



**EXMOOR**  
**NATIONAL PARK**

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17 February 2022

**EXMOOR NATIONAL PARK AUTHORITY**

**To: All Members of the Exmoor National Park Authority**

A meeting of the Exmoor National Park Authority will be held in the **Committee Room, Exmoor House, Dulverton** on **Tuesday, 1 March 2022 at 10.00am.**

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](mailto: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](http://www.exmoor-nationalpark.gov.uk)).

Sarah Bryan  
Chief Executive

## AGENDA

The meeting will be chaired by Mr R Milton, Chairperson of the Authority.

### 1. Apologies for Absence

### 2. 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).

### 3. Chairperson's Announcements

4. **Minutes**
  - (1) To approve as a correct record the Minutes of the meetings of the Authority held on 1 February 2022 (Item 4)
  - (2) To consider any Matters Arising from those Minutes.

5. **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.

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**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 be chaired by Mr S J Pugsley, Deputy Chairperson (Planning). If the Deputy Chairperson (Planning) is absent, the Deputy Chairperson of the Authority shall be preside.

6. **Development Management:** To consider the report of the Head of Planning and Sustainable Development on the following:-

Agenda Item	Application No.	Description	Page Nos.
6.1	62/62/21/002	Proposed erection of cattle building (27.59m x 15.30m) – South Dean Farm, Trentishoe, Parracombe, Barnstaple, EX31 4QB	1 – 12
6.2	62/41/22/015DC	Proposed Discharge of Condition 4 (scheme of investigation for archaeological work) of application 62/41/21/019 – Valley of the Rocks, Road from Hollerday Gate to Castle Rock, Lynton, EX35 6JH	13 - 17

7. **Planning Consultation to Somerset West and Taunton to Planning Application 3/39/21/028 – Installation of a Ground Mounted Solar Farm with Battery Storage and Associated Development:** To consider the report of the Head of Planning and Sustainable Development (Item 7)

8. **Application Decisions Delegated to the Chief Executive:** To note the applications determined by the Chief Executive under delegated powers (Item 8).

9. **Site Visits:** To arrange any site visits agreed by the Committee (the reserve date being Friday, 1 April 2022 (am)).

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The remaining section of the meeting will be chaired by Mr R Milton, Chairperson of the Authority. If the Chairperson is absent, the Deputy Chairperson of the Authority shall preside.

10. **Medium Term Financial Plan 2022/23 to 2026/27 and Budget 2022/23:** To consider the report of the Chief Finance Officer (Item 10)
11. **Exmoor National Park Authority Corporate Plan 2022-23:** To consider the report of the Head of Strategy and Performance (Item 11)
12. **Pinkery Outdoor Education Centre Decarbonisation Plans:** To consider the report of the Head of Strategy and Performance and Head of Finance and Operations (Item 12)
13. **Treasury Management Strategy Statement 2022-23:** To consider the report of the Chief Finance Officer (Item 13)
14. **Scheme of Member Allowances 2022/23:** To consider the report of the Head of Finance and Operations (Item 14)
15. **Personnel Update**

**Starters**

15/02/2022 – Ian Baker – Field Services and Estates Worker – Fixed term contract  
28/02/2022 – Tim Radford – Field Services and Estates Worker – Fixed term contract  
26/03/2022 – Shelley Trace – Seasonal Information Advisor – Fixed term contract  
26/03/2022 – Lisa Clarke – Seasonal Information Advisor – Fixed term contract

**Leavers**

04/02/2022 - Patrick Dempsey – Retail Support Officer - resignation  
27/02/2022 - Martin Gillard – Historic Environment Officer (South West Peatlands Partnership) - resignation  
11/03/2022 - Holly Moser – ENNIS Project Officer – resignation (ENNIS Project ends 31/03/2022)  
31/03/2022 - Michael Eddisford – Facilities Officer - retirement

**16. Any Other Business of Urgency**

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 4

### EXMOOR NATIONAL PARK AUTHORITY

**MINUTES** of the Meeting of the Exmoor National Park Authority held on Tuesday, 1 February 2022 at 10.00am 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))

Mrs L Blanchard	Mrs F Nicholson
Mr M Ellicott	Mr J Patrinos
Mr J Holtom	Mr B Revans
Mr J Hunt	Miss E Stacey
Dr M Kelly	Mr N Thwaites
Mr M Kravis	Mrs P Webber
Mrs C Lawrence	Mr V White
Mr E Ley	Mr J Yabsley
Mr A Milne	

Apologies for absence were received from Mr D Elson and Dr S Warren

**106. DECLARATIONS OF INTEREST:** There were none

#### **107. CHAIRPERSON'S ANNOUNCEMENTS:**

- The Authority formally noted the sad news that Matt Harley, the Authority's Land & Property Manager, had passed away on 26th December 2021 after a long and courageous battle with cancer, and his funeral had taken place on Friday, 28th January. Matt had worked for Exmoor National Park Authority since 2009 and had been a highly valued member of the team with a great knowledge of, and passion for, Exmoor and the work of the Authority. He would be greatly missed by Members, colleagues and all those he worked with on Exmoor. Members' thoughts were with Heather and the rest of the family at this difficult time.
- The Authority's condolences were also extended to Mr N Thwaites and his family, on the sad news that his wife had passed away on 26th December 2021.
- The Government's response to The Landscapes Review was published on 15th January and the public consultation would be open for responses until 9th April.
- The Authority's Chief Executive has been invited to sit on Natural England's "Landscape Advisory Panel" which had been launched on 27th January – the panel had been set up to "support, challenge and advise on ambitious and innovative ways to deliver Natural England's role, shaping the future of all English landscapes, for everyone".

#### **108. MINUTES**

- Confirmation:** The Minutes of the Authority's meeting held on 7 December 2021 were agreed and signed as a correct record.
- Matters arising:** There were no matters arising

**109. PUBLIC SPEAKING:** Mrs M Silverlock, Local Resident

See also Minute 113 for further details of public speakers

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**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).

**APPEALS**

- 110.** The Committee noted the **decision** of the Secretary of State for Levelling Up, Housing and Communities to dismiss the Appeal in relation to Application 6/8/20/115 – Thorne Farm, Thorne Lane, Cutcombe, Wheddon Cross, TA24 7EZ
- 111.** The Committee noted the **decision** of the Secretary of State for Levelling UP, Housing and Communities to allow the Appeal and delete Condition 2 of Application 6/10/21/119 and insert revised wording – 39 West Street, Dunster, Minehead, TA24 6SN

**DEVELOPMENT MANAGEMENT**

- 112. ORDER OF BUSINESS:** The Deputy Chairperson (Planning) advised that Item 7.1 - Application No. 62/41/21/030 – Proposed first floor roof terrace to rear of building and associated development – 19 Grattons Drive, Lynton, EX35 6LW, had been withdrawn and would therefore not be considered at this meeting.
- 113. Application No. 6/26/21/111**  
**Location: 5 Watersmeet Close, Roadwater, Watchet, TA23 0QT**  
**Proposal: Proposed replacement of timber windows and 2no doors with uPVC**

The Authority considered the **report** of the Head of Planning and Sustainable Development.

**Public Speaking**

- (1) Mr R Ware, Applicant – *statement read out*

**The Authority's Consideration**

The Committee noted that Planning Officers recommended the application be refused as they considered the materials, mechanical sheen and appearance of the proposed works would not constitute an acceptable form of development, that they would detract from the character and appearance of the dwelling and the surrounding area, and would fail to conserve the special qualities of the historic character and appearance of that part of the village. Accordingly, the works would be contrary to a number of policies contained within the Exmoor National Park Local Plan 2022-2031.

A number of Members took a contrary view to the Officer recommendation and referenced the pre-amble to Policy CE-S6 which stated that "Alternative materials may be considered in certain circumstances for non-traditional buildings in areas outside conservation areas". It was suggested that the development in question was one such "circumstance", given that the proposed development did not fall within a conservation area, and nor was the building considered to be 'traditional' by the Historic Buildings Officer. Furthermore, Members considered that the proposed

replacement uPVC windows would be an improvement on the existing windows, and were mindful of the sustainability and energy efficiency credentials information outlined by the Applicant.

On the basis that the proposed works would make a positive contribution within the context of the modern development of which the dwelling formed a part, and that the proposed works would be of an acceptable character, appearance and profile, a motion was proposed and seconded that planning permission should be granted, contrary to the recommendation of Planning Officers. When put to the vote the motion was carried by a majority of the Authority Committee.

**RESOLVED:** To grant planning permission subject to the following conditions:

1. The development hereby permitted shall be begun before the expiration of three years from the date of this permission.

**Reason:** In accordance with the provisions of Section 91 of the Town and Country Planning Act 1990, (as amended by the Planning & Compulsory Purchase Act 2004).

2. The works hereby approved shall not be carried out except in complete accordance with drawings numbered File No 1 (Location Plan), File No 2, & File No 3 date stamped 22nd October 2021.

**Reason:** For the avoidance of doubt and to ensure the works accord with the approved details.

3. Prior to their use on site details of the windows to be used during the development shall be submitted to and approved in writing by the Local Planning Authority. Details shall include scaled drawings to a recognised scale (1:100 & 1:200) and thereafter works shall be carried out in accordance with the approved details.

**Reason:** To ensure that the windows installed respect the character and appearance of the dwelling and surrounding area.

**114. APPLICATION DECISIONS DELEGATED TO THE CHIEF EXECUTIVE:** The Authority noted the decisions of the Chief Executive determined under delegated powers.

Miss E Stacey joined the meeting.

**115. SITE VISITS:** There were no site visits to arrange.

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The remaining section of the meeting was chaired by Mr R Milton, Chairperson of the Authority.

The meeting closed for recess at 11.25 am and reconvened at 11.38am.

**116. COUNTY GATE**

The Authority considered the report of the Head of Finance and Operations

### **The Authority's Consideration**

Members of the Committee congratulated Officers on bringing the negotiations with the National Trust to a successful conclusion to ensure an ongoing and productive use of the County Gate site.

**RESOLVED:** To note the disposal of the ex-Visitor Centre, Walkers' Shelter and car park at County Gate to the National Trust and to congratulate Officers for bringing the negotiations to a successful conclusion.

## **117. ARRANGEMENTS FOR THE APPOINTMENT OF EXTERNAL AUDITORS**

The Authority considered the [report](#) of the Head of Finance and Operations

### **RESOLVED:**

- (1) To approve the Authority opting into the national audit appointment arrangements of Public Sector Audit Appointment (PSAA Ltd) for appointment of the Authority's external auditors for period 1 April 2023 until 2028; and that
- (2) The Head of Finance and Operations is authorised to sign and issue the "notice of acceptance" to the PSAA Ltd on behalf of the Authority.

## **118. EXMOOR NATIONAL PARK AUTHORITY MEETING ARRANGEMENTS**

The Authority considered the [report](#) of the Chief Executive

### **The Authority's Consideration**

The Authority Committee discussed the proposals contained within the report at length and several differing views were raised, including a suggestion from the Deputy Chair (Planning) that a trial should perhaps be postponed until after the Somerset Unitary Authority had been formed in early 2023.

All Members were however in agreement that sufficient time needed to be allocated to all the business the Authority was required to consider. In relation to the planning function, it was considered essential that members of the public had confidence that the Committee would continue to give due weight to this important aspect of the Authority's work.

Nevertheless, given the recommendations contained within the Landscapes Review and the current consultation into the government's response, it was also clear that National Park Authorities were being tasked to put more focus on their statutory purposes and the methods by which they were to be successfully delivered.

With this in mind, it was considered that revising the meeting arrangements would enable more items to be brought before the Authority for discussion in relation to important topics such as visitor management, nature recovery and the climate emergency. Furthermore, it was suggested that the revised start time of 1.30 pm for the Planning section of the meeting, might prove to be equally convenient for members of the public wishing to attend in relation to planning matters.

When put to the vote, a small majority of Members resolved to trial the proposed changes to Authority Meeting arrangements for a 9-month period commencing from the 5 April 2022 meeting.

**RESOLVED:** To agree the proposals set out in Section 3 of the report:

- (1) The items listed in Standing Orders paragraph 6.1 (n) (to consider applications, enforcement issues and other reports in relation to the Authority's functions as sole local planning authority for the area of Exmoor National Park) and 6.1 (o) (to consider reports and other business specified in the summons) will be swapped for a trial period from April 2022 to December 2022, with
  - (a) The Authority meeting considering reports and other business running from 10am
  - (b) The Planning section of the meeting starting at 1.30 pm or on the rising of the Authority section of the meeting, if later
- (2) At the end of the trial, the arrangements will be reviewed by Members and Officers and a paper brought to the Authority.

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

**120. ANY OTHER BUSINESS OF URGENCY:** There was none

The meeting closed at 12.21pm

(Chairperson)



# 6.1



## Committee Report

Application Number:	62/62/21/002
Registration Date:	20-Apr-2021
Determination Date:	10-Jun-2021
Applicant	Mr G Stanbury
Agent:	Mr J Holtom, Landsense Professional Ltd
Case Officer:	Dean Kinsella
Site Address:	South Dean Farm, Trentishoe, Parracombe, Barnstaple. EX31 4QB
Proposal:	Proposed erection of cattle building (27.59m x 15.30m)
Recommendation:	Approve with Conditions
Reason for bringing before Authority Committee:	The agent acting of behalf of the applicant is a member of the Authority.

### Relevant History

62/62/21/003 Proposed extension to agricultural building, including recladding of roof - Withdrawn - 02/02/2022

### Site Description & Proposal

South Dean Farm is a working sheep and cattle farm that is situated to the south west of Trentishoe. Before the development was constructed, the farm buildings included a modern farm building and two further farm buildings that are understood to be unsuitable for modern farm working. The applicant's dwelling is located to the south of the application site and then further to the south are two neighbouring residential properties.

The proposed development seeks the erection for a cattle building measuring 27.6m x 15.3m with an associated eaves overhang of 1.9m to the south elevation. The eaves height of the building is approximately 5m at its highest and a ridge height of 6.1m. The walls to the building are proposed to be clad in timber above concrete boarding and the roof is proposed to be metal sheeting.

### Consultee Representations

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**North Devon Council** – In accordance with the agreed protocol, the District Council, as a consultee to the Exmoor National Park Authority, has no observations.

**Kentisbury and Trentishoe Parish Council** – Kentisbury and Trentishoe Parish Council have considered this Application and has concluded that it will support the National Park Planning Officer's decision on what is considered appropriate.

**Heritage England** - Thank you for your letter of 4th May 2021 regarding the above application for planning permission. On the basis of the information available to date, in our view you do not need to notify or consult us on this application under the relevant statutory provisions, details of which are below.

**Natural England** - Advice is that further information is required in order to determine the significance of impacts on designated sites and the scope for mitigation, and to enable your Authority to conduct a Habitat Regulations Assessment:

- An in combination assessment is required initially involving whole farm air quality modelling assessment considering NH<sub>3</sub>, N and Acid deposition.
  - Consideration of possible mitigation options to reduce ammonia emissions.
- As a competent authority under the provisions of the Habitats Regulations, Exmoor National Park Authority should have regard for any potential impacts that a plan or project may have and are required (by Regulations 63 and 64 of The Conservation of Habitats and Species Regulations 2019 as amended) to conduct a Habitat Regulations Assessment to determine the significance of these impacts on the Exmoor Heaths Special Area of Conservation (SAC) and the Exmoor and Quantock Oakwoods SAC and the scope for mitigation.

Without this information, Natural England may need to object to the proposal.

**Natural England** - As a competent authority under the provisions of the Habitats Regulations, Exmoor National Park Authority should have regard for any potential impacts that a plan or project may have and are required (by Regulations 63 and 64 of The Conservation of Habitats and Species Regulations 2019 as amended) to conduct a Habitat Regulations Assessment to determine the significance of these impacts on the Exmoor Heaths Special Area of Conservation (SAC) and the Exmoor and Quantock Oakwoods SAC and the scope for mitigation.

**ENPA – Rights of Way** - Public footpath 261FP4 joins the public road just opposite the proposed site for the new cattle building.

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The construction of the new building will not impact directly on the public footpath but will be visible to those using it as it will be opposite when approaching from the north. How visible it is will depend on the height of the hedge.

The public footpath is not currently in a state fit for use by the public and I would very much welcome the opportunity to resolve the issues on the right of way in conjunction with the agent and the landowner. Whilst the rights of way issues are separate to the planning application, do please contact me to arrange a site visit to take this opportunity to resolve them.

**Conservation Manager** - The landscape impact of two proposals at South Dean Farm has been considered together due to being part of the same farm complex and from the same applicant. The site is part of the Enclosed Farmed Hills with Commons character area and has a strong influence from the adjacent highly scenic High Coastal Heaths character area. Due to the topography the site is largely hidden from view. It is most noticeable from the very narrow South Dean Lane, immediately opposite, whereby the proposed developments will largely fit within the context of the existing farm. Any likely visual impact of the cutting should be sufficiently negated by the hedge strengthening. There is a limited view observable from Trentishoe Lane, but only when standing on an elevated position such as the stile on the opposite side of the road. It is not readily visible from the nearby publicly accessible Trentishoe Common. The low profile afforded by the cutting combined with the proposed screening will negate any impact and the species chosen will mitigate habitat loss from the loss of permanent pasture and both applications are considered to have acceptable impact.

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### Representations

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None received

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### Policy Context

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Exmoor National Park Local Plan 2011 – 2031

GP1 – General Policy: Achieving National Park Purposes and Sustainable Development

CE-S1 – Landscape and Seascape Character

CE-D1 – Protecting Exmoor’s Landscapes and Seascapes

CE-S2 – Protecting Exmoor’s Dark Night Sky

CE-S3 – Biodiversity and Green Infrastructure

CE-D2 – Green Infrastructure Provision

CE-S4 – Cultural Heritage and Historic Environment

CE-D3 – Conserving Heritage Assets

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CE-S6 – Design and Sustainable Construction Principles  
CE-D4 – Extensions to Buildings  
CC-S1 – Climate Change Mitigation and Adaptation  
CC-D7 – Pollution  
SE-S1 – A Sustainable Exmoor Economy  
SE-S4 – Agricultural and Forestry Development

The National Planning Policy Framework (NPPF) is also a material planning consideration.

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## Planning Considerations

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### Planning Background

The application papers explain that the applicant's holding extends to 240 acres (97 hectares) of Severely Disadvantaged Area land, and he benefits from an additional acreage of 76 acres on a short term (five year) farm business tenancy.

The farm business comprises a sheep enterprise 400 cross bred Welsh x Cheviot ewes put to Texel rams and an expanding cattle enterprise of 33 Hereford and Angus suckler cows and 25 yearlings going to a Belgian Bull this season.

The farmstead consists of a dwelling, a couple of traditional agricultural barns and the modern farm building that has been extended by the development proposed through this current application. Officers acknowledge that there is a lack of suitable building space to sufficiently manage the farm holding and the applicant had also submitted a separate application for the erection of a cattle building (reference 62/62/21/002).

Taking into account the size of the applicant's holding and the expanding sheep and cattle business he is running of that holding, Officers are satisfied that there is a reasonable need for further building space to run the holding and the retention of the extension of an existing agricultural building is therefore agriculturally justified and compliant in principle with Policy SE-S4 of the Exmoor National Park Local Plan 2011 – 2031, subject to other material planning considerations being satisfied.

### Design, Scale and Materials

The proposed development would have the typical design, form and appearance of a modern agricultural building. It would complement other agricultural buildings in the area, which is a non-traditional buildings themselves. The use of timber boarding on the walls and would help the building to assimilate with its

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surroundings, and it would ensure that it is congruent with the vernacular of modern agricultural buildings on Exmoor. Its overall scale is considered to be in proportion with the existing agricultural buildings and it would not dominate. Officers are satisfied that it would not be oversized for its intended purpose and it would not constitute overdevelopment of the site. The application states that the roof will be clad in metal sheeting. This can provide for a overly mechanical sheen and therefore a condition will be imposed to ensure that a suitable roof covering is used and in keeping with other modern agricultural buildings on Exmoor.

### **Impact on the Landscape**

The development does not appear as isolated and sporadic development in the open countryside. It is seen in the context of an existing working farm and the dwelling that the farm is run from.

The conservation manager comments that the site is part of the Enclosed Farmed Hills with Commons character area and has a strong influence from the adjacent highly scenic High Coastal Heaths character area. Due to the topography the site is largely hidden from view. It is most noticeable from the very narrow South Dean Lane, immediately opposite, whereby the proposed developments will largely fit within the context of the existing farm. Any likely visual impact of the cutting should be sufficiently negated by the hedge strengthening. There is a limited view observable from Trentishoe Lane, but only when standing on an elevated position such as the stile on the opposite side of the road. It is not readily visible from the nearby publicly accessible Trentishoe Common. The low profile afforded by the cutting combined with the proposed screening will negate any impact and the species chosen will mitigate habitat loss from the loss of permanent pasture and both applications are considered to have acceptable impact.

Officers concur with the view above and conclude that with the alterations to external materials and additional planting, the development does not cause material harm to the character and appearance of the landscape or visual amenity.

