fees & Charges	Sales Income	Other	Total
	£000	£000	£000	£000	£000
Support to Land Managers	(620)	(33)	-	(5)	(658)
Support to the Community	(435)	(118)	-	-	(553)
Support to National Park Users	(112)	(207)	(107)	(30)	(456)
Support Services	(12)	(5)	(10)	(259)	(286)
Corporate Management	-	-	-	-	-
Partnership Fund	-	(20)	-	-	(20)
Total Income	(1,179)	(383)	(117)	(294)	(1,973)

Note 12: Other Operating Expenditure

2021/22		2022/23
£000		£000
-	(Gains)/Losses on the disposal of non-current assets	161
7	IAS19 Administration expense	9
7	Total	170

Note 13: Financing and Investment Income and Expenditure

2021/22		2022/23
£000		£000
276	Net interest on the net defined pensions liability	311
(9)	Interest receivable and similar income	(55)
267	Total	256

Note 14: Taxation and Non-Specific Grant Incomes

2021/22		2022/23
£000		£000
(3,211)	Non-ring-fenced government grants	(3,652)
(3,211)	Total	(3,652)

Note 15: Members Allowances

The Authority paid the following amounts to members of the Authority during the year:

2021/22		2022/23
£000		£000
16	Special Responsibility Allowance	17
62	Basic Allowance	66
2	Allowance for mileage	4
80	TOTAL	87

Note 16: Officers' Remuneration

The Authority is required to name all officers that earn over £150,000 per annum for all or part of a year (there are none); and to list all officers who earn between £50,000 and £150,000 for all or part of a year, and who also fit the following criteria:

- They report directly to the Chief Executive, or;
- They are part of the Authority's Senior Management Team, or;
- They hold posts required by statute (the Chief Finance Officer and the Monitoring Officer)

	Salary, Fees and Allowance £000	Expense Allowance £000	Total Remuneration (excl. pension contribution) £000	Pension Contribution £000	Total Remuneration including pension contribution £000
Chief Executive –					
2022/23 -	90	-	88	17	107
2021/22 -	88	-	88	16	104
Head of Finance and Operations					
2022/23 -	55	-	55	10	65
2021/22 – not applicable, below £50,000	52	-	52	10	62
Head of Strategy & Performance					
2022/23 -	55	-	55	10	65
2021/22 – not applicable, below £50,000	52	-	52	10	62
Head of Planning & Sustainable Development					
2022/23 -	55	-	55	10	65
2021/22 – not applicable, below £50,000	52	-	52	10	62
Head of Conservation & Access					
2022/23 -	55	-	55	10	65
2021/22 – not applicable, below £50,000	52	-	52	10	62

The number of employees whose remuneration, excluding employer's pension contributions, was £50,000 or more in bands of £5,000 (including those detailed in the above table) were:

2021/22 Number of employees	Remuneration band	2022/23 Number of employees
4	£50,000 - £54,999	4
-	£55,000 - £59,999	-
-	£60,000 - £64,999	-
-	£65,000 - £69,999	-
-	£70,000 - £74,999	-
-	£75,000 - £79,999	-
-	£80,000 - £84,999	-
1	£85,000 - £89,999	-
-	£90,000 - £94,999	1

Note 17: Termination Benefits

The number of exit packages with total cost per band and total cost of the compulsory and other redundancies are set out in the table below:

Exit package cost band (including special payments)	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band		Total cost of exit packages in each band £000	
	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23
£0 - £20,000	-	-	-	-	-	-	-	-
£20,001 - £40,000	-	-	-	-	-	-	-	-
£40,001 - £60,000	-	-	-	-	-	-	-	-
£60,001 - £80,000	-	-	-	-	-	-	-	-
£80,001 - £100,000	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

Note 18: External Audit Costs

The Authority has incurred the following costs in relation to the audit of the Statement of Accounts, certification of grant claims and statutory inspections and to non-audit services provided by the Authority's external auditors:

2021/22 £000		2022/23 £000
9	Fees payable to Grant Thornton with regard to external audit services carried out by the appointed auditor.	9
*9	Audit Fee variation (*Proposed)	9*
18	Total	18

Note 19: Grant Income

The Authority credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement in 2022/23:

	2021/22 £000	2022/23 £000
Credited to Taxation and Non Specific Grant Income		
National Park Grant – DEFRA	3,211	3,652
Total	3,211	3,652
Credited to Services		
Access Improvement Grant	-	43
Farming in Protected Landscapes - DEFRA	281	529
BIO Support (Planning Policy) - DEFRA	10	27
VESP Grant – Somerset Council	-	7
Tree Planting Grant - SWAT	5	-
Covid Support/ Rate reliefs – SWAT & NDDC	45	-
Walks Project – SWAT	11	-
Generation Green – Access Unlimited Coalition	51	-
Rural Crime Grant – Avon & Somerset Police	3	-
Woodlands – Plantlife	16	3
Coast Path & Landscape Monitoring – Natural England	16	-
ENNIS – Natural England	-	8
Sowing the Seeds – Natural England	5	5
English Coast Path – Natural England	5	6
South West Coast Path – Natural England	-	16
Grey Squirrel Control – Forestry Commission	-	45
Bye Wood - Forestry Commission	53	-
Bye Wood – Exmoor Trust	5	-
Basic Payment & Higher Level Stewardship Scheme – RPA	79	74
Countryside Stewardship – RPA	67	65
Total	652	828

Notes to Support the Movement in Reserves Statement

Note 20: Adjustments between accounting basis and funding basis under regulations

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Authority in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Authority to meet future capital and revenue expenditure.

2022/23	General Fund Balance £000	Capital Receipts Reserve £000	Capital Grants Unapplied £000	Movement in Unusable Reserves £000
Adjustments to Revenue Resources:				
<u>Amounts by which income & expenditure included in the CIES are different from revenue for the year calculated in accordance with statutory requirements:</u>				
Pension Costs	786	-	-	(786)
Holiday pay	(17)	-	-	17
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account)	185	-	175	(360)
Total Adjustments to Revenue Resources	954	-	175	(1,129)
Adjustments between Revenue and Capital Resources:				
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	(124)	-	-	124
Transfer of sales proceeds credited as part of the gain/loss on disposal	-	-	-	-
Total Adjustments between Revenue and Capital resources	(124)	-	-	124
Adjustments to Capital Resources:				
Application of Capital Grants to finance Capital Expenditure		-	(175)	175
Application of Capital Receipts to finance Capital Expenditure	-	-	-	-
Total Adjustments to Capital Resources	-	-	(175)	175
Total Adjustments	830	-	-	(830)

2021/22	General Fund Balance £000	Capital Receipts Reserve £000	Capital Grants Unapplied £000	Movement in Unusable Reserves £000
Adjustments to Revenue Resources:				
<u>Amounts by which income & expenditure included in the CIES are different from revenue for the year calculated in accordance with statutory requirements:</u>				
Pension Costs	821	-	-	(821)
Holiday pay	(24)	-	-	24
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account)	39	-	52	(91)
Total Adjustments to Revenue Resources	836	-	52	(888)
Adjustments between Revenue and Capital Resources:				
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	(75)	-	-	75
Transfer of sales proceeds credited as part of the gain/loss on disposal	-	-	-	-
Total Adjustments between Revenue and Capital resources	(75)	-	-	75
Adjustments to Capital Resources:				
Application of Capital Grants to finance Capital Expenditure	-	-	(52)	52
Application of capital Receipts to finance Capital Expenditure	-	(100)	-	100
Total Adjustments to Capital Resources	-	(100)	(52)	152
Total Adjustments	761	(100)	-	(661)

Note 21: Transfers to/ from Earmarked Reserves

The Authority's reserve balances are continually reviewed to determine the appropriate level and use. We regularly establish new reserves, assess the appropriate level of existing reserves or cancel reserves that have met their objective. Our reserves are made up as follows:

- General Reserve (unallocated) – this is the minimum level required to maintain working balances (in accordance with CIPFA guidance).
- Partnership Fund Reserves (allocated) – these sums are set aside to meet one- off priorities that assist in the delivery of the Partnership Plan.
- Earmarked Reserves (allocated) – these consist of ring-fenced grants and contributions received from third parties, sums set aside for capital schemes and commitments against future obligations.
- Capital Grants – these include funds received from external organisations towards investment in assets.
- Capital Receipts Reserve – holds the proceeds from the disposal of land or other assets which are restricted by statute from being used other than to fund new capital expenditure or to be set aside to finance historical capital expenditure

It can therefore be seen that the majority of our Reserve Balances are “allocated”. The following table sets out the amounts set aside from the General Fund balance in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund expenditure in year.

	Balance at 31 March 2021 £000	Transfers between Reserves £000	Transfers In 2021/22 £000	Transfers Out 2021/22 £000	Increase/ Decrease (-) in useable Reserves 2021/22 £000	Balance at 31 March 2022 £000	Transfers between Reserves £000	Transfers In 2022/23 £000	Transfers Out 2022/23 £000	Increase/ Decrease in useable Reserves 2022/23 £000	Balance at 31 March 2023 £000
Earmarked Reserves	2,222	23	857	(650)	230	2,452	457	371	(570)	258	2,710
Partnership Fund Reserves	301	(34)	99	(101)	(36)	265	(38)	93	(169)	(114)	151
General Fund Balance	300	11	5	-	16	316	(419)	455	-	36	352
Capital Grants Unapplied	-	-	52	(52)	-	-	-	175	(175)	-	-
Capital Receipts Reserve	100	-	-	(100)	(100)	-	-	-	-	-	-
Total Useable Reserves	2,923	-	1,013	(903)	110	3,033	-	1,094	(914)	180	3,213

Notes to Support the Balance Sheet

Note 22: Property, Plant and Equipment

Movements on Balances

	Land & Buildings £000	Vehicles, Plant & Equipment £000	Infrastructure £000	Assets Under Construction £000	Total £000
Cost or Valuation 1 April 2022	19,487	224	70	0	19,781
Additions	191	39	-	-	230
De-recognition – Disposals	(161)	-	-	-	(161)
Revaluation Increase/ decrease (-):					
- to Revaluation Reserve	374	-	-	-	374
- to Surplus/ Deficit on the provision of service	(34)	-	-	-	(34)
Other movement in cost of valuation	-	-	-	-	-
Cost or Valuation 31 March 2023	19,857	263	70	0	20,190
Accumulated depreciation 1 April 2022	-	(137)	(6)	-	(143)
Depreciation Charge	(101)	(32)	(3)	-	(136)
Derecognition - Disposals	-	-	-	-	-
Depreciation written out to the Revaluation Reserve	28	-	-	-	28
Depreciation written out to the Surplus/ Deficit on the provision of services	73	-	-	-	73
Total Depreciation at 31 March 2023	-	(169)	(9)	-	(178)
Net Book Value at 1 April 2022	19,487	87	64	-	19,638
Net Book Value at 31 March 2023	19,857	94	61	-	20,012

	Land & Buildings £000	Vehicles, Plant & Equipment £000	Infrastructure £000	Assets Under Construction £000	Total £000
Cost or Valuation 1 April 2021	19,094	224	70	0	19,388
Additions	227	-	-	-	227
De-recognition – Disposals	-	-	-	-	-
Revaluation Increase/ decrease (-):					
- to Revaluation Reserve	162	-	-	-	162
- to Surplus/ Deficit on the provision of service	4	-	-	-	4
Other movement in cost of valuation	-	-	-	-	-
Cost or Valuation 31 March 2022	19,487	224	70	0	19,781
Accumulated depreciation 1 April 2021	-	(104)	(3)	-	(107)
Depreciation Charge	(94)	(33)	(3)	-	(130)
Derecognition - Disposals	-	-	-	-	-
Depreciation written out to the Revaluation Reserve	25	-	-	-	25
Depreciation written out to the Surplus/ Deficit on the provision of services	69	-	-	-	69
Total Depreciation at 31 March 2022	-	(137)	(6)	-	(143)
Net Book Value at 1 April 2021	19,094	120	67	-	19,281
Net Book Value at 31 March 2022	19,487	87	64	-	19,638

Depreciation

The following useful lives and depreciation rates have been used in the calculation of depreciation:

- Land and Buildings: 40-80 years
- Vehicles, Plant, Furniture and Equipment: 5-10 years
- Infrastructure: 25 years

Revaluations

The Authority carries out a valuation programme which ensures all Property, Plant and Equipment is measured at fair value in accordance with IAS16 and revalued at least every five years. We are currently revaluing assets every year to ensure that the values stated are materially correct. The valuation date is the 31st March. For 2022/23 the valuation was carried out by Mark Reynolds MRICS and Registered Valuer while employed by the NPS Group Limited in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors – the RICS Valuation – Global Standards January 2020, Chartered Institute of Public Finance and Accountancy (CIPFA) accounting code and the International Financial Reporting Standards (IFRS) and the RICS Code of Measuring Practice.

There were no capital commitments at the 31 March 2023.

Note 23: Heritage Assets

	Heritage Assets £000
Cost or Valuation 1 April 2022	92
Additions	39
Revaluation Increase/ decrease (-):	
- to Revaluation Reserve	-
- to Surplus/ Deficit on the provision of service	-
Cost or Valuation 31 March 2023	131
Cost or Valuation 1 April 2021	92
Additions	-
Revaluation Increase/ decrease (-):	
- to Revaluation Reserve	-
- to Surplus/ Deficit on the provision of service	-
Cost or Valuation 31 March 2022	92

Note 24: Financial Instruments

Financial instruments are defined as contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets: Amortised Cost

31 March 2022 £000		31 March 2023 £000
2,900	Funds held by Somerset Council	2,302
-	Cash in hand and at bank	-
448	Contractual Debtors	1,323
3,348	Total	3,625

Financial Liabilities: Amortised Cost

31 March 2022 £000		31 March 2023 £000
(75)	Bank Overdraft	-
(336)	Contractual Creditors	(354)
(411)	Total	(354)

Interest and Investment Income:

The (gains) and losses recognised in the Comprehensive Income and Expenditure Statement in relation to financial instruments is as follows:

31 March 2022 £000		31 March 2023 £000
(9)	Interest Income	(55)
(9)	Total	(55)

Financial assets and liabilities are carried in the Balance Sheet at amortised cost. Their fair value has been assessed by calculating the present value of the cash flows that will take place over the remaining life of the instrument using the following assumptions:

- The fair value of trade and other receivables and payables is taken to be the invoiced or billed amount
- The fair value of cash deposits is taken to be the cash balance as at 31 March

Nature and Extent of Risks Arising from Financial Instruments

The Authority's activities expose it to a variety of financial risks:

- Credit risk – the possibility that other parties might fail to pay amounts due
- Liquidity risk – the possibility that the Authority may not have funds available to meet its commitments to make payments
- Market risk – the possibility that financial loss might arise for the Authority as a result of changes in such measures as interest rates and stock market movements

The Authority's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the resources available to fund services. Risk management is carried out by the Chief Finance Officer, under policies approved by the Authority. The Authority has adopted the CIPFA Code of Practice for Treasury Management and as part of this approves an annual Treasury Management Strategy and Practices which sets out the policies on borrowing, investment, credit risk and interest rate exposure.

Credit Risk and Expected Credit Loss Allowances

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Authority's customers. This risk is minimised through the Authority's Annual Investment Strategy and investment solely with Somerset Council.

Amounts arising from expected credit losses would normally be established for investments and debtors based upon estimates of the losses that might be incurred if those owing money to the Authority fail to pay it back. As our primary counter party is a public body and as statute prevents a local authority from default, we have concluded that the expected credit loss is not material and therefore no allowance has been made.

The Authority's standard terms and conditions for payment of invoices (trade receivables) are 28 days from invoice date. Low risk, no history of default and with signed agreements in place with third parties, we have concluded that the expected credit loss is not material therefore no allowance has been made.

Liquidity Risk

The Authority has a comprehensive cash flow management system that seeks to ensure that cash is available when needed. Surplus cash is invested using an overnight clearing system operated by Somerset Council.

All trade and other payables are due to be paid in less than one year. The Authority currently has no borrowings and so there is no significant current or future risk that it will be unable to raise finance to meet its commitments under financial instruments.

Market Risk

The Authority is currently debt free and does not have any investments in equity shares or financial assets or liabilities denominated in foreign currencies. Market Risk is therefore limited to Interest Rate Risk on our cash investments.

- Interest Risk

In terms of short-term cash investments, the variable rate of interest earned on surplus funds moves during the year and any assumptions in annual budgets are made cautiously based on current market and treasury forecasts. A 1% movement in interest rates would result in approximately £23,000 more or less than budget if investments were held for a year.

Note 25: Debtors

31 March 2022 £000		31 March 2023 £000
138	Central government bodies	528
112	Other local authorities	13
122	Public corporations and trading funds	171
113	Other entities and individuals	630
485	Total	1,342

Note 26: Cash and Cash Equivalents

The balance of Cash and Cash Equivalents is made up of the following elements:

31 March 2022 £000		31 March 2023 £000
(75)	Bank Current Accounts	6
2,900	Funds held by Somerset Council	2,302
2,825	Total Cash and Cash Equivalents	2,308

Note 27: Creditors

31 March 2022 £000		31 March 2023 £000
(58)	Other local authorities	(51)
(55)	Public corporations and trading funds	(52)
(279)	Other entities and individuals	(303)
(392)	Total	(406)

Note 28: Provisions

31 March 2022 £000		31 March 2023 £000
-	Bad Debts	(133)
-	Total	(133)

Note 29: Capital Grants

31 March 2022 £000		31 March 2023 £000
-	Balance at 1 April	-
(52)	Capital grants received	(175)
52	Capital grants used to finance spend	175
-	Balance at 31 March	-

Note 30: Unusable Reserves

31 March 2022 £000		31 March 2023 £000
(11,017)	Revaluation Reserve	(11,354)
(8,712)	Capital Adjustment Account	(8,788)
12,242	Pensions Reserve	1,928
57	Accumulated Absences Account	40
(7,430)	Total Unusable Reserves	(18,174)

Revaluation Reserve

The Revaluation Reserve contains the gains made by the Authority arising from increases in the value of its Property, Plant and Equipment. The balance is reduced when assets with accumulated gains are:

- Revalued downwards or impaired and the gains are lost
- Used in the provision of services and the gains are consumed through depreciation, or
- Disposed of and the gains are realised.

The Reserve contains only revaluation gains accumulated since 1 April 2007, the date that the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

2021/22 £000		2022/23 £000
(10,861)	Balance at 1 April	(11,017)
(290)	Upward revaluation of assets	(622)
68	Downward revaluation of assets and impairment losses not charged to the Surplus/Deficit on the provision of Services	211
(222)	Surplus or deficit on revaluation of non-current assets not posted to the Surplus or Deficit on the Provision of Services	(411)
66	Difference between fair value depreciation and historical cost depreciation	20
-	Accumulated gains on assets sold or scrapped	54
66	Amount written off to the Capital Adjustment Account	
(11,017)	Balance at 31 March	(11,354)

Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The Account is credited with the amounts set aside by the Authority as finance for the costs of acquisition, construction and enhancement.

The Account also contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains.

Note 22 provides details of the source of all the transactions posted to the Account, apart from those involving the Revaluation Reserve.

2021/22 £000		2022/23 £000
(8,511)	Balance at 1 April	(8,712)
	Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:	
132	Charges for depreciation and impairment of non-current assets	136
(40)	Revaluation gains on Property, Plant and Equipment	(67)
(66)	Difference between fair value depreciation and historical cost depreciation	(20)
-	Revenue expenditure funded from capital under statute	69
-	Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	106
(8,485)		(8,488)
-	Adjusting amounts written out of the Revaluation Reserve	-
(8,485)	Net written out amount of the cost of non-current assets consumed in the year	(8,488)
Capital financing applied in the year:		
(52)	Use of Capital Grants to finance capital expenditure	(175)
(100)	Use of Capital Receipts to finance capital expenditure	-
(75)	Capital Expenditure charged against the General Fund	(124)
(8,712)	Balance at 31 March	(8,787)

Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Authority accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Authority makes employer's contributions to pension funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Authority has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

2021/22 £000		2022/23 £000
14,073	Balance at 1 April	12,242
(2,652)	Remeasurement of net defined liability	(11,100)
1,427	Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the CI & E	1,356
(606)	Employer's pensions contributions and direct payments to pensioners payable in the year	(570)
12,242	Balance at 31 March	1,928

Accumulated Absences Account

The Accumulated Absences Account absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year, e.g. annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.

2021/22 £000		2022/23 £000
82	Balance at 1 April	57
(82)	Settlement or cancellation of accrual made at the end of the preceding year	(57)
57	Amounts accrued at the end of the current year	40
-	Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements.	-
57	Balance at 31 March	40

Note 31: Capital Expenditure and Capital Financing

The total amount of capital expenditure incurred in the year is shown in the table below, together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Authority, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the Authority that has yet to be financed. The Authority remains Debt Free throughout the periods contained in this Statement of Accounts and therefore does not have incurred expenditure yet to be financed.

	2021/22 £000	2022/23 £000
<i>Capital Investment</i>		
Property, Plant & Equipment	227	231
Revenue Expenditure Funded from Capital under Statute	-	68
<i>Sources of finance</i>		
Capital Receipts	100	-
Government Grants and other contributions	52	175
Sums set aside from revenue	75	124

Note 32: Impairment Losses

The Authority did not recognise any impairment losses during 2022/23 (2021/22 £0k). Impairment losses are recognised as part of the valuation of the authority's non-current assets.

Note 33: Defined Benefit Pension Schemes

Participation in Pension Schemes:

As part of the terms of employment of its officers, the Authority makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until employees retire, the Authority has a commitment to make the payments that needs to be disclosed at the time that employees earn their future entitlement. The Authority participates in the Local Government Pension Scheme that is administered locally by Somerset Council. This is a funded defined benefit final salary scheme, meaning that the

Authority and employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets.

The Pension Fund Committee, at Somerset Council, oversees the management of the Fund whilst the day-to-day fund administration is undertaken by a team within the administering authority. Where appropriate some functions are delegated to the Fund's professional advisers. As administering authority to the Fund, Somerset Council, after consultation with the Fund Actuary and other relevant parties, is responsible for the preparation and maintenance of the Funding Strategy Statement and the Statement of Investment Principles. These should be amended when appropriate based on the Fund's performance and funding.

Contributions are set every three years as a result of the actuarial valuation of the Fund required by the Regulations. The latest actuarial valuation of the Fund was carried out as at 31 March 2022 and contributions have been set for the period from 1 April 2023 to 31 March 2026. There are no minimum funding requirements in the LGPS but the contributions are generally set to target a funding level of 100% using the actuarial valuation assumptions.

In general, participating in a defined benefit pension scheme means that the Employer is exposed to a number of risks:

- Investment risk. The Fund holds investment in asset classes, such as equities, which have volatile market values and while these assets are expected to provide real returns over the long-term, the short-term volatility can cause additional funding to be required if a deficit emerges;
- Interest rate risk. The Fund's liabilities are assessed using market yields on high quality corporate bonds to discount future liability cash flows. As the Fund holds assets such as equities the value of the assets and liabilities may not move in the same way;
- Inflation risk. All of the benefits under the Fund are linked to inflation and so deficits may emerge to the extent that the assets are not linked to inflation; and
- Longevity risk. In the event that the members live longer than assumed a deficit will emerge in the Fund. There are also other demographic risks

In addition, as many unrelated employers participate in the Somerset Council Pension Fund, there is an orphan liability risk where employers leave the Fund but with insufficient assets to cover their pension obligations so that the difference may fall on the remaining employers. All of the risks above may also benefit the employer e.g. higher than expected investment returns or employers leaving the Fund with excess assets which eventually get inherited by the remaining employers. The Authority's Pension Fund liability does not represent an immediate call on reserves; it is a snap-shot valuation in time, based on assumptions. The true value of the deficit is assessed on a triennial basis with contribution rates set to recover the balance over the longer-term.

The Court of Appeal judgment on the McCloud and Sargeant cases, relate to age discrimination against the age-based transitional provisions put into place when the new judicial pension arrangements were introduced in 2015. There are currently uncertainties in relation to LGPS benefits due to the McCloud and Sargeant judgements. Remedial regulations are expected in 2023 and uncertainty over the benefit changes proposed for the LGPS will remain until these have been finalized.

Transactions Relating to Post-Employment Benefits

We recognise the cost of retirement benefits in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid out as pensions. However, the charge we are required to make is based on the cash payable in the year, so the real cost of post-employment/retirement benefits is reversed out of the General Fund via the Movements in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance through the Movement in Reserves Statement during the year:

	2021/22 £000	2022/23 £000
<i>Service Cost</i>		
<ul style="list-style-type: none"> • Current Service Cost • Past Service Costs (including curtailments) 	1,112 32	1,036 -
Total Service Cost	1,144	1,036
<i>Financing and Investment Income and Expenditure</i>		
<ul style="list-style-type: none"> • Net interest on the defined liability • Administration expenses 	276 7	311 9
Total Net Interest	283	320
Total Post Employment Benefit Charged to the Surplus or Deficit on the Provision of Services	1,427	1,356
<i>Remeasurement of the Net Defined Liability Comprising:</i>		
<ul style="list-style-type: none"> • Return on plan assets excluding amounts included in net interest • Experience (gain)/loss on defined benefit obligation • Actuarial losses arising from changes in demographic assumptions • Actuarial losses arising from changes in financial assumptions • Other actuarial gains & losses on assets 	(927) 59 - (1,784) -	750 2,430 (2,308) (11,944) (28)
Total re-measurements recognised in Other Comprehensive Income	(2,652)	(11,100)
Total Post Employment Benefits Charged to the Comprehensive Income and Expenditure Statement	(1,225)	(9,744)
Movement in Reserves Statement		
<ul style="list-style-type: none"> • Reversal of net charges made to the Surplus or Deficit for the Provision of Services for post employment benefits in accordance with the Code 	(1,427)	(1,356)
Actual amount charged against the General Fund Balance for pensions in the year:		
<ul style="list-style-type: none"> • Employer's contributions payable to scheme 	606	570

Pension Assets and Liabilities in Relation to Post-Employment Benefits Recognised in the Balance Sheet

	2021/22 £000	2022/23 £000
Present value of funded obligation	(28,509)	(18,154)
Fair value of employer assets	16,544	16,412
Present value of unfunded obligation	(277)	(186)
Net Liability Arising from Defined Benefit Obligation	(12,242)	(1,928)

Reconciliation of Present Value of the Scheme Liabilities (Defined Benefit Obligation):

	2021/22 £000	2022/23 £000
Opening Balance at 1 April	(29,447)	(28,786)
Current service cost	(1,112)	(1,036)
Interest cost	(583)	(743)
Change in financial assumptions	1,784	11,944
Change in demographic assumptions	-	2,308
Experience loss / (gain) on defined benefit obligation	(59)	(2,430)
Estimated benefits paid net of transfers in	777	528
Past service costs, including curtailments	(32)	-
Contributions by scheme participants	(137)	(146)
Unfunded pension payments	23	21
Closing Balance at 31 March	(28,786)	(18,340)

Reconciliation of the Movements in Fair Value of the Scheme (plan) Assets:

	2021/22 £000	2022/23 £000
Opening Balance at 1 April	15,374	16,544
Interest on assets	307	432
Return on assets less interest	927	(750)
Other actuarial gains/(losses)	-	28
Administration expenses	(7)	(9)
Contributions by employer including unfunded	606	570
Contributions by scheme participants	137	146
Estimated benefits paid plus unfunded net of transfers in	(800)	(549)
Closing Balance at 31 March	16,544	16,412

The liabilities show the underlying commitments that the authority has to pay post-employment (retirement) benefits. In recent years the pension fund liability of £1,928k (2021/22 £12,242k) has had a substantial impact on the net worth of the authority as recorded in the Balance Sheet. However, the £10m reduction in the deficit over the course of 2022/23 significantly reduces the pension fund's impact on the balance sheet total of £21,387k (2021/22 £10,463k).

The Local Government Pension Scheme's assets consist of the following categories, by proportion of the total assets held:

	2021/22		2022/23	
	£000	%	£000	%
Equities	12,013	72%	12,241	74%
Gilts	835	5%	587	5%
Other Bonds	1,601	10%	1,705	10%
Property	1,329	8%	1,317	8%
Cash and cash equivalents	766	5%	562	3%
Total	16,544	100%	16,412	100%

- The deficit on the Local Government Pension Scheme will be made good by increased contributions over the remaining working life of employees (i.e. before payments fall due), as assessed by the scheme actuary
- Finance is only required to be raised to cover discretionary benefits when the pensions are actually paid.

The total contributions expected to be made to the LGPS by the Authority in the year to 31 March 2024 is £535k.

Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years' dependant on assumptions about mortality rates, salary levels, etc. The LGPS liabilities have been assessed by Barnett and Waddingham, an independent firm of actuaries, estimates for the Somerset Council Fund being based on the latest full valuation as at 31 March 2022. The deficit is assumed to be repaid over a period of 16 years. This is based on membership data provided as part of the recent valuation.

The principal assumptions used by the actuary have been:

<i>Mortality assumptions</i>	2021/22	2022/23
Retiring today:		
• Men	23.1	21.4
• Women	24.7	23.2
Retiring in 20 years:		
• Men	24.4	22.7
• Women	26.1	24.7
Rate of Inflation (CPI)	3.20%	2.85%
Rate of increase in salaries	4.20%	3.85%
Rate of increase in pensions	3.20%	2.85%
Rate for discounting scheme liabilities	2.60%	4.80%
Take-up of option to convert annual pension into retirement lump sum	50%	50%
Take-up of active members to pay 50% contributions for 50% benefits	10%	10%

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analysis below is based on reasonably possible changes to the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all the other assumptions remain constant. The assumptions in longevity, for example, assume that life expectancy increases or decreases for men and women. In practice this is unlikely to occur, and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e. on an actuarial basis using the projected unit cost method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in 2021/22.

Sensitivity Analysis	£000	£000	£000
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	18,040	18,340	18,647
Projected service cost	411	424	437
Adjustment to long term salary increase	+0.1%	0.0%	-0.1%
Present value of total obligation	18,368	18,340	18,311
Projected service cost	424	424	424
Adjustment to pension increases and deferred revaluation	+0.1%	0.0%	-0.1%
Present value of total obligation	18,624	18,340	18,063
Projected service cost	438	424	411
Adjustment to mortality age rating assumption	+1 Year	None	-1 Year
Present value of total obligation	19,024	18,340	17,682
Projected service cost	439	424	409

Note 34: Contingent Liability

Devon County Council agreed as part of its Investing in Devon Programme to grant the sum of £600,000 to support the refurbishment, improvement and adaptation of Lynmouth Pavilion. A contingent liability exists as part of the grant conditions require that in the event of the premises ceasing to be used as a visitor and interpretation centre and learning hub during the period of 20 years from the date of completion of the Project the Grantee shall repay the Grant to the Council but subject to a reduction of five per cent for each complete year which has elapsed following the date of completion of the project. With the completion date being the 8 August 2013 at the balance sheet date a contingent liability exists for £330,000.

Notes to Support the Cash Flow Statement

Note 35: Cash Flow Statement – Adjustments to surplus or deficit on the Provision of Services for non-cash movements

2021/22 £000		2022/23 £000
(131)	Depreciation and Amortisation	(97)
40	Impairment and Downward Valuations	(34)
(821)	Actuarial Charges for Retirement Benefits	(786)
3	Increase/(Decrease) in Inventory	-
270	Increase/(Decrease) in Debtors	857
-	(Increase) in Provisions	(133)
(109)	(Increase) in Creditors & Receipts in Advance	(9)
-	Refcus	(69)
-	Carrying amount of Non-Current Assets de-recognised	(161)
(748)		(432)

Note 36: Cash Flow Statement – Investing Activities

2021/22 £000		2022/23 £000
227	Purchase of property, plant and equipment, investment property and intangible assets	299
-	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	-
227	Net cash flows from investing activities	299

Note 37: Cash Flow Statement – Financing Activities

2021/22 £000		2022/23 £000
-	Cash receipts of short and long-term borrowing	-
-	Other receipts from financing activities	-
-	Cash payments for the reduction of the outstanding liabilities relating to finance leases	-
-	Repayment of short and long-term borrowing	-
-	Other payments for financing activities	-
-	Net cash flows from financing activities	-

ANNUAL GOVERNANCE STATEMENT

1. Scope of responsibility

- 1.1 Exmoor National Park Authority is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Authority 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.
- 1.2 In discharging this overall responsibility, the Authority is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.
- 1.3 Exmoor National Park Authority has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*. A copy of the code can be obtained from the Chief Executive, Exmoor House, Dulverton, TA22 9HL. This statement explains how the Authority has complied with the code and also meets the requirements of regulation 6 of the Accounts and Audit Regulations 2015 in relation to the publication of an annual governance statement.

2. The purpose of the governance framework

- 2.1 The governance framework comprises the systems and processes, and the culture and values, by which the Authority is directed and controlled and its activities through which it accounts to, engages with and the leads the community. It enables the Authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.
- 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. 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 policies and aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.
- 2.3 A governance framework has been in place at Exmoor National Park Authority for the year ended 31 March 2023 and up to the date of approval of the Corporate Plan and statement of accounts.

3. The Governance Framework

- 3.1 The key elements of the governance framework include:
- A National Park Partnership Plan that contains a vision, priorities and a corporate strategy to meet National Park purposes;
 - The production of a Medium Term Financial Plan taking account of the anticipated level of National Park Grant;
 - The production of a Corporate Plan that includes data on performance and objectives both achieved and planned;

- Committee papers that are linked to National Park Partnership Plan or Corporate Plan objectives and in compliance with equality and human rights legislation;
- Standing orders and financial regulations to regulate the conduct of the Authority's affairs;
- A Scheme of Delegation which sets out the functions and workings of the Authority and the powers delegated to Committees and the Chief Executive;
- Formal codes of conduct which define the standards of personal behaviour of members and staff. The code for Members was initially adopted in 2012 along with the establishment of a Standards Committee comprising 5 Authority members and the appointment of an "Independent Person" under the provisions of the 2011 Localism Act. A further process was the provision of guidance on the registration of interests. This was reviewed and refined in August 2012 with recommendations to Authority for standards arrangements and for the provision of member training on the new standards regime;
- Responsibility for audit matters are retained by the Authority;
- A Solicitor and Monitoring Officer who has a statutory responsibility supported by the Chief Finance Officer and financial regulations to ensure the legality of transactions, activities and arrangements the Authority enters;
- Financial management arrangements of the Authority which conform with the governance requirements of the CIPFA Statement on the role of the Chief Financial Officer in Local Government (2010) ;
- A Complaints procedure and a whistle-blowing policy in place for members of the public, members, staff or contractors;
- An Anti Fraud, Corruption and Bribery Policy;
- An ICT Acceptable Use Policy;
- Risk Management Policy, Registers and Business Continuity and Disaster Recovery systems which are approved, in place and subject to annual regular review;
- Extensive arrangements for partnership working on a range of projects. Partnership working is crucial to the achievement of the priorities set out in the National Park Partnership Plan.
- A staff performance and development review process which identifies training and development needs;
- Training, briefing and induction programmes for members; and
- Wide consultation with interested parties and an Exmoor Consultative and Parish Forum meets to engage with the community and a Local Access Forum considers access and rights of way issues. Numerous diverse organisations are represented on these consultative mechanisms.

4. Review of Effectiveness

- 4.1 Exmoor National Park Authority has responsibility for conducting at least annually, a review of effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the Chief Executive and Heads of Section within the Authority who have responsibility for the development and maintenance of the governance environment, the annual report on internal audit, and by the Annual Governance Report of the external auditors. The annual review of the effectiveness of the governance framework is undertaken by the Standards Committee and the Authority approve this Annual Governance Statement. The Standards Committee now also undertake an annual self-assessment of effectiveness.

- 4.2 The process that has been applied in maintaining and reviewing the effectiveness of the governance framework is:
- The adoption of an updated Code of Corporate Governance in March 2017 with an annual review by the National Park Authority carried out by the Authority's Solicitor and Monitoring Officer to ensure compliance with the Code and audited by the Chief Finance Officer;
 - Adoption of Standing Orders, the scheme of delegation and financial regulations which are periodically reviewed, updated and approved;
 - Reports to the Authority on performance management including sustainability and the corporate planning and performance framework;
 - Annual reports presented to the Authority in respect of internal audit which is a contracted service, and from the external auditor appointed by the Audit Commission;
 - Annual reports presented to the Authority on risk management, performance indicators and treasury management; and
 - An internal audit service is contracted from the Devon Audit Partnership and an annual work programme is agreed with the Chief Finance Officer with the internal auditors producing an annual report covering their activities for presentation to the Authority.
- 4.3 In the April meeting, the Authority was presented with a list of suggested changes to governance. These included a reduction to the number sitting on the Planning Committee, changes to the scheme of delegation and reductions to the number of formal meetings. The Leadership Team are currently consulting further on possible changes.

5. Significant governance issues

- 5.1 In general the governance and internal control systems within the Authority are working effectively and have been reviewed by the Solicitor and Monitoring Officer and the Chief Finance Officer and are independently validated by the internal and external auditors. As a consequence of certain Internal Audit findings, the Authority has undertaken a review of Safeguarding policies and practices. These changes were confirmed with Internal Audit during 2022/23.
- 5.2 During 2023/24 the Authority will be:
- Develop a new National Park Partnership Plan;
 - Progressing work arising from the five year review of the Local Plan including on affordable housing delivery, climate change and a new Design Guide; also making preparations for the introduction of new statutory Biodiversity Net Gain requirements for planning;
 - Working with Defra to deliver the National policy agenda on climate, nature and engagement with communities;
 - Monitoring new legislation and changes in policy to ensure that account is taken of the impact on National Parks and National Park communities;
 - Continuing to operate within limited resources while increasing revenue from alternative sources;
 - Continuing to develop customer service standards and culture;
 - Monitoring the performance of the Corporate Plan;
 - Continue to engage and communicate flexibly while making best use of technology;
 - Implement an Anti-Money Laundering policy;

- Ensure capital investment decisions are fully debated by FAPAP in advance of budgetary decisions being made by Authority;
- Continue to adapt the Farming in Protected Landscapes panel and model of decision making;
- Understand the implications of the new Somerset Unitary on the Authority's decision making; and
- Support Somerset Council in their implementation of a new financial ledger to ensure that ENPA's requirements are fully met.

5.3 We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. 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 annual review.

Signed

Mrs S Bryan, Chief Executive

R Milton, Chairperson

Date

EXMOOR NATIONAL PARK AUTHORITY

4 JULY 2023

ANNUAL TREASURY MANAGEMENT REPORT

Report of the Head of Finance & Operations

Purpose of Report: To report to Members on Treasury Management Performance in 2022/23.

Recommendation: The Authority is recommended to NOTE the Treasury Management Outturn for 2022/23.

Authority priority: Achieve by providing core services; getting best value from our resources; and improving our performance.

Legal and Equality Implications: Section 65(4) Environment Act 1995 – provides powers to the National Park Authority to “do anything which in the opinion of the Authority, is calculated to facilitate, or is conducive or incidental to-

- (a) The accomplishment of the purposes mentioned in s. 65 (1) [National Park purposes]
- (b) The carrying out of any functions conferred on it by virtue of any other enactment.”

The Local Government Act 2003 (LGA 2003)

The CIPFA Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes: 2021 Edition (CIPFA TM Code).

The CIPFA Prudential Code for Capital Finance in Local Authorities: 2021 Edition (CIPFA Prudential Code).

Statutory Guidance on Local Government Investments was revised as from 1st April 2018.

The equality and human rights impact of the recommendations of this report have been assessed as having no adverse impact on any particular group or individual.

Climate change implications: It has been assessed that this report does not have an adverse impact on our ability to respond to climate change.

1. Introduction

1.1 The Authority’s Treasury Management activities are defined as follows: -

“The management of the Authority’s investments and cash flows, its banking and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

It is acknowledged that effective treasury management provides support to the business and service objectives of the Authority.

1.2 The CIPFA Treasury Management Code requires public sector authorities to determine an annual Treasury Management Strategy and as a minimum, formally report on their treasury activities and arrangements mid-year and after the year-

end. These reports enable those tasked with implementing policies and undertaking transactions to demonstrate they have properly fulfilled their responsibilities and enable those with ultimate responsibility/governance of the treasury management function to scrutinise and assess its effectiveness and compliance with policies and objectives.

- 1.3 During 2022-23, Somerset Council (SC) has continued to manage Treasury Management activities under an agreed Service Level Agreement. Investments were made on the basis of aggregating funds in order to maximise the benefits for both bodies (including using SC's "Comfund" until it was closed in March 2023). Accounting arrangements were in place to divide the interest gained (and charged) between the Authorities.
- 1.4 As a result of the second Markets in Financial Instruments Directive (MiFID II), from 3rd January 2018 local authorities were automatically treated as retail clients but could "opt up" to professional client status, providing certain criteria was met. SC continues to meet the conditions to opt up to professional status and has done so in order to maintain its erstwhile MiFID II status prior to January 2018. As a result, SC will continue to have access to products including money market funds, pooled funds, treasury bills, bonds, shares and to financial advice.
- 1.6 The Authority delegates responsibility for the implementation and monitoring of its treasury management policies and practices, and the execution of administration of treasury management decisions, to me as Head of Finance & Operations.

2. The Economic Background to 2022-23

- 2.1 All Treasury Management decisions are made in a dynamic environment in which market sentiment, and rates for borrowing and investment are subject to constant change from many different factors. Any volatility in markets makes risk management, forecasting and decision making more difficult. Here follows a brief review of the key issues for 2022-23.
- 2.2 The war in Ukraine continued to keep global inflation above central bank targets and the UK economic outlook remained relatively weak with the chance of a mild recession. The economic backdrop during the January to March period continued to be characterised by high energy and commodity prices, high inflation, and the associated impact on household budgets and spending. The Bank of England, US Federal Reserve, and European Central Bank all increased interest rates over the period, even in the face of potential economic slowdowns in those regions.
- 2.3 Starting the financial year at 5.5%, the annual CPI measure of UK inflation rose strongly to hit 10.1% in July and then 11.1% in October. Inflation remained high in subsequent months but appeared to be past the peak, before unexpectedly rising again in February. Annual headline CPI registered 10.4% in February, up from 10.1% in January, with the largest upward contributions coming from food and housing. Core inflation, which excludes the more volatile components, rose to 5.2% y/y from 4.4%.
- 2.4 The unemployment rate eased from 3.8% April-June to 3.6% in the following quarter, before picking up again to 3.7% between October-December. The most recent information for the period December-February showed an unemployment rate of 3.7%. Nominal earnings were robust throughout the year, with earnings growth in December-February at as 5.7% for both total pay (including bonuses) and

6.5% for regular pay. Once adjusted for inflation, however, both measures were negative for that period and have been so throughout most of the year.

- 2.5 Quarterly GDP was soft through the year, registering a 0.1% gain in the April-June period, before contracting by (an upwardly revised) -0.1% in the subsequent quarter. The October-December period was revised upwards to 0.1% (from 0.0%), illustrating a resilient but weak economic picture. The annual growth rate in Q4 was 0.6%.
- 2.6 The Bank of England increased the official Bank Rate to 4.25% during the financial year. From 0.75% in March 2022, the Monetary Policy Committee (MPC) pushed through rises at every subsequent meeting over the period, with recent hikes of 50bps in December and February and then 25bps in March, taking Bank Rate to 4.25%. March's rise was voted by a majority of 7-2, with two MPC members preferring to maintain Bank Rate at 4.0%. The Committee noted that inflationary pressures remain elevated with growth stronger than was expected in the February Monetary Policy Report.
- 2.7 Uncertainty continued to be a key driver of financial market sentiment and bond yields remained relatively volatile due to concerns over elevated inflation and higher interest rates, as well as the likelihood of the UK entering a recession, and for how long the Bank of England would continue to tighten monetary policy. Towards the end of the period, fears around the health of the banking system following the collapse of Silicon Valley Bank in the US, and the purchase of Credit Suisse by UBS caused further volatility.
- 2.8 Over the period the 5-year UK benchmark gilt yield rose from 1.41% to peak at 4.70% in September before ending the financial year at 3.36%. Over the same timeframe the 10-year gilt yield rose from 1.61% to peak at 4.51% before falling back to 3.49%, while the 20-year yield rose from 1.82% to 4.96% and then declined to 3.82%. The Sterling Overnight Rate (SONIA) averaged 2.24% over the period.
- 2.9 The 5-year UK benchmark gilt yield began the quarter at 0.82% before rising to 1.41%. Over the same period the 10-year gilt yield rose from 0.97% to 1.61% and the 20-year yield from 1.20% to 1.82%. A summary of PWLB and key benchmark lending rates is included at Appendix A.

3. Treasury Management Outturn for 2022-23

3.1 Debt Management

The Authority is currently debt free. Any potential borrowing is driven by the capital plan. There were no plans that necessitated borrowing during 2022-23.

3.2 Investment Activity

- 3.2.1 The Guidance on Local Government Investments in England gives priority to security and liquidity and the Authority's aim is to achieve a yield commensurate with these principles.
- 3.2.2 As mentioned in 1.4, SC has managed Treasury Management activities under an agreed Service Level Agreement. Investments were made on the basis of aggregating funds in order to maximise the benefits for both bodies (including using SC's "Comfund"). The current arrangement strategy of lending all surplus funds to SC represents an investment that is virtually free from risk of counterparty default, as SC is the only counterparty. Also, with MiFID II, SC will continue to have access to products that would be beyond ENP.

3.2.3 Security of capital remained SC's main investment objective. Current SC approved counterparties are listed below. Those used during the year are denoted with a star.

Bank or Building Society			
Australia & NZ Bank	*	National Bank of Canada	*
Bank of Scotland		National Westminster	*
Bank of Montreal	*	Nationwide BS	*
Bank of Nova Scotia		Nordea Bank	*
Barclays Bank Plc		OP Corporate Bank	
Canadian Imperial Bank of Commerce		Oversea-Chinese Banking Corporation	
Close Brothers Ltd		Rabobank	
Commonwealth Bank of Australia		Royal Bank of Scotland	
DBS Bank Ltd	*	Santander UK	*
DZ Bank	*	Standard Chartered Bank	*
Goldman Sachs International Bank		Handelsbanken Plc	*
HSBC Bank	*	Toronto-Dominion Bank	*
Landesbank Hessen-Thuringen	*	United Overseas Bank	
Lloyds Bank	*		
National Australia Bank			

Sterling CNAV Money Market Funds			
Deutsche MMF	*	Aberdeen Standard MMF	*
Invesco Aim MMF	*	LGIM MMF	*
Federated Prime MMF	*	SSGA MMF	*
Insight MMF	*	Aviva MMF	*

Other Counterparties	
Other Local Authorities	* (38 Deals)
Debt Management Office	
CCLA Property Fund	*
RLAM Credit Fund	*
M&G Corporate Bond Fund	*

3.2.4 SC has continuously monitored counterparties, and all ratings of proposed counterparties have been subject to verification on the day, immediately prior to investment. Other indicators taken into account have been:

- Credit Default Swaps and Government Bond Spreads.
- GDP and Net Debt as a Percentage of GDP for sovereign countries.
- Likelihood and strength of Parental Support.
- Banking resolution mechanisms for the restructure of failing financial institutions i.e. bail-in.
- Share Price.
- Market information on corporate developments and market sentiment towards the counterparties and sovereigns.

- 3.2.5 In July Fitch revised the outlook on Standard Chartered from negative to stable. In September Fitch revised the outlook on HSBC to stable from negative.
- 3.2.6 In October following the Government 'fiscal event' both Fitch and Moody's revised the outlook on the UK sovereign to negative from stable. Moody's made a similar move for a number of local authorities and UK banks including Barclays Bank, National Westminster Bank, and Santander.
- 3.2.7 During the last few months of the reporting period there were only a handful of credit changes by the rating agencies, then in March the collapse of Silicon Valley Bank in the US quickly spilled over into worries of a wider banking crisis as Credit Suisse encountered further problems and was bought by UBS.
- 3.2.8 Credit Default Prices had been rising since the start of the period on the back of the invasion of Ukraine, and in the UK rose further in September/October at the time of the then-government's mini budget. After this, CDS prices had been falling, but the fallout from SVB caused a spike on the back of the heightened uncertainty. However, they had moderated somewhat by the end of the period as fears of contagion subsided, but many are still above their pre-March levels reflecting that some uncertainty remains.
- 3.2.9 On the back of this, SC advisors, Arlingclose reduced its recommended maximum duration limit for unsecured deposits for all UK and Non-UK banks and institutions on its counterparty list to 35 days as a precautionary measure. No changes were made to the names on the list. Market volatility is expected to remain a feature, at least in the near term and, as ever, the institutions and durations on the SC's counterparty list remains under constant review.
- 3.2.10 In order to increase diversification of SC's portfolio, more deposits were placed with UK Local Authorities. Thirty-eight deposits were placed with Local Authorities during the year. This allowed for longer-dated maturities with excellent creditworthiness and an appropriate yield.
- 3.2.11 It should be emphasised that the current Authority strategy of lending all surplus funds to SC represents an investment that is virtually free from risk of counterparty default, as SC is the only counterparty.
- 3.2.12 The Treasury portfolio at the end of this and the previous financial year is set out below.

	Balance on 31/03/2022 £000	Rate %	Balance on 31/03/2023 £000	Rate %	Average Balance £000	Average Rate %
Revenue Balances	25	0.38	2,303	3.875	267	3.49
Comfund Balances	2,900	0.56	0	N/A	2,805	1.82
Total Balances	2,925	0.56	2,303	3.875	3,072	1.96

There was a sizeable decrease of £622,000 in overall cash balances held by the Authority at 31st March 2023 as compared with 31st March 2022.

- 3.2.13 The average daily balance of the Authority's revenue cash was around £267k, an increase of £60k, earning net interest at Base Rate minus 0.375%. As Comfund was closed in March, extra balances were applied to revenue cash for March. Base rate averaged 2.30% over the year. Net interest earned on revenue was £9,190 compared to £73 for the year in 2021-22, due to the extra £2m plus added from the Comfund.
- 3.2.14 During March, revenue cash held by SC was earning more than the Comfund was at 1st March.
- 3.2.15 Comfund investment averaged £2.805m over the year (£3.195m in 2021-22). Interest earned was 1.82% gross, 1.80% net, producing £45,577 income net of fees (£8,902 in 2021-22). Fees amounted to £930 (2% of interest received).
- 3.2.16 The ENPA combined average gross return of 1.96% was 0.34% lower than the average Base Rate for the year. The yield achieved has been under in relationship to benchmark interest rates, but with 8 rate rises in the year, that is to be expected, as reinvesting will always be behind the curve.

4. **Compliance**

- 4.1 During the year, all ENPA treasury management policies, practices, and activities remained compliant with all relevant statutes and guidance, namely the MHCLG investment guidance issued under the Local Government Act 2003, the CIPFA Code of Practice for Treasury Management, and the CIPFA Prudential Code.
- 4.2 The DLUHC's current Guidance on Investments, revised 1st April 2018, reiterated security and liquidity as the primary objectives of a prudent investment policy. All lending was compliant with guidance issued by the DLUHC, and as SC was the only counterparty for all funds for the year, this was achieved at minimal risk.
- 4.3 For completeness, and to comply with guidance, Prudential limits set, and actual outcomes are to be reported. All treasury activity was conducted within the benchmarks set as Prudential limits for prudent and sustainable capital plans, financing, and investment. Indicators approved for the year are set out in the left-hand columns, with actual outturns on the right.

1 Borrowing Limits

Authorised £100,000

Operational £100,000

Actual
Nil
Nil

2 Maturity Structure

	Upper Limit %	Lower Limit %	Value	Actual %
< 12m	100	0	0.00	0.0
> 12m < 24m	0	0	0.00	0.0
> 24m < 5yrs	0	0	0.00	0.0
> 5yrs < 10yrs	0	0	0.00	0.0
> 10yrs	0	0	0.00	0.0
			0.00	0.0

3 Investments > 365 days

0 0

Gordon Bryant
Head of Finance & Operations
June 2023

Table 1. Money Market Rates 2022-2023 Source = Arlingclose

	Base Rate	7-Day	1-Month	3-Month	6-Month	12-Month	2-Yr SWAP
01/04/2022	0.75	0.67	0.60	1.10	1.33	1.57	2.02
30/04/2022	0.75	0.85	0.94	1.25	1.40	1.80	2.22
31/05/2022	1.00	0.92	1.02	1.42	1.71	1.95	2.34
30/06/2022	1.25	1.23	1.24	1.60	2.20	2.70	2.63
31/07/2022	1.25	1.22	1.49	1.90	2.40	2.88	2.49
31/08/2022	1.75	1.70	1.89	2.30	2.95	3.60	3.89
30/09/2022	2.25	2.22	2.32	3.89	4.10	4.95	5.39
31/10/2022	2.25	2.82	2.98	3.43	3.83	4.55	4.53
30/11/2022	3.00	2.95	3.19	3.46	3.98	4.55	4.35
31/12/2022	3.50	3.45	3.57	3.91	4.18	4.60	4.46
31/01/2023	3.50	3.90	3.86	4.03	4.25	4.65	4.04
28/02/2023	4.00	3.95	4.09	4.29	4.51	4.88	4.57
31/03/2023	4.25	4.20	4.11	4.43	4.59	4.89	4.27
Average 2022-23	2.30	2.30	2.43	2.83	3.20	3.67	3.63
Minimum	0.75	0.67	0.60	0.96	1.17	1.57	1.99
Maximum	4.25	4.20	4.28	4.45	4.76	5.32	5.86
Spread	3.50	3.53	3.68	3.49	3.59	3.75	3.87
Average 2021-22	0.19	0.15	0.12	0.23	0.37	0.50	0.76
Difference in average	+2.11	+2.15	+2.31	+2.60	+2.83	+3.17	+2.87

Table 2. PWLB Rates 2022-23 (Maturity rates unless stated)

	5 Year	5 Year EIP	10 Year	15 Year EIP	30 Year	50 Year
01/04/2022	2.52	2.43	2.69	2.59	2.82	2.62
30/04/2022	2.67	2.58	2.87	2.77	2.99	2.75
31/05/2022	2.66	2.55	3.01	2.84	3.27	3.07
30/06/2022	3.06	3.00	3.38	3.21	3.68	3.47
31/07/2022	2.69	2.73	3.01	2.81	3.53	3.37
31/08/2022	3.82	3.90	3.88	3.78	4.10	3.87
30/09/2022	5.31	5.25	5.15	5.21	4.85	4.38
31/10/2022	4.55	4.39	4.60	4.58	4.59	4.24
30/11/2022	4.23	4.25	4.25	4.20	4.39	4.01
31/12/2022	4.68	4.65	4.79	4.71	4.98	4.69
31/01/2023	4.30	4.33	4.45	4.33	4.74	4.51
28/02/2023	4.79	4.89	4.84	4.76	5.13	4.87
31/03/2023	4.51	4.71	4.53	4.45	4.86	4.60
Average 2022-23	3.82	3.82	3.96	3.86	4.20	3.93
Minimum	2.38	2.27	2.56	2.48	2.66	2.44
Maximum	5.64	5.60	5.65	5.59	5.99	5.70
Spread	3.26	3.33	3.09	3.11	3.33	3.26
Average 2021-22	1.65	1.50	1.98	1.84	2.27	2.04
Difference in average	+2.17	+2.32	+1.98	+2.02	+1.93	+1.89

EXMOOR NATIONAL PARK AUTHORITY

4 July 2023

MEMBERS' ALLOWANCES SCHEME

Report of the Chief Finance Officer

Purpose of Report: To publish the amounts paid to Members during 2022/23 by way of the Members' Allowances Scheme adopted by the Authority for that year.

