

# Exmoor National Park Authority

Auditor's Annual Report for the  
year ended 31 March 2024

5 November 2024



# Contents

Section	Page
Introduction	3
Executive summary	4
Opinion on the financial statements and use of auditor's powers	7
Value for Money commentary on arrangements	10
The current local government landscape	11
Financial sustainability	12
Governance	14
Improving economy, efficiency and effectiveness	17
Recommendations raised in 2023-24	20
<b>Appendices</b>	
Appendix A – Responsibilities of the Audited Body	22
Appendix B – Value for Money Auditor responsibilities	23
Appendix C – Follow-up of previous recommendations	24



We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

The Code of Audit Practice issued by the National Audit Office (NAO) requires us to report to you our commentary relating to proper arrangements.

We report if significant matters have come to our attention. We are not required to consider, nor have we considered, whether all aspects of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.



The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed for the purpose of completing our work under the NAO Code and related guidance. Our audit is not designed to test all arrangements in respect of value for money. However, where, as part of our testing, we identify significant weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose all irregularities, or to include all possible improvements in arrangements that a more extensive special examination might identify. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting, on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

Grant Thornton UK LLP is a limited liability partnership registered in England and Wales: No.OC307742. Registered office: 30 Finsbury Square, London, EC2A 1AG. A list of members is available from our registered office. Grant Thornton UK LLP is authorised and regulated by the Financial Conduct Authority. Grant Thornton UK LLP is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. Services are delivered by the member firms. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions.

# Introduction



## Purpose of the Auditor's Annual Report

This report brings together a summary of all the work we have undertaken for Exmoor National Park Authority (the Authority) during 2023-24 as the appointed external auditor. The core element of the report is the commentary on the Authority's value for money (VfM) arrangements.

All Authorities are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in the use of their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. The Authority's responsibilities are set out at Appendix A.

Authorities report on their arrangements, and the effectiveness of these arrangements as part of their Annual Governance Statement.

## Responsibilities of the appointed auditor

### Opinion on the financial statements

Auditors provide an opinion on the financial statements which confirms whether they:

- give a true and fair view of the financial position of the Authority as at 31 March 2024 and of its expenditure and income for the year then ended
- have been properly prepared in accordance with the CIPFA/LASAAC Code of practice on local Authority accounting in the United Kingdom 2023-24
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

We also consider the Annual Governance Statement and undertake work relating to the Whole of Government Accounts consolidation exercise.

### Value for money

We report our judgements on whether the Authority has proper arrangements in place regarding arrangements under the three specified criteria:

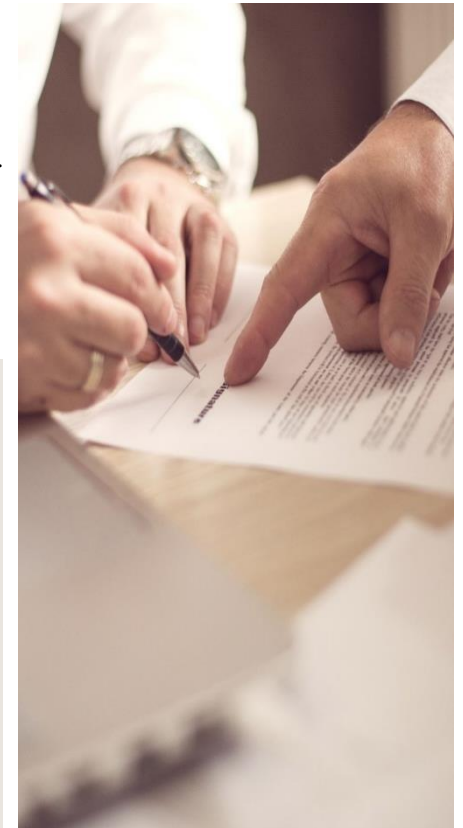
- financial sustainability
- governance
- improving economy, efficiency and effectiveness.

The Value for Money auditor responsibilities are set out at Appendix B.

### Auditor powers

Auditors of a local Authority have a duty to consider whether there are any issues arising during their work that require the use of a range of auditor's powers.

These powers are set out on page 9 with a commentary on whether any of these powers have been used during this audit period.



# Executive summary



# Executive summary

Under the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to consider whether the Authority has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. The NAO, in its consultation of February 2024, has indicated that it will in future require auditors to share a draft Auditors Annual Report ("the Report") with those charged with governance by a nationally set deadline each year and for the audited body to publish the Report thereafter. The outcome of the NAO's consultation on the Code is dependent upon the decisions made by the new government elected on 4 July 2024. These decisions are awaited at the time of drafting this Report. As a firm, we are committed to reporting the results of our local audit work on as timely a basis as possible. We are therefore sharing this report with you in advance of the NAO's new Code being introduced. In the event that any new audit requirements are introduced when the Code is published, we will revisit these before finalising this report. Our summary findings are set out below. Our recommendations and management responses are summarised in the section starting on page 17.