### **Impact on Heritage Assets**

Lower South Dean Farmhouse, which is Grade II listed, is located to the south of the application site, on the other side of the applicant's dwelling. It is acknowledged that wider long distance views to the south may see the development in the background of the listed building, but this would be the only viewpoints where the two buildings can be seen in relation to each other. Officers have reached the conclusion that the development does not cause material harm to the setting of the designated heritage asset.

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### Impact on Biodiversity

The application site is located near to the Exmoor and Quantock Oakwoods Special Area of Conservation (SAC), Exmoor Heaths SAC, West Exmoor Coast and Woods Site of Special Scientific Interest (SSSI), and Exmoor Coastal Heaths SSSI. Natural England were consulted and they initially advised that there was insufficient information to provide comments on the application. They requested that a suitable air quality screening assessment was provided using the Simple Calculation of Atmospheric Impact Limits (SCAIL). The reason for this is that the above mentioned designated sites are sensitive to ammonia that can be emitted from development such as livestock buildings. Ammonia is a major contributor to the deposition of nitrogen, which reduces habitat biodiversity by promoting the growth of a relatively small number of the more vigorous plant species which then out-compete the other species present.

The applicant has subsequently provided SCAIL for this development and an extension to a cattle shed proposed through application reference 62/62/21/003. Natural England have commented on the calculations by advising that they consider that without appropriate mitigation the application would:

1. Have an adverse effect on the integrity of the Exmoor and Quantock Oakwoods Special Area of Conservation (SAC) and the Exmoor Heaths SAC;
2. damage or destroy the interest features for which the West Exmoor Coast and Woods Site of Special Scientific Interest (SSSI); and Exmoor Coastal Heaths SSSI have been notified.

To mitigate any adverse effects and make the development acceptable it was requested that a condition be attached to planning permission that limits the use of the extension and the original building, under 62/62/21/003 to agricultural storage except in certain circumstances. They did also suggest that the number of animals kept in the building be restricted, but Officers advised them that this would not meet the tests for a condition, particularly as it would be difficult to enforce. Further discussions have taken place with Natural England and they have confirmed that the condition without a restriction on numbers would be sufficient.

Natural England have concluded that based on the information submitted, the process contribution from the revised use of the building is negligible and will not contribute significantly to the background levels at these designated sites. They consider that the proposed development will not have likely significant effects on the European sites identified and will not damage or destroy the interest features for which the SSSIs have been notified and they have no objection to the proposed development subject to the recommended condition being secured to planning application 62/62/21/003.

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Since this advice the building and extension that was under 62/62/21/003 has collapsed and therefore this application has been withdrawn. It is understood that a new application is likely to be submitted to seek the erection of a further building. Officers consider that this does not alter the advice above regarding limitations of a second building and should an application be submitted to erect a new building suitable conditions can be imposed to restrict the emissions and livestock from the building.

Taking the advice of Natural England, Officers are satisfied that the development is acceptable and policy compliant in terms of its impact on biodiversity.

### **Impact on Neighbouring Amenity**

There are two residential properties situated to the south of the application site on the other side of the applicant's dwelling. This separation is considered to result in there being no material harm to neighbouring amenity from overbearing, loss of light, noise or odour.

### **Impact on Public Rights of Way Network**

Public footpath 261FP4 joins the public road approximately 40 metres up from the proposed alterations. The Authority's Public Rights of Way and Access Officer has advised that the development would not impact directly on the public footpath and will not be particularly visible to anyone using it as they are largely shielded by hedges. On this basis, Officers are satisfied that the development does not conflict with Policy RT-D12 of the adopted Local Plan.

### **Climate Change**

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. Policy CC-S5 seeks to support small scale renewable energy schemes that assist in contributing towards reducing greenhouse gas

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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 152 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.

There would be an impact on the climate from the construction process and the sourcing of construction materials but it is noted that natural timber would be used to clad the external walls and the use of this natural and sustainable material would lessen the impact on the climate. The ongoing use of the building would see a long term impact on the climate but it is considered necessary to ensure the continued running of the farm in the interests of the proper management of the protected landscape. Officers consider that the impact on the climate resulting from the construction of the proposed development and its ongoing use would not be such that the application should be refused.

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### **Human Rights**

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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.

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### **Conclusion**

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For the reasons given above the application is recommended to be approved.

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### **Recommendation**

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The application is recommended for approval subject to the following conditions:

1. The development hereby permitted shall be begun before the expiration of three years from the date of this permission.

Reason: In accordance with the provisions of Section 91 of the Town and Country Planning Act 1990, (as amended by the Planning & Compulsory Purchase Act 2004).

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## 6.1

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2. The works hereby approved shall not be carried out except in complete accordance with drawings numbered File No 1(Location Plan), File No.2, File No.4, File No.5, File No.6, File No.7, File No.8 & File No.9 and date stamped 20th April 2021.

Reason: For the avoidance of doubt and to ensure the works accord with the approved details.

3. The site must be drained on a separate system of foul and surface water drainage, with all clean roof and surface water being kept separate from foul drainage.

Reason: To prevent pollution of the water environment.

4. No farm effluent or contaminated surface water, including wash down water shall be discharged into any watercourses or water sources.

Reason: To prevent pollution of the water environment and to ensure that the development does not increase risk of flooding from surface water discharge.

5. Where the development hereby approved ceases to be used for the purposes applied for within ten years from the date of this permission and planning permission has not been granted authorising development for purposes other than those set out under the above condition within three years of the permanent cessation of the authorised uses, and there is no outstanding appeal, the development must be removed unless the Local Planning Authority has otherwise previously agreed in writing.

Reason: For the strict control of development in the countryside and the Local Planning Authority wishes to ensure that the development is used solely for the purposes hereby permitted.

6. The development hereby approved shall be used solely for the purposes of agriculture or horticulture as defined under Section 336 of the Town & Country Planning Act 1990.

Reason: To ensure that the development hereby permitted is used solely for the purposes of agriculture and horticulture.

7. Notwithstanding the provisions of the Town & Country Planning (General Permitted Development) Order 2015 (or any order revoking and re-enacting
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## 6.1

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that Order with or without modification), no external lighting shall be installed on the development hereby approved unless details have first been submitted to and approved in writing by the Local Planning Authority. The external lighting shall thereafter be installed and operated fully in accordance with the approved scheme.

Reason: In the interests of visual amenity, the conservation of protected species and habitats and to protect Exmoor's dark night sky.

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### Informatives

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#### **Positive and Proactive Statement**

This Authority has a pro-active approach to the delivery of development. Early pre-application engagement is always encouraged. In accordance with the requirements of Article 35 of the Town and Country Planning (Development Management Procedure) (England) Order 2015, in determining this application, Exmoor National Park Authority has endeavoured to work positively and proactively with the agent/applicant, in line with the National Planning Policy Framework, 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 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](mailto:plan@exmoor-nationalpark.gov.uk).

#### **Conditions and Informatives and the Submission of Further Details**

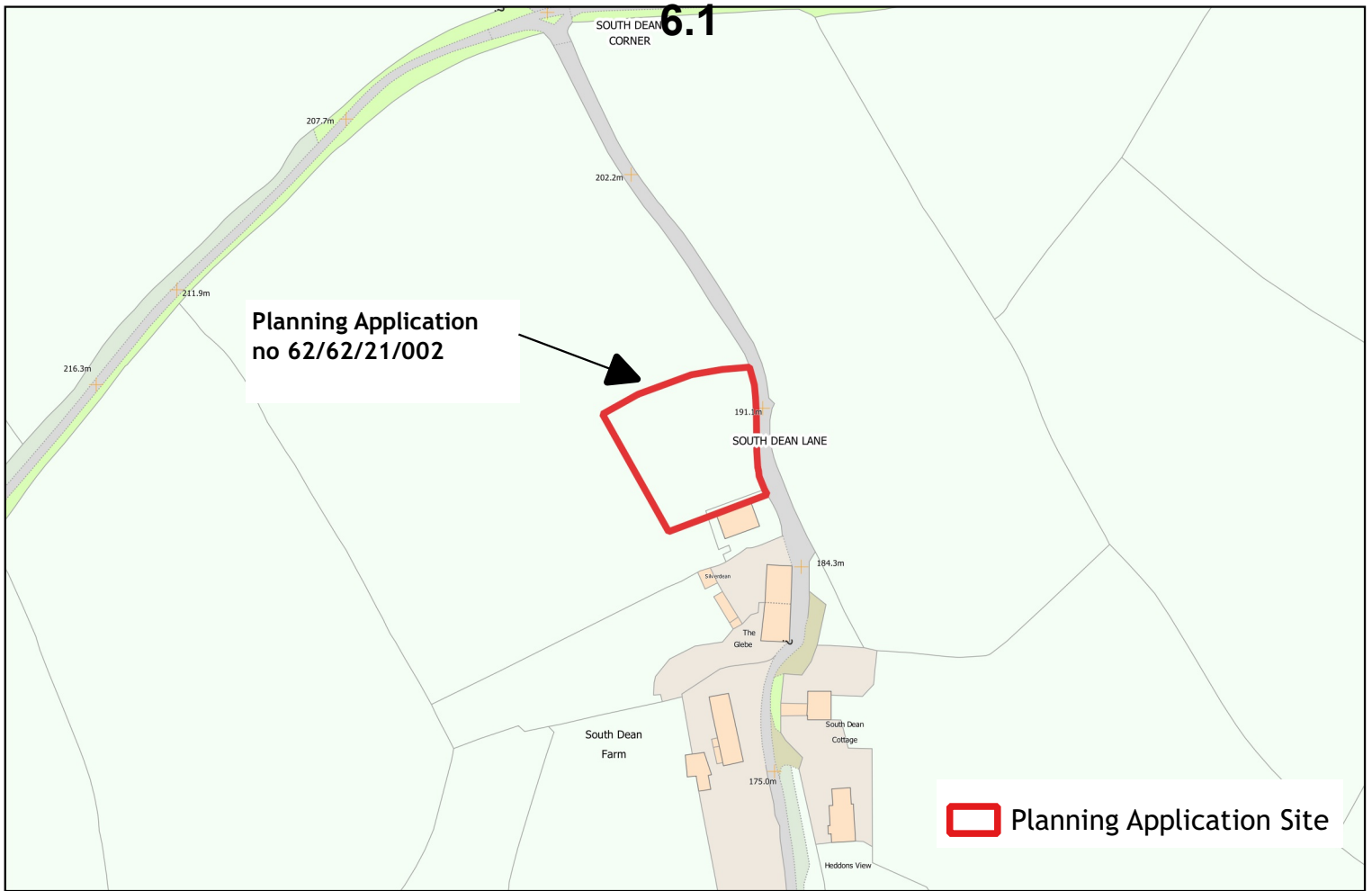
Please check all the conditions and informatives attached to this Decision Notice. If there are any conditions which require submission of details and/or samples prior to work commencing on site it is vital that these are submitted and agreed in writing by the Local Planning Authority before work starts. Given the High Court's interpretation of the Planning Acts and their lawful implementation it is unlikely that the Local Planning

## 6.1

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 on an informal basis.

The Department of Communities and Local Government have introduced a process whereby it is now possible to apply for a non-material amendment to a permission. This can deal with changes to plans which do not fundamentally alter the form of permission but are a variation to the approval. The appropriate form is available by request at Exmoor House or by downloading from the National Park Authority web site. Applications can be made via the Planning Portal.



**Site Map**  
 Scale 1:2,500

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**Overview Map**  
 Scale 1:20,000

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## 6.2



### Committee Report

Application Number:	62/41/22/015DC
Registration Date:	11-Feb-2022
Determination Date:	08-Apr-2022
Applicant	Mr. Daniel Barnett
Agent:	
Case Officer:	Joe White
Site Address:	Valley of the Rocks, Road from Hollerday Gate to Castle Rock, Lynton, EX35 6JH
Proposal:	Proposed Discharge of Condition 4 (scheme of investigation for archaeological work) of application 62/41/21/019.
Recommendation:	Approve
Reason for bringing before Authority Committee:	The applicant is Exmoor National Park Authority.

### Relevant History

62/41/08/003 Regulation 3 application for Restoration of picnic area located between Lynton a Approved 02/06/2008  
62/41/21/019 Application under Regulation 3 of the Town and Country Planning General Regulati Approved with Conditions 10/05/2021  
62/41/76/004 New track for vehicular access to centre of picnic area Approved 03/02/1976

### Site Description & Proposal

The application is a discharge of condition application. The discharge of a planning condition involves a formal application process where details relating to an approved development can be considered and a decision made on their acceptability.

Although typically discharge of condition applications do not come before the Authority Committee, in this case the applicant is Exmoor National Park Authority. Under the approved scheme of delegation, the application is required to be considered by Authority Committee.

On 5 October 2021 planning permission was granted for alterations to the Authority owned car park at the Valley of Rocks – under application reference 62/41/21/019. The approved development includes the relocation and replacement of existing car

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parking machine, installation of a second parking machine, formation of new parking bays, widening of vehicular entrance track and construction of grass banks.

The Valley of Rocks is a dramatic and well visited landscape, significant for its rugged beauty. It contains a prehistoric landscape including prehistoric settlement and burial remains likely to date to the Bronze Age period. The wider site is locally designated as a Principal Archaeological Landscape (PAL). Although the application site lies outside the PAL, the site does have archaeological potential and the approved development does have the potential to disturb archaeological artefacts.

For this reason, condition 4 of the planning permission requires the submission of a written scheme of investigation in the interests of understanding and protecting heritage assets in accordance with Policy CE-D3.

The condition says:

No development hereby approved shall take place until the applicant, or their agents or successors in title, has secured the implementation of a programme of archaeological work in accordance with a written scheme of investigation which has been submitted by the applicant and approved by the Local Planning Authority.

The applicant has submitted a written scheme of investigation for approval by the Local Planning Authority.

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### **Consultee Representations**

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Historic Environment Officer (Archaeology) – Content with the WSI.

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### **Representations**

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N/a

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### **Policy Context**

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EXMOOR NATIONAL PARK LOCAL PLAN 2011-2031  
GP1 Achieving National Park Purpose and Sustainable Development  
CE-S1 Landscape Character  
CE-D1 Protecting Exmoor's Landscapes and Seascapes  
CE-S2 Protecting Exmoor's Dark Night Sky  
CE-S4 Cultural Heritage and Historic Environment  
CE-D3 Conserving Heritage Assets  
CE-S3 Biodiversity and Green Infrastructure  
CE-D2 Green Infrastructure Provision  
CE-S6 Design and Sustainable Construction Principles  
CC-S1 Climate Change and Mitigation and Adaption  
CC-D1 Flood Risk

## 6.2

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CC-S2 Coastal Development  
HC-S6 Local Commercial Services and Community Facilities  
HC-D19 Safeguarding Local Commercial Services and Community Facilities  
AC-S1 Sustainable Transport  
AC-D2 Traffic and Road Safety Considerations for Development  
RT-D12 Access Land and Rights of Way

LYN PLAN 2013-2028

P1 Overall Objectives for New Development

ENV1 Location of Development & Enhancement of the Local Environment

E10 Parking

S1 Loss of Services and Facilities

S2 Improving Existing Services and Facilities and the Provision of New Services and Facilities

The National Planning Policy Framework is a material consideration.

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### **Planning Considerations**

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The condition requires that the applicant secures the implementation of a programme of archaeological work in accordance with a written scheme of investigation (WSI). A WSI has been submitted that outlines the proposed archaeological works to satisfy the requirement of the condition. The details include that an archaeological watching brief be carried out during all excavations associated with the development. This includes an archaeologist being present on site during the initial groundworks. Should it be established that the area of the site contains little of archaeological significance or the levels of disturbance preclude the survival of meaningful remains, the monitoring by an archaeologist will be reduced to intermittent monitoring visits. The objectives of the archaeological watching brief are to contribute to the knowledge of the area of the site through the recording of any archaeological remains exposed as a result of activities associated with the proposed development, and to allow preservation by record of any such remains.

The WSI confirms that on completion of the works a report of the findings will be submitted to the Exmoor National Park Authority for deposit to the Historic Environment Record.

The Historic Environment Officer (Archaeology) has considered the WSI and is happy with its content. Significant weight is given to the Historic Environment Officers comment.

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### **Human Rights**

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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.

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### **Conclusion**

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The submitted WSI is acceptable and satisfies the requires of condition 4 of the planning permission reference 62/41/21/019. The details can therefore be agreed, and the condition discharged.

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### **Recommendation**

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To approve the details and discharge condition 4 of planning permission 62/41/21/019

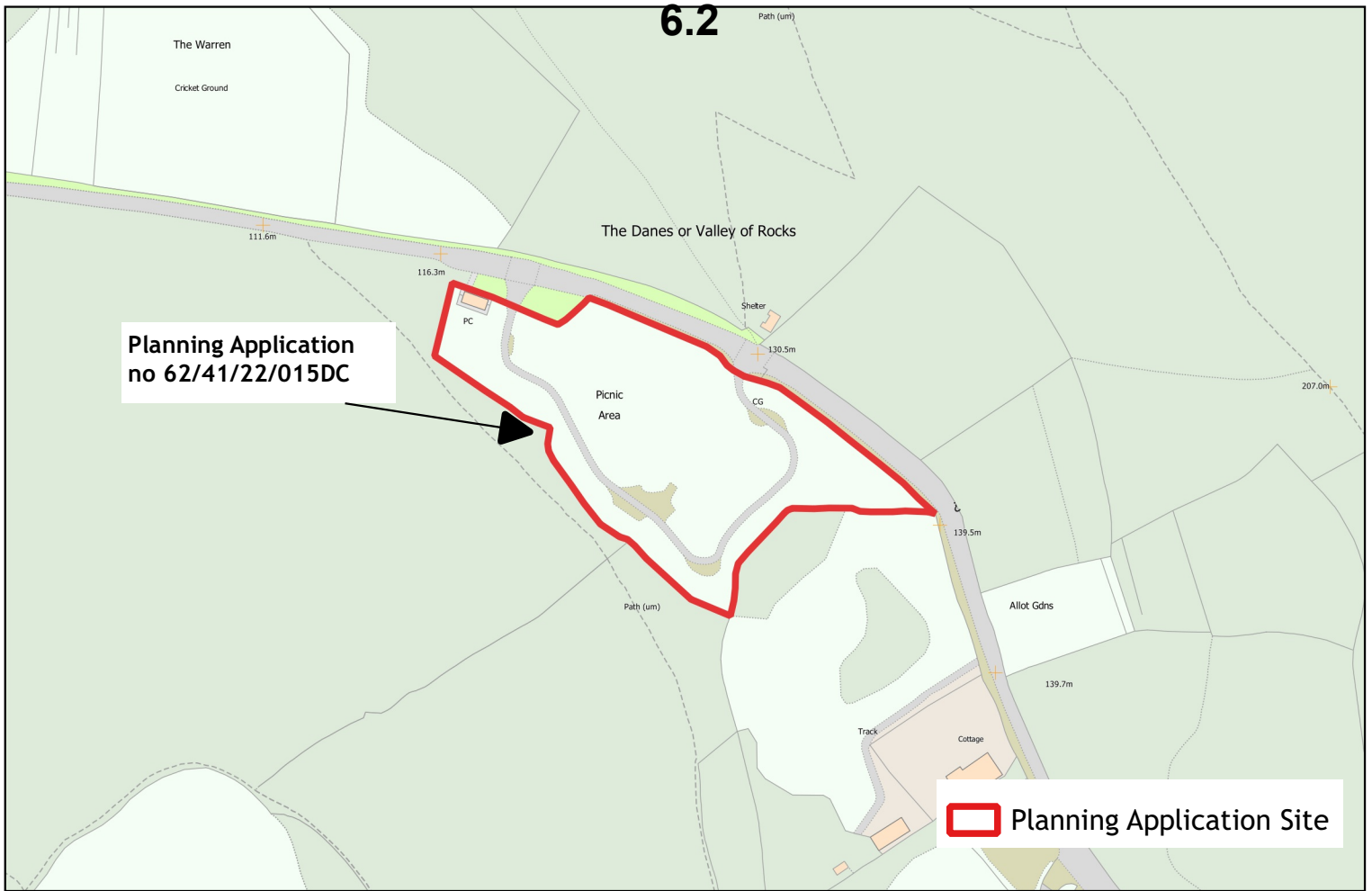
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### **Informatives**