RECOMMENDATION: The Authority is recommended to NOTE the amounts paid to Members in 2022/23 through its Scheme for Members' Allowances.

Authority Priority: Achieve by providing core services; getting best value from our resources; and improving our performance.

Legal and Equality Implications: Publication of the amounts paid to members through the Members' Allowance Scheme is required under The Local Authorities (Members' Allowances) (England) Regulations 2003.

The equality and human rights impact of the recommendation of this report has been assessed as having no adverse impact on any particular group or individual.

Financial and Risk Implications: No financial or risk implications have been identified in publishing the amounts paid to members of the Authority by way of the approved scheme of allowances.

Climate change response: Nothing contained within this report will impact upon the Authority's ability to meet its climate change targets.

1. Introduction

- 1.1 Members agreed the Scheme of Members' Allowances to be operated in 2022/23 at the Authority's meeting held on 1 March 2022. The scheme adopted provided for:-
 - Future in-year adjustments to Basic Allowances and Special Responsibility Allowances to be linked to staff pay cost of living awards.
- 1.2 The final pay award for allowances for staff and Members for 2022/23 was 4.04%. This was agreed midway in the financial year and backdated increases were processed in November 2022.

2. Scheme of Allowances 2022/23

- 2.1 The total allowances paid to Members for meetings attended during the year are set out in Appendix 1. The allowances and reimbursements paid in 2022/23 totals £86,633 (2021/22 = £79,999). This is an increase from the previous year which was much reduced due to the impact of the pandemic.

2.2 The financial data in the Appendix is supplemented by columns which show for each Member the actual mileage claimed, the number of main meetings of the Authority, Standards Committee and Final Accounts Committees attended by Members in the year, and the number of other meetings and training/ awareness events attended.

Gordon Bryant
Head of Finance and Operations
June 2023

SUMMARY OF ALLOWANCES PAID TO MEMBERS 2022/23

Member (Home town)	Basic Allowance £	Special Responsibility Allowance £	Subsistence £	Re-imbursment for Fares, Tickets etc £	Mileage Allowance £	Total Allowances paid £	Miles claimed in connection with Authority business	Main business meetings attended Actual/Possible	Other meetings and training events attended
Mrs L Blanchard Tansley (Parracombe)	2,980				-	2,980		9 / 10	26
Miss A Davis (Kentisbury)	2,980	4,470		7	284	7,741	662	9 / 11	16
Mr M Ellicott (Exford)	2,980	1,490		11	243	4,724	614	12 / 13	19
Mr D Elson (Combe Martin)	2,980			42	437	3,459	598	8 / 10	20
Mr S Griffiths (Watchet)	2,539				-	2,539		6 / 8	7
Mr J Holtom (Parracombe)	2,980			7	89	3,076	250	10 / 10	19
Mr J Hunt (Wellington)	477				56	534	42	2 / 2	~
Mr M Kelly (Barnstaple)	2,980				487	3,467	1,126	10 / 10	19
Mr M Kravis (Blue Anchor)	2,980				-	2,980		6 / 10	17
Mrs C Lawrence (Minehead)	2,980			5	142	3,126	426	8 / 10	13
Mr E Ley (Bishops Nympton)	2,980				240	3,220	159	9 / 10	15
Mr A Milne (Porlock Weir)	2,980			25	110	3,115	537	7 / 10	11
Mr R Milton (West Anstey)	2,980	5,959			188	9,127	473	10 / 11	26
Mrs F Nicholson (East Anstey)	2,980				-	2,980	14	10 / 11	26
Mr J Patrinis (Parracombe)	2,980	745			125	3,849	560	7 / 13	13
Mr S Pugsley (Withypool)	2,980	4,470			236	7,685	544	11 / 13	28
Mr W Revans (North Petherton)	477				-	477		2 / 2	~
Mrs F Smith (Taunton)	2,539			8	448	2,995	526	5 / 8	12
Mrs E Stacey (Chudleigh)	2,980				40	3,020	270	8 / 13	13
Mr N Thwaites (Dulverton)	2,980				-	2,980		12 / 12	20
Dr S Warren (Ottery St Mary)	2,980			36	527	3,543	1,143	7 / 10	14
Mrs P Webber (Minehead)	2,980				79	3,059	177	5 / 10	7
Mr V White (Wheddon Cross)	2,980				-	2,980		6 / 11	17
Mr J Yabsley (Witheridge)	2,980				-	2,980	-	9 / 10	13
TOTALS	65,627	17,134	-	141	3,731	86,633	8,121		
	65,627	17,134	0	141	3,731		8,121		
	0.00	0.00	0.00	0.00	0.00		0.00		

NB:

- Mileage allowances paid vary because of the distances members have to travel to attend meetings
- Those members in particular who receive a special responsibility allowance attended a range of other meetings and events outside the recognised Authority meetings
- Some details of "Other meetings and training events attended" are noted from claims submitted by members. If members have chosen not to claim, it may mean that some meetings attended by that member are not included.

EXMOOR NATIONAL PARK AUTHORITY

4 July 2023

CORPORATE PLAN 2022-23 ANNUAL REPORT

Report of the Head of Strategy and Performance

PURPOSE OF THE REPORT: To inform Members about the progress made in implementing actions within the Corporate Plan 2022-23.

RECOMMENDATION: The Authority is recommended to:

- (1) NOTE the progress in implementing the Authority's key commitments set out in the Corporate Plan 2022-2023.
- (2) DELEGATE to the Finance and Performance Advisory Panel and Leadership Team further scrutiny of Authority performance across all the Corporate Plan actions for the next reporting period to 31 March 2024.

Authority Corporate Plan: The Corporate Plan outlines the priorities for the Authority for the period to March 2023 and how we will help to achieve the priorities in the *Exmoor National Park Partnership Plan*. It continues to closely follow Government priorities set out in the *25 Year Environment Plan*, and also indicates how the Authority will take forward the recommendations in the Landscapes Review.

Legal and Equality Implications: Section 65(4) Environment Act 1995 – provides powers to the National Park Authority to “do anything which in the opinion of the Authority, is calculated to facilitate, or is conducive or incidental to:-

- (a) the accomplishment of the purposes mentioned in s. 65 (1) [National Park purposes]
- (b) the carrying out of any functions conferred on it by virtue of any other enactment.”

The equality impact of the recommendations of this report has been assessed as follows: There are no foreseen adverse impacts on any protected group(s). Engagement through the outreach work within the plan is designed to have a positive impact on protected groups.

Consideration has been given to the provisions of the Human Rights Act 1998 and an assessment of the implications of the recommendations of this report is as follows: There are no implications for the Human Rights Act.

Financial and Risk Implications: No financial or risk implications have been identified. Performance management exerts a positive influence on financial and risk management.

Climate Change Response: A report on the ENPA climate action plan is included in Appendix 2.

1. Introduction

- 1.1 The 2022-23 Corporate Plan was approved by the Authority in March 2022. It sets out the key priorities for the Authority for the period of the plan.

- 1.2 Performance is monitored quarterly by Leadership Team to ensure that the actions within the Corporate Plan are being achieved and, if necessary, to provide an opportunity for resources to be re-allocated or to review the proposed action. Oversight is provided by Members through the Finance and Performance Advisory Panel.
- 1.3 This end of year report provides an overview of key achievements during the year and reports on performance against key corporate indicators. There have been some significant achievements throughout the year, and good progress against delivery of the majority of the actions in the Corporate Plan 2022-23. Further details are given in Appendix 1. The areas where there has been lack of delivery, either due to slippage in timescales or actions not progressed, are primarily due to budget restrictions which have placed pressure on staff capacity.

2. Corporate Plan at a Glance

2.1 The actions within the plan are grouped as follows:

People	<p>Exmoor for All: Where everyone feels welcome</p> <ul style="list-style-type: none"> • The Exmoor Experience • Well-managed Recreation and Access • Thriving Tourism built on Sustainability
Place	<p>Inspiring Landscapes: Diverse and beautiful, rich in wildlife and history</p> <ul style="list-style-type: none"> • Celebrated Landscapes • Wildness and Tranquillity with Dark Night Skies, and Sensitive Development • Valued Historic Environment and Cultural Heritage • Rich in Wildlife
Prosperity	<p>Working Landscapes: Thriving communities and a vibrant local economy</p> <ul style="list-style-type: none"> • Working Landscapes • Strong Local Economy • Thriving Communities • A Valued Asset
Monitoring and Research	Improving our knowledge and understanding of Exmoor's special qualities
Corporate Priorities	<ul style="list-style-type: none"> • Manage corporate finances and diversify income streams • Work with communities, businesses, and partners to deliver the National Park Partnership Plan and statutory purposes • Respond to the climate emergency and work towards becoming a carbon neutral National Park • Develop and maintain effective and efficient services • Manage the Authority's Estate and operations to support delivery of National Park purposes

3. Performance Report - Overview

- 3.1 Delivery of the Corporate Plan actions is being progressed against a background of changing national policy and direction and a challenging funding regime.
- 3.2 The Government published its response to the Landscapes Review in January 2022 which set out proposals to take forward a number of recommendations put forward by the review Panel led by Julian Glover. Many of the changes require changes to legislation, and the Government sought views via a consultation which ran between January and April 2022. Since then, Defra has been working on various proposals to implement the changes but this has been hampered by lack of legislative time, as well as changes in Ministers and priorities. Plans for a new National Landscapes Partnership are being developed. It is not, however expected that there will be any changes to the statutory purposes of National Parks or Board size. New guidance on National Park Management Plans is being prepared by Natural England and is expected later in 2023. Work is also being carried out nationally on plans to apportion targets in the Environment Improvement Plan to Protected Landscapes. These will be important considerations for the preparation of the new Exmoor National Park Partnership Plan which is underway and due for completion in April 2024.
- 3.3 During 2022-23, there continued to be uncertainty over other areas of Government policy which have a significant implication for delivery of the Corporate Plan actions. This is particularly notable in relation to the new Environmental Land Management schemes, although the Exmoor Farming in Protected Landscapes programme has continued to be successfully implemented, supporting farmers and land managers across the National Park. The programme has been extended for a further year to 2025, bringing welcome additional funding for farmers to deliver environmental outcomes in the National Park.
- 3.4 Plans for changes in national planning and housing policy are still being debated, with a consultation on amendments to the National Planning Policy Framework, and the Levelling Up and Regeneration Bill continues to progress through Parliament.
- 3.5 Delivery of the Corporate Plan is also being impacted by the current budgetary pressures faced by ENPA. The Authority has experienced many years of decreasing financial support from central government. Since 2010/11 there has been a 40% reduction in National Park Grant. This was made worse by the award of a flat cash settlement for National Park Authorities for 2022/23 and the following 2 years, which in effect is a cut in grant given rising costs (particularly energy costs), inflation, and national pay awards. As a consequence, the Authority faced a funding deficit which impacted on its ability to deliver some of the actions in the Corporate Plan as vacancies are held, and cost savings implemented. The funding gap for 2022/23 was found but further savings will need to be found for following years. The Authority undertook a Business Review to look at options to meet future funding gaps. This included stopping services, selling assets, reducing staff capacity, making efficiencies, and increasing income. Additional funding was secured from Somerset Council and Devon County Council, which meant that the delegated rights of way function could be retained, although a substantial reduction in service will still be necessary. A one-off additional grant of £440,000 was also received from Defra which enabled reserves to be replenished, which will need to be drawn on during 2023-24. Further savings options will need to be considered for 2024-25 onwards.

- 3.6 Despite these challenges, staff continue to take forward many of the actions in the Corporate Plan as Appendix 1 shows. In addition to the numerous successes marked by green ticks, areas where progress was not on target are marked in amber, and actions with red crosses include where progress is not being made due to funding cuts, particularly vacancies being held affecting staff capacity, and also unsuccessful funding bids.
- 3.7 Particular highlights this year include Exmoor hosting both the UK National Parks Conference and Society of National Park Staff (SNPS) conference, both of which enabled staff, members and partners to connect and reflect on what the nation needs of National Parks for the future. There was great involvement from young people at the National Parks UK Conference including a presentation from two of our Young Rangers.
- 3.8 Significant progress was made this year with ENPA's net zero commitments through the delivery of decarbonisation plans at Pinkery Outdoor Education Centre, and the purchase of two electric vehicles.
- 3.9 There were a number of successful external funding bids, including a £1.4 million bid to the National Lottery Heritage Fund themed around 'Exmoor's Pioneers'. This was confirmed at the end of Q4, and a one-year development phase is being undertaken during 2023-24.
- 3.10 A series of improvements were undertaken during the autumn/winter to improve the look and feel of our National Park Centres, both inside and out. Improved window displays, signage and threshold graphics as well as internal display improvements will help boost footfall allowing us to grow income and increase engagement. Since the main improvements were completed visitor numbers and spend have been consistently up year on year and positive feedback received.
- 3.11 We also achieved our highest ever indicator score for the condition of our Public Rights of Way network with 99% of our 1,000km assessed as open and easy to use.
- 3.12 The Farming in Protected Landscapes programme was successfully launched in July 2021 providing funding for farmers and land managers across the National Park as part of a new Defra-funded grant programme. All the 2022/23 budget has been allocated and spent across 52 projects.
- 3.13 A number of activities have promoted engagement with new audiences and supported health and well-being including a programme of "Welcome to Exmoor Days" for older people suffering from loneliness, social isolation or low confidence, and the new Communities for Nature Activity Days on North Hill are attracting a growing number of volunteers from the Minehead area.
- 3.14 A number of important corporate plans and strategies have been reviewed or completed. The 5-Year review of the Exmoor National Park Local Plan was completed in July 2022, and work has begun on the review of the National Park Partnership Plan, with completion of the State of the Park report and engagement with partnership groups. The ENPA Estate Strategy was completed and adopted by Members. Work is progressing on the Equality, Diversity and Inclusion Strategy.

Appendix 1 - Delivery of Corporate Plan Actions 1st April 2022 to 31st March 2023

Appendix 2 - ENPA Climate Action Plan Progress Report 2022-23

Appendix 3 - ENPA Employee Profile 31 March 2023

Appendix 4 - Customer Feedback Report 2022-23

Appendix 5 - Freedom of Information and Environmental Information Regulations Requests

Appendix 6 - Key Corporate Indicators 1 April 2022 to 31 March 2023

Appendix 7 - National Park Family Indicators reported to Defra (1 April 2021 to 31 March 2022)

Clare Reid

Head of Strategy and Performance

Hazel Malcolm

Business Support Officer

June 2023

Background papers on which this report, or an important part of it are based, constitute the list of background papers required by Section 100 D (1) of the Local Government Act 1972 to be open to members of the public comprise:

Exmoor National Park Authority Corporate Plan 2022/23

Landscapes review (National Parks and AONBs): government response, January 2022

Landscapes Review, Julian Glover, September 2019

Delivery of Corporate Plan Actions 1st April 2022 to 31st March 2023

PEOPLE. The Exmoor Experience: More people enjoy Exmoor, are inspired, get involved, and learn about its special qualities

- ✓ We are now implementing new ways of recording schools including the percentage of pupils eligible for free school meals which will give us a better understanding of how broad and representative our schools provision is.
- ✓ Working in Partnership with Ilfracombe Community Transport Association we have delivered a programme of “Welcome to Exmoor Days” aimed at supporting older people suffering from loneliness, social isolation or low confidence to access and enjoy Exmoor by providing transport and engagement activities.
- ✓ Our Seed to Sawmill event held in August at Exford attracted around 300 visitors, with a variety of wood-themed activities and crafts on display, supported by our Young Rangers, working brilliantly alongside our more established volunteers.
- ✓ Volunteers have stepped up to provide expert reviews for the new Exmoor Classic series of walks this summer. Elsewhere, volunteer-led guided walks have helped engage with over 350 people this year, so far raising £400 for CareMoor.
- ✓ The newly launched Communities for Nature Activity Days on North Hill are attracting a growing number of volunteers from the Minehead area, with lifts being provided from the seafront for those without access to transport. Clients from the Hope Centre are enjoying being part of this wider group, helping build a better sense of community cohesion.
- ✓ In collaboration with Somerset Wildlife Trust, the National Trust and Minehead and Coast Development Trust, ENPA’s volunteer team helped launch the first of three Bioblitz events in Minehead focused on raising awareness amongst the local community of the town’s natural environment. A range of coastal based activities held mid-March proved popular, with a similar plant-focused event being planned for June and October.
- ✓ There was great involvement from young people at this year’s National Parks UK Conference. This included a presentation from two of our Young Rangers. Young Rangers also helped to welcome delegates on one of the study tours at Pinkery, as well as supporting our staff at a number of engagement events throughout the year.
- ✓ A series of improvements to our National Park Centres have been completed, with additional funding from the Visitor Economy Support Programme. Improvements included new interpretative and retail displays, external improvements, new window displays and new interactive exhibits and a new ‘welcome’ film – Find Your Exmoor. We have received fantastic feedback on the works which sought to improve the look and feel of the Centres to drive footfall and thus spend. Overall spend is up 13 % compared to last year (over double our 5% target) and visitor numbers up 23%. Spend is at a record high while visitor numbers, having fallen dramatically during the pandemic have recovered well and are just 7% below 2019/20 figures.

PEOPLE. Well-managed Recreation and Access: Exmoor has a first-class rights of way network. Our paths, open access and recreational facilities are enhanced to offer more and better experiences for people who want to explore and enjoy the National Park

- ✓ Additional weekend Ranger cover was used again over last summer to assist with checks at popular site and deliver public engagement and pop-up friendly family events. The pop-up events were a great success although the summer was much less busy compared with the last 2 years.
- ✓ Despite storm Eunice and other challenges, we have maintained the public access network in excellent condition through our work on furniture, signs, surfaces and paring and we achieved our highest ever indicator score for the condition of our Public Rights of Way network with 99% of our 1,000km assessed as open and easy to use.
- ✓ New funding announced by Defra for disabled access improvements has provided some welcome investment (£93,000 over 3 years) and we have been able to spend our full allocation for this year on path improvements and new information resources.
- ≈ Our path inspection programme has been reduced to a 6-year frequency. This may have long term implications for network standards, but our Path Watcher volunteer programme will help minimise impacts.
- ≈ Planning permission was granted for Great Bradley Bridge but this work was put on hold awaiting decisions about our future role in access and recreation work. As we now have more certainty, with a clear plan in place for the next three years, we have restarted work on this project.
- ✗ Exmoor NPA was unable to recruit a Project Officer for the Family Friendly Cycle Trails project and this work was put on hold due to staff reduction in the Access and Recreation Team. Our Public Path Order work (diversions etc) has unfortunately also had to be dramatically reduced as we adapt to reduced capacity.
- ✓ The new range of Exmoor Classic Walks, replacing the now dated Golden Walk leaflets, has been completed and are being launched in April 2023. The Defra disabled access funding has also allowed us to develop a further range of Exmoor Strolls (more accessible routes) to be published in the summer of 2023. These two new ranges will sit alongside our Exmoor Explorer and Long-Distance Routes to complete our range of top walks resources.

PEOPLE. Thriving Tourism built on Sustainability: The tourism economy is vibrant, innovative, and growing, and celebrates Exmoor’s distinctive character

- ✓ We continue to work closely with tourism partners to offer a warm welcome and to encourage visitors to explore more of the National Park, while reducing impacts. There has been a welcome increase in the provision of public transport options for visitors to Exmoor through the Exmoor Coaster service operating year-round between Minehead and Lynmouth, a new service from Ilfracombe to Lynmouth and enhanced service from Barnstaple (with new rail link) to Lynmouth. Further expansion of the Coaster service is planned for summer 2023. The National Park Partner scheme was relaunched with 20 businesses on board demonstrating a commitment to keeping Exmoor special. It has generally been a quieter year, with many businesses struggling with increased costs (especially food and energy) and a lack of staff.
- ✓ An Exmoor Young Chef competition was held in July, attended by 7 finalists and their families, 10 local chefs and 6 stakeholders. This has been widely publicised via radio and printed media and two films were released on the back of it. The primary aim was to celebrate the local produce within Exmoor and the hospitality opportunities available locally. This has been delivered alongside continued role out of the Eat Exmoor branding to encourage greater demand and supply of local produce within the area.

PLACE. Celebrated Landscapes: The natural beauty, distinct character and diversity of Exmoor's landscapes are celebrated, conserved, and enhanced

- ✓ Our funding application to The National Lottery Heritage Fund was successful securing stage 1 funding to develop our project relating to the former royal forest, and this is now underway involving consultations with staff, stakeholders, and partners.
- ✓ A winter tree planting programme has been completed as part of the restoration of the Ashley Combe designed landscape. Planning applications for two bridges are being progressed. At the ENPA tree nursery, volunteers have been helping finish the construction of trestle benches at the ENPA tree nursery and potting on saplings.
- ✓ A webpage encouraging people to engage people with Exmoor's past and future landscapes through art is ready to go live in visitor centres.
- ✗ The Coastal Woodland Project has faltered due to an unsuccessful Landscape Recovery Bid. Instead, we are developing small scale projects to enhance and promote the history and current management of coastal woodlands. We are also exploring opportunities to work with the National Trust on their Landscape Recovery project around Holnicote where coastal woodlands influence the local catchments.

PLACE. Wildness and Tranquillity with Dark Night Skies and Sensitive Development: Exmoor is somewhere you can experience tranquility, openness, wildness and dark night skies. Development is sensitive to the National Park's special qualities and conserves its scenic quality and setting

- ✓ The 2022 Dark Skies Festival took place in October with sponsorship from SBA CIC. Over 50 events were held with an estimated attendance of over 2,200 people. Many businesses reported that they could have filled their events twice over. More broadly our Dark Skies continue to receive national and international press coverage, with an increasing number of experiences and events available outside of the festival period, and 27 accredited Dark Sky Friendly businesses.
- ≈ Work on a new design guide has commenced and the draft is progressing, although the timetable has slipped due to staff capacity.

PLACE. Valued Historic Environment and Cultural Heritage: Exmoor's historic environment is better understood, cared for, and protected. Its cultural heritage and rural traditions are valued for their place in telling Exmoor's story and shaping its future

- ✓ All 16 Conservation Area appraisals are now up to date. Proposals for two new Conservation Areas in Winsford and Simonsbath were progressed and public consultation undertaken. A paper recommending both areas are designated went to Authority in April 2023 and it was agreed to designate Winsford, but not Simonsbath.
- ✓ A pilot project to develop a local heritage list run by the South West Heritage Trust was completed at the end of September. An Assessment Panel for Exmoor has been set up to ratify the nominations of local heritage assets to be included on the list, and the first tranche of nominations agreed. The list will be useful in assisting the planning team, planning agents and the public in understanding what makes certain sites significant.

PLACE. Rich in Wildlife: Exmoor is richer in wildlife. Habitats are in good condition, expanded, connected, and support a greater abundance of species

- ✓ A revised draft of the Exmoor Nature Recovery Vision has been consulted on with representatives of the local farming community and is now in the final stages of editing before publication.
- ✓ Meetings have taken place with both Devon and Somerset Local Nature Partnership Teams working towards identifying opportunities for enhancing biodiversity and for developing the new statutory Local Nature Recovery Strategies. Officers have provided comments on the counties' nature recovery mapping to ensure high quality habitat is recognised and the complexity of moorland is accounted for.
- ✓ The More Meadows Project, taken forward on Exmoor as 'Sowing the Seeds', now has 41 contacts on its database, of both donor meadows and recipients, comprising 39 farmers/small holders, one community group and one school. 110kgs of meadow seed was harvested in August from the donor farm near Simonsbath, which has now been dried, weighed and bagged up ready for distribution. The seed will enhance and restore over 22ha of grassland.
- ✓ The peatland restoration South West Peatland (formerly MIREs) Partnership Historic Environment Officer recruitment has taken place ensuring continuity of advice for the programme. Three peatland restoration projects have been completed this year, Aldermans Barrow, Butter Hill and South Regis Quarry.
- ✓ Work on Exmoor's Temperate Rainforest is progressing through survey work, particularly focussing on opportunities near Simonsbath. Discussions with Natural England are positive and consent will be sought.

PROSPERITY. Working Landscapes: Exmoor's land-based communities and businesses are supported to provide health food and good quality timber, and ensure that Exmoor's landscapes continue to be well managed and cared for

- ✓ The Farming in Protected Landscapes programme was launched in July 2021 which will provide funding for farmers and land managers across the National Park as part of a new three-year Defra-funded grant programme. All the £436,000 2022/23 budget has been allocated and spent across 52 projects. Projects vary from small scale tree/hedge planting to supporting sale of nature friendly meat sales, more sustainable treatment of manure to facilitate regenerative farming, and support of the ENPA Sowing the Seeds project.
- ✓ Informal liaison with shoot managers continues. There has been discussion with the Greater Exmoor Shoots Association regarding the impacts of Bird Flu which has had very serious implications for wild bird populations and game shooting across Exmoor.
- ✓ Further work has been progressed on the Exmoor Woodland and Trees Strategy, with "National Tree Map" data obtained which will help with targeting and prioritising of tree cover expansion. Priority and opportunity mapping has been completed and with national tree cover targets now agreed. Consultation on the draft strategy is planned for summer 2023.
- ✓ A Somerset Woodland Strategy has been completed by consultants funded by Somerset County Council and District Partners, as part of the three year 'Forest for Somerset' partnership. Funding from the Forestry Commission Woodland Accelerator Fund has been secured for two posts to progress woodland creation as proposed in the strategy
- ✓ Demand for pure bred registered Exmoor Ponies has increased significantly especially those bred by Exmoor National Park Authority. The 2022 male foals are now being sold

to the National Trust on the Isle of Wight, who would also like to purchase any male foals born this year in 2023.

PROSPERITY. Strong Local Economy: The local economy is more sustainable with increase innovation, entrepreneurship and improved economic prospects

- ✓ Support from the UK Communities Renewal Fund allowed us to deliver a number of elements of the Rural Enterprise Exmoor vision. This included a programme of business support delivering 10 workshops with 500 businesses engaged, and one-to-one support provided to 50 businesses. A three-part toolkit was developed on 'Working in Exmoor National Park', 'Good Tourism on Exmoor' and 'Sustainable Business on Exmoor'. These free interactive toolkits provide practical ideas and information to make the most of the opportunities afforded by the National Park for businesses. Each part of the guide brings together specific help and resources relevant to different businesses. Finally, a new online web directory has been launched listing local businesses and highlighting Exmoor National Park Partners, CareMoor champions and Dark Sky Friendly businesses in a bid to increase local spend and develop our environmental economy and community wealth.
- ✓ Officers continue to look for long term options to accelerate delivery of the Rural Enterprise Vision, which is dependent on external funding. Meanwhile the vision continues to be used to inform and influence the plans of others, e.g., this year it was used to feed into the 'Somerset Futures' consultation.

PROSPERITY. Thriving Communities: Exmoor's local communities are thriving with strong connections to the National Park

- ✓ The 5-Year review of the Exmoor National Park Local Plan was completed in July 2022. A work programme and timetable for Local Plan implementation and delivery addressing points raised in the 5-Year Review process, was approved by the Authority on 2 August. Work is progressing on these priorities which include climate change considerations through the review of the design guide, biodiversity net gain and to support delivery of locally needed affordable housing.
- ✓ Work is progressing on preparations for implementing the new requirements for biodiversity net gain in advance of this becoming a statutory requirement at the end of 2023. Exmoor specific guidance has been produced, and a meeting held with agents to discuss the new requirements.

PROSPERITY. A Valued Asset: Exmoor is celebrated for the value it brings to the region and nationally

- ✓ Exmoor hosted the National Parks UK Conference in September 2022. This was very well received, and was a fantastic opportunity to showcase Exmoor, ENPA and all the work we do with partners. A summary report and film were produced to share the conference proceedings. Additional sponsorship for the study tours was secured to supplement the main sponsorship from a local business, allowing all costs and some staff time to be covered without additional Authority funding.
- ✓ Exmoor also hosted the Society of National Park Staff (SNPS) conference in May. We welcomed over 70 delegates from the UK national parks. SNPS provides an important way for staff across the UK national parks to meet and discuss shared issues.

MONITORING AND RESEARCH. Our knowledge and understanding of Exmoor's special qualities is increased through monitoring and research to inform future decision making and delivery of our Ambitions

- ✓ Officers are working with the Exmoor District Deer Management Society to collate figures for deer numbers and densities, and this data will feed into the State of the Park report.
- ✓ A partnership between the NFU, Exmoor Hill Farming Network, National Trust, Badgworthy Land Company (BLC), Exmoor District Deer Management Society and ENPA successfully secured Defra funding to carry out a pilot project to remove the carcasses of deer with Tb. The project is progressing well with blood samples being taken from all culled deer to analyse for disease and to genome-type the strains of TB. Any visibly poor deer are culled and sent to the Animal and Plant Health Agency (APHA). We are hopeful the project will continue for another year. The current end date is 1st August 2023.
- ✓ The State of the Park Report was completed and forms part of the evidence base for the Partnership Plan review.
- ✓ The annual STEAM survey (2021), estimating visitor volume and value was published in the autumn. Visitor days were up 41% and spend up 75% compared to 2020. However, restrictions continued to impact performance in 2021 with visitor days down 7% and economic impact down 10% compared to pre pandemic level in 2019.

CORPORATE PRIORITIES. Manage Corporate finances and diversify income streams

- ≈ Loss of dedicated Officer resource means that the focus for external funding was reduced this year. The main focus being our successful stage 1 bid to the National Lottery Heritage Fund.
- ≈ General donations to CareMoor of £21,000 were down 11% on last year (excluding significant one-off legacy gifts). This is likely to be explained by a lack of staff capacity, the impact of cost-of-living increases limiting philanthropic giving, and the lack of any new appeals, with the focus being the continuation of the Woods and Trees Appeal particularly for Bye Wood. A new online giving platform has been launched and should help plans to launch new appeals and campaigns in 2023/24.

CORPORATE PRIORITIES. Work with communities, businesses, and partners to deliver the National Park Partnership Plan and statutory purposes

- ✓ Work on developing a new Exmoor National Park Partnership Plan for 2024-2029 began. Discussions were held with the Partnership Plan Chairs and a number of groups. A public opinion survey was also carried out to gather wider views about the issues and priorities for the Plan. A review of national guidance on National Park Management Plans is being undertaken by Natural England, and Defra is looking at how to cascade national targets in the Environment Improvement Plan down to Protected Landscapes.

CORPORATE PRIORITIES. Respond to the climate emergency and work towards becoming a carbon neutral National Park

- ✓ The Pinkery decarbonisation works were completed with grant funding for the installation of a biomass boiler, a building energy management system, and additional battery capacity. Other elements of the decarbonisation and improvement plans will be progressed in 2023/24 as budget allows.
- ✓ Decarbonisation of the ENPA fleet has started, with electric charge points installed at Exmoor House, Pinkery and Exford depot, and the replacement of the Pinkery mini-bus with a 9 seater electric vehicle. An electric Renault Zoe was also purchased to replace one of the pool cars.

- ✓ The full report on the National Park carbon footprint was completed, and a launch event and seminar planned for Q1 2023/24.
- ✓ Plastic Free status was achieved for the National Park in May 2022 - largely due to the hard work of one of our National Park Centre staff (Pete Hoyland) working in a volunteer capacity. The group continues to work with partners to reduce single use plastic. Some highlights of this work include the development of a "beach toys store" at Minehead and increasing availability of free drinking water throughout the National Park - reducing the amount of plastic bottles needed.

CORPORATE PRIORITIES. Develop and maintain effective and efficient services

- ✓ There was good performance against planning targets in Q2, achieving 84% within timeframe or with extensions of time. Staffing pressures have been an issue throughout the year, with a number of vacancies being filled by agency staff on a temporary basis, but the team is now complete following the recruitment of permanent staff who continue to build on this good performance.
- ≈ There has been limited progress on updating the local list of requirements for validating planning applications given other pressures with members of the team leaving the Authority. This action has been rolled forward into 2023-24 and is due to be completed by Q2.
- ✓ Work on the Organisational Development Strategy is progressing. Following a staff survey an external facilitator explored some of the conclusions in more depth with staff focus groups and made recommendations to Leadership Team. A workshop was undertaken with staff to explore our culture and ways of working. Information from all these activities is being used to develop a draft Strategy and action plan and further work is planned to take this work forward.
- ✓ An Equity, Diversity and Inclusion Task Group was established and met to discuss actions and priorities for teams. EDI training for staff and members was delivered by an external trainer. Work on an EDI strategy is progressing.
- ✓ Our new accessible website is under construction, and we are currently developing content with a plan to launch later in 2023.

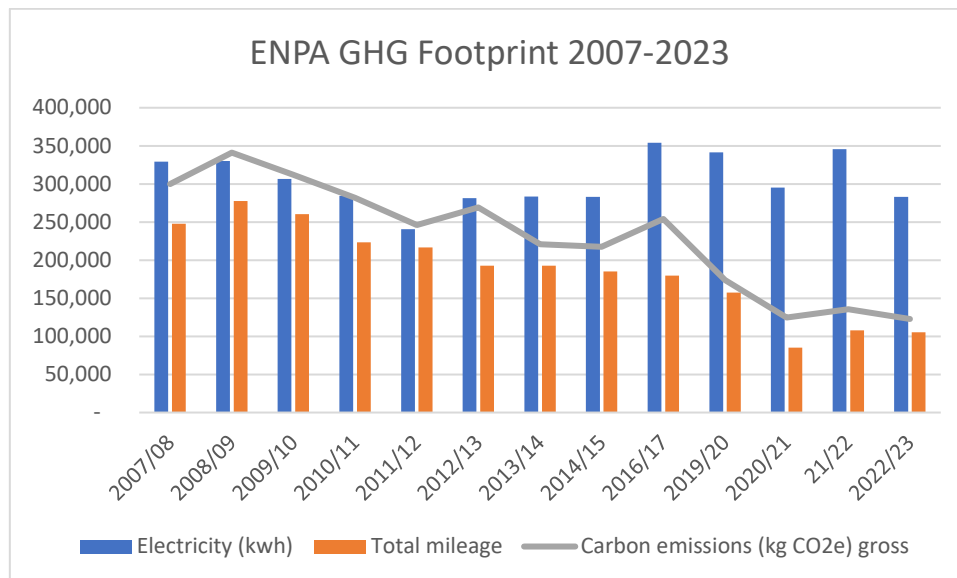
CORPORATE PRIORITIES. Manage the Authority's Estate and operations

- ✓ The ENPA Estate Strategy was completed and has been adopted by Members.

ENPA Climate Action Plan reporting 2022-23

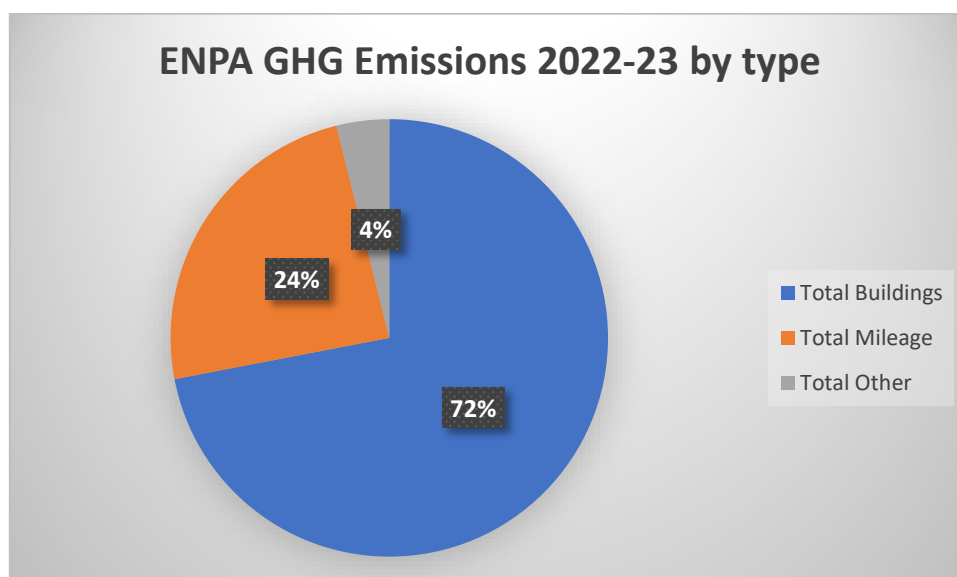
In 2019 ENPA declared a climate emergency with a target of being carbon neutral by 2030. An action plan was approved in 2021. Progress towards this target is set out below.

ENPA Greenhouse gas footprint



ENPA’s greenhouse gas (GHG) footprint has fallen to levels below pre-pandemic, after a slight rise in 2021/22 as the organisation returned to more normal operations. There has been a fall in electricity usage which is positive, although levels still remain high. Total mileage figures also show a slight fall. The overall figure for greenhouse gas emissions is the lowest yet, which is also very positive, however much of this is due to the greening of the grid rather than a reduction in demand from ENPA activities.

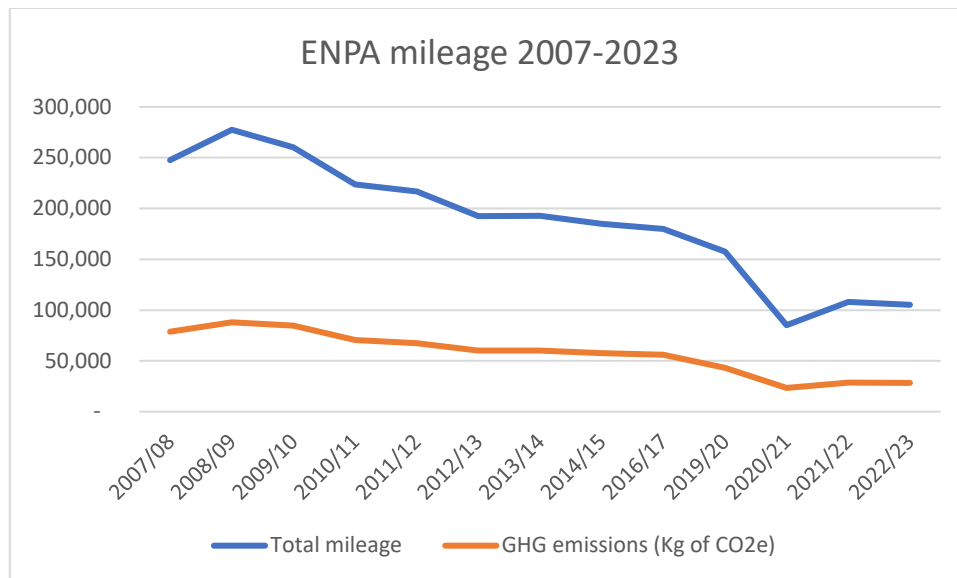
Breakdown of carbon emissions



ENPA buildings continue as the most significant source of ENPA emissions, followed by mileage. The vast majority of emissions from buildings is from electricity usage, particularly for heating. The installation of secondary glazing at Exmoor House will be completed during 2023-24 which will improve the energy-efficiency of building and contribute to

reduction in GHG emissions. The oil boiler heating system at Pinkery is the other significant source of emissions. This has been replaced by a biomass boiler during 2022-23, and should result in a significant reduction in GHG emissions. The 'other' category includes the use of diesel-fuelled mobile plant at Exford depot, and a programme is in place to replace machinery with electric-powered alternatives where possible.

ENPA Mileage

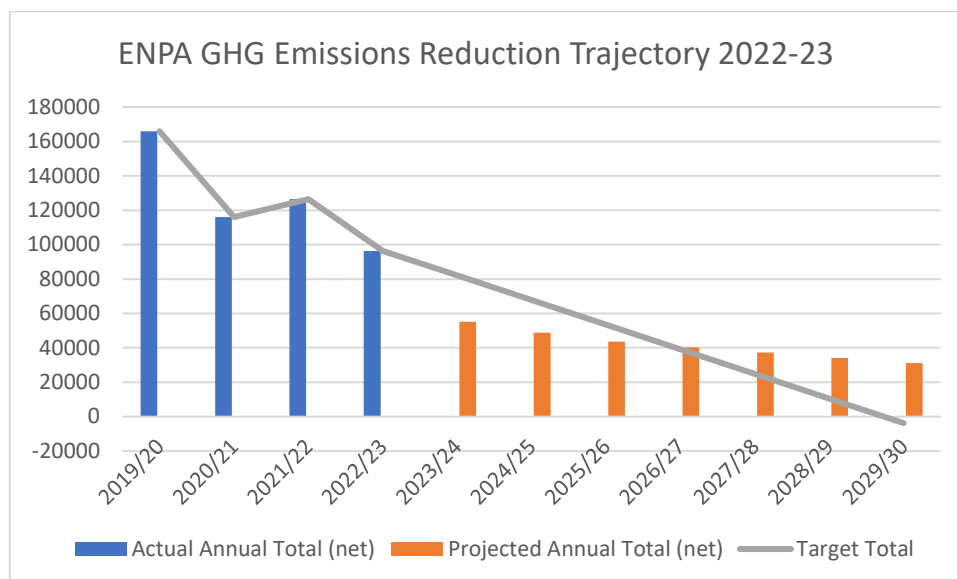


ENPA mileage is at a similar level as 2021-22, following the reductions seen during the covid pandemic, although it continues to show a slight fall overall. The purchase of an electric mini-bus and electric pool car during 2022-23 is an important first step in the greening of the ENPA fleet, and will contribute to emissions reductions. Staff commuting is not currently included in the monitoring of GHG emissions.

Homeworking

Following the Covid pandemic, ENPA has moved to a blended working arrangement, where staff work from their work-base and some may also work partially from home. This has not had any impact on reducing the GHG emissions from ENPA buildings, as they are still open for staff who are coming in to work there. Further work is needed to consider how these buildings can be used most efficiently. In the meantime, Government guidance is that organisations should estimate the GHG emissions of working from home. Taking an average of 3 days worked from home in 2022-23 for 60 staff, this gives an estimate of the annual emissions from homeworking at 20,870 kg CO2e. These figures are not currently included in the overall monitoring of ENPA GHG emissions.

ENPA GHG emissions reduction trajectory



Good progress is being made towards meeting the 2030 carbon neutral target for the Authority. Although total emissions went up in 2021/22, measures taken during that year have resulted in a fall in emissions in 2023/23. These measures included:

Measure	Estimated annual CO2e saving (kg)
Secondary glazing at Exmoor House (phase 1 targeting the coldest rooms at the rear)	11,500
Installing LEDs at the Exford Depot	755
Replacement of mobile plant at Exford Depot with electric alternatives	N/A

There is a predicted fall in emissions for 2023/24 due to measures undertaken during 2022/23 including:

Measure	Estimated annual CO2e saving (kg)
Pinkery Outdoor Education Centre decarbonisation project (replacing the oil boiler with a biomass boiler; energy efficiency measures; increased battery storage capacity)	30,000
Secondary glazing at Exmoor House (phase 2 covering the remaining rooms)	5,700
Replacement of the Pinkery minibus with an electric Citroen 9-seater Spacetourer	2,300
Replacement of the Ford Fiesta pool car with an electric Renault Zoe	1,540
Installing EV charge points at ENPA properties - Exmoor House, Pinkery Outdoor Education Centre, and Exford depot	N/A

Further work is required to investigate other measures required to continue to reduce ENPA's GHG emissions. This includes:

- An audit of high demand electrical items and planned reduction in printers to reduce electricity consumption and minimise paper use
- Continuing to install LED lighting in ENPA properties
- Continuing to replace ENPA fleet with electric vehicles
- Review heating options for Exmoor House and how it is used to reduce heating demands
- Review of staff commuting GHG emissions
- Review of changes in ENPA operations which could impact on GHG emissions including:
 - o Decarbonisation at Driver farm, if the decision is taken to retain this
 - o Changes to Field Services Team, with more work being done in-house
 - o Bringing management of some ENPA land in-house – carry out a carbon audit of ENPA land and woodland estate

Renewable energy generation

During 2021/22, around 36,380 kwh of renewable energy was generated, saving around 9,200 kg of carbon. This is an underestimate as not all renewable energy generation can currently be monitored.

Unfortunately the planned installation of additional solar PV and solar thermal renewable energy at Pinkery Outdoor Education Centre as part of the decarbonisation project, did not take place due to slippage in the timescale of the project delivery.

Carbon sequestration

Tree planting programmes on ENPA land continue, including at Bye Wood, near Winsford. Which has been accredited with the Woodland Carbon Code and over the next 20 years it will sequester around 688 tonnes of carbon. Due to the time lag in being able to report carbon offsets as the trees mature, it will not be possible to count the carbon sequestration as part of ENPA's 2030 carbon neutral target. This will start to be included in the figures from 2032 onwards.

Further woodland planting is planned at Kings Wood, near Simonsbath, and as part of the Exmoor Pioneers Heritage Lottery funded programme.

Carbon literacy training

Defra have worked with the Carbon Trust on developing an online carbon literacy training product for all Defra family organisations, including the NPAs. ENPA will be rolling this out to staff in 2023-24.



EMPLOYEE PROFILE

31 March 2023

A summary of employee demographics and key indicators of organisation wellbeing for the period 1 April 2022 to 31 March 2023.

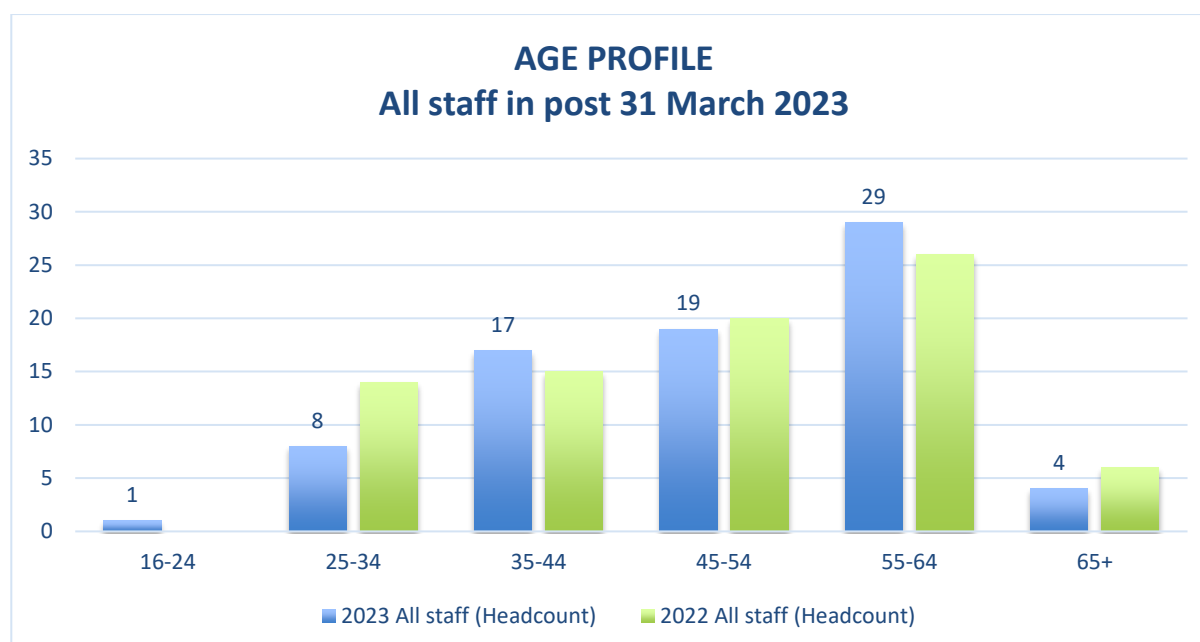
NUMBER OF EMPLOYMENT CONTRACTS HELD

Core staff in post 31 March 2023

Section	Headcount	Full Time Equivalent
Support to Land Managers	20	18.69
Support to National Park Users	8	6.92
Support to the Community and Business (includes Rural Enterprise & National Park Centres)	18	14.03
Strategy and Performance	7	6.40
Finance and Operations (includes Facilities and ICT)	8	7.20
Chief Executive	1	1.00
Total (Core staff in post)	62	54.24
Non-Core (Seasonal/Project/Partnership) contracts	16	13.50
Total (all staff)	78	67.74

AGE PROFILE

All staff in post 31 March 2023



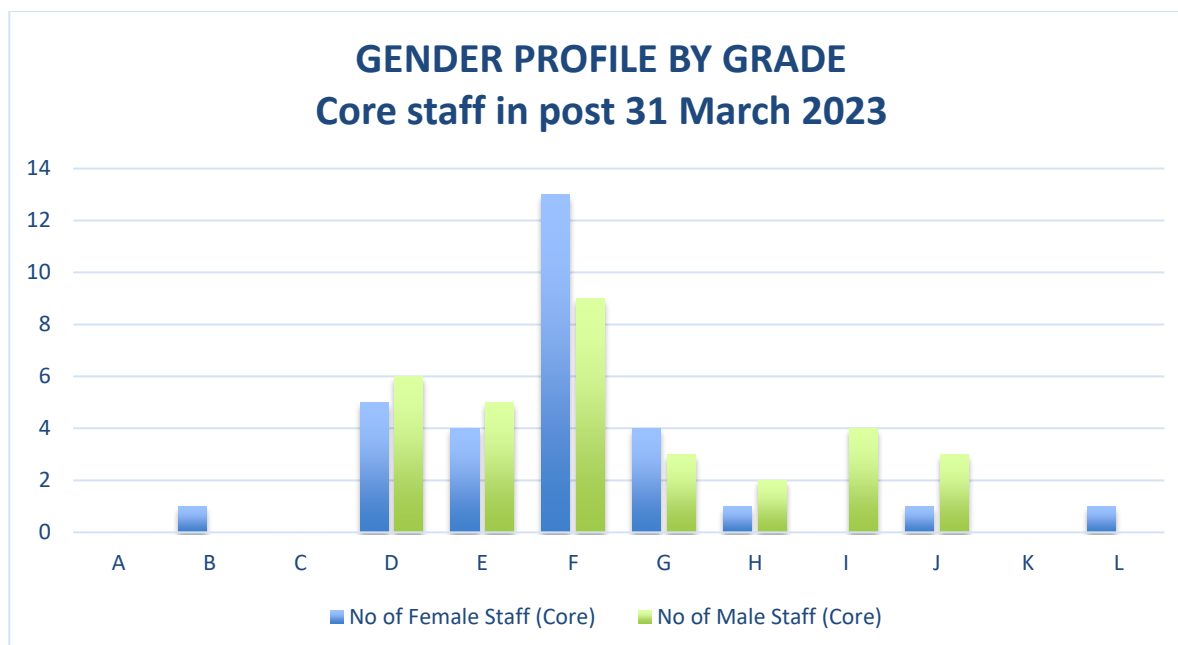
The Authority's stability index has decreased this year (68% of staff have over 3 years of service, 75% on 31 March 2022). Staff aged over 45 remains the same this year at 68%.

The Authority has not hosted any internships this year mainly due to the lack of capacity to manage and mentor students. However, it is hoped that the Exmoor Pioneers Programme will provide opportunities for apprenticeships or internships in the future.

GENDER PAY REPORTING

Core staff in post 31 March 2023



CORE STAFF GENDER PROFILE (BY GRADE)			
Grade	Top of Pay Scale £	Female Staff	Male Staff
A	20,441	0	0
B	21,189	1	0
C	21,968	0	0
D	24,054	5	6
E	27,852	4	5
F	32,020	13	9
G	37,261	4	3
H	43,516	1	2
I	49,590	0	4
J	57,842	1	3
K	NOT USED		
L	90,215	1	0
Total posts		30	32
Average (mean) salary 2022/23 (Based on top salary point for each grade)		Female £33,658 £29,662 Without CE post included	Male £35,702



QUARTILE DATA					
	Women	Male	All	% Women	% Male
Lower (A-C)	1	0	1	100	0
Lower Middle (D-F)	22	20	42	52	48
Upper Middle (G-I)	5	9	14	36	64
Upper (J-L)	2	3	5	40	60
	30	32	62	48	52

The Authority's mean gender pay gap¹ has decreased to 5.72% (from 8.1% in 2022).

The median pay gap² is more typically used as a measure nationally as outliers can skew the mean, particularly in small data sets such as these. **The Authority's median gender pay gap remains at 0%**. According to the ONS³, the gender pay gap nationally based on median hourly earnings for full time employees was 8.3% in April 2022 (up from 7.7% in 2021).

	AUTHORITY MEDIAN HOURLY EARNINGS (March 2023)	CHANGE IN GAP FROM 2022/23	UK MEDIAN HOURLY FULL TIME EARNINGS (March 2023)
	£16.12	0%	£15.47
	£16.12	0%	£16.99

The ONS point out that gender pay gap data should be looked at on long-term trends rather than year on year changes. This is because of the disruption and lower response rates of data collected during 2020 and 2021, resulting in less uncertainty around the data.

RECRUITMENT AND TURNOVER

The CIPD's Labour Market Outlook (Spring 2023)⁴ reports that public sector employers will continue to struggle to find the staff required to deliver their services and significant problems are anticipated in filling hard to fill vacancies. It is also reported that public sector employers are continuing to increase the duties of existing staff to backfill vacant roles. This Authority is experiencing this trend.

The Authority's turnover rate between 1 April 2022 and 31 March 2023 was at 9.8% (core staff only) and 18.9% (all staff including project, fixed term, and seasonal staff)⁵. These rates are lower than some of the other National Parks. The rate for all staff is reflective of our focus on funded project work (such as FIPL appointments), as well as seasonal appointments.

It is important that we monitor turnover rates going forward, especially as skills are becoming more difficult to find, recruitment is costly, and it may take several weeks to fill vacancies. The Authority will need to consider ways to address this to ensure it can deliver its priorities; for example, investing to upskill more of its existing staff. The Authority already provides a recruitment information pack for all vacancies that focuses on the benefits of working for a National Park, such as flexible working, leave entitlement and pension scheme.