At the date of this Report, we have completed our audit of your financial statements. We have issued an unqualified opinion. Our findings are set out in further detail on page 8.

## Financial sustainability



The Authority ensured financial sustainability through budget monitoring, advisory panel support, mid-year MTFP reviews, and scenario testing. Despite challenges like static core funding from DEFRA and cost increases, a £93k overspend in 2023/24 was covered by general reserves. The MTFP shows a balanced budget for 2024/25 and 2025/26 but projects future funding gaps. The 2024/25 budget and Corporate Plan align financial assumptions with corporate priorities, supported by the Capital Investment Strategy and Corporate Income Generation Strategy. The Authority engages with national and regional groups to align with government targets and integrates the MTFP with workforce and environmental goals. Regular business reviews and scenario testing help manage financial resilience risks, ensuring consistency across financial, workforce, and operational plans. In conclusion and based on our areas of focus and evidence considered, we have not identified any significant weaknesses in arrangements to ensure the Authority manages risk to its financial sustainability. Also, we have not raised any improvement recommendations.

## Governance



The Authority ensured proper governance through quarterly review of the Strategic Risk Register (SRR) and annually by the Full Authority Internal audits provided substantial assurance on financial systems and reasonable assurance on IT and cyber controls. Fraud prevention includes annual reviews, staff reminders, and accessible policies. The budget-setting process for 2023/24 involved regular reviews and reporting, aligning with the Medium-Term Financial Plan (MTFP). Financial performance scrutiny is conducted by the Finance & Performance Advisory Panel, with meetings accessible online for transparency. The Standards Committee conducts an annual self-assessment of effectiveness, though evidence for 2023/24 was lacking. The Authority updated its Standing Orders and Scheme of Delegation in 2023/24, ensuring ethical practices through the Members' Code of Conduct and Standards of Conduct Policy. In conclusion and based on our areas of focus and evidence considered, we found no evidence of significant weaknesses in the Authority's arrangements for ensuring that it makes informed decisions and properly manages its risks. However, to enhance trust and confidence among stakeholders, including the public, we have identified an area where the Authority could improve arrangements and as such, have raised an improvement recommendation in relation to Standards Committee self-assessment of its effectiveness (page 16) which has been accepted by Management.

## Improving economy, efficiency and effectiveness



The Authority introduced a 3-year Corporate Strategy (2023-2026) with defined actions for the year. Progress is monitored quarterly by the Leadership Team, utilising RAG rating systems to track progress and identify areas needing improvement, with mid-year and full-year reports presented to the Authority. The strategy outlines six priorities, including climate crisis response, health and well-being improvement, and support for vibrant communities. The Authority engages in significant partnerships and stakeholder engagement through a flexible Partnership Plan and Delivery Programme. The 2024-2029 Partnership Plan was developed collaboratively with partners, supported by a steering group. The Authority has updated its Standing Orders for the Regulation of Contracts and uses Devon County Council's procurement services for advice and framework contracts. The "At a Glance" Procurement Guide (Jan.2024) outlines key principles and procedures for compliance with public procurement regulations. In conclusion and based on our areas of focus and evidence considered, we have not identified any significant weaknesses in arrangements to ensure the Authority manages risk to its financial sustainability. Also, we have not raised any improvement recommendations.

# Executive summary (continued)

## Overall summary of our Value for Money assessment of the Authority's arrangements

Auditors are required to report their commentary on the Authority's arrangements under specified criteria and 2023-24 is the fourth year that these arrangements have been in place. The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed for the purpose of completing our work under the NAO Code and related guidance. Our audit is not designed to test all arrangements in respect of value for money. However, where, as part of our testing, we identify significant weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose all irregularities, or to include all possible improvements in arrangements that a more extensive special examination might identify. A summary of our judgements are set out in the table below. There are no significant weaknesses in the Authority's arrangements based on our review. This is a good outcome for the Authority.

Criteria	2022-23 Auditor judgement on arrangements	2023-24 Risk assessment	2023-24 Auditor judgement on arrangements
Financial sustainability	G No significant weaknesses in arrangements identified. No improvement recommendations made.	We did not identify any risks of significant weakness from our initial planning work.	G No significant weaknesses in arrangements identified. No improvement recommendations made.
Governance	A No significant weaknesses in arrangements identified. But two improvement recommendations related to risk management were reported.	We did not identify any risks of significant weakness from our initial planning work.	A No significant weaknesses in arrangements identified, however, one improvement recommendation has been raised to support the Authority in enhancing arrangements for Governance. These relate to the Standards Committee annual self-assessment of effectiveness. See page 16 for further details.
Improving economy, efficiency and effectiveness	G No significant weaknesses in arrangements identified. No improvement recommendations made.	We did not identify any risks of significant weakness from our initial planning work.	G No significant weaknesses in arrangements identified. No improvement recommendations made.