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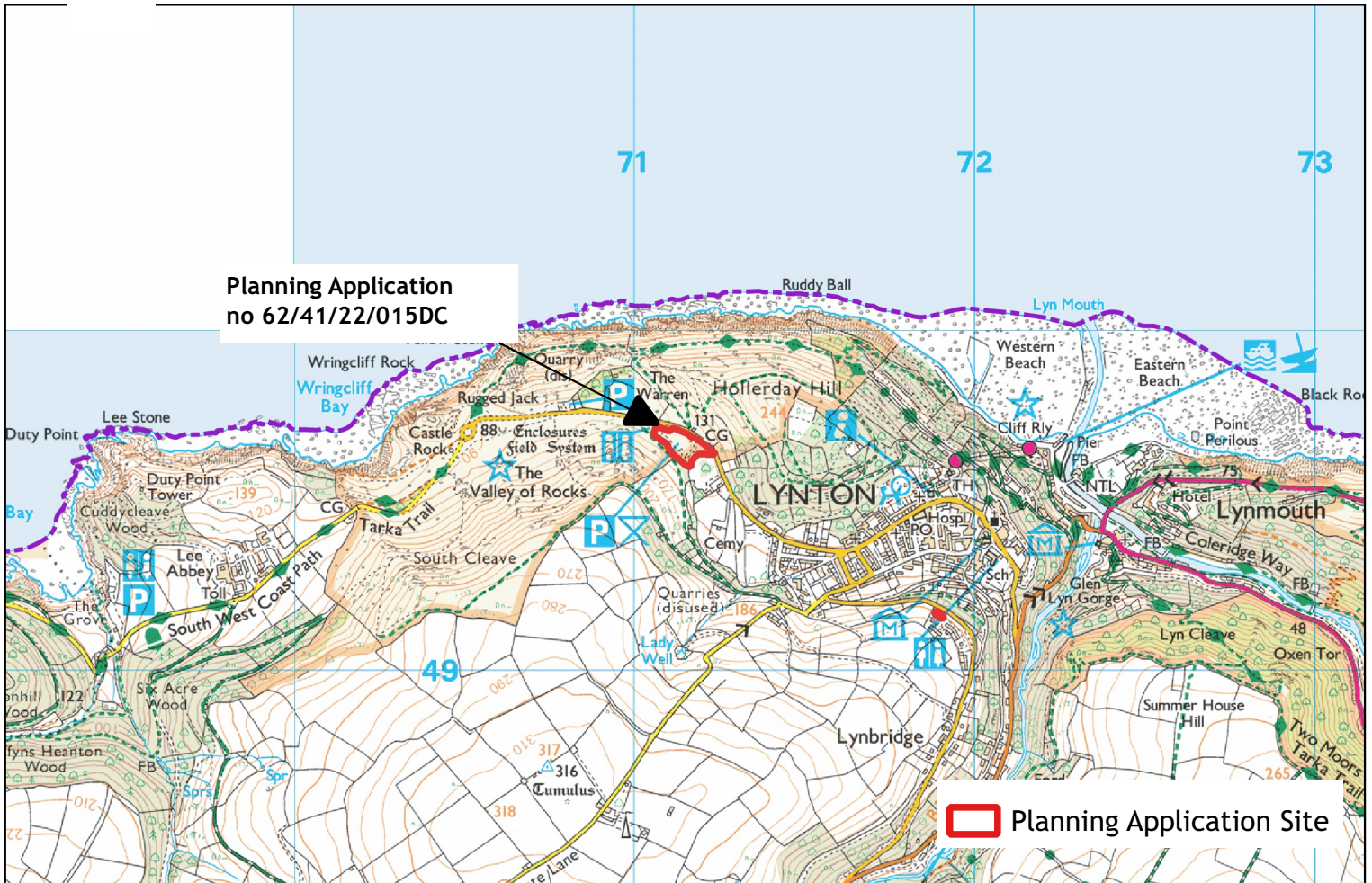
N/a





**Site Map**  
 Scale 1:2,500

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**Overview Map**  
 Scale 1:20,000

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## EXMOOR NATIONAL PARK AUTHORITY

1 March 2022

### PLANNING CONSULTATION TO SOMERSET WEST AND TAUNTON TO PLANNING APPLICATION 3/39/21/028 - INSTALLATION OF A GROUND MOUNTED SOLAR FARM WITH BATTERY STORAGE AND ASSOCIATED DEVELOPMENT

#### Report of the Head of Planning and Sustainable Development

**Purpose of Report:** To report on a consultation from a neighbouring planning authority, Somerset West and Taunton Council, on an application of potential significance in terms of impact on the character and appearance of the landscape of the National Park and its purposes, and to seek the Authority's response.

**RECOMMENDATION:** The Authority Committee is recommended that Somerset West and Taunton Council be advised of the Authority's comments to the proposal and the impact on the setting of Exmoor National Park.

**Authority priority: National Park Management Partnership Plan 2018-23:** The Management Plan identifies forces for change affecting Exmoor's landscapes, including growth and development in areas surrounding Exmoor affecting its setting and views, particularly prominent structures such as communication masts and large-scale solar farms.

The Management Plan provides strategies including:

- Conserve character: Exmoor's diverse landscapes and seascapes are maintained, with local enhancements to their character

**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 of the recommendation of this report have been assessed as follows: None at this stage, there may be some financial implications were the application to be refused and the Authority appeared at any subsequent Inquiry.

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## 1. Background and details of the Planning Application

1.1 Exmoor National Park have been consulted by Somerset West and Taunton Planning Authority regarding a current planning application for the installation of a solar farm. The application site is located to the north east of Washford and the A39 and west of the B3190. To the immediate north of the site lies the access road to Kentsford Farm and agricultural fields. To the east lie agricultural fields, Crossyard Business Park and Washford Transmitting Station with the B3190 beyond. To the south lie

agricultural fields and the village of Washford. To the west lies agricultural fields, Washford River and the West Somerset Railway line. The application site is situated approximately 1.5km from the nearest boundary with Exmoor National Park.

- 1.2 The proposed development comprises of 14 fields of Solar PV panels, covering approximately 39.7 Hectares (98.1 Acres). There would be control inverter stations, a primary DNO and client substation, 2.45m high perimeter security fencing, pole mounted infra-red CCTV security cameras, internal and site access tracks. The development is proposed to have a rated capacity of 25MW. This system will generate in the region of 25,000,000kWh of electricity per annum. This is equivalent to the average annual UK electricity consumption for 7,500 households.

## 2. Main Planning Policies and National Guidance

- 2.1 The National Park Authority is not the local planning authority in this case, but a consultee. Somerset West and Taunton Council is the local planning authority and, therefore, the competent authority in charge of determining the acceptability of the proposal under the planning application.
- 2.2 From the National Park Authority's perspective therefore, the main planning issue in this case is the potential landscape impact in relation to the scenic beauty and character of the National Park, including its setting.
- 2.3 The application site is covered by the adopted West Somerset Local Plan to 2032.
- 2.4 In terms of adopted landscape planning policies, the West Somerset Local Plan Policy NH5 refers to landscape character protection. The policy advises that development should be located and designed in such a way as to minimise adverse impact on the quality and integrity of that local landscape character area.
- 2.5 Policy NH14 of the West Somerset Local Plan refers to nationally designated landscape areas and advises, among other things, that where development is likely to affect Exmoor National Park, regard will be given to its statutory purposes, and that development should have regard to location, siting, orientation and landscaping to achieve high quality design, and to ensure that the proposals conserve or enhance the natural beauty, wildlife, cultural heritage and tranquillity of the National Park and its setting.
- 2.6 The National Park Purposes and the Duty are as follows:
  1. **Conserve and enhance the natural beauty, wildlife and cultural heritage**
  2. **Promote opportunities for the understanding and enjoyment of the special qualities of national parks by the public**

When National Park Authorities carry out these purposes they also have the Duty to:

**Seek to foster the economic and social wellbeing of local communities within the national parks.**

- 2.7 Section 11A of the National Parks and Access to the Countryside Act 1949 requires that 'relevant authorities' should also have regard to National Park purposes when making decisions or carrying out activities relating to or affecting land within the National Park. Authorities and public bodies must show they have fulfilled this duty.
- 2.8 Paragraph 176 of the [National Planning Policy Framework \(NPPF\)](#) (2021) states that: *"Great weight should be given to conserving and enhancing landscape and scenic beauty in National Parks, the Broads and Areas of Outstanding Natural Beauty which have the highest status of protection in relation to these issues. The conservation*

*and enhancement of wildlife and cultural heritage are also important considerations in these areas, and should be given great weight in National Parks. The scale and extent of development within all these designated areas should be limited, **while development within their setting should be sensitively located and designed to avoid or minimise adverse impacts on the designated areas.***”

### **3. Landscape comments**

- 3.1 The development is located below the eastern end of the National Park, associated with the Brendon Hills. This part of the National Park lies within the Wooded and Farmed Hills and with Commons landscape character type (LCT), as identified within the Exmoor Landscape Character Assessment, 2018. One of the key characteristics of the LCT is its open hilltops offering extensive views, strongly influenced by the coast and the Quantock Hills.
- 3.2 One of the forces for change identified in the character assessment is on views outside the National Park: *‘new developments, renewable energy schemes and highways schemes outside the National Park boundary will all potentially affect views from within the National Park’*. Specific management guidelines for the LCT include *‘protect views from the National Park which includes land outside the National Park boundary’*.
- 3.3 Within the National Park, the solar farm would be visible from the north facing hillsides of the Brendon Hills, including parts of the Macmillan Way at Withycombe Hill, Black Hill, Rodhuish Common and the area above Wood Advent Lane / Nettlecombe. It includes popular long-distance paths, open access land and commons, other rights of way and lanes.
- 3.4 From these, there are outstanding panoramic views over the lower ground towards the coast, taking in the Quantock Hill ridge, the coast extending from Hinckley in the east to Minehead in the west and across to South Wales, scattered settlements and farmsteads and a mosaic of undulating farmland and woodland. The existing Higher Bye solar farm is seen as a solid mass at ground level and depending on the direction of the sun, this may be seen as a flat dark grey mass or as a pale, more reflective colour surface from other directions. The anomaly of the form draws the eye in this intrinsically rural landscape where there is little development other than scattered settlements and farmsteads.
- 3.5 From numerous locations within the National Park, the proposed solar farm would be clearly seen in the middle distance. The grey mass of the PV panels would cover a number of fields, standing out in the scene and introducing a more industrialised feature in the rural landscape. The scale of the development is at odds in the context of the overall view from the National Park.
- 3.6 Cumulative effects of the existing and proposed solar farms would be experienced from the National Park. The two solar farms would be seen in conjunction with each other from all the viewpoints within the National Park from which the proposed solar farm would be seen. The effect would be to draw the eye to a greater extent, creating an industrial appearance which would reduce the quality of the views from the National Park and be harmful to its setting.
- 3.7 The two protected landscapes of the Quantock Hills and Exmoor are linked by this shared landscape setting. It is the mix of upland, vale and coast that combine to create outstanding views from both protected landscapes. The effect of inappropriate development here would be to harm the special qualities of the landscape in this area.

3.8 The Landscape and Visual Impact Assessment (LVIA) underplays the impact of the development on the National Park as it suggests only two viewpoints located within it and from one of these the development would not be visible. No assessment is made of the likely effects on the setting of the National Park. The scale of the development and the massing would affect views from within the National Park and would be considered harmful to the setting of the National Park.

#### **4. Conclusions**

- 4.1 The main planning issue in this case, as a consultee to Somerset West and Taunton Council, is the potential landscape impact in relation to the scenic beauty and character of the National Park and its setting.
- 4.2 The application site is located approximately 1.5km from the boundary of the National Park. The site can be seen from various locations within the National Park when viewing the surrounding landscape, particularly from the north facing hillsides of the Brendon Hills, Black Hill, Rodhuish Common and the area above Wood Advent Lane / Nettlecombe. It includes popular long-distance paths, open access land and commons, other rights of way and lanes. While this is some distance from the boundary of the National Park, due to the scale of the development and elevated viewpoints, the proposed development is considered to have a detrimental impact, and the scale of the development is at odds in the context of the overall view from the National Park.
- 4.3 The current application offers no reasonable or detailed assessment of the impact upon the setting of the National Park. Where an assessment is made regarding views of the application site from viewpoints within the National Park, the assessment is considered to underplay the overall likely impact.
- 4.4 National policy, through the NPPF, sets out that development within the setting of a National Park should be sensitively located and designed to avoid or minimise adverse impacts on the designated areas. This is supported by Policy's within the West Somerset Local Plan NH14 that where development is likely to affect Exmoor National Park regard should be given to its statutory purposes, and that development should have regard to location, siting, orientation and landscaping to achieve high quality design, and to ensure that the proposals conserve or enhance the natural beauty, wildlife, cultural heritage and tranquillity of the National Park and its setting. The lack of any detailed assessment of the setting of the National Park does not allow for a considered evaluation of the proposal from the prospective of a protected landscape.

**Dean Kinsella**  
**Head of Planning and Sustainable Development**  
**February 2022**

**Application decisions delegated to the Chief Executive**

<b>Ref and Grid Ref</b>	<b>Applicant &amp; Location</b>	<b>Decision and Date</b>
6/27/22/104	Mr S Pratt - Non-material amendment – householder – of approved application 6/27/21/105 to allow single storey conversion only, together with, the widening of back door to allow the installation of French doors, blocking up of side window and roof to remain as is without the installation of skylights. (NMA - Householder ) - 7, HURLSTONE PARK, PORLOCK, MINEHEAD, TA24 8JB	Approved 11-Feb-2022
GDO 22/01	Mr E Veltink - Prior notification for the proposed erection of lean to extension (4m x 3.45m). (GDO - Agricultural/Forestry ) - HOWTOWN COTTAGE, WINSFORD, MINEHEAD, TA24 7HN	GDO - Prior Approval Not Reqd 10-Feb-2022
62/41/22/002	Ms A Twydall - Proposed construction of beekeeping barn and shed. (Full ) - Lower Ranscombe Farm, Road From Martinhoe Cross To Caffyns Cross, Lynton, EX35 6PY	Withdrawn 25-Jan-2022
6/3/22/101DC	Mr K Steer - Discharge of conditions 3 (slate sample) and 6 (swift brick photos) of approved application 6/3/21/110. (Discharge of Condition ) - GREEN GABLES, BROMPTON REGIS, DULVERTON, TA22 9NN	Approved 14-Feb-2022
6/29/21/122	Mr & Mrs Davey - Proposed addition of single storey glass canopy to front elevation. (Householder ) - BLUE HAZE, TIVINGTON, MINEHEAD, TA24 8ST	Approved with Conditions 02-Feb-2022
62/50/21/018	Mr P Huntley - Proposed demolition of open sided sale ring and erection of building (320 sqm) for use as livestock sale ring and associated office, store and toilets. (Full ) - Blackmoor Gate Market, Kentisbury, Barnstaple, EX31 4NW	Approved with Conditions 07-Feb-2022
62/62/21/009	Mr & Mrs Westron, The Westron Partnership - Proposed variation of Condition 2 of approved application 62/62/87/002 to vary wording of holiday letting occupancy restriction. (Alteration/Lift Condition ) - THE OLD FARMHOUSE, TRENTISHOE, PARRACOMBE, BARNSTAPLE, EX31 4QD	Approved with Conditions 26-Jan-2022
62/62/21/008	Mr & Mrs Westron, The Westron Partnership - Proposed change of use of part of dwelling house to	Approved with Conditions 27-Jan-2022

**Application decisions delegated to the Chief Executive**

<b>Ref and Grid Ref</b>	<b>Applicant &amp; Location</b>	<b>Decision and Date</b>
	form new holiday let. (Full ) - THE OLD FARMHOUSE, TRENTISHOE, PARRACOMBE, BARNSTAPLE, EX31 4QD	
6/10/21/134LB	Mr P Smith - Listed building consent for the proposed replacement of chimney pot and associated works. (Listed Building Consent ) - 24, PARK STREET, DUNSTER, MINEHEAD, TA24 6SR	Approved with Conditions 19-Jan-2022
62/19/21/006	Mr C Lerwill - Proposed extension to agricultural building (8.9m x 5.4m). Retrospective. (Full ) - Verwill Lands, Combe Martin, EX34 OPE	Approved with Conditions 27-Jan-2022
62/11/21/018	Ms A Braund - Advertisement consent for the proposed erection of 6 no. signs (amended description). (Advert ) - The Buttery, Malmsmead, Oare, Lynton, Devon, EX35 6NU	Approved with Conditions 31-Jan-2022
6/10/21/133	Mrs D Burgess - Proposed erection of stable block and shed, and installation of hard standing. Retrospective. (Full ) - Field 4104 - East of Rowe Farm, Easting: 298367, Northing: 144174, TA24 6TS	Refused 08-Feb-2022
62/50/21/016DC	Mr. J Barton, Lynton and Barnstaple Railway Trust - Proposed discharge of Condition 11 of approved application 62/50/16/001 (Discharge of Condition ) - Land between Killington Lane to Blackmoor Gate, Devon	Approved 14-Feb-2022
62/43/21/005	Mr. O Griffith, National Trust - Proposed resubmission of approved application 62/43/21/001 for installation of ground source heat pump system comprising of boreholes, to vary the trench route. Part retrospective (Full ) - The Hunters Inn, Parracombe, Barnstaple, EX31 4PY	Approved with Conditions 20-Jan-2022
6/26/21/112	Mr E Hitch - Proposed relocation of existing gateway within hedgerow adjoining B3224 opposite Higher Sminhayes Farm Lane. (Full ) - HIGHER SMINHAYS FARM, BRENDON HILL, WATCHET, TA23 0LG	Approved with Conditions 20-Jan-2022
6/9/21/134	Mr & Mrs R Vernon - Proposed single storey rear extension. (Householder ) - 2, VALENTINES, DULVERTON, TA22 9ED	Approved with Conditions 20-Jan-2022

**Application decisions delegated to the Chief Executive**

<b>Ref and Grid Ref</b>	<b>Applicant &amp; Location</b>	<b>Decision and Date</b>
62/41/21/035	Mrs J King-Fretss - Proposed extension to agricultural building. Retrospective. (Full ) - Field No 8215, Land NE of Lyn Lane, West Lyn, Barbrook, Lynton	Approved with Conditions 20-Jan-2022
6/27/21/126LB	Mrs C Connor - Listed Building Consent for the proposed replacement of 3 no. ground floor windows. Amended description. (Listed Building Consent ) - SHIP INN, PORLOCK, MINEHEAD, TA24 8QD	Approved with Conditions 18-Jan-2022
62/41/21/032	Mr & Mrs Storer - Proposed first floor extension to rear of building. (Householder ) - 3 Cross Street, Lynton, EX35 6HG	Approved with Conditions 20-Jan-2022
62/41/21/030	Mr Bacon - Proposed first floor roof terrace to rear of building and associated development. (Householder ) - 19 Grattons Drive, Lynton, EX35 6LW	Withdrawn 02-Feb-2022
6/9/21/133	Mr. H Waterman, Club Cottage - Proposed single storey side extension. (Householder ) - Club Cottage, 16 Bridge Street, Dulverton, TA22 9HJ	Approved with Conditions 28-Jan-2022
6/42/21/105	Mr R Knight - Proposed rebuilding and cladding of barn, together with reinstating doors and windows and reroofing with traditional slate roof and change of use of building to be used as private stables. Part Retrospective. (Full ) - HIND HOUSE, HAWKRIDGE, DULVERTON, TA22 9QW	Approved with Conditions 27-Jan-2022
6/9/21/125	Airwave Solutions Ltd - Proposed removal of existing 8m tower and replace with 20m extendable lattice tower in new location, together with installation of associated equipment and cabling including 3 no. 17.5m EAS antennae, 4 no. cabinets, 2 no. generators, a 1.2m diameter pole mounted VSAT dish and 2 no. electricity meter cabinets, all enclosed within a 2.2m high closed boarded timber fence. (Full ) - Land at Liscombe Farm, Liscombe, Dulverton, TA22 9QA	Approved with Conditions 24-Jan-2022
6/35/21/103	Mr M Weatherlake - Proposed storage of timber and wood chipping operation to be used in conjunction with existing nearby combined heat and power generating business. Part retrospective. (Full ) - Land adjoining B3224 at Treborough Common, (Easting: 300250, Northing:135050), Treborough, Watchet	Refused 20-Jan-2022



**Application decisions delegated to the Chief Executive**

Ref and Grid Ref	Applicant & Location	Decision and Date
6/3/21/112DC	Mr & Mrs Gammon - Proposed Discharge of conditions 4,7,8,9,10 & 13 of approved application 6/3/20/119 (Discharge of Condition ) - SPRINGHAYES, EXTON, DULVERTON, TA22 9LD	Approved 08-Feb-2022
6/15/21/104	Mr. P Turnbull, Westcountry Rivers Trust - Proposed installation of a fish pass, smolt/kelt screen and smolt/kelt chute, together with the enlargement and reinforcement of a downstream pool, reinforcement of a section of riverbank and raising of part of weir crest. (Full ) - Bridgetown Weir, Easting: 292324, Northing: 133767	Approved with Conditions 19-Jan-2022
6/40/21/105	The Home Office, C/o agent - Proposed installation of a 20m high, 3-legged lattice tower and 1no ground based satellite dish attached to a 2.6m pole, together with associated equipment. Regrading of existing track, creation of new 25m long x 3m wide stone access track and widening of existing gate and access point. (Full ) - Emergency Services Network (ESN/EAS) development, Land to the south of Furzehill Lane, Winsford, TA24 7HR	Withdrawn 21-Jan-2022
62/62/21/003	Mr G Stanbury - Proposed extension to agricultural building, including recladding of roof and sides. Part retrospective. (Amended description) (Full ) - South Dean Farm, Trentishoe, Parracombe, Barnstaple, Devon, EX31 4QB	Withdrawn 02-Feb-2022

## EXMOOR NATIONAL PARK AUTHORITY

1 March 2022

### MEDIUM TERM FINANCIAL PLAN 2022/23 TO 2026/27 AND BUDGET 2022/23

#### Report of the Chief Finance Officer

**Purpose of Report:** To consider and approve a Medium Term Financial Plan (MTFP) for 2022/23 to 2026/27 and to adopt the revenue budget for 2022/23 within the level of funding being provided by way of National Park Grant (NPG) from the Department for Environment, Food and Rural Affairs (DEFRA) and self-generated income.