DECLARED DISABILITY

All staff in post 31 March 2023

Physical	1	7.7% of the total staff group declare a disability. A disability may be defined as "A physical or mental impairment which has a substantial and long-term effect on the person's ability to carry out normal day-to-day activities".
Progressive conditions e.g., MS, cancer	1	
Sensory	1	
Mental Health	2	
Learning Difficulties	0	

¹ The difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees.

² The difference between the median hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees.

³ ONS data 2022: [Gender pay gap in the UK - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk/gender-pay-gap)

⁴ [Labour Market Outlook: Spring 2023 \(cipd.org\)](https://cipd.org.uk/labour-market-outlook-spring-2023)

⁵ The UK average employee turnover rate is approximately 15% a year.

Other	0
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ETHNICITY

All staff in post 31 March 2023

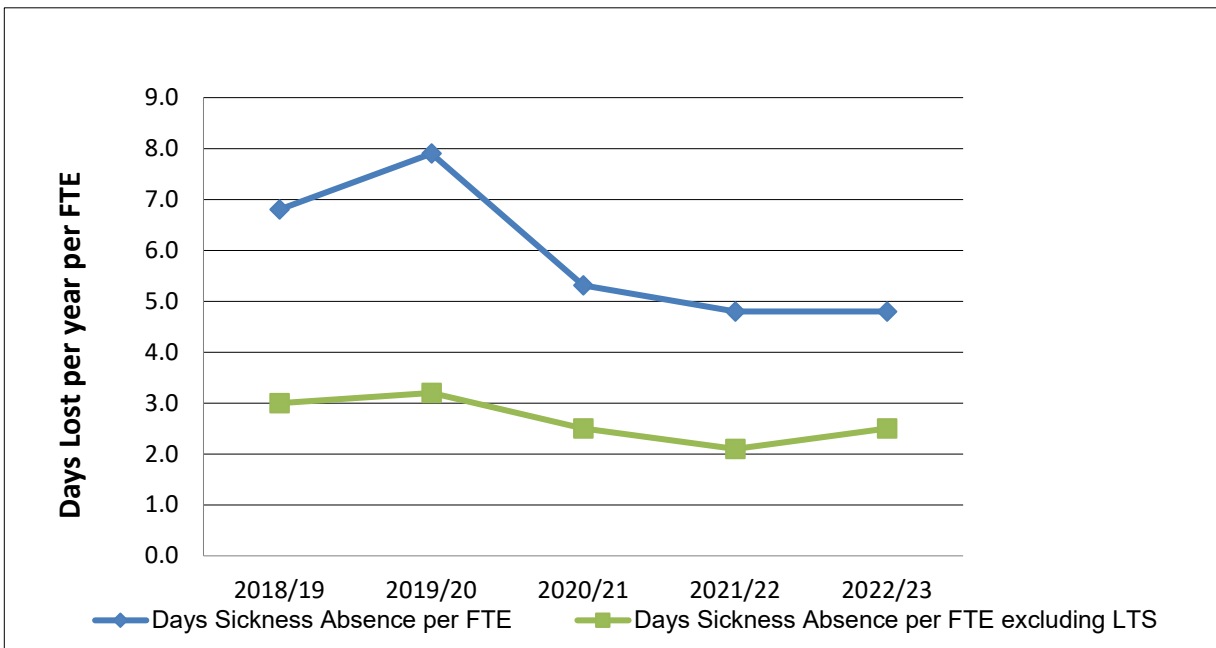
White	British	76	<p>97% of employees identify themselves as white British. 1.5% any other white background 1.5% prefer not to say.</p>
	Irish and wider European	0	
Any other white background		0	
Asian/Asian British		0	
Black/African/Caribbean/Black British		0	
Mixed/Multiple ethnic		0	
Any other ethnic group		1	
Gypsy or Irish Traveller		0	
Mixed Ethnicity		0	

REPORTED ABSENCE DUE TO SICKNESS

All staff

Year End March:	2022/23	2021/22	2020/21	2019/20	2018/19
Total Days lost through sickness absence	318	314	352	506	478
Total Days lost excluding LTS*	168	138	168	206	212
Total Days per FTE (Avg. FTE over year)	4.8	4.8	5.3	7.9	6.8
Total Days per FTE excluding LTS	2.5	2.1	2.5	3.2	3.0

*LTS=Long Term Sick (20 consecutive working days or over)



Sickness levels per full time equivalent remain the same this year at 4.8 but the number of occasions of sickness absence has increased to 68 (compared to 52 in 2021/22).

Reason for absence	No of occasions
Cold/Coughs/Chest infections/Flu virus	20
Stomach	6
Limb/back disorder	3
Stress	0
Surgery	2
COVID	22
Other	15

Sickness levels per full time equivalent that excluded long-term sickness absence has increased from 2.1 to 2.5. The Authority has been supporting staff on long-term sickness through adjusted hours and phased return to work and those employees have returned to full time working. Sickness absence forms are monitored as they are submitted by HR and any concerns are immediately raised with the manager.

The Authority still has safe working practices in place in line with current government guidelines and we consider an employee’s individual circumstances. A new flexible working arrangements policy has been introduced and this has been well-received. We have further developed our Wellbeing pages on the staff intranet which provides information, guidance and links to other organisations offering support – this includes keeping well, eating well, mental health, and the menopause. We have renewed our commitment to being a Mindful Employer and a Disability Confident Employer.

REPORTED ACCIDENTS/INCIDENTS

All staff and volunteers

During the period 1 April 2022 to 31 March 2023 the following were reported:

- No staff accidents.
- 2 public accidents (Pinkery and a contractor working at Exmoor House)
- 3 staff incidents were reported (2 vehicle related and 1 call out)
- 6 public incidents were reported (1 Lynmouth NPC, 5 occurred off Authority premises but assistance requested at National Park Centres)
- There were no accidents/incidents reported from volunteers.

Causes

Slips, trips, and falls	3
Vehicle	2
Other (off ENPA premises)	5

Resulting injuries

Bruise	2
Vehicle damage	1
Other relating to off ENPA premises	4

There were no RIDDOR reportable injuries this year.

All accidents and incidents, whether they result in injury or are considered a ‘near-miss’, are reported at the Authority’s quarterly Health and Safety Committee and, where necessary, modifications to processes to prevent reoccurrence and to control risk are put in place.

Ellie Woodcock

HR Advisor

18 May 2023

Customer Feedback Report 2022-23

A summary of the compliments, complaints, freedom of information requests and survey results for the period 1 April 2022 - 31 March 2023

Customer Compliments

Below are a sample of the 48 written compliments received in 2022/2023. We receive many more through the visitor books in National Park Centres, calls to our offices or in conversation with officers in the field. It is apparent that our staff take pride in the work they do and strive to offer good service.

Thank you so much for coming to talk to the Beaver Scouts this evening. I think your visit made them aware of the National Park and what it provides. Once we can get out & about I will remind them of your visit and I'm sure they will realise what a fabulous resource we have in our doorstep. I think their appreciation was shown by the group hug you got at the end! **Ranger**

I just wanted to say, what a privilege it was returning to conference that was so well organised and well managed. They and their colleagues did a fantastic job, bringing us together and showcasing what is special about Exmoor National Park. The weekend's content was informative, fascinating, inspiring and great fun. There was a wonderful energy throughout the weekend and everyone I spoke to really enjoyed themselves. Credit for this goes to the staff who organised it and all the leaders. A massive congratulations and well done on a challenging job (I have experience of this, organising the 2014 conference and leading a study tour). **Society of National Parks Staff Conference Organisers**

Thank you so much for getting the new gate organised. It latches easily and is hung properly so that it doesn't go anywhere except where it is pushed. A very good job! **FST at Withypool**

I read this on the BBC website: Exmoor: [Exmoor: 'Stunning' bluebells hint at a wooded past.](#) I just wanted to say that I think that is absolutely wonderful, in a way that I hardly know how to express. It really moved me. Many thanks for your good work in terms of this project. It is appreciated. I have never been to Exmoor, but maybe one day I will... **Woodlands team**

Can we just say a massive thank you to everyone who was involved today. There was clearly so much arranging, organizing, co-ordinating and time given to make such a brilliant event. X has benefited hugely from the experience, and I hope in return he has given something back to the community of Exmoor. Please extend our thanks to the judges and the Rotary Club for their fantastic hospitality. **Rural Enterprise team, re Exmoor Young Chef Competition**

A quick line to express my thanks and gratitude for your advice and understanding during yesterday's meeting, which I found most beneficial. **HR Advisor, re HR Work Placement**

Really enjoyed the training and found it very useful. **HR Advisor, Business Support Officer, re Equality, Diversity and Inclusion Training**

Many thanks for your speedy and helpful response. **Planning and Customer Support team.**

Many compliments received regarding the National Parks UK Annual Conference hosted by Exmoor NPA in September 2022.

Formal Customer Complaints

From time to time Officers deal with concerns and issues raised by members of the public but these are usually resolved at an informal stage without the need to invoke the formal complaints procedure. The Authority received 0 formal complaints in 2022-23. 1 complaint about Exmoor NPA was received by the Local Government and Social Care Ombudsman (LGSCO) regarding the provision of its services via the LGSCO formal complaints procedure as follows:

Complaint received by the Ombudsman 2022-23		
Stage, Section and Reason for the Complaint	Date	Ombudsman Response
<p>Ombudsman Complaint Rural Enterprise</p> <p>1. The complainant, I shall call Mr J, complains the Authority failed to consult existing businesses before setting up ranger/safari tours. He also says the Authority issued misleading statements.</p> <p>2. He says this has negatively impacted his business, with a loss of several thousand pounds.</p> <p>3. Mr J wants the Authority to:</p> <ul style="list-style-type: none"> • Apologise for issuing false statements • Discipline the Officer involved • Retract false statements; and • Pay him financial compensation for his business losses 	<p>August 2022</p>	<p>The Ombudsman’s final decision Summary: We will not investigate this complaint about the Authority’s decision to run commercial tours of the National Park or statements made to the local press. We have not seen enough evidence of fault to justify an investigation. Nor can we achieve the outcome the complainant is seeking.</p>

Customer Surveys

It has not been possible to analyse customer survey information from Planning Applicants

Appendix 5

Freedom of Information and Environmental Information Regulations Requests

The Authority received 37 requests for information using the Freedom of Information Act 2000/Environmental Information Regulations 2004.

FOI / EIR Requests 2022/2023	
Data/Information Requested	Authority Response
EIR - Data Collection deer counts	Information held disclosed.
EIR - Planning permission rejections due to protected species in England	Information held disclosed.
EIR – Lynton Barnstaple Railway Correspondence	Information disclosed. Some personal information redacted, and some withheld under Sec 12 (4) e Internal Discussions and 12(4) d unfinished documents.
FOI - Name of Complainant	Information withheld under Sec 41 Information provided in confidence
FOI - IT	Information held disclosed
FOI - Misconduct	Information held disclosed
EIR - LANTRA Land based incidents eg rural crime	Information not held
EIR - Crossmead Lynton	Information held disclosed
FOI - Amount of complaints received	Information withheld under Sec 41 information provided in Confidence.
FOI - main contacts	Information held disclosed
FOI - CRM and AI	Information held Disclosed
FOI - Telephony and Storage	Information held Disclosed
FOI - Contracted Home Workers	Information held Disclosed
FOI - Network Connectivity	Information held Disclosed
EIR - Peat Based Compost	Information held Disclosed
EIR - Lakes on Exmoor	Information not held
FOI - IT	Information held Disclosed
EIR - LCA Shapefile	Information held Disclosed

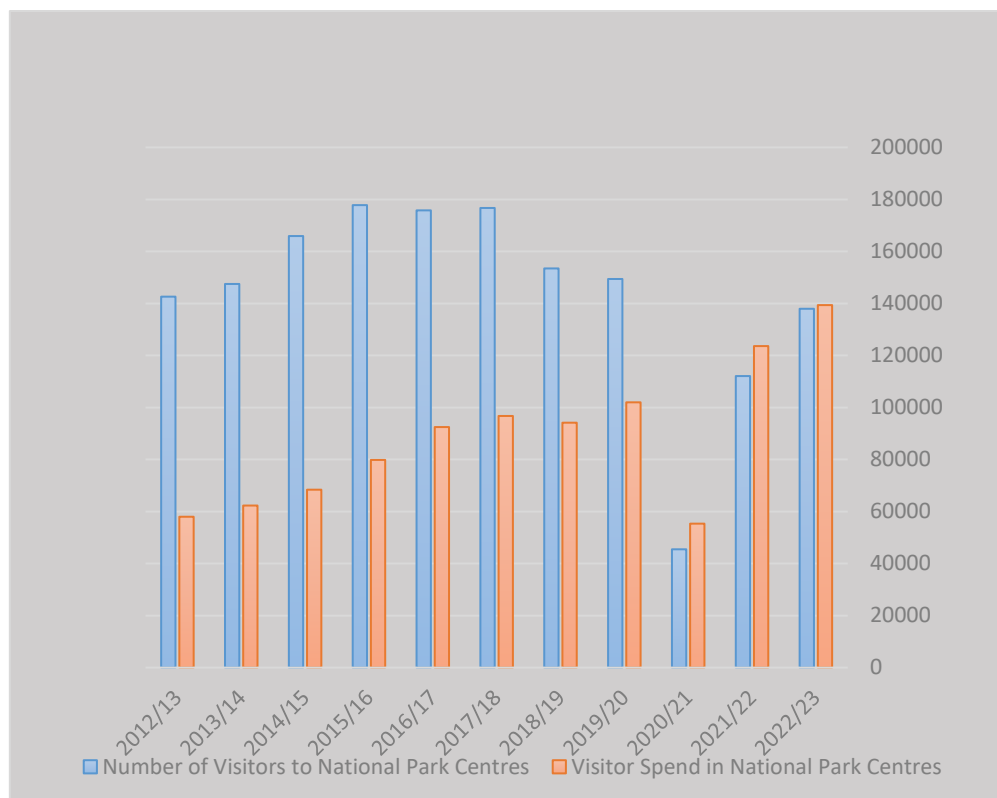
FOI / EIR Requests 2022/2023

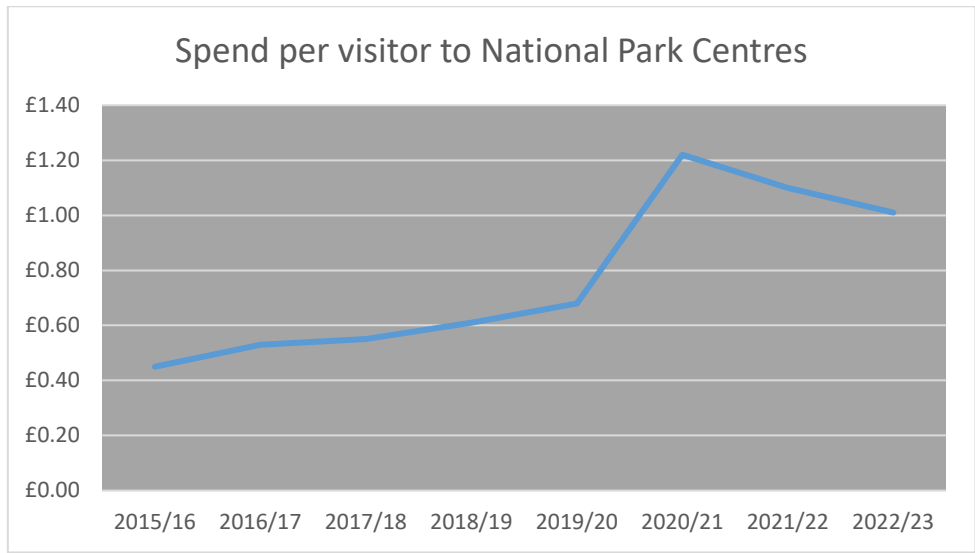
FOI - EDI Spend	Information held Disclosed
EIR - woodland, wildlife and habitats on Lilycombe Estate	Information held disclosed
EIR - Planning Lynton	Information held disclosed
EIR - L&B Railway Sec 73 Correspondence	Information held disclosed
FOI - Head Count and Wage Bill	Information held disclosed
FOI - Communications	Information held disclosed
FOI - EDI Training	Information held disclosed
EIR - Planning Hazardous Materials	Information held disclosed
FOI - Planning Figures	Information held disclosed. Some information exempt under Sec 21 FOI as it is information already in the public domain.
FOI Carbon and Energy Savings	Information held disclosed
FOI - Malicious Emails	Information held disclosed
FOI - Funding	Information held disclosed
FOI - Planning Software	Information held disclosed
FOI - Biodiversity Net Gain	Information held disclosed apart from some information held under FOI exemption Sec 43(2) Commercially Sensitive
FOI - Procurement Policies and Thresholds	information exempt under Sec 21 FOI as it is information already in the public domain.
EIR - Dark Skies	Information held disclosed
FOI - Data Storage	Information held disclosed
FOI - Overnight Visitor Statistics	Information held disclosed; requestor also informed the information is available in the public domain
EIR - Rhododendron	Information held disclosed

Key Corporate Indicators 1 April 2022 to 31 March 2023

National Park Centre Visitor Numbers and Income Trend

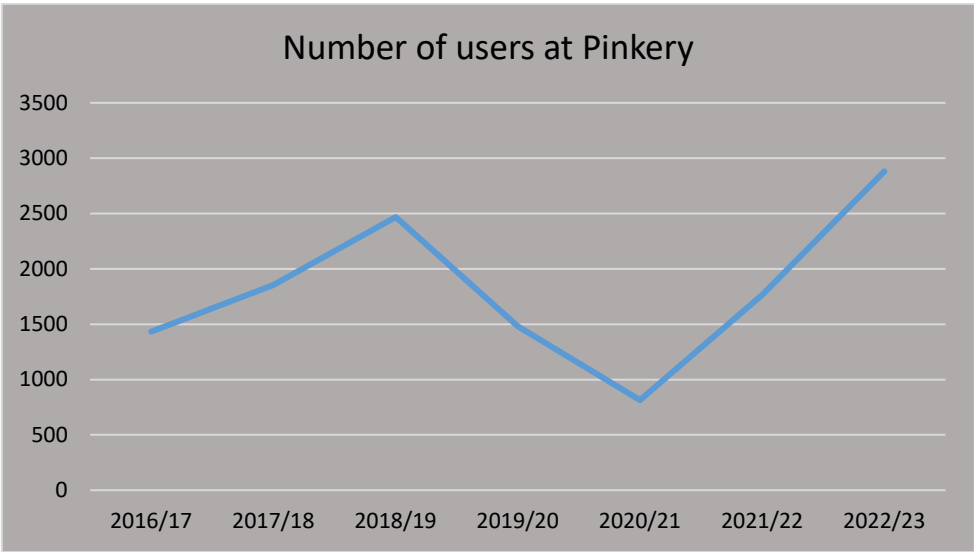
- Total visitor numbers at the Centres are continuing to rise following Covid, at 137,958 compared with 112,089 last year, up almost 25%
- Total visitor spend is up at £139,370 compared with £123,613 last year
- Net income from Centres is up 16% on previous year (with margins of 45% - in excess of our 40% target).
- Spend per visitor in the Centres has remained steady at £1.01 a small drop of 9p per visitor on last year's figure of £1.10 (however still well above pre-covid levels and likely due to larger groups coming back in post-covid).



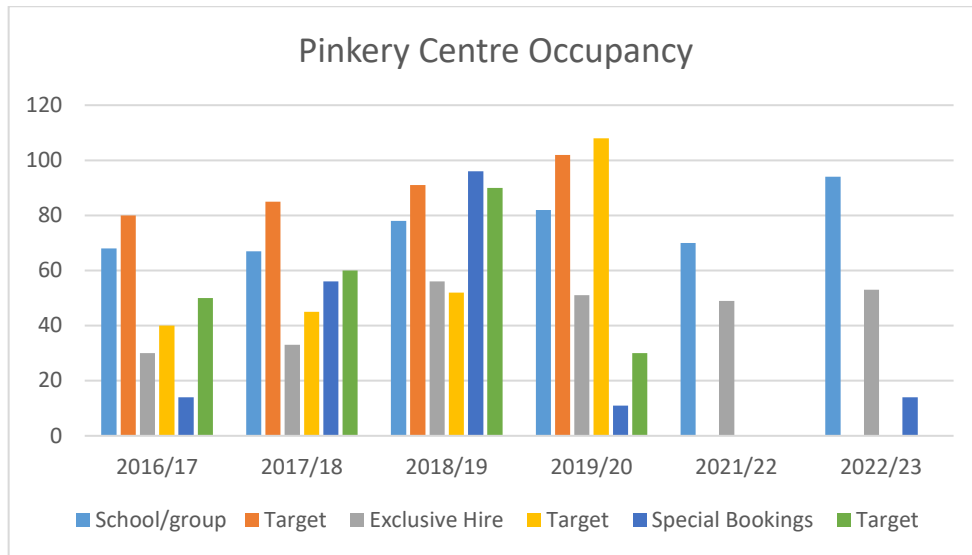


Education and Outreach

- Pinkery Outdoor Education Centre occupancy levels have recovered well post-Covid.
- The total no. of users at Pinkery is the highest yet at 2,881 (compared with 1,765 for last year) and higher than pre-covid years.

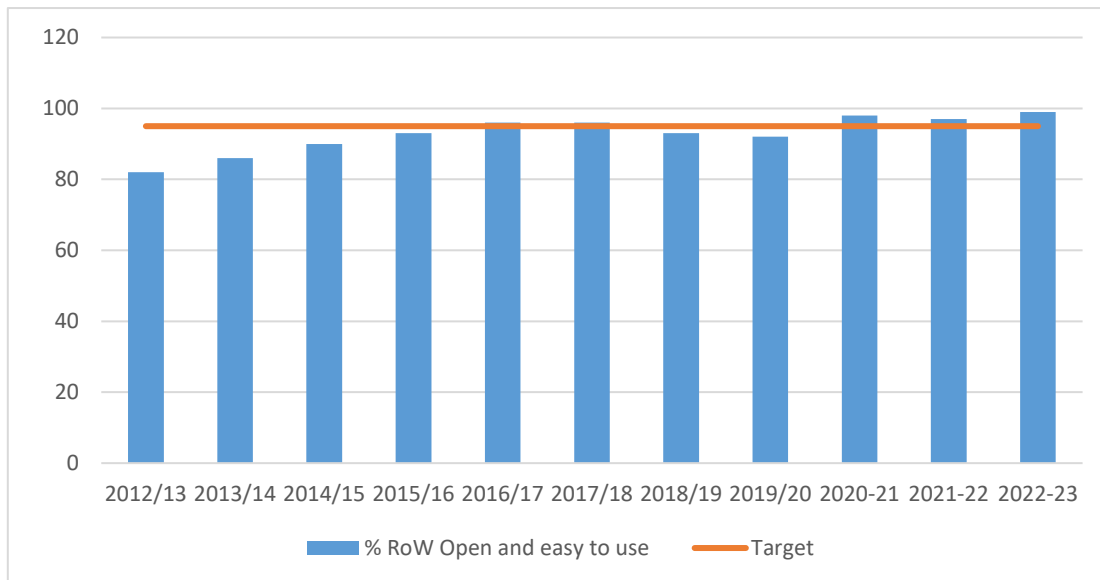


- Schools could book overnight stays again in 2022-23, with a total of 94 overnight stays.
- No targets have been set for the last three years due to the unusual situation caused by the pandemic. This is being reviewed in 2023/24.



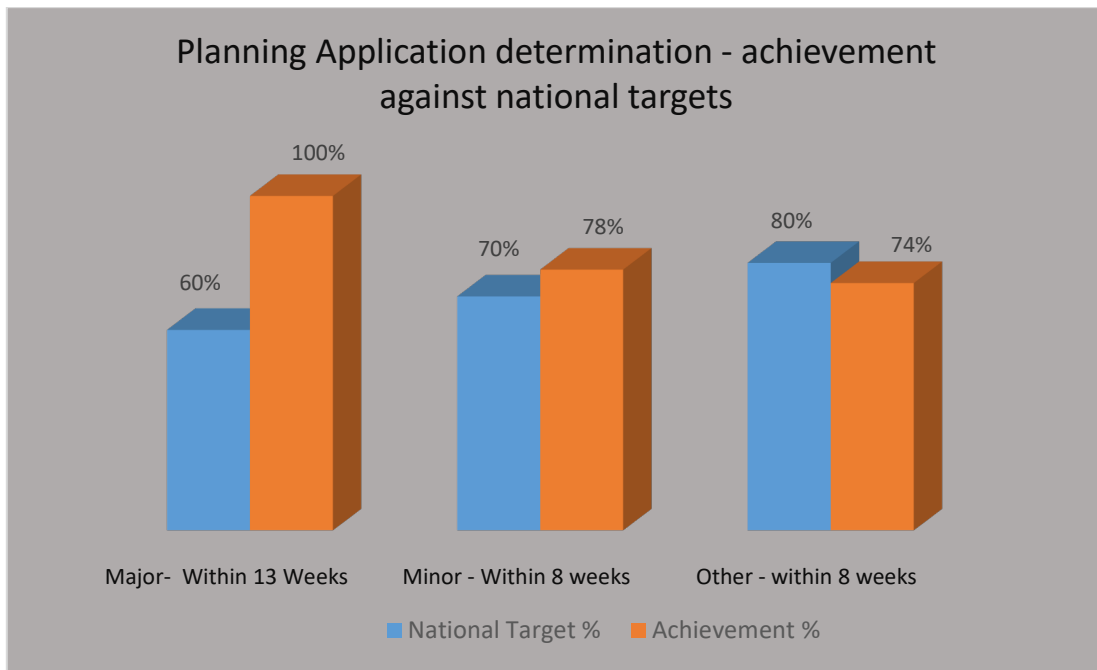
Rights of Way Open and Easy to Use Score

- 99% of our rights of way are open and easy to use (target of 95%), our highest figure to date and a fantastic achievement for 2022-23.
- Figures for the number of faults reported were high at the start of the year due to storm Eunice. Field Services Team worked hard to resolve the faults, but the figure for network faults resolved within 3 months was 54% (below the 80% target), due to the extra work created by storm damage.



Planning Application determination – achievement against National targets

- Figures show performance for determination of planning applications within 8 weeks or agreed time limit above national targets for minor development (78% against national target of 70%); and at 100 % for majors (against national target of 60%) although this only related to one application. Figures for other applications were slightly below national targets at 74%.
- % of applications registered within target time is significantly down, at 30% (against 80% target). This was due to capacity and staff changes, but following recruitment in the autumn, the team is now back up to strength.



National Park Family Indicators reported to Defra (1 April 2021 to 31 March 2022)

In the Auditor’s Annual Report for ENPA 2020-21 presented to Members in May 2022, the auditors made an improvement recommendation for ENPA:

‘The Authority participates in the annual National Park performance indicator set, which is co-ordinated by the Yorkshire Dales National Park. The Authority’s performance against all of these indicators should be included within the performance monitoring reporting to members’

This data is collated each year for reporting to Defra. It includes indicators relating to the National Park as a whole, some of which is provided by the statutory agencies such as Historic England, Natural England and the Environment Agency. It also includes specific indicators relating to National Park Authority performance, and contextual data, provided by the NPAs.

The full data sets are reported below, as provided by Yorkshire Dales NPA. There is some missing data that was not provided by the statutory agencies. The data is for 2021-22 as there is a time lag in gathering all the data from the National Park Authorities.

Conservation of Cultural Heritage

Average no. of Listed Buildings ‘at risk’ conserved during the last 3 years		
1	North Y Moors	5
2	Peak	4
2	Yorkshire Dales	4
4	Exmoor	3
5	Dartmoor	1
5	New Forest	1
5	South Downs	1
8	Lake District	0
8	Northumberland	0

Total No. LBs considered to be “at risk”	% of LBs at risk	
Dartmoor	32	2%
Exmoor	47	6%
Lake District	79	4%
New Forest	3	0%
North Y Moors	42	2%
Northumberland	1	0%
Peak	161	8%
South Downs	5	0%
Yorkshire Dales	74	3%

No. of listed buildings	
Dartmoor	2,077
Exmoor	746
Lake District	1,797
New Forest	632
North Y Moors	1,772
Northumberland	227
Peak	2,141
South Downs	5,205
Yorkshire Dales	2,143

Source data: HISTORIC ENGLAND STATUTORY FIGURES (31st March 2022) for National Parks

Average no. of scheduled monuments 'at high or medium risk' conserved during the last 3 years		
1	Dartmoor	13
2	North Y Moors	5
3	Northumberland	3
4	Exmoor	2
5	Lake District	1
5	New Forest	1
5	Peak	1
5	South Downs	1
5	Yorkshire Dales	1

No. of SMs 'at risk'		% of SMs at risk
Dartmoor	156	14%
Exmoor	24	12%
Lake District	22	8%
New Forest	4	2%
North Y Moors	39	5%
Northumberland	32	8%
Peak	8	2%
South Downs	37	6%
Yorkshire Dales	10	3%

No of scheduled monuments	
Dartmoor	1,082
Exmoor	202
Lake District	287
New Forest	186
North Y Moors	844
Northumberland	425
Peak	473
South Downs	575
Yorkshire Dales	292

HERITAGE AT RISK FIGURES (published 4th November 2021) for National Parks

Source data: HISTORIC ENGLAND STATUTORY FIGURES (31st March 2022) for National Parks

Conservation of Natural Environment

% of SSSI Land in favourable condition in:		
NPA Management		
1	South Downs	72%
2	Peak	31%
3	Northumberland	25%
4	North Y Moors	21%
5	Dartmoor	20%
6	Yorkshire Dales	19%
7	Lake District	6%
8	Exmoor	3%
9	New Forest	N/A

% of SSSI Land in favourable condition in:		
the National Park as a whole		
	Dartmoor	
	Exmoor	
	Lake District	
	New Forest	
	North Y Moors	
	Northumberland	
	Peak	
	South Downs	
	Yorkshire Dales	

Source data: MEOP Natural England data – awaited

	Area of SSSI in NPA management (ha)	Area of SSSI in NP (ha)
Dartmoor	692	
Exmoor	4,739	
Lake District	6,339	
New Forest	0	
North Y Moors	1,271	
Northumberland	154	
Peak	4,772	
South Downs	1,109	
Yorkshire Dales	72	

% of SSSI Land in 'unfavourable but recovering' condition in:		
NPA Management		
1	Exmoor	96%
2	Yorkshire Dales	81%
3	Dartmoor	80%
4	North Y Moors	78%
5	Northumberland	75%
6	Lake District	71%
7	Peak	66%
8	South Downs	28%
9	New Forest	N/A

% of SSSI Land in 'unfavourable but recovering' condition in:		
the National Park as a whole		
	Dartmoor	
	Exmoor	
	Lake District	
	New Forest	
	North Y Moors	
	Northumberland	
	Peak	
	South Downs	
	Yorkshire Dales	

Source data: MEOPL Natural England data - awaited

% of water courses with:		
"high" or "good" ecological status		
	Dartmoor	
	Exmoor	
	Lake District	
	New Forest	
	North Y Moors	
	Northumberland	
	Peak	
	South Downs	
	Yorkshire Dales	

Source data: MEOPL Natural England data (awaited)

% of water courses with:		
"moderate" ecological status		
	Dartmoor	
	Exmoor	
	Lake District	
	New Forest	
	North Y Moors	
	Northumberland	
	Peak	
	South Downs	
	Yorkshire Dales	

Total length of WFD water courses in the NP (km)	
Dartmoor	
Exmoor	
Lake District	
New Forest	
North Y Moors	
Northumberland	
Peak	
South Downs	
Yorkshire Dales	

Corporate & Democratic

% change in annual greenhouse gas emissions from National Park Authority operations

Collected every 3 years - last reported in 2019/20, next due in 22/23

Development Management

% of all applications determined which have been approved		
1	Northumberland	97%
2	North Y Moors	93%
3	Lake District	92%
3	South Downs	92%
3	Yorkshire Dales	92%
6	Dartmoor	91%
6	New Forest	91%
8	Exmoor	90%
9	Peak	84%

a) major applications determined within 13 weeks		
1	Exmoor	100%
1	New Forest	100%
1	Yorkshire Dales	100%
4	Lake District	91%
5	South Downs	89%
6	Peak	86%
7	North Y Moors	73%
8	Dartmoor	0%
9	Northumberland	N/A

b) minor applications determined within 8 weeks		
1	Northumberland	100%
2	New Forest	85%
3	Yorkshire Dales	82%
4	South Downs	81%
5	North Y Moors	75%
6	Exmoor	73%
7	Dartmoor	61%
8	Lake District	54%
9	Peak	52%

c) other applications determined within 8 weeks		
1	Northumberland	100%
2	New Forest	91%
3	Yorkshire Dales	89%
4	North Y Moors	82%
5	Exmoor	77%
6	Dartmoor	71%
7	Lake District	69%
8	Peak	64%
9	South Downs	N/A

Total no. of planning applications received	
Dartmoor	617
Exmoor	420
Lake District	1,379
New Forest	809
North Y Moors	617
Northumberland	99
Peak	1,253
South Downs	2,226
Yorkshire Dales	717

% of planning applicants satisfied with the quality of service received		
1	Yorkshire Dales	88%
2	Dartmoor *	78%
3	South Downs	53%
4	Exmoor	Not been able to collate this as the software used is no longer supported
4	Lake District	No recent survey
4	New Forest	Not undertaken
4	North Y Moors	Due to Covid our survey isn't taking place until later this year.
4	Northumberland	N/A
4	Peak	No recent survey

* In Feb 2019 introduced ongoing survey accompanying decision notices and all emails from planning team. Promoted on website, Facebook and Twitter.

Recreation Management

% of the total length of footpaths and other rights of way that were easy to use		
1	Exmoor	97%
1	Northumberland	97%
3	Yorkshire Dales	90%
4	Dartmoor	88%
5	Peak	87%
6	North Y Moors	76%
7	New Forest	75%
8	Lake District	62%
9	South Downs *	.

Total lengths of footpaths and other Rights of Way (km)	
Dartmoor	730
Exmoor	992
Lake District	3,212
New Forest	326
North Y Moors	2,341
Northumberland	1,096
Peak	2,534
South Downs	3,385
Yorkshire Dales	2,623

* Data not collected during 2021-22 due to lack of volunteer activity resulting from COVID

Total No. of volunteer days organised or supported by the NPA			Value [£=100/day]
1	North Y Moors	9,445	£944,500
2	Dartmoor	8,417	£841,700
3	Peak	6,794	£679,400
4	Yorkshire Dales	5,005	£500,500
5	Lake District	4,694	£469,400
6	Northumberland	2,497	£249,700
7	South Downs	1,916	£191,600
8	New Forest	1,364	£136,400
9	Exmoor	750	£75,000

No. of those days attended by 'under represented' groups		
1	Yorkshire Dales	899
2	Dartmoor	553
3	Peak	550
4	Lake District	405
5	Northumberland	332
6	South Downs	122
7	Exmoor	71
8	New Forest	54
9	North Y Moors	Not recorded

EXMOOR NATIONAL PARK AUTHORITY

4 July 2023

ANNUAL APPOINTMENTS

Report of the Head of Strategy and Performance

Purpose of the report: In accordance with Standing Orders to set out the annual appointments to be made to the Authority's statutory Committees and the Exmoor Consultative and Parish Forum. It has been decided to wait until the September Authority meeting to make appointments to the partnership boards, working groups and external organisations, in order to allow new Members to gain a great understanding of these groups and the work they carry out on behalf of the Authority..

RECOMMENDATION: To make appointments to the Authority's statutory Committees and the Exmoor Consultative and Parish Forum, as listed in the Appendix to this report, or as agreed by the Authority Committee.

Authority priorities: The Authority's annual appointments are central to the achievement of each of the Partnership Plan and Corporate Plan priorities.

Legal and equality implications: The meetings and proceedings of a National Park Authority are regulated by local government law as if the National Park Authority was a local authority. The equality impact of the recommendations of this report have been assessed as having no adverse impact on any particular group or individual.

Financial and risk implications: There are no significant financial or risk implications of the recommendation of this report.

Climate change implications: It has been assessed that this report does not have an adverse impact on our ability to respond to climate change. Many of the groups listed will be instrumental in supporting our climate response.

1. Introduction

- 1.1 At its Annual Meeting, the Authority would normally make appointments to its Committees, panels or working groups as are necessary to carry out the work of the Authority.
- 1.2 Given the number of new Members who have recently joined the Authority, it was decided to only make appointments to statutory Committees and the Exmoor Consultative and Parish Council at the AGM, and to wait until the September Authority meeting to make all other appointments. This would allow new Members time to understand the work of the various groups and identify those they would be most interested in joining.

2. Appointments to Committees, Partnership Boards, Working Groups and Outside Bodies

- 2.1 Appendix 1 includes a schedule of the Authority's statutory committees – (i.e. Final Accounts Committee, Standards Committee and Exmoor Local Access Forum), and the Exmoor Consultative and Parish Council. Appendix 1 shows the current appointments to these committees and the expressions of interest received from Members interested in appointment/reappointment for 2023-24. The Authority is recommended to consider and agree appointments in accordance with this schedule.

Clare Reid
Head of Strategy and Performance
June 2023

MEMBER APPOINTMENTS: 2023/24

Statutory Appointments to be made at AGM on 4 July 2023		
Statutory Meetings	Current Appointments 2022/23	Expressions of Interest 2023/24
<p>Final Accounts Committee</p> <p>The Committee comprises at least 5 Members of the Authority (with a maximum of 11), of whom at least one shall be a local authority Member and at least one shall be a Member appointed to the Authority by the Secretary of State. The Members shall be the Chairperson of the Authority (who shall preside at meetings) and the Deputy Chairperson of the Authority and at least 3 Members chosen by the Authority.</p> <p>The Committee will meet annually to receive and approve the annual Statement of Accounts in accordance with statutory deadlines. Committee Members will meet at regular intervals as the Finance & Performance Advisory Panel with the Chief Executive, Head of Finance & Operations and Head of Strategy & Performance to maintain a detailed overview of the financial position, overall performance and management of risk within the Authority; the membership of the Panel to comprise (but not be limited to) the Members of the Final Accounts Committee.</p>	<p><u>Chairperson of the Authority</u></p> <p><u>Deputy Chairperson of the Authority</u></p> <p>Mr M Ellicott (Parish) Mrs F Nicholson (SC) Mr J Patrinos (NDC) Mr S J Pugsley (SC) Miss E Stacey (SoS)</p>	<p>Mrs M Chilcott (SC) Mr M Ellicott (Parish) Mr R Milton (NDC) Mrs F Nicholson (SC) Mr J Patrinos (NDC) Mr S J Pugsley (SC) Miss E Stacey (SoS)</p>
<p>Standards Committee</p> <p>Comprises 5 Authority Members of whom at least one shall be a local authority Member and at least one shall be a Member appointed to the Authority by the Secretary of State.</p> <p>The general functions of the Committee are to promote and maintain high standards of conduct by members and officers; to assist members to observe the Code of Conduct; and to consider and determine complaints against members under the Code of Conduct and keep an overview of other complaints received by the Authority. Meets as required, at least twice a year including after the Authority AGM to appoint a Chairperson and Deputy Chairperson.</p>	<p>Mr M Ellicott (Parish) Mr J Patrinos (NDC) Mr S J Pugsley (SC) Miss E Stacey (SoS) Vacancy (formerly Mr N Thwaites, SWT)</p>	<p>Mr M Ellicott (Parish) Mr J Patrinos (NDC) Mr S J Pugsley (SC) Miss E Stacey (SoS) 1 x Vacancy</p>
<p>Exmoor Local Access Forum (Lead Officer: Dan Barnett, Access & Recreation Manager)</p> <p>The Forum is a <i>Partnership Plan Group</i> with a key role to lead in the development and delivery of relevant action plans set out in the Exmoor National Park Partnership Plan and is a statutory independent advisory body which includes 2 Authority Members. The Forum advises on the improvement of public access to land for the purposes of open-air recreation and enjoyment and meets twice a year.</p>	<p>Dr S Warren (SoS) Mrs P Webber (Parish)</p>	<p>Dominic Elson (SoS) 1 x Vacancy</p>

External Consultation Group	Current Appointments 2022/23	
<p>Exmoor Consultative and Parish Forum</p> <p>Acts as a forum for consultation and discussion of matters of principle affecting the National Park and promotes better understanding between the National Park Authority and other bodies having an interest in the National Park. Currently meets 4 times a year provided there are relevant issues to discuss. <u>The Authority to appoint the Chairperson and Deputy Chairperson(s) of the Forum.</u></p>	<p><u>Chairperson</u> Mr M Ellicott (Parish)</p> <p><u>Deputy Chairperson</u> Formerly Mr V White (Parish)</p> <p>* All Authority Members invited to attend meetings</p>	<p>Appointment of ECPF Chairperson & Deputy Chairperson to be made</p>

EXMOOR NATIONAL PARK AUTHORITY

4 July 2023

IMPLEMENTING BIODIVERSITY NET GAIN IN EXMOOR NATIONAL PARK

Report of the Head of Strategy and Performance and Head of Planning and Sustainable Development

PURPOSE OF THE REPORT: To agree to trial implementation of the new statutory requirements for Biodiversity Net Gain and to approve Exmoor National Park specific technical guidance.

RECOMMENDATIONS: The Authority is recommended to:

- (1) AGREE the proposals set out in Section 2 to trial implementation of Biodiversity Net Gain (BNG) from 1 August 2023, before its introduction in November 2023 and for small sites in April 2024
- (2) AGREE the Exmoor specific technical guidance note set out in Appendix 1, with delegated responsibility for Officers to make any necessary changes arising from national legislation and guidance and experience during the trial period or correct typographical or factual errors.

Authority priorities: Exmoor: rich in wildlife. To develop and maintain effective and efficient services. Thriving communities: Prepare Exmoor specific guidance on Biodiversity Net Gain in preparation for the introduction of new legislative requirements for planning.

Legal and Equality Implications: The National Park Authority has a statutory duty, as Planning Authority, to implement new legislative requirements and guidance as set out in the National Planning Policy Framework. The Environment Act 2021 introduced Biodiversity Net Gain which will become mandatory from November 2023.

Section 65(4) Environment Act 1995 – provides powers to the National Park Authority to *“do anything which in the opinion of the Authority, is calculated to facilitate, or is conducive or incidental to:-*

- (a) the accomplishment of the purposes mentioned in s. 65 (1) [National Park purposes]*
- (b) the carrying out of any functions conferred on it by virtue of any other enactment.”*

The equality impact of the recommendations of this report has been assessed as follows: There are no foreseen adverse impacts on any protected group(s).

Consideration has been given to the provisions of the Human Rights Act 1998 and an assessment of the implications of the recommendations of this report is as follows: There are no implications for the Human Rights Act.

Financial and Risk implications: This is an additional requirement for ENPA to implement as Local Planning Authority, and as such Government has stated that additional funding will be provided. Some funding has already been provided to help planning authorities prepare for the new requirements.

Climate response: No impact anticipated although the provision of new habitat or habitat enhancements as part of Biodiversity Net Gain could also provide climate mitigation and adaptation.

1. Background

- 1.1 Biodiversity Net Gain (BNG) is an approach to development, land and marine management which aims to leave biodiversity in a measurably better state than before. Under the Environment Act 2021, it will be mandatory for all planning permissions in England to achieve at least 10% net gain from November 2023, with some exemptions.
- 1.2 We already have policy hooks for this within the Exmoor National Park Local Plan – Policy CE-S3 Biodiversity and Green Infrastructure and CE-D2 Green Infrastructure Provision.

2. Proposals

- 2.1 We are proposing to trial implementing BNG on a voluntary basis from 1 August 2023. This will be in advance of the November deadline when it will become mandatory for larger sites. The small sites metric will not become mandatory until April 2024, therefore the small sites trial will continue for a longer period. Small sites are defined as residential developments of 1 - 9 dwellings, on a site of less than one hectare, or any site less than 0.5 hectares. For non-residential development, small sites are defined as a floor space of less than 1,000m², or a site of less than one hectare.
- 2.2 Exemptions will apply for householder applications, permitted development, biodiversity gain sites (where habitats are being enhanced for wildlife) and development impacting an area below a 'de minimis' threshold of 25m² or 5m for linear habitats. Government has also indicated that that small scale self-build and custom housebuilding will be exempted, although further clarification is needed on what this means. For development which is exempt from 10% BNG requirements, we will still require biodiversity enhancements in line with our existing local plan policies.
- 2.3 We hope the benefits of the voluntary BNG trial will be: an opportunity for learning for ENPA to ensure that officers and systems are 'up to speed' and ensure the Authority can adhere to the legislation; to give agents and applicants time to get to know the system; to reduce a last-minute rush of applications prior to November 2023; and to start getting benefits for Exmoor in line with our Nature Recovery Vision.
- 2.4 A Exmoor specific technical guidance note (TAN) has been produced to support implementation of the new BNG requirements and the delivery of Local Plan policy on biodiversity enhancement. The TAN requires applicants to provide a minimum of 10% net gain in biodiversity for a minimum of 30 years, as set out in the Environment Act 2021. The guidance also provides information on what is required to support a planning application, and how to make a meaningful contribution to nature recovery on Exmoor.
- 2.5 The review of the Exmoor Local Plan will, in the longer term, provide an opportunity to consider whether (as a protected landscape) we are able to request more biodiversity gain taking account of viability.
- 2.6 We are encouraging BNG provision to make a meaningful contribution to nature recovery on Exmoor, not just compensating for what is lost as a result of an individual development, and our technical guidance gives ideas on how to do this.

3. Next steps

- 3.1 BNG has been discussed with Planning Agents at the Agents' Forum in advance of the proposed trial and before it becomes mandatory. Communication of the voluntary trial will take place to encourage applicants to come forward. A quick guide to biodiversity net gain is also being prepared which is intended to help with its implementation. Officers will monitor biodiversity net gain voluntary implementation and provide an update to Members.

Clare Reid, Head of Strategy and Performance

Dean Kinsella, Head of Planning and Sustainable Development

Ali Cockburn, Wildlife Conservation Officer

Ruth McArthur, Policy and Community Manager

June 2023



Biodiversity Net Gain

Technical Guidance Note

June 2023



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1 Introduction

Biodiversity Net Gain (BNG) is an approach to development, land and marine management which aims to leave biodiversity in a measurably better state than before.

Under the Environment Act 2021, it will be mandatory for all planning permissions in England to achieve at least 10% net gain from November 2023 (small sites from April 2024), with some exemptions, following the national regulations.

The purpose of this Technical Guidance Note (TGN) is to provide guidance for applicants and agents explaining how BNG will be encouraged in Exmoor National Park from August 2023, in accordance with the existing Exmoor National Park Local Plan (2011 – 2031) including:

- Policy CE-S3 – Biodiversity and Green Infrastructure
 - o 2. Development delivery ... will conserve, restore and re-create priority habitats and conserve and increase priority species identified for Exmoor in the Exmoor Wildlife Research and Monitoring Framework (or successor publication).
 - o 6. The enhancement of biodiversity and creation of multi-functional green infrastructure networks at a variety of spatial scales, including cross-boundary connectivity to areas adjacent to the National Park, that help support ecosystem services will be encouraged.
 - o Opportunities will be promoted for habitat management, restoration, expansion that strengthens the resilience of the ecological network, and enables habitats and species to adapt to climate change or to mitigate the effects of climate change.
 - o Green infrastructure that incorporates measures to enhance biodiversity, including dispersal areas identified within the ecological network, should be provided as an integral part of development.
- Policy CE-D2 – Green Infrastructure Provision
 - o 1. Development proposals should include measures that will enhance green infrastructure provision and create opportunities for wildlife in the National Park commensurate with the scale of the proposal and intensity of activity expected.

This guidance will be subject to review as necessary following any new policy or guidance from central government or reviews of our own local plan. However, it has been led by the Environment Act 2021 and guidance from Natural England. Further, more detailed, guidance on the process of preparing an application can be found from Devon County Council [here](#) and Somerset Council (*pending*).

This TGN is a material consideration that will be considered by decision makers at the Authority when determining planning applications.

Well designed and executed BNG is expected to make a meaningful contribution to nature recovery on Exmoor in line with the Exmoor Nature Recovery Vision.

2 Biodiversity Net Gain requirements

Legally mandated BNG will be implemented nationally in November 2023 (and for small sites in April 2024). Exmoor National Park Authority will trial implementation on a voluntary basis prior to this to assist in preparations for when BNG becomes mandatory. This is in line with the Local Plan policies set out in the introduction, and in addition to national policy including the National Planning Policy Framework (NPPF) which refers to securing measurable net gains for biodiversity¹.

We are seeking a **minimum of 10%** net gain in biodiversity (secured for a minimum of 30 years), based on the mandatory requirement set out in the Environment Act 2021. This will be re-considered when the Local Plan is reviewed and may increase. Proposals should maximise opportunities for biodiversity and make a meaningful contribution to nature recovery in line with our Nature Recovery Vision.

A minimum of 10% BNG (secured for a minimum of 30 years) will be required for all applications, except householder applications, permitted development, biodiversity gain sites (where habitats are being enhanced for wildlife) and development impacting an area below a 'de minimis' threshold of 25m² or 5m for linear habitats. Government has also indicated that that small scale self-build and custom housebuilding will be exempted, although further clarification is needed on what this means, and this TAN will be updated when further details are released. For development which is exempt from 10% BNG requirements, we will still require biodiversity enhancements in line with our local plan policy (see Appendix 1).

2.1 What is needed to support a planning application

2.1.1 Exmoor Biodiversity Trigger List

Every planning application must be submitted with a completed Exmoor Biodiversity Trigger List, Ecological Impact Assessment and survey reports as required.

2.1.2 Biodiversity Net Gain Plan

All planning applications (except those exempted above) will need to demonstrate 10% BNG and this should be done through the provision of a BNG Plan which will be considered by ENPA for approval by officers. The Environment Act 2021 states that the plan should include:

- How adverse impacts on habitats have been minimised;
- The pre-development biodiversity value of the onsite habitat;
- The post-development biodiversity value of the onsite habitat;
- The biodiversity value of any offsite habitat provided in relation to the development;
- Any statutory biodiversity credits purchased; plus
- Any further requirements as set out in secondary legislation.

A plan/map should be provided as part of the BNG Plan showing clearly where habitats will be protected, enhanced and created.

The Natural Environment Record (NER) is Exmoor's repository for biological information, containing wildlife data collected from throughout the National Park. The NER includes an interactive map which can help with finding information on Exmoor's wildlife habitats, species and designations.

¹ Ministry of Housing, Communities & Local Government (2021) National Planning Policy Framework, Paragraph 179b

Other on-site wildlife enhancements should still be incorporated into development proposals in line with good practice (and Appendix 1). For example, integrated bat/bird/bee bricks in buildings, hedgehog holes or habitat piles and these should also be shown on a suitable figure.

Outline planning applications will not be expected to provide a full BNG Plan as this is unlikely to be possible at the outline stage. However, they should be supported by a BNG Strategy which will show how the development will realistically be able to deliver BNG based on the land available for different uses. For phased developments, the Strategy should show how each phase will deliver a pre-determined proportion of habitat provision for BNG.

2.1.3 The Metric

All applications (except those exempted above) will need to demonstrate 10% BNG. The change in biodiversity value of a site pre and post development should be measured using the appropriate DEFRA Metric. Guidance below on which metric to use is taken from Natural England and may be updated when the secondary legislation is published detailing the mandatory regulations, which will supersede this.

Biodiversity Metric 4.0 (or latest version) should be used for:

- Any development site where priority habitat is present
- Residential development of 10 or more dwellings on a site of ≥ 1 ha
- Where the number of dwellings is not known the site area is ≥ 0.5 ha
- For all other development types, the site area is ≥ 0.5 ha or floorspace ≥ 5000 m²

The Small Sites Metric (SSM) is a simplified version of the Biodiversity Metric 4.0 and has been designed for use on small sites, which are defined as:

- Residential development of 1-9 dwellings on a site of < 1 ha
- Where the number of dwellings is not known the site area is < 0.5 ha
- For non-residential, the floorspace to be created is < 1000 m² or the site area is < 1 ha

The SSM cannot be used on sites where: habitats not available in the SSM are present; where priority habitats are in the development site (excluding some hedgerow and arable field margins); where protected species are present; where any off-site interventions are required.

2.1.4 Additionality

BNG must be additional, over-and-above, other mitigation or compensation requirements such as that required for protected species or priority habitats.

2.1.5 Irreplaceable habitats

Development likely to result in the loss or deterioration of irreplaceable habitats or protected sites will not be permitted unless there are wholly exceptional reasons, in line with Local Plan policy CE-S3.

Impacts on irreplaceable habitats are not adequately addressed by the metric and it should not be used for this purpose.

Irreplaceable habitats will be further defined by legislation, but as guidance in the meantime, they can be defined as those that once lost, cannot be re-created elsewhere, within a reasonable timeframe. This includes ancient woodland and active peatland for example, but others also exist; assessing whether a habitat should be considered irreplaceable includes its maturity, environmental

context and what the scientific evidence shows about the achievability of re-creation². The Exmoor Natural Environment Record is a valuable resource for Exmoor's biodiversity.

² Technical Note T3. CIRIA (2019) Biodiversity net gain. Good practice principles for development.

3 Making a meaningful contribution to nature recovery on Exmoor

The purpose of BNG is to ensure that not only do we compensate for what is lost as a result of an individual development, but that we take measurable steps towards recovering what has been lost in a wider sense over a longer time period. In order to make this succeed, BNG proposals must be meaningful, respond to context, maximise opportunities for nature and follow best practice principles.

The mitigation hierarchy requires that impacts on biodiversity features are first avoided, then mitigated, and only as a last resort, compensated. This must be done before measures to provide BNG are considered. As outlined in section 2.1.2, how this has been done must be detailed in the Net Gain Plan.

BNG does not replace existing protections for designated sites or protected species and BNG does not take these into consideration. As above, it will be necessary to demonstrate how these have been appropriately addressed in line with national legislation and local and national policy and how BNG is additional to these.

The following principles should be followed:

Plan for BNG early

Be informed early by a Preliminary Ecological Appraisal which will provide information on the habitats on site and do a metric early so that you can see how BNG might be deliverable within the proposals. Respond to the site's current status and history (which may include information on soil types and fertility levels) to decide on the most appropriate options for habitat retention, creation and enhancement to increase the likelihood of success.

Be informed by strategic guidance

The Exmoor [Nature Recovery Vision](#) sets out targets for creating more space for nature and diversity of habitats on Exmoor. Local Nature Recovery Strategies (LNRSs), set out in the Environment Act 2021 are being prepared for both Devon and Somerset and will inform strategic areas for biodiversity net gain.