- G** No significant weaknesses in arrangements identified or improvement recommendation made.
- A** No significant weaknesses in arrangements identified, but improvement recommendations made.
- R** Significant weaknesses in arrangements identified and key recommendations made.

# **Opinion on the financial statements and use of auditor's powers**



# Opinion on the financial statements



## Audit opinion on the financial statements

We have issued an unqualified opinion on the Authority's financial statements following the Final Account Committee Authority meeting on 5 November 2024.

The full opinion has been included in the Authority's Financial Statements for 2023-24, which can be obtained from the Authority's website.

## Grant Thornton provides an independent opinion on whether the Authority's financial statements:

- give a true and fair view of the financial position of the Authority as at 31 March 2024 and of its expenditure and income for the year then ended, and
- have been properly prepared in accordance with the CIPFA/LASAAC Code of practice on local Authority accounting in the United Kingdom 2023/24
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

We conducted our audit in accordance with:

- International Standards on Auditing (UK)
- the Code of Audit Practice (2020) published by the National Audit Office, and
- applicable law

We are independent of the Authority in accordance with applicable ethical requirements, including the Financial Reporting Authority's Ethical Standard.

## Findings from the audit of the financial statements

The Authority provided draft accounts on 11 June 2024. The delay past the national deadline of 31 May 2024 was due to awaiting pension figures from an external party.

Draft financial statements were of a good standard and supported by detailed working papers. Our work is now complete.

As part of our audit, we have identified four significant control deficiencies and five non-significant in relation to IT general controls. These issues did not impact the financial statements. We did not identify any other significant issues from the audit. Further details are included in our Audit Findings (ISA260) Report.

## Audit Findings (ISA260) Report

We report the detailed findings from our audit in our Audit Findings Report. Our report was presented at the Authority meeting on 5 November 2024. Requests for this Audit Findings Report should be directed to the Authority.



# Use of auditor's powers

We bring the following matters to your attention:

	<b>2023-24 situation:</b>
<p><b>Statutory recommendations</b></p> <p>Under Schedule 7 of the Local Audit and Accountability Act 2014, auditors can make written recommendations to the audited body which need to be considered by the body and responded to publicly.</p>	<p>We did not make any written recommendations under Schedule 7 of the Local Audit and Accountability Act 2014.</p>
<p><b>Public Interest Report</b></p> <p>Under Schedule 7 of the Local Audit and Accountability Act 2014, auditors have the power to make a report if they consider a matter is sufficiently important to be brought to the attention of the audited body or the public as a matter of urgency, including matters which may already be known to the public, but where it is in the public interest for the auditor to publish their independent view.</p>	<p>We did not issue a public interest report.</p>
<p><b>Application to the Court</b></p> <p>Under Section 28 of the Local Audit and Accountability Act 2014, if auditors think that an item of account is contrary to law, they may apply to the court for a declaration to that effect.</p>	<p>We did not make an application to the Court.</p>
<p><b>Advisory notice</b></p> <p>Under Section 29 of the Local Audit and Accountability Act 2014, auditors may issue an advisory notice if the auditor thinks that the Authority or an officer of the Authority:</p> <ul style="list-style-type: none"> <li>• is about to make or has made a decision which involves or would involve the Authority incurring unlawful expenditure,</li> <li>• is about to take or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency, or</li> <li>• is about to enter an item of account, the entry of which is unlawful.</li> </ul>	<p>We did not issue any advisory notices.</p>
<p><b>Judicial review</b></p> <p>Under Section 31 of the Local Audit and Accountability Act 2014, auditors may make an application for judicial review of a decision of an Authority, or of a failure by an Authority to act, which it is reasonable to believe would have an effect on the accounts of that body.</p>	<p>We did not make an application for judicial review.</p>

# **Value for Money Commentary on arrangements**



# The current landscape

It is within this context that we set out our commentary on the Authority's value for money arrangements in 2023-24 and make recommendations where any significant weaknesses or improvement opportunities in arrangements have been identified.



## National context

Local government in England remains a challenged sector. In recent years, generationally significant levels of inflation put pressure on Authority's general fund revenue and capital expenditure. The associated cost of living crisis drove an increase in demand for public sector services such as social care and homelessness, or impact on leisure time and possible visitor numbers at national parks. At the same time, the crisis impacted adversely on key areas of income that were needed to service the increase in demand, for example fees and charges that national parks rely on to support the financial position over and above the National Park Grant.