**RECOMMENDATIONS:** The Authority is recommended to:

1. ADOPT the attached Medium Term Financial Plan at Appendix 1 and AGREE the Financial Strategy that underpins the MTFP and Budget as set out in Section 8;
2. APPROVE the Core and Programmes, Partnerships and Contributions to Reserves Budgets for 2022/23 as summarised in Appendices 2 and 3;
3. Approve the Capital Investment Strategy shown in Section 6; and
4. NOTE the position on Reserves as detailed in Appendix 5.

**Authority priority:** Getting best value from our resources and improving our performance – Finance and Performance - Financial Management.

**Legal and equality implications:** Local Government Act 2003, Parts 1-3 (Capital Finance, Financial Administration and Grants), and 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 setting of a budget, Medium Term Financial Plan and Capital Strategy are the key elements in the management of financial risk. Section 7 details in more detail the risks surrounding the current budget and our future financial health.

The recommended budget is in accordance with the *assumed* amount of National Park Grant being provided by DEFRA towards the net expenditure of the Authority for 2022/23. Budgetary control and financial management arrangements are in place to minimise any risk of overspending and to ensure that spending is kept in line with the approved budget. The budget will be reviewed at the half year stage and a progress report made to the November 2022 meeting of the Authority. The budget may have to be revisited before this point if significant adjustments need to be made.

**Climate change response:** This report does not have an adverse impact on our ability to respond to Climate Change. Funds have previously been allocated and will be spent in 2022/23 from the Environmental Resilience Reserve and on the Pinkery Decarbonisation scheme (subject to Member approval).

## **1. Introduction**

- 1.1 At the time of drafting this report we have not been formally notified of the level of National Park Grant (NPG) for 2022/23. The additional risks and complications that this introduces to the budget setting process are detailed in Section 7. All assumptions are clearly stated within the report.
- 1.2 Funding for ENPA from DEFRA peaked at £4,177,453 back in 2010/11. Since then the Authority has experienced reductions in grant and increases that are below the rate of inflation. This is the fourth year running where we have budgeted for a NPG figure of £3,211,500.
- 1.3 This report needs to be read in conjunction with the 2022/23 Corporate Plan. That report is based upon the same financial assumptions as this and if the assumptions prove to be inaccurate then targets within the Corporate Plan may also have to be revisited.
- 1.4 Though funding has been stable in recent years, events have not. In particular there have been financial impacts of the pandemic to be managed and pressures within the Estate and Planning service.

## **2. Medium Term Financial Plan**

- 2.1 The Medium Term Financial Plan (MTFP) is a key feature of the Authority's forward planning process and it is reviewed annually on a rolling five year basis. The MTFP is a key document for:
  - outlining future resources, funding opportunities and cost pressures
  - highlighting key assumptions
  - providing an overview of the future financial position of the Authority

Appendix 1 details the overarching income and expenditure categories for the Authority for the next five financial years. It is the only Appendix that brings together the Core ongoing budget and investment in Programmes, Partnerships and Contributions to Reserves. We start with the MTFP as it sets the scene.

### **MTFP - Income**

- 2.2 As mentioned, at the time of drafting the report we do not know what our National Park Grant for 2022/23 will be. The MTFP presented assumes a cash neutral NPG figure for next year. This is the more prudent assumption though there has been the suggestion in recent days that the increase in Employers National Insurance contributions may be funded. From year 2 of the MTFP (2023/24) we assumes a NPG increase of 2%, as per the assumed staff salary increases. These are significant assumptions as this grant provides approximately 80% of our funding. Analysis of the impact of pessimistic and optimistic scenarios of NPG changes upon savings targets are shown in the table in 2.17.
- 2.3 In addition to NPG the Authority receives:
  - income generated from fees, charges, rents, grants for joint works and from interest earned on the investment of funds held in reserves etc
  - contributions from the County Councils towards the maintenance of the rights of way network
  - external funding for specific projects that either the Authority delivers in its own right or in partnership with others. This will be a key theme in accessing additional resources in the medium term.

- 2.4 The figures in Appendix 1 show slight increases over the period of the MTFP. Trading income from the National Park Centres, Planning and the Outdoor Education centre is forecast to continue to increase gradually. The investment in our car parks is intended to improve the visitor experience and bring in additional funds.
- 2.5 The figures in Appendix 1 assume that contributions from Somerset and Devon County Councils towards the management of Public Rights of Way will be maintained at their current rate. However, the continued impact of austerity on local government may well mean that these contributions will fall below the current level. In the last few years, a reduction in revenue support from the County Councils has been more than made up for by capital grants to maintain specific sections of the network.
- 2.6 Rent from the estate has for many years been highlighted as potentially impacted by the UK's exit from the EU. Information on future Environmental Land Management Schemes is starting to become available but is not yet so clear that we can assess the financial impact. The MTFP continues to assume consistent income from the Estate though the real picture that will evolve will be less stable than that appears. One Higher Level Stewardship agreement that the Authority has entered into will end in 2022/23 but the suggestion at the moment is that we will be able to roll agreements forward on an interim basis until new schemes are available.
- 2.7 We continue to assume that the Outdoor Education Centre breaks even in the medium term.

#### **MTFP - Expenditure**

- 2.8 Appendix 1 also anticipates future expenditure over the MTFP period. The single largest areas of expenditure for ENPA is staff salaries. The unions and bodies representing local government employers have yet to reach agreement over current or future years pay awards. We budgeted for 1% in 2021/22 and are budgeting for 3% in 2022/23 with the assumption that increases may be around 2% for both years. The MTFP assumes 2% for later years. This affects both members expenses and staff pay.
- 2.9 Members will also recall that the Authority developed a new grading structure and undertook a Job Evaluation exercise in 2018-19. The financial impact of this will last for 6 years as staff who are affected move through the new increments. For year 2022/23 – 2024/25 this entails an additional 1.5% p.a. on the salary estimates. A Pensions Fund revaluation exercise will soon begin and will impact on budgets from year 2 of the MTFP (2023/24).
- 2.10 For other categories of cost to the Authority a small provision has been found for future years increases. If this proves insufficient then additional resources will have to be found in future years. The MTFP assume that the organisation undertakes the same activities in the future as it does now. The reality may be very different. It contains an inherent assumption that if significant new funding streams arise, that the broader cost of delivering these will be funded.

#### **MTFP – Programmes, Partnerships & Contributions to Reserves**

- 2.11 The updated version of the plan in Appendix 1 summarises not only the income and expenditure projections across the period of the plan but also the proportions proposed for Core (the recurring costs and unavoidable commitments for essential services) and Programmes, Partnerships and Contributions to Reserves Budgets. Section 4 details the objectives of the Programmes & Partnerships budget area and planned use in 2022/23.

2.12 The MTFP developed includes a planning assumption that the Authority should have £100k set aside annually to meet pressures arising. It also assumes that we continue to support those external bodies to the same degree that we are currently, however this may not be possible.

**MTFP - Overview**

2.13 The MTFP presented includes a significant proportion of estimates and assumptions. It isn't always like this. In previous years we have had the certainty of multi-year pay awards or 3 or 4 year 'settlements' from Defra. It is therefore quite likely to change as circumstances evolve.

2.14 The bottom section of Appendix 1 contains a number of key metrics that consider forward looking financial resilience.

2.15 The Authority has historically monitored the proportion of National Park Grant that is needed to meet the costs of employing permanent staff. This is a proxy for the ability of the Authority to manage short term fluctuations in funding. Staff costs as a percentage of NPG are projected at 76% in 2022/23 and are anticipated to continue to increase further over the period of the MTFP.

2.16 The medium-term financial aspirations of staff costs being only 70% of NPG and having £200,000 of uncommitted funds to meet one-off pressures (or a steep grant cut) is very much out of reach. We will not lose sight of these aspirations but at or near the bottom of the funding cycle and with significant new pressures arising, medium term aspirations are effectively becoming longer term. However, we continue to proactively manage resources and set balanced budgets.

2.17 The final section of Appendix 1 shows a savings gap from year 2 onwards. It is important to show how this will be affected by movements in the key financial assumptions.

£'000's	2023-24	2024-25	2025-26	2026-27
<b>Current savings Gap</b>	68	103	101	102
<b>Scenario 1 - Optimistic</b>	18	53	51	52
<b>Scenario 2 - Pessimistic</b>	182	217	215	216

2.18 The Optimistic Scenario (1) shows a reduction in the savings gap if the Authority receives the funding for the National Insurance increase and has a staff pay award that is 1% less than anticipated. Scenario 2 (Pessimistic) shows how the savings gap will increase if we do not receive the assumed NPG increase in 2023/24 and if there is a £50k fall in income from land. Both of these pessimistic changes are entirely plausible. This table attempts to illustrate the effects of small changes in assumptions on the savings gap.

**3. Core Budget for 2022/23**

3.1 The Authority is statutorily required to set a balanced budget in furtherance of the Purposes of its National Park designation. Appendix 1 shows the Authority's MTFP on an income and expenditure basis. Appendix 2 shows the budget for 2022/23 in a service structure. This has been reviewed and updated to reflect previously stated assumptions around the staff pay award and other cost pressures.

3.2 There are relatively few changes to the recommended core budget presented. One change to bring to members attention is the reduction in the Rights of Way Fees & Hired services budget from £38k per year to £20k. This is necessary to achieve a

balanced budget and is made possible by alternative funding streams that are available and by the service's success in finding external contributions. This is also one of the first years in many that no posts have been removed.

### 3.3 Other areas to be drawn to the attention of members are as follows:

- There are small increases in budget for Audit Fee and Insurance.
- There is a £10k increase in funding the pensions scheme deficit. This was scheduled from the previous revaluation.
- The Pinkery Centre starts the year without any Authority support towards its trading activities however provision is made within Programmes and Partnership to meet a possible deficit.
- The budget for Corporate Subscriptions has been maintained. There may be opportunities to reduce this in future.
- Income from car parking, the National Park Centres and Planning is assumed to increase.
- Interest on cash balances is assumed to continue to fall.
- There is a slight reduction in travel for those service areas where national travel was previously assumed. It is assumed that video conferencing is now a permanent fixture of professional life.
- We are moving on to a new electricity tariff from the middle of the next financial year. This will lead to a doubling of charges without compensating actions.
- There are also two technical budget movements to reflect the movement of pots between service areas.

## 4. Programmes, Partnerships & Contributions to Reserves

4.1 The Programmes and Partnerships element of the budget is an important element in achieving National Park purposes and priorities through the engagement and influencing of partners and funding for initiatives aimed at achieving Partnership Plan priorities. We contribute to reserves on an ongoing basis to meet one-off costs that do not arise in a consistent or predictable manner or to put money aside to meet pressures that arise in-year.

4.2 Attached at Appendix 3 is the proposed Programmes, Partnerships & Contributions to Reserves Budget for 2022/23. This shows £115,000 contributed to reserves and £68,000 top sliced for fixed term programmes. We have no set aside any revenue budget for the small grants scheme.

4.3 Detail on the additions to reserves are listed below.

- Woodlands. This draft budget recommends £30k added to the reserve to meet the costs related to Ash- Die back. This takes the total amount of funding on ADB to £240k. Another tranche of funding will probably be needed over the course of 2022/23 before the work is complete.
- Estates Reserve. £25,000 is requested to contribute towards repairs at Driver Farm. This adds to the £25k set aside previously.
- Interns. The Authority has an ongoing assumption that we fund one intern a year. In recent years we have received external funding to support many of our interns and so the pot of money available has built up. For this reason we are

only seeking £10,000 to maintain the commitment even though the true cost is closer to £20,000 for a twelve month intern.

- We are re-establishing the £50k annual contribution to the Corporate Vehicle & Equipment reserve.

4.4 Detail on the fixed term discretionary programmes included in this budget that are £10,000 or above are shown below.

- Tourism (£15,000). This allocation provides support in relation to our 2nd purpose and includes support to the tourism sector to help promote Exmoor National Park as a special destination and to develop the Exmoor brand, providing advice and support to tourism businesses and those who provide services to visitors to improve their experience, in addition to seeking to grow the capacity of the industry. Work will be led by ENPA and partners such as Visit Exmoor.
- Exmoor Hill Farming Network (£19,000). ENPA has provided financial contributions to the successful and well-regarded Exmoor Hill Farming Network since its genesis, and on 31 January 2020 the Network took the significant step of becoming a Charitable Incorporated Company.
- Though core budget to support the Pinkery Centre for Outdoor Learning has now been withdrawn, it is considered prudent to set aside £20,000 in case it does not break even. This assumes that activities are not affected by Coronavirus over the year.

4.5 2022/23 sees the withdrawal of ongoing funding to the small grants pot. Instead £25k of one- off funding from the contingency reserve has been transferred. This amount can be topped up in future if the amount has been reduced and if funds are available.

## **5. Reserves (level of)**

5.1 Appendix 4 shows the anticipated level of reserves as at the end of 2021/22 and reflects the additions to reserves described in section 4 that are recommended as a part of this budget. The reserves position as at the end of 2021/22 includes £450k of funds received as legacies that are yet to be allocated to schemes.

5.2 The following assumptions have been maintained as part of the review:

- The General Fund Reserve has been maintained at a level of approximately £300,000 as per the Medium-Term Financial Plan. It is the view of the Chief Finance Officer that this is sufficient to manage in-year fluctuations.
- The recently established Contingency Fund is not anticipated to go below the level at which it will require topping up (£250,000).
- The Legal Support Reserve has been maintained at £100,000. This is established for the purpose of ensuring that funds are available to meet any large one-off legal costs such as related to a large planning inquiry.

5.3 Though in recent years there has been a fall in the overall level of reserves, the Authority's financial resilience has been maintained as we have established a contingency, met liabilities that have arisen and are actively seeking new areas of funding such as capital receipts to improve resilience.

5.4 The Authority also has £100k of capital receipts available and as County Gate is disposed of the reserves and receipts position will improve further.

5.5 The Authority continues to face significant unknowns however reserves are adequate to meet the challenge.

## **6. Capital Investment Strategy**

- 6.1 The obligation to provide a Capital Investment Strategy has arisen as some authorities nationally have become increasingly willing to invest significant amounts in commercial developments to generate returns that will offset some of the financial impact of austerity. This part of budget setting will ensure that decision makers are fully briefed on the risks attached to the local authority's Capital Investment Strategy.
- 6.2 Exmoor National Park Authority does not have a Capital Programme or ongoing need for significant investment in physical assets in the same way as local authorities who have responsibility for highways or housing. Capital spend is commonly of a small-scale nature such as related to vehicles or IT. For larger schemes such as White Rock Cottage or Weir Cleave stabilisation, members will receive a specific report to support decision making. This will provide background, the reasons for the scheme being recommended and sources of finance. In advance of the report being presented to the Authority the Finance and Performance Advisory Panel will have scrutinised the scheme.
- 6.3 No capital schemes are being recommended as part of this budget setting process although the Pinkery decarbonisation scheme is being taken to Authority at the same meeting. The financial implications of the scheme are fully laid out in that paper.
- 6.4 The Authority historically has a low-risk attitude towards capital investment. It has never internally or externally borrowed to fund capital schemes, nor has it entered into other long-term liabilities such as Private Finance Initiatives and does not invest for commercial purposes. Capital investment decisions are made to support National Park purposes.
- 6.5 We seek external contributions towards supporting our capital spend wherever possible. Where capital receipts are available these may be used to finance spend. In the absence of both of these then revenue is applied.
- 6.6 Stewardship of our assets is delivered by a small Land and Property team and has a qualified Chartered Surveyor post within the structure. The portfolio is relatively large and diverse and the Authority is carrying out a review of the assets at time of writing. This involves assessing which ones deliver National Park Purposes, identifying liabilities and opportunities for prudent disposals. We have also updated the Authority's Acquisitions and Disposals policy.
- 6.7 Built assets are subject to regular condition assessment, with the majority on a 5 year cycle of external repair and redecoration. Rental income is optimised through regular rent reviews and other opportunities to generate income from property are maximised.
- 6.8 Please note our existing risks attached to property liabilities in the table in section 7 also.
- 6.9 In the current year the Authority has transferred White Rock Cottage to the local trust, refurbished Ashcombe car park and facilities and we will be very soon starting on the Valley of Rocks car park improvement scheme. The Environmental Resilience reserve is funding secondary double glazing at Exmoor House currently.



## 7. Risk Analysis

7.1 The budget and MTFP recommended contain within them a number of assumptions that may or may not prove accurate. In addition, events may occur that have the potential affect the Authority's underlying finances. The risk analysis is as follows:

<b>Risk</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Mitigating Factors</b>
National Park Grant is not as high as anticipated	Medium	High	Level of Reserves held. Annual Review. Some notice will be provided of future funding reductions sufficient to enable a timely response.
Pay awards may be higher than anticipated.	Low	Medium	Annual review of MTFP Some variations containable.
Liabilities related to the Property Estate arise.	Medium	Medium	A Contingency fund has been established to meet one off costs that arise. Opportunities for developing a pot of capital receipts is being explored.
The existing stabilisation scheme at Weir Cleave could require ongoing work.	Medium	Medium	The Authority has committed specific sums to these schemes and any further requests for money must come back to the Authority.
The pandemic continues to disrupt commercial activity and partnership work.	Medium	Medium	A Contingency fund has been established to meet one off costs that arise.
The UK's exit from the European Union impacts upon the Land and Property income stream.	Medium	Medium	The establishment of UK led Land Management schemes should become clearer soon. Existing stewardship schemes end gradually in the period up to 2023.
Economic situation could deteriorate and impact on self generated income and costs. Areas of income generation in the budget prove unrealistic.	Low	Low	MTFP constructed on a five year time span with a review each year. Budgetary Control arrangements in place to monitor income and expenditure on a monthly basis. The Pinkery Centre will be looked at directly.
Contributions from County Councils and Public Rights of Way may continue to be reduced.	Medium	Medium	This is subject to an annual review. Reduction in income will be projected in the MTFP.

7.2 This year the level of risk we are exposed to as part of the budget setting process is greater than in many previous years. The two most important numbers, the change to National Park Grant and staff pay award, we still do not know, and it does not appear that the aspirations contained within the Landscape Review will produce a greater level of funding.

## **8. Financial Strategy**

8.1 In previous years the financial strategy of the Authority has been built around managing the impact in the 40% reduction in National Park Grant that has occurred since 2010/11. This required the careful management of costs, the development of new funding streams and seeking external funding for one off projects. The notification from DEFRA that NPG between 2016/17 and 2019/20 would be protected in real terms changed the basis for financial planning and restored some funding stability. However the annual increases in grant were never sufficient to meet the increases in the cost base or new obligations that arose. It is the additional external income that was brought in each year that allows the organisation to continue to deliver the existing priorities and implement the National Park Partnership Plan.

8.2 With the funding assumptions stated, within the MTFP there remains a savings target from year 2 onwards however relatively small changes to funding could see this reduce. We will continue to seek out the right balance between resources and liabilities. In particular, there may be opportunities to reconsider the Land and Property Estate.

8.3 The Authority continues to provide a broad range of activities and maintain a large estate. There are inherent liabilities and opportunities that stem from this. New Environmental Land Management Schemes may provide new opportunities for partnership working. We continue to learn from others wherever possible, keep looking ahead and seek out opportunities that arise.

## **9. Conclusion and Financial Standing**

9.1 The Authority has experienced many years of decreasing financial support from central government. The Authority responded to these pressures with a co-ordinated response with the restructuring of the organisation, expenditure reviews and use of opportunities to generate increased income.

9.2 It is perhaps worth considering that while most National Parks have been obliged to furlough staff and some have received significant emergency support from Defra, this Authority continued to manage its own resources without having to ask for additional help.

9.3 This Authority has an excellent record of managing its financial affairs within the resources that are made available and that it is able to generate. The Medium Term Financial Plan and 2022/23 Budget continue this effective stewardship.

9.4 The proposed MTFP, Core Budget and Programmes and Partnerships Budgets for 2022/23 are contained in Appendices 1, 2 and 3 which the Authority is requested to approve.

9.5 Careful management of the budgets and reserves transactions will be required as we progress through the current year. As we travel through this coming year all those estimates, projections and assumptions on which the Medium-Term Financial Plan and the 2022/23 budget is based will be refined and updated and will feed into the update of the MTFP towards the final quarters of 2022/23.