Consider the Lawton Principles

Bigger – better – more joined up

Look for opportunities to reconnect fragmented linear habitats such as hedgerows or tree lines, look for opportunities to create connectivity to or buffer priority habitats such as woodland, streams or species-rich grassland and protected sites.

Habitat delivered for BNG should not be too small, isolated or impacted by surrounding uses that would impair its functionality e.g. lighting or residential amenity pressures.

Consider the landscape context of the site

When planning new habitat creation, consider how it fits into the landscape and whether it is appropriate to the character of the landscape and the features within it. The Exmoor Landscape Character Assessment, 2018, identifies landscape character types across the National Park to reflect local character and distinctiveness. The natural assets and ecosystem services are described for

each, as well as management guidelines and the issues driving change; these can provide a useful landscape scale guide when planning new habitat creation.

Look for opportunities to support functioning ecosystems

By building nature-based solutions into BNG proposals, the development is more likely to achieve wider environmental benefits such as improvements in water quality, flood risk or air quality.

Appendix 1: Enhancements for wildlife

This document contains some suggestions for enhancement measures that could be incorporated into your development proposals. These must be additional to any mitigation requirements that may otherwise be required due to, for example, impacts on a bat roost.

Development falling below the threshold for mandatory net gain will nonetheless be required to deliver enhancement in accordance with the following thresholds:

Type of development	One enhancement feature required for every (or part of*)
New and replacement residential dwellings (including dwellings, extensions, conversions, garages and outbuildings)	20m ² of floorspace
New non-residential buildings and conversions	30m ² of floorspace
New non-residential roads, tracks, hardstandings and car parks	30m ² of footprint developed

*e.g. a residential extension of 30m² will need to provide 2 biodiversity enhancement features

The table below details what constitutes one enhancement feature for the application of the requirements outlined in the table above.

<i>What constitutes one enhancement feature?</i>
<p>Habitat</p> <p>10m² native wildflower meadow 10m native hedgerow Three native trees (including fruit trees (orchard)) Two integrated bird or bat boxes 2m³ permanent pond (minimum 0.6m in depth) 2m length (minimum 1m high) stone bank (with corridors) 8m² swale or wetland 25m length of fence to prevent grazing in rivers, woodland, ditches, scrapes, scrub, other habitats</p>
<p>Habitat connectivity</p> <p>Permeable boundaries including wildlife corridors under fences and walls – all new boundary treatments at least one corridor per 2m Wildlife corridors under main roads and amphibian friendly kerbing – two corridors and one kerb</p>
<p>Sustainable drainage</p> <p>1 rainwater butt (simple rainwater harvesting) 8m² swale or wetland</p>

The following text boxes detail ideas for enhancement (several of which are included in the table above) which can be used to deliver enhancement for sites which sit below the threshold for mandatory net gain, but also provide ideas for opportunities for wildlife (including some species-specific) to sit alongside net gain, which principally focuses on delivery of habitats.

Bat boxes

Integrated bat boxes, which can be incorporated into walls, are favoured as they offer an opportunity in perpetuity, do not require maintenance and are designed to be discrete in-situ.

In general, bat boxes should be sited on a tree or building, between 3m and 5m above ground, in a sunny position facing between south-west and south-east. They must be protected from artificial light sources/light-spill, and it is best practice not to site them above windows or doors. Long-lasting woodcrete/woodstone (or similar) materials are good. If siting on a tree, it is good to put them in groups of three, with a mixture of designs, facing in slightly different directions to create a variety of microclimates.

Example integrated boxes:



Schwegler 1FR Habibat bat box 001

Example external boxes:



Schwegler 1FF Schwegler 2F Kent bat box

Bee bricks

Integrated bee bricks provide opportunities for solitary bees. They should be sited in a warm sunny spot, ideally south facing at a minimum height of 1m above ground level with no vegetation obscuring the entrance.



Beetle banks

Beetle banks are 2m wide banks which support tussocky vegetation and provide an opportunity to encourage predatory insect numbers which can help with pest control.

See [How to create and manage beetle banks](#) (RSPB) for further information

Bird boxes

Integrated bird boxes are favoured, as described for bat boxes above. Swift bricks have been shown to be used by a range of small cavity-nesting birds (including declining species) and are strongly encouraged.

In general, bird boxes should be sited on a tree or building facing between north and east, where they will not get too hot. Different bird boxes should be sited at different heights, with most small hole boxes best sited between 2-3m above ground, and swift, swallow and marten nests best sited around 5m above ground. Open fronted boxes should generally have some light vegetation cover nearby to provide protection from predation.

Example integrated boxes:



Swift brick

Example external boxes:



Small hole



Open fronted



Sparrow terrace



Nest cup

Opportunities for swallow should be provided where possible, and in all instances where opportunities will be lost (such as barn conversions or renovations). Swallows prefer to nest in sheltered positions so mitigation may include provision in barns, log-sheds, car ports or porches, through providing access to a retained building or through purpose-built structures such as a covered structure at a gable apex.

Owl boxes can also be a fantastic addition where space allows. They should be sited in undisturbed areas, in buildings on or trees, typically at least 5m above ground.



Barn owl box



Tawny owl box

Bug hotels

Bug hotels can vary from small pre-fabricated boxes which can be installed on external walls, to large stacks which provide opportunities for a range of wildlife including toads and hedgehogs.

The RSPB have advice [here](#) on creating a 'stack' for wildlife.



Hibernacula

Hibernacula are piles of logs, bricks/rocks and tubes covered in soil and turf which provide a space for reptiles and amphibians to take refuge during the active season and to hibernate during winter. They can be below ground if on dry soil or above ground if the soil is generally wet and must be in a position which is generally sunny and won't flood.

Wiltshire Wildlife Trust has advice [here](#) on their creation.

Hedgehog holes

In order to find enough food and mate, hedgehogs need to be able to move through greenspace including parks and gardens. Holes in fences can make a big difference in their ability to do this. A hole 13cm by 13cm square is sufficient for a hedgehog.

Hedgehog Street provides more advice on this [here](#) along with more ideas about ways to help hedgehogs.

Hedgerow creation

The creation of new hedgerows can provide a range of benefits including for wildlife, screening, carbon capture, flood management and even wood fuel or as a source of fruit and nuts. Hedgerows provide connectivity across landscapes and link existing hedges or habitats.

When creating a new hedge, you may consider building a bank, which is typical of many hedgerows on Exmoor. Species planted will depend on local conditions and what the hedgerow is for. In some areas of Exmoor beech hedges are dominant, but where appropriate a range of native species is preferred for wildlife, aiming for a mixture of seven or more species. Suitable species might include hawthorn, blackthorn, holly, rowan, oak, hazel, field maple and guelder rose. Select trees to become standards and do not trim these. Use locally sourced plants where possible.

Devon Hedge Group has lots of advice on creation and management of hedgerows [here](#).

Meadow creation/restoration

97% of species-rich meadows have been lost since the 1930s, including in the last 30 years on Exmoor there has been ongoing dramatic decline in meadows. Species-rich meadows provide opportunities for a multitude of wildlife including rare flora as well as pollinators and other fauna whilst also acting as carbon stores.

Magnificent Meadows provides advice on creating or restoring meadows [here](#) and Exmoor National Park's Sowing the Seeds project may be able to provide locally sourced seed for some projects.

Ponds

The addition of ponds in gardens provides excellent habitat for wildlife, with opportunities for amphibians as well as reptiles, birds, invertebrates and small mammals.

The Wildlife Trusts provide some good advice on pond creation [here](#). It is really important to ensure that you provide access for wildlife to the pond – either through a sloping 'beach' or through carefully placed rocks to create easy steps. Varying the depth and edges of the pond provides opportunities for different species. It is also really important to ensure that any planting is carefully considered and sourced to prevent spread of invasive non-native species.

Tree planting

Tree planting can provide a range of benefits, for wildlife, amenity, carbon capture, water management or as a source of fruit and nuts. Mature trees provide the greatest benefits to wildlife, but immature trees are still really beneficial and encouraged.

When planting a tree, consider the space available (how big will it get), how quickly it will grow, ground conditions (does it like being on wet ground) and what you want from the tree (shade, colour, berries, fruit, nuts). Use native species and locally sourced plants where possible.

Photos from NHBS and RSPB as illustrations, similar suitable boxes are available from other reputable retailers.

EXMOOR NATIONAL PARK AUTHORITY

4 July 2023

LOCAL NEED AFFORDABLE HOUSING ASSESSMENT REPORT

Report of the Head of Strategy and Performance

PURPOSE OF THE REPORT: To note the affordable housing technical report and recommendations, agree the approach to sale prices and rents and the production of Exmoor affordable housing planning guidance.

RECOMMENDATIONS: The Authority is recommended to:

- (1) NOTE the consultant's technical report and recommendations (attached at Appendix 1) and officer discussions with housing authorities to take these forward.
- (2) AGREE
 - (i) Sale prices of new and existing affordable housing will have due regard to the indicative affordable price and discounts based on the approach in Section 4, Table 4.1 of this report;
 - (ii) Rent levels of new and existing affordable housing will be based on the approach in section 4, Table 4.2 of this report.
- (3) AGREE that ENPA will produce affordable housing planning guidance as set out in section 5 of this report.

Authority Priorities: Thriving Communities - oversee implementation of the Local Plan including working in partnership to support delivery of locally needed affordable housing, and produce guidance on local affordable housing need assessments.

The equality impact of the recommendations of this report has been assessed as follows: There are no foreseen adverse impacts on any protected group(s).

Consideration has been given to the provisions of the Human Rights Act 1998 and an assessment of the implications of the recommendations of this report is as follows: There are no implications for the Human Rights Act.

Financial and risk implications: The preparation of planning guidance will have a financial cost implication. Production of planning guidance forms part of the NPA local planning authority role and will need to be adopted by Authority.

Climate response: It is not considered that there will be implications for the climate.

1. Background

- 1.1 The adopted Exmoor National Park Local Plan 2011-31, including policy HC-S1: Housing, says that new housing should address the local need for housing. The priority is affordable housing with a local occupancy tie.

- 1.2 To help with implementation of adopted Local Plan policies and delivery of locally needed affordable housing in the National Park, Exmoor National Park Authority (ENPA) commissioned work by consultants Arc4 and Rural Housing Solutions. The scope of the work was to:
- provide and analyse updated data for affordable housing and affordability including incomes, rent and sale data;
 - advise on affordability and affordable rent and sale values; and
 - review good practice and advise on approaches for assessments of household eligibility to comply with occupancy ties on local need affordable housing.
- 1.3 The consultants provided a briefing to ENPA members at the Planning Policy Advisory Group (PPAG) meeting of 21 February 2023. An update was given at the 6 June PPAG meeting followed by a member discussion including on final report recommendations and proposed ENPA next steps. This Authority report follows receipt of the consultants' technical report and sets out how the recommendations will be taken forward. Further work is underway, including discussions with housing authorities, and the preparation of guidance which will be brought to Authority for approval later in 2023.
- 1.4 The consultants' technical report notes that Exmoor National Park Authority (ENPA) has often been at the forefront of finding ways to meet local housing need, particularly for affordable housing. It has developed policies and practices to secure this objective. It also notes that there are limitations on what the National Park Authority can achieve as a Local Planning Authority, not a housing authority.

2. Planning and housing authority roles

- 2.1 The technical report is appended at Appendix 1. It provides up to date and robust data for housing in Exmoor National Park; advises on affordability and affordable rent and sale prices; sets out an approach to assessing eligibility for occupying affordable housing with local need occupancy ties; and proposes an approach to supporting self / custom build affordable housing. The report also explains the type and split of activities between planning and housing authorities.
- 2.2 National Park Authorities (NPAs) are responsible for planning but not housing for their areas, and as such provide:
- the planning policy framework and planning guidance for the National Park;
 - Legal (S106) agreements to secure affordability and occupancy.
- 2.3 The NPA's involvement with affordable housing is therefore through plan policies, Supplementary Planning Documents (SPDs) / guidance and enabling activity as part of Development Management and associated community engagement. The role of NPAs is more limited than local authorities which have both planning and housing responsibilities.
- 2.4 Housing authorities have responsibility for planning for their local planning area and housing for the whole unitary or district council area:
- Much of the practical implementation of housing policies
 - Assessment of applicants' eligibility using planning policy criteria.

- Associated capacity and particular skills and expertise.
- Formal systems to enable people to apply for affordable homes, and processes for assessing and prioritising people according to housing need.
- Building relationships with stakeholders.

2.5 Reflecting and responding to the different statutory responsibilities, skills and capacity in the NPA and constituent local housing authorities, the research findings have led to conclusions and advice that Exmoor National Park Authority should:

- focus on supporting delivery of affordable housing through the planning function
- commission the local housing authorities to take on the assessment of eligibility of applicants for all forms of affordable housing.

3. Data and research on affordability

3.1 The research provides data on incomes, sale prices and rents in the National Park and considers the affordability of housing. This data includes:

a) Incomes

- CAMEO household income data is provided at postcode level. It takes into account all households including those where people are not working or are retired.
- ONS Annual Survey of Hours and Earnings (ASHE) household income data. ASHE earnings data is available for local authority areas but is not produced specifically for the National Park. The consultants' report therefore provides an average for the two local authority areas for Exmoor National Park. It recommends that ASHE data are used in affordability calculations for the National Park. ASHE earning data shows a lower quartile income of £21,500 and median income of £27,300.
- The report also provides data on indicative key worker incomes

b) House prices using land Registry price paid data for 2017-22

c) Rents using Zoopla data on rents 2017-22

d) **Affordability.** The report says, to be considered affordable, that renting should require no more than 25% of a gross household income and buying no more than 3.5 x gross household income.

3.2 The report sets out the research on sale and rent values for different types and sizes of housing including social rents through registered providers/housing associations. These are the most affordable rents.

3.3 Table 3.1 below shows, for those on local incomes, that housing in Exmoor National Park is unaffordable. Rented housing in Exmoor National Park requires between 28.5 and 29.1% of household income whilst the income multiple required for lower quartile property is between 9 and 9.7 x local incomes.

Table 3.1 Affordability of housing in Exmoor National Park	
Affordability of buying (up to 3.5 x income)	Income multiple required for LQ property (includes 10% deposit)
Lower Quartile price to household income multiple	9.0
Median price to household income multiple	9.7
Affordability of rented housing (up to 25% income)	% income required to be spent on LQ rent
Lower Quartile rent to income ratio	29.1%
Median rent to income ratio	28.5%

4. Exmoor National Park local affordable sale prices and rents

4.1 The consultants' technical report also sets out detailed information by size and type of housing on what is needed to ensure that affordable housing permitted through the Local Plan housing policies is genuinely affordable.

Local affordable sale prices

4.2 Table 4.1 below sets out the indicative affordable sale prices and discounts to sale prices by property type and number of bedrooms. These are the prices/discounts that have been identified using the methodology set out in the technical report and which the data shows are needed for local affordable sale housing to be genuinely affordable to people on local incomes. Further consideration of viability will be needed.

Table 4.1			
Property type and number of bedrooms	Earnings Assumption*	Indicative affordable price (3.5x earnings plus 10% deposit)	Discount on market price
1 Bed Flat	1xFTE	£105,290	25%
2 Bed Flat	1xFTE	£105,290	40%
2 Bed Flat	1xFTE plus 1xPTE	£144,055	20%
2 Bed House	1xFTE	£105,290	50%
2 Bed House	1xFTE plus 1xPTE	£144,055	40%
3 Bed House	1xFTE plus 1xPTE	£144,055	50%
4 Bed House	2xFTE	£210,580	50%

* FTE = full time equivalent. PTE = part time equivalent

Local affordable rents

- 4.3 Table 4.2 below sets out the maximum monthly rents needed to ensure that local private rented affordable housing is genuinely affordable to people on local incomes. The table does not include affordable housing rented or controlled by Registered Providers, including housing associations, as rent regimes are regulated nationally.
- 4.4 The consultants' technical report has also considered average local housing allowance (LHA) rates across the National Park (column 3 of table 4.2). The report advises that an affordable local need private rent is the lower of either the lower quartile rent (if this is lower than the 25% affordability threshold) or the local housing allowance rate. The maximum rent advised in the consultants' technical report is shown, by property type and number of bedrooms, in column 4 of Table 4.2.

Property type and number of bedrooms	Earnings Assumption*	Average local housing allowance (LHA)	Maximum private affordable rent (the lower of % income spent on rent and average LHA)
1 Bed Flat	1xFTE	£437	£433
2 Bed Flat	1xFTE	£437	£437
2 Bed Flat	1xFTE plus 1xPTE	£571	£550
2 Bed House	1xFTE	£571	£571
2 Bed House	1xFTE plus 1xPTE	£571	£571
3 Bed House	1xFTE plus 1xPTE	£681	£681
4 Bed House	2xFTE	£846	£846

* FTE = full time equivalent. PTE = part time equivalent

5. Consultants' report recommendations and proposed ENPA next steps

- 5.1 Five overarching recommendations following from the research findings are set out in the appended consultants' report (Appendix 1). These are summarised below.

Consultants' recommendations - eligibility assessments and sale / rent values

- 5.2 Exmoor National Park Authority should formalise and develop existing joint working arrangements with the constituent local housing authorities on assessing the eligibility of applicants for affordable rented and affordable sale housing.
- 5.3 Options and arrangements for eligibility assessments for self/custom builds, which it is recommended require additional support, should also be explored. This could extend to sharing experience and developing guidance and support for Self and Custom Builders in the National Park. Consideration could be given to joint arrangements with Dartmoor National Park Authority.
- 5.4 The report acknowledges that, in the interim, there will still be a need for ENPA to set rent and sale values and undertake eligibility assessments for affordable housing and recommends it continues to use current approaches.

ENPA next steps on eligibility assessments and sale rent values

- 5.5 To take forward the consultants' report recommendations, officer discussions with the housing authorities for Exmoor National Park are continuing with Somerset Council and are being sought with North Devon Council. The discussions are to develop the approach to sale / rent valuations and to eligibility assessments (i.e. the assessment of eligibility of applicants for affordable housing with a local occupancy tie in Exmoor National Park).
- 5.6 Recommendation 2 of this report seeks agreement on the current approach to sale/rent valuations. ENPA officers will continue to apply current approaches to the eligibility assessment of applicants.

Consultants' recommendations on affordable housing planning guidance

- 5.8 Exmoor National Park Authority should produce affordable housing guidance (Supplementary Planning Document (SPD) or equivalent). The guidance should contain definitions of all acceptable affordable housing tenures to provide greater clarity and certainty for developers, applicants and those assessing eligibility. Guidance would also support interpretation and implementation of local connection criteria through including: the prioritisation arrangements for local applicants; applying a 16 hours a week minimum for the local connection employment criterion (Local Plan policy HC-S3); and setting out the advertisement and marketing requirements for affordable housing. These should also be part of the S106 legal agreement template which should itself be provided in the SPD.

ENPA next steps on affordable housing planning guidance

- 5.9 To take forward the consultants' report recommendations, recommendation 3 of this Authority report seeks agreement for ENPA to produce affordable housing planning guidance. Work on planning guidance will include discussions with housing authorities on sale prices and rents.

Consultants' recommendations on affordable housing S106 template

- 5.10 Exmoor National Park Authority should ensure S106 agreements contain clear definitions of all the different acceptable affordable housing tenures to provide greater clarity and certainty for developers, applicants and those assessing eligibility.
- 5.11 The Affordable Housing S106 Agreement template should be revised to include additional elements to ensure affordable housing meets Local Plan requirements in terms of price/rent and eligibility. This should include: the formula to calculate affordable private rent/ sales price and discount; the percentage discount required for initial and future sales; for non-RP affordable rented homes, the initial rent and the formula for future rent setting, with a requirement for this to be agreed with the National Park Authority; local housing allowance and income caps.
- 5.12 S106 agreements should also contain other elements including: a requirement that open market values should be assessed by a RICS registered surveyor using RICS Valuation Standards; advertising and marketing requirements; verification of prospective purchasers and tenants; and local connection criteria.

NPA next steps on the affordable housing s106 template

5.13 Work on updating the ENPA affordable housing s106 template is underway, and will consider the consultants' detailed recommendations, alongside discussions with housing authorities e.g. on sale prices and rents.

6. Conclusion

- 6.1 The consultants' technical report concludes that, in commissioning the work, Exmoor National Park Authority has again demonstrated its commitment to providing affordable homes for its residents and to find a way forward to achieve this objective in the context of the constraints placed on it.
- 6.2 The technical report provides data for housing and affordability for Exmoor National Park and advice, approaches and recommendations to support the implementation of the Local Plan affordable housing policies and delivery of locally needed affordable housing. Further reports will be brought to the Authority as work progresses.

Ruth McArthur, Policy and Community Manager

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June 2023

Exmoor National Park

Local Need Affordable Housing Assessment Final Report

April 2023



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Please note that in this report some of the tables may include rounded figures. This can result in some column or row totals not adding up to 100 or to the anticipated row or column 'total' due to the use of rounded decimal figures. We include this description here as it covers all tables and associated textual commentary included. If tables or figures are to be used in-house then we recommend the addition of a similarly worded statement being included as a note to each table used.

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PART A: PROVISION OF DATA FOR LOCAL NEED AFFORDABLE HOUSING ASSESSMENT

1. Introduction and background

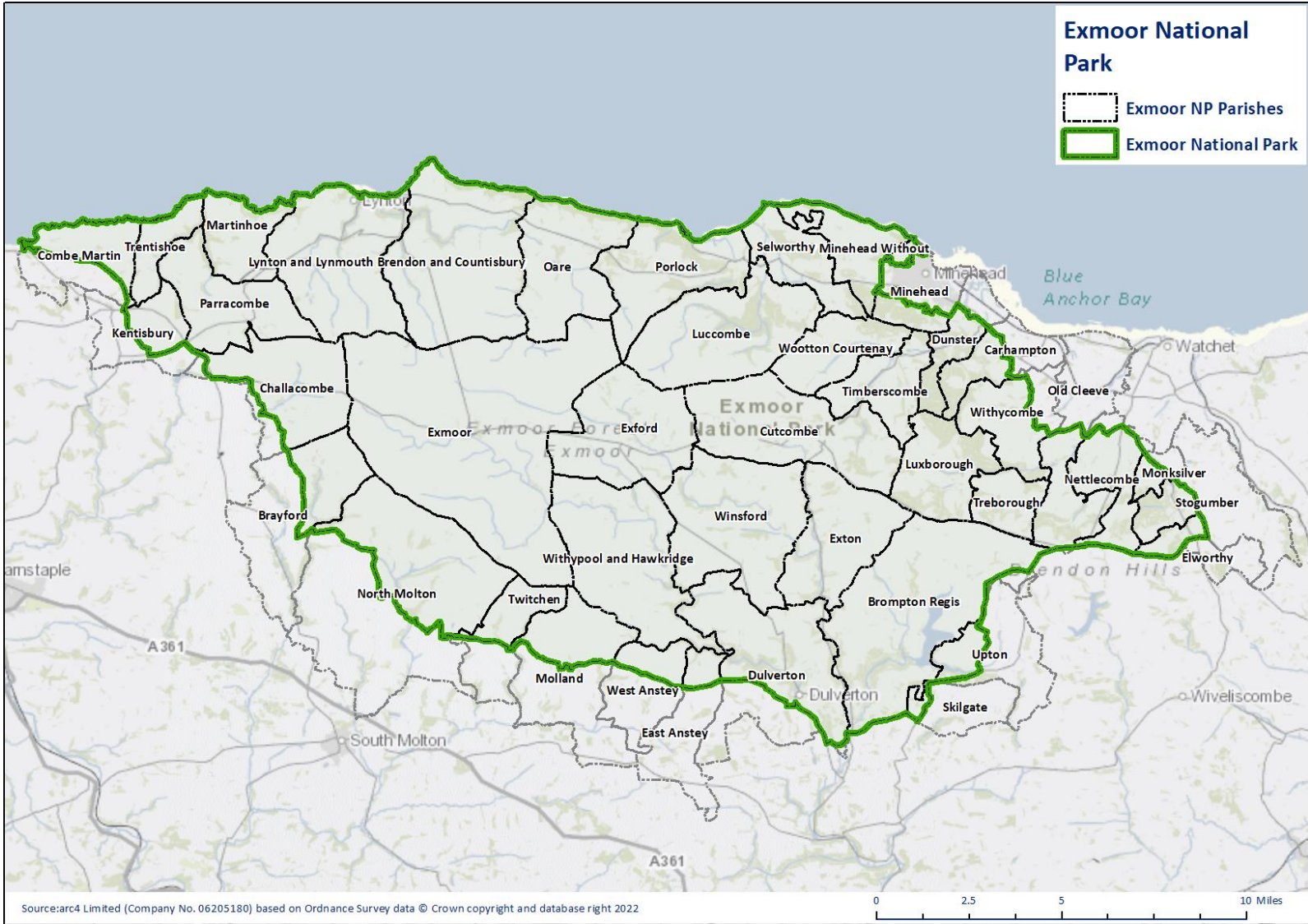
Introduction

- 1.1 Faced with a lack of affordable housing and limited opportunities for development in Exmoor National Park, the Exmoor National Park Authority (ENPA) has used its role as Local Planning Authority to ensure that any new housing meets local need in terms of its affordability to those on local incomes and people with a local connection have the opportunity to live in these properties. To support the implementation of its approach it has sought evidence and advice on setting affordable rent and sale values for local needs housing and assessment of household's eligibility to meet local need occupancy requirements.
- 1.2 The first part of this report, Part A provides an update of data on local incomes and house price and rents in Exmoor National Park. Drawing on this data, it provides analysis and advice on the scope and limitations of particular data sources, including whether data exists or can be 'cut' to the National Park boundary or to whole local authority areas.
- 1.3 This informs the first part of Part B report which advises on a methodology and approach for assessing the affordability of sales and rents of housing proposals to meet local affordable housing needs.

The study area

- 1.4 The focus of this analysis is Exmoor National Park which covers the Somerset West and Taunton (SWT) and North Devon local authority areas. Please note that from April 2023 Somerset West and Taunton is now part of Somerset Council.
- 1.5 Map 1.1 presents a summary of constituent parishes in the ENP area.

Map 1.1 Parishes within or partly within Exmoor National Park



2. Policy context

National Park context: The status of Exmoor as a National Park

- 2.1 Exmoor is a National Park. Primary legislation underpinning National Park designation defines two National Park statutory purposes:
1. To conserve and enhance the natural beauty, wildlife and cultural heritage of the National Park; and to
 2. Promote opportunities for the understanding and enjoyment of its special qualities by the public (The [Environment Act 1995](https://www.legislation.gov.uk) ([legislation.gov.uk](https://www.legislation.gov.uk)))
- 2.2 In pursuing these purposes, the Act places a duty on National Park Authorities to seek to foster the economic and social well-being of local communities within the National Park. They should co-operate with local authorities and public bodies whose functions include economic or social development within the area (Section 62 of the Environment Act 1995. Section 62 also places a general duty on all relevant authorities, including other public bodies, to have regard to these purposes).

National planning policy framework

- 2.3 The National Planning Policy Framework (NPPF) recognises the need to deliver housing to meet the needs of different groups. This includes those who require affordable housing, including affordable housing in rural areas. Paragraphs 78 to 80 of the NPPF set out the government's policy position on rural housing:
- "In rural areas, planning policies and decisions should be responsive to local circumstances and support housing developments that reflect local needs. Local planning authorities should support opportunities to bring forward rural exception sites that will provide affordable housing to meet identified local needs and consider whether allowing some market housing on these sites would help to facilitate this." NPPF Para 78
- "To promote sustainable development in rural areas, housing should be located where it will enhance or maintain the vitality of rural communities. Planning policies should identify opportunities for villages to grow and thrive, especially where this will support local services. Where there are groups of smaller settlements, development in one village may support services in a village nearby." NPPF Para 79
- "Planning policies and decisions should avoid the development of isolated homes in the countryside" (NPPF Para 80).
- 2.4 The NPPF then sets out several certain specific circumstances such as for an essential need for rural workers in the countryside, related to heritage assets, redundant buildings, subdivisions or for outstanding design.
- 2.5 The National Planning Policy Framework (NPPF Para 176) makes clear that "great weight should be given to conserving and enhancing landscape and scenic beauty in National Parks ..., which have the

highest status of protection in relation to these issues. The conservation and enhancement of wildlife and cultural heritage should also be given great weight. The scale and extent of development within these designated areas should be limited.

- 2.6 Annex 2 of the NPPF sets out a national planning policy definition of affordable housing: housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers); and which complies with one or more of the following definitions:
- a) **Affordable housing for rent:** meets all of the following conditions: (a) the rent is set in accordance with the Government's rent policy for Social Rent or Affordable Rent, or is at least 20% below local market rents (including service charges where applicable); (b) the landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and (c) it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. For Build to Rent schemes affordable housing for rent is expected to be the normal form of affordable housing provision (and, in this context, is known as Affordable Private Rent).
 - b) **Starter homes:** is as specified in Sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute and any such secondary legislation at the time of plan-preparation or decision-making. Where secondary legislation has the effect of limiting a household's eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used.
 - c) **Discounted market sales housing:** is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.
 - d) **Other affordable routes to home ownership:** is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low-cost homes for sale (at a price equivalent to at least 20% below local market value) and rent to buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision or refunded to Government or the relevant authority specified in the funding agreement.
- 2.7 Regarding Annex 2 definitions, the following points should be recognised when considering affordable housing in the National Park context:
- The discounts applied to some products may not meet the criteria set out in the NPPF. This is covered in Part B

- It should be noted that the NPPF applies across all areas including urban areas. However, not all the kinds of housing defined as affordable in the NPPF would be consistent with the ENP local plan because they do not have the necessary perpetuity arrangements. The NPPF is currently being revised and the affordable housing definition may change to recognise housing providers other than registered providers, for instance Community Land Trusts, although this has not yet been confirmed.

National Park Circular

- 2.8 The National Park Circular provides policy guidance specifically for the English National Parks. It identifies priorities including supporting the delivery of affordable housing ([English national parks and the broads: UK government vision and circular 2010 - GOV.UK www.gov.uk](https://www.gov.uk/government/consultations/english-national-parks-and-the-broads-uk-government-vision-and-circular-2010)). Also cited in footnote 59 of the NPPF). It says National Park Authorities have an important role as planning authorities in the delivery of affordable housing though they are neither housing authorities nor housing providers. Plans should include policies that pro-actively respond to local housing needs. The expectation is that new housing will be focused on meeting affordable housing requirements, supporting local employment opportunities and key services. The government expects National Park Authorities to maintain a focus on affordable housing and to work with local authorities and other agencies to ensure that the needs of local communities in the Parks are met and that affordable housing remains so in the longer term.

Defining what is affordable

- 2.9 Shelter ([click here for link to blog](#)) provide a helpful approach to describing affordable housing by focusing on two concepts: a focus on the person and a focus on the property.

Focus on the person:

A home is affordable if you can afford to live in it: if you can pay the rent or mortgage without being forced to cut back on the essentials or falling into debt. Shelter then suggests that 35% of net household income (income after tax and benefits) is a cut-off for what is affordable.

Focus on the property:

This considers tenure of a property and defines Affordable Housing as any home that is not private market housing, that is it is not a home bought privately or a home that is rented from a private landlord.

- 2.10 National Planning Practice Guidance (NPPG), which supports the NPPF, states that 'all households whose needs are not met by the market can be considered in affordable housing need (PPG Paragraph: 018 Reference ID: 2a-018-20190220). It does not specify what household income should be spent for a property to be affordable although it does state the 'need to identify the minimum household income required to access lower quartile (entry level) market housing' (PPG 2019 Paragraph 021 Reference ID 2a-021-20190220).

The last guidance to consider affordable prices/rents was published in the 2007 DCLG Strategic Housing Market Assessments Practice Guidance Version 2 August 2007, which stated that gross household incomes should be used to assess affordability and:

- a household can be considered able to afford to buy a home if it costs 3.5x the gross income of a single earner or 2.9x the gross income for dual-income households; and
 - a household can be considered able to afford market renting where the rent payable was up to 25% of gross household income.
- 2.11 The former guidance did note that local circumstances could justify higher figures being used for affordable renting and that allowances should be made for access to capital that could be used towards the cost of home ownership.
- 2.12 A review of mortgage lending websites would suggest that a mortgage of up to 4.75x a single or joint gross income is possible (for example First Direct September 2022), subject to personal circumstances and stress testing. The amount lent is subject to a personal/household appraisal which will also consider the impact of deposit available and interest rate changes.
- 2.13 Based on this data, the principal assumption considered by arc4 with reference to affordability is:
- for buying up to 3.5x gross household income; and
 - for renting up to 25% gross household income.
- 2.14 This assumption has been regularly tested at Planning Inquiries and provides a reasonable basis for assessing affordability. Note that 25% gross income equates to around 35% of net income which is a figure used by Shelter to assess affordability. This is based on ONS income data which suggests a 32.3% difference between gross and net income. This is based on the effects of taxes and benefits on household income, UK 2020/21, Table 1. (Source: <https://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/incomeandwealth/datasets/theeffectsoftaxesandbenefitsonhouseholdincomefinancialyearending2014>).

Data sources for house prices, rents and income

- 2.15 Appendix A sets out a range of data that can be readily used to assess affordability based on house prices, rents and incomes. The two key sources for prices and rents are Land Registry and Zoopla data. For incomes, a key source is the ONS Annual Survey of Hours and Earnings which is generally available at local authority level. Other sources are available but tend to relate to larger geographies. A useful 'reality check' for affordability can also be derived from an analysis of key worker incomes based on national pay scales for selected occupations, along with a consideration of minimum/living wages.

3. House prices, rents and incomes in Exmoor National Park

House prices

- 3.1 Over the period 2017 to 2022, a total 830 property sales were reported across the National Park (Table 3.1) Table 3.2 provides a further breakdown of prices by dwelling type. Table 3.3 shows sales by property type.

Table 3.1 Property sales recorded 2017 to 2022

Price	Exmoor National Park
Lower quartile	£215,000
Median	£297,250
Upper quartile	£435,000
Number of sales	830

Source: Land Registry Price Paid

Data to 9 Sep 2022

Table 3.2 Property sales – prices by type of property 2017 to 2022

Dwelling Type	Exmoor National Park Lower Quartile	Exmoor National Park Median	Exmoor National Park Upper Quartile	Exmoor National Park Count
Detached	£323,500	£420,000	£547,500	368
Semi-detached	£215,000	£275,000	£336,000	163
Terraced	£184,500	£225,000	£275,000	196
Flat	£115,000	£154,500	£230,000	78
Other	£275,000	£595,000	£795,000	25
Total	£215,000	£297,250	£435,000	830

Source: Land Registry Price Paid

Data to 9 Sep 2022

Table 3.3 Property sales by type of property 2017 to 2022 (number)

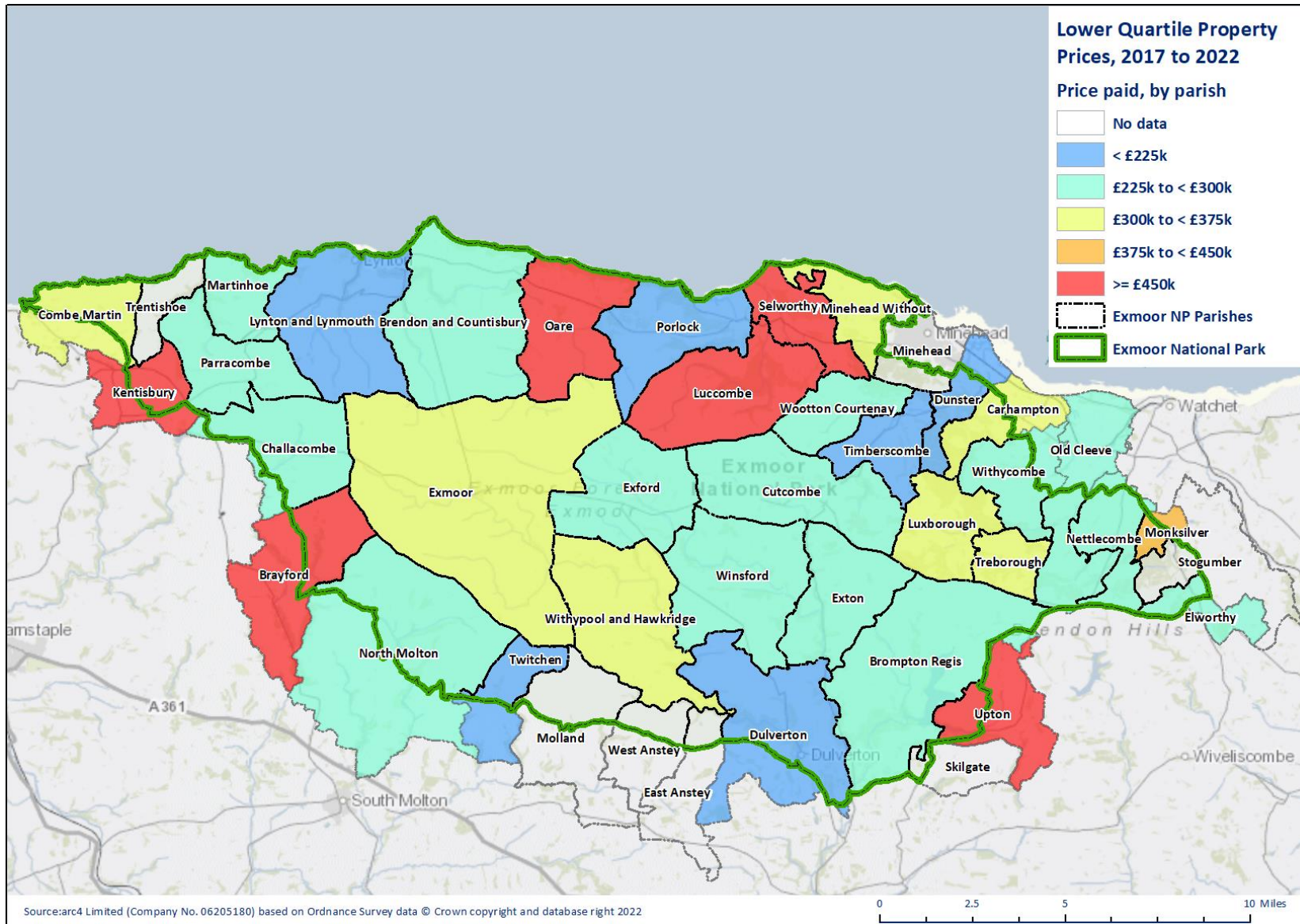
Property type	Exmoor National Park (number)	Exmoor National Park (%)
Detached	368	44.3%
Semi-detached	163	19.6%
Terraced	196	23.6%
Flat	78	9.4%
Other	25	3.0%
Total	830	100.0%

Source: Land Registry Price Paid

Data to 9 Sep 2022

- 3.2 Map 3.1 provides a summary of house prices by parish.

Map 3.1 Lower quartile property prices by parish



- 3.3 Data on property prices by type and size (number of bedrooms) are available from Zoopla. These data relate to all market activity and include sales as well as the prices of properties put on the market but not selling. The data provides a further insight into property prices across the National Park. Table 3.4 sets out price, dwelling type and dwelling size (number of bedrooms) for the National Park. Table 3.5 sets out dwelling size (number of bedrooms) for the National Park. Note that the sales data by bedroom size is more complete than for size and type.

Table 3.4 Property sales by size and type of property 2017 to 2022

Dwelling Type	Exmoor National Park Lower Quartile	Exmoor National Park Median	Exmoor National Park Count
1-bedroom flat	£105,000	£125,000	41
1-bedroom house	£139,975	£160,500	24
1-bedroom other	£189,000	£189,000	1
2-bedroom flat	£146,000	£232,000	92
2-bedroom house	£179,000	£215,000	146
2-bedroom other	£179,000	£182,000	9
3-bedroom flat	£210,000	£260,000	22
3-bedroom house	£235,000	£300,000	349
3-bedroom other	£565,000	£565,000	1
4-or more bedroom house	£215,000	£215,000	3
4-or more bedroom flat	£375,000	£500,000	320
Total	£215,000	£300,000	1,008

Source: Zoopla sales data

Table 3.5 Property sales by size of property 2017 to 2022

Number of bedrooms	Exmoor National Park Lower Quartile	Exmoor National Park Median	Exmoor National Park Count
0	£35,000	£45,000	7
1	£109,500	£137,000	70
2	£175,000	£219,950	292
3	£230,000	£300,000	439
4+	£365,000	£500,000	407
Total	£219,000	£315,000	1,215

Source: Zoopla sales data

Note : not all zoopla sales data include both type and number of bedrooms. A higher number of Zoopla sales show only the number of bedrooms, hence the difference in the totals in Table 3.4 and 3.5

- 3.4 It is recommended that Land Registry house prices are used in affordability modelling as this is the data source used by ONS to calculate affordability ratios.
- 3.5 By comparing Land Registry and Zoopla prices, it is possible to provide a broad indication of how Land Registry data can be used to infer property prices by

type and size. Table 3.6 reconciles the two data sets to establish broad prices based on Land Registry data linked to dwelling size and type across the National Park.

Table 3.6 Reconciling Land Registry prices to dwelling type and size (Exmoor National Park)

Land Registry dwelling type	Count	Lower Quartile	Median	Broadly equates to:
Detached	368	£323,500	£420,000	4-bedroom house
Semi-detached	163	£215,000	£275,000	3-bedroom house
Terraced	196	£184,500	£225,000	2-bedroom house
Flat	78	£115,000	£154,500	2-bedroom flat
Other	25	£275,000	£595,000	n/a
Total	830	n/a	n/a	n/a
Flat (1Bed)	n/a	£92,000	£123,600	1 bedroom Flat (80% of flat price based on analysis of Zoopla data)

Private Rents

- 3.6 Over the period 2017 to 2022, a total 177 private rental transactions were reported across the National Park.

Table 3.7 Private rents in Exmoor National Park 2017-2022

Monthly Rent	Exmoor National Park
Lower Quartile	£524
Median	£650
Upper Quartile	£776
No. rentals	177

Source: Zoopla rents

- 3.7 Table 3.8 shows the range of dwellings available for letting. The most frequently rented property was a 2-bedroom house and accounted for 34.9% of rentals. This was followed by 1-bedroom flats (23.5%), 3-bedroom houses (21.7%) of rentals, 2-bedroom flats (11.4%), 4 or-more bedroom houses (3.6%) and 1-bedroom houses (4.8%)

Table 3.8 Percentage of private rents by dwelling type and size in Exmoor National Park 2017-2022

Dwelling size and type	Exmoor National Park (%)	Exmoor National Park (Number)
1-bedroom flat	23.5	39
1-bedroom house	4.8	8
2-bedroom flat	11.4	19
2-bedroom house	34.9	58
3-bedroom house	21.7	36
4-bedroom house	3.6	6
Total	100.0	166
Missing data on type and/or size		11
Grand total of rentals		177

Source: Zoopla rents

Note: not all Zoopla sales include data on dwelling type and size. Therefore the base of 166 is lower than the overall number of 177 rentals in Table 3.7.

3.8 Table 3.9 shows the variation of private rental prices by dwelling type and size 2017 to 2022 across the National Park.

Table 3.9 Private rents (£ per calendar month) by dwelling type and size in Exmoor National Park 2017-2022

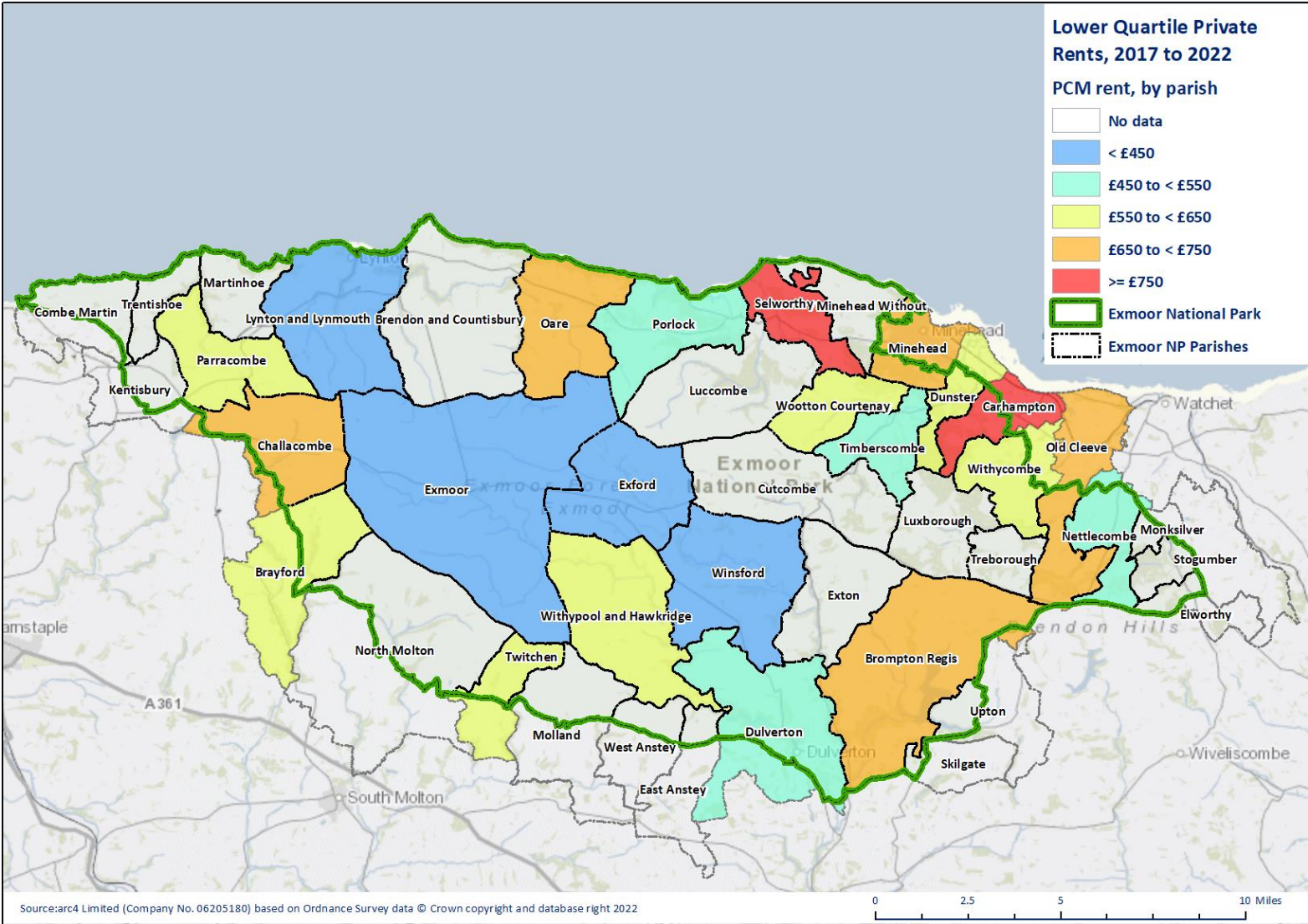
Dwelling type and size	Exmoor National Park Lower Quartile	Exmoor National Park Median	Exmoor National Park Upper Quartile	Exmoor National Park Count
1-bedroom flat	£433	£477	£498	39
1 bedroom house	£412	£501	£561	8
2-bedroom flat	£550	£594	£650	19
2-bedroom house	£598	£676	£750	58
3-bedroom house	£750	£802	£910	36
4 or more-bedroom house	£1001	£1001	£1,300	6
Total	£498	£624	£750	166

Source: Zoopla rents

Note: not all Zoopla sales include data on dwelling type and size. Therefore the base of 166 is lower than the overall number of 177 rentals in Table 3.7

3.9 Map 3.2 provides a summary of private rents and shows the variations between parishes across the National Park.

Map 3.2 Lower quartile private rents by parish



Incomes in the National Park

- 3.10 There are a range of income datasets available at national and regional level, but it is more challenging to obtain data for smaller geographies. Additionally, different datasets provide individual salary/earnings or household incomes.
- 3.11 Two of the more frequently used datasets are the ONS Annual Survey of Hours and Earnings (ASHE) which is used to calculate ONS affordability ratios; and CAMEO UK household income data. CAMEO UK is the only dataset to provide data at postcode level which is used to establish the likely number of households in different income groups. CAMEO also takes into account all households so will include households where people are not working or retired. Table 3.10 shows household income data of the National Park based on CAMEO UK data along with comparative ASHE earnings data for Somerset West and Taunton and North Devon local authorities. As ASHE data are used in the ONS calculation of affordability ratios, it is recommended ASHE data are used in affordability calculations for the National Park. However, ASHE data is not produced for the National Park and it is therefore not possible to conclude whether ASHE data over/understates wages within the National Park.

Table 3.10a Household incomes and individual earnings 2021 - CAMEO household income 2021

	Lower quartile	Median	Average
Exmoor National Park	£26,154	£34,199	£35,119

Table 3.10b Household incomes and individual earnings 2021 – ASHE Earnings data 2021

	Lower quartile	Median	Average
Full-time earnings			
Somerset West and Taunton	£22,243	£28,578	£32,448
North Devon	£20,841	£26,118	£30,113
Average for the 2 LAs	£21,542	£27,348	£31,281
Part-time earnings			
Somerset West and Taunton	£7,038	£9,832	£12,864
North Devon	£6,490	£10,306	£11,793
Average for the 2 LAs	£6,764	£10,069	£12,329

Source: CAMEO UK, ONS ASHE

Note to ENPA: ASHE data for 2021 have been updated during the drafting of the report and the latest figures are shown

Cost of alternative tenures

- 3.12 The relative cost of alternative housing options across the National Park has been considered from two perspectives. Firstly, analysis considers prevailing prices across a range of market and affordable tenures and the incomes required to afford these properties. Secondly, analysis considers what is genuinely affordable to households based on local incomes and assumptions around the proportion of income that should be spent on renting and the multiples of income for buying. The analysis of what is genuinely affordable also

considers the incomes of selected key workers and those on minimum and living wages.

- 3.13 Table 3.11 sets out the range of market and affordable tenures considered in analysis and any assumptions relating to the cost of properties. The cost of alternative affordable and market tenure options and gross household incomes required to be affordable is set out in Table 3.12.

Table 3.11 Summary of tenure (including affordable options), price assumptions and data sources

Tenure	Tenure price assumptions	Affordability assumptions	Data Source
Social rent	2021 rents	25% of income	Regulator of Social Housing Statistical Data Return 2021
Affordable Rent	2021 average prices which are based on Local Housing Allowance rates	25% of income	Regulator of Social Housing Statistical Data Return 2021
Market Rent – lower quartile	Based on 2017- September 2022 prices	25% of income	Zoopla
Market Rent – median	Based on 2017- September 2022 prices	25% of income	Zoopla
Market Sale – lower quartile	Based on 2017- September 2022 prices	90% LTV, 3.5x income	Land Registry Price Paid
Market Sale – median	Based on 2017- September 2022 prices	90% LTV, 3.5x income	Land Registry Price Paid
Shared ownership (50%)	Total price based on median price and 50% ownership. Mortgage based on 40%. 10% deposit required; annual service charge £395, Annual rent based on 2.75% of remaining equity – for instance if the outstanding equity is £50,000, the annual rent would be $£50,000 \times 2.75\% = £1,375$ or £114.58 each month	90% LTV, 3.5x income for equity and 25% of income for rental element	Assumptions applied to Land Registry Price Paid data
Shared ownership (25%)	Total price based on median price and 25% ownership. Mortgage based on 20%, 5% deposit required, annual service charge £395. Annual rent based on 2.75% of remaining equity– for instance if the outstanding equity is £50,000, the annual rent would be $£50,000 \times 2.75\% = £1,375$ or £114.58 each month	90% LTV, 3.5x income for equity and 25% of income for rental element	Assumptions applied to Land Registry Price Paid data

Tenure	Tenure price assumptions	Affordability assumptions	Data Source
Discounted home ownership 30%	70% of median price (note this is comparable to the proposed government <u>First Home</u> tenure option). Mortgage based on discounted price, minus 10% deposit on discounted price.	Discounted home ownership 30% of median market price	Assumptions applied to Land Registry Price Paid data
Discounted home ownership 25%	75% of median price mortgage based on discounted price, minus 10% deposit on discounted price.	Discounted home ownership 25% of median market price	Assumptions applied to Land Registry Price Paid data
Discounted home ownership 20%	80% of median price mortgage based on discounted price, minus 10% deposit on discounted price.	Discounted home ownership 20% of median market price	Assumptions applied to Land Registry Price Paid data

Table 3.12 Cost of alternative tenures based on 2021 prices and household incomes required to be affordable 2021

Tenure option	Property price Exmoor NP	Household income required Exmoor NP	Source
Social Rent (average monthly cost)	£396	£19,009	Regulator of Social Housing Statistical Data Return 2021
Affordable Rent (monthly cost)	£520	£24,960	80% of median market rent
Market Rent - Lower Quartile	£524	£25,152	Table 3.7
Market Rent - Median	£650	£31,200	Table 3.7
Market Sale - Lower Quartile	£215,000	£55,286	Table 3.1
Market Sale - Median	£297,250	£76,436	Table 3.1
Shared ownership (50%)	£148,625	£56,007	Based on median market price
Shared ownership (25%)	£74,313	£46,134	Based on median market price
Discounted Home Ownership (30%)	£208,075	£56,478	Based on median market price
Discounted Home Ownership (25%)	£222,938	£60,512	Based on median market price
Discounted Home Ownership (20%)	£237,800	£64,546	Based on median market price

Note : Discounted Home Ownership prices provide a useful indicator as to the affordability of self/custom build.

3.14 Having set out prevailing house prices and rents across a range of market and affordable tenures, the extent to which different tenures are affordable is now explored.

Affordability of market rents

- 3.15 Table 3.13 compares private sector rents with incomes based on the latest rental data for 2021 to September 2022. This shows that across the National Park rents are reasonably affordable, with households on lower quartile incomes spending 29.1% income on lower quartile rents and those in median incomes are spending 28.5% of income on median rents. Private rents are therefore reasonably affordable, but above the 25% recommended affordability threshold, additionally availability of properties is generally limited.

Table 3.13 Private rents compared with incomes – Lower Quartile

Exmoor National Park	Actual rent 2021-2022	ASHE LQ income 2021 (Monthly £)	% income required to be spent on LQ rent
Lower Quartile rent, income and ratio	£524	£1,795	29.1
Median rent, income and ratio	£650	£2,279	28.5

Key: Rent as percentage of monthly gross income

Up to and including 25% (affordable)	24
Between 25% and 35% (reasonably affordable but above 25% recommended threshold)	32
35% or more (not affordable)	40

Impact of Local Housing Allowance rates on private rents

- 3.16 The private rented sector generally accommodates a proportion of low-income households that are eligible for assistance with rental costs. The amount that can be claimed for assistance with rental costs is capped to a local allowance that varies by area. The cap is estimated by the Valuation Office Agency (VOA) and published in the form of a Local Housing Allowance (LHA) rate for a broad market area (BRMA). Two BRMAs cover Exmoor National Park: Taunton and West Somerset and North Devon. Maps 3.3 and 3.4 show the extent of the BRMAs which include the National Park. These are the official maps produced by the VOA and show how the BRMAs relate to the ENPA boundary. The VOA do not produce specific data for the ENPA as it is not designated as a BRMA.