In January 2024, the UK government announced an additional £600 million for local government, but the Spring Budget for 2024 brought little in the way of any further support. Rising costs of delivering services, coupled with workforce shortages in key areas, supply chain fragility, and rising interest rates for servicing debt, brought a level of crisis to the local government sector perhaps never experienced before. Current warning signs of difficulty include:

- Seven authorities issuing eleven section 114 notices between 2019 and 2023, compared with two authorities issuing notices between 2001 and 2018, with an increasing number of other authorities publicly warning of a section 114 risk
- A total of 20 authorities awarded with government approval for exceptional financial support during 2024-25, totalling approximately £1.5 billion. Only six of these authorities had previously issued a section 114 notice
- The Local Government Association warning that authorities in England face a funding gap of £4 billion over 2023-24 and 2024-25.

Local government, including National Park Authorities, is coming under an increased spotlight in terms of how the sector responds to the financial challenge it faces. Since the start of 2024, the UK government has emphasised the need for increased productivity rather than increased funding. New plans were announced by the then Chancellor in March 2024 for public sector productivity to deliver up to £1.8 billion worth of benefits by 2029. Authorities have subsequently been asked to submit productivity plans, showing how they will improve service performance and reduce wasteful spend. National park authorities have two roles: to conserve and enhance the park, and to promote its use by visitors. These two objectives cause frequent conflicts between the needs of different groups of people. It is estimated that the national parks of England and Wales receive 110 million visitors each year. Most of the time it is possible to achieve both the original two purposes by good management. Occasionally a situation arises where access for the public is in direct conflict with conservation.

Following the outcome of the general election in July 2024 any changes to government policy relating to the sector are at present uncertain.



## Local context

Exmoor National Park Authority (the Authority) is a unique National Park Authority located in the southwest of England, covering 267 square miles over parts of Somerset and Devon. It is renowned for its natural beauty, wildlife, and cultural heritage. The park features a mix of moorland, woodland, valleys, and coastline, offering a variety of habitats for numerous species and providing stunning scenery for visitors.

The population within Exmoor National Park is relatively small and dispersed across various small towns and villages. The local communities are integral to the park's character and play a crucial role in its conservation and management. The Authority seeks to foster the social and economic well-being of these communities while balancing the need to conserve the natural environment.

The Authority is governed by a committee structure designed to ensure effective oversight and decision-making. The Authority comprises 22 members: 12 appointed by local councils, 5 nominated by Parish and Town Councils, and 5 appointed by the Secretary of State for Environment, Food and Rural Affairs.

The Authority's Corporate Plan for 2024-25 outlines six strategic priorities: responding to the nature and climate crises, improving health and well-being, caring for the landscape and heritage, supporting vibrant communities and businesses, ensuring a highly performing estate, and being a great place to work.

# Financial sustainability



## We considered how the audited body:

## Commentary on arrangements

## Assessment

<p>ensures that it identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds these into them;</p>	<p>The Authority identifies and incorporates significant financial pressures into its plans through regular budget monitoring, advisory panel support, mid-year Medium Term Financial Plan (MTFP) reviews, and scenario testing. The annual budget was prepared by addressing projected gaps and refining priorities, while maintaining reserves for unforeseen pressures. Key assumptions, such as static core funding and cost increases like a 3% pay award, were built into the financial strategies. In 2023/24, a £93k overspend was covered by general reserves. The Authority holds general and contingency funds of £610k, earmarked reserves of £2.4m, and £3.2m in the bank. The latest approved MTFP has a balanced budget for 2024/25 and 2025/26 but projects funding gaps in later years, addressing issues like inflation, uncertain grants, and income volatility, with key risks including staff costs.</p>	<p>G</p>
<p>plans to bridge its funding gaps and identifies achievable savings</p>	<p>To bridge its funding gaps and identify achievable savings, the authority undertakes a comprehensive business review process. This includes support from county councils, voluntary redundancies, and governance changes. For instance, a review initiated in October 2022 identified savings of £414k. Additionally, the authority received an extra £440k from Defra at the end of the 2022/23 financial year. These measures eliminated the savings requirement for the next two years of the MTFP. The authority continuously updates its MTFP, as seen with the 2024/25 to 2028/29 plan approved by Full Authority in March 2024, which highlighted further savings needed in later years. A full review of business process actions is scheduled for December 2024 to ensure ongoing financial stability.</p>	<p>G</p>
<p>plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities</p>	<p>The 2024/25 budget and Corporate Plan are based on aligned financial assumptions, with updated assumptions and a growing savings target. The revenue budget, reserves, and capital plans support the corporate priorities in the Corporate Strategy 2023-26. Additionally, the Capital Investment Strategy informs decision-makers on asset management and investments, and the Corporate Planning process includes refining the Corporate Income Generation Strategy to increase non-National Park Grant income and address future savings gaps. The authority also engages with national and regional groups and collaborates on projects to align with government targets.</p>	<p>G</p>

- G** No significant weaknesses in arrangements identified or improvement recommendation made.
- A** No significant weaknesses in arrangements identified, but improvement recommendations made.
- R** Significant weaknesses in arrangements identified and key recommendations made.