**Exmoor National Park Authority**  
**Medium Term Financial Plan 2022/23 - 2026/27**

	2021/22 Original £'000	2022/23 Original £'000	2023/24 Projected £'000	2024/25 Projected £'000	2025/26 Projected £'000	2026/27 Projected £'000
<b>Income</b>						
<b>National Park Grant Income (Defra) - including one off funding</b>	<b>3,211</b>	<b>3,211</b>	<b>3,275</b>	<b>3,341</b>	<b>3,408</b>	<b>3,476</b>
- Fees - planning,	88	95	98	101	104	107
- Fees - car parks	70	80	85	90	95	95
- Interest earned	18	16	20	20	20	20
- Rents & Contributions	300	300	300	300	300	300
- National Park Centre Sales Income	93	99	102	105	108	111
- Grants	10	10	10	10	10	10
- Rights of Way Income	50	50	50	50	50	50
- Pinkery Trading Income	140	140	145	150	155	160
- Other	13	13	13	13	13	13
<b>Total:</b>	<b>782</b>	<b>803</b>	<b>823</b>	<b>839</b>	<b>855</b>	<b>866</b>
<b>Total Income</b>	<b>3,993</b>	<b>4,014</b>	<b>4,098</b>	<b>4,180</b>	<b>4,263</b>	<b>4,342</b>
<b>Expenditure</b>						
<b>Core budget - Pay</b>						
Current Establishment (excluding Pinkery)	2,335	2,444	2,530	2,618	2,670	2,724
Pension Costs - Fixed Element	140	150	155	160	165	170
<b>Target Pay Budget</b>	<b>2,475</b>	<b>2,594</b>	<b>2,685</b>	<b>2,778</b>	<b>2,835</b>	<b>2,894</b>
<b>Core budget Non-Pay</b>						
Member costs	97	98	99	100	101	102
Premises costs	189	184	187	190	193	196
Insurance	50	53	54	55	56	57
Travel / vehicle costs	105	101	103	105	107	109
Equipment	61	58	59	60	61	62
Contracted work (e.g. audit fees, legal services)	254	243	246	249	252	255
Grants and contributions	11	11	11	12	13	13
Subscriptions	34	35	35	35	35	35
National Park Centre Cost of Goods Sold	57	60	62	64	66	68
Consumables	72	63	64	65	66	67
ICT Expenditure	67	70	71	72	73	74
Communications	34	32	33	34	35	36
Toilet & car park costs	92	89	90	91	92	93
Pinkery	140	140	145	150	155	160
<b>Total non-pay budget</b>	<b>1,263</b>	<b>1,237</b>	<b>1,259</b>	<b>1,282</b>	<b>1,305</b>	<b>1,327</b>
<b>Total Core Budget</b>	<b>3,738</b>	<b>3,831</b>	<b>3,944</b>	<b>4,060</b>	<b>4,140</b>	<b>4,221</b>
<b>Programmes, Partnerships &amp; Contributions to Reserves</b>						
Contributions to Reserves	156	115	160	160	160	160
Top Sliced Programmes	79	68	63	63	63	63
Partnership Fund - small grants scheme	20	0	0	0	0	0
<b>Total available Programmes &amp; Partnerships Budget</b>	<b>255</b>	<b>183</b>	<b>223</b>	<b>223</b>	<b>223</b>	<b>223</b>
<b>Total expenditure</b>	<b>3,993</b>	<b>4,014</b>	<b>4,167</b>	<b>4,283</b>	<b>4,363</b>	<b>4,444</b>
<b>Savings yet to be identified</b>	<b>0</b>	<b>0</b>	<b>-68</b>	<b>-103</b>	<b>-101</b>	<b>-102</b>



**Exmoor National Park Authority  
Core Budget 2022/23**

Section	Budget Heading	2021/22 Original Budget £	2022/23 Expenditure £	2022/23 Income £	2022/23 Original Budget £	Variance between 21/22 Original and 22/23 Original	Notes
Support to Land Managers	Access & Recreation	142,600	157,700	-27,500	130,200	-12,400	Reduction in Fees & Hired Services budget
	Archaeology & Historic Environment	79,600	83,100	-1,200	81,900	2,300	
	Field Services	286,200	321,900	-23,000	298,900	12,700	
	Conservation Advice & Support	284,500	306,100	-4,000	302,100	17,600	
	Rangers	100,400	125,200	-18,000	107,200	6,800	
<b>Support to Land Managers Total</b>		<b>893,300</b>	<b>994,000</b>	<b>-73,700</b>	<b>920,300</b>	<b>27,000</b>	
Support services to the Community	Development Management	307,500	403,100	-95,000	308,100	600	Stock management post now here
	Sustainability & Economy	87,900	105,600	0	105,600	17,700	
<b>Support services to the Community Total</b>		<b>395,400</b>	<b>508,700</b>	<b>-95,000</b>	<b>413,700</b>	<b>18,300</b>	
Support to National Park Users	Education & Volunteers	53,100	97,500	-2,000	95,500	42,400	Transfer of post
	National Park & Information Centres	157,300	298,700	-143,500	155,200	-2,100	
	Information & Interpretation Management	204,500	166,900	0	166,900	-37,600	Transfer of post
	Pinkery	0	140,000	-140,000	0	0	
	Visitor Facilities	21,400	89,400	-80,000	9,400	-12,000	increase in car parking income
<b>Support to National Park Users Total</b>		<b>436,300</b>	<b>792,500</b>	<b>-365,500</b>	<b>427,000</b>	<b>-9,300</b>	
Strategy & Performance	Legal Support	70,000	70,000	0	70,000	0	
	Strategy & Performance	325,500	331,900	0	331,900	6,400	
Finance and ICT Services	Finance and ICT Services	389,000	427,800	-16,000	411,800	22,800	Transfer of stock management budget
Land and Property Services	Land and Property Services	26,500	272,700	-251,300	21,400	-5,100	
<b>Support Services Total</b>		<b>811,000</b>	<b>1,102,400</b>	<b>-267,300</b>	<b>835,100</b>	<b>24,100</b>	
Corporate Management	Corporate Management	152,500	150,500	0	150,500	-2,000	
	Historic Pensions Contributions	140,000	150,000	0	150,000	10,000	scheduled increase
	Corporate Subscriptions	32,000	33,400	0	33,400	1,400	now includes contribution to Joint Committee
	Members	96,600	98,500	0	98,500	1,900	
<b>Corporate Management Total</b>		<b>421,100</b>	<b>432,400</b>	<b>0</b>	<b>432,400</b>	<b>11,300</b>	
<b>Total Core Budget</b>		<b>2,957,100</b>	<b>3,830,000</b>	<b>-801,500</b>	<b>3,028,500</b>	<b>71,400</b>	

## Exmoor National Park Authority Analysis of Programmes, Partnerships and Contributions to Reserves 2022/23

ORIGINAL BUDGET	<b>183,000</b>
 <b>LESS: Contributions to Reserves</b>	
Woodlands - ADB	30,000
Corporate Equipment & Vehicle Replacement	50,000
Estates Reserve - Driver Farm	25,000
Internship and Trainee Fund	10,000
	<b>115,000</b>
 <b>LESS: Top sliced Programmes</b>	
Tourism	15,000
Hill Farm Network	19,000
Potential Pinkery overspend	20,000
Website Development	5,000
SERC/DBRC Bio-records	5,000
STEAM	4,000
	<b>68,000</b>
 <b>Partnership Fund - small grants scheme</b>	 -
<b>2022/23 Programmes &amp; Partnership Fund</b>	<b>183,000</b>

**EXMOOR NATIONAL PARK AUTHORITY  
ANALYSIS OF RESERVES**

	Balance 31/03/21	2021/22 Budget Allocations	2021/22 In year Budget Transfers	Projected Transfers (from) Reserves 2021/22	Current Balance	2022/23 Budget Allocations	Projected Balance 01/04/22
	£	£	£		£	£	£
<b>REVENUE EARMARKED RESERVES</b>							
<b>Support to Land Managers</b>							
Ashcombe Garden Restoration	6,679			-5,000	1,679		1,679
Mire - Archaeology	29,758				29,758		29,758
Heritage Projects	22,617				22,617		22,617
Deer Monitoring Study	13,424				13,424		13,424
Woodland Mgt Reserve	17,516	60,000	30,000	-100,000	7,516	30,000	37,516
Ennis	6,117			-6,117	0		0
Tests & Trials	4,137			-4,137	(0)		(0)
Rights of Way	221,663			-60,000	161,663		161,663
Simonsbath Project Delivery	30,113			-30,000	113		113
<b>Support to National Park Users</b>							
Caremoor For Exmoor	71,792			400,000	471,792		471,792
National Park Centres spend to save	37,336		40,000		77,336		77,336
Get Involved Programme	4,745				4,745		4,745
Toilet Upgrade Programme	15,000				15,000		15,000
Health & Well-being	21,330			-15,000	6,330		6,330
Engagement & Outreach	25,911				25,911		25,911
<b>Support to the Community and Business</b>							
Development of Planning Service	83,259			-30,000	53,259		53,259
Conserv Area Appraisals & Neighbourhd Plan	12,283				12,283		12,283
Dunster Action Plan	20,891			-20,891	0		0
Rural Enterprise	70,586			-25,000	45,586		45,586
<b>Strategy &amp; Performance</b>							
Environmental Resilience	98,731			-50,000	48,731		48,731
IT and Web Development	55,875				55,875		55,875
Corporate Equipment & Vehicle Replacement	170,625			-40,000	130,625	50,000	180,625
Planning Policy	145,356			-60,000	85,356		85,356
Research & Development	41,701				41,701		41,701
Modernisation ( <i>Spend to Save</i> )	99,306				99,306		99,306
Internship and Trainee Fund	46,399	10,000		-15,000	41,399	10,000	51,399
Authority Estate	304,828	85,000		-125,000	264,828	25,000	289,828
	<b>1,677,978</b>	<b>155,000</b>	<b>70,000</b>	<b>-186,145</b>	<b>1,716,833</b>	<b>115,000</b>	<b>1,831,833</b>
<b>PROGRAMMES &amp; PARTNERSHIPS</b>							
Programmes - fixed term	157,609	79,400		-100,000	137,009	68,000	205,009
Partnership Fund/ small grants scheme	53,935	20,000			73,935	25,000	98,935
Programmes & Partnership Earmarked - County Gate	90,000			-30,000	60,000		60,000
	<b>301,545</b>	<b>99,400</b>	<b>0</b>	<b>-130,000</b>	<b>270,945</b>	<b>93,000</b>	<b>363,945</b>
<b>GENERAL FUND AND CONTINGENCIES</b>							
General Fund	300,000				300,000		300,000
Contingency Fund - General (pf uncommit)	444,966		-70,000		374,966	-25,000	349,966
Contingency Fund - Legal	100,000				100,000		100,000
	<b>844,965</b>	<b>0</b>	<b>-70,000</b>	<b>0</b>	<b>774,965</b>	<b>-25,000</b>	<b>749,965</b>
<b>TOTAL RESERVES</b>	<b>2,824,488</b>	<b>254,400</b>	<b>0</b>	<b>-316,145</b>	<b>2,762,743</b>	<b>183,000</b>	<b>2,945,743</b>

## EXMOOR NATIONAL PARK AUTHORITY

1 March 2022

### EXMOOR NATIONAL PARK AUTHORITY CORPORATE PLAN 2022-23

#### Report of the Head of Strategy and Performance

**Purpose of Report:** To present to Members the draft Exmoor National Park Authority Corporate Plan for 2022-23

**RECOMMENDATIONS:** The Authority is recommended to:

- (1) APPROVE the Exmoor National Park Authority Corporate Plan 2022-23.
- (2) DELEGATE to the Chief Executive and Chairperson authority to agree minor amendments following member discussion and in the light of National Park grant budget settlement, and production of the final Plan.

**Authority priority:** The Corporate Plan outlines the priorities for the Authority for the period to end of March 2023.

**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 response:** The Corporate plan includes action to respond to the climate emergency.

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## 1. Background

1.1 The 2022-23 Corporate Plan sets out the key priorities for the Authority for the next financial year and reflects Government priorities for how National Parks can help to deliver national objectives.

1.2 In preparing the Corporate Plan the National Park Grant settlement for this year had not been confirmed by Defra. The Corporate Plan has been prepared on the assumption of a cash neutral settlement in the National Park Grant. The Budget report also being

presented to members at the Authority meeting in March, sets out in more detail how the budget has been prepared, including ongoing pressures arising from inflation, National Insurance rises, and the uncertainty over staff pay awards. If the National Park Grant settlement from Defra is significantly different, then changes to the budget and subsequently the Corporate Plan will be needed, and Leadership Team will need to review the commitments in the Plan and report back to members at a future meeting.

## **2. Exmoor National Park Authority Corporate Plan 2022-23**

- 2.1 The Corporate Plan 2022-23 updates the previous 2021-22 Plan. A number of actions have been rolled forward, some have been deleted (completed actions or those not being progressed), and new actions added. The Plan highlights a number of priority actions where efforts will be focused this year.
- 2.2 The Corporate Plan is closely aligned with the Exmoor National Park Partnership Plan 2018 – 2023. This is a Statutory Plan for the National Park as a whole, for everyone who cares about Exmoor, the place, its communities and the benefits the National Park provides to the nation. The Corporate Plan sets out how the Authority will lead delivery of the Vision and Ambitions set out in the Partnership Plan, working with our partnership groups.
- 2.3 We expect this to be a very busy and exciting year. Exmoor will host both the UK National Parks Conference and the Society of National Park Staff Conference. The consultation on the Government's response to the Landscapes Review potentially heralds some significant changes for Protected Landscapes. We expect that the remaining Covid restrictions will be lifted, and whilst we will continue to take a cautious approach whilst local cases are still high, we hope that things will gradually return to something like normal and that we will be able to extend the usual warm welcome to Exmoor to our visitors. Staff will move to blended working arrangements with some time in the office, and some time working from home.
- 2.4 We have a number of exciting projects being delivered this year, and others being developed, particularly in relation to our own Estate. In the light of the budget pressures we face, we continue look to increase alternative sources of income, including through a pipeline of external funding projects.

## **3. Monitoring progress**

- 3.1 Progress is reported to Leadership Team and Delivery Team on a quarterly basis which enables managers to highlight key achievements and any issues regarding delivery. A six-month progress update is reported to the Authority in December and at the end of each financial year an annual performance review is completed and reported at the Authority's Annual General Meeting. This provides information about the progress made in delivering the actions in the Corporate Plan, together with achievement against the Authority's set of performance indicators.

**Clare Reid**  
**Head of Strategy and Performance**  
**March 2022**

**Appendix 1 - Draft Exmoor National Park Authority Corporate Plan 2022-23**



### Exmoor National Park Authority

#### Corporate Plan 2022-23

##### Foreword

We have an exciting and busy year ahead at a critical time for National Parks. The Government's response to the Landscapes Review consultation was released in January 2022 and provides an opportunity to take stock of what the nation wants from our Protected Landscapes in the 21<sup>st</sup> century, and how as National Park Authorities, we can best deliver these national aims. This is the theme of the 2022 UK National Parks Conference, which we are hosting in September. We are also hosting the Society of National Park Staff Conference in May this year. Both Conferences will provide time for NPA Members and staff to meet, learn, share ideas, and be inspired.

We continue to focus on key priorities; to connect people with Exmoor's special qualities, particularly new audiences, to reduce our carbon footprint, to take forward the nature recovery vision and to explore how we can use the ENPA Estate and the Farming in Protected Landscapes Programme to deliver these objectives.

All this work is set against a continuing challenging financial situation, with our core funding from central government continuing to decline in real terms placing pressure on our staffing levels and ability to deliver. We will continue to increase our income, seek external funding and support the work of National Parks Partnerships in bringing in private sector funding.

After two years of the Covid pandemic, this year will hopefully see a return to something more normal for our visitors, businesses and residents. We will work with partners to take forward the Rural Enterprise Exmoor Vision, we will support Visit Exmoor, the Dark Skies festival, and projects including Eat Exmoor. Our planning service will continue to deliver a good service and will enable appropriate development. We will complete our 5-year check of the Local Plan policies and agree whether a review is needed. We will continue to work with the housing authority and other partners to support the delivery of affordable housing.

The State of the Park report will be updated in preparation for the review of the Partnership Plan in 2023. This, alongside the outcomes of the Landscapes Review and the national work to refresh the guidance on National Park Management Plans will help us to re-set our work and focus for future years.

##### **In delivering National Park purposes, our priorities for 2022-23 are:**

- Connecting people with Exmoor's special qualities, particularly new audiences and finding new ways to engage with people
- Responding to the climate emergency as a core element of all the work we do
- Delivering our Exmoor nature recovery vision as part of wider cross-boundary local nature recovery strategies

**In order to achieve this we will:**

- Use ENPA's Estate as an exemplar to deliver Government priorities regarding climate, nature and farming and incorporating natural beauty and heritage. Scope and begin implementing key projects around the Exmoor Forest (including Pinkery) and the Exmoor Coast
- Ensure a great welcome and experience for our diverse range of visitors and manage impacts to ensure Exmoor is enjoyed responsibly and sustainably
- Work with farmers and neighbouring AONBs to deliver the Government's 'Farming in Protected Landscapes' programme and help farmers to transition to new environmental land management schemes
- Collaborate with other National Park Authorities on joint working, and with other Protected Landscapes to respond to Government priorities and response to the Glover Review, and host the UK NPs Conference in September 2022 and SNPS Conference in May 2022
- Grow our income base and external funding including CareMoor to support our work. Target: 5% increase year on year
- Monitor what we do towards delivering the Exmoor National Park Partnership Plan, and updating the State of the Park Report

**We will continue to deliver high quality services to our visitors, communities and businesses through:**

- A first-class rights of way network. Target: 'open and easy to use' score in excess of 95%
- An education and outreach service that provides a range of opportunities for people to learn about and connect with Exmoor including residential experiences at Pinkery
- Support local communities through delivering our Planning service, assisting the delivery of affordable housing and reviewing our planning policies. Targets: 60% majors, 70% minors
- Assisting Exmoor's communities and businesses during the Covid pandemic and supporting the green recovery
- Developing our staff team and cross team working to effectively deliver our services and priorities, including flexible working due to the Covid pandemic.

***Robin Milton, Chairman and Sarah Bryan, Chief Executive***

## **The Role of Exmoor National Park Authority**

National Park Authorities fulfil two statutory purposes established within the Environment Act 1995:

- To conserve and enhance the natural beauty, wildlife and cultural heritage of the National Park
- To promote opportunities for the understanding and enjoyment of the special qualities of the National Park by the public

In taking forward these two purposes, we have a duty to seek to foster the economic and social well-being of local communities within the National Park.

Our 22 Members have responsibility for setting the strategic direction of the Authority and ensuring we achieve our objectives through effective use of our resources:

- 12 are appointed by the County and District Councils with land within the National Park
- 5 are nominated by and elected from the Parish Councils within the National Park
- 5 are appointed by the Secretary of State for Environment, Food and Rural Affairs

Members meet monthly as an Authority to consider priorities and make decisions relating to our duties as a National Park Authority, including determining planning applications for development on Exmoor. These are public meetings that anyone can attend.

We employ a team of around 60 core staff but we additionally employ 10-15 project and seasonal staff, deliver through partnerships and through shared services. Our knowledgeable and dedicated staff team are a key resource in ensuring we deliver this Corporate Plan. Working with partners and sharing services not only helps us make the best use of our resources but also benefits all parties through shared learning and understanding.

The Corporate Plan is closely aligned with the Exmoor National Park Partnership Plan 2018 – 2023. This is a statutory Plan for the National Park as a whole: whilst led by the Authority, it is a Plan for everyone who cares about Exmoor, the place, it's communities and the benefits the National Park provides to the nation. The Corporate Plan sets out how the Authority will lead delivery of the Vision and Ambitions set out in the Partnership Plan, working with our partnership groups.

Much of what we do would simply not be possible without our partners, local communities, interest groups and volunteers. We are committed to working closely with others to deliver National Park purposes and protect the special qualities of Exmoor. We will continue to develop close working relationships with local businesses and communities alongside our regional and national partners, and provide opportunities for people to get involved in the delivery of our plans.

Regular meetings of the Exmoor Consultative and Parish Forum provide a forum for consultation and discussion about matters affecting the National Park and an opportunity to promote understanding between the Authority, local communities and other bodies with an interest in the National Park. The Forum meets at different venues across the National Park and members of the public are welcome to attend.

## Monitoring and Delivery

The Authority carries out a six month progress update and at the end of each financial year completes an annual performance review. This provides information about the progress made in delivering the actions in the Corporate Plan, together with achievement against the Authority's set of performance indicators.