Map 3.3 Taunton and West Somerset BRMA

Taunton & West Somerset

Valuation Office Agency
Incorporating Rent Officer functions



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Valid from: 1 Mar 2010

Source: Valuation Office Agency website <https://ha-direct.voa.gov.uk>

Map 3.4 North Devon BRMA

North Devon



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Valid from: 1 Oct 2011

Source: Valuation Office Agency website <https://ha-direct.voa.gov.uk>

- 3.17 Table 3.14 summaries the LHAs for National Park and the variance between lower quartile rents and the LHA. This shows that within the National Park, LHA is unlikely to cover the cost of private sector rents.

Table 3.14a Private rents compared with incomes -Taunton and West Somerset BRMA

Local Housing Allowance Rate: Taunton and West Somerset BRMA Property size	LHA Weekly	LHA Monthly	Actual private rents 2021-22 Lower quartile	LQ 2021- 22 private rent minus LHA rate
Shared room	£84.50	£366	£451	(£85)
One bedroom	£103.56	£449	£470	(£21)
Two Bedroom	£136.93	£593	£676	(£83)
Three bedroom	£164.55	£713	£849	(£136)
Four bedroom	£207.12	£898	£1,001	(£103)

Note: Actual rents based on properties let in the National Park located in the Taunton and West Somerset BRMA

Table 3.14b Private rents compared with incomes - North Devon BRMA

Local Housing Allowance Rate: North Devon BRMA Property size	LHA Weekly	LHA Monthly	Actual private rent 2021-22 Lower quartile	LQ 2021- 22 private rent minus LHA rate
Shared room	£69.04	£299	No rentals	No rentals
One bedroom	£97.81	£424	£702	(£278)
Two Bedroom	£126.58	£549	£676	(£127)
Three bedroom	£149.59	£648	£1,200	(£552)
Four bedroom	£182.96	£793	£849	(£56)

Note: Actual rents based on properties let in the National Park located in the North Devon BRMA

Affordability of open market prices

- 3.18 Table 3.15 compares market prices with local household incomes. The analysis assumes a 10% deposit and the income multiple needed to buy a property is then reported. Comparing lower quartile property prices to lower quartile incomes, the ratio is 9.0x across the National Park; for median prices to incomes the ratio is 9.7x.
- 3.19 Without substantial deposits, the ability to buy open market properties is challenging across the National Park, even to those households on median incomes.

Table 3.15 Property prices compared with incomes

Exmoor National Park	Property price 2021-22	ASHE income 2021 (Annual £)	Income multiple required for LQ property (includes 10% deposit)
Lower Quartile price, household income and income multiple (including 10% deposit)	£215,000	£21,542	9.0
Median price, household income and income multiple (including 10% deposit)	£297,250	£27,348	9.7

Key: Income multiples and property prices

Up to and including 3.5x (affordable)	2.4
Between 3.5x and up to 5x (reasonably affordable but above 3.5 recommended threshold)	4.2
5x or more (not affordable)	8.6

Affordability of prices and rents to selected key workers and households on minimum/living wages

- 3.20 The ENP Local Plan refers to employment needed for the National Park/communities rather than specifically to 'key workers' However table 3.16 explores the extent to which open market rents are affordable to selected 'key workers', that is certain public sector roles and those households on minimum and living wages.
- 3.21 Key workers on entry-level grades are generally having to spend more than 25% of their income on rent although for several occupations and grades properties are affordable. For example, a Band 5 Nurse would have to spend 24.2% of their salary on a lower quartile rent across the National Park. For households where there are multiple earners on minimum/living wage (that means 1x full-time and 1x part-time; or 2x full-time), lower quartile rents are generally affordable but median rents are unaffordable. However, a key issue is supply, with only 40 rentals coming available January 2021 to September 2022 across the National Park.

Table 3.16 Affordability of private rents (2021-22) for different key workers and households on minimum/living wage

Income/ Occupation/ Wage	Gross earnings 2021 (Annual £)	Gross earnings 2021 (Monthly £)	Exmoor NP LQ Rent	Exmoor NP Median Rent
Monthly Rent>>			£524	£650
Police officer	-	-	-	-
Pay Point 0	£21,402	£1,784	29.4	36.4
Pay Point 2	£25,902	£2,159	24.3	30.1
Pay Point 4	£28,158	£2,347	22.3	27.7
Nurse				
Band 1	£18,546	£1,546	33.9	42.0
Band 3	£20,330	£1,694	30.9	38.4
Band 5	£25,655	£2,138	24.5	30.4
Fire officer				
Trainee	£24,191	£2,016	26.0	32.2
Competent	£32,244	£2,687	19.5	24.2
Teacher				
Unqualified (min)	£18,169	£1,514	34.6	42.9
Main pay range (min)	£25,714	£2,143	24.5	30.3
Minimum/Living Wage	-	-	-	-
Age 23 and over	-	-	-	-
Single household	£16,038	£1,337	39.2	48.6
1xFull-time, 1xPart-time	£24,057	£2,005	26.1	32.4
2x Full-time	£32,076	£2,673	19.6	24.3
Age 21 and 22	-	-	-	-
Single household	£15,048	£1,254	41.8	51.7
1xFull-time, 1xPart-time	£22,572	£1,881	27.9	34.6
2x Full-time	£30,096	£2,508	20.9	25.9

Note: total of 40 rentals reported Jan 2021 to September 2022

Key: Rent as percentage of earnings/income

Up to and including 25% (affordable)	24
Between 25% and 35% (reasonably affordable but above 25% recommended threshold)	32
35% or more (not affordable)	40

- 3.22 Table 3.17 considers the income multiples needed to buy a property based on the incomes of selected key workers and households on minimum/living wages. Analysis assumed that a 10% deposit was available (5% for some affordable home ownership products).
- 3.23 This analysis shows that:
- Multiples in excess of 3.5x are needed to pay for lower quartile and median priced properties across the National Park which are therefore unaffordable.
 - 50% shared ownership equity is unaffordable on key worker income bands based on a 3.5 x income and for single earner households on a minimum/living wage. It is reasonably affordable (i.e. between 3.5 and 5 x income multiple) for key workers on the higher income bands and some dual income households on living / minimum wage.
 - 25% shared ownership equity is most likely to be affordable for a range of key workers except those on the lowest income bands.
 - Other affordable home ownership products are not affordable.
 - This analysis clearly shows that multiples in excess of 3.5x were needed across all market and most affordable tenures. The exception was 25% shared ownership.

Table 3.17 Affordability of open market prices (2017-2022) for different key workers and households on minimum/living wage: Exmoor National Park

		Property Prices							
		LQ	Median	Shared ownership (50%)	Shared ownership (25%)	Discounted Home Ownership (30%)	Discounted Home Ownership (25%)	Discounted Home Ownership (20%)	
Price>>		£215,000	£297,250	£148,625	£74,313	£208,075	£222,938	£237,800	
Price after deposit/loan>>		£193,500	£267,525	£134,876	£71,185	£209,808	£199,317	£213,554	
Earnings data 2021 (Annual £)		Ratio of house price to income							
ASHE earnings data	LQ	£21,542	9.0	12.4	6.3	3.3	9.7	9.3	9.9
	Median	£27,348	7.1	9.7	4.9	2.6	7.7	7.3	7.8
Occupation	Wage	Ratio of house price to income							
Police officer									
Pay Point 0	£21,402	9.0	12.5	6.3	3.3	9.8	9.3	10.0	
Pay Point 2	£25,902	7.5	10.3	5.2	2.7	8.1	7.7	8.2	
Pay Point 4	£28,158	6.9	9.5	4.8	2.5	7.5	7.1	7.6	
Nurse									
Band 1	£20,270	9.5	13.2	6.7	3.5	10.4	9.8	10.5	
Band 3	£21,730	8.9	12.3	6.2	3.3	9.7	9.2	9.8	
Band 5	£27,055	7.2	9.9	5.0	2.6	7.8	7.4	7.9	
Fire officer									
Trainee	£23,366	8.3	11.4	5.8	3.0	9.0	8.5	9.1	
Competent	£31,144	6.2	8.6	4.3	2.3	6.7	6.4	6.9	
Teacher									
Unqualified (min)	£18,419	10.5	14.5	7.3	3.9	11.4	10.8	11.6	
Main pay range (min)	£25,714	7.5	10.4	5.2	2.8	8.2	7.8	8.3	
Minimum/Living Wage 23 and over									
Single household	£18,525	10.4	14.4	7.3	3.8	11.3	10.8	11.5	
1xFull-time, 1xPart-time	£27,788	7.0	9.6	4.9	2.6	7.6	7.2	7.7	
Two working adults	£37,050	5.2	7.2	3.6	1.9	5.7	5.4	5.8	
21 and 22									
Single household	£17,901	10.8	14.9	7.5	4.0	11.7	11.1	11.9	
1xFull-time, 1xPart-time	£26,852	7.2	10.0	5.0	2.7	7.8	7.4	8.0	
Two working adults	£35,802	5.4	7.5	3.8	2.0	5.9	5.6	6.0	

Key:

Up to and including 3.5x (affordable)	2.4
Between 3.5x and up to 5x (reasonably affordable but above 3.5 recommended threshold)	4.2
5x or more (not affordable)	8.6

Affordability of renting in Exmoor National Park

- 3.24 Using the evidence presented in this chapter, it is possible to establish what would be a genuinely affordable rent (Table 3.18). This is based on local earnings and assumes that no more than 25% of lower quartile earnings are spent on rent. Analysis also considers affordability by property type and size with reasonable earnings assumptions applied.
- 3.25 These figures can help determine the extent to which renting is affordable. Table 3.18 shows that in general smaller dwellings are affordable relative to income measures and larger 3- and 4-bedroom dwellings are not affordable.

Table 3.18 Affordability of renting in Exmoor National Park

Dwelling type and size	Earnings assumption	LQ earnings	Maximum monthly rent based on 25% income	Actual rent 2017-22	Variance
1 Bed Flat	1xFTE	£21,542	£448.79	£433	£15.79
2 Bed Flat	1xFTE	£21,542	£448.79	£433	£15.79
2 Bed Flat	1xFTE plus 1xPTE	£28,306	£589.71	£550	£39.71
2 Bed House	1xFTE	£21,542	£448.79	£598	(£149.21)
2 Bed House	1xFTE plus 1xPTE	£28,306	£589.71	£598	(£8.29)
3 Bed House	1xFTE plus 1xPTE	£28,306	£589.71	£750	(£160.29)
4 Bed House	2xFTE	£43,084	£897.58	£1,001	(£103.42)

Source: Zoopla rental data; ONS ASHE data

Affordability of home ownership across Exmoor National Park

- 3.26 Table 3.19 considers the affordability of median open market prices by dwelling type and size based on Land Registry data approximated to dwelling type and size. Median rather than lower quartile prices are used as this is a better indicator of open market affordability.
- 3.27 What households can afford is based on a 3.5x earnings multiple plus a 10% deposit based on this earnings multiple. What is affordable is then compared with indicative median prices 2017-2022 and the variance between what can be afforded and prices is shown. In all cases, prices exceed what can be afforded and this variance is most acute for single median earners compared with the cost of a 2-bedroom house and 2x full-time median earners and the cost of a 3- and 4-bedroom house. Two-bedroom houses are also unaffordable based on median earning measures.

Table 3.19 Affordability of open market prices in Exmoor National Park

Dwelling type and size	Earnings assumption	Median earnings	Indicative affordable price based on 3.5x earnings plus 10% deposit	Indicative median price 2017-22	Variance
1 Bed Flat	1xFTE	£27,348	£105,290	£123,600	-17.4%
2 Bed Flat	1xFTE	£27,348	£105,290	£154,500	-46.7%
2 Bed Flat	1xFTE plus 1xPTE	£37,417	£144,055	£154,500	-7.3%
2 Bed House	1xFTE	£27,348	£105,290	£225,000	-113.7%
2 Bed House	1xFTE plus 1xPTE	£37,417	£144,055	£225,000	-56.2%
3 Bed House	1xFTE plus 1xPTE	£37,417	£144,055	£275,000	-90.9%
4 Bed House	2xFTE	£54,696	£210,580	£420,000	-99.4%

Source: Zoopla rental data; ONS ASHE data

PART B: ASSESSING AFFORDABILITY AND ELIGIBILITY FOR AFFORDABLE HOUSING IN EXMOOR NATIONAL PARK

4. Assessing the affordability of Discounted Market housing and rented housing

- 4.1 This section of the report provides the background to calculating an appropriate discount to ensure that discounted home ownership properties, which includes Local Needs affordable sale housing, are affordable to local residents.

Introduction

- 4.2 The acute affordability challenges facing those living and working in Exmoor National Park are well understood and further evidenced by the findings of the research that forms the Part A of this report.
- 4.3 To address these challenges the Exmoor National Park Local Plan has prioritised the delivery of affordable housing to meet local housing needs. Its policies span a range of tenures from social rent to Discounted Market Sale and extend to affordable Self and Custom Build Housing. To implement these policies and secure these homes as affordable in perpetuity the National Park Authority needs to be able to assess the affordability of proposed developments using a robust methodology informed by up-to-date evidence of local house prices and rents and incomes of those seeking affordable housing in the National Park.
- 4.4 Drawing on the same sources of evidence as used in Part A of this report, together with examining practice elsewhere, this section of the report provides a methodology and excel spreadsheet that will allow officers to assess and arrive at sale and rent values that are affordable to those in local housing need.
- 4.5 Income data is sourced from the ONS Annual Survey of Hours and Earnings. This provides resident -based data on full-time and part-time lower quartile and median earnings. As Exmoor National Park covers two local authorities, an average of incomes is calculated. When testing rental affordability, lower quartile earnings are used. When testing affordable home ownership product affordability, median earnings are used. This is based on reasonable assumptions regarding the ability of different income groups to access different affordable housing products.

Assessing the affordability of affordable sale housing through a Discounted Market Sales housing approach

- 4.6 The detailed calculations to provide guideline discounts required on median priced open market properties to ensure that they are affordable based on local incomes is set out below. Table 4.1 summarises guideline discounts by property type. How these figures are derived is set out in this section of the document.

Table 4.1 Guideline discounted market values by property type, size and earning potential

Property type and number of bedrooms	Earnings Assumption (Table 4.3 column B)	Exmoor National Park
1 Bed Flat	1xFTE	25%
2 Bed Flat	1xFTE	40%
2 Bed Flat	1xFTE plus 1xPTE	20%
2 Bed House	1xFTE	50%
2 Bed House	1xFTE plus 1xPTE	40%
3 Bed House	1xFTE plus 1xPTE	50%
4 Bed House	2xFTE	50%

Note: Minimum discount is 20% in line with NPPF Annex 2

- 4.7 Table 4.2 sets out the process for calculating guideline discounted market sale values (DMV). A separate excel workbook has been provided to assist with deriving DMV figures.
- 4.8 As explained in Table 4.2, there are links to associated tables within this section and there is further descriptions of each stage of the DMV modelling at paragraphs 4.12 to 4.18.

Table 4.2 Discounted market sale price guideline calculation process

Step	Data source	Calculation/comment	Associated tables
Step 1 – Income indicator	ONS Annual Survey of Hours and Earnings	Median earnings for National Park based on average of figures for constituent districts	Table 4.3
Step 2 – Mortgage multiplier	Good practice based on former CLG SHMA guidance	3.5x earnings applied to figures in Step 1.	Table 4.3
Step 3 - Deposit	Industry standard 10%	Based on 10% of the amount calculated in Step 2	Table 4.3
Step 4 – Property prices	Land Registry price paid data and Zoopla sales data	Based on 2017 to 2022 Land Registry prices. Using Zoopla, Land Registry prices can be approximated to reflect different types and sizes of property. Data for next 3 years being provided by arc4	Table 4.3b
Step 5 – Discounted Market Sale price calculation	Data from previous steps		
Step 5.1 – Calculation of 'affordability threshold'	Step 2 and Step 3 combined to derive the total amount a household could afford based on property type	Affordability threshold = 3.5x earnings plus 10% deposit based on the 3.5x earnings figure	Table 4.3c
Step 5.2 – Comparison of 'affordability threshold' with property types	Data from step 5.1 and Step 4	Affordability threshold compared with median price. Analysis calculates % of price that could be affordable and % that could not be afforded – this is the recommended discount required	Table 4.3c
Step 6 Final guideline DMV	Data from Step 5.2	Final guideline discount figure rounded to nearest 5%	Table 4.3e

How affordability of DMS is calculated in the excel spreadsheet

- 4.9 Using the steps outlined in Table 4.2, an 'affordability threshold' for different types and sizes of properties is calculated. The table below shows dwelling type and size and an 'affordability threshold' which is the earnings multiplier plus 10% deposit. The 10% deposit is based on 10% of the earnings multiplier.

Steps 1 to 3

Table 4.3 Affordability thresholds

Property type and number of bedrooms	Earnings assumption	Earnings Multiplier (3.5x earnings)	10% deposit (based on 10% of earnings multiple)	Affordability threshold (earnings multiplier + 10% deposit)
A	B	C	D=C*0.1	E=C+D
1 Bed Flat	1xFTE	£95,718	£9,572	£105,290
2 Bed Flat	1xFTE	£95,718	£9,572	£105,290
2 Bed Flat	1xFTE plus 1xPTE	£130,360	£13,096	£144,055
2 Bed House	1xFTE	£95,718	£9,572	£105,290
2 Bed House	1xFTE plus 1xPTE	£130,360	£13,096	£144,055
3 Bed House	1xFTE plus 1xPTE	£130,360	£13,096	£144,055
4 Bed House	2xFTE	£191,436	£19,144	£210,580

FTE = Full Time earnings; PTE = Part Time earnings

- 4.10 To calculate the guideline DMV price, median prices are compared with affordability thresholds (Table 4.3). The following tables 4.3a to 4.3c compares affordability threshold (E) with property price (F) to establish the percentage of a property price that could be afforded (G). Modelling also factors in different earnings assumptions based on single earner households in 2-bedroom flats and 2-bedroom houses.
- 4.11 When considering affordability, it should be recognised that the Authority will need to consider an achievable approach based on the data together with its practical application.

Table 4.3a Discounted Market Value calculation – affordability threshold (E)

Property type and number of bedrooms	Earnings Assumption (Table 4.3 column B)	Exmoor National Park
1 Bed Flat	1xFTE	£105,290
2 Bed Flat	1xFTE	£105,290
2 Bed Flat	1xFTE plus 1xPTE	£144,055
2 Bed House	1xFTE	£105,290
2 Bed House	1xFTE plus 1xPTE	£144,055
3 Bed House	1xFTE plus 1xPTE	£144,055
4 Bed House	2xFTE	£210,580

Step 4**Table 4.3b Discounted Market Value calculation – property price 2017-22 (F)**

Property type and number of bedrooms	Exmoor National Park
1 Bed Flat	£123,600
2 Bed Flat	£154,500
2 Bed House	£225,000
3 Bed House	£275,000
4 Bed House	£420,000

Step 5**Table 4.3c Discounted Market Value calculation – % of price that can be afforded (G)**

Property type and number of bedrooms	Earnings Assumption (Table 4.3 column B)	Exmoor National Park
1 Bed Flat	1xFTE	74.1%
2 Bed Flat	1xFTE	59.5%
2 Bed Flat	1xFTE plus 1xPTE	81.4%
2 Bed House	1xFTE	45.8%
2 Bed House	1xFTE plus 1xPTE	62.6%
3 Bed House	1xFTE plus 1xPTE	50.5%
4 Bed House	2xFTE	47.3%

Step 6**Table 4.3d Discounted Market Value calculation – guideline discount required (H)**

Property type and number of bedrooms	Earnings Assumption (Table 4.3 column B)	Exmoor National Park
1 Bed Flat	1xFTE	25.9%
2 Bed Flat	1xFTE	40.5%
2 Bed Flat	1xFTE plus 1xPTE	18.6%
2 Bed House	1xFTE	54.2%
2 Bed House	1xFTE plus 1xPTE	37.4%
3 Bed House	1xFTE plus 1xPTE	49.5%
4 Bed House	2xFTE	52.7%

Table 4.3e Discounted Market Value calculation – rounding of guideline discount to nearest 5% (I)

Property type and number of bedrooms	Earnings Assumption (Table 4.3 column B)	Exmoor National Park
1 Bed Flat	1xFTE	25%
2 Bed Flat	1xFTE	40%
2 Bed Flat	1xFTE plus 1xPTE	20%
2 Bed House	1xFTE	50%
2 Bed House	1xFTE plus 1xPTE	40%
3 Bed House	1xFTE plus 1xPTE	50%
4 Bed House	2xFTE	50%

Note: Minimum discount is 20% in line with NPPF Annex 2

Assumptions and sources of evidence for assessing affordability of Discounted Market Sale

Step 1 Income assumptions

- 4.12 The ONS Annual Survey of Hours and Earnings provides data on full-time and part-time earnings (Table 4.4). As Exmoor National Park covers two local authorities, an average of incomes is calculated.
- 4.13 For affordable home ownership, median earnings are used. The standard method for calculating housing need uses median affordability ratios and calculation of DMV tends to consider median prices and incomes.

Table 4.4 Income assumptions

District	Annual median earnings Full-Time	Annual median earnings Part-Time
North Devon	£26,118	£10,306
Somerset West and Taunton	£28,578	£ 9,832
Average	£27,348	£10,069

Source: ONS Annual Survey of Hours and Earnings resident-based data 2021

- 4.14 These data can be updated annually (see Appendix A)

Step 2 Income multipliers

- 4.15 A standard and pragmatic response is to consider a 3.5x income multiple. This was a multiple recognised in former DCLG Strategic Housing Market Assessment Guidance (2007). Higher multiples can be considered but interest rates and domestic cost of living issues need to be reflected in the multiplier used. The model therefore errs on the side of caution to ensure the product will be affordable.

Step 3 Deposit

- 4.16 An industry standard 10% deposit is considered. For modelling, it is assumed that any deposit available is based on 10% of earnings. Smaller deposits can be made but this is likely to result in higher monthly mortgage payments and higher interest rates.

Step 4 Indicative market prices

- 4.17 Land Registry house prices are widely used to assess local house prices and calculate affordability ratios by ONS (Table 4.5). Address-level price paid data are available which includes an indication of dwelling type. Data on the number of bedrooms is not available however Zoopla market prices are also available by property type and size. By comparing Zoopla sales and Land Registry data, it is possible to broadly relate land registry data to property size. Further updates of this information will be provided by arc4 for the next 3 years.

Table 4.5 Indicative market prices

Land Registry Dwelling type	Median price <u>broadly</u> equates to:
Detached	4 Bedroom House
Flat	2 Bedroom Flat
Flat	1 Bedroom 80% of Flat median
Semi-detached	3 Bedroom house
Terraced	2 Bedroom House

Note: the ENP Local Plan limits floorspace (gross internal area) to a maximum of 93 sqm. This equates to the nationally described space standard for a 5-person, 3-bedroom house. There is more flexibility on size for RP housing which can be larger where needed.

Assessing the Affordability of Rented Housing

4.18 Assessing the affordability of rented housing is a two-step process as set out in Table 4.6.

Table 4.6 Calculating the affordability of renting

Step	Data source	Calculation/comment
Step 1 Income indicator	ONS Annual Survey of Hours and Earnings	Lower quartile earnings for National Park based on average of figures for constituent districts
Step 2.1 25% of earnings annual	ONS Annual Survey of Hours and Earnings	Analysis reasonably assumes that to be affordable no more than 25% of gross income should be spent on rent
Step 2.2 25% of earnings monthly	ONS Annual Survey of Hours and Earnings	Step 2 figure divided by 12
Step 2.3 Lower quartile rents	Zoopla rental data by property type and size	Monthly lower quartile rent
Step 3	Comparison between Step 2.2 and 2.3	Affordable if monthly rent less than 25% of monthly earnings; not affordable if monthly rent more than 25% of earnings

Assumptions and sources of evidence for assessing affordability of renting

Step 1 Income assumptions

- 4.19 The ONS Annual Survey of Hours and Earnings provides data on full-time and part-time earnings. As Exmoor National Park covers two local authorities, an average of incomes is calculated.
- 4.20 For affordable renting, lower quartile earnings are used as this better reflects the lower income of households needing affordable rented housing.

Table 4.7 Income assumptions

District	Annual lower quartile earnings Full-Time	Annual lower quartile earnings Part-Time
North Devon	£20,841	£6,490
Somerset West and Taunton	£22,243	£7,038
Average	£21,542	£6,764

Source: ONS Annual Survey of Hours and Earnings resident-based data 2021

Step 2 Earnings data

- 4.21 Total lower quartile earnings are calculated (step 2.1) and then divided by 12 to establish a monthly figure (step 2.2).

Step 2.3 Rental data

- 4.22 Lower quartile rents by property size and type sourced from Zoopla. Further updates of this information will be provided by arc4 for the next 3 years.

Step 3 Comparison of lower quartile earnings and lower quartile rental data

- 4.23 Lower quartile rents are compared with lower quartile earnings to determine if they are above or below 25% of earnings:
- If 25% of earnings are greater than the lower quartile rent, properties are affordable; and
 - If 25% of earnings are less than the lower quartile rent, properties are not affordable.

Conclusions on local need private rented housing

- 4.24 Table 4.8 sets out the affordable rent for local need private rented market housing by dwelling type and household earnings. This also takes into account average local housing allowance rates across the National Park.
- 4.25 An affordable local need private rent is the lower of either the lower quartile rent (if this is lower than the 25% affordability threshold) or the local housing allowance rate.

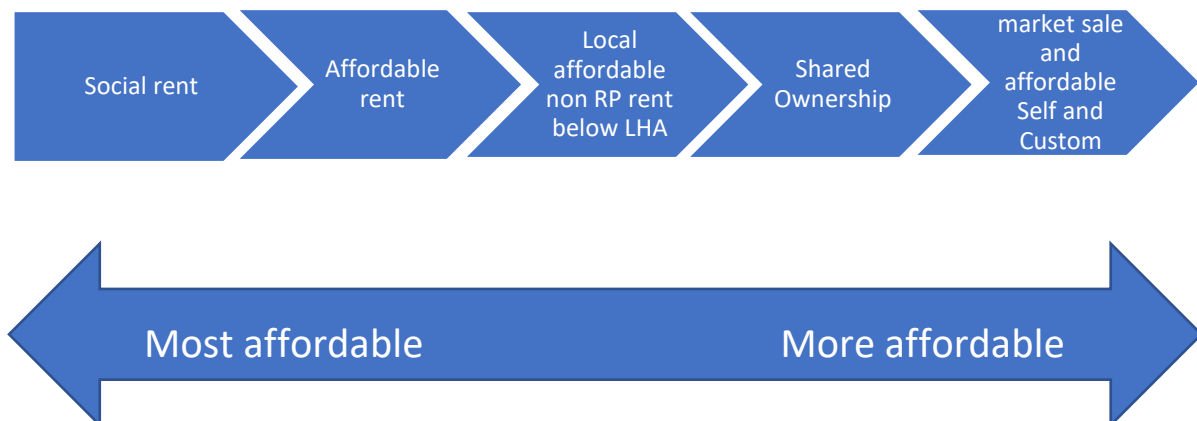
Table 4.8 Affordable local need private rent

Property type and number of bedrooms	Earnings Assumption (Table 4.3 column B)	Exmoor National Park lower quartile monthly rental	Annual earnings	Monthly earnings	% income spent on rent	Average LHA	Maximum private affordable rent (the lower of % income spent on rent and average LHA)
		A	B	C=B/12	D=A*100/C	E	Lower of A and E
1 Bed Flat	1xFTE	£433	£21,542	£1,795	24.1%	£437	£433
2 Bed Flat	1xFTE	£550	£21,542	£1,795	30.6%	£437	£437
2 Bed Flat	1xFTE plus 1xPTE	£550	£28,306	£2,359	23.3%	£571	£550
2 Bed House	1xFTE	£598	£21,542	£1,795	33.3%	£571	£571
2 Bed House	1xFTE plus 1xPTE	£598	£28,306	£2,359	25.4%	£571	£571
3 Bed House	1xFTE plus 1xPTE	£750	£28,306	£2,359	31.8%	£681	£681
4 Bed House	2xFTE	£1,001	£43,084	£3,590	27.9%	£846	£846

5. Assessing eligibility for affordable housing

Introduction

- 5.1 At the point of sale or letting the focus widens from assessment of the affordability of the housing 'product' to the eligibility of the applicant. This involves a number of different processes and players with the lead generally taken by housing staff within a council. For National Parks this is a more complex process because unlike a local authority they are the planning but not the housing authority.
- 5.2 This division poses three principal challenges for Exmoor National Park Authority (ENPA):
- How can they be assured that eligibility criteria, including local connection to the National Park, which are central policy requirements of any affordable housing provision, are implemented through the allocation or sales process.
 - Do they have internal capacity and resource to undertake the necessary assessments and checks.
 - In such a limited area, both geographically, number of applicants and affordable housing opportunities, how do they maintain a fair and transparent process and protect staff from inappropriate pressure in their decision making.
- 5.3 To address these challenges, Exmoor National Park Authority sought advice on a methodology to assess individual household local affordable need to ensure compliance with local need occupancy ties, taking account of different tenures of affordable housing. It was required that this should:
- a) draw on good practice from elsewhere that could be applicable to Exmoor's circumstances; and
 - b) consider both the approach to assessment itself, who does the assessment of affordability as well as other considerations such as a review process and whether an appeals process might be considered.
- 5.4 As Figure 5.1 shows there are broadly five different forms of affordable housing that are supported through the Exmoor National Park Local Plan, social and affordable rented housing, Local Needs Affordable sale housing which includes Discounted Market Sale housing, affordable Self and Custom build and Shared ownership tenures. In effect these offer a continuum that extends from the most affordable, in the form of social rent, to Discounted Market Sales and affordable Self and Custom Build for those whose incomes exclude them from affordable rented homes, but whose incomes are insufficient for them to buy in the market. As Part One of this report demonstrates each of these tenures has a role to play in meeting Local Housing Needs in Exmoor National Park.

Figure 5.1 Continuum of affordable housing supported by Exmoor Local Plan

- 5.5 The Local Plan specifies two principal occupancy requirements for each of these tenures. Firstly, residents must be unable to buy or rent in the open market. Secondly, they must have a local connection to Exmoor National Park, as defined in policy.
- 5.6 These policy requirements are common to many Local Plans covering rural areas and require assessment of the eligibility of applicants. Drawing on the experience of five different local authorities and two National Parks this report looks at their approaches to eligibility assessment for each of the affordable housing tenures supported by Exmoor National Park's Local Plan. The findings and lessons from this experience then inform its recommendations on how ENPA could approach the assessment process in the future.
- 5.7 Table 5.1 sets out the local authorities whose practice has informed this report.
- 5.8 The first two are the local housing authorities for Exmoor National Park. Understanding their assessment practices, particularly for the allocation of affordable and social rent, provides an insight into the degree to which they implement Exmoor National Park's affordable housing eligibility criteria and the challenges that arise. It also provides a baseline for exploring future options for outsourcing eligibility assessment to the respective local housing authorities.
- 5.9 The remaining three local authorities were selected in consultation with Exmoor National Park Authority and were chosen on the basis that their planning and housing market circumstances have resonance with those of Exmoor and that they are considered 'leaders' in the provision of one or more of the affordable tenures.

Table 5.1 Characteristics of the Mainly or Largely Rural local authorities and National Park Authorities that contributed to this study

LA Area	National Park	Pressurised housing market	Leader in provision of DMS	Leader in provision of affordable Self & Custom Build
Somerset West and Taunton District Council (they are one of the local housing authorities for ENP)	No	Yes	Yes	No
North Devon Council (they are one of the local housing authorities for ENP)	No	Yes	No	No
Dartmoor National Park	Yes	Yes	No	No
Lake District National Park	Yes	Yes	Yes	No
Cornwall Council	No	Yes	Yes	Yes
Teignbridge District Council	No	Yes	Yes	Yes
Shropshire Council	No	Yes	No	Yes

6. Assessing eligibility for Social and Affordable Rented Homes provided by local authorities Registered Providers and non-Registered Providers

Registered Provider and Local Authority housing

- 6.1 The process for allocating properties, including assessing eligibility for affordable and social rented homes, is set out in national guidance which local authorities are required to have regard to under Part 6 of the Housing Act 1996 and the Localism Act 2011. It ensures consistency of practice and that the process adopted by councils is fair and transparent. The responsibility for making these assessments is vested in local housing authorities, working with Registered Providers who will have their own specific allocation policies. These too are required to meet the standards of fairness and transparency which are a condition of registration with Homes England and enforcement through the Social Housing Regulator.
- 6.2 Affordable and social rented properties in Exmoor National Park are allocated through the two respective local housing authorities, North Devon District Council (NDC) and Somerset West and Taunton District Council (SWT) and the Registered Providers with housing stock in Exmoor National Park. For both councils' areas the process is managed through the local authorities' Choice Based Lettings (CBL) systems, Devon Home Choice and HomeFinder Somerset.
- 6.3 Assessing applicants' eligibility to register and assessing their level of housing need is a complex and sometimes requires multi-agency input. Apart from some small details of practice the councils adopt the same process. Full details of these can be viewed in [Home Finder Somerset Policy](#) and [Devon Home Choice Policy Document](#)
- 6.4 For social and affordable rented properties in Exmoor National Park the principal requirements, as set out in the ENP Local Plan are that the properties are let to people with a housing need, insufficient income to buy or rent in the market and who meet the local connection criteria set out in the Local Plan and S106 Agreements. In effect the assessment of whether an applicant for an affordable rented property meets these criteria occurs at three points in the process. Housing need and income is assessed when someone applies to register with the Choice Based Lettings system; at the point at which 'bids' are submitted and shortlisted and a final assessment and verification is undertaken by the RP, with a final check once the eventual tenant has been identified. Local connection to the local authority area is assessed at CBL registration. Whether an applicant meets the Exmoor National Park Authority's S106 local connection criteria occurs when the bids are shortlisted and again before the house is allocated to an identified tenant.

6.5 Table 6.1 summarises the process that ensures: applicants are eligible; the evidence required to demonstrate eligibility; and that the properties are correctly advertised, flagging whether there are any S106 local connection requirements. It also notes who takes the lead role at each stage.

Table 6.1 Summary of the processes used to ensure social rent and Affordable Rent homes in Exmoor National Park are occupied by people meeting the National Park’s local occupancy criteria

Assessor	Step	Evidence and Documentation
SWT NDC Homefinder/ Home Choice staff	Step 1 Applicant applies to register with Choice Based Lettings	-
SWT NDC Homefinder/ Home Choice staff	Assessment of housing need This will also include an assessment of the size of accommodation needed.	<ul style="list-style-type: none"> • For homeless cases it is the assessment made by the homelessness team • For disrepair it will be the assessment made by an Environmental Health team • For people moving on from supported accommodation the provider will need to complete a form to confirm that the person is ready to live independently • For overcrowding evidence would be required of the number of bedrooms in their current home and the number of household members
SWT NDC Homefinder/ Home Choice staff	Assessment of income To ensure the homes go to those people who do not have sufficient resources to meet their housing needs. Income must not exceed HFS = 5Xthe Local Housing Allowance rate DHC= 6 x the Local Housing Allowance rate.	Applicant provides details of income on application form. This will be checked with the applicant where the applicant is near the income/savings threshold or if there is something suspicious about a case. If proof is required, this will be in the form of payslips and bank statements.

Assessor	Step	Evidence and Documentation
SWT NDC Homefinder/ Home Choice staff	<p>Assessment of local connection</p> <p>At this stage it is connection to Somerset by virtue of living in Somerset for at least the last 2 years or 3 years of the last five years. (In SW&T applicant can state parish they have a connection with and nature of connection). Local connection can be by residency, employment, local family member resident in the area, need to give or receive essential medical care or support.</p>	A full list of acceptable evidence from formal sources is listed on the Homefinder Somerset website
SWT NDC Homefinder/ Home Choice staff	<p>Step 2</p> <p>Applicant put into Home Choice priority Band (A to E) or Homefinder gold, silver, bronze (or emergency) bands according to housing need and income</p>	-
Registered Provider	<p>Step 3</p> <p>Registered Provider/Council provides, or uploads advert for property for let.</p> <p>Advert includes labelling to show:</p> <ul style="list-style-type: none"> • S106 Local connection requirements - • Additional flexibilities, e.g., opening up 2 bed properties to 1 bed applicants • Local letting plan (if applicable) 	-
WS&T ND&T Homefinder/ Home Choice staff	<p>Step 4</p> <p>Advert checked to ensure: being offered as the right tenure S106 Local connection requirements are correct</p>	-
Resident	<p>Step 5</p> <p>Those on register bid for property, confirming that they meet the local connection criteria</p>	-

Assessor	Step	Evidence and Documentation
WS&T ND&T Home Choice staff or RP using filters in Home Finder	Step 6 Bidders are shortlisted and prioritised Local connection takes priority over Banding. Followed by those with highest banding, then length of time in band.	-
Registered Provider	Step 7 Eligibility assessment checks of shortlisted bidders. Income first followed by local connection. Magna also check that applicant is a Charitable beneficiary (insufficient financial resources to buy/rent in the open market; rough age or disability, mental or physical ill-health, needs specialist accommodation, unintentionally homeless)	Income Gross annual income of the household Savings Accounts Premium Bonds Valuation of any investments Value of any equity in land or property
ENPA	For properties with a S106 local connection requirement the application and evidence is sent to ENPA for verification	-
Registered Provider	Step 8 Registered Provider informs top bidder they are minded to allocate the property to them	-
Registered Provider	Step 9 Final detailed verification of eligibility	-
Registered Provider	Step 10 Home allocated	-

- 6.6 There is, however, an important caveat. Most affordable rented properties in Exmoor National Park do not have a S106 agreement restricting their occupation to people with a local connection to the parish. These are properties that were part of Large-Scale Voluntary Transfer of local authority housing to housing associations and a number of affordable homes given planning permission before 2005 which are also owned by housing associations. For example, Magna Housing Association, owns and manages 379 affordable rented homes in the National Park. The majority was transferred to the housing association from the respective local authorities and these are not covered by local connection S106 agreements. The allocation of these properties follows the same process as those with a S106, except that the applicant has only to meet the local authority local connection requirements. Only 9% (36) of its homes in Exmoor National Park are subject to S106 requirements.

Experience elsewhere

- 6.7 The interviews with the other local authorities who contributed to this study confirmed that the process for allocating affordable rented properties and assessing eligibility is standard, mirroring that of SWT and NDC. Encouragingly, all had processes that ensured the occupiers met any S106 requirements and that this had precedence over level of housing need in prioritising applicants for these properties. Generally, at local discretion, usually by the housing association, there is some flexibility that allows an applicant to bid for a property that is larger than that they had been prescribed through the Choice Based Lettings process. Table 6.2 provides a headline comparison of practice across the local authorities interviewed for this study.

Table 6.2 Comparison of policy and practice for assessing eligibility for Affordable and Social Rent

Local Authority	Assessment of affordability of housing product	Application of Local Connection requirements	Assessment of Local connection	Assessment of eligibility – housing need	Assessment of eligibility – income	Flexibility on level of occupancy	Precedence of local connection over housing need banding
Somerset West & Taunton	-	Yes (LHA) Advert labelling – checked and 'linked' to S106	Yes (LHA & RP) Registration for HFS* Applicant can indicate parishes have connection and nature of connection Shortlisting of bidders for properties RP assessment of bids	Yes (LHA) Registration for HFS	Yes (LHA & RP) Registration to HFS. currently income must not be more than 5xLocal Housing Allowance. Checked and verified by RP at point of shortlisting and allocating decision	Yes (RP) The RP can tick a box which is visible to bidders so they can apply for a property with more bedrooms than prescribed through HFS registration.	Yes
North Devon District	-	Yes (LHA) Advert labelling – checked and 'linked' to S106	Yes (LHA & RP) Registration for DHC Checked and verified by RP at shortlisting and allocation decision	Yes (LHA) Registration for DHC	Yes (LHA 7 RP) Registration to DHC. currently income must not be more than 6xLocal Housing Allowance Checked and verified by RP at point of shortlisting and allocating decision	Yes (RP) The RP can include in the advert any additional flexibilities which can open up 2 bed properties to 1 bed applicants.	Yes

Local Authority	Assessment of affordability of housing product	Application of Local Connection requirements	Assessment of Local connection	Assessment of eligibility – housing need	Assessment of eligibility – income	Flexibility on level of occupancy	Precedence of local connection over housing need banding
Cornwall Council	(LPA & LHA) Local Plan Policy initial rent level of affordable rented homes (inclusive of any relevant service charges) should not exceed the local housing allowance	Yes (LPA & LHA) Application of LC/S106 requirements noted in Allocations scheme Label attached to advert	Yes	Yes (LHA & RP) Registration with CHC	Yes (LHA & RP) Registration with CHC includes assessment of income, capital and savings, also taking account of any significant changes in the housing market	Yes (LHA & RP) Allow bedroom need +1 Through Local Lettings Plans	Yes
Dartmoor NPA	(LPA) Local Plan states Affordable rents should not exceed the Local Housing Allowance (LHA) for the area, including any additional charges on the property	(LPA) Through S106 requirement	No – they are not the housing authority. The registration, advertising and assessment process is the responsibility of the respective local housing authorities	No – they are not the housing authority. The registration, advertising and assessment process is the responsibility of the respective	No – they are not the housing authority. The registration, advertising and assessment process is the responsibility of the respective local housing authorities	No – they are not the housing authority. The registration, advertising and assessment process is the responsibility of the respective	No – they are not the housing authority. The registration, advertising and assessment process is the responsibility of the respective

Local Authority	Assessment of affordability of housing product	Application of Local Connection requirements	Assessment of Local connection	Assessment of eligibility – housing need	Assessment of eligibility – income	Flexibility on level of occupancy	Precedence of local connection over housing need banding
				local housing authorities		local housing authorities	local housing authorities
Lake District NPA	(LPA) Local Plan cross references to NPPF definitions of affordable housing	(LPA)Through S106 requirement	No – they are not the housing authority. The registration, advertising and assessment process is the responsibility of the respective local housing authorities	No – they are not the housing authority. The registration, advertising and assessment process is the responsibility of the respective local housing authorities	No – they are not the housing authority. The registration, advertising and assessment process is the responsibility of the respective local housing authorities	No – they are not the housing authority. The registration, advertising and assessment process is the responsibility of the respective local housing authorities	No – they are not the housing authority. The registration, advertising and assessment process is the responsibility of the respective local housing authorities

CHC – Cornwall Home Choice

DHC = Devon Home Choice

HFS = Homefinder Somerset

- 6.8 There were however two divergences from general practice for allocating properties in Exmoor. Firstly, unlike Exmoor National Park Authority, the two other National Park Authorities interviewed were very clear that they do not have a role in the eligibility assessment process for affordable rented homes owned by Registered Providers on the basis that that they are the planning not the housing authority. Secondly, the two housing associations interviewed for this study, who operate in Exmoor National Park, reported that it is only here that their eligibility assessments for S106 local connection properties are subject to a further verification either by the local authority, or where relevant a National Park.

Learning points for assessing eligibility for Registered Provider affordable rented homes

- Devon Home Choice and Homefinder Somerset provide a clear and well-resourced process for assessing the eligibility of applicants for affordable rented housing.
- The mechanisms for advertising the properties and assessing the eligibility of those bidding for properties advertised through Devon Home Choice and Homefinder Somerset ensure those occupying homes subject to the Exmoor National Park Authority's S106 Agreements meet the qualifying criteria.
- The process for assessing eligibility requires specialist housing expertise and knowledge, which is why it is undertaken by housing, not planning officers.
- ENPA's local occupancy connection cascade time frames add complexity to the assessment process and can slow the ability of Registered Providers to house those in housing need.

Non-Registered Provider affordable rented housing

- 6.9 Another difference between ENPA policy and that in other areas is the acceptance of affordable rented housing, not provided by Registered Providers. Policy HC-S3 requires that residents of this tenure also have a proven housing need and cannot afford to rent or buy in the locality and meet the local connection criteria. Currently, assessment of eligibility for these non-RP owned properties is not done through the Choice Based Lettings process although non RPs can now advertise through Somerset Homefinder. However, the ENPA application form ask applicants to state if they are registered on the respective CBL systems for Exmoor National Park. For those who are registered there can be confidence that they have a proven housing need where they fall into Bands A- D or Gold -Silver. Information on income will also be provided and where necessary checked.

Learning Point for Non- Registered Provider affordable rented housing

There is scope for the constituent local housing authorities to take on this assessment for non-RP rented properties, but it will need to include final verification. If the local housing authorities were unable to undertake the latter verification stage, ENPA could in the S106 set out the allocations process and require through the S106 that the non-RP provider undertakes the final verification and signs a declaration that this has been done and the tenant meets the eligibility criteria.

7. Assessing eligibility for affordable sale Discounted Market Sale housing

- 7.1 ENPA's Local Plan includes a raft of policies (source: Exmoor Local Plan 2011 – 2031 Policies HC-S1, HC-S2 HC-D2 HC-D3, HC-D6 Hc-D7 [click here for link](#)) that restrict new housing to that which meets proven local housing need; is affordable, with arrangements to ensure that it remains so in perpetuity; is limited to a maximum internal gross area of 93m²; and is always occupied by those that meet the local connection criteria. These provisions apply to ENPA's Local Need Affordable Housing, which includes an affordable sale product that largely mirrors the definition of Discounted Market Sale in the NPPF. It is seen as a potential option for those who are unable to buy in the open market, but whose income means they do not qualify for affordable rented housing. Like other housing provision in Exmoor National Park these developments are subject to S106 Agreements. Existing ENPA S106 agreements require that the resident meets the eligibility criteria of being in housing need, has insufficient income to buy in the open market and meets the local connection criteria. They also provide a mechanism to ensure a maximum asking and selling price for initial and future sales that is affordable to local households. Some more recent S106 agreements use a discounted market sale approach: they set the valuation approach, the required discount from market value at initial sale and resale.
- 7.2 Unlike affordable rented housing owned by Registered Providers, currently, the eligibility assessments for Local Needs affordable sale housing are undertaken by staff at Exmoor National Park Authority with advice sought from the relevant housing authority when needed. Table 7.1 shows the process, who is involved and the evidence requirements.

Table 7.1 Exmoor National Park Authority's Process for assessing eligibility of applicants for local need housing for sale including Discounted Market Sale

Who is involved	Task	Evidence
Applicant	Completes the ENPA standard Application Form	
ENPA LA electoral offices	Assessment of local connection <ul style="list-style-type: none"> Lived in parish /adjoining parish for 10+ continuous years/10 in the last 30 years 	Electoral roll search with consent from applicant If applicant 27 years or younger and living in the family home, consent may be requested for parental electoral roll check. If 10 years residency is for period older than 10 years archived electoral roll search or alternative/ evidence may be required – see below.
ENPA Applicant	Assessment of local connection <ul style="list-style-type: none"> Lived anywhere in the Park for 10= years and have a strong connection/link with the parish or adjoining parish 	To gain an overall picture of 10 years residency, as above and/or Utility/bank statements, or Other official correspondence If above not available Letter from a professional / person in role subject to public standards principles confirming they have known the applicant for 10+ years and they have lived in the parish/adjoining parish during this time
ENPA Applicant	Assessment of local connection <ul style="list-style-type: none"> Need to live in the parish/adjoining parish for permanent paid employment that requires the applicant to live close to their work and their work is of value to the National Park/community 	Proof of employment – contract/payslip/letter from employer job description, can include employer's letter setting out nature of work. For self-employment, contracts / evidence of work relating to services provided.
ENPA Applicant	Assessment of local connection <ul style="list-style-type: none"> Need to live in the parish/adjoining parish for medical/age reasons 	Letter from Doctor. social services or other appropriate professional sources. If providing support/care evidence from the individual recipient. Requires appropriate consents

Who is involved	Task	Evidence
ENPA Local housing authority Housing Association	Assessment of Affordable Housing Need <ul style="list-style-type: none"> • Check if registered on local authority Housing Register Choice Based Letting system (CBL) Devon Home Choice or Homefinder Somerset • Confirmation of housing need Banding 	Confirmation of registration and banding provides information to inform affordable housing need assessment
ENPA Applicant Local housing authority	Assessment of Affordable Need <ul style="list-style-type: none"> • Household incomes and savings 	One or more of the following: P60 Tax Return Payslips/bank statements (including for savings) Investment portfolio statements
ENPA Local housing authority	Assessment of Affordable Need <ul style="list-style-type: none"> • - inability to afford to buy or rent in open market This process is not applied to applicants received from a housing association for Housing Association properties as it is assumed housing need has been confirmed by the local housing authority through Devon Home Choice (bands A-D) or Homefinder Somerset (Priority, Gold or Silver banding) and is assessed by the Housing Association –only evidence relating to local connection required	Apply formula to income To buy $\text{Household income} \times 3.5 \text{ deposit/savings} = \text{Total available}$ To rent $\text{Annual income} / 12 / 4 = \text{Total Available}$ (affordability benchmark = no more than 25% of income spent on rent) Compared with Rightmove/Zoopla sale prices /rents within 5-mile radius
ENPA Applicant Local housing authority	Assessment of housing need <ul style="list-style-type: none"> • Check if registered on local authority Housing Register Choice Based Letting system (CBL) Devon Home Choice or Somerset Home Finder • Confirmation of housing need Banding 	Confirmation that applicant is registered on either Devon Home Choice or Homefinder Somerset – verified with CBL and Only evidence relating to local connection is required. The ENPA application form asks whether the applicant is registered on either Devon Home Choice or Somerset Homefinder. If Devon Home Choice banding A-D or

Who is involved	Task	Evidence
		Homefinder Somerset banding (Priority, Gold or Silver) is confirmed the assessment and banding undertaken by the LHA is considered enough proof of income and housing need and ENPA would only undertake the local connection assessment. However, as applicants in Bronze/Band E are not considered by CBL to be in housing need. In these cases further evidence and assessment by ENPA is necessary in those cases.
ENPA	Formal confirmation of assessment decision by letter (PDF) to applicant	

- 7.3 Interviews with Exmoor National Park Authority officers revealed that the process can work well for straightforward cases where the applicant is able to provide the necessary evidence. However, there can be complications that can give rise to a number of challenges.
- 7.4 Overall, it can be a complex and time-consuming process. The assessment of local connection and income can be intrusive. Many of the applicants for Local Needs Affordable (DMS) housing would not qualify for registration In Bands A-D or Gold and Silver bands on the respective Choice Based Lettings systems. However, the policy requires there to be some assessment of housing need. In such cases there is often a need to seek advice from the local housing authority. The result is that these investigations sometimes put the planning officer in an awkward position, for example when their decision is challenged.
- 7.5 As planning officers, staff expressed the view that they do not have the complete set of skills or expertise required to assess housing need and consider this would be more appropriately carried out by a housing professional. Questions were also raised about whether there is the potential to reduce duplication of evidence whilst ensuring that evidence on housing need collected by ENPA is consistent with that used by the local housing authorities and RPs for this element of the eligibility assessment.
- 7.6 It was recognised that the evidence can be difficult to assemble for the applicant and can result in a considerable amount of paperwork or chasing by officers. Three aspects were highlighted as causing particular challenges. Establishing a local connection if more than 10 years ago and or where parental records and consent are required. Determining income and savings can be problematic for those who are self-employed and for multi-person households. It can also require difficult judgements to be made about what is an appropriate level of savings and pensions that provide income rather than capital asset.
- 7.7 Finally, local connection criteria relating to connection through employment are imprecise making it difficult to evidence or verify. For example, the requirement to live in the parish/adjointing parish, close to work, is hard to assess for homeworkers and those whose employment is both within and outside of the National Park. Similarly, the lack of specificity about what and how many hours work would qualify as work that is of value to the National Park and its communities can be difficult to define. Without clarity there is a danger that the transparency of the process is undermined.

Experience elsewhere

- 7.8 Given the overlap between Local Needs affordable sale housing and Discounted Market Sale, the research for this study examined the eligibility assessment practice of other local authorities and National Parks. These are summarised in Table 7.2.
- 7.9 Three features stand out that distinguish the practice of these authorities from that of Exmoor National Park Authority.
- 7.10 For local authorities that have planning and housing functions there are distinct roles for these departments. Planning officers are concerned with the

assessment of the affordability of the 'product' and checking that it meets the requirements of policy and any S106 agreement. The assessment of the eligibility of the applicant is vested with the housing department.

- 7.11 Even where the local housing authority takes on the assessment of eligibility this is a process that is often shared with estate agents and involving the purchasers and vendor's solicitors.
- 7.12 None of the interviewed local authorities or National Park Authorities required an assessment or evidence of housing need. This reflects that Discounted Market Sale is seen as an intermediate tenure for those who cannot afford to buy in the open market, but whose incomes make them ineligible to register for affordable rented housing. In consequence they will not be registered on any Choice Based Lettings system.
- 7.13 Particularly noteworthy is the very low-key process adopted by the Lake District National Park Authority. Rather than setting their own open market discount they adopt those used by the constituent local housing authorities to ensure consistency of approach. Furthermore, they do not carry out any assessments of eligibility. Instead, they rely on self-regulation by estate agents to ensure property sales conform with any planning conditions or S106 Agreement requirements. They also operate an on-line reporting system whereby parish councils and others can notify the National Park Authority of any breaches of these requirements, which are then followed up by their compliance team. This approach has been adopted by the Lake District National Park Authority in response to the limited staff resource within the Authority and is supported by the close relationships they have forged with the Local Housing Authorities through a variety of Cumbria wide and Council specific working groups. This has included the Lake District National Park Partnership.
- 7.14 Whilst Dartmoor National Park Authority are more involved in the assessment of income and local connection eligibility, they adopt a pragmatic approach with a degree of flexibility. This is acknowledgement that a household with income to buy in the market is unlikely to want to purchase a Discounted Market Sale with all the attendant perpetuity requirements. It is also in recognition that whilst the National Park Authority can confirm eligibility of someone to purchase occupancy, and secure long-term affordability of the property, they cannot control who buys the dwelling.