# Financial sustainability - (continued)



## We considered how the audited body:

## Commentary on arrangements

## Assessment

<p>ensures its financial plan is consistent with other plans such as workforce, capital, investment and other operational planning which may include working with other local public bodies as part of a wider system</p>	<p>The Authority ensures its financial plan is consistent with other plans by aligning the Medium-Term Financial Plan (MTFP) with workforce assumptions, such as staff salary increases and funds for development programs. It integrates the Treasury Management Strategy by reporting on investments and maintaining a debt-free status. The MTFP includes an Environmental Resilience Reserve for climate projects, ensuring alignment with environmental goals. Service redesigns, like the Dulverton National Park Centre relocation, are factored into financial plans. Although capital program reporting is limited, significant projects like the "Driver" scheme are funded through specific reserves, ensuring consistency across financial, workforce, and operational plans.</p>	<p>G</p>
<p>identifies and manages risks to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions underlying its plans</p>	<p>The Authority identified and managed financial resilience risks through regular business reviews and scenario testing in the MTFP, addressing potential reductions in the National Park Grant and inflationary pressures. They implemented cost-saving adjustments, such as changes to National Park Centers, and maintained reserves for unforeseen pressures. By challenging assumptions during budget setting and continuously monitoring financial performance, they effectively managed risks like unplanned changes in demand and liabilities related to property or woodlands.</p>	<p>G</p>

- G No significant weaknesses in arrangements identified or improvement recommendation made.
- A No significant weaknesses in arrangements identified, but improvement recommendations made.
- R Significant weaknesses in arrangements identified and key recommendations made.

# Governance



## We considered how the Audited Body:

## Commentary on arrangements

## Assessment

monitors and assesses risk and gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud	Through the Strategic Risk Register (SRR), risk are reviewed quarterly by the Leadership team and annually by the Full Authority. Risks are scored using a 5x5 matrix and categorised into themes such as Legislative and Regulatory, Funding, and Service Delivery. Internal audit function provided substantial assurance on key financial systems and reasonable assurance on IT and cyber controls, ensuring robust oversight. Fraud prevention is supported by annual reviews, staff reminders about governance, and accessible policies on SharePoint. Fraud reports are investigated by the Chief Finance Officer, with potential involvement of Internal Audit or the Police. The Authority also maintains policies for bullying, harassment, and grievances, and has seen a significant rise in staff turnover, attributed to organisational changes in 2023/24. Moving forward, the Authority plans to enhance its risk management by integrating performance management and defining risk appetites. We acknowledge that the previous year's recommendation was not implemented in 2023/24 and recommend implementing it.	A
approaches and carries out its annual budget setting process	The Authority's budget-setting process for 2023/24 involved regular reviews and reporting to ensure robust budget estimates, in line with the Local Government Act 2003. The process also included approving a capital budget and setting a capital programme aligned with the Medium-Term Financial Plan (MTFP). Internal audit work in 2023/24 also confirmed the robustness of the budget monitoring processes. Monthly budget monitoring reports were provided to budget holders, and variances over £1k were flagged proactively. Financial reserve levels were included in committee reporting.	G
ensures effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information; supports its statutory financial reporting; and ensures corrective action is taken where needed, including in relation to significant partnerships	The Authority ensures effective budgetary control through monthly monitoring led by the Chief Finance Officer, with regular reviews by the Leadership Team to identify and mitigate variances. Additionally, periodic reports are provided to Authority members, keeping them informed about budget variances and the measures being taken to manage them. Budget monitoring reports, such as the M9 and Outturn reports, are detailed and provide timely and accurate financial data, including income, expenditure, and risk analysis. These reports support statutory financial reporting and highlight significant variances and corrective actions. Additionally, they detail the capital programme and investment strategy, ensuring comprehensive financial oversight and transparency.	G

G

No significant weaknesses in arrangements identified or improvement recommendation made.

A

No significant weaknesses in arrangements identified, but improvement recommendations made.

R

Significant weaknesses in arrangements identified and key recommendations made.