<b>What We Do to Deliver National Park Purposes</b>	
<b>Conservation Projects and Programmes</b>	Developing projects to help conserve and enhance Exmoor's landscape, wildlife and cultural heritage, working with farmers, woodland owners, game shoot managers, conservation organisations, the local community and the general public.
<b>Public Rights of Way and Recreation</b>	Maintenance and improvement of the 1,369km of rights of way, permitted paths and access land on Exmoor and promotion of the diverse range of recreational activities and opportunities available
<b>Ranger Service</b>	Public access management and engagement with land managers and recreational users of the National Park to promote and conserve its special qualities and help to manage the impacts of public recreation on Exmoor's special qualities
<b>Public Facilities</b>	Maintenance and improvement of Authority owned picnic sites, toilets and car parks
<b>Education/Volunteers/Outreach</b>	Provision of formal and informal education, training, volunteer opportunities and greater involvement of non-traditional users, including health and wellbeing initiatives
<b>Information/Interpretation</b>	Information and interpretation of Exmoor's special qualities through digital and print media, website, social media, display boards
<b>National Park Centres</b>	Centres in Lynmouth, Dulverton and Dunster providing inspiration and information about Exmoor National Park, with interpretive displays, maps, publications and staff with specialist knowledge about the area
<b>Rural Enterprise</b>	Engagement with business sector and local communities and liaison with local authority economic development services to help sustain a thriving economy on Exmoor
<b>Development Management</b>	Ensuring that development is of the right scale, directed to appropriate locations and conserves and enhances the character and appearance of the National Park
<b>Planning Policy</b>	Support to community/neighbourhood planning and policy guidance, including development and implementation of Local Plan policies
<b>Land Management</b>	Management of Authority land for landscape, wildlife and recreation benefits. Opportunities to demonstrate best practice and emerging land management techniques.

# Corporate Plan at a Glance

## PEOPLE 🧑



**Exmoor for All:**  
where everyone feels  
welcome

- The Exmoor Experience
- Well-managed Recreation and Access
- Thriving Tourism built on Sustainability

## PLACE 🌍



**Inspiring Landscapes:**  
diverse and beautiful,  
rich in wildlife and history

- Celebrated Landscapes
- Wildness and Tranquillity with Dark Night Skies, and Sensitive Development
  - Valued Historic Environment and Cultural Heritage
  - Rich in Wildlife

## PROSPERITY 📈



**Working Landscapes:**  
thriving communities and a  
vibrant local economy

- Working Landscapes
- Strong Local Economy
- Thriving Communities
  - A Valued Asset



## Corporate Plan Actions 2022-23

People: The Exmoor Experience
1. <b>Priority action: Deliver an inspiring and inclusive learning and engagement programme, reaching out to people from a wider range of backgrounds and providing opportunities for increased connection to Exmoor’s special qualities,</b> including further development and delivery of our Young Ranger Programme
2. Promote and support a wide range of volunteering opportunities, linked to National Park purposes, through the Get Involved Programme
3. Promote the health and well-being benefits that Exmoor provides by trialling our “Welcome to Exmoor” days and delivering the externally funded <i>Families United through Nature</i> Project
4. <b>NEW ACTION:</b> Implement new ways to engage young people with the work of the Authority and input to decision-making, with an initial focus on climate action
5. Deliver improvements in National Park Centres to maximise their contribution to National Park purposes and income generation with a focus this year on refitting shop front signage and displays (phase one of two of planned improvements). Target: 5% increase in income year on year
People: Well Managed Recreation and Access
6. <b>Priority action: Plan for and deliver visitor management in the National Park (including popular locations and large events) to ensure that visitors are able to enjoy Exmoor responsibly and sustainably</b>
7. <b>Priority action: Maintain a first-class rights of way network that annually achieves an ‘open and easy to use’ score in excess of 95% and that key permitted paths and access land are available. Ensure the network is resilient to climate change and meets the needs of all users</b>
8. Prepare a strategy to guide recreation and access work, reviewing demands on the Public Rights of Way and access network and opportunities for enhancement
9. Deliver a programme of enhancement works for ENPA car parks and explore opportunities for a new car park at Simonsbath sawmill
10. Consult on proposals for family friendly cycle trails within or linking to the National Park and progress permissions, funding and implementation of the routes if possible
11. Continue to fundraise and submit planning application for ‘Great Bradley Bridge’. Progress with construction if planning permission secured
12. Complete and launch new range of self guided Exmoor Classic walks to complement the Explorer Walks as flagship route publications for the National Park
People: Thriving Tourism Built on Sustainability
13. <b>Priority Action: Work with tourism partners to ensure that Exmoor is a leading visitor destination and tourism is promoted and managed sustainably for the benefit of all, with a specific focus on visitor travel (through involvement with County Council Bus Improvement Plans) and launching a ‘good’ business guide in conjunction with the relaunch of Park Partners. Target 40 businesses signed up as Park Partners</b>
14. Work with partners to support increased use and promotion of local produce including young Exmoor chef competition and further roll out of Eat Exmoor branding

<b>Place: Celebrated landscapes</b>
15. <b>Priority action: NEW ACTION</b> Complete detailed scoping work on the former royal forest landscape encompassing both ENPA owned land and land owned by neighbouring partners with specific focus on the potential opportunities at Simonsbath and Pinkery. This comprehensive assessment will incorporate access, education, tourism, nature recovery, cultural heritage and climate change. This will lead to a bid for external funding including Landscape Recovery
16. <b>Priority action: Progress the Coastal Woodland Project, bringing together a better understanding of the cultural significance of the ENPA coastal woodland holdings with proposals for nature recovery. This will link with developing proposals with other key coastal woodland landowners to establish a Nature Recovery Area (action 27)</b>
17. Continue the restoration of Ashcombe Gardens with volunteers and work with the Simonsbath & Exmoor Heritage Trust to manage and utilise White Rock Cottage and Simonsbath Old School
18. Continue the restoration of the Ashley Combe designed landscape through targeted woodland management and enhancement works
19. Explore opportunities for people to engage with Exmoor's past and future landscapes through art
<b>Place: Wildness and Tranquillity with Dark Night Skies and Sensitive Development</b>
20. Complete the Dark Skies Tourism development project including launch of a dark skies hub at Wimbleball and second phase of business support (leading to additional 20 Dark Sky Friendly Business accreditations) Support organisers to deliver a national showcase (filmed event) on Exmoor in May as part of the Green Spaces Dark Skies project (Festival UK)
21. Prepare and consult on the Design Supplementary Planning Document to encourage high quality, locally distinctive design and take account of new national design guidance
<b>Place: Valued Historic Environment and Cultural Heritage</b>
22. Work with volunteers to build understanding of Exmoor's heritage assets, undertake condition surveys on ENPA's Estate, and complete a programme of assessment of Exmoor's Scheduled Ancient Monuments
23. Progress work on Conservation Area appraisals, new designations, guidance for homeowners, and Article 4 directions
24. Continue to enhance and promote the Historic Environment Record (HER) by delivering projects and establish a Local list of heritage assets
<b>Place: Rich in Wildlife</b>
25. <b>Priority action: Work with our farmers and partners to take forward the Exmoor Nature Recovery Vision, as part of wider cross-boundary local nature recovery strategies and climate response. Specific short term targets are to develop and promote case studies across Exmoor and to map opportunities for two landscape scale nature recovery areas: the former Royal Forest and the coastal woodlands</b>
26. <b>NEW ACTION: Work with the Local Nature Partnerships to input to the Somerset and Devon Local Nature Recovery Strategies, including local habitat mapping, identifying priorities and opportunities for enhancing biodiversity</b>

<p><b>27. Priority action: Work with the National Trust and the Farming and Wildlife Advisory Group to complete detailed scoping for joint nature recovery and heritage projects for the Exmoor Coast. Map potential for enhancement and expansion of coastal woodlands. Develop a Landscape Recovery scheme proposal for submission to DEFRA.</b></p>
<p>28. Encourage exemplars of species rich grassland and support pollinators through developing a More Meadows project. Seed will be collected from donor sites on Exmoor and used to enhance meadows on participant site, doubling the 10 hectares delivered in 2021/22</p>
<p>29. Seek funds to further implement the Exmoor Non-native Invasive Species (ENNIS) Project, ensuring the success of Japanese knotweed removal is continued.</p>
<p>30. Support peatland restoration as part of the climate response through trialling new approaches and working with the Mires Partnership, including offering support and advice</p>
<p><b>31. Priority action. NEW ACTION: Commence delivery of 'Exmoor's Temperate Rainforest' project by trialling woodland establishment in combes around Simonsbath. Complete the set up of the tree nursery at Exford.</b></p>
<p><b>Prosperity: Working Landscapes</b></p>
<p><b>32. Priority action: Deliver the Defra-funded Farming in Protected Landscapes programme on Exmoor, supporting farmers to transition to the new environmental land management schemes</b></p>
<p>33. Work with game shoot managers and others to help ensure game shoots provide a positive impact on Exmoor's special qualities by encouraging good practice and improved communication</p>
<p>34. Work with partners a to support delivery of national ambitions for appropriate woodland expansion by producing the Exmoor Woodland and Trees strategy and developing principles to enable the 'right tree in the right place' and to support appropriate management of existing trees and woodland to ensure resilient wooded landscapes delivering a range of public goods</p>
<p>35. Work with SWT and AONBs on a new three year "Forest for Somerset" partnership funded by the Trees Call to Action Fund (TCAF). The project aims to expand and connect trees and woodlands across Somerset; embed trees and woodlands as part of the green economy; protect and improve existing trees and woodlands; and connect people with trees and woodlands</p>
<p>36. Help promote and conserve the iconic Exmoor Pony breed including management of the Authority's pony herds</p>
<p><b>Prosperity: Strong Local Economy</b></p>
<p>37. Support businesses and partners to deliver the Rural Enterprise Exmoor vision</p>
<p><b>Prosperity: Thriving Communities</b></p>
<p><b>38. Priority action: Complete the 5-yearly check of Local Plan policies and progress a review or further guidance on specific topics if required</b></p>
<p>39. 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 assessment</p>
<p>40. NEW ACTION: Prepare Exmoor specific guidance on Biodiversity Net Gain in preparation for the introduction of new legislative requirements for planning</p>



<b>Prosperity: A Valued Asset</b>
41. Work with Defra and other Protected Landscapes to take forward the Government's response to the Landscapes Review
42. Host the UK National Parks conference in September 2022 and the SNPS (Society of National Park Staff) conference in May 2022
<b>Monitoring and Research</b>
<b>43. Priority action: Produce an updated State of the Park report by March 2023 and monitor Exmoor's special qualities by gathering data and commissioning research to fill gaps</b>
44. NEW ACTION: Seek resources to undertake key research to help plan effectively for the future landscapes programme: <ul style="list-style-type: none"> <li>• Nature recovery and carbon baseline assessment for the ENPA Estate</li> <li>• PhD research opportunity into best practice for moorland management for nature recovery, including assessing atmospheric pollution impact</li> <li>• Assessment of carbon storage potential through peatland restoration and woodland establishment</li> <li>• Updated Principle Archaeological Landscapes (PALs) condition survey</li> </ul>
45. Support the annual deer count and support work on understanding and managing Tb in deer
<b>Corporate Priorities: Manage corporate finances and diversify income streams</b>
<b>46. Priority action: Implement the External Project Funding strategy and Prospectus, and pursue funding opportunities for projects</b>
47. Increase by 5% year on year income from the 'CareMoor for Exmoor' fundraising scheme, and other initiatives to support delivery of National Park purposes
<b>Corporate Priorities: Work with communities, businesses and partners to deliver the National Park Partnership Plan and statutory purposes</b>
<b>48. Priority action: Lead the implementation of the National Park Partnership Plan, and begin preparations for the review of the Plan in 2023</b>
<b>Corporate Priorities: Respond to the climate emergency and work towards becoming a carbon neutral National Park</b>
<b>49. Priority action: Continue to deliver actions in the ENPA Climate action plan to achieve carbon neutral ENPA by 2030:</b> <ul style="list-style-type: none"> <li>• Deliver the Pinkery decarbonisation project (NEW ACTION)</li> <li>• Identify and scope projects to reduce carbon emissions from ENPA buildings by 12% year on year including an audit of high demand electrical items and progress digital by default principles to minimise paper use (NEW ACTION)</li> <li>• Identify and scope projects to reduce carbon emissions from ENPA travel by 12% year on year</li> </ul>
50. NEW ACTION: Update the carbon footprint for Exmoor National Park; and work with partners to support projects and actions that move Exmoor closer to being a carbon neutral National Park by 2045, and contribute to implementation of the climate action plans for Devon and Somerset

51. Work with local communities and businesses to secure plastic free status for Exmoor National Park in 2022 and continue to reduce ENPA's single-use plastics footprint
<b>Corporate Priorities: Develop and maintain effective and efficient services</b>
<b>52. Priority action: Deliver the National Park Planning service, maintaining performance within targets of 60% major applications and 70% of minor applications determined on time</b>
53. NEW ACTION: Update the local list of requirements for validating planning applications
<b>54. Priority action: Develop and implement a new Organisational Development Strategy to support our staff team and enable the best use of our knowledge, skills and experience in delivering National Park purposes</b>
55. NEW ACTION: Review and update the Authority's approach to Equality, Diversity and Inclusion and take positive action to support this
56. Scope work to digitise the National Park Planning service in line with Government objectives to make the planning process more accessible
57. Progress the archive project to provide a policy and process for managing ENPA records, data, information and images
58. Implement the new ENPA website
59. Develop a strategy for communications work including review of existing communications publications (Parklife and Exmoor Visitor)
<b>Corporate Priorities: Manage the Authority's Estate and operations to support delivery of National Park purposes</b>
<b>60. Priority action: Draft a strategy and vision for ENPA's Estate to deliver nature recovery, climate response, connecting people with the special qualities. Develop and begin implementing projects to deliver the vision (actions 9, 15, 16, 17, 18,22, 25, 27, 31, 34, 35, 49)</b>

## Use of our Resources

The summary **Medium Term Financial Plan** set out below provides a projection of Authority income and expenditure for between 2022/23 to 2026/27.

We continue to work within an annual grant allocation from Defra. We do not know what funding we will receive in future years but the Medium Term Financial Plan assumes that the grant will grow at 2% from 2023/24 onwards. Whatever funding is provided, the Authority will work hard to use the resources available to implement the Partnership Plan and work with Defra to deliver their priorities for England's National Parks.

Exmoor National Park Authority						
Medium Term Financial Plan 2022/23 - 2026/27						
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	Original	Original	Projected	Projected	Projected	Projected
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Income</b>						
<b>National Park Grant Income (Defra) - including one off funding</b>	<b>3,211</b>	<b>3,211</b>	<b>3,275</b>	<b>3,341</b>	<b>3,408</b>	<b>3,476</b>
- Fees - planning,	88	95	98	101	104	107
- Fees - car parks	70	80	85	90	95	95
- Interest earned	18	16	20	20	20	20
- Rents & Contributions	300	300	300	300	300	300
- National Park Centre Sales Income	93	99	102	105	108	111
- Grants	10	10	10	10	10	10
- Rights of Way Income	50	50	50	50	50	50
- Pinkery Trading Income	140	140	145	150	155	160
- Other	13	13	13	13	13	13
<b>Total:</b>	<b>782</b>	<b>803</b>	<b>823</b>	<b>839</b>	<b>855</b>	<b>866</b>
<b>Total Income</b>	<b>3,993</b>	<b>4,014</b>	<b>4,098</b>	<b>4,180</b>	<b>4,263</b>	<b>4,342</b>
<b>Expenditure</b>						
<b>Core budget - Pay</b>						
Current Establishment (excluding Pinkery)	2,335	2,444	2,530	2,618	2,670	2,724
Pension Costs - Fixed Element	140	150	155	160	165	170
<b>Target Pay Budget</b>	<b>2,475</b>	<b>2,594</b>	<b>2,685</b>	<b>2,778</b>	<b>2,835</b>	<b>2,894</b>
<b>Core budget Non-Pay</b>						
Member costs	97	98	99	100	101	102
Premises costs	189	184	187	190	193	196
Insurance	50	53	54	55	56	57
Travel / vehicle costs	105	101	103	105	107	109
Equipment	61	58	59	60	61	62
Contracted work (e.g. audit fees, legal services)	254	243	246	249	252	255
Grants and contributions	11	11	11	12	13	13
Subscriptions	34	35	35	35	35	35
National Park Centre Cost of Goods Sold	57	60	62	64	66	68
Consumables	72	63	64	65	66	67
ICT Expenditure	67	70	71	72	73	74
Communications	34	32	33	34	35	36
Toilet & car park costs	92	89	90	91	92	93
Pinkery	140	140	145	150	155	160
<b>Total non-pay budget</b>	<b>1,263</b>	<b>1,237</b>	<b>1,259</b>	<b>1,282</b>	<b>1,305</b>	<b>1,327</b>
<b>Total Core Budget</b>	<b>3,738</b>	<b>3,831</b>	<b>3,944</b>	<b>4,060</b>	<b>4,140</b>	<b>4,221</b>
<b>Programmes, Partnerships &amp; Contributions to Reserves</b>						
Contributions to Reserves	156	0	0	0	0	0
Top Sliced Programmes	79	0	0	0	0	0
Partnership Fund - small grants scheme	20	0	0	0	0	0
<b>Total available Programmes &amp; Partnerships Budget</b>	<b>255</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total expenditure</b>	<b>3,993</b>	<b>3,831</b>	<b>3,944</b>	<b>4,060</b>	<b>4,140</b>	<b>4,221</b>
<b>Savings yet to be identified</b>	<b>0</b>	<b>183</b>	<b>155</b>	<b>120</b>	<b>122</b>	<b>121</b>
<b>Percentages</b>						
Target Pay Budget as % of NPG	75%	76%	78%	79%	80%	80%
Total non-pay Budget as % of NPG	39%	39%	38%	38%	38%	38%
Pro & Part Budget as % of NPG	10%	9%	8%	7%	5%	5%

## EXMOOR NATIONAL PARK AUTHORITY

1 MARCH 2022

### PINKERY OUTDOOR EDUCATION CENTRE DECARBONISATION PLANS

#### Report of the Head of Strategy and Performance and Head of Finance and Operations

**Purpose of Report:** To inform Members of the plans to decarbonise Pinkery Centre for Outdoor Learning as part of Exmoor National Park Authority's response to the climate emergency and Climate Action Plan.

**RECOMMENDATIONS:** The Authority is recommended to:

- (1) NOTE the grant funding secured for the Pinkery decarbonisation project (Section 2).
- (2) AGREE to allocate additional funding from the Reserves Estate to provide project management, two wood burners, and contingency (see para 3.2)

**Authority priority:** The Exmoor National Park Partnership Plan and Local Plan both include the Vision *'We are closer to achieving a carbon-neutral National Park to help mitigate climate change, and have introduced measures to adapt to changes in climate that are already happening'*.

A key priority for the ENPA Corporate Plan 2021-22 is *'responding to the climate emergency as a core element of all the work we do'*.

**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).

**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 financial and risk implications have been identified and will be actively managed as part of the project management.

**Climate response:** as set out in the report.

## **1. Background**

- 1.1. In 2019 Exmoor National Park Authority declared a Climate Emergency and to work towards being a carbon neutral organisation by 2030. The Authority's Climate Action Plan was approved by Members in August 2021. The report identified that 72% of ENPA's carbon emissions arose from buildings. Pinkery Centre for Outdoor Learning currently forms about 20% of the Authority's overall carbon footprint.
- 1.2. Pinkery is off-grid and has no mains gas, electricity or water. The heating system is currently run using an oil boiler, which is coming to the end of its life and needs replacing. Existing renewable energy systems include a wind turbine and solar panels, which provide electricity, with surplus energy being stored in batteries. A diesel generator provides back up power when needed. Domestic hot water is supplied from a combination of immersion heaters and the diesel boiler. Due to its exposed location high on the moors in the centre of Exmoor, the building and its systems need to be able to deal with extremes of weather.
- 1.3. The ENPA Climate Action Plan sets out specific aims for Pinkery:
  - Develop Pinkery Outdoor Education Centre as a centre of excellence for demonstrating and educating people about climate change including different renewable energy technologies and climate mitigation through nature recovery.
  - Aim for Pinkery to be self-sufficient in its energy demands being powered by renewable energy (space and water heating, cooking, and lighting) by 2030.
- 1.4. The Action Plan also sets out the principles that the Authority would follow in seeking to achieve its ambition to be carbon neutral by 2030. This follows the Greenhouse Gas Management Hierarchy of:
  - Eliminate: avoiding or preventing GHG emissions
  - Reduce: reductions in carbon and energy demands, improved efficiency in operations and processes
  - Substitute: adopting renewable and low carbon technologies, reduce carbon intensity of energy used and purchased, purchase inputs and services with lower emissions
  - Compensate: avoidable emissions through offsets, use land management to sequester and store carbon, support climate action

## **2. Public Sector Decarbonisation Fund**

- 2.1 Government has made grant funding available for public sector bodies to fund heat decarbonisation and energy efficiency measures. The fund is administered by Salix on behalf of the Department for Business, Energy and Industrial Strategy. A bid to the fund has been successful and ENPA has been awarded £115,000 towards a total cost of £146,000. (These figures are pre-tender and may change).
- 2.2 The Pinkery decarbonization project will follow the GHG management hierarchy outlined above:

- Energy efficiency measures: including triple glazing and draught proofing the link corridor, and replacing current lighting with LED lighting
- Reducing Carbon emissions: through replacing the old oil boiler with a new biomass boiler which will provide space and water heating
- Substituting carbon intensive energy provision: Additional solar PV panels will provide more renewable electricity, reducing the need for the backup diesel generator. Additional battery capacity will also increase the amount of electricity that can be stored for use during peak demand period. The diesel generator will be retained as a back up and for emergencies, but it is planned that this will be required only in very limited circumstances and in time, can be removed altogether
- Carbon offsetting: Any remaining carbon emissions will be offset as part of the overall ENPA carbon neutral commitment, initially through woodland planting on ENPA land at Bye Wood on Exmoor

### **3. ENPA budget contributions**

- 3.1 Budget has been allocated in the Environmental Resilience fund (approved by members for the 2021-22 budget) for the £31,000 not covered by the grant.
- 3.2 In addition, approval is sought for a further £30,000 to be allocated from the unallocated section of the Estates Reserve to pay for external project management for the scheme, the installation of the two internal wood burners, and to provide some contingency for additional works not currently budgeted for. The external project management is necessary as there is not sufficient capacity internally, and it also has the benefit of bringing in professional design contractors who will take over much of the risk and liability associated with delivering the project. Planning permission will be required for some of the proposed works.
- 3.3 The management of the project will be combined with other improvement works planned at Pinkery which members have previously had sight of through the planning application, (the installation of two wood burners, replacing the current tiles with slate and installation of two Velux windows, vaulting the ceiling plus insulation and new lighting, installation of a wooden floor and new doorway from the dining room to the garden). £70,000 has already been put aside for these improvement works. The works will be planned to minimise disruption to the operation of the Centre.