Table 7.2 Comparison of policy and practice for assessing eligibility for Discounted Market Sale

Local Authority	Assessment of affordability of housing product	Application of Local Connection requirements	Assessment of Local connection	Assessment of eligibility – housing need	Assessment of eligibility – income	Confirmation
Somerset West & Taunton	Yes (LPA) -on case-by-case basis using parameter set out in Local Plan and SPD	S106 (LPA)	Yes (LHA)	Not specifically – but requirement that purchasers are registered with Homefinder Somerset or the Help to Buy Agent	Yes (LHA) – formula set out in S106 Agreement and through requirement that purchasers are registered with Homefinder Somerset or the Help to Buy Agent	Certificate of compliance issued to seller's solicitor
North Devon District	Yes – (LPA) formula set out in SPD. Benchmark prices set out in Annual Affordable Housing Update report	Yes (LHA) through sale advert, S106 and MoU sent from LA to solicitor	Not by LA Expected estate agent will do checks, but ultimately responsibility of purchaser. Purchaser signs statutory declaration.	No	Not currently but plan to do so	
Cornwall Council	Yes (LPA) Formula and guideline prices and discounts set out in SPD	Yes (LPA) set out in Local Plan/SPD and S106 template	Yes (LHA) part of LA application form	No	Yes (LHA + Estate Agent) Part of LA application form	Formal declaration of eligibility evidence Memorandum of sale created by Estate Agent

Local Authority	Assessment of affordability of housing product	Application of Local Connection requirements	Assessment of Local connection	Assessment of eligibility – housing need	Assessment of eligibility – income	Confirmation
						LA issues authority to proceed. LA check mortgage offer & lender aware of S106 price requirements Final authority issued by LA After completion buyer's solicitor asks for Certificate of completion
Dartmoor NPA	Yes (LPA) Formula set out in LP and SPD. Benchmark prices updated annually	S106 (LPA)	Yes (LPA)	No	Yes (LPA) Application questionnaire. DNPA check evidence and letter sent to purchaser to prove eligibility to vendor	letter sent to purchaser to prove eligibility to vendor
Lake District NPA	Yes (LPA) Through S106 But use respective LHAs % discount	Yes Through planning condition not S106	No Properties are sold through Estate Agents and self-regulated through solicitors. LDNPA operate online system so parish councils and communities can report	No Properties are sold through Estate Agents and self-regulated through solicitors. LDNPA operate online system so parish councils and communities can	No Properties are sold through Estate Agents and self-regulated through solicitors. LDNPA operate online system so parish councils and communities can report non-conformity	

Local Authority	Assessment of affordability of housing product	Application of Local Connection requirements	Assessment of Local connection	Assessment of eligibility – housing need	Assessment of eligibility – income	Confirmation
			non-conformity which are investigated by LDNPA compliance team	report non-conformity which are investigated by LDNPA compliance team	which are investigated by LDNPA compliance team	

Learning Points for assessing Local Needs Affordable Sale (Discounted Market Sales) housing

- Planning and housing officers have distinct roles in the process of ensuring Local Needs Affordable Sale (Discounted Market Sales) housing is affordable and occupied by those that meet any S106 occupancy criteria. Planners set the policy framework; housing officers are responsible for assessment of the applicant's eligibility.
- It is critical that there is clarity about the planning policy requirements which are set out in SPD, including the formula and process for setting initial sales price and discount from open market values required for future sales and that definitions are clear and specific. Equally that S106 Agreements set out in detail precise definitions of terms, level of percentage discount, eligibility requirements and acceptable evidence.
- Estate agents can provide an effective triage stage in the assessment process, but formal documentation and authorisation is needed to ensure compliance with the S106 requirements.
- Estate Agent valuations of properties can be over positive, so using RICS surveyors is preferable with a requirement to use the latest RICS standards.
- A suite of templates and on-line application forms and resources eases and speeds up the process.

Recommendation

Proposed approach to assessing eligibility for Local Needs Affordable Sale Housing (Discounted Market Sales)

- The fundamental requirement of the Exmoor National Park Local Plan is that Local Needs affordable sale housing should be affordable at first and subsequent sales and occupied by people meeting the housing need and local connection eligibility criteria. However, it faces challenges in securing these objectives through its current processes. It is also evident that other local authorities have adopted practices that overcome some of these difficulties.
- As Discounted Market Sale has increasingly become one of the mainstream affordable housing tenures, local authority assessment practice has evolved. Local to Exmoor National Park, Somerset and Taunton District Council now has a well-established process in place. Another leader in this area is Cornwall Council who have supported the development of this tenure over many years, adapting their approach to their experience and in response to some of the challenges which are also currently being experienced by ENPA. Appendix C sets out the process used by Cornwall Council, identifying the steps taken, who takes responsibility at each stage and the evidence that is required.
- Drawing on the experience of Cornwall, Somerset West and Taunton and other local authorities, including, and the National Park Authorities

interviewed for this study, Table 7.3 offers an approach that could be adopted by ENPA. Many of the steps will require agreement and liaison with the local housing authorities, but it provides a consistent starting point for those discussions.

- Core to this proposed approach is a working arrangement between ENPA and its respective local housing authorities that reflects their respective statutory responsibilities, in-house skills and capacity. As planning authority ENPA would be responsible for setting the initial sale price and the required discount for future sales. The formula used to calculate these is provided in Section Four of this report and the accompanying spread sheet. It uses the standard mortgage multipliers and deposits considered to be affordable. ENPA would also be responsible for setting out in the S106 the advertising and marketing requirements and then carrying out the checks to ensure compliance.
- The assessment of the eligibility of the applicant in terms of needing affordable housing and local connection would be the responsibility of the local housing authority, with a triaging role carried out by the purchasers' Estate Agents. Again, the standard accepted mortgage multipliers and deposit that are considered to be affordable would be used as part of the assessment. Drawing on the experience of Dartmoor National Park Authority and Cornwall, whilst savings and assets would be considered to ensure the applicant could not afford to buy in the open market, this is a light touch assessment reflecting the complexity of people's overall household finances. This is a pragmatic approach, based on confidence that anyone who can buy outright in the market is unlikely to seek to purchase a home with the restrictions that apply to discounted market sale housing.
- This approach would negate the need for ENPA to have its own application form. However, it would be important that the S106 set out the eligibility criteria and, in concert with the local housing authority, it provided a list of the evidence that would be required to demonstrate eligibility. This would include evidence of income, savings and assets and the information to demonstrate the individual meets the local occupancy criteria. Much of the evidence ENPA already requires as part of its eligibility assessment process mirrors that sought by other local authorities, but Appendix D sets out the sources of evidence set out in Cornwall Council's S106 template.

Table 7.3 Proposed Process for Assessing Eligibility for Local Needs Affordable Sale (Discounted market Sale) housing in Exmoor National Park

Responsible body	Step	Evidence
<p>Exmoor National Park Authority – planning team</p>	<p>Step One: Setting and implementing the planning policy. ENPA publish the formula and sources of data for setting initial sales price and on-going required discount in SPD, or new equivalent. On an annual basis they publish required prices and on-going sales discount, calculated using this formula. This provides developers and buyers with the information they need when considering building or purchasing DMS properties. For each scheme ENPA include within the S106 the initial sales price and the required discount from open market values for future sales, together with the process by which an open market value will be derived. The sales price and discount are based on the calculation using the formula with the values current for the year of planning permission.</p>	<p>Section Four of this report, with an accompanying Excel Spreadsheet provides the methodology for calculating the discount and initial sales prices.</p>
<p>Developer and Exmoor National Park Authority (informing the Local Housing Authority – affordable housing team)</p>	<p>Step Two: On initial sale The S106 will have set out the sales price for these homes in line with discounts set out in SPD Developer notifies ENPA and relevant Local Housing Authority as soon as they are ready to sell and submits:</p> <ul style="list-style-type: none"> • an advertising scheme (ENPA provides guidance on methods and sets out marketing requirements in S106) • Sales Notice – providing details of location, type and size, heating type, service, management charges, contact details for selling agents. • Sales Notice includes proposed sales price. <p>Once above agreed by ENPA and relevant housing local authority date, ENPA agrees date with developer for formal start of advertising properties.</p>	<p>A formal open market valuation of the affordable homes, undertaken by a RICS registered valuer, using the latest RICS valuation standards will be required to support this and must be submitted at the same time as the sales notice.</p>

Responsible body	Step	Evidence
	ENPA formally notifies relevant Local Housing Authority of start of advertising period.	
<p>Seller & Local Housing Authority - affordable housing Team</p> <p>Exmoor National Park Authority – planning team</p>	<p>Step One: On re-sale</p> <p>Seller submits to Local Housing Authority affordable housing team:</p> <ul style="list-style-type: none"> • Sales Notice (using an on-line template) providing details of the location, size, tenure of the property. • Open market value of home • Evidence of the discount percentage. • Advertising scheme in accordance with S106 Agreement, at a minimum should include an advert with premium property website and local estate agent <p>Sale can proceed once these have been received and sales price agreed with the Local Housing Authority and Exmoor National Park Authority.</p>	<p>Open market valuation undertaken by RICS surveyor in accordance with latest RICS valuation standards, dated no earlier than 3 months before submission of sales notice.</p> <p>Resale percentage – stated in S106 Agreement or TP1 transfer document from Land Registry</p> <p>Advertising proposal agreed between affordable housing team and local estate agent(s)</p>
Potential purchaser Estate Agent	<p>Step 2 – Sales and Resales</p> <p>Estate Agent acts as point of triage - sends potential purchaser link to application form.</p> <p>After the potential purchaser has viewed and made an offer, they complete an on-line application form that is submitted through a secure mailbox. This includes submission of evidence showing housing need (broad definition), income, local connection.</p> <p>Application form includes a formal declaration that the information provided is correct.</p>	<p>A full list of the evidence requirements and approved sources are set out in the S106 template. These include:</p> <ul style="list-style-type: none"> • Proof of identity • Local connection, sufficient to cover local connection residency period or through local employment • Earnings and savings <p>(see Cornwall’s S106 Agreement. Appendix D)</p> <p>In addition, the Local Housing Authority asks for a full credit report, evidence of deposit funds and mortgage agreement in principle</p>

Responsible body	Step	Evidence
Local Housing Authority Affordable Housing Team	<p>Step 3 (5 working days)</p> <p>Eligibility assessed:</p> <p>Income – using Homes England Equity Loan Affordability Calculator to establish they cannot afford to buy in the open market using 3.5x income multiplier.</p> <p>Local connection – meets S106 local connection criteria.</p> <p>Has housing need (in unsuitable accommodation and unable to buy in the open market)</p> <p>If eligible LA authorises Estate Agent to proceed to next stage</p>	
Estate Agent	<p>Step 4</p> <p>On receipt of authorisation, Estate Agent creates a Memorandum of Sale which includes names of purchasers, sellers, sales price and the vendors and purchasers' solicitors.</p>	
Local Housing Authority Affordable Housing Team	<p>Step 5</p> <p>LA receives Memorandum of Sale and issues Authorisation to Proceed (ATP).</p> <p>ATP is sent to the Purchasers solicitors and triggers sale to proceed with confidence that the purchasers are eligible buyers.</p>	
Local Housing Authority Affordable Housing Team	<p>Step 6</p> <p>Once ATP issued, Council asks for mortgage offer to check that price is as stated and the lender knows of any S106 requirements, including the perpetuity discount arrangements.</p>	Copy of mortgage offer
Local Housing Authority Affordable Housing Team	<p>Step 7</p> <p>Council issues Authority to Exchange and a Certificate of Compliance is required under the terms of the transfer to enable registration.</p>	

8. Assessing eligibility for Affordable Self and Custom Build

- 8.1 Since 2015 Local Planning Authorities have been required by statute to support the delivery of Self and Custom Build Housing. Initially, this entailed a duty to keep a register of individuals and associations who have expressed an interest in acquiring serviced plots for self and custom build. In 2016 this was extended to a duty to grant suitable development permissions in respect of enough serviced plots of land to match demand on their self-build and custom build register. ENPA was amongst the early adopters of Local Plan support for self and custom build, including a policy (Policy HC-D6) which supports the use of this route to provide affordable housing to meet proven local housing needs, with the same perpetuity and local connection requirements as other forms of Local Needs Housing
- 8.2 These provisions are common to those affordable Self and Custom Build policies adopted by other rural local authorities who have been at the forefront of promoting this form of development. Most notably Shropshire Council, primarily through its Single Plot Rural Exception Site policy, and Teignbridge District Council. A foundation block for both is that the homes should be affordable to local people and are retained as such in perpetuity by locking in a price discount for future sales. In this respect policies and eligibility assessments for this tenure are very similar to those for Discounted Market Sale. Where these developments occur on rural exception sites, they also include many of the same eligibility requirements in terms of inability to buy in the open market and local connection. There are, however, some important differences that make assessment of eligibility for affordable Self and Custom Build considerably more complicated and time consuming than assessments for Discounted Market Sales housing.
- 8.3 Table 8.1 shows the approaches taken by the local authorities interviewed for this study in respect of this tenure.

Table 8.1 Comparison of policy and practice: Affordable Self and Custom Build

Local Authority	Initial guidance provided	Assessment of affordability of the product	Assessment of eligibility - income	Assessment of eligibility – local connection	Treatment of sweat equity	Assessment of suitability/size of property
Teignbridge	Yes (LPA & LHA)	Yes (but outsourced to a HA)	Yes (LHA)	Yes (LPA & LHA) Part of S106	Do not factor it in – assume this is already factored into build costs	No – but do limit size of property. LPAs do check design to ensure no opportunities for expansion (e.g., loft conversions)
Shropshire	Yes (LPA/DM) to check proposal would be policy compliant. LHA expect applicant to have planning’s agreement in principle support. LA no longer has the resources for the intensive first interview and support	Yes (LPA & LHA) As set out in SPD	Yes (LPA & LHA) Through application form. Need to check income, build costs, specification	Yes (LPA & parish council) Local connection includes connection with the community. Evidence needed to support this is set out in SPD. Parish council has to verify using factual evidence	Do not include as difficult to quantify and most single RES plot builders do not build themselves. In effect these are single plot not Self Builds	No - but do try to limit size of plot and are tightening up on design requirements to prevent building of homes that if sold would be unaffordable to local resident.
Cornwall	Yes (LPA) Applicants encouraged to do Pre-app	Yes (LHA) Product must have minimum 20% discount	Yes (LHA) Income must be less than £80k pa Different process to DMS to include checks on whether can cover build costs and	Yes (LHA)	Yes 10% of OMV allowance when the property is first sold – as long as discount not less than 20%	No but SPD sets out requirement that property is no more than relevant NDSS +10% and typically not larger than 3 bed

Local Authority	Initial guidance provided	Assessment of affordability of the product	Assessment of eligibility - income	Assessment of eligibility – local connection	Treatment of sweat equity	Assessment of suitability/size of property
			<p>costs are not greater than value Further assessment at full planning app stage + lighter touch once built but before occupation</p>			
Dartmoor National Park	No but thinking of introducing	<p>Yes (LPA) If brought forward as part of affordable housing contribution – use the same process as DMS</p>	<p>Yes (LPA) The application for the S&CB register include questions on financial capacity</p>	<p>Yes (LPA) As DMS</p>	<p>It is not considered because it has negative impact on income available but does not add to income available.</p>	<p>Limit the size of the property, but also recognise that self-builders will want to build for future not just current needs.</p>

- 8.4 During the interviews with these authorities five additional features specific to the assessment of the affordability of the dwelling(s) and applicants' eligibility for affordable Self and Custom Build emerged.
- 8.5 Undertaking an affordable self-build is complex. It requires the builder to have a full understanding of the costs and risks involved in a self-build project. Equally, they need to be fully aware of the impact on value of S106 restrictions and requirements on access to mortgage, design and future saleability. Providing this information requires early engagement of the applicant with planners, in tandem with input of housing enabling staff and the latter's early one-to-one support and guidance to the applicant.
- 8.6 Careful consideration needs to be given by the local authority's planning and housing officers and the applicant to the percentage discount on open market value. It needs to be high enough to make the property affordable to those on low local incomes, whilst equally achieving a value that is not below the cost of build, which in effect would put the builder into a position of negative equity.
- 8.7 Unlike conventional Rural Exception Site development, any policy benchmarking plot price, and its assessment when testing viability, should include actual servicing costs on top of the price paid purely for the land. If only land value is considered the cost of the development will be lower, reducing the amount of discount required to make the home affordable. Whilst this may not be a problem at first occupation, the lower discount could make the property unaffordable to future purchasers.
- 8.8 Along with the S106 Agreement requirements on the level of future discount, most of the featured Self and Custom Build policies, like that adopted by ENPA, seek to exert control over future affordability by restricting the size of the property that can be built. These often incorporate some flexibility that allows for a small degree of under-occupation. However, it is also apparent that in some cases future affordability is being compromised by building to very high specifications, which increases the property's value. In other instances, the size of the plot, or external buildings, while potentially justified in terms of the occupier being able to run a business from home, may in the future raise the value to a point that even with a discount the property is unaffordable. Shropshire Council is currently issuing an interim SPD in part to address these challenges with tighter stipulations on design, including clamping down on building large garages that in the viability appraisal are included at nil cost by only allowing single garages.
- 8.9 A final challenge in assessing eligibility of Self and Custom Build applicants seeking to develop an affordable home is whether to take into consideration their assets and investments. Commonly there will be an assessment of whether the applicant's income and savings would enable them to buy in the local market. In addition, Self and Custom Builders may have recourse to other assets, but these may be providing their pension, supporting their business or providing capital for the build.
- 8.10 Recognising that these other financial requirements do not affect ability to afford to buy a home in the open market, the usual practice in Teignbridge is not to take these into account, but this practice is currently under review. Other local authorities relied on the income tests carried out as part of the

eligibility assessments and the declarations made on the Self and Custom Build register to determine whether the applicant qualified for an affordable home.

Learning Points for assessing affordable Self and Custom Build Applications

- Although there are similarities with assessing the affordability and eligibility for Discounted Market Sale (Local Need affordable sale) there are additional features of affordable self and custom build that require tailored policies and approaches. These make it a more complicated and time-consuming process.
- The local authority plays not only a gatekeeping role through the eligibility assessment, but they also need to provide guidance and support to affordable self and custom builders. Perhaps even more than for other forms of affordable housing, this requires a multi team approach across the local authority involving policy and Development Management planners, housing officers with eligibility assessment skills and housing enabling staff with expertise in the construction and funding of self and custom build properties. Self-Builders developing affordable homes need considerable advice and guidance from housing enabling staff.
- Time and resources of the applicant and local authority can be saved by requiring early engagement of applicants with Development Management planners and not proceeding with further support or formal application until the planners have given in principle support to the site and proposal. Ideally, this pre-app advice is free.
- It is critical that the underpinning planning policy set out in the Local Plan and/or SPD is clear and definitions are specific. Equally, that S106 Agreements set out in precise detail the definitions of terms, level of percentage discount, eligibility requirements and acceptable evidence.
- Viability and financial eligibility assessment before submission of a planning application can reduce risks of excessively high design specifications that can make a dwelling unaffordable to future purchasers, give assurance that the applicant cannot meet their housing needs in the open market and ensure the applicant is fully aware of the costs and implications of affordability restrictions on value.
- A degree of pragmatism is required in assessing the financial resources of the applicant and the extent to which these can reasonably be expected to be used to purchase a home in the open market. The income caps in policy, the assessments of income and savings, together with the information provided on the Self and Custom Build register are commonly considered sufficient to warrant other assets, pensions and investments not being taken into account. The pragmatic view taken is that the S106 Agreement restrictions on occupation and future sales values make it unlikely that someone with sufficient assets to build an open market self-build dwelling would choose to construct an affordable self-build home.

Recommendation

Proposed approach for ENPA to assess eligibility for affordable Self and Custom build homes.

- Drawing on the experience of the local authorities interviewed for this research, Table 8.2 sets out an approach that could be adopted by ENPA to assess eligibility for affordable Self and Custom Build. In particular it draws on the process adopted by Teignbridge District Council who have been at the forefront in terms of policy and support of affordable Self and Custom Build. Their adopted approach is provided in Appendix E.
- As with the other forms of affordable housing featured in this report, the proposed process requires close working between ENPA as the planning authority and the two respective local housing authorities. In this case this extends beyond the allocation teams to include the local authority housing enabler, or specialist Self and Custom Build support officer, which may be the Rural Housing Enabler.
- A further option that could be pursued is to work with Teignbridge DC to develop ENPA's process and draw on their specialist expertise in supporting affordable Self and Custom Builders. Potentially, this could be in concert with Dartmoor National Park.
- In this context, the proposed approach set out in Table 8.2 provides a basis for further discussion with local housing authorities, ensuring the most effective use of skills and resources available, provides a consistent process for local residents, whilst ensuring the very specific requirements of ENPA are secured.

Table 8.2 Proposed Process and evidence for ENPA to assessing a Rural Exception Site Affordable Self and Custom Build application

Responsible body	Step	Evidence
ENPA Planning team	<p>Step 1</p> <p>In SPD (or new equivalent) set out:</p> <p>Definition of affordable Self and Custom Build</p> <p>The formula for calculating initial sale price and % discount for affordable Self and Custom Build</p> <p>Eligibility criteria including:</p> <ul style="list-style-type: none"> • income caps • local connection criteria <p>Definition of serviced plot</p> <p>Benchmark affordable S&CB plot prices – to include servicing costs</p> <p>Limitations on size and design</p> <p>Advertising and marketing requirements for sale of plots/ onward sale of any affordable S&CB properties</p>	
ENPA -planning team with local authority housing enabler/RHE	<p>Step 2</p> <p>Produce guidance note for affordable Self and Custom Builders hoping to build a home in ENP.</p> <p>This should include a step-by-step flow chart of the process for the eligibility assessment process and gaining planning permission.</p> <p>A useful starting point would be the guidance produced by Teignbridge DC</p> <p>https://www.teignbridge.gov.uk/media/9752/guide-to-delivering-custom-and-self-build-housing.pdf</p>	

Responsible body	Step	Evidence
Self-Builder ENPA DM Planning and Local Authority Housing Enabler	<p>Step 1</p> <p>Early engagement of potential self-builder with Development Management planners as 'red line' exercise and establish planning support in principle to the development.</p> <p>LA housing enabler/RHE input to discussions through providing planners with questions to be explored and responding to pre-app consultation request that sets out enabling requirements including number of dwellings on development and tenure mix (C&SB may be part of larger RES scheme)</p>	-
Self-Builder & Housing Enabler	<p>Step 2</p> <p>Either before or in parallel the local authority housing enabler or RHE provides guidance to self-builder on:</p> <ul style="list-style-type: none"> • Restrictions that will apply re: discounted price, eligibility in terms of income and local connection • Restrictions on plot and property size • Likely content of S106 Agreement including definitions. including the usual affordable housing definitions and additional definitions on valuations, marketing, what we mean by a serviced plot. • Process and evidence needed to assess scheme and eligibility of self-builder including that if their circumstances change within 18 months of the first assessment, or there is a further delay a second may be needed before the development can commence. • Flag up need for Build Warranties How to structure a full planning application for a single plot affordable Self and Custom build proposal 	-

Responsible body	Step	Evidence
<p>Self-Builder Local Housing Authority</p>	<p>Step 3 Local Housing Authority carries out an assessment of the eligibility of applicants. This includes:</p> <ul style="list-style-type: none"> • Income and savings • Whether they already own a home and the level of existing equity, • House prices in the community where the individual has a connection to assess ability to meet their needs in the open market, • local connection criteria are met • ability to afford to build <p>ENPA is informed by letter of the assessment outcome, but not the detail of the financial assessment. The letter confirming eligibility is valid for 18 months with a requirement that the applicant notifies ENPA of any change in circumstances.</p>	<ul style="list-style-type: none"> • Income – Evidence that gross is less than income cap set out in policy/SPD • Inability to buy in the open market • Local connection • Afford to build <p>Using the formula set out in ENPAs SPD and the S106 Agreement that takes account of build and service costs, a 10% deposit and the applicants income x 3.5 mortgage multiplier.</p> <p>Evidence of the value of the proposed affordable S&CB property requires valuation by a RICS registered surveyor of off-plan design the latest RICS standards (currently in Red Book)</p>
<p>Self-Builder and local authority Housing Enabler/RHE</p>	<p>Step 4 Scheme/dwelling is designed, submitted for planning. For a single plot this is likely to be for full planning permission. For multiple plots on RES site it may be outline or a hybrid application, full for the affordable, outline for the S&CB.</p> <p>Eligibility will have been confirmed at Stage 3 with a letter confirming that position holds for 18 months by which the development should have commenced. If there are any changes in circumstances during the 18 months the applicant informs ENPA and a further assessment is undertaken.</p>	<p>Size of the property to be built (must be within limits prescribed in policy – currently 93m2)</p> <p>Design of dwelling, including internal specifications and external buildings such as garages (to ensure specification or design would not result in home being unaffordable to future purchasers)</p>

Responsible body	Step	Evidence
ENPA DM Planners in consultation with the local authority housing enabler	<p>Step 5</p> <p>Based on requirements set out in the Custom and Self Build SPD the S106 drafted that include requisite elements of Self & Custom Build policy requirements. These will include:</p> <ul style="list-style-type: none"> • Plot price does not exceed 10k a plot + reasonable service charges. • Resale value as a % of the open market value • Limits to the size of property that can be built. • Limits to the overall plot size • Local connection criteria • Valuation, re-sale of partially built property, • Advertising and marketing requirements 	-
ENPA	<p>Step 6</p> <p>Planning permission granted</p>	-

9. Local employment Criterion and Cascade

- 9.1 During the research for this study, it has become apparent that the detail of the local employment criteria and timescales for the 'cascade' adopted by Exmoor National Park add a complication to the process of assessing eligibility for affordable housing, a challenge that warrants further exploration.
- 9.2 The Exmoor National Park Local Plan places specific local connection eligibility criteria on any affordable housing provision. These are in response to the fact that the overriding objective of any housing provision should be to provide affordable housing to meet local housing need. In consequence, there are no allocated housing sites within the National Park. Instead, provision is solely through rural exception sites with the requirement that the homes are occupied by people who have a defined connection to the parish/adjoining parish or National Park.
- 9.3 The adoption of these criteria and their incorporation into Section 106 planning Agreements is a universal feature of rural exception site developments across rural England. The detail of the criteria varies, as do the timescales for cascading the properties to a wider geography in the event of there being no qualifying applicant.
- 9.4 The presence of local connection criteria in the adopted Exmoor Local Plan, reflected in the respective S106 Agreements, is integral to maintaining the integrity of the rural exception site approach.
- 9.5 Currently, the employment criteria are relatively imprecise requiring that a person's work is of value to the National Park and its communities; and they need to live in the parish or adjoining parish to carry out that work effectively.
- 9.6 The policy also makes provision for a cascade that widens the 'pool' of potential applicants. Firstly, it shortens the qualifying residency period in the parish or adjoining parish from ten to five years. Secondly, if there are still no applicants that meet the criteria, the cascade broadens to a wider geographic area to include people with strong local ties living in the relevant parts of the district authorities of the National Park, then the whole National Park. For housing owned by Registered Providers the final cascade extends to parishes outside the National Park. The policy does not set any timescales for triggering widening the cascade, but these are generally set out in the scheme specific S106 Agreement.
- 9.7 The interviews with Registered Providers highlighted that the timescales in the S106 cascades can result in affordable homes standing empty as they struggle to find people eligible to rent or buy in the National Park, even though there are acute housing needs in the area. Potentially, this means a property may stand empty for 24 weeks (6 months). In turn this can impact on Registered Provider and developer willingness to develop in the National Park.
- 9.8 Turning to the employment criteria. Table 9.1 shows the local connection employment criteria adopted by three other National Parks and the rural local authorities who contributed to this study. In comparison ENPAs relatively

imprecise. Unlike others they do not set working hours or the length of time in which the applicant is expected to have been in employment. Neither does it exclude those who are seasonal or casual workers.

- 9.9 An interesting feature of the North York Moors National Park Authority and Shropshire Council's local connection policies are the provision they make for flexibility to allow those contributing to the community to apply. Feedback from Shropshire included that they were considering specifying more precisely the type of activity that supports the sustainability of rural communities. For example, given the rural demographic they would like to encourage applications from those employed in domiciliary care in the rural areas of the county.

Table 9.1 Summary of local employment connection requirements of Local Planning Authorities featured in this study

Criteria	Exmoor NPA	Dartmoor NPA	Lake District NPA	North York Moors NPA	Somerset West & Taunton DC	North Devon & Torrridge DC	Teignbridge DC	Cornwall Council	Shropshire Council
Connection through employment	Carries out paid work of value to the NP and its communities	Employed within the NP, working 16 hours per week & having done so for at least 26 weeks in the preceding year	Been in employment in the defined locality for 6 months and for a minimum of 16 hrs pw	-	Have strong local connections with the Parish ... and/or such persons who have permanent employment in the Parish of xxx -	Continuous employment for at least 16 hrs pw for at least 5 years	at least 16 hours pw (excluding seasonal work)	At least 16 hrs pw for the last 3 years (excluding seasonal/casual work)	Currently employed /self-employed or have written offer of permanent employment within the local area or 5km of the site
Other employment related criteria	-	-	Flexibility to consider on case by case where different local connection or community benefit can be justified	-	-	-	-	-	Demonstration of active community involvement in the local area sustained for at least the previous 2 years; supported by the Parish Council

Learning Points: local employment and cascades

- 9.10 The three other National Park Authorities that contributed to this study have adopted significantly more flexible economic activity local occupancy criteria. These changes were made in recognition of the need to be able to attract young and economically active residents to live in their areas, supporting the sustainability of the National Park itself and its communities.
- 9.11 Clarity and specificity enhance transparency and communities' confidence in the process, make the application and eligibility assessment process easier.
- 9.12 Agreeing and formally setting out priorities and timescales for the cascade process, speeds up the assessment stage, ensures the efficient use of scarce affordable housing stock and meets the objective of providing homes for those in housing need.

Recommendations

Proposals for clarifying and strengthening the implementation of the employment criteria and cascade of the Local Connection policy

- It is acknowledged that ENPA has decided not to review its Local Plan at this stage. Therefore, for its successful implementation it is vital that policies remain in place and their application is enhanced by providing further guidance and specificity on how these policies should be interpreted. This could be achieved through a new SPD (or new equivalent), revised S106 Agreement template, which in turn shapes S106 Agreements.

Providing greater clarity and specification to the local connection employment criteria

- Following the practice of other National Parks, it is recommended that greater specification is given to the employment criteria through SPD and/or S106 Template by adopting a measure that stipulates hours worked over a given time period. It is suggested that the criterion is that the person has worked consistently at least 16 hours a week, or have a permanent job offer for employment for at least 16 hours a week.
- This clarification would retain the employment connection to those in the National Park whilst also responding to the challenges arising from the demographic structure of the National Park, the need for people to live in the National Park who carry out work that contribute to meeting both its statutory Purposes and changes in the nature of employment.

Proposal to change process and timescales for transition of all forms of affordable housing through the local connection criteria cascade

- In SPD (or new equivalent) and S106 Template and Agreements state that for RP and Non- RP affordable rented housing, Local Needs affordable sale housing and affordable self and custom build those assessing and allocating housing use the following prioritisation and cascade approach. A flow chart showing this process for each tenure is provided in Appendix G
 - Tier one: applicants who meet Policy HC-S3 criteria, either 1 a, c or d. These are the criteria that require 10 years residency in the parish or adjoining parish or 1b 10 years in parishes with a strong connection to the parish OR meet the clarified economic activity local connection criteria that they have consistently at least 16 hours a week, or have a permanent job offer for employment for at least 16 hours a week.
 - Tier two: those who meet Policy HC-S3 criterion 3 a, . This requires 5 years residency in the parish or adjoining parish / parishes rather than 10 years residency applied to criteria 1 a) to d) above and continue to include 1e) the clarified economic activity local connection criteria that they have consistently at least 16 hours a week, or have a permanent job offer for employment for at least 16 hours a week.
 - Tier three: Those who meet Policy HC-S3 criteria 3b)– district council area of the National Park
 - Tier four: Those who meet Policy HC-S3 criteria 3c - National Park as a whole
- For RPs only. If after this prioritisation there are still no eligible applicants, the property must be re-advertised and the RP must advertise and market the property as required in the S106. If having done so and gone through the above priority listing there are still no eligible applicants, the properties can be occupied by other local persons with strong ties to the remaining district council areas outside the National Park.
- For Local Needs affordable sale (including discounted market sale housing), sale of affordable self and custom build plots, and non-RP provided affordable rented housing, if after 12 weeks there are still no qualifying applicants after applying Tier 4 of the prioritisation process, the properties or plots must be re-advertised and marketed. There must be three cycles of this process if no eligible applicants are identified. This means that, if necessary, the properties would be advertised for a minimum period of 9 months.

Advertising and Marketing

- To support and ensure the successful implementation of the proposed clarifications to the local connection it is essential that the properties are effectively advertised, whatever the tenure. An SPD (or new equivalent) and S106 Template/Agreements could set out the required process for advertising and marketing these properties, for example stipulating how, where and for how long they should be marketed. Compliance with these requirements could become part of the assessment process.
- Equally it is essential that those with a local connection know when and how to apply for them when they become available for let, re-let and sale. The RHE operating in Exmoor National Park currently reviews the adverts placed on respective Choice Based Lettings sites to identify properties that are available in the National Park and posts vacancies on Exmoor Rural Housing Network social media. ENPA S106 agreements require that Parish Councils and the housing authority are notified by affordable housing providers in the expectation that they will help publicise the adverts and encourage residents to apply.
- It is recommended that the RHE produces a leaflet/guide that sets out what Parish Councils should do with this information, together with information they can relay to prospective applicants, including on how they can register on Somerset Home Finder and Devon Home Choice. Guidance on Somerset Homefinder and Devon Home Choice is being drafted and this could be included / cross referred to in this advice.

10. Overall findings and recommendations

- 10.1 The research for this study has shed light on the quandary that faces Exmoor National Park Authority and indeed all National Park Authorities in respect of affordable housing. They are under a legal duty that in meeting their statutory purposes they should foster the social and economic well-being of their communities. Across the English National Parks, securing a supply of affordable housing to meet local housing needs is seen as key to meeting this duty. However, their role and capacity to achieve its delivery is limited because whilst National Parks are the planning authority for their geography, they are not the housing authority. In effect this largely restricts the support they can give to the policies they adopt in their Local Plans and SPDs and the enabling activity it can carry out as part of its Development Management and community engagement work.
- 10.2 This is a significantly more limited role than that played by local authorities that are vested with planning and housing responsibilities, which include the fair and transparent allocation of affordable homes. Reflecting these requirements, the capacity and skills of a local authority are in consequence wider and greater than those available to National Parks.
- 10.3 The research for this study amply illustrates this point both in terms of the type and split of activities between planning and housing departments. Put simply, like the National Park Authorities' responsibility for setting the policy framework and putting in place the agreements to secure affordability and any occupancy is led by planners. But unlike them, responsibility for implementing these policies and specifically assessing whether applicants meet planning policy's eligibility criteria is vested in their housing staff. These are complex processes requiring particular skills and expertise, building relationships with a different set of stakeholders such as housing associations and Homes England, surveyors, health professionals and surveyors, putting in place formal systems so people can apply for affordable homes, and fair and transparent processes for assessing and prioritising people according to their housing need. Whilst these directly govern the allocation of affordable rented homes, it also provides a pool of skills and expertise for assessing eligibility for other forms of affordable housing.
- 10.4 Given this background it is not surprising that the two National Park Authorities interviewed for this study take a very hands-off role in the allocation of affordable rented housing, seeing this as a housing authority not a National Park Authority role. It also explains their lighter touch engagement with the assessment of applicant's eligibility for Discounted Market Sale (equivalent to ENPA's Local Needs Affordable Sale housing) and affordable Self-Build. Rather than deep involvement themselves they work with and seek the support and input of their constituent local housing authorities, weigh the balance towards pragmatism over control; and in one case look to Estate Agents to carry out eligibility assessments and ensure compliance.
- 10.5 This contrasts with the practice of Exmoor National Park Authority who have taken on a more intense role in assessing applicant's eligibility for affordable housing, particularly in respect of affordable sale, including Discounted Market

Sale and affordable Self-Build. Interviews with staff revealed that this is often time intensive, complex and can put them in an awkward position if their decisions are questioned.

- 10.6 Exmoor National Park Authority in part commissioned this work to help them address these challenges by seeking guidance on assessment methodologies. The research findings lead to the conclusion and advice that that Exmoor National Park Authority focus on supporting delivery of affordable housing through their planning function and commission the local housing authorities take on the assessment of eligibility of applicants, for all forms of affordable housing. This reflects and responds to the respective statutory responsibilities, staff skills and time capacity in the National Park and constituent local housing authorities.
- 10.7 There are four overarching recommendations that flow from the findings of this research which are set out below. The detailed recommendations that flow from these is provided for each tenure in the body of the text.

Overarching Recommendation 1

Exmoor National Park Authority formalise and develop existing joint working arrangements with the constituent local housing authorities on assessing the eligibility of applicants for affordable rented and affordable sale housing through Service Level Agreements.

- 10.8 For North Devon Council this should be straightforward. Consideration could also be given to working with Dartmoor National Park to align the assessment processes for both National Parks enabling a joint agreement, with shared costs, to be made with the relevant local housing authorities.
- 10.9 Implementing this recommendation with Somerset West and Taunton is more complex due to the creation of the new unitary authority. It may be possible to put in place an agreement for the short/interim period. However, this time of change is also an opportunity to ensure the assessment needs of Exmoor National Park Authority are taken into consideration when the affordable housing assessment arrangements for the new Somerset Council are being designed and agreed.
- 10.10 Part of any agreement should include monitoring and reporting requirements. These should be designed to provide Exmoor National Park Authority with the evidence and reassurance that affordable homes subject to S106 agreements are being let/sold to residents who meet the Local Plan/S106 eligibility requirements.
- 10.11 It is acknowledged that in the interim period ENPA will still receive applications for affordable housing that will require the National Park to set values and undertake eligibility assessments. It is recommended that as a short-term measure it continues to use current approaches, accepting that as a planning authority it does not have the full range of skills and expertise that a housing authority brings to the process.

Overarching Recommendation 2

Exmoor National Park Authority explores setting up an arrangement with either one of their constituent Local Housing Authorities or Teignbridge Council in respect of eligibility assessments for Self and Custom Build. This could usefully extend to sharing experience and developing guidance and support for Self and Custom Builders in the National Park. Potentially, this arrangement could be in concert with Dartmoor National Park

- 10.12 Given the complexity of Self and Custom Build, it is recommended that Exmoor National Park Authority work with Teignbridge District Council who already have a Service Level Agreement with a housing association for assessing eligibility of applicants for affordable Self and Custom Build. Teignbridge has developed considerable expertise in supporting and drafting policy for this tenure. Alternatively, ENPA could explore the option of reaching a similar arrangement with one of Local Housing Authorities covering ENP.
- 10.13 Given that Dartmoor National Park Authority faces similar challenges as ENPA in terms of limited resources available to implement its affordable Self and Custom Build, this is an arrangement that could be jointly pursued.
- 10.14 It is however, recognised that the two National Parks do not share a Local Housing Authority.

Overarching Recommendation 3

Exmoor National Park Authority produces guidance (SPD or new equivalent) that supports the effective interpretation and implementation of its local occupancy connection criteria by:

Requiring that those assessing and allocating housing use the following prioritisation of applicants.

Tier one: applicants who meet Policy HC-S3 criteria, either 1 a, c, d, or 1 b for parishes with a clear or strong connection to a specific parish/adjoining parish. These are the criteria that require 10 years residency in the parish or adjoining parish.

OR meet the clarified economic activity local connection criterion 1 e and they have worked consistently for at least 16 hours a week, or have a permanent job offer for employment for at least 16 hours a week.

Tier two: those who meet Policy HC-S3 criteria, 3 a, requiring 5 years residency in the parish or adjoining parish for applicants otherwise meeting 1, a, c, or d OR meet the clarified economic activity local connection criteria that they have worked consistently at least 16 hours a week, or have a permanent job offer for employment for at least 16 hours a week.

Tier three: Those who meet Policy HC-S3 criteria 3b)– district council area of the National Park

Tier four: Those who meet Policy HC-S3 criteria 3c - National Park as a whole

For RPs only If after this prioritisation there are still no eligible applicants, the property must be re-advertised and the RP must advertise and market the property as required in the S106. If having done so and gone through the above priority listing there are still no eligible applicants, the properties can be occupied by other local persons with strong ties to the remaining district council areas outside the National Park.

Local Needs sale (including DMS), Non- RP affordable rented housing and affordable Self and Custom Build, if after 12 weeks there are still no qualifying applicants after applying Tier 4 of the prioritisation process, the properties or plots must be re-advertised and marketed. There must be three cycles of this process if no eligible applicants are identified. This means that, if necessary, the properties will have been advertised for a period of 9 months.

10.15 The effect of specifying a priority order for considering applications in SPD and/or S106 template and Agreements would bring four benefits:

- ease the assessment process and potentially encourage more people to apply.
- speed up the assessment process and avoid, particularly affordable rented RP homes being left empty for potentially six months in an area of acute housing need.

- It would go some way to align ENPAs requirements with those of its constituent local authorities, introducing greater consistency and fairness into the system for those seeking an affordable home in Exmoor National Park.
 - It may encourage more RPs to develop in ENP
- 10.16 Such a change would be in step with the practice of other National Parks.
- 10.17 Clarifying and providing a simple explanation and interpretation of the economic activity criterion would:
- Ease and speed up the assessment process by introducing a criterion that is easily evidenced.
 - Assist that Exmoor National Park retain and attract those people who through their work and living in the National Park contribute to it meeting both its statutory purposes and duty, addressing the demographic challenge facing the National Park.
- 10.18 This change would align the cascade to that adopted by other National Park Authorities.

Overarching Recommendation 4

Exmoor National Park Authority revise its Affordable Housing S106 Agreement Template to include additional elements to ensure all forms of affordable housing meet its Local Plan requirements in terms of price/rent and eligibility. These should include in the definitions and schedules, but this is not an exhaustive list:

- **The formula used to calculate the affordable rent/and or sales price and discount**
- **The % discount of open market value that will be required on initial and future sales**
- **For non-RP provided affordable rented homes, the initial rent and the formula for future rent setting, with a requirement for this to be agreed with the National Park Authority.**
 - **As part of this include definition of Local Housing Allowance and any income caps**
- **The requirement for an advertising and marketing scheme to be agreed with the National Park Authority for all forms of affordable tenure, including where relevant affordable Self and Custom Build homes**
- **Open Market Values should be assessed by a RICS registered surveyor using the latest RICS Valuation Standards**
- **Any additional perpetuity requirements, for example inclusion of the % discount for Discounted Market Sales housing as a covenant in the Deed of Sale.**
- **Specify the local connection criteria as proposed in Recommendation 3**
- **Requirement that owners will verify to the National Park Authority, or its agent, that the prospective purchaser or tenant meets the terms of the S106 Agreement by obtaining appropriate evidence/documentation and providing the National Park Authority, or its agent, with copies of that evidence/documentation.**

10.19 These provisions would go a long way to providing the assurances required by Exmoor National Park Authority that the homes being provided were affordable and occupied by people who met their eligibility criteria.

10.20 They would provide clear guidance for those undertaking the assessments, such as the local housing authorities (see Recommendation 1) and contribute to making the assessment a transparent process.

Overarching Recommendation 5

Exmoor National Park Authority provides through SPD (or new equivalent), its S106 Template and thence individual S106 Agreements, clear definitions of all the different acceptable affordable housing tenures.

- 10.21 One of the challenges in writing this report and encountered in the assessment process is a degree of confusion of what constitutes affordable housing. For example, private rent will not be affordable housing, but affordable rented homes provided by either an RP or Non-RP organisation could be. Similarly, Local Needs Housing is commonly defined in Local Plans as a tenure meeting a need for people who have a local connection with an area, it does not extend to those who are unable to buy in the market. By default, it may result in a price below open market values, but this is not a requirement or set in policy.
- 10.22 Exmoor's Local Plan refers to Local Needs Housing and in the detail of the policy sets out that this should be affordable housing to meet proven local needs. In effect this product is Discounted Market Sale housing. Once interpreted as such opens the door for ENPA to exert much greater control over to ensure it is affordable to local people. From this flows greater clarity and certainty for both the developer, the applicant and those assessing eligibility.

11. Conclusion

- 11.1 Exmoor National Park Authority has often been at the forefront of finding ways to meet local housing need, particularly for affordable housing. It has developed policies and enabling practices to secure this objective but has also had to acknowledge the limitations on what it can achieve by solely being a Local Planning Authority, not a housing authority.
- 11.2 In commissioning this study Exmoor National Park Authority has once again demonstrated its commitment to providing affordable homes for its residents. It has shown its openness to find a way forward to achieve this objective in the context of the constraints placed on it by its legal responsibilities, limited staff resources and that their lack of housing expertise. This report is written to support them in that endeavour.
- 11.3 As a final note, we would like to thank the officers from those Local Authorities and National Parks who generously gave their time to answer our questions, share their insights and provided us with their documentation. Without their contributions we would not have been able to provide ENPA with the guidance in this report.

Appendix A: Relevant Part A data sources

Table A.1 Data sources and outputs - House prices and rents

Theme	Source	Lowest Output geography	Smallest geography	Comments and data outputs
House prices	Land Registry price paid	Address level	Postcode	5.5 years data 2017- June 2022 has been extracted. 830 sales. For the National Park: Data available for dwelling type (not number of bedrooms), leasehold/freehold and newbuild/second hand
	Zoopla price paid data	Address level	Postcode	5.5 years data 2017- June 2022 which can distinguish between property type and size
Private Rents	Zoopla price paid data	Address level	Postcode	5.5 years data 2017- June 2022 has been extracted (166 rents) for the National Park: But number of lettings is very low Rents by property size can be compared with applicable LHA rates to determine any shortfall in rental costs to be met. Rents can also be compared with local earnings

Table A.2 Data sources and outputs – Household income

Theme	Source	Lowest Output geography	Smallest geography	Comments and data outputs
Key worker income	Published pay scales and living/minimum wage	National Park	National Park (applied to smaller geographies)	Range of key worker salaries for different grades assembled. Focus on Police Officer, Nurses, Fire Officer, Teacher but list can be extended Helps to bring realism into what key workers and those on minimum/living wage can realistically afford
Earnings	Office for National Statistics Annual Survey of Hours and Earnings data	Local authorities within National Park	Local authorities within National Park	These data are used to compile affordability ratios. Data based on individual earnings for employees in all sectors of the economy. It does not include people who are economically inactive including the retired, students and people who are wholly reliant on benefits for their income. Available from www.nomisweb.co.uk
Household income	CAMEO UK	Postcode	Parish	Arc4 has a licence to reproduce CAMEO UK data as part of commissions

Table A.3 Data sources and outputs - Social/affordable price and Affordable Home Ownership prices

Theme	Source	Lowest Output geography	Smallest geography	Comments and data outputs
Social/affordable rents	Local Authorities/Housing Associations	Address level	Parish or MSOA/LSOA/Ward	2022 social and affordable rents by property type/size and location are potentially available. This will help determine current rents and test their affordability against LHA rates

Theme	Source	Lowest Output geography	Smallest geography	Comments and data outputs
Social/affordable rents	Statistical data return	Local authorities within National Park	Local authorities within National Park	Annual data return which sets out rents and service charges by number of bedrooms, rented tenures and designation (general needs/older person)

Note on geography

Postcode-level data can be aggregated to larger geographies including MSOA, LSOA, ward, parish and sub-area.

Appendix B: Affordable home ownership product prices across the National Park

Table B.1 Shared ownership 50%

Stage of calculation	Exmoor NP
Full price (based on median)	£297,250
Equity 50%	£148,625
10% deposit on equity share	£14,863
Mortgaged amount	£133,763
Service Charge (monthly)	£30
Rent (per month based on 2.75% on remaining equity pa)	£341
Income required for mortgage	£38,218
Income required for rent/service charge	£17,789
TOTAL income required	£56,007

Table B.2 Shared ownership 25%

Stage of calculation	Exmoor NP
Full price (based on median)	£297,250
Equity 25%	£74,313
5% deposit on equity share	£3,716
Mortgaged amount	£70,597
Service Charge (monthly)	£30
Rent (per month based on 2.75% on remaining equity pa)	£511
Income required for mortgage	£20,171
Income required for rent/service charge	£25,963
TOTAL income required	£46,134

Table B.3 Discounted home ownership (30%)

Stage of calculation	Exmoor NP
Full price (based on median)	£297,250
Discounted price (30% lower than median)	£208,075
Deposit 5%	£10,404
Mortgaged amount	£197,671
TOTAL income required	£56,478

Table B.4 Discounted home ownership (25%)

Stage of calculation	Exmoor NP
Full price (based on median)	£297,250
Discounted price (25% lower than median)	£222,938
Deposit 5%	£11,147
Mortgaged amount	£211,791
TOTAL income required	£60,512

Table B.5 Discounted home ownership (20%)

Stage of calculation	Exmoor NP
Full price (based on median)	£297,250
Discounted price (25% lower than median)	£237,800
Deposit 5%	£11,890
Mortgaged amount	£225,910
TOTAL income required	£64,546

Appendix C: Cornwall Council – Summary of process and evidence used to assess eligibility for discounted market sale homes

Responsible body	Step	Evidence
Developer and Cornwall Council Affordable Housing Team	<p>Step One : On initial sale</p> <p>The S106 will have set out the sales price for these homes in line with discounts set out in SPD</p> <p>Developer notifies LA as soon as they are ready sell and submits:</p> <ul style="list-style-type: none"> • an advertising scheme (Council provides guidance on methods) • Sales Notice – providing details of location, type and size, heating type, service, management charges, contact details for selling agents • Sales Notice includes proposed sales price <p>Once above agreed by LA, its affordable housing team agrees date with developer for formal start of advertising properties</p>	A formal open market valuation of the affordable homes, undertaken by a RICS (or equivalent) valuer, will be required to support this and must be submitted at the same time as the sales notice.
Seller & Cornwall Council Affordable Housing Team	<p>Step One: On re-sale</p> <p>Seller submits to LA:</p> <ul style="list-style-type: none"> • Sales Notice (on-line template) providing details of the location, size, tenure of the property. • Open market value of home • Evidence of the discount percentage. • Advertising scheme in accordance with S106 Agreement, at a minimum should include an advert with premium property website and local estate agent <p>Sale can proceed once these have been received and sales price agreed with the Council.</p>	<p>Open market valuation undertaken by RICS surveyor in accordance with latest RICS valuation standards, dated no earlier than 3 months before submission of sales notice.</p> <p>Resale percentage – stated in S106 Agreement or TP1 transfer document from Land Registry</p> <p>Advertising proposal agreed between affordable housing team and local estate agent(s)</p>

Responsible body	Step	Evidence
<p>Potential purchaser Estate Agent</p>	<p>Step 2 – Sales and Resales Estate Agent acts as point of triage - sends potential purchaser link to application form After the potential purchaser has viewed and made an offer one, they complete an on-line application form that is submitted through a secure mailbox. This includes submission of evidence showing housing need (broad definition), income, local connection Application form includes a formal declaration that the information provided is correct.</p>	<p>A full list of the evidence requirements and approved sources are set out in the S106 Agreement template. These include:</p> <ul style="list-style-type: none"> • Proof of identity • Local connection employment sufficient to cover local connection period • Earnings and savings <p>(see Appendix E) In addition, the Council asks for a full credit report, evidence of deposit funds and mortgage agreement in principle</p>
<p>Cornwall Council Affordable Housing Team</p>	<p>Step 3 (5 working days) Eligibility assessed: Income – using Homes England Equity Loan Affordability Calculator to establish they cannot afford to buy in the open market using 4.5x income multiplier Local connection – meets S106 local connection criteria Has housing need (in unsuitable accommodation and unable to but in the open market) If eligible LA authorises Estate Agent to proceed to next stage</p>	
<p>Estate Agent</p>	<p>Step 4 On receipt of authorisation, Estate Agent creates a Memorandum of Sale which includes names of purchasers, sellers, sales price and the vendors and purchaser’s solicitors.</p>	
<p>Cornwall Council Affordable Housing Team</p>	<p>Step 5 LA receives Memorandum of Sale and issues Authorisation to Proceed (ATP).</p>	

Responsible body	Step	Evidence
	ATP is sent to the Purchasers solicitors and triggers sale to proceed with confidence that the purchasers are eligible buyers.	
Cornwall Council Affordable Housing Team	Step 6 Once ATP issued, Council asks for mortgage offer to check that price is as stated and the lender knows of any S106 requirements, including the perpetuity discount arrangements.	Copy of mortgage offer
Cornwall Council Affordable Housing Team	Step 7 Council issues Authority to Exchange Occasionally, a Certificate of Compliance is required under the terms of the transfer to enable registration.	