# Governance - (continued)



## We considered how the Audited Body:

## Commentary on arrangements

## Assessment

<p>ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency, including from audit committee</p>	<p>All major decisions are made by the full Authority meeting, with the Leadership Team reviewing reports beforehand. The 2023/24 Annual Governance Statement (AGS) outlines plans to improve decision-making in 2024/25 through various initiatives, including developing a new National Park Partnership Plan, collaborating with Defra, monitoring legislative changes, utilising technology, implementing an Anti-Money Laundering policy, and more. Detailed financial performance scrutiny is conducted by the Finance &amp; Performance Advisory Panel. Meetings are accessible online for transparency, and members effectively challenge officers, especially on financial matters. There was no high or unexplained turnover in Those charged with Governance (TCWG). The Standards Committee conducts an annual self-assessment of effectiveness, though evidence for 2023/24 was lacking. We have therefore issued an improvement recommendation. See page 14 for details.</p>	<p><b>A</b></p>
<p>monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of staff and board member behaviour and where it procures and commissions services.</p>	<p>In 2023/24, the Authority have updated its Standing Orders and Scheme of Delegation. Ethical practices are ensured through the Members' Code of Conduct and Standards of Conduct Policy. No serious data security breaches were reported, and safeguarding policies were reviewed in 2023/24. Detailed procurement procedures ensure competitive pricing and value for money, with contracts specifying work details and ethical compliance. The Chief Executive oversees legal matters, and a Sustainable Procurement Checklist guides decisions. Declarations of interest are a standing agenda item. Despite isolation, the Authority manages procurement using the PROACTIS system and frameworks like G-Cloud, supported by Devon County Council through a Service Level Agreement.</p>	<p><b>G</b></p>

- G No significant weaknesses in arrangements identified or improvement recommendation made.
- A No significant weaknesses in arrangements identified, but improvement recommendations made.
- R Significant weaknesses in arrangements identified and key recommendations made.

# Governance - (continued)



## Areas for improvement

Per the AGS ,the Standards Committee carries out a self-assessment of its effectiveness which is considered good practice for TCWG. Evidence of the committee effectiveness review for 2023/24 has been requested but remains outstanding.

The absence of this evidence may reduce assurance on the effectiveness of the committee's governance and oversight functions.

It is our view that the practice of reporting Committee's annual self-assessments enhances trust and confidence among stakeholders, including the public and other governing bodies. It also promotes continuous improvement within the Authority by systematically evaluating and improving governance practices.

**Improvement recommendation 1: We recommend that the Authority:**

- **It is recommended that the Standards Committee formally documents and publishes its annual self-assessment of effectiveness. This should include clear criteria, evidence of assessment, and any actions taken to address identified areas for improvement.**



# Improving economy, efficiency and effectiveness



We considered how the audited body:

## Commentary on arrangements

## Assessment

uses financial and performance information to assess performance to identify areas for improvement

In 2023/24, the Authority introduced a 3-year Corporate Strategy (2023-2026) with defined actions for 2023/24. Progress against key corporate indicators is monitored quarterly by the Leadership Team, with mid-year and full-year reports presented to the Authority. The strategy outlines six priorities, including responses to climate crises, improving health and well-being, and supporting vibrant communities. In March 2024, a Corporate Plan for 2024/25 with 60 actions was approved. Performance against the actions for 2023/24 was reviewed, with most rated Green or Amber. The Authority ensures data quality through Leadership Team reviews and benchmarks costs and performance to identify improvements. Notable achievements include increased external income, and a reduced gender pay gap.

G

evaluates the services it provides to assess performance and identify areas for improvement

In 2023/24, the Authority met all statutory planning service standards, as outlined in the Corporate Strategy for 2023-2026, with no evidence of failing to meet minimum service standards. The Authority received 34 compliments and six Stage 1 complaints, mainly about operational and planning delays, with issues resolved proactively. To address financial pressures, the Authority proposed relocating and operating Dulverton seasonally and reducing winter hours at Lynmouth, achieving cost savings while minimising user impact. Appropriate cost drivers were used to evaluate cost per engagement and visitor numbers. Performance is monitored quarterly by the Leadership Team, with oversight provided by Members through the Finance and Performance Advisory Panel. This ensures that actions within the Corporate Plan are being achieved and allows for resource reallocation or action review if necessary. Additionally, ENPA declared a climate emergency in 2019, aiming for carbon neutrality by 2030, with significant progress in 2023/24, including installing LEDs, greening the fleet, developing a sustainability strategy, ongoing tree planting, and joining the 'Race to Zero' initiative.

G

G

No significant weaknesses in arrangements identified or improvement recommendation made.

A

No significant weaknesses in arrangements identified, but improvement recommendations made.

R

Significant weaknesses in arrangements identified and key recommendations made.