**Clare Reid**  
**Head of Strategy and Performance**  
**February 2022**

**Gordon Bryant**  
**Head of Finance and Operations**

## EXMOOR NATIONAL PARK AUTHORITY

1 March 2022

### TREASURY MANAGEMENT STRATEGY STATEMENT 2022-23

#### Report of the Chief Finance Officer

**Purpose of Report:** To remind Members of the requirements of the CIPFA Prudential and Treasury Management Codes, and the Local Government Act 2003 Guidance on Investments, and to adopt the proposed Treasury Management Strategy for 2022-23.

**RECOMMENDATION:** The Authority is recommended to:

- (1) NOTE the report of the Chief Finance Officer.
- (2) APPROVE the proposed Treasury Management Strategy for 2022-23 as set out in Sections 2 and 3 of this report.
- (3) NOTE the Prudential Indicators for 2022-23 to 2024-25 as set out in Section 4 of this report (although some are currently set at zero, all Treasury Management indicators are included for completeness of information and others may well be used in the future).

**Authority priority:** Achieve Best Value from our resources and improve our performance.

**Legal and equality implications:** The Local Government Act 2003 (LGA 2003), specifically Guidance under Section 15(1)(a) 3<sup>rd</sup> Edition, effective from 1<sup>st</sup> April 2018.

The CIPFA Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes: Revised 2017 Edition (CIPFA TM Code).

The CIPFA Prudential Code for Capital Finance in Local Authorities: Revised 2017 Edition (CIPFA Prudential Code).

New CIPFA Treasury Management and Prudential Codes were published in December 2021, too late to be wholly incorporated into this year's written strategy. However, ENPA Treasury Management will operate within the letter and the spirit of the revised Codes

The foreword of the Prudential Code states that the new code takes immediate effect, except that Authorities may defer introducing the revised reporting requirements until the 2023/24 financial year. It particularly highlights that the requirement that local authorities must not borrow to invest primarily for financial return applies with immediate effect.

Unlike the Prudential Code, there is no mention of the date of initial application in the TM Code, and the guidance notes have yet to be published; However, ENPA will follow the same process as the Prudential Code, i.e. defer introducing the revised reporting requirements until the 2023/24 financial year but following the revised code (when guidance enables and clarifies).

None of the changes in both of the Codes have any discernible effect on ENPA Treasury strategy.

**Financial and Risk Implications:** Interest from investments forms part of the revenue income of the Authority. This income is impacted by the market fluctuations in interest rates. The Authority's revenue cash is aggregated with that of Somerset County Council

(SCC). SCC invests sizeable sums into the London Money Market in its name only. Comfund cash is also aggregated with that of other Comfund investors and lent into the market in the name of SCC. For this, SCC assumes the risk to capital of counterparty default, but any loss of interest would reduce the overall return of the Comfund.

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

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## **1. Introduction and background**

- 1.1 Treasury management is the management of the Authority's cash flows, borrowing and treasury investments, and the associated risks. The Authority has no debt but has investments that average over £3m and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risks are therefore central to the Authority's prudent financial management.
- 1.2 Treasury risk management at the Authority is conducted within the framework of the CIPFA Treasury Management in the Public Services: Code of Practice 2021 Edition (the CIPFA Code) which requires the Authority to approve a treasury management strategy before the start of each financial year. This report fulfils the Authority's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code.
- 1.3 Under Section 3 of the LGA 2003 (duty to determine affordable borrowing limit), a Local Authority must have regard to the CIPFA Prudential Code. This code requires the setting of a number of Prudential Indicators, benchmarks within which Treasury and Investment Management, and Capital Financing are managed. The setting of Prudential Indicators for Treasury Management requires Authorities to recognise key implications of their borrowing and investment strategies. These relate to the affordability of overall borrowing limits, the maturity structure of borrowing, and longer-term investments.
- 1.4 In formulating the Treasury Management Strategy, and the setting of Prudential Indicators, Exmoor National Park Authority (ENPA) adopts the Treasury Management Framework and Policy recommended by CIPFA. These can be found in Appendix A.

### **External context**

- 1.5 The ongoing impact on the UK from coronavirus, together with higher inflation, higher interest rates, and the country's trade position post-Brexit, will be major influences on the Authority's treasury management strategy for 2022/23.
- 1.6 The Bank of England (BoE) increased Bank Rate to 0.25% in December 2021 while maintaining its Quantitative Easing programme at £895 billion. The Monetary Policy Committee (MPC) voted 8-1 in favour of raising rates, and unanimously to maintain the asset purchase programme.
- 1.7 Within the announcement the MPC noted that the pace of the global recovery was broadly in line with its November Monetary Policy Report. Prior to the emergence of the Omicron coronavirus variant, the Bank also considered the UK economy to be evolving in line with expectations, however the increased uncertainty and risk to activity the new variant presents, the Bank revised down its estimates for Q4 GDP growth to 0.6% from 1.0%.
- 1.8 Inflation was projected to be higher than previously forecast, with CPI likely to remain above 5% throughout the winter and peak at 6% in April 2022. The labour market



was generally performing better than previously forecast and the BoE now expects the unemployment rate to fall to 4% compared to 4.5% forecast previously; but notes that Omicron could weaken the demand for labour.

- 1.9 UK CPI for November 2021 registered 5.1% year on year, up from 4.2% in the previous month. Core inflation, which excludes the more volatile components, rose to 4.0% y/y from 3.4%. The most recent labour market data for the three months to October 2021 showed the unemployment rate fell to 4.2% while the employment rate rose to 75.5%.
- 1.10 In October 2021, the headline 3-month average annual growth rate for wages were 4.9% for total pay and 4.3% for regular pay. In real terms, after adjusting for inflation, total pay growth was up 1.7% while regular pay was up 1.0%. The change in pay growth has been affected by a change in composition of employee jobs, where there has been a fall in the number and proportion of lower paid jobs.
- 1.11 Gross domestic product (GDP) grew by 1.3% in the third calendar quarter of 2021 according to the initial estimate, compared to a gain of 5.5% q/q in the previous quarter, with the annual rate slowing to 6.6% from 23.6%. The Q3 gain was modestly below the consensus forecast of a 1.5% q/q rise. During the quarter activity measures were boosted by sectors that reopened following pandemic restrictions, suggesting that wider spending was flat. Looking ahead, while monthly GDP readings suggest there had been some increase in momentum in the latter part of Q3, Q4 growth is expected to be soft.
- 1.12 GDP growth in the euro zone increased by 2.2% in calendar Q3 2021 following a gain of 2.1% in the second quarter and a decline of -0.3% in the first. Headline inflation has been strong, with CPI registering 4.9% year-on-year in November, the fifth successive month of inflation. Core CPI inflation was 2.6% y/y in November, the fourth month of successive increases from July's 0.7% y/y. At these levels, inflation is above the European Central Bank's target of 'below, but close to 2%', putting some pressure on its long-term stance of holding its main interest rate of 0%.
- 1.13 The US economy expanded at an annualised rate of 2.1% in Q3 2021, slowing sharply from gains of 6.7% and 6.3% in the previous two quarters. In its December 2021 interest rate announcement, the Federal Reserve continue to maintain the Fed Funds rate at between 0% and 0.25% but outlined its plan to reduce its asset purchase programme earlier than previously stated and signalled they are in favour of tightening interest rates at a faster pace in 2022, with three 0.25% movements now expected

#### Internal context

- 1.14 As at 31<sup>st</sup> December 2021 ENPA had no external debt. The investments of ENPA as at 31<sup>st</sup> December 2021 stood at just over £3.14m

	<b>Balance on 31/03/2021 £000</b>	<b>Rate as at 31/03 %</b>	<b>Balance on 31/12/2021 £000</b>	<b>Rate as at 31/12 %</b>
Revenue Balances	28	0.00	-156	0.00
Comfund Balances	2,900	0.34	3,300	0.23
<b>Total Balances</b>	<b>2,928</b>	<b>0.34</b>	<b>3,144</b>	<b>0.23</b>

- 1.15 In receiving funding for its functions, the National Park Authority effectively turns over approximately £5.0m a year. This represents significant cash movements, and it is important that the Authority has strategies and policies in place to manage such turnover effectively.
- 1.16 The Authority currently manages its investments and cash flow via service arrangements with the Finance and Treasury Management Sections of Somerset County Council. In so doing it needs to adopt policies consistent with the Council's. The Authority is, however, formally separated with its own bank accounts, and it is therefore important that it adopts a Strategy of its own, albeit following very closely that of the County Council.

## **2. Borrowing strategy**

- 2.1 The Authority is currently debt free. Any potential borrowing would be driven by the capital plan. There are no plans that would necessitate borrowing during 2022-23. As stated in previous strategy statements, when future borrowing is agreed, and Prudential Indicators set, the Chief Finance Officer will make specific decisions with regard to the timing of any borrowing and the length of maturities. Borrowing would be undertaken to minimise borrowing costs and would be consistent with the Authorities' Prudential Indicators.
- 2.2 The Chief Finance Officer has the delegated power to raise capital finance from such sources as is deemed appropriate within the statutory limitations that apply to the Authority. These are termed 'borrowing instruments' and include: -
- PWLB loans – Fixed or Variable
  - Transferable loan instruments
  - Non-transferable loan instruments
  - Local bonds
  - Other (e.g. commercial loan)
  - Bank overdraft
- 2.3 **Sources of borrowing:** For such long-term funding as may be required, the most likely source would be the Public Works Loan Board (PWLB). Short-term borrowing will be sought via Somerset County Council from the money market direct from lenders or from the Authority's bankers in the form of overdraft or otherwise. Internal resources may be used in lieu of external borrowing, and leasing or soft loans will form an alternative to borrowing where appropriate. No new borrowing will be in the form of LOBOs.
- 2.4 **Debt rescheduling:** The Authority is currently debt free.

## **3. Investment Strategy**

- 3.1 In 2018, the MHCLG issued revised Statutory Guidance on Local Government Investments (3rd Edition). It states "Investments made by local authorities can be classified into one of two main categories:
- Investments held for treasury management purposes; and
  - Other investments.
- 3.2 "Where local authorities hold treasury management investments, they should apply the principles set out in the Treasury Management Code. They should disclose that the contribution that these investments make to the objectives of the local authority is to support effective treasury management activities. The only other element of this Guidance that applies to treasury management investments is the requirement to prioritise Security, Liquidity and Yield in that order of importance".

- 3.3 This strategy applies only to investments held for treasury purposes. Any non-treasury investments would be dealt with in a separate Investment Strategy.
- 3.4 The Authority's current arrangement with SCC for the provision of treasury management services includes investment management. Current arrangements will continue until such time that the Authority is informed otherwise. Under this agreement all surplus funds are lent to the County Council, as general cash balances, or in the SCC Comfund. General cash balances held with SCC currently attract a rate of base rate minus 0.375%. The return generated by the Comfund, although not fixed, has historically been above this rate. For 2021-22 the benefit of investing in the Comfund stood at £5,784 for the first nine months of the year and is predicted to be approximately £7,700 for the year.
- 3.5 **Strategy:** It is intended to continue to maximise returns by investing in the Comfund when possible. Cash flow balances will continue to be closely monitored by ENPA officers to identify any funds not needed in the immediate future. Investments or disinvestments from the Comfund will be made on a monthly basis, making this an extremely liquid investment.
- 3.6 It is intended that the Authority short-term cash balances be kept to a minimum in order to maximise monthly investment in the SCC Comfund. The timing of sizable grant receipt and investment decisions for the Comfund may mean being occasionally overdrawn for a day or so with SCC short-term balances. The risk of non-payment of grant and debit interest of base rate plus 1% for a day or two, are more than offset by the excess returns of Comfund that would not otherwise be available for approximately 30 days (the next monthly investment/disinvestment day).
- 3.7 **Credit rating:** As SCC is the only counterparty to the Authority there is no need for specific policies or procedures regarding counterparty creditworthiness, to be set out in this strategy. Full details of SCC counterparty policy and procedures will be available on their website when approved by Full Council. For information the current 2021-22 SCC counterparty criteria is included at Appendix B.
- 3.8 SCC has constructed and will maintain a counterparty list based on the criteria set out in Appendix B. The minimum credit quality is proposed to be set at A- or equivalent. 3.9 The credit standing of institutions (and issues if used) will be monitored and updated on a regular basis.
- 3.9 SCC will continuously monitor counterparties creditworthiness. All three credit rating agencies' websites will be visited frequently, and all ratings of proposed counterparties will be subject to verification on the day of investment. (MHCLG guidance states that a credit rating agency is one of Standard & Poor's, Moody's Investor Services Ltd, and Fitch Ratings Ltd). All ratings of currently used counterparties will be reported to the regular SCC treasury management meeting, where proposals for any new counterparties will be discussed. New counterparties must be approved by the SCC Section 151 Officer (Director of Finance) before they are used. Any changes to ratings that put the counterparty below the minimum acceptable credit quality whilst we have a deposit, or a marketable instrument will be brought to the attention of the SCC Section 151 Officer (Director of Finance) immediately, and an appropriate response decided on a case-by-case basis. Sovereign credit ratings will be monitored and acted on as for financial institution ratings. Investment limits are set by reference to the lowest published long-term credit rating from the three rating agencies mentioned above. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used.

3.10 **Other information on the security of investments:** SCC understands that credit ratings are good, but not perfect predictors of investment default. Full regard is therefore given to other available information on the credit quality of the organisations in which it invests, including those outlined below.

- 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.
- Market information on corporate developments and market sentiment towards the counterparties and sovereigns.
- Underlying securities or collateral for 'covered instruments'.
- Other macroeconomic factors

#### 4. **Prudential and Treasury Management Indicator**

4.1 The Authority measures and manages its exposures to treasury management risks using the following indicators.

4.2 **Authorised limit and operational boundary:** The Authority is required to set an authorised limit for total external debt, gross of investments, separately identifying borrowing from other long-term liabilities. The Authority is also required to set an operational limit separately identifying borrowing from other long-term liabilities. This prudential indicator is referred to as the operational boundary. They are both set for the forthcoming, and the following two years. The authorised limit will, in addition, need to provide headroom over and above the operational boundary sufficient for example to accommodate unusual cash movements. A contingency limit of £100,000 has been set for each.

	2022-23 £000	2023-24 £000	2024-25 £000
Authorised limit Borrowing	100	100	100
Operational boundary Borrowing	100	100	100

4.3 **Maturity structure of borrowing:** The Authority has set for the forthcoming year, both the upper and lower limits with respect to the maturity structure of its borrowing.

	Upper limit	Lower limit
Under 12 months	100%	0%
>12 months and within 24 months	100%	0%
>24 months and within 5 years	100%	0%
>5 years and within 10 years	100%	0%
>10 years	100%	0%

4.4 **Principal sums invested for periods longer than a year:** The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. As all investments are with SCC and ENPA have the ability to access all funds at one month's notice, an indicator of zero is appropriate.

	2022-23 £m	2023-24 £m	2024-25 £m
Prudential Limit for principal sums invested for periods longer than 1 year	0	0	0

4.5 **Credit risk indicator:** All of the Authority's investments are placed with SCC, as a result the Authority do not believe that adopting a credit risk indicator would be appropriate.

## 5. **Other matters**

5.1 The CIPFA Code requires the Authority to include the following in its treasury management strategy.

5.2 **Derivative instruments:** The code requires that the Authority must explicitly state whether it plans to use derivative instruments to manage risks. The general power of competence in Section 1 of the Localism Act 2011 removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment). However, the Authority does not intend to use derivatives.

5.3 Should this position change, the Authority may seek to develop a detailed and robust risk management framework governing the use of derivatives, but this change in strategy will require Full Authority approval.

5.4 **External service providers:** The code states that external service providers should be reviewed regularly and that services provided are clearly documented, and that the quality of that service is controlled and understood.

5.5 Officers from the SCC Treasury Management team report investment positions and performance via a monthly statement. As required by the CIPFA TM Code, the Chief Finance Officer reports to the Authority on its treasury activities in the form of a mid-year review and an Annual Treasury Management Report.

5.6 **Markets in Financial Instruments Directive II (MiFID II):** 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. This included having an investment balance of at least £10 million and the person(s) authorised to make investment decisions on behalf of the Authority have at least a year's relevant professional experience. In addition, the regulated financial services firms to whom this directive applies have had to assess that that person(s) have the expertise, experience and knowledge to make investment decisions and understand the risks involved.

5.7 SCC has met 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, SCC, and thereby ENPA, will continue to have access to products including money market funds, pooled funds, treasury bills, bonds, shares and to financial advice.

## 6. **Background papers**

- Local Government Act 2003 – Guidance under section 15(1)(a) 3rd Edition, effective from 1 April 2018.
- The CIPFA 'Treasury Management in the Public Services' Code of Practice 2017 Edition, and The CIPFA 'Treasury Management in the Public Services' Code of Practice Revised Edition 2021.
- The CIPFA Prudential Code for Capital Finance in Local Authorities: 2017 Edition, and. The CIPFA Prudential Code for Capital Finance in Local Authorities: Revised Edition 2021.

**Note:** For sight of individual background papers please contact the report author.

**Gordon Bryant  
Chief Finance Officer  
February 2022**

## **Treasury Management Policy Statement**

### **Introduction and background**

- 1.1 The Exmoor National Park Authority (ENPA) adopts the key recommendations of CIPFA's Treasury Management in the Public Services: Code of Practice (the code), as described in Section 5 of the Code
- 1.2 Accordingly, ENPA will create and maintain, as the cornerstones for effective treasury management:
- A treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities.
  - Suitable treasury management practices (TMPs), setting out the manner in which the organisation will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.
  - Investment management practices (IMPs) for investments that are not for treasury management purposes.
- The content of the policy statement, TMPs and IMPs will follow the recommendations contained in Sections 6, 7 and 8 of the TM Code, subject only to amendment where necessary to reflect the particular circumstances of this organisation. Such amendments will not result in the organisation materially deviating from the TM Code's key principles.
- 1.3 ENPA will receive reports on its treasury management policies, practices and activities, including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review, and an annual report after its close, in the form prescribed in its TMPs.
- 1.4 ENPA delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices, and for the execution and administration of treasury management decisions to the Chief Finance Officer as Section 151 Officer, who will act in accordance with the organisation's policy statement and TMPs and, if he/she is a CIPFA member, CIPFA's Standard of Professional Practice on Treasury Management.
- 1.5 Exmoor National Park Authority is responsible for ensuring effective scrutiny of the treasury management strategy and policies.

### **Policies and objectives of Treasury Management activities**

- 2.1 ENPA defines its treasury management activities as: -
- “The management of the organisation's borrowing, investments and cash flows, including its banking, money market and capital market transactions, the effective control of the risks associated with those activities and the pursuit of optimum performance consistent with those risks.”*
- 2.2 ENPA regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.

- 2.3 ENPA acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management.
- 2.4 ENPA's borrowing will be affordable, sustainable and prudent and consideration will be given to the management of interest rate risk and refinancing risk. The source from which the borrowing is taken, and the type of borrowing should allow ENPA transparency and control over its debt.
- 2.5 ENPA's primary objective in relation to investments remains the security of capital. The liquidity or accessibility of ENPA's investments followed by the yield earned on investments remain important but are secondary considerations.



## **SCC Lending Counterparty Criteria 2021-22**

The following criteria will be used to manage counterparty risks to Somerset County Council investments for new deposits / investments from the time that the new Treasury Management Strategy is passed by Full Council at its meeting in February 2021.