Appendix D: Cornwall Council's standard S106 clauses for Discounted Market Sale Housing

Cornwall Council precedent 106 21/03/2022

Standard clauses for affordable housing

RP Products - affordable rented, social rented dwellings, RP shared ownership, rent to buy non-RP products - Intermediate homes for sale, intermediate rented, first homes

<https://www.cornwall.gov.uk/media/zzaipdxj/4335739-s106-template-with-intermediate-and-social-and-first-home-draft-v5-210322-final.pdf>

(Evidence of Qualifying Persons and First Homes Qualifying Persons Criteria (National) and First Home Eligibility Criteria (Local))

The Owner shall verify to the Council or its agent that the prospective purchaser or tenant meets the terms of this Deed by obtaining appropriate documentation from section A and B and C below or such other evidence or confirmation as the Council or its agent shall deem necessary or sufficient and if required by the Council or its agent provide copies of such evidence to the Council or its agent

SECTION A:

Proof of identity (of prospective purchaser or tenant and where applicable close family member)

- A current and valid passport
- UK residence permit 87 Information
- A valid UK driving licence
- National Insurance number card
- Marriage certificate Medical card
- Letters about asylum from the Home Office

Section B:

Local connection Residency – sufficient evidence to cover the relevant local connection period for prospective purchaser/tenant/close family member as appropriate Utility bills (gas electric phone etc)

- Council tax bills
- Bank/Building Society account/credit card statements
- State benefit books or receipts showing rent paid
- Payslips showing home address

Written certification from either a Solicitor / Social Worker / Probation Officer / Inland Revenue Officer / Police Officer / Teacher or Doctor

Employment – sufficient evidence to cover the relevant local connection period

Payslips showing employer's address

Employer's letter confirming length and terms of employment (including hours worked if applicable)

Section C:

Eligibility Criteria

Tenancy or licence agreement

Rent book showing name and address of applicant

Where applicable letter from friend or family member confirming residence at their address P60 annual statement of earnings for the most recent complete tax year

Payslips covering last 3 months

For self- employed persons a set of accounts no older than 12 months

Bank/Building Society account or other statements showing savings/capital

Evidence of any other income including state benefits

Appendix E: Teignbridge District Council: Process and evidence for assessing a Rural Exception Site Affordable Self and Custom Build application

Responsible body	Step	Evidence
Self-Builder DM Planning & Housing Enabler	<p>Step 1</p> <p>Early engagement of potential self-builder with Development Management planners as 'red line' exercise and establish planning support in principle to the development.</p> <p>Housing department input to discussions through providing planners with questions to be explored and responding to pre-app consultation request that sets out enabling requirements including number of dwellings on development and tenure mix (C&SB may be part of larger RES scheme)</p>	-
Self-Builder & Housing Enabler	<p>Step 2</p> <p>Either before or in parallel Housing Enabler provides guidance to self-builder on:</p> <ul style="list-style-type: none"> • Restrictions that will apply re: discounted price, eligibility in terms of income and local connection. • Restrictions on plot and property size • Likely content of S106 Agreement including definitions. The Council has invested a lot of time getting this right. They include the usual affordable housing definitions and additional definitions on valuations, marketing, what we mean by a serviced plot. • Process and evidence needed to assess scheme and eligibility of self-builder including that if their circumstances change within 18 months of the first assessment, or there is a further delay a second may be needed before the development can commence. 	-

Responsible body	Step	Evidence
	<ul style="list-style-type: none"> Flag up need for Build Warranties How to structure a full planning application for a single plot affordable Self and Custom build proposal 	
<p>Self-Builder Westward Housing Association</p>	<p>Step 3 Under a Service Level Agreement with Westward Housing Association an assessment is made of the eligibility of applicants. This includes:</p> <ul style="list-style-type: none"> Income and savings Whether they already own a home, House prices in the community where the individual has a connection to assess ability to meet their needs in the open market, local connection (RES criteria) and ability to afford to build <p>TDC informed by letter of the assessment outcome, but not the detail of the financial assessment. This is valid for 18 months with a requirement that the applicant notifies TDC of any change in circumstances.</p>	<ul style="list-style-type: none"> Income – Evidence that gross household income is less than £80k per annum (TDC working on how best to assess savings and assets – particularly relevant for tenant farmers) Inability to Buy - Local connection Afford to build <p>Using formula that takes account of build and service costs, a 10% deposit and the applicants income x 3.5 mortgage multiplier</p> <p>Evidence of value of property requires RICS valuation of off-plan design using Red Book</p>
<p>Self-Builder and Housing Enabler,</p>	<p>Step 4 Scheme/dwelling is designed, submitted for planning. For a single plot this is likely to be for full planning permission. For multiple plots on RES site it may be outline or a hybrid application, full for the affordable, outline for the S&CB.</p> <p>Eligibility will have been confirmed at Stage 3 with a letter confirming that position holds for 18 months by which the development should have commenced. If there are any changes in circumstances during the 18 months the applicant informs ENPA and a further assessment is undertaken.</p>	<p>Size of the property to be built (must be within limits prescribed in policy – 100 m2 or 25m2 per resident, whichever is higher)</p>

Responsible body	Step	Evidence
Housing Enabler & DM Planners	<p>Step 5</p> <p>Based on requirements set out in the Custom and Self Build SPD the S106 drafted that include requisite elements of Self & Custom Build policy requirements. These will include:</p> <ul style="list-style-type: none"> • Plot price does not exceed 10k a plot + reasonable service charges • Resale value as a % of the open market value • Limits to the size of property that can be built • Limits to the overall plot size • Valuation, re-sale of partially built property, marketing requirements etc. 	-
Local Planning Authority	<p>Step 6</p> <p>Planning permission granted</p>	-

Appendix F: Comparison of Local Occupancy Connection Criteria

Exmoor National Park

Local Plan Policy HC-S3 Local Occupancy Criteria for Affordable Housing

https://www.exmoor-nationalpark.gov.uk/data/assets/pdf_file/0027/257751/Part-6-Achieving-a-Thriving-Community.pdf

1 New local need affordable housing will be occupied by a person(s) (and their dependents) with a proven housing need who cannot afford (to rent or buy) accommodation in the locality and who meets one or more of the following definitions:

- a) has a minimum period of 10 years' permanent residence in the parish or an adjoining parish and who is forming an independent household or is currently homeless or living in otherwise unsatisfactory accommodation;
- b) has a minimum period of a total of 10 years' permanent residence within parishes within the National Park and who can demonstrate a clear link with a parish or its adjoining parish and is forming an independent household or is currently homeless or living in otherwise unsatisfactory accommodation;
- c) is not now resident in the parish or an adjoining parish but with a local connection with the parish including a period of permanent residence of 10 years or more within the last 30 years;
- d) has an essential need to live close to another person who has a minimum of 10 years permanent and continuous residence in the parish or an adjoining parish, the essential need arising from proven age or medical reasons; or
- e) (i) carries out paid work which is of value to the National Park and its communities; and (ii) needs to live in the parish or adjoining parish in order to carry out that work effectively

2. A planning obligation will be secured to ensure that occupancy of the dwelling(s) is by persons in local affordable housing need in perpetuity.

3. The definition of local affordable need shall initially be based on criterion 1 above. Where there are no local people meeting this criterion and properties are vacant, a cascade approach applies that allows occupation by:

- a) other local persons with a minimum period of 5 years permanent and continuous residence in the parish or an adjoining parish;
- b) where there is no-one meeting the 5-year residency qualification, other local persons with strong local ties living in the relevant district council area of the National Park; and
- c) where there is no-one living in the relevant district council area of the National Park, other local persons with strong local ties living in the National Park as a whole.

4. For privately owned dwellings, the planning obligation will ensure that the occupancy cascade will not go wider than the National Park area unless for those subsequent occupants who qualify under clauses 1(c), 1(d) or 1(e) above; or

5. For dwelling(s) owned or controlled by a registered provider (including housing associations) the planning obligation will ensure that the dwelling may be occupied by other local persons with strong local ties to the remaining District Council area outside the National Park.

Table F.1 Local Connection Criteria used by featured National Parks and local authorities

LPA	Source	Local Connection Criteria
Dartmoor National Park	Dartmoor Local Plan	<p>‘Local’ is defined as a household containing at least one permanent resident who:</p> <ul style="list-style-type: none"> • currently lives in the National Park or a rural parish which lies substantially within the National Park and having done so for at least 5 years; or • has lived in the National Park or a rural parish which lies substantially within the National Park for at least 5 years, but moved away within the last 5 years; or • is currently employed within the National Park, working for not less than 16 hours per week, and having done so for at least 26 weeks out of the preceding year; or • has a strong connection to the National Park or a rural parish which lies substantially within the National Park by virtue of, for example: upbringing, employment, or having a requirement to provide substantial care for a close relative who currently lives in the National Park and has done so for at least 5 years. <p>These criteria are not in priority order. A level of priority will be applied in s106 legal agreements to the geographical area of housing need used to justify the development, in accordance with Strategic Policy 3.1. Priority may also be applied to other criteria where this is sought by the community and is consistent with the Local Plan.</p>
Lake District National Park	S106 Template Agreement	<p>“Person(s) with a Local Connection” means a person having local connections and proven or identified need which shall be conclusively presumed in the case of an individual who before taking up occupation of the dwelling satisfies one of the following criteria:</p> <ul style="list-style-type: none"> • The person is continuously resident in the Locality Defined for 3 years immediately prior to occupation; or • The person has been in continuous employment in the Locality Defined for at least the last 6 months and for a minimum of 16 hours per week immediately prior to occupation; or • The person is a former resident who wishes to return to the Locality Defined having completed a post-secondary (tertiary) education course within 12 months

LPA	Source	Local Connection Criteria
		<p>prior to occupation and who immediately prior to attending the course lived in the Locality Defined for at least 3 years; or</p> <ul style="list-style-type: none"> • The person is currently in prison, in hospital or similar accommodation whose location is beyond their control, and immediately before moving to this type of accommodation lived in the Locality Defined for at least 3 years; or • The person needs to live in the Locality Defined because they need substantial care from a relative who lives in the Locality Defined, or because they need to provide substantial care to a relative who lives in the Locality Defined. Substantial care means that identified as required by a medical doctor or relevant statutory support agency; or • The person is a former resident who lived in the Locality Defined for 3 years and then lived outside the Locality Defined for social and/or economic reasons and is returning to live in the Locality Defined within three years of the date of their departure • The person is a person who – <ul style="list-style-type: none"> (a) Is serving in the regular forces or who has served in the regular forces within five years of the date of their application for an allocation of housing under Part 6 of the 1996 Act; (b) Has recently ceased, or will cease to be entitled, to reside in accommodation provided by the Ministry of Defence following the death of that person’s spouse or civil partner where – <ul style="list-style-type: none"> (i) The spouse or civil partner has served in the regular forces; and (ii) Their death was attributable (wholly or partly) to that service; or (c) Is serving or has served in the reserve forces and who is suffering from a serious injury, illness or disability which is attributable (wholly or partly) to that service
North York Moors National Park	Local Plan 2020	<p>The occupancy of local needs dwellings will be restricted to those:</p> <ol style="list-style-type: none"> 1. Currently resident in the National Park, having been resident in the Park for at least the previous 3 years; or 2. Currently in employment in the National Park; or

LPA	Source	Local Connection Criteria
		<ol style="list-style-type: none"> 3. Having an essential need to live close to relative(s) who are currently living in the National Park; or 4. Having an essential requirement for substantial support from relatives who are currently living in the National Park; or 5. Former residents whose case for needing to return to the National Park is accepted by the Authority. <p>Applications to remove a local connection condition will only be permitted if it is clearly demonstrated that the property has been adequately marketed at a suitable price and for an appropriate period of 12-18 months. In such circumstances the Authority will apply a principal residence condition.</p>
West Somerset	Planning Obligations SPD	<p>Affordable housing for rent secured through planning obligations will be allocated in accordance with the Homefinder Somerset Choice Based Lettings Scheme. In advertising and allocating such affordable housing, priority will be given to people with a local connection in the following order:</p> <ol style="list-style-type: none"> 1. Residents in the parish in which the development is located 2. Residents in the ward in which the development is located 3. Residents in an adjacent ward to the ward in which the development is located 4. Residents elsewhere in the district
North Devon and Torrridge	North Devon and Torrridge Local Plan	<p>The occupation of affordable housing will be restricted to households in need of affordable housing.a household with a local connection to the parish, adjoining rural parish(es), or other relevant grouping of parishes, as the case may be, is defined as those where:</p> <ol style="list-style-type: none"> (a) at least one adult in the household was resident continuously in the qualifying area for a minimum of 5 years immediately prior to occupation; or (b) at least one adult of the household was resident in the qualifying area for 5 years within the previous ten years immediately prior to occupation; or (c) at least one parent, guardian, child or sibling of at least one adult in the household, has been resident in the qualifying area for a minimum of 5 years immediately prior to occupation; or

LPA	Source	Local Connection Criteria
		<p>(d) at least one adult in the household has been in continuous employment for at least 16 hours a week in the qualifying area for at least five years immediately prior to occupation.</p>
Teignbridge DC		<p>Local connection means a connection with the Primary Area, the secondary Area, the Council Area or the County as appropriate and demonstrated by that person or a member of their household to the reasonable satisfaction of the Council:</p> <ul style="list-style-type: none"> a) Being permanently resident for 6 months of the preceding 12 months prior to advertising and that the residence is of their choice b) Being formerly permanently resident for a continuous period of 5 years c) His or her permanent work (normally 16 hours or more a week and not including seasonal employment prior to advertising d) Having connection through a close family member (normally mother, father, brother, sister, son or daughter) where the family member has been resident for a continuous period of at least 5 years prior to advertising e) Being in such other special circumstances that the Council considers requires the applicant to reside therein as appropriate and is consistent with Devon Home Choice policy as amended from time to time
Cornwall Council	S106 Template	<p>For Parishes - Area Local Connection means a connection with the Primary Area or the Secondary Area as appropriate and demonstrated by that person or a member of their Household to the reasonable satisfaction of the Council:</p> <ul style="list-style-type: none"> (a) being permanently resident therein for a continuous period of at least three (3) years immediately prior to the date of a Housing Application; or (b) being formerly permanently resident therein for a continuous period of at least five (5) years; or (c) having his or her place of permanent work (normally regarded as 16 hours or more a week and not including seasonal or casual employment) therein for a continuous period of at least three (3) years immediately prior to the date of a Housing Application; or (d) having a connection through a close family member (normally mother, father, brother, sister, son or daughter) where the family member is currently resident therein and has been so for a continuous period of at least five (5) years immediately prior to the date of a Housing Application and where there is

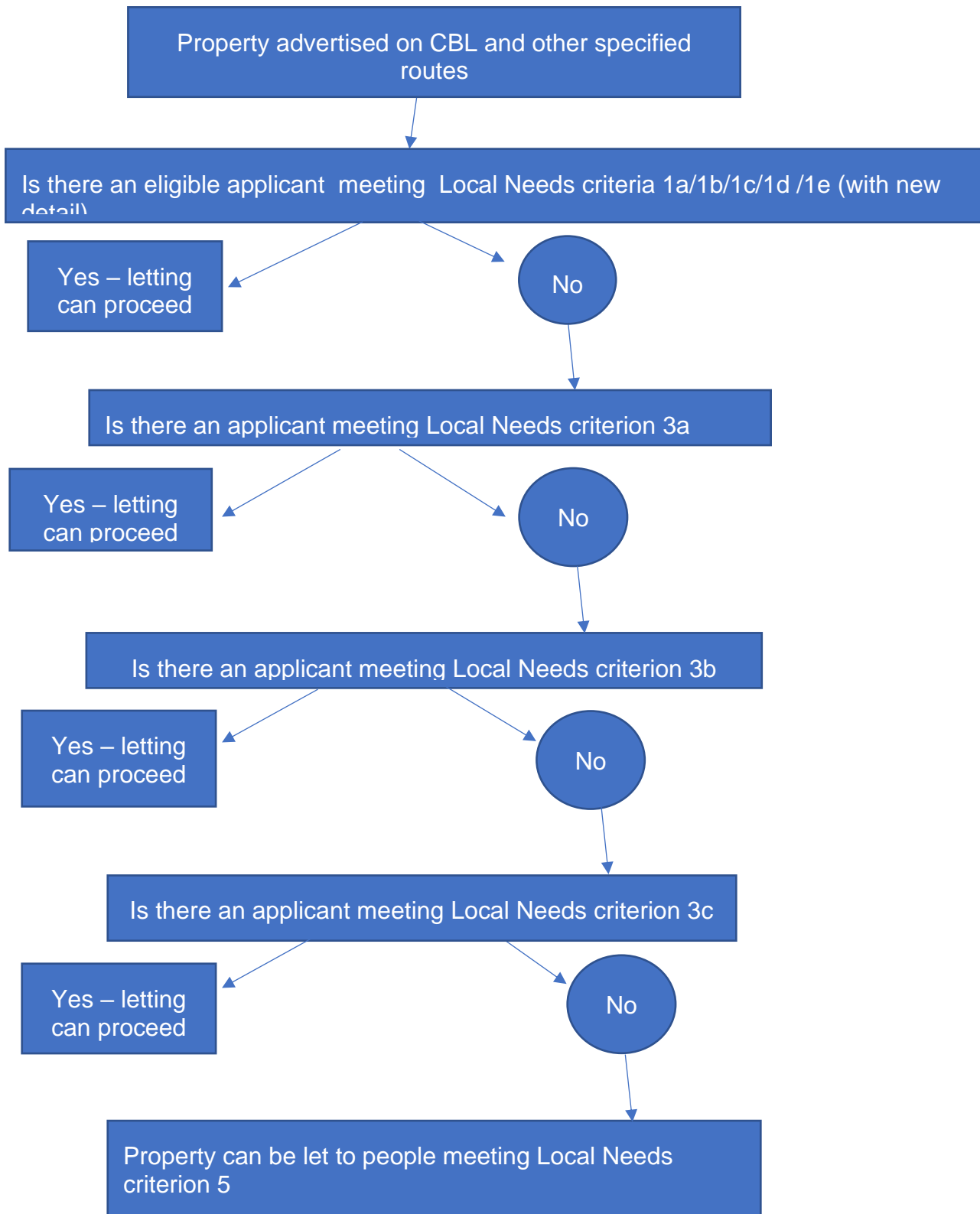
LPA	Source	Local Connection Criteria
		independent evidence that the family member is in need of or can give support for the foreseeable future or on an ongoing basis
Shropshire Council		<p>Prospective occupiers of the Affordable Housing Dwellings must demonstrate their strong local connections to the Local Area. This requires them to satisfy the Registered Provider that at least one adult member of the household meets at least two of the following criteria:</p> <ul style="list-style-type: none"> • Their parents were permanently resident in the local area at the time of the applicant’s birth • They were in permanent residence in the local area for any period of five years as a child attending a local school (or who for special reasons attended a school outside of the local area but would have been expected to attend a local school but for those special reasons); • They are currently lawfully resident in the local area and have lived there for at least the last 3 years • They don’t currently live in the local area but have previously lived there at some point for 15 continuous years as an adult • They are currently employed or routinely carry out self-employed work within either the local area or five kilometres of the site They have a confirmed written offer of permanent work within either the local area or five kilometres of the site • They can demonstrate active community involvement in the local area sustained for at least the previous 2 years; or are determined by the Parish Council as having some other form of strong connection with the local community and/or its hinterland. • Their parents currently live in the local area; or another close family member who provides or requires a substantial degree of support currently lives in the local area • If over fifty-five years of age, they have a close family member currently living in the local area

Local Plan website links

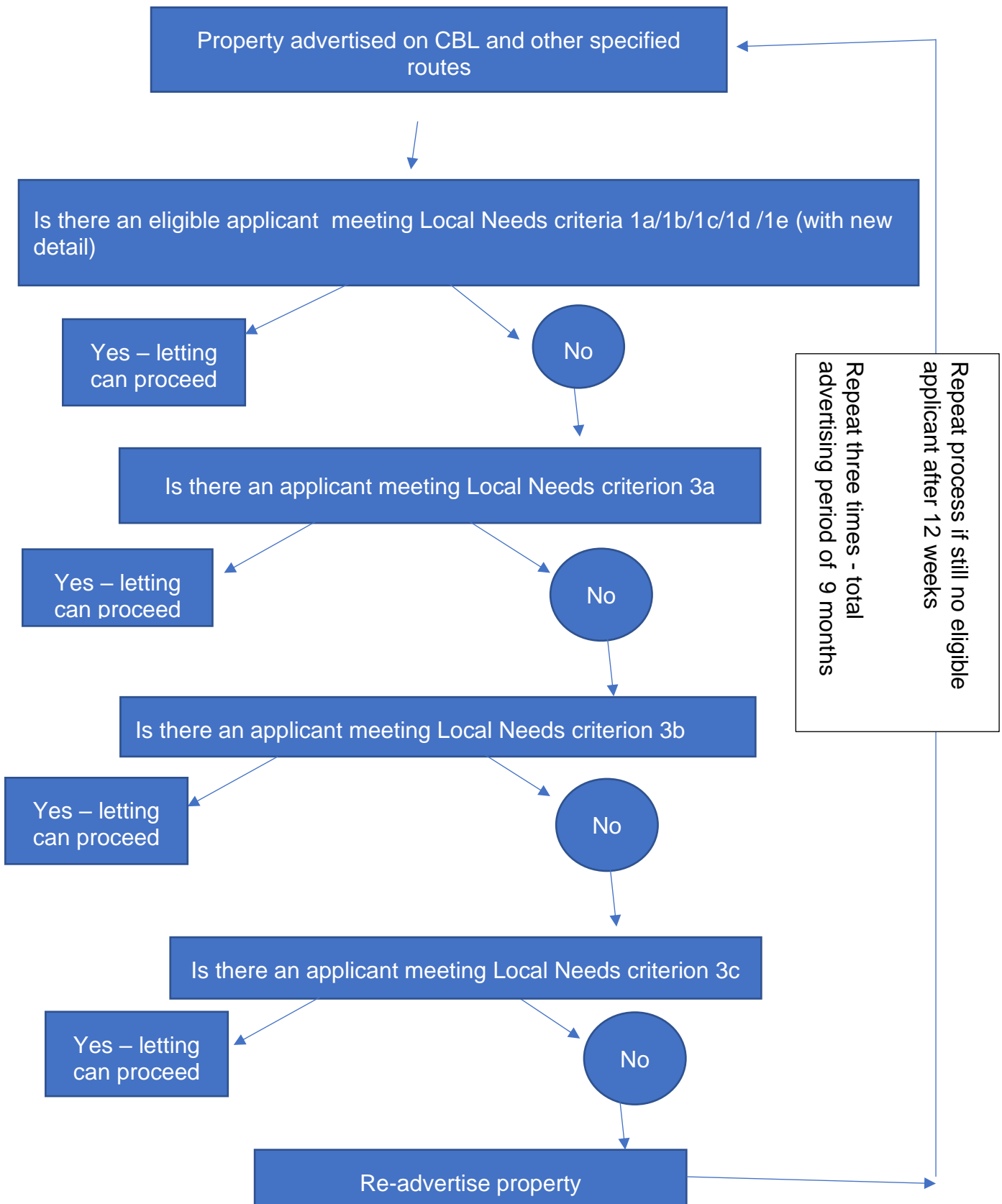
- Dartmoor Local Plan 2018 - 2033
https://www.dartmoor.gov.uk/_data/assets/pdf_file/0015/410127/LP_Adopted.pdf
- Lake District National Park – S106 Template Agreement – housing
<https://www.lakedistrict.gov.uk/planning/planningpolicies/affordablehousing>
- North York Moors Local Plan – July 2020
<https://www.northyorkmoors.org.uk/planning/framework/local-plan/Local-Plan-NO-CROPS.pdf>
- West Somerset Planning Obligations SPD 2009
<https://www.somersetwestandtaunton.gov.uk/media/1162/west-somerset-planning-obligations-2009.pdf>
- North Devon and Torridge Local Plan 2011 – 2031
<https://consult.torridge.gov.uk/kse/event/33615/section/1535709191562#1535709191562>
- Cornwall Council – S106 Template 2022
<https://www.cornwall.gov.uk/media/zzajpdxj/4335739-s106-template-with-intermediate-and-social-and-first-home-draft-v5-210322-final.pdf>
- Shropshire Council – Type and affordability of housing SPD 2013 – Appendix D2 Model S106 for RP exception sites
<https://www.shropshire.gov.uk/media/8597/appendix-d2-model-s106-for-rp-exception-sites-2012-review.pdf>

Appendix G: Flow charts

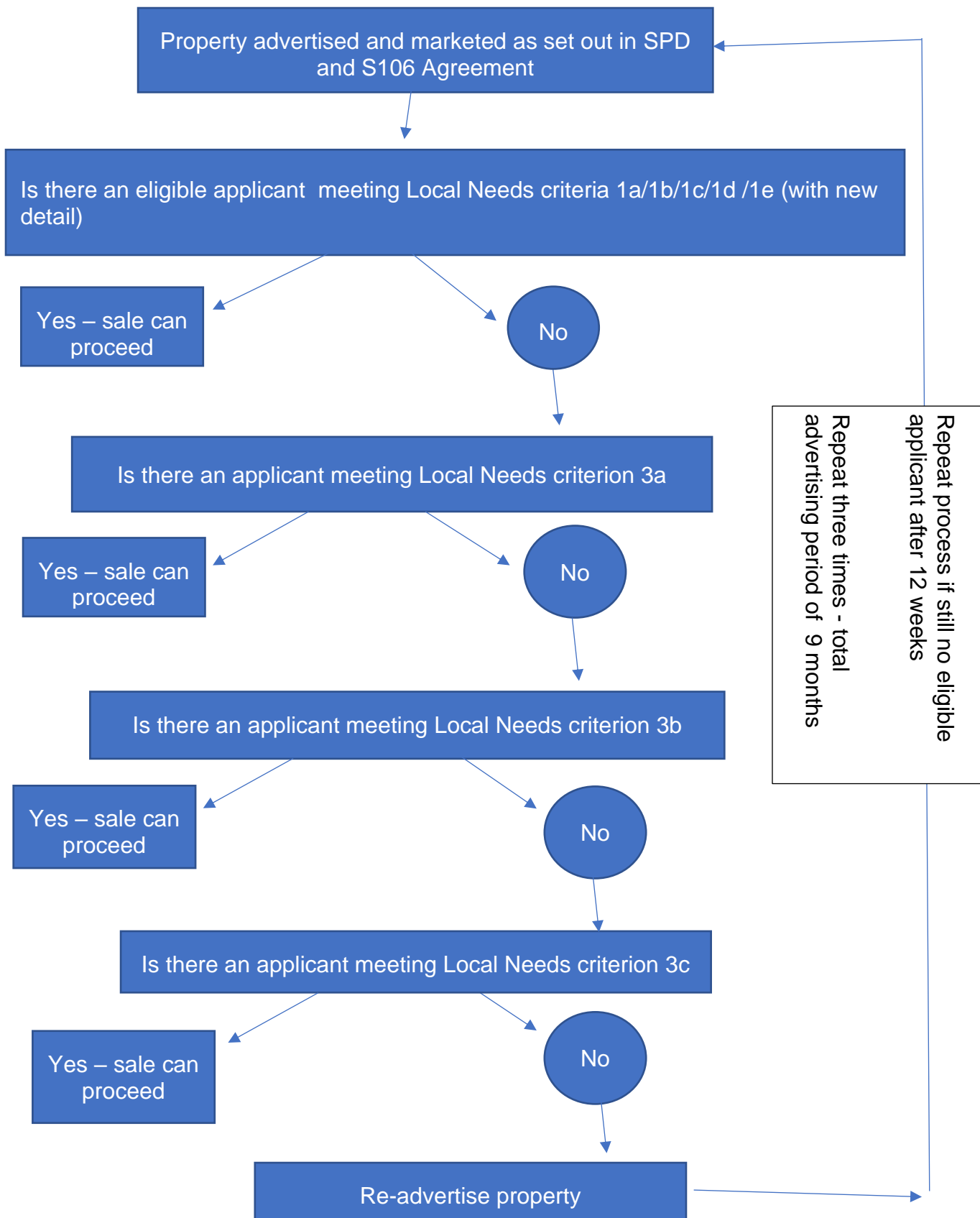
Flow chart showing prioritisation and cascade for Registered Provider Affordable Rented and Shared Ownership properties



Flow chart showing prioritisation and cascade for Non-Registered Provider Affordable Rented properties



Flow chart showing prioritisation and cascade for Local Needs affordable sale housing (including Discounted Market Sale) and affordable Self and Custom Build properties





Appeal Decision

Hearing Held on 23 May 2023

Site visit made on 23 May 2023

by Hollie Nicholls FdA MSc MRTPI

an Inspector appointed by the Secretary of State

Decision date: 2 June 2023

Appeal Ref: APP/F9498/W/22/3290387

Little Acres, Brendon Hill, Watchet TA23 OLG

- The appeal is made under section 78 of the Town and Country Planning Act 1990 against a refusal to grant planning permission.
 - The appeal is made by Mr Steven Marsh against the decision of Exmoor National Park Authority.
 - The application Ref 6/35/21/102, dated 29 April 2021, was refused by notice dated 20 December 2021.
 - The development proposed is establishment of rare breed poultry farm and horticultural business involving temporary siting of caravan and erection of 2 no. polytunnels and 3 no. buildings (including chicken brooder house, vegetable handling facility, and storage and workshop barn), together with installation of solar panels and construction of 2 no. dew ponds.
-

Decision

1. The appeal is dismissed.

Preliminary Matters

2. I was advised at the hearing that a caravan previously sited on the land for residential purposes had since been removed. Other works which have already been undertaken, including the widening of the highway access and laying of additional hardsurfacing, have been considered as forming part of the appeal.
3. Despite the absence of a signed statement of common ground, following determination of an application for a similar proposal in the intervening period, the parties agreed that the biodiversity issues described in the fourth reason for refusal were no longer in dispute. Given that planning conditions could address any residual effects, I have not treated this as a main issue.
4. The *Little Acres Business Plan* (March 2021) and related comments of the Authority's consultant were made available to me at the hearing with commercially sensitive information redacted in versions made available to other attendees. Whilst I have had to consider these documents, they do not substantively alter the nature of the proposal as outlined in previously publicised documents such that doing so has prejudiced any interested parties.
5. The Appellant indicated at the hearing that the residential caravan was the only element proposed on a temporary basis and that permanent permission was sought for the buildings and structures associated with the enterprise. This was not clear from the submissions, particularly as the justification for the caravan is premised on the inability to operate the enterprise without such in place. As

such, I have not sought to disaggregate the caravan from the other elements and have considered the scheme as a whole to avoid prejudice to other parties.

Main Issues

6. The main issues are:

- whether a temporary residential use of land in the countryside would be justified in connection with a rural business having regard to local and national policies in relation to such;
- the effects of the proposal on the character and appearance of the area, including on the Exmoor National Park landscape; and
- the effects of the proposal on highway safety.

Reasons

Principle of development

7. The appeal site lies in the open countryside in Exmoor National Park, some approximate 1.1km from the hamlet of Treborough and around 3.2km from the village of Roadwater which contains basic facilities including a shop. The site is also around 11 km by road from the closest larger settlement of Washford. It comprises around 1.5 hectares of pastureland on an elevated slope above a steep wooded valley. The unclassified road that provides access to the site runs adjacent to the eastern hedgerow and links the nearby B3244 to Treborough.
8. In terms of the policy context, the adopted development plan for the area includes the *Exmoor National Park Local Plan 2011-2031* (adopted 2017) (Local Plan). Policy HC-S1 states that housing may be permitted where it addresses an identified local housing need for a rural worker in agriculture, forestry or other rural land-based enterprise with a proven essential, functional need in accordance with Policy HC-D9. Policy HC-D9 provides for dwellings in the open countryside to meet the proven needs of rural workers through the provision of temporary residential caravans (subject to Policy HC-D11) where no existing dwellings or buildings can be subdivided or converted etc.
9. Policy HC-D11 stipulates that in order for the essential need for a rural worker to be met, there must be, amongst other things, a clear intention to develop the land-based business and a lack of other dwellings on site or in the local area that could meet the functional need. Annex 2 of the Local Plan relates to rural worker dwellings and provides clarity on the tests of functional need and soundness of the financial basis on which the business has been planned.
10. Further clarity on the application of the key functional and financial tests as required by Local Plan Policies HC-D9 and HC-D11 is also found in the *Rural Worker and Succession Farm Dwellings Guidance Supplementary Planning Document* (2020) (SPD). It explains that the 'essential need' for a rural worker dwelling may exist where at least 1 or more full time rural workers are required to be readily available on site, day and night throughout the year.
11. The SPD also explains that the financial test will take account of the level of profitability of an enterprise and whether the operation is viable and has a clear prospect of remaining so, whilst supporting a full-time worker and the dwelling itself. The SPD sets out that a business appraisal should be submitted to set out how the enterprise meets the functional and financial tests, and that the

- Authority may seek expert assistance from a qualified consultant prior to determining any application containing one.
12. The approach outlined in the development plan is consistent with Paragraph 80 of the National Planning Policy Framework (the Framework) which seeks to avoid the development of isolated homes in the countryside unless there is an essential need for a rural worker to live at or near their place of work.
 13. Various documents submitted by the Appellant explain that the business would have two main work elements and income streams: the rare breed poultry arm and the horticultural element involving the production of specified crops, i.e., chard, kale and spinach, within efficient vertical arrangements within the proposed polytunnels. The Appellant explains that the enterprise would be more resource intensive than its scale may otherwise suggest as it will avoid a reliance on fossil fuels and agro-chemicals and involve the use of hand tools rather than machinery etc, i.e., and off-grid, low impact, sustainable enterprise. The site has no mains water or mains electricity and would be limited by its capacity to generate and store solar energy. This would inhibit the ability to rely on efficient modern technologies that make use of such, i.e., tilt-and-turn incubators for egg production. Other manual processes that would be required would include checking the ventilation levels in the polytunnels, turning growing towers, adjusting pressurised watering systems and timers, turning eggs, moving coops/aviaries for the individually kept rare breed chickens and other animal husbandry tasks. A willow crop would also be planned to generate an income in future years, as would other fruit crops that the Appellant has planted or intends to in future.
 14. The Authority's consultant commented on the submitted *Planning Statement* in June 2021 and provided an Addendum in November 2021 based on the *Management Plan* and *Little Acres Business Plan*. It was clarified at the hearing that all submitted documentation had been provided to the consultant, unredacted, to enable a fully informed assessment to be made.
 15. The response from June 2021 indicates that using the '*The Agricultural Budget and Costing Book*' (ABC) *May 2021 92nd Edition*', the labour requirement calculation methods using figures published by the Farm Business Survey (FBS) and professional judgement, the Year 3 labour requirement for the total enterprise would be 0.18 Labour Units. The horticultural element was considered to form part of this labour demand, particularly in the start-up phase, with some labour required to plant, tend, harvest and sell the crops. However, the labour demands were expected to arise during normal working hours, with the exception of letting the poultry out and shutting them up in the morning/evening during the longer summer months. The November 2021 response indicated that the cumulative functional needs of the holding were still considered to fall far short of translating into an essential need to live on site to be readily available day and night.
 16. From the Appellant's Statement and evidence presented to me at the hearing, even taking account of climatic factors, intermittent signal issues and security risks, supervision of youngstock and potential risks of failure, I am of the view that an essential functional need to live on the site has not been demonstrated. There appears little evidence that a worker would need to be on site at all times of the day and night and my estimation of the sum of the activities

involved would not translate to a full-time position, even if there would be some fluctuation throughout the seasons.

17. From responses on behalf of the Authority, the view is that the financial security of the business would be marginal, and it would be several years before it could even get to such a position. Though the investment into the purchase of the site has been acknowledged, the other purchases yet to be made for infrastructure do not appear to be capable of being supported by the enterprise. There is nothing in the Appellant's Statement or offered to me at the hearing that would lead me to a robustly based alternative conclusion. Even taking into account the Appellant's willingness to accept a lower than typical income, it is my view that the business has not been planned on a sound financial basis.
18. The Appellant indicates that there is currently a lack of alternative housing available in reasonable proximity of the site that would be within the financial reach of the Appellant. My finding based on the submitted evidence is also that there are no other suitable alternatives in the local area at the present time.
19. However, my overall finding is that a temporary residential use of land in the countryside would not be justified in connection with the rural business proposals outlined having regard to, in particular, Policies HC-S1, HC-D9 and HC-D11 of the Local Plan. For similar reasons, the proposal would fail to accord with the policies of the Framework and guidance within the Farm Dwelling SPD.

Landscape and visual effects

20. Consistent with the Framework's aspiration for National Parks to be given the highest status of protection for their landscape and scenic beauty, the Local Plan contains Policies GP1, CE-S1, CE-S6, SE-S4 and CE-D1 which, amongst other things, seek to ensure that the high quality diverse and distinct landscapes and seascapes of Exmoor National Park are conserved and enhanced. For agricultural and forestry development, Policy SE-S4 seeks to co-locate new buildings physically and functionally to other buildings associated with the business and avoid new isolated buildings unless it can be demonstrated that there is an overriding functional need for such a location.
21. The landscape in the vicinity of the site is a mix of pastureland over rolling hills and plateaus, deeply incised valleys with conifer plantations, narrow winding roads enclosed by substantial hedges connecting small hamlets and more isolated farmsteads. The farming enterprises that predominate in the area involve cattle and sheep production which has influenced the scale of fields and farm buildings, though equestrian uses and paraphernalia are also common.
22. As a start-up venture on the single site owned by the Appellant, the proposal would be in an isolated location away from other buildings. The proposal has involved the widening of a gateway and laying of hardstanding to facilitate parking and access. Some degree of further trimming of the roadside hedge may also be required to ensure the access is sufficiently safe for the speed of vehicles along the unclassified road. The proposal would also involve the stationing of a caravan and solar array, construction of two adjoining polytunnels and the provision of three timber buildings of no more than 2.5 metres in height. Not specified in the plans but inferred in the proposal is a number of smaller coop structures, aviaries and other associated enclosures that would be needed to house the birds and rotate them regularly.

23. Despite their individually modest scales, the number and spread of structures, on the linear, small scale, sloping holding would result in the site having a cluttered appearance, incongruous with the generally unspoilt character of the landscape. Though much of the visual effect of the proposal would be screened from the adjoining unclassified road by the established hedgerow, the widened gateway would allow views into the site. However, a short distance away to the south, there is a bend in the same road from where the site is viewed on a slope facing towards the viewer. There is also a view from a field gateway along the B3224 to the south which is from a point higher in the landscape and from where views could not be readily screened. The cluttered appearance and incongruity of the proposal within its landscape context would be apparent in these views.
24. The Appellant indicates that the removal of a large number of trees from the nearby conifer plantation has opened up the views towards the site since it was purchased. It is also stated that the viewpoint in the gateway of the B3224 is unlikely to receive a high number of receptors as it is on a busy road, absent of footways and that the views from the unclassified road are so fleeting when driving along it so as to be of relatively inconsequential effect. Photographs provided by the Appellant from local viewpoints and depicting other buildings visible in the landscape attempt to show that the proposal would be in keeping with other buildings visible in the surroundings.
25. It is inevitable that rural land-based enterprises within a working landscape will influence changes and visible built features. However, the cluttering effects of the proposal would not be in keeping with the surroundings and measures such as providing cladding to the caravan or alternative arrangements of the structures would not sufficiently mitigate the harms. Though additional landscaping could offer some screening, I have limited details of such that allow me to be certain of the timeframe for its establishment or its ability to do so in a manner compatible with the landscape character.
26. For the reasons outlined, the proposal would harm the character and appearance of the area and fail to conserve the scenic beauty of this part of the Exmoor National Park landscape. It therefore fails to accord with, in particular, Local Plan Policies GP1, CE-S1, CE-S6, SE-S4 and CE-D1.

Highway matters

27. The site access is from an unclassified road which leads from the B3224 a short distance away. The local road network, including the unclassified road, is regularly used by farm and other vehicles, and despite its relatively narrow width, it has passing places at regular intervals along its length. It appears that the field gate that previously existed is now a double-width gate with roughly laid hardsurfacing for parking.
28. During the course of consideration of the original application, the Highways Officer requested various information including details about the type and volume of traffic that would be generated by the proposal, scaled drawings of the access, including its visibility splay and parking and turning layout. The speeds of traffic on the unclassified road led to a request for visibility splays of 43 metres in each direction from the centre point of the access, 2.4 metres back from the carriageway edge. Other details about the consolidation of the surface of the first 5 metres of the access, position of the gates 5 metres from the carriageway edge and means of drainage were also required.

29. Further information provided by the Appellant indicated that the proposal would generate vehicular movements, but that they would be low in volume with approximately 1 vehicle per day for produce deliveries and in the order of 1 to 3 vehicles per day for poultry collections on a seasonal basis. In addition to this, the Appellant indicates that the business would make use of one vehicle and the family another, although it was asserted that the lifestyle he and his family lead would be less dependent on vehicles through avoidance of a commute to work, food production on site, walking to the local shop and an absence of a need to make repeated trips to schools through home-schooling.
30. Despite some clarity about the anticipated number of vehicular movements, the other requested information about the extent of the visibility splays, parking arrangements and such like have not been provided.
31. It was suggested that the necessary highway related measures could be secured by planning conditions, and it was agreed that this would ensure a satisfactory outcome in most respects with the exception of the visibility splays. Whilst safe visibility splays could be provided, the extent of further alteration to the hedgerow to achieve such is unclear and would potentially increase the harm to the character and appearance of the area, further opening views into the site. However, in purely highway safety respects, the matter could be addressed by way of planning condition.
32. Thus, subject to planning conditions, the proposal would not result in prejudicial effects on highway safety and does not conflict with Local Plan Policy AC-D2. This Policy seeks to prevent development from generating unacceptable levels of traffic or prejudicial effects on road safety.

Other Matters

33. I note the Appellant's belief that the concerns raised in connection with an unwelcome precedent have detracted from the assessment of the proposal. However, I have considered the specific merits of the case as detailed in the written and oral evidence in the context of the development plan and other relevant considerations.

Planning balance

34. A temporary residential use of land would not be justified in connection with a rural business in the countryside and the proposal would harm the character and appearance of the area, failing to conserve the National Park. Consequently, the appeal scheme is in conflict with the development plan, when considered as a whole.
35. The public benefits of the scheme would result from the boost to the economy from the creation of a new rural business and, in turn, by the reliance of the business and family on other local businesses, at least for a temporary period. These benefits attract moderate weight in favour of the scheme.
36. The Appellant seeks to differentiate the proposal from a traditional farming enterprise and for it to be taken as a more holistic, sustainable and environmentally sensitive proposal. I acknowledge that the way of life sought by the Appellant and the ethos of his business would involve genuine commitment and considerable efforts. I also note the Appellant's family circumstances and that the proposal would support the wellbeing of all family members in the longer term. There would therefore be some modest social

benefits from the scheme for at least this reason and limited environmental benefits through the enhancement of the biodiversity value of the site and local area.

37. However, in my opinion, the sum of the public benefits does not outweigh the identified harms or represent a consideration of such materiality that dictate a decision should be taken other than in accordance with the development plan. There are no other considerations, including the policies of the Framework, that otherwise provide a reason to depart from the development plan.

Conclusion

38. For the reasons outlined above, and having regard to all other matters, the appeal is dismissed.

Hollie Nicholls

INSPECTOR

APPEARANCES

FOR THE APPELLANT:

Mr Steven Marsh

Appellant

FOR THE LOCAL PLANNING AUTHORITY:

Mr Dean Kinsella

Principal Planning Officer

Ms Sally-Ann Bloomfield

Landsense Professional Ltd

INTERESTED PARTIES:

Mr Peter Jobin

Local resident

Mr Simon White

Local resident

Mr R Wight

Local resident

DOCUMENTS SUBMITTED

Document 1

Landsense Professional Appraisal Addendum, dated November 2021

Documents 2 & 3

Little Acres Business Plan, dated March 2021 (unredacted and redacted versions)

20.1



Committee Report

Application Number:	6/15/22/104
Registration Date:	23-Nov-2022
Target Determination Date:	17-Jan-2023
Extension of Time:	11-Jul-2023
Applicant	Ms T Matthews, Exe Valley Caravan Site, Bridgetown, Dulverton, TA22—9JN
Agent:	Mr. W Bowden, W Bowden.
Case Officer:	Joseph Rose
Site Address:	Exe Valley Caravan Site, Bridgetown, Dulverton, TA22 9JN
Proposal:	Proposed demolition of existing Site Shop/Office, Information building, telephone building and replacement with two-storey building to house Caravan Site facilities and managers accommodation.
Recommendation:	Refusal
Reason for bringing before Authority Committee:	In accordance with the Scheme of delegation as the Officer recommendation of refusal is contrary to the Parish Council view.

Relevant History

75436 – Proposed used of land at the rear of Mill House, Bridgetown, as a caravan site. (Approved: 03/19/1971)

6/15/77/001 – Proposed conversion of shed to toilet block to serve caravan site. (Withdrawn: 02/07/1977)

6/15/77/003 – Proposed use of land at the rear of Mill House, Bridgetown as a site for twelve caravans and the conversion of a shed to toilet block to serve caravan site. (Approved: 06/17/1977)

6/15/78/009 – Proposed increase from 12 to 20 caravans on touring caravan site and extension of period to 31 October in each year at Mill House, Bridgetown, as described in the plans submitted. (Approved: 04/14/1983)

6/15/87/108 – Proposed increase in area of site and number of pitches from 20 to 30 (Approved: 12/16/1988)

6/15/92/102 – Proposed construction of shed for site office and tractor/equipment shelter. (Approved: 09/29/1992)

20.1

6/15/93/103 – Proposed six stone hardstanding's for motor vans/caravans. (Approved: 06/04/1993)

6/15/97/112 – Proposed extension to shower block to provide disabled facilities, laundry/washup/drying areas and mower store and re-siting of calor gas tank. (Approved: 12/05/1997)

6/15/07/109 – Certificate of Existing Use and Development for the continued use of the site for the additional siting of 12 tent camping pitches and 8 stored caravans from 1st March to 31st October each calendar year in addition to the 30 touring caravans used residentially. (Approved: 05/13/2008)

Site Description & Proposal

Site Description:

Exe Valley Caravan site is situated within the village of Bridgetown within the parish of Exton. The wider site measures at approximately 1.6ha of land, however, the site to be developed measures at less than 325 square metres. The majority of the site is situated within flood zone 3 as is the location of the proposed two storey building, whilst the remainder of the site is located within flood zone 2, due to its close proximity to the River-Exe.

The caravan site itself is a long-established business providing riverside pitches for Caravans, Motorhomes, and tents. The business has 50 pitches of which 42 are used in rotation to maintain grass quality. The site also has 8 storage pitches.

Site Proposal:

This application seeks to replace the existing site shop/office, information building and telephone building with a purpose built two-storey building to house the caravan site facilities and managers accommodation. The footprint of the proposed building will measure at approximately 88 square metres and the height of the proposed building measured from the ground to the ridge of the roofline is approximately 7m.

The ground floor of the proposed two storey building will contain the site office / shop whilst the upstairs will provide a home for the manager allowing them to oversee the site and be on hand to deal with arrivals and any emergencies as well as to strengthen the overall security of the site.

Consultee Representations

ENPA Wildlife Conservation Officer – No Objection: No significant ecological concerns. The buildings which will be demolished comprise three wooden sheds with felted roofs and appear to be in reasonable condition, and an information board and the site manager's caravan which will be removed. These appear to have negligible suitability for roosting bats or nesting birds. However please add an informative note to any permission granted reminding the owner and their contractor of the legislation affording

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protection to these species and their responsibilities towards them. The new building will sit on the footprint of these buildings and the associated gravel hard-standing, resulting in no significant direct habitat loss. The site lies around 33m from the River Exe which is designated as a Local Wildlife Site. Suitable measures should be implemented during works to ensure that a large buffer is retained between the site and the river (construction exclusion zone) along with pollution prevention measures to avoid dust, run-off or spills negatively affecting the watercourse.

The new building provides opportunities for enhancement for wildlife – I suggest at least two integrated swift nesting features to be installed as high as possible on the east elevation and one integrated bat roosting feature to be installed as high as possible on the south elevation (not above the windows).

ENPA Rights of Way & Access Officer – No Objection:

Thank you for consulting me on the above application.

Public bridleway DU10/33 runs on the opposite bank of the River Exe from this proposed development.

The proposal has no impact on the public bridleway but the development may be visible to those using the bridleway from some points.

ENPA Future Landscapes Officer – No Objection:

I have no objection in landscape and visual impact terms to the construction of a permanent shop and flat to replace the existing timber sheds and caravan accommodation for the site manager. The proposed building would occupy a footprint already used by these and would be seen within the context of the adjacent dwellings and outbuildings. The scale and proportion of the building should be in keeping with the surroundings.

If the application is successful, I would ask that any external lighting is conditioned to ensure it is dark sky compliant and also landscaping, to include new planting to help integrate the building into the setting.

Somerset Council - Highways Development Control – Standing Advice:

On the basis it is like for like replacement ancillary to the use of the site, Standing Advice can be applied.

Somerset Council (Area West) Rural Housing Enabler – Concerns Raised:

It is recognized that in this case the application is for a single dwelling for the occupation of a particular individual and therefore the evidence available from the current housing needs register may not be relevant. Without commenting on whether the application has merit on other planning grounds, in principle a dwelling for use as principal residence and

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kept available at a significant discount from market value in perpetuity would provide a long-term affordable housing resource within the parish.

However, whilst the application form indicates that the proposal includes a dwelling as 'Affordable Home Ownership' and the planning statement asserts that the design is within the 93 m² limit set by the relevant policy, the rest of the application reads as if the intention is to create tied accommodation. The proposed plans indicate that there is no separate entrance, that to access the proposed new shop area one would have access to the accommodation and vice versa, which further indicates that the accommodation is tied to the shop.

The statement refers to the home being intended for the site manager but also states that occupation will be for the 'site owner' for the foreseeable future.

If one assumes that the intention is to assert that the site manager is in need of affordable housing, there is no further relevant detail provided within the application. It is recommended verification is carried out to ensure that this individual meets the local connection and financial eligibility criteria.

Further, should permission be granted, it is suggested that the mechanisms for identifying suitable occupants into the future and setting a sufficiently sub-market price in perpetuity be enforced through a planning obligation via a s106 Agreement.

There are no other material observations.

The Environment Agency – Objection:

Updated Comments Dated: 22/03/2023:

Thank you for re-consulting us on the above planning application.

Environment Agency position

We object to the proposed development because it falls within a flood risk vulnerability category that is inappropriate to the Flood Zone in which the proposed residence/site facility is located. The application is therefore contrary to the National Planning Policy Framework (NPPF) and planning practice guidance (PPG). We recommend that planning permission is refused on this basis.

Reason – Flood Risk

We have now reviewed the submitted Flood Risk Assessment. We advise that the proposed building would sit within Flood Zone 3b functional floodplain, as defined within the PPG as land where water from rivers or the sea has to flow or be stored in times of flood. Evidence of historic flooding on the Upper Exe and the specific location in question categorically confirms this position, as indeed does the applicants Flood Risk Assessment which shows the area having flooded in Jan 2023.

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NPPF Annex 3 classifies development types according to their vulnerability to flood risk. PPG Table 2 provides guidance on which developments are incompatible with certain Flood Zones. The development is classed as 'More' Vulnerable' in accordance with Annex 3 of the NPPF given it would include residential usage. Table 2 of PPG makes it clear that this type of development is not compatible with this Flood Zone and therefore 'should not be permitted'.

Overcoming our objection

Given the above and that planning policy confirms that more vulnerable development is not acceptable within Flood Zone 3b, we do not foresee how we would be able to alter our position on this particular proposal. The applicant may wish to reconsider a proposal for a like for like replacement on the same footprint.

If you are minded to approve the application at this stage contrary to this advice, we request that you contact us to allow further discussion and/or representations from us.

Original Comments Dated: 06/12/2022:

Environment Agency position

We object to this proposal on grounds that insufficient information has been submitted to demonstrate that the proposed development will be safe from flooding over its lifetime. It is therefore contrary to the National Planning Policy Framework (NPPF). We recommend that the application is not determined until a satisfactory Flood Risk Assessment (FRA) has been submitted.

Before determining the application your Authority will need to be content that the flood risk Sequential Test has been satisfied in accordance with the NPPF if you have not done so already. As you will be aware, failure of the Sequential Test is sufficient justification to refuse a planning application.

The reason for this position is set out below.

Reasons – Flood Risk

The development includes the creation of a new unit of accommodation, which is a use classified as 'more vulnerable' to flooding in the NPPF. The application site lies within Flood Zone 3 defined by the Environment Agency Flood Map as having a high probability of flooding. The NPPF requires the submission of a site-specific FRA when more vulnerable development is proposed in such locations. An FRA is vital if the local planning authority is to make informed planning decisions. The information submitted with this application does not fully assess the risks to the site.

The FRA will need to assess the flood risk/hazards to the site and its access. It should be demonstrated that finished floor levels will be raised above the 1 in 100 year flood level

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(plus an allowance for climate change) and that occupants can access/egress the building safely during a flood event.

Your authority will need to consider the risks to the access/egress route in the context of national planning policy. The Planning Practice Guidance is clear that access and egress needs to be part of the consideration of whether new development will be safe. Emergency evacuation is a matter for your Authority to address in conjunction with your emergency planners. We therefore recommend that you consult with them before determining the application.

If the FRA is unable to demonstrate that the proposed development and its access route will be safe from flooding over its lifetime we are likely to maintain our objection to the application. Production of a revised FRA will not in itself result in the removal of an objection.

Advice – Flood Risk

Further advice on FRAs can be viewed on our website:

<https://www.gov.uk/flood-risk-assessment-for-planning-applications>

In view of the potential flood risks in this locality, we would also recommend that flood resilient construction practices and materials are incorporated in the design and build phase. Choice of materials and simple design modifications can make the development more resistant to flooding in the first place, or limit the damage and reduce rehabilitation time in the event of future inundation. Detailed information on flood proofing and mitigation can be found by referring to the CLG free publication 'Improving the Flood Performance of New Buildings'. Please see the link below:

<https://www.gov.uk/government/publications/flood-resilient-construction-of-new-buildings>

The applicant should also prepare a flood plan which outlines how they will respond to a flood. Further advice on this can be found in the following links:

<https://www.gov.uk/prepare-for-a-flood>

Advice to the LPA

We will maintain our objection until the applicant has supplied information to demonstrate that the flood risks posed by the development can be satisfactorily addressed. We would like to be re-consulted on any information submitted to address our concerns and we will provide you with bespoke comments within 21 days of receiving formal re-consultation.

If you are minded to approve the application at this stage contrary to this advice, we request that you contact us to allow further discussion and/or representations from us.

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Natural England – No Objection:

Based on the plans submitted, Natural England considers that the proposed development will not have significant adverse impacts on statutorily protected nature conservation sites or landscapes.

Exton Parish Council – Support:

Exton Parish Council supports this Application. The Council is keen to support local business and is aware that the shop is supported by locals when it is open during the summer months. The new building is a replacement of 2 wooden sheds and a static caravan and is therefore an improvement on what is currently there.

Wessex Water – No Objection:

Wessex Water has no objections to this application subject to informatives.

South West Water – No Objection:

I can confirm South West Water has no comment or concern.

Representations

Exmoor National Park Planning Authority has received six letters from local residents in support of the proposals at Exe Valley Caravan Site and two letters from local residents raising concerns over the risk of flooding.

Policy Context

Exmoor National Park Local Plan 2011-2031 (inclusive of minerals and waste policies)

GP1 – Achieving National Park Purposes and Sustainable Development

CE-S1 – Landscape and Seascape Character

CE-D1 – Protecting Exmoor’s Landscape and Seascapes

CE-S3 - Biodiversity and Green Infrastructure

CE-S6 – Design and Sustainable Construction Principles

CC-S1 – Climate Change Mitigation and Adaptation

CC-D1 – Flood Risk

HC-S1 – Housing

HC-S2 – A Balanced Local Housing Stock

HC-S3 – Local Occupancy Criteria for Affordable Housing

HC-D8 – New Build Dwellings in open Countryside

SE-S3 – Business Development n The Open Countryside

RT-D2 – Staff Accommodation

AC-D3 – Parking Provision and Standards

The National Planning Policy Framework (NPPF) is also a material planning consideration for all applications.

Planning Considerations

The main planning considerations for this proposal are; the principle of the development, design, flood risk and climate change.