# Improving economy, efficiency and effectiveness – (continued)



We considered how the audited body:

## Commentary on arrangements

## Assessment

ensures it delivers its role within significant partnerships and engages with stakeholders it has identified, in order to assess whether it is meeting its objectives

The Authority ensures it delivers its role within significant partnerships and engages with stakeholders by developing and regularly updating a flexible Partnership Plan and Delivery Programme. The 2024-2029 Partnership Plan was developed collaboratively with partners through gathering evidence from the State of Park Report, conducting a public opinion survey, and holding workshops with delivery partners. A steering group was established to support the preparation of the new plan, ensuring that key issues and opportunities were identified and addressed. Partnerships, such as those with the Nature Conservation Advisory Panel, Woodland and Forestry Advisory Group, and Somerset Wildlife Trust (SWT), are strategically managed with clear roles and responsibilities. Partnership arrangements and progress is monitored through regular updates, reports, and discussions in Authority meetings. The budget allocation for Programmes and Partnerships, including reserves for specific initiatives, reflects the Authority's commitment to achieving its objectives and ensuring effective stakeholder engagement.

G

commissions or procures services, assessing whether it is realising the expected benefits

The Authority has Standing Orders for the Regulation of Contracts, last updated in December 2023, and uses Devon County Council's (DCC) procurement services for advice and framework contracts, ensuring fair and well-regulated procurement exercises. The Authority's "At a Glance" Procurement Guide (January 2024) outlines key principles, thresholds, and procedures for compliance with public procurement regulations. It includes framework providers, financial thresholds, procurement processes, and key stages like market research and tender evaluation. The guide also addresses probity principles and risk management. The authority does not have significant commercial venture. For unusual activities, such as a legal dispute, the authority has a £400k reserve for legal fees and relies on expert advice from DCC. The capital program is generally small, but the Project Driver capital scheme, with a £750k budget, supports nature and climate recovery. A Project Board was set up in 2023/24 to manage this project.

G

- G** No significant weaknesses in arrangements identified or improvement recommendation made.
- A** No significant weaknesses in arrangements identified, but improvement recommendations made.
- R** Significant weaknesses in arrangements identified and key recommendations made.

**Value for Money  
Recommendations raised in  
2023-24**



# Recommendations raised in 2023-24

Recommendation	Type of recommendation	Criteria impacted	Evidence	Impact or possible future impact	Actions agreed by Management
<p>We recommend that the Authority's:</p> <ul style="list-style-type: none"> <li><b>Standards Committee formally documents and publishes its annual self-assessment of effectiveness. This should include clear criteria, evidence of assessment, and any actions taken to address identified areas for improvement</b></li> </ul>	Improvement	Governance	Standard committee papers, Annual Governance Statement.	This practice enhances trust and confidence among stakeholders, including the public and other governing bodies. It also promotes continuous improvement within the Authority by systematically evaluating and improving governance practices.	<p><b>Actions:</b> The annual self-assessment of effectiveness for 2023/24 will be received by the Standards Committee of Exmoor National Park Authority on the 5th November 2024</p> <p><b>Responsible Officer:</b> Chief Finance Officer</p> <p><b>Due Date:</b> 5<sup>th</sup> November 2024</p>

\* Explanations of the different types of recommendations which can be made are summarised at Appendix B.

# Appendices

# Appendix A: Responsibilities of the Authority

Public bodies spending taxpayers' money are accountable for their stewardship of the resources entrusted to them. They should account properly for their use of resources and manage themselves well so that the public can be confident.

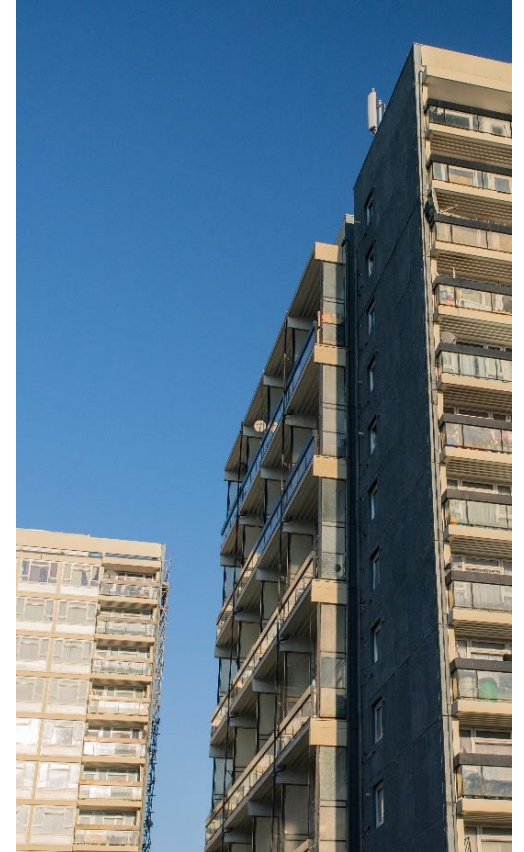
Financial statements are the main way in which local public bodies account for how they use their resources. Local public bodies are required to prepare and publish financial statements setting out their financial performance for the year. To do this, bodies need to maintain proper accounting records and ensure they have effective systems of internal control.