Please note that the limits in this appendix apply only to Treasury Management Investments, not to those detailed in the Separate Investment Strategy.

Where deposits held were made under previous criteria, there will be no compulsion to terminate those deposits to meet new criteria, where a penalty would be incurred.

### **Deposits**

Any Financial Institution that is authorised by the Prudential Regulation Authority to accept deposits in the UK or is a UK Building Society can be lent to, subject to the rating criteria below at the time of the deposit.

### **Unrated Building Societies**

Unrated Building Societies as identified by Treasury Advisors can be used, with a maximum of £1m per Society and a maximum maturity of 1 year.

**Marketable Instruments** – Any bank, other organisation, or security whose credit ratings satisfy the criteria below:

### **Rating of Counterparty or Security**

#### **Deposits or instruments of less than 13 months duration (refer to long-term ratings)**

Fitch A- or above

S&P A- or above

Moody's A3 or above

The maximum deposit / investment amount for any authorised counterparty or security that has as a minimum at least two ratings of the three above will be £20m. This is approximately 7.2% of maximum balance, 8.6% of average balance for the year to 31<sup>st</sup> December 2020-21. The % may be significantly less if borrowing up to the CFR is taken early in the year.

The maximum deposit / investment amount for any authorised counterparty or security that has as a minimum - Fitch AA-, S&P AA-, and Moody's Aa3, will be £25m. This is approximately 9.0% of maximum balance, 10.8% of average balance for the year to 31<sup>st</sup> December 2020-21. The % may be significantly less if borrowing up to the CFR is taken early in the year.

#### **Deposits or instruments of more than 13 months duration (refer to long-term ratings)**

Fitch AA- or above

S&P AA- or above

Moody's Aa3 or above

The maximum deposit / investment amount for more than 13 months for any authorised counterparty or security that has as a minimum at least two ratings of the three above will be £10m. This figure is to be included in the overall figure above.

The allowed deposit amounts above are the single maximum per counterparty at any one time, and that counterparty or security must be rated as above or better by at least two of the three agencies. Short-term ratings will be monitored and considered in relative rather than absolute terms.

It remains the Council's policy to suspend or remove institutions that still meet criteria, but where any of the other factors below give rise to concern. Also, when it is deemed prudent, the duration of deposits placed is shortened or lengthened, depending on counterparty specific metrics, or general investment factors.

Where deposits held were made under previous criteria, there will be no compulsion to terminate those deposits to meet new criteria, where a penalty would be incurred.

### Operational Bank Accounts

As the Council's current bankers, Nat West are currently within the minimum criteria. If they should fall below criteria, the instant access Call Account facility may still be used for short-term liquidity requirements and business continuity arrangements. This will generally be for smaller balances where it is not viable to send to other counterparties or in the event of unexpected receipts after the daily investment process is complete. Money will be placed in the instant access Nat West call account overnight.

### Public Sector Bodies

Any UK Local Authority or Public Body will have a limit of £15m and a maximum maturity of 5 years.

The UK Government, including Gilts, T-Bills, and the Debt Management Office (DMADF) will be unlimited in amount and duration.

The table below gives a definition and approximate comparison of various ratings by the three main agencies:

### Definitions of Rating Agency Ratings

	Fitch		Moody's		S&P	
Short-Term	<b>F1+</b>	Exceptionally strong	<b>P-1</b>	Superior	<b>A-1+</b>	Extremely strong
	<b>F1</b>	Highest quality			<b>A-1</b>	Strong
	<b>F2</b>	Good quality	<b>P-2</b>	Strong	<b>A-2</b>	Satisfactory
	<b>F3</b>	Fair quality	<b>P-3</b>	Acceptable	<b>A-3</b>	Adequate
	<b>B</b>	Speculative	<b>NP</b>	Questionable	<b>B and below</b>	Significant speculative characteristics
	<b>C</b>	High default risk				
	<b>(+) or (-)</b>		<b>(1,2, or 3)</b>		<b>(+) or (-)</b>	
Long-Term	<b>AAA</b>	Highest quality	<b>Aaa</b>	Exceptional	<b>AAA</b>	Extremely strong
	<b>AA</b>	V High quality	<b>Aa</b>	Excellent	<b>AA</b>	Very strong
	<b>A</b>	High quality	<b>A</b>	Good	<b>A</b>	Strong
	<b>BBB</b>	Good quality	<b>Baa</b>	Adequate	<b>BBB</b>	Adequate capacity
	<b>BB</b>	Speculative	<b>Ba</b>	Questionable	<b>BB and below</b>	Significant speculative characteristics
	<b>B</b>	Highly Speculative	<b>B</b>	Poor		
	<b>CCC</b>	High default risk	<b>Caa</b>	Extremely poor		

### Financial Groups

For Financial Groups (where two or more separate counterparties are owned by the same eventual parent company) investments can be split between entities, but an overall limit equal to the highest rated constituent counterparty within the group will be used.

## Country Limits

Excluding the UK, there will be a limit of £30m. This is approximately 10.8% of maximum balance, 12.9% of average balance for the year to 31<sup>st</sup> December 2020-21. The % may be significantly less if borrowing up to the CFR is taken early in the year.

## Money Market Funds

With regulatory changes now effected, previously titled Constant Net Asset Value (CNAV) Money Market Funds have been converted into Low Volatility Net Asset Value (LVNAV) funds. Any LVNAV Fund used must be rated by at least two of the main three ratings agency, and must have the following, (or equivalent LVNAV) ratings.

Fitch AAmmf	Moody's Aaa-mf	Standard & Poor's AAAM
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Subject to the above, deposits can be made with the following limits: -

The lower of £15m or 0.5% of the total value for individual Funds.

No more than 50% of total deposits outstanding are to be held in LVNAV MMFs.

## VNAV and other Pooled Funds

Currently, not all Variable Net Asset Value (VNAV) Funds carry a rating. Many VNAV bond funds are not rated. Equity, multi-asset and property funds are also not credit rated.

It is the Council's intention to invest further in Pooled Funds during 2021-22. The decision to invest in a particular asset class or fund will be based on the evaluation of the risk/reward characteristics including volatility, expected income return and potential for capital growth. Diversification of asset classes/funds and the overall level of investment will be determined by the Section 151 Officer with reference to the level of core balances and reserves. As potential investment would lock away capital for 3 to 5-years plus, the level of prudent investment would be commensurate with the level of core balances and reserves available for/during that timeframe.

Fluctuations in SCC cash balances, and particularly cash balances net of external bodies is difficult to predict over a 3 to 5-year timeframe. As the Section 151 Officer is to determine a suitable level of longer-term investment with reference to the level of core balances and reserves, it may be that a % of core balances and reserves is deemed the most appropriate limit for Pooled Funds, but in any case, this will not exceed £60m in total (Including current Pooled Fund investments of £25m), or £15m in any one fund.

## Other Indicators

The Council will continue to use a range of indicators, not just credit ratings. Among other indicators to be taken into account will be:

- 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
- Underlying securities or collateral for covered instruments
- Other macroeconomic factors

## EXMOOR NATIONAL PARK AUTHORITY

1 March 2022

### SCHEME OF MEMBERS' ALLOWANCES 2022/23

#### Report of the Head of Finance and Operations

**Purpose of the report:** To consider and adopt a Scheme of Members' Allowances for 2022/23.

**RECOMMENDATION:** To ADOPT the Scheme of Members' Allowances 2022/23 as set out in Appendix 1, subject to future adjustments to Members' Allowances as linked to staff cost of living pay awards.

**Authority priority:** Achieve best value from our resources and improve our performance.

**Legal and equality implications:** The Local Authorities (Members' Allowances) (England) Regulations 2003 require the Authority to adopt a scheme of allowances before the start of each financial year. 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:** Provision was made within the Core Budget for a 1% increase in the Scheme of Allowances for 2021/22 and for 3% in 2022/23. If the actual increase differs to this then there will be the opportunity when the Revised Budget is set in November 2022 to make the necessary adjustments.

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

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## 1. Introduction

1.1 Under the Local Authorities (Members' Allowances) (England) Regulations 2003, the Authority is required to publish a Scheme of Members' Allowances every 12 months and the Scheme for 2022/23 should be published before the start of the 2022/23 financial year on 1 April.

## 2. Local Government pay and the Basic Allowance

2.1 Under the Authority's Scheme of Members' Allowances, adjustments to the Basic Allowance are linked to staff cost of living pay awards. As of February 2022, the staff pay award for 2021/22 and 2022/23 has yet to be announced. When this has been agreed Members expenses will be uplifted and backdated to reflect this change.

2.2 The Scheme of Members' Expenses will therefore be revised to reflect this.

## 3. Special Responsibility Allowance

3.1 Special Responsibility Allowances are payable to Members who have been given significant responsibilities on the basis of the multipliers set out below.

Chairperson of the Authority	2 x basic allowance
Deputy Chairperson of the Authority	1.5 x basic allowance
Deputy Chairperson (Planning)	1.5 x basic allowance
Chairperson of the Standards Committee	.25 basic allowance
Chairperson of the Exmoor Consultative and Parish Forum	.5 x basic allowance

#### **4. Mileage and subsistence claims**

- 4.1 Mileage allowance rates are paid to Members and staff in accordance with the Authority's Green Travel Plan adopted in 2010/11.
- 4.2 Levels of subsistence allowances for Members and staff are broadly based on the movement of indices provided by others, such as the Consumer Price Index, and the scheme provides flexibility for allowances to be updated as necessary. The current levels of subsistence allowances are set out in the attached draft Scheme of Allowances.

**Gordon Bryant**  
**Head of Finance and Operations**  
**February 2022**

**Exmoor National Park Authority  
Scheme of Members' Allowances 2022/23**

**1. Introduction**

Exmoor National Park Authority's scheme provides for payment of:

- A **Basic Allowance** which is a flat rate payable to each Member
- A **Special Responsibility Allowance** for Members undertaking additional roles as defined by the Authority.

**2. General points**

The term "Member" in these notes means a Member of the Exmoor National Park Authority.

Members have the option of not claiming all or part of any allowance. The Head of Finance and Operations must be notified in writing if a Member chooses this option.

All enquiries relating to Members allowances should be made to Judy Coles (tel 01398 322250) or e-mail [jcoles@exmoor-nationalpark.gov.uk](mailto:jcoles@exmoor-nationalpark.gov.uk).

**3. Basic Allowance**

- Is payable to all Members.
- Is £2,814.72 per annum from 1 April 2022, payable in arrears in monthly instalments. This is paid automatically (unless a Member has opted not to receive it in whole or in part) and Members do not need to claim it.
- Recompenses Members for time devoted to their work as a Member and is intended to cover
  - preparation for and attendance at Authority, committee, sub-committee, panel and working group meetings (including travel time to and from meetings)
  - preparation for and attendance at seminars, conferences, and training sessions
  - representing the Authority on 'outside organisations'
  - dealing with correspondence
  - single Member Duties
  - other incidental costs for which no other specific provision is made, including use of Member's home
- Adjustments to the annual Basic Allowance of £2,814.72 will be linked to staff cost of living pay awards.
- Where the Member's term of office begins or ends at any time other than the start of the financial year, they are entitled to the appropriate proportion of the annual allowance.

#### 4. Special Responsibility Allowance

- Is payable in addition to the Basic Allowance.
- Is payable to Members who have been given significant responsibilities e.g. Chairperson, Deputy Chairperson, Deputy Chairperson (Planning).
- Is allocated on the degree of responsibility and upon the perceived call on the Member's time, as agreed by the Authority, with no Member receiving more than one Special Responsibility Allowance at any one time.
- Is paid in arrears in 12 equal instalments automatically (with no need for the Member to claim) and where applicable is apportioned for part year entitlements.
- Is intended to cover:
  - significant additional work preparing for meetings
  - meetings with officers
  - meetings with fellow chairpersons
  - acting as the spokesperson for their area of special responsibility
  - dealing with correspondence
  - visits directly connected to the performance of a Special Responsibility Allowance, eg official openings, fact finding visits
- Does not include any element for travel expenses, which are claimable in the normal way for any Special Responsibility Allowance duty.
- Is banded on multiples of the basic allowance to reflect the work and responsibilities that have to be undertaken and will be paid as follows:

Chairperson of the Authority	2 x basic allowance
Deputy Chairperson of the Authority	1.5 x basic allowance
Deputy Chairperson of the Authority (Planning)	1.5 x basic allowance
Chairperson of the Standards Committee	.25 basic allowance
Chairperson of the Exmoor Consultative and Parish Forum	.5 x basic allowance

- To cater for changes in circumstances that can occur during the year and to ensure that no individual cases of exceptional hardship are experienced, the Chief Executive and the Head of Finance & Operations in consultation with the Chairperson can agree Special Responsibility Allowances temporarily for individual Members as considered necessary.

#### 5. Travel Allowance

- Current rates are shown in Appendix 2.
- Can only be claimed for an approved duty (which is set out in Appendix 3) or one covered by a Special Responsibility Allowance.
- Should be claimed promptly at the end of each month on the Members' claim form.
- For official journeys outside Somerset and Devon see policy as set out in Appendix 2.
- Train fares are normally reimbursed at the standard class rate. Members eligible for a Railcard who regularly use the train for Authority business may reclaim the cost of the railcard.

**NB** The Corporate Support Officer can obtain pre-booked tickets for Members, such advance bookings attract cheaper fares and reserved seats.

- Wherever possible, Members should share transport.
- Taxi fares will be reimbursed in exceptional circumstances on production of receipts.
- Expenditure on tolls, parking fees, etc may be claimed for re-imburement on production of receipts.
- Members are advised to check the position with their insurer to ensure they have adequate vehicle insurance cover in place to include use of their vehicle for Authority business.

## **6. Subsistence Allowance**

- Is claimable for the actual cost of the meal or overnight expenses (excluding alcoholic drinks) up to the same maximum set out for staff which is updated annually. Current rates are shown in the attached Appendix 2.
- Subsistence claims should not include receipts for the purchase of alcoholic drinks.
- Is claimable for any approved duty or Special Responsibility Attendance exceeding 4 hours which spans the agreed meal time periods where additional expenditure is incurred.
- Should be claimed promptly at the end of each month on the Members' claim form and receipts must be attached to support the claim. Claims made without proof of expenditure will only be paid in special circumstances and will be referred for the approval of the Head of Finance and Operations in consultation with the Chairperson or Deputy Chairperson.
- Is not claimable if a meal is provided free of charge.
- For special circumstances the Head of Finance and Operations can agree allowances in excess of the maximum where this is considered necessary and appropriate.

## **7. Non claimable duties**

- For the avoidance of doubt, the following duties are **not** approved for the purpose of claiming travel or subsistence allowances:
  - Single Member Duties
  - Attendance at Parish Council meetings
  - Attendance at any committee, panel or working group meetings to which a Member has not been appointed, unless as a previously named substitute

## **8. Payment of allowances**

- Basic Allowances and Special Responsibility Allowances are paid automatically monthly after completion of:
  - Written undertaking to comply with the Code of Conduct for Members
  - Declaration of interests



- Tax, National Insurance and Bank detail pro-formas

These allowances are treated as imbursements and subject to Tax and National Insurance Contributions under PAYE regulations.

- Travel and subsistence must be claimed monthly on the Members' Claim Form. Mileage Allowances are taxed according to the profit element which is calculated by comparing the amounts paid per mile with the Inland Revenue's Authorised Mileage Rates. Reimbursement of subsistence and other expenses incurred (car park fees, tolls, taxis etc) should not give rise to a tax or national insurance contribution liability as there is no profit element involved.
- Fuel receipts which predate the dates of travel should be attached to the monthly mileage claim form in order that VAT can be reclaimed on the expenses paid.
- Claims must be submitted monthly. Claims not received by the Corporate Support Officer by the 5<sup>th</sup> day of the following month will not be paid that month.
- A supply of claim forms can be obtained from the Corporate Support Officer.
- Allowances must not be claimed where the Member is entitled to receive payment from another body for the same duty/activity.
- Payments are made through Somerset County Council which provides a payroll bureau service to Exmoor National Park Authority.
- Payment has to be made directly into a Bank or Building Society account.
- Members can request a PAYE code from the Inland Revenue for the taxable payments, otherwise payments will be taxed at the basic rate of tax. Some Members may be able to obtain an exemption card for national insurance. Some female Members may be able to obtain a reduced rate certificate (married women or widows). Members seeking advice on the national insurance calculation matters should contact their tax office or the Head of Finance and Operations.
- The Authority regularly reviews expenditure on Members Allowances to ensure the budget is not overspent. In order to assist with the monitoring of the budget Members are asked to submit claims monthly, no matter how small.
- Claims older than 2 months will be referred for the approval of the Head of Finance and Operations in consultation with the Chairperson or Deputy Chairperson and therefore payment may be delayed or refused.

## **9. Unemployment Pay and Statutory Sick Pay**

- Members who are unemployed normally do not lose entitlements to unemployment benefit as a result of receiving a Basic Allowance or Special Responsibility Allowance, even though the earnings rule may be exceeded. Members entitled to Disability Benefits may find this entitlement is affected. In such cases Members should clarify the situation with their Tax Office.
- Members are regarded as "employees" under the Social Security and Housing Benefits Act 1982 and are entitled to receive sick pay for the first 28 weeks of sickness a year. If Members wish to pursue claims for sickness benefit, the period of sickness should be in excess of 3 consecutive days and the Corporate Support Officer must be given prompt notification of sickness.

**Exmoor National Park Authority  
Travel and subsistence**

1. **Mileage rates** (up to 8500 miles per annum after which reduced rates apply) for journeys within Somerset and Devon, and between Members' homes and Dulverton:  
 A flat rate allowance: **46.9p**, Passenger supplement: **5p** per passenger per mile  
 The rate for use of a motor cycle is 21p per mile.

2. **Journeys outside Devon and Somerset** For journeys outside Devon and Somerset Members should use public transport whenever possible and appropriate. Recognising that there are situations when it would be more appropriate to travel by private vehicle the rate of **35.2p** per mile is payable unless a case can be made for payment of the full mileage rate and this is subject to PRIOR approval by the Chairperson or Deputy Chairperson. Travel by car can be either by the use of a hire car or by the payment of the normal mileage rates for the journey. Situations where such prior approval is appropriate are on the grounds of:
- sustainability where two or more people are sharing a vehicle
  - inadequacy where public transport is not available or the journey is too time consuming involving changes of trains and taxis
  - economy where the costs of using public transport are significantly greater, overnight stays would be avoided, etc.
  - efficiency where savings in staff and Members time could justify the payment of the full rate

**NB** Members must ensure that they have adequate insurance cover for journeys made by them in respect of Exmoor National Park Authority business.

3. **Subsistence Allowances**

Breakfast	£7.50	Claimable if away from normal place of residence for more than 4 hours before 11.00am.
Lunch	£10.15	Claimable if away from normal place of residence for more than 4 hours including the lunch time period of 11.30am and 2.30pm.
Tea	£4.30	Claimable if away from normal place of residence for more than 4 hours including the period 3pm to 6pm and cannot be claimed if Evening Meal Allowance is also claimed.
Dinner	£14.00	Claimable if away from the normal place of residence more than 4 hours, ending after 7pm and cannot be claimed if tea is also claimed.
Overnight	£120.00	Claimable if away overnight from normal place of residence for overnight accommodation including breakfast.
Out of Pocket	£5.80 per night £23.25 per week	Claimable for residential courses and conferences.

**Receipts must be submitted to obtain subsistence allowances up to maximum allowances above.**

**Notes:** Members will be taxed at their marginal rate for the cost of travelling between home and Exmoor House. Reimbursement of all other receipted subsistence and other expenses should not give rise to a tax or national insurance liability.

**Exmoor National Park Authority  
List of approved duties for the payment of  
Travel and Subsistence Allowances**

Each of the following duties shall be regarded as authorised by the ENPA:

- Attendance at any
  - Exmoor National Park Authority meeting
  - Meeting of any Authority committee or sub committee to which the Member is formally appointed by the Authority or specifically invited by the Chairperson
  - Working group or panel meetings to which the Member has been appointed by the Authority
  - “ad hoc” meetings and site visits set up by the ENPA or its committees when attending as an appointed Member.
  - Association of National Park Authorities meetings as agreed by the Authority.
- The undertaking of any duty associated with the ENPA or its committees and sub-committees, including briefing sessions, site visits, meetings with outside bodies or individuals, by
  - the Chairperson, Deputy Chairperson and Deputy Chairperson (Planning)
  - the Chairperson of the Standards Committee
  - the Chairperson of the Exmoor Consultative and Parish Forum
- Attendance on Authority, committee, and sub-committee tours of inspection and at Members' conferences or seminars where formally appointed by the ENPA
- Attendance as the ENPA's nominee or representative at meetings associated with approved bodies
- Attendance at Open Days, official ceremonies where the Member is performing a specific function
- Attendance at any approved conference where appointed by the ENPA or a committee or sub-committee.
- Any other attendance for which prior approval has been given by the Chairperson or Deputy Chairperson of the ENPA

NB A duty cannot be approved, in retrospect, for the purpose of paying allowances.