The Principle of Development:

The application states that the development aims to provide a permanent residence for the site manager, who currently lives in a caravan on the site (The lawfulness of this current arrangement is unknown as there is no available planning record of which details the approval for this, however the use may be considered lawful by the passage of time, which would need to be determined by a certificate of lawful use application (CLEUD)) and to create improved caravan site facilities such as the incorporation of a new shop, store-room and information desk which will all be housed in one proposed building.

Regarding the replacement commercial aspects outlined in the proposal, such as the proposed storeroom, shop, and information desk, it is evident that these elements align with policy HC-S6 (Local Commercial Services and Community facilities). Undoubtedly, they will bring significant benefits to both the local resident community and the site's visitors, just as the current services do. However, the applicant seeks to further enhance these services through the current proposals.

Accordingly, policy HC-S6 also emphasizes the encouragement of proposals that improve existing services and facilities on sites. Additionally, policy HC-D18 (Local Commercial Service Provision) from the local plan specifies that local commercial service provision within named settlements will be permitted if the proposed location contributes to the overall vitality of the settlement and the local economy. In this case, the location would remain the same as the current services provided, thus fulfilling these criteria as the existing commercial services are to be replaced.

Furthermore, policy SE-S1 (A sustainable Exmoor Economy) underscores the need to strengthen, enhance, and diversify the Exmoor Economy. It specifically encourages business and employment development while safeguarding existing employment land. This aligns with the goals outlined in the proposal and supports the overall sustainability of an enhanced replacement commercial service in the location proposed.

In regard to the residential aspect of the proposal, while the application form suggests that an "Affordable Home Ownership" dwelling will be incorporated and the planning statement claims that the design adheres to the 93 m² limit specified by policy HC-S2 (A Balanced Local Housing Stock), the rest of the application strongly implies an intention to create staff accommodation that is tied to the premises, hence affirming that this is what is being determined through this application.

According to Policy RT-D2 of the Exmoor National Park Local Plan 2011-2031, proposals for staff accommodation will only be permitted if it can be shown that such

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accommodation is not available in the local area or cannot be provided within existing hotels, guesthouses, or hostels on site. In this particular case, the caravan site is located near several dwellings in Bridgetown however at the time of writing this report none were found to be advertised on the property market via an online search of Rightmove and Zoopla, suggesting that current accommodation is not available locally. Further to this point, non-caravan accommodation is not available on the site itself.

It is important to note that in this case, the applicant is not solely applying for staff accommodation; they are also seeking permission for a replacement shop, site office, and information desk. These facilities would occupy the ground floor of the proposed building, with the staff accommodation situated above. The applicant believes that creating a multifunctional building would improve their living conditions while enhancing customer service, increasing security, and improving overall site efficiency. That's why they desire a permanent residence on the site itself.

Policy RT-D2 further states that when the above requirements cannot be met, staff accommodation can be permitted through the change of use and conversion of existing buildings within the site, in accordance with CE-S5. Alternatively, if this is not feasible, a small-scale extension to the hotel or guesthouse can be considered as a self-contained annex for staff. In this particular case, since the applicant aims to enhance site facilities on the ground floor, the upstairs accommodation could be seen as a self-contained annex and as the proposed accommodation measures at approximately 88 square meters, it is considered small in scale.

The policy also specifies that staff accommodation will be tied to the existing premises through a condition or planning obligation. This ensures that it cannot be sold separately or occupied as an independent unit, except for staff or owners.

Design:

In terms of design, Policy CE-S6 (Design and Sustainable Construction Principles) of the Exmoor National Park Local Plan 2011 – 2031 emphasizes the importance of delivering high-quality sustainable designs that preserve and enhance the local identity and distinctiveness of Exmoor's built and historic environment. According to this policy, development proposals should demonstrate that new developments contribute positively to the overall setting by considering factors such as siting, massing, scale, height, orientation, density, and layout. Additionally, the materials and design elements of new buildings should align with the local context, incorporating traditional and natural sustainable building materials.

The proposed building has an approximate footprint of 88 square meters and a height measuring around 7 meters from the ground to the ridge of the roofline. These dimensions are considered acceptable in policy terms regarding massing, scale, height, and density. Furthermore, the building's orientation will be west-facing, situated east of the access into the caravan site, and positioned as the first building to the right upon visitor arrival. This arrangement is also deemed acceptable both in accordance with policy CE-S6 and in regard to its surrounding context, which includes a number of two-storey dwellings.

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In terms of the layout, the proposed design takes into account the practical aspects of its usage. All commercial aspects, such as the information desk, shop, store-room, and garage, will be conveniently located on the ground floor. This arrangement ensures easy accessibility for customers, whilst the first floor will consist of a kitchen/living area, two bedrooms and one bathroom, providing a private living space for the campsite manager. By separating the commercial and residential areas, the layout maximizes efficiency and functionality while ensuring the privacy and comfort of the working residents.

In terms of materials, the proposed design includes the use of many sustainable materials, such as the use of slate roofing, timber windows, doors, cladding, posts and beams of which is supported by the national park and align with policy CE-S6. Other materials include the use of painted render, clay ridge and hip tiles and powder coated aluminum rainwater goods all of which would complement the local context in accordance with this policy.

However, regarding siting it is critical to note that the proposed building is located within Flood Zone 3b, which is defined as functional floodplain according to the Planning Practice Guidance (PPG). This designation indicates that the area is prone to flooding, posing a significant risk to the proposed development. Considering the fundamental importance of siting as a design consideration and given that the siting in this case is not deemed acceptable, the proposals are considered to be largely contrary to policy CE-S6 in this case as the high risk of flooding takes precedence over all other design considerations in this particular case.

Flood Risk:

Policy CC-D1 (Flood Risk) within the local plan states that development proposals will be supported if they pass the sequential test and if applicants demonstrate that sites with low or no risk of flooding are chosen over areas with higher risk. Unfortunately, in this case, the proposals do not meet the sequential test requirements, and the site itself is considered to be at significant risk of flooding, meaning that the proposals are contrary to the requirements of this policy.

As outlined within the Environment Agency's response, the proposed development is situated within Flood Zone 3b – a functional floodplain as defined in the Planning Practice Guidance. This means that the land in question is prone to flooding and is required for the flow or storage of water during such events, given its close proximity to the River Exe.

Records of historical flooding in the Upper Exe, specifically in the area under consideration, provides concrete evidence supporting this assessment. Additionally, the Flood Risk Assessment conducted by the applicants themselves confirms that the area experienced flooding in January 2023.

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Further to this point, considering that the proposed development includes residential usage, it falls under the "More Vulnerable" classification in line with Annex 3 (Flood Risk Vulnerability Classification) of the NPPF and according to table 2 (Flood Risk Vulnerability and flood zone 'incompatibility') of the PPG, this type of development is deemed incompatible with the Flood Zone in question and the table states that such 'Developments should not be permitted.' In addition, whilst the commercial use of the downstairs of the proposed building is considered "Less Vulnerable", Table 2 of the PPG still states that less vulnerable developments should also not be permitted in Flood Zone 3b either.

Considering the substantial flood risk associated with the proposed development, it is paramount that the flood risk considerations take precedence over all other planning considerations in this case. The potential threats concerning safety, property integrity, and environmental well-being underscore the need for a meticulous and conscientious approach in determining this application. Adhering strictly to flood risk preventative measures, policies and guidelines is essential for fostering long-term resilience and sustainability within the proposed development and its broader context.

Climate Change:

While the applicant intends to utilize sustainable materials for the construction of the proposed building and has included plans to incorporate solar panels on the roof to generate electricity which in turn would supplement the running of a Ground-Source Heating system to minimize the buildings energy consumption which is commendable and in line with the Local Planning Authority's objectives, unfortunately, the proposals do not comply with the stipulations of policy CC-S1 (Climate Change Mitigation and Adaptation) of the Local Plan.

Policy CC-S1 emphasizes the importance of adapting to the consequences of climate change and encourages measures to avoid development in areas at risk of flooding. Therefore, despite the positive aspects of the sustainable design elements in the proposal, the overarching requirement of avoiding development in flood-risk areas cannot be overlooked. This policy ensures that development does not exacerbate the risks associated with flooding, which is crucial for climate change mitigation and adaptation efforts.

Human Rights

The provisions of the Human Rights Act 1998 and Equality Act 2010 have been taken into account in reaching the recommendation contained in this report.

Conclusion

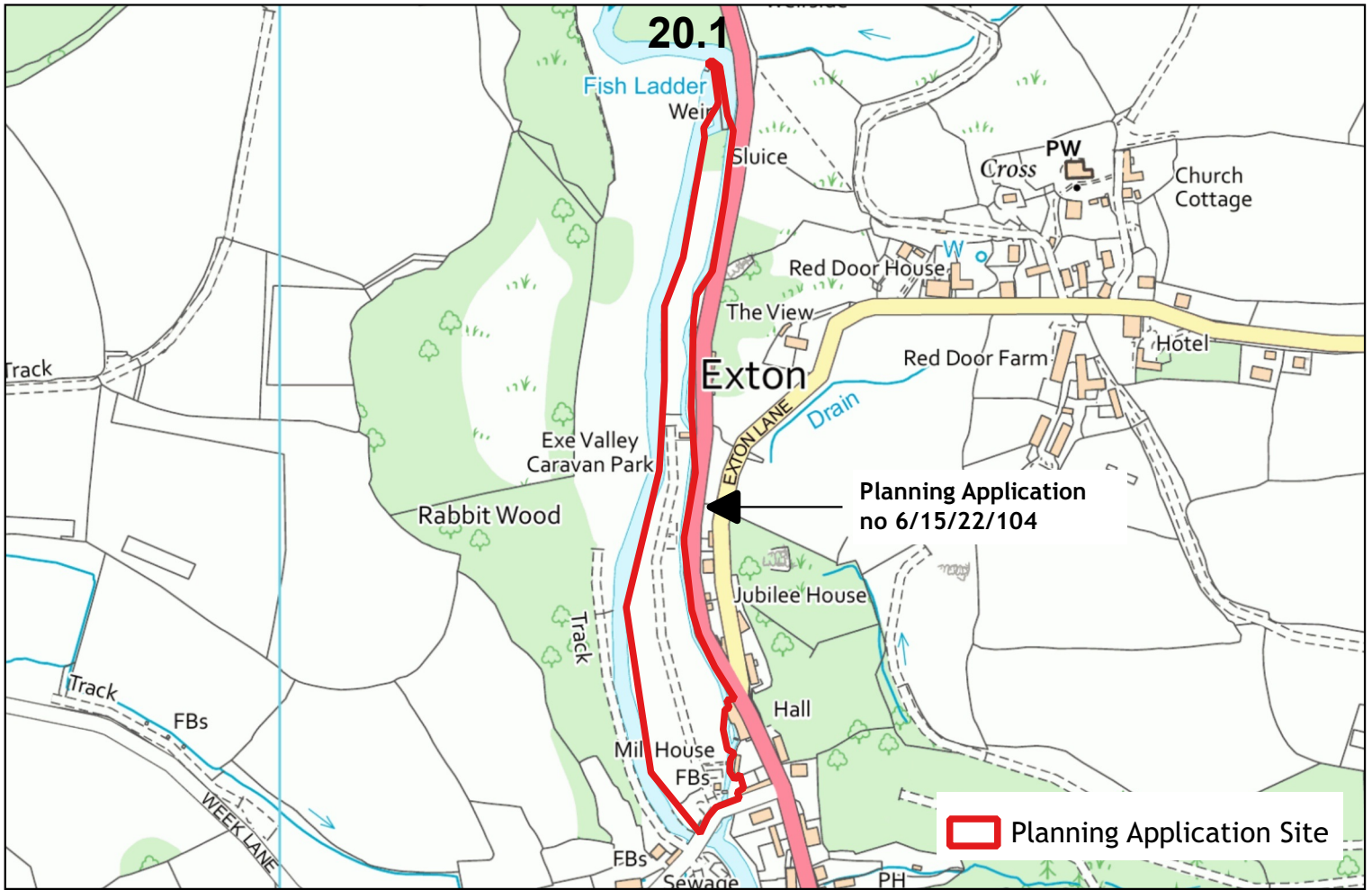
Taking into account the issues noted above and all other relevant material considerations, it is concluded that the proposal is not in accordance with the development plan and the case-officer recommends that planning permission be refused for the following reasons.

Recommendation

Refusal for the reasons listed below:

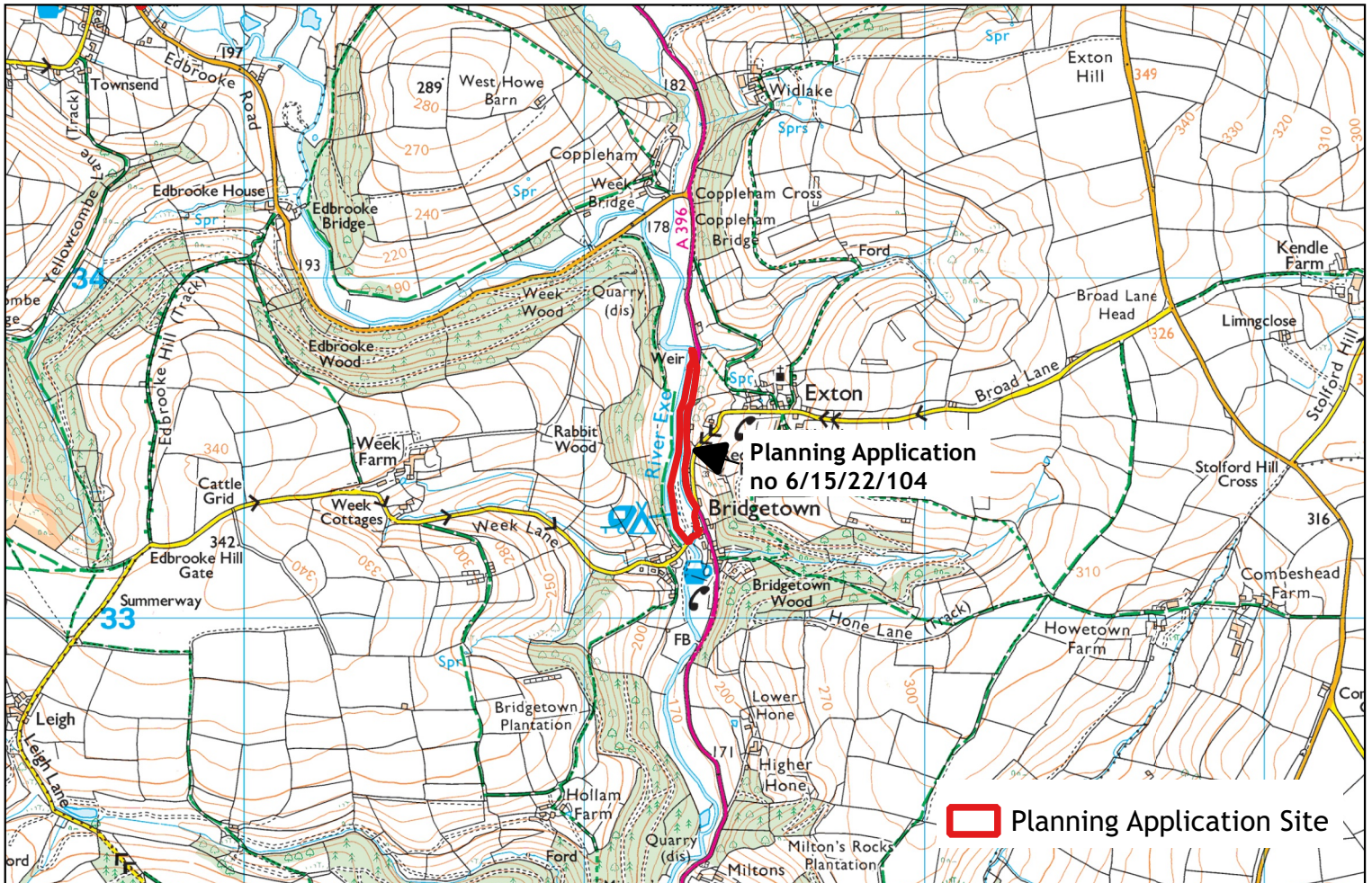
1. Flood Risk:

It is considered that the proposed development does not reflect sustainability as it would be highly susceptible to flooding due to its location within Flood Zone 3b, which is categorized as a functional floodplain. This classification, defined within the Planning Practice Guidance (PPG), refers to land that is prone to flooding and requires the flow or storage of water during flood events. Therefore, the proposed development does not align with the guidelines outlined in the National Planning Policy Framework and policies CE-S6 (Design and Sustainable Construction Principles), CC-S1 (Climate Change Mitigation and Adaptation), and CC-D1 (Flood Risk) of the Exmoor National Park Local Plan.



Site Map
Scale 1:5,000

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Overview Map
Scale 1:20,000

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Committee Report

Application Number:	62/41/23/012
Registration Date:	14-Apr-2023
Target Determination Date:	06-Jun-2023
Extension of Time:	07-Jul-2023
Applicant	Mr & Mrs S & P Young
Agent:	Mr. C Sellars, Chartwood Planning
Case Officer:	Charlotte Spiers
Site Address:	THE HEATHERVILLE, 3, TORS PARK, LYNMOUTH, EX35 6NB
Proposal:	Proposed change of use of Heatherville from Guesthouse (Use Class C1) with owner's accommodation (Use Class C3) to a principal residential dwelling (Use Class C3).
Recommendation:	Approve with conditions
Reason for bringing before Authority Committee:	In accordance with the Scheme of delegation as the Officer recommendation of approval is contrary to the Town Council view

Relevant History

NE 769 Proposed change of use from guest house to holiday flats
Approved 03/13/1972

62/41/80/009 Proposed Extension Approved 06/09/1980

62/41/76/032 Change of use of house from four flats to a private hotel
Approved 02/01/1977

62/41/78/033 Surfacing of existing drive and the formation of improved parking facilities Approved 10/06/1978

62/41/15/008 Proposed change of use of top floor for use as holiday let.
Approved 04/02/2015

62/41/22/026 Proposed replacement of ground floor windows and doors on the principal elevation, together with, the installation of an air source heat pump system, and erection of a timber framed and shingle roofed structure over hot tub.
Approved with Conditions 07/14/2022

Site Description & Proposal

The Heatherville is a guest house which is situated within the settlement of Lynmouth. It is accessed via Tors Park and sits within a large plot. There are amenity areas either side of the building and parking spaces to the side and in front of the building. The building is two storeys with additional living accommodation within the roof space. The exterior is finished in stone with brick detailing and the roof is clad in slate.

The site lies within the Lynton and Lynmouth Conservation Area. There is only one immediate neighbouring property, Cheswood, which is to the north of The Heatherville. The nearest property lying to the east of The Heatherville, at an approximate distance of 56.5m, is Aberlyn; a former guesthouse which had previously been converted into staff accommodation for The Tors Hotel and was granted permission in February 2013 for conversion and subdivision into 5 flats with a mixture of open market and local needs affordable units (62/41/12/19).

This application seeks permission to change the use of the guest house with owners accommodation (Use Classes C1 and C3) to principle residential use only (Class C3). No physical internal or external changes are proposed as part of this application.

Consultee Representations

Lynton & Lynmouth Town Council

Object - Does not satisfy policy RT – D3, section 2, Safeguarding Serviced Accommodation.

North Devon Council - Planning

No Observations

Representations

No representations have been received.

Policy Context

Exmoor National Park Local Plan 2011 – 2031 (including minerals and waste policies)

GP1 – General Policy Achieving National Park Purposes and Sustainable Development

CE-S1 – Landscape and Seascape Character

CE-D1 - Protecting Exmoor's Landscapes and Seascapes

HC-S4 – Principal Residence Housing

CE-S4 – Cultural Heritage and Historic Environment

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CE-D3 – Conserving Heritage Assets
RT-D3 – Safeguarding Serviced Accommodation
AC-D2 – Traffic and Road Safety Considerations for Development
AC-S3 – Traffic Management and Parking
AC-D3 – Parking Provision and Standards
CC-S1 – Climate Change Mitigation and Adaptation

The National Planning Policy Framework (NPPF) is also a material planning consideration.

The Lyn Plan 2013 – 2028

P1 – Overall Objectives for New Development
ENV1 – Location of Development and Enhancement of the Local Environment
E2 – Change of Use of Hotels and Guesthouses
E10 – Parking
H3 – Principal Residence Housing

Planning Considerations

The main material planning considerations in this case are the principle of development, the impact of the proposed change of use on neighbouring amenity and highway safety.

Principle Of Development

Policy RT-D3 of the Exmoor National Park Local Plan 2011 – 2031 states that:

1. Development proposals that would involve the loss of existing serviced accommodation will only be permitted where:

*a) other employment uses are to be created in the existing building; or
b) the building is to become a Principal Residence dwelling (Policy HC-S4)
and evidence clearly demonstrates that:*

*i. the building was originally built as a single residential dwelling;
ii. there has been no excessive alteration or extension; and
iii. the existing use does not provide an additional community
service or function; or*

c) they accord with the further clauses of the policy.

2. Where clauses 1 a) and b) do not apply, proposals relating to the change of use of serviced accommodation should demonstrate that the current use of the building as serviced accommodation cannot be continued or made viable in the longer term and the property has been marketed as a going concern at a reasonable value for a minimum period of 12 months. An independent

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valuation of the building will be required.

The Heatherville was built in the late 19th or early 20th Century and is in the Arts and Crafts style. Ordinance Survey mapping indicates a construction date between 1888 and 1904. The Exmoor Historic Environment Record sets out The Heatherville with the following details:

'Heatherville is partly hidden among trees. It is late 19th or early 20th Century in date, built in stone with Arts and Crafts details such as shaped brick drip-stones, deep timber gables and small -pane top vents.

Heatherville is shown on the 2022 MasterMap data.

The building is shown on the 25 inch 2nd Edition Ordnance Survey map, but at a smaller scale.

The site is shown as a clear plot on the 25 inch 1st Edition Ordnance Survey map.'

In addition, the Lynmouth Conservation Area Appraisal states the following:

'Other notable buildings on this hillside, Cliffe House, Countisbury Lodge, Heatherville (Fig. 38), and Aberlyn (Fig. 72), are partly hidden among trees. They are mostly late 19th to early 20th century stone-built houses and villas, many with Arts and Crafts details such as shaped brick drip-stones, deep timber gables and small -pane top vents.'

It is noted that the earliest planning record for the property, dating from 1972, refers to the property as a guest house, with subsequent applications referring to it variously as holiday flats and a private hotel. Thus, the use as a guest house or private hotel can be seen to have been established by 1972. The census taken as part of The National Registration Act 1939, however, demonstrates that The Heatherville was, at that time, occupied as a private residence with a single family unit comprising of two brothers and two servants living in the property. Going further back in time, the censuses of 1901 and 1911 indicate that all properties on Tors Park, with the exception of The Tors Hotel alone, were in use as private residences and none were then being used as hotels or guest houses. Given the apparent date of construction for the property between 1888 and 1904 and the evidence from census data, therefore, it can be clearly demonstrated that The Heatherville was most likely to have been built and occupied as a private residence for the early part of its history. It is considered that the property was originally constructed as a private dwellinghouse and the Local Planning Authority do not have any evidence to suggest a situation that is contrary to the evidence basis above of historic occupation of the property.

The property benefitted from the grant of permission in 1980 for a side extension on the south-eastern elevation (62/41/80/009). This has been constructed as approved.

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The extension represents a 30% increase in size from that of the original property. It should be noted that the as existing footprint of the property on the 1980 application matched that shown on the 1904 map, demonstrating that at that time the property had not benefitted from and further extensions. As such it is considered that the property has not excessively altered or extended since its original construction.

The guesthouse provided no additional community function or service. All the facilities at the property were previously for the sole use of the owner of the property and guests of the guesthouse. It is further noted that the present occupants purchased the property in 2021 and that they have noted that the property was not in use as a guesthouse at this time and has not been used as such under the occupation of the current owners.

Taking the above into account, the property is considered to satisfy Clause 1b of Policy RT-D3, as set out earlier in the report, for a change of use to a Principal Residence dwelling. Lynton and Lynmouth Town Council have objected to this application on the grounds that Clause 2 of Policy RT-D3. It should be noted, however, that Clause 2 is only applicable where Clauses 1a or 1b do not apply. In the case of this present application it is considered that Clause 1b does apply and has been met. Clause 2 is therefore considered not to be applicable in the case of this application.

Policy HC-S4 seeks to support proposals for Principal Residence housing where it is either supporting the delivery of Local Needs Affordable Housing or where it includes, through the change of use of non-residential buildings, the provision of housing within a settlement subject to the proposal satisfying the policy criteria set out above within policy RT-D3. Having considered the above policies, officers conclude that the principle of the change of use would be compliant in principle with the adopted Local Plan, subject to other material planning considerations being satisfied.

Policy E2 of the Lyn Plan (2013 – 2028) supports the change of use from and to hotels and guest houses and also requires that alternative uses bring other benefits to the local economy and community. As previously detailed, no additional community function or service was provided by the bed and breakfast use and all the facilities at the property were previously for the sole use of the owner of the property and the guesthouse guests. Given that the use of the guesthouse had ceased before the current owners purchased the property in 2021, it is considered that an independent viability assessment is therefore not required in this case.

In addition, it is noted that the wording of Policy E2 of the Lyn Plan is in conflict with the wording of Policy RT-D3 of the Exmoor National Park Authority Local Plan 2011-2031. Given that the ENPA Local Plan is more recently adopted than the Lyn Plan, the policies within the Lyn Plan, where they are in conflict with those of the ENPA Local Plan are superseded by it. The Inspector's report on the ENPA Local Plan prior to adoption stated:

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'The Lynton and Lynmouth Neighbourhood Plan came into force in 2013. Section 38(5) of the Planning and Compulsory Purchase Act 2004 requires any conflict between policies in the development plan to be resolved in favour of the policy in the last document to be adopted. This means that any conflict between the policies of the Local Plan, once it is adopted, and those of the Lynton and Lynmouth Neighbourhood Plan ("Lyn Plan") would need to be resolved in favour of the Local Plan policies. (para 130).'

Therefore, little weight is afforded to Policy E2 of the Lyn Plan.

It is therefore considered that the proposal is in accordance with adopted local planning policy and is acceptable.

Impact on Neighbouring Amenity

The Heatherville is sited in a sparsely developed area of Lynmouth on a steep wooded hillside with few neighbouring dwellings and only one in the immediate vicinity, Cheswood, which lies to the north of the application site. The proposal is for the property to change to a single residential dwelling and, therefore, there is likely to be less occupants at the property than the former guesthouse use. As such it is considered that there would not be a noise issue as a result of the change of use and the proposal overall, is not considered to cause material harm to neighbouring amenity. The proposal is therefore in accordance with policy GP1 of the Local Plan.

Impact on Highway Safety

It is not considered that there would be an increase in occupants as a result of the change of use to a single residential dwelling. As such, the proposed development is not considered to increase the demand for parking at the property or on the street and in public car parks, and it is also considered to not increase traffic movements to and from the property.

Other Matters

In May 2019 the UK government declared a climate emergency, Exmoor National Park followed this by declaring a Climate Emergency in October 2019. To help meet this challenge the Local plan includes policies which seek to influence, contribute and challenge development to help meet the Climate Emergency.

Policy GP1 of the Local Plan sets out that the need to consider future generations, through sustainability and resilience to climate change and adapting to and mitigating the impacts of climate change. Policy CC-S1 states that climate change mitigation will be encouraged, development which reduces demand for energy, using small scale low carbon and renewable energy, looks to situate development which avoids sites that would put wildlife at risk together with measures which avoids the risk of flooding.

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Policy CC-S5 seeks to support small scale renewable energy schemes that assist in contributing towards reducing greenhouse gas emissions and moving towards a carbon neutral National Park and Policy CE-S6 seeks to incorporate sustainable construction methods which future proof against climate change impacts, including flood risk.

Paragraph 148 of the National Planning Policy Framework prescribes that the planning system should support the transition to a low carbon future in a changing climate taking full account of flood risk and coastal change. It should help to: shape places in ways that contribute to radical reductions in greenhouse gas emissions, minimise vulnerability and improve resilience; encourage the reuse of existing resources, including the conversion of existing buildings; and support renewable and low carbon energy and associated infrastructure.

The property is located within flood zone 1 which has a low probability of flooding. In consideration of the proposed change of use of the building with no internal or external changes required, no additional information or concern to flooding is created as a result of the proposed development.

There are no proposed changes to the existing parking, drainage and arrangement for waste storage and collection. Further, no changes to lighting and landscaping are proposed. There would be a low impact upon the climate resulting from the change of use from a guesthouse to a private residential dwellinghouse and in consideration of the expected intensity of use. The impact upon climate is considered to be negligible.

Human Rights

The provisions of the Human Rights Act 1998 and Equality Act 2010 have been taken into account in reaching the recommendation contained in this report.

Conclusion

The principle of changing the use of the property from a guesthouse to a single private dwelling is considered to be compliant with Policies RT-D3 and HC-S4 of the Exmoor National Park Local Plan 2011 – 2031. The impact of the change of use is not considered to cause material harm to neighbouring amenity or highway safety. Officers therefore recommend that planning permission be granted, subject to the attachment of appropriate conditions.

Recommendation

1. The development hereby permitted shall be begun before the expiration of three years from the date of this permission.

Reason: In accordance with Section 91 of the Town and Country Planning Act

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1990 (as amended).

2. The development hereby permitted shall not be carried out except in complete accordance with the submitted site plan, location plan and drawings numbered 23.305-01, 23.305-02, 23.305-03 and 23.305-04 date stamped 14th April 2023 unless otherwise required by condition below.

Reason:

For the avoidance of doubt and to ensure the development accords with the approved plans.

3. The hereby approved dwelling shall not be occupied otherwise than by a person as his or her only or principal home. The occupant(s) shall supply to the Local Planning Authority (within 14 days of the Local Planning Authority's request to do so) such information as the Local Planning Authority may reasonably require in order to determine compliance with this condition. For the avoidance of doubt the dwelling shall not be occupied as a second home. If usage of the property as a principle private residence should cease, the property will revert to it's former use as a guesthouse.

Reason: In accordance with the policies of the Development Plan, in particular Policies HC-S4 and RT-D3 of the Exmoor National Park Local Plan 2011 - 2031

Informatives

POSITIVE AND PROACTIVE STATEMENT

This Authority has a pro-active approach to the delivery of development. Early pre-application engagement is always encouraged and was sought in this case contrary to the indication as included within the application form. Whilst not prejudicing the outcome of this application it is noted that the Exmoor National Park Authority has endeavoured to work positively and proactively with the agent/applicant. This is in accordance with the requirements of Article 35 of the Town and Country Planning (Development Management Procedure) (England) Order 2015 and in line with Paragraph 38 of the National Planning Policy Framework, which seeks to ensure that all relevant planning considerations have been appropriately addressed to achieve a positive outcome.

MONITORING OF DEVELOPMENT

The applicant/developer is reminded that it is their responsibility to ensure that the requirements of each planning condition are met and that the works are undertaken in accordance with the approved plans. Any failure to meet the terms of a planning

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condition or work which does not accord with the approved plans leaves the applicant/developer liable to formal action being taken. The National Park Authority endeavours to monitor on site the compliance with conditions and building works. This has benefits for applicants and developers as well as the National Park. To assist with this monitoring of development the applicant/developer is requested to give at least fourteen days notice of the commencement of development to ensure that effective monitoring can be undertaken. The Planning Section can be contacted at Exmoor National Park Authority, Exmoor House, Dulverton, Somerset, TA22 9HL or by telephone on 01398 323665 or by email plan@exmoor-nationalpark.gov.uk.

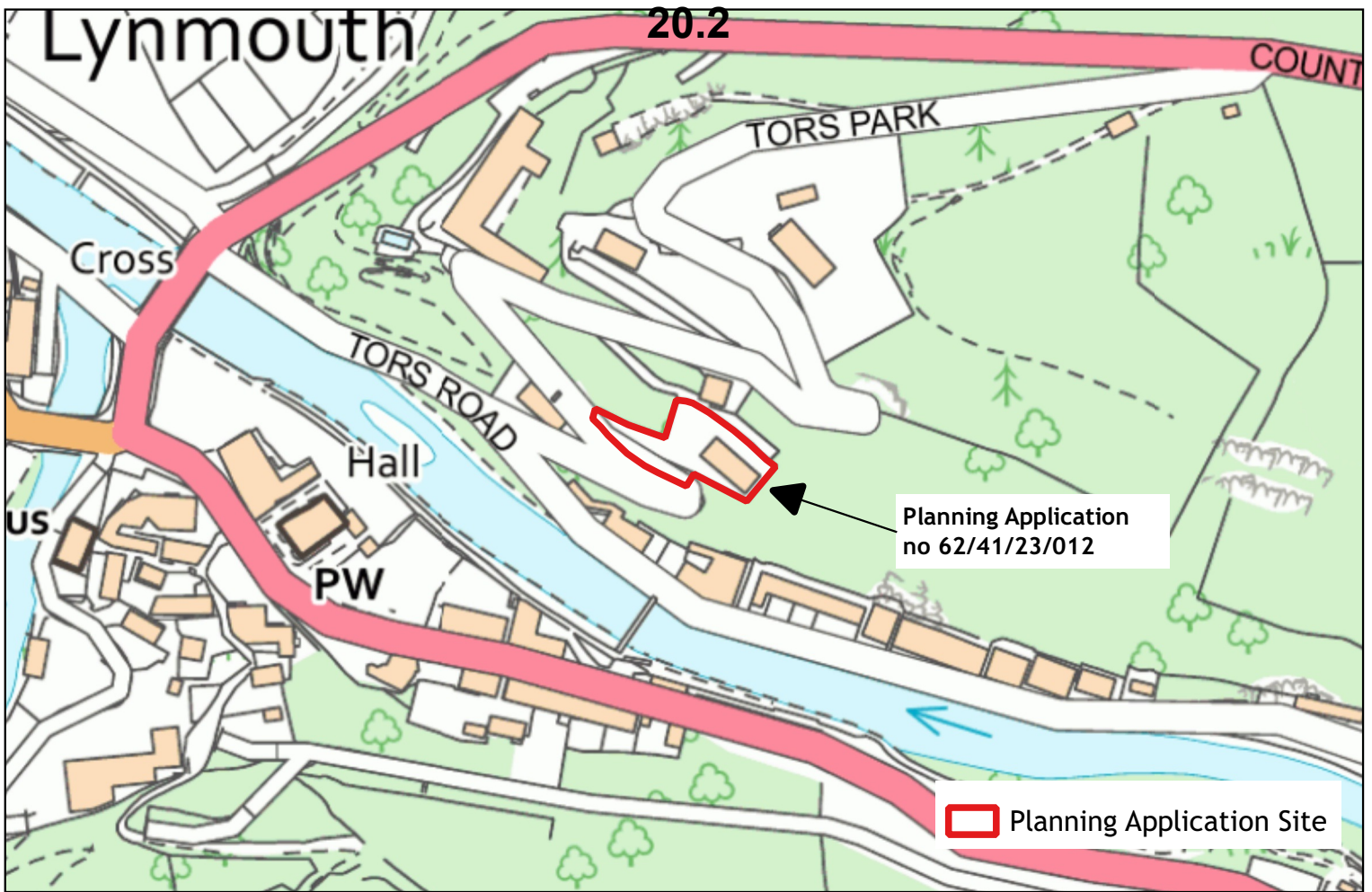
CONDITIONS AND INFORMATIVES AND THE SUBMISSION OF FURTHER DETAILS

Please check all the conditions and informatives attached to this Decision Notice. If there are any conditions which require submission of details and/or samples prior to work commencing on site it is vital that these are submitted and agreed in writing by the Local Planning Authority before work starts. Given the High Court's interpretation of the Planning Acts and their lawful implementation it is unlikely that the Local Planning Authority will be able to agree to a sample/details after the commencement of works if that sample/details should have been approved prior to commencement. If a sample/detail is not agreed as required prior to commencement and works have started then it is likely that this matter may only be able to be rectified by the submission of another application. To avoid delay, inconvenience and the need to submit a further application, please ensure that all appropriate details/samples are submitted and agreed at the specified time.

Please also note that due to other decisions of the High Court it is now not normally possible for the Local Planning Authority to agree to minor amendments to approved applications. It will be necessary to adopt a formal approach and that if changes to approved plans are proposed then it will be necessary to make a new planning application. Please ensure that works comply with the approved plans so as to avoid the possibility that works are unauthorised and liable for enforcement action.

BUILDING REGULATIONS

If this development involves any building or engineering works, it is the applicant's responsibility to ensure that any consent under the Building Regulations is also obtained before work begins. For further advice contact Somerset Building Control Partnerships Building Control Unit on 0300 303 7790 or by email to somersetBCP@sedgemoor.gov.uk



Site Map
Scale 1:2,500

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Overview Map
Scale 1:20,000

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Application decisions delegated to the Chief Executive

Application Ref	Applicant & Location	Decision and Date
62/41/23/014DC	Mr J Graham - Proposed discharge of condition 4 (roof and ridge tile samples) of approved application 62/41/21/001. (Discharge of Condition) - BAY VIEW HOUSE, CLOONEAVIN PATH, LYNMOUTH, EX35 6EE	26-May-2023 Approved
6/10/23/011	Mr. S English, The National Trust - Proposed installation of additional ticket machine to car park (Full) - DUNSTER CASTLE, DUNSTER, MINEHEAD, TA24 6SL	25-May-2023 Approved with Conditions
6/26/23/004LB	Mr R Bethune - Listed building consent for the proposed replacement of single glazed timber windows with double glazed timber windows. (Listed Building Consent) - Chidgley Hill Farm, WATCHET, Somerset, TA23 0LS	06-Jun-2023 Approved with Conditions
62/50/23/011DC	Mr. J Barton, Lynton & Barnstaple Railway Trust - Discharge of condition 7 (gate and fencing details) of approved application 62/50/19/013. (Discharge of Condition) - Rowley Moor Farm, Parracombe, Devon	17-May-2023 Approved
62/41/23/011	Governing Body of The West Exmoor Federation - Proposed replacement of external double doors in 2no. locations with new aluminium of style and colour to match existing. (Full) - LYNTON C OF E PRIMARY SCHOOL, MARKET STREET, LYNTON, EX35 6AF	17-May-2023 Approved with Conditions
6/5/23/001	Lucy Parker - Proposed demolition of existing attached garage and conservatory and replacement with a single story extension to the rear of the property and a single story extension to the northern elevation. (Householder) - Badgers End, Walnut Tree Drive, Carhampton, Somerset, TA24 6NL	31-May-2023 Approved with Conditions
6/29/23/003	Mr R Butlin - Proposed erection of replacement garage. Retrospective. (Full) - FERN COTTAGE, ALLERFORD, MINEHEAD, TA24 8HN	15-May-2023 Approved with Conditions
62/50/23/010DC	Stephen Upstone - Proposed discharge of condition 3 (written scheme of investigation and HBR- cobb) and Condition 8 (written scheme of investigation and HBR- lintels) of approved application 62/50/22/016LB (Discharge of Condition) - WALNER FARM, PARRACOMBE, BARNSTAPLE, EX31 4PG	04-May-2023 Approved

Application decisions delegated to the Chief Executive

Application Ref	Applicant & Location	Decision and Date
62/50/23/009DC	Stephen Upstone - Proposed discharge of Condition No 3 and Condition No 8 (Written Scheme of investigation and Historic Building Recording {WSI & HBR}) of approved application 62/50/22/015 (Discharge of Condition) - WALNER FARM, PARRACOMBE, BARNSTAPLE, EX31 4PG	04-May-2023 Approved
6/26/23/003	Mr A Potiszil - Proposed replacement of windows, doors, facias and guttering from wood to UPVC. (Householder) - 4, WATERSMEET CLOSE, ROADWATER, WATCHET, TA23 0QT	01-Jun-2023 Approved with Conditions
62/50/23/008DC	Mr T Wilde - Proposed discharge of Condition 10 (external lighting) of approved application 62/50/20/014 (Discharge of Condition) - IVY COTTAGE, PARRACOMBE, BARNSTAPLE, EX31 4RJ	22-May-2023 Approved
62/50/23/007DC	Ms. S Bridges, Tetra Tech Planning - Proposed discharge of conditions 3 (historic building recording) and 4 (ecology) of approved application 62/50/20/003 (Discharge of Condition) - SUNNYSIDE FARM, PARRACOMBE, BARNSTAPLE, EX31 4QJ	04-May-2023 Approved
6/10/23/010LB	Mr S Rogers, National Trust - Listed building consent for the proposed installation of new stair access to Bin Floor, new external access and the creation of new dormer and external door, along with new external stair and walkway across the leat and associated works. (Listed Building Consent) - DUNSTER WORKING WATER MILL, 7, MILL LANE, DUNSTER, MINEHEAD, TA24 6SW	26-May-2023 Approved with Conditions
6/10/23/009	Mr S Rogers, National Trust - Proposed installation of new stair access to Bin Floor, new external access and the creation of new dormer and external door, along with new external stair and walkway across the leat and associated works. (Full) - DUNSTER WORKING WATER MILL, 7, MILL LANE, DUNSTER, MINEHEAD, TA24 6SW	26-May-2023 Approved with Conditions
62/41/23/010DC	Mrs K Leworthy - Discharge of Condition 3 (roofing) and Condition 4 (windows & doors) of approved application 62/41/22/044LB (Discharge of Condition) - Shallowford, Ilkerton, Barbrook, Lynton, EX35 6PZ	19-Apr-2023 Approved

Application decisions delegated to the Chief Executive

Application Ref	Applicant & Location	Decision and Date
6/31/23/001DC	McKelvey, Nanlann Ltd - Discharge of condition 3 (Cladding) of approved application 6/31/20/101 (Discharge of Condition) - Springwater Farm, ELWORTHY, LYDEARD ST. LAWRENCE, TAUNTON, TA4 3PY	28-Apr-2023 Approved
6/27/23/006	Mr Mervyn Mewis - Proposed erection of carport and storage shed. (Householder) - 1, HURLSTONE PARK, PORLOCK, MINEHEAD, TA24 8JB	24-May-2023 Approved with Conditions
6/23/23/002	Mrs S Bellamy - Proposed variation of condition 5 of approved application 6/23/00/101 to allow the additional use of the permitted holiday accommodation as a 'Granny Annex'. (Alteration/Lift Condition) - BRIDLESIDE, MONKSILVER, TAUNTON, TA4 4JB	22-May-2023 Approved with Conditions
WTPO 23/04	Mr T Riley - WTPO for the removal of tree Fungus at the base and under canopy of other oak tree and showing signs of die back (WTPO) - OAKS HOTEL, PORLOCK, MINEHEAD, TA24 8ES	28-Apr-2023 Approved
6/14/23/001DC	Dr E Greenall - Discharge of Condition 3 (Roofing, Walls, Windows and Door Materials & Colours) of approved application 6/14/22/101 (Discharge of Condition) - THE EXMOOR FOREST INN, SIMONSBATH, MINEHEAD, TA24 7SH	28-Apr-2023 Approved
6/13/23/001	Mrs A Howard - Proposed siting of 2no. Shepherds Huts, conversion of existing field shelter to 2no. kitchen and WC facilities, together with, the creation of pathway and associated works. (Full) - Riscombe House, EXFORD, MINEHEAD, TA24 7NN	28-Apr-2023 Refused
6/27/23/005	P Brewerton - Proposed enclosure of the existing veranda to form porch. (Householder) - BRACKEN CLOSE, DOVERHAY, PORLOCK, MINEHEAD, TA24 8LL	18-May-2023 Approved with Conditions
62/50/23/003	Ms D Harding - Lawful development certificate for the proposed use of 2 No. caravans for residential occupation, ancillary to the existing dwelling within the farm curtilage. (CLOPUD) - SUNNYSIDE FARM, PARRACOMBE, BARNSTAPLE, EX31 4QJ	06-Jun-2023 Withdrawn
WTCA 23/05	Mr P Bongers - Works to tree subject to a Conservation Area : Monterey Cypress (Cupressus	24-Apr-2023 Approved

Application decisions delegated to the Chief Executive

Application Ref	Applicant & Location	Decision and Date
	macrocarpa) remove as growing at base of wall. (WTCA) - THE PACK HORSE, ALLERFORD, MINEHEAD, TA24 8HW	
6/3/23/003	Mrs J Marchant - Lawful development certificate for the proposed erection of garden shed (CLOPUD) - Dye House, Dye House Lane, Bury, Dulverton, TA22 8ND	16-May-2023 Refused
WTPO 23/03	Ms J Nichols - Works to tree subject to a tree preservation order T1, (Pinus sylvestris). Removal to ground level. (WTPO) - 6, Hollam Drive, Dulverton, Somerset, TA22 9EL	19-Apr-2023 Approved
6/35/23/001	Mr M Weatherlake - Proposed single storey extension. Part Retrospective. (Householder) - HIGHER COURT FARM, TREBOROUGH, WATCHET, TA23 0QW	05-May-2023 Refused
6/23/23/001	Mr & Mrs P & S Pryor - Proposed erection of a first floor extension over garage. (Householder) - BRACKEN LEA, MONKSILVER, TAUNTON, TA4 4JA	28-Apr-2023 Approved with Conditions
62/49/23/002LB	Mr J Evans - Proposed installation of underfloor heating to the kitchen and lounge. (Listed Building Consent) - YENCOTT, HEASLEY MILL, SOUTH MOLTON, EX36 3LE	12-May-2023 Approved with Conditions
6/34/23/003	Messrs Lamacraft - Lawful development certificate for the proposed installation of additional roof mounted solar photovoltaic equipment (CLOPUD) - KNOWLE FARM, DUNSTER, MINEHEAD, TA24 6TZ	17-May-2023 Approved
62/41/23/008	Mark Robinson - Proposed part change of use of barn to domestic and alterations to house (Householder) - LOWER COOMBE PARK FARM, LYNTON, EX35 6LE	11-May-2023 Approved with Conditions
6/9/23/004	Mrs Pearce - Proposed replacement of porch (Householder) - 1 ADDLEMEAD, LADY STREET, DULVERTON, TA22 9DD	23-May-2023 Approved with Conditions
62/11/23/005DC	Mr. C Turner, National Trust - Discharge of conditions 3 (Ecology) and 4 (Licence from Natural England) of approved application 62/11/21/013LB (Discharge of Condition) - LORNA DOONE INN, OARE, LYNTON, EX35 6NU	19-Apr-2023 Approved

Application decisions delegated to the Chief Executive

Application Ref	Applicant & Location	Decision and Date
62/11/23/004DC	Mr. C Turner, National Trust - Discharge of conditions 3 (Ecology) and 4 (Licence from Natural England) of approved application 62/11/21/012. (Discharge of Condition) - LORNA DOONE INN, OARE, LYNTON, EX35 6NU	19-Apr-2023 Approved
6/10/23/008LB	Alison Bradshaw - Proposed installation of boiler flue on rear roof slope. (Listed Building Consent) - 1 THE COURTYARD, CASTLE HILL, DUNSTER, MINEHEAD, TA24 6SQ	28-Apr-2023 Approved with Conditions
62/41/23/007LB	Ms. C Glover, Severn Seas Ltd - Listed Building Consent for the replacement of bay windows (Listed Building Consent) - BATH HOTEL, LYNMOUTH STREET, LYNMOUTH, EX35 6EL	27-Apr-2023 Approved with Conditions
62/49/23/001LB	Mr J Evans - Listed building consent of the proposed exposure of original fireplaces in kitchen and sitting room. Part retrospective. (Listed Building Consent) - YENCOTT, HEASLEY MILL, SOUTH MOLTON, EX36 3LE	25-Apr-2023 Approved with Conditions
6/24/23/003	Mr G Cole - Proposed erection of a carport (Householder) - Huish Farm, Beggearn Huish, Watchet, Somerset, TA23 0LZ	18-Apr-2023 Approved with Conditions
62/11/23/003	Sherrie Fox - Proposed erection of a side and rear extension. (Householder) - Desolate, Road From Kipscombe Cross To Wellfield, Countisbury, Devon, EX35 6NG	06-Jun-2023 Withdrawn
6/9/23/003LB	Mr Nicholas Rand - Listed Building consent for the proposed replacement/repair of windows and painting of house. (Listed Building Consent) - 3, BATTLETON, DULVERTON, TA22 9HT	17-May-2023 Approved with Conditions
62/11/23/002	Mr G Vanscreech - Proposed loft conversion with dormer windows to front and rear elevations together with replacement windows and doors. Part retrospective. (Householder) - ROSELEIGH, BRENDON, LYNTON, EX35 6PS	31-May-2023 Approved with Conditions
6/10/23/007LB	Mr. Steve Thompson - Listed building consent for the proposed erection of garage and alterations to boundary wall. (Listed Building Consent) - 21, HIGH STREET, DUNSTER, MINEHEAD, TA24 6SF	11-May-2023 Approved with Conditions

Application decisions delegated to the Chief Executive

Application Ref	Applicant & Location	Decision and Date
6/10/23/006	Mr. Steve Thompson - Proposed erection of garage and alterations to boundary wall together with the removal of a tree to the west of the site. (Full) - 21, HIGH STREET, DUNSTER, MINEHEAD, TA24 6SF	11-May-2023 Approved with Conditions
6/30/22/002	Mr H Best-Shaw - Proposed conversion of 3no. agricultural barns to form 3 units of self-catering holiday accommodation, together with, associated works. (Full) - Frogwell Farm, Frogwell Lane, Skilgate, Somerset, TA4 2DP	04-May-2023 Approved with Conditions
62/50/22/025DC	Mr. J Barton, Lynton & Barnstaple Railway Trust - Discharge of condition 24 (Archaeology) of approved application 62/50/16/001 (Discharge of Condition) - Land between Killington Lane and Blackmoor Gate, Parracombe, Barnstaple, Devon	26-May-2023 Approved
62/50/22/024DC	Mr. J Barton, Lynton & Barnstaple Railway Trust - Discharge of condition 18 (Archaeology) of approved application 62/50/16/003. (Discharge of Condition) - Site of the former Blackmoor Gate Hotel, Blackmoor Gate, Barnstaple, Devon	26-May-2023 Approved
62/50/22/023DC	Mr. J Barton, Lynton & Barnstaple Railway Trust - Discharge of condition 18 (Archaeology) of approved application 62/50/16/002. (Discharge of Condition) - Rowley Moor Farm, Kentisbury, Barnstaple, Devon	26-May-2023 Approved
62/41/22/039LB	Mr. T Jones, Hall & Woodhouse - Listed building consent for the proposed reroofing and replacement of flat roof. (Listed Building Consent) - ROCK HOUSE HOTEL, LYNMOUTH, EX35 6EN	19-Apr-2023 Approved with Conditions
6/42/22/107	Mr J Simpson - Proposed change of use of the land for the siting of 4no. holiday pods around the fishing pond. (Full) - Bradley Pond, The Great Bradley Estate, Withypool, Ta24 7rs - 285651, 134986	15-May-2023 Refused
62/41/22/033LB	Mr. T Jones, Hall & Woodhouse - Listed building consent for the proposed internal alterations including the introduction of a new internal wall across three floors. (Listed Building Consent) - RISING SUN HOTEL, HARBOURSIDE, LYNMOUTH, EX35 6EF	19-Apr-2023 Approved with Conditions

Application decisions delegated to the Chief Executive

Application Ref	Applicant & Location	Decision and Date
6/27/22/113	Ms S Sheasby - Reserved Matters application for the demolition of existing disused buildings and the erection of 11 new dwellings with associated drainage and road infrastructure including layout, scale, appearance and landscaping following the grant of outline permission under application 6/27/18/117 (Reserved Matters) - Former Porlock Abattoir, Porlock Hill Road, Porlock, Somerset	05-May-2023 Approved with Conditions
6/35/22/104DC	Ms J Herrick - Discharge of condition 3 (landscaping scheme) of approved application 6/35/21/105. (Discharge of Condition) - FOXFIELD, ROADWATER, WATCHET, TA23 0QL	26-May-2023 Approved
GDO 22/04	EE Ltd - Prior notification for Proposed installation of a 15m telegraph pole communications mast, antennas and associated apparatus. (GDO - Telecomms) - Agricultural land at Chapel Cross, Horner Farm, Horner, TA24 8HY	17-May-2023 Prior Approval Required-Prior Approval Approved
62/36/21/004	Mr & Mrs Salisbury - Proposed replacement of agricultural building (820 sq m) and associated works. (Full) - Hollacombe Farm, Kentisbury, Barnstaple, Devon, EX31 4NR	15-May-2023 Approved with Conditions

Application decisions delegated to the Chief Executive

Application Ref	Applicant & Location	Decision and Date
62/49/23/004DC	Mr J. Evans - Discharge of condition 5 (Floor finishes) of approved application 62/49/23/002LB (Discharge of Condition) - YENCOTT, HEASLEY MILL, SOUTH MOLTON, EX36 3LE	13-Jun-2023 Approved
62/49/23/003DC	Mr J Evans - Proposed discharge of condition 4 of approved application 62/49/23/002LB (written scheme of investigation). (Discharge of Condition) - YENCOTT, HEASLEY MILL, SOUTH MOLTON, EX36 3LE	16-Jun-2023 Approved
GDO 23/07	Hutchison 3G UK Ltd - Prior notification for 20m high telecommunications installation and associated development. (GDO - Telecomms) - B3223, Nr Simonsbath, Somerset, Ta24 7jx - x 278478, y 139638	13-Jun-2023 Prior Approval Required-Prior Approval Refused
6/43/23/002LB	Mr & Mrs Popplewell - Works to the property including: Re-render to east, west and south elevations; replacement windows; replacement doors; replacement guttering; secondary glazing; internal alterations; redecoration and re-flooring; localised repairs to plank and munition screen; installation of new drainage route from first floor ensuite; alterations to first floor bathroom layout. (Listed Building Consent) - MANOR HOUSE, WOOTTON COURTENAY, MINEHEAD, TA24 8RD	07-Jun-2023 Approved with Conditions
6/40/23/004	Mr J Simpson - Proposed change of use and conversion of existing agricultural barn to a holiday let (Full) - GREAT BRADLEY HOUSE, WITHYPOOL, MINEHEAD, TA24 7RS	15-Jun-2023 Approved with Conditions
6/27/23/004	Mr & Mrs S Gemmell - Proposed erection of a single storey side extension and minor alterations to windows. (Householder) - Combe View, The Drang, Porlock, Somerset, TA24 8LF	08-Jun-2023 Approved with Conditions
6/25/21/109	Mr R Martin - Proposed conversion of agricultural building to 1 no. rural workers dwelling and 1 no. affordable dwelling, together with, the removal of mobile home. (amended description and plans) (Full) - Lillycombe House, Porlock, TA24 8JP	09-Jun-2023 Approved with Conditions