All local public bodies are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. Local public bodies report on their arrangements, and the effectiveness with which the arrangements are operating, as part of their annual governance statement.

The Head of Resources (or equivalent) is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Head of Resources (or equivalent) determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Head of Resources (or equivalent) is required to prepare the financial statements in accordance with proper practices as set out in the CIPFA/LASAAC code of practice on Authority accounting in the United Kingdom. In preparing the financial statements, the Head of Resources (or equivalent) is responsible for assessing the Authority's ability to continue as a going concern and use the going concern basis of accounting unless there is an intention by government that the services provided by the Authority will no longer be provided.

The Authority is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.



# Appendix B: Value for Money Auditor responsibilities



## Value for Money arrangements work

All Authorities are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. The audited body's responsibilities are set out in Appendix A.

Authority's report on their arrangements, and the effectiveness of these arrangements as part of their annual governance statement.

Under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The National Audit Office (NAO) Code of Audit Practice ('the Code'), requires us to assess arrangements under three areas:

### Financial Sustainability

Arrangements for ensuring the Authority can continue to deliver services. This includes planning resources to ensure adequate finances and maintain sustainable levels of spending over the medium term (3-5 years).

### Governance

Arrangements for ensuring that the Authority makes appropriate decisions in the right way. This includes arrangements for budget setting and management, risk management, and ensuring the Authority makes decisions based on appropriate information.

### Improving economy, efficiency and effectiveness

Arrangements for improving the way the Authority delivers its services. This includes arrangements for understanding costs and delivering efficiencies and improving outcomes for service users.

2023-24 is the fourth year of the Code, and we undertake and report the work in three phases as set out in the Code.

## Phase 1 – Planning and initial risk assessment

As part of our planning we assess our knowledge of the Authority's arrangements and whether we consider there are any indications of risks of significant weakness. This is done against each of the reporting criteria and continues throughout the reporting period

Information which informs our risk assessment	
Cumulative knowledge and experience of the audited body	Annual Governance Statement and the Head of Internal Audit annual opinion
Interviews and discussions with key stakeholders	The work of inspectorates and other regulatory bodies
Progress with implementing recommendations	Key documents provided by the audited body
Findings from our opinion audit	Our knowledge of the sector as a whole

## Phase 2 – Additional risk-based procedures and evaluation

Where we identify risks of significant weakness in arrangements we will undertake further work to understand whether there are significant weaknesses. We use auditor's professional judgement in assessing whether there is a significant weakness in arrangements and ensure that we consider any further guidance issued by the NAO.

## Phase 3 – Reporting our commentary and recommendations

The Code requires us to provide a commentary on your arrangements which is detailed within this report. Where we identify weaknesses in arrangements we raise recommendations. A range of different recommendations can be raised by the Authority's auditors as follows:

- **Statutory recommendations** – actions which should be taken where significant weaknesses are identified with arrangements. These are made under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014 and require discussion at full Authority and a public response.
- **Key recommendations** – actions which should be taken by the Authority where significant weaknesses are identified within arrangements.
- **Improvement recommendations** – actions which should improve arrangements in place but are not a result of identifying significant weaknesses in the Authority's arrangements.

# Appendix C: Follow-up of previous recommendations

Recommendation	Type of recommendation	Date raised	Progress to date	Addressed?	Further action?
1 The Authority integrate performance management and risk management through mapping risks to its corporate objectives and risk rating the performance delivery of these objectives. It should discuss performance and risk at each of its monthly Leadership team meetings with quarterly reporting of performance and risks to the Authority.	Improvement	2022-23	Work in progress. The Authority have been conducting risk management trainings with middle managers. Looking at risk management alongside along corporate performance management .	No	Yes, implement previous recommendation
2 The Authority should determine the risk appetite for each of its strategic risks once it has mapped them to the delivery of its corporate objectives.	Improvement	2022-23	Same as above	No	Yes, implement previous recommendation

\*Explanations of the different types of recommendations which can be made are summarised in Appendix B.





---

[grantthornton.co.uk](https://www.grantthornton.co.uk)

© 2024 Grant Thornton UK LLP.

'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton UK LLP is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions.