

## ITEM 13

### EXMOOR NATIONAL PARK AUTHORITY RESOURCES AND PERFORMANCE COMMITTEE

**MINUTES** of the meeting of the Resources and Performance Committee of the Exmoor National Park Authority held on Tuesday 9 November 2010 at 2.00pm in the Committee Room, Exmoor House, Dulverton.

#### PRESENT

Mr M A Collins (Chairman)	
Mr W J Dyke	Mr S J Pugsley
Mr R C Edgell	Mr I Rigby
Mr N Holliday	Mr R J Webber
Mrs F Nicholson	Dr J Wibberley
Mr R Milton	

An apology for absence was received from Miss A V Davis.

#### 32. **DECLARATIONS OF INTEREST**

There were no declarations of interest.

#### 33. **MINUTES**

##### (1) **Confirmation**

The Minutes of the meeting of the Committee held on 14 September 2010 were agreed and signed as a correct record, subject to amendment to page 5, last paragraph, first line to change 'Devon County Council' to 'North Devon District Council'.

##### (2) **Matters Arising: Minute 29 Hoar Oak Cottage**

The recent site visit to Hoar Oak Cottage had provided a useful opportunity to understand both the remoteness of the location and the condition of the structure. It was noted that a number of the Friends of Hoar Oak Cottage had very strong local connections and this may allay public concern about the Friends' proposals for the future use of the building.

#### 34. **PUBLIC QUESTION TIME**

A statement submitted by the Exmoor Society confirmed the Society's objection to the proposals for Hoar Oak Cottage suggested by the Friends of Hoar Oak Cottage and set out the Society's own proposal that the building be made safe and left as a ruin, with the surrounding curtilage rewilded. The Society believed that the Friends' commendable ideas to provide educational material and to undertake an agricultural, social and historic record of the Cottage could be achieved without use of the site itself.

35. **REVISED BUDGET FOR 2010/11**

The Committee received the report of the Head of Corporate Services. A supplementary paper updating Members on the proposed Pinkery Centre Investment Programme was tabled.

**The Committee's Consideration**

The Committee was reminded that the 5% in year reduction in National Park Grant (£199,000) had been covered by a transfer from released reserves (£134,000), the forecast underspend for 2010/11 (£30,000) and released funding for the Local Development Framework process (£35,000).

Review of Core Budget

A detailed review of all budget headings anticipated an underspend for 2010/11 of £26,000, with a contingency budget remaining of £48,000. Although there were likely to be some calls against contingencies during the second half of the financial year, it was envisaged that the year-end underspend would be approximately £60,000, which it was recommended be transferred to the General Fund to help alleviate the financial constraints facing the Authority following the public spending review.

Review of Discretionary/Project budget

It was likely that it would be necessary to carry forward an element of the Discretionary/Project budget via reserves to enable project commitments to be met. It was confirmed that the proposed upgrade of toilet facilities at County Gate was included within the major projects currently 'on hold' and would not proceed until approved by the Resources and Performance Committee.

Pinkery Centre Investment Programme

It was confirmed that resources allocated to this programme totalled £113,000 (£38,000 underspend from earmarked reserves from 2009/10 and a Discretionary/Project budget allocation of £75,000 in 2010/11). The programme costs would be met from within the current budget allocation and would comprise urgent maintenance works to replace rainwater goods and improve drainage and soakaway services, and a second phase of necessary works to upgrade the classroom and to relocate and improve the kitchen facilities. Members acknowledged the commitment of the Centre staff and agreed that the proposed maintenance and upgrade works were necessary to bring the Centre up to a fit for purpose state. The necessary improvements would not preclude any change in management options and would ensure that the centre was suitable for future use.

The Committee was advised that further desirable improvements would be considered following the outcome of the proposed review of the Centre's operations.

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The Chief Finance Officer then outlined the following renewable energy proposals:

- A planning application had been submitted for a replacement wind turbine to be funded through the Department of Energy and Climate Change's (DECC) Low Carbon Communities Challenge (LCCC). It was noted that all LCCC projects were required to be completed, payments made to contractors, and the Authority reimbursed by DECC by 31 March 2011.
- In the event of refusal of planning consent for the replacement wind turbine, the installation of a log fuel boiler had been investigated as an alternative LCCC-funded project, with income received from the government's Renewable Heat Incentive (RHI) being paid into a revolving loan fund to support future low carbon projects on Exmoor. However, given the economic benefits of the scheme, including fuel savings, potential RHI income and a 2.2 year payback period, it was proposed that installation of a log fuel boiler be funded from the Authority's spend to save budget, with the estimated RHI income of approximately £13,000pa being offset against the Pinkery Centre's annual deficit.
- The installation of solar panels was also proposed. The panels would generate energy towards meeting the heating requirements of the Centre, with an estimated payback period of 9 years. If planning consent were granted, the scheme could be funded through LCCC (should the replacement wind turbine fail to achieve planning consent) or in place of any other LCCC projects unable to proceed by the 31 March 2011 deadline, or alternatively through the Authority's spend to save budget.

It was agreed that planning applications for each of the renewable energy proposals should proceed and that if granted planning consent, the replacement wind turbine should be funded through LCCC. In relation to funding for the proposed log fuel boiler and solar panels, Members requested that the Committee receive further detailed financial information on utilisation of the Authority's spend to save budget.

There was concern about the future use of the Centre as a demonstration site for renewable energy installations, particularly as this may constrain future management options, and about the length of time proposed to complete a review of the Centre's operations (by spring 2012). In response, the Chief Executive advised that the Centre's planning status was as an education facility and irrespective of future management arrangements, the installation and demonstration of sustainability features should be seen as a component of its educational purpose. The meeting was further advised that the review of the Centre's operations would identify management arrangements to be implemented from 31 March 2012 onwards. It was agreed that the Committee would receive an update of the review's progress by 31 December 2011.

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Review of Reserves

The Committee noted the analysis of earmarked, partnership projects, major projects and General Fund reserves.

Having considered the revised budget report, it was suggested that at a subsequent meeting, it might be valuable for the Committee to stand back from the in-year figures and to identify longer-term trends and patterns of expenditure in order to inform future financial strategy.

**RESOLVED:** To :

- (1) Re-affirm the financial strategy for 2010-11.
- (2) Approve the revised core budget for 2010/11 of £3,241,353 and the transfer of the underspending at the year-end to the General Fund.
- (3) Approve the carry forward to 2011/12 of those discretionary/project budgets where slippage occurs and commitments have been made and that all underspendings be transferred to the General Fund.
- (4) Implement Phase 1 of the Pinkery Centre Investment Programme immediately.
- (5) Implement Phase 2 of the Pinkery Centre Investment Programme by the end of 2010/11 financial year.
- (6) Approve the submission of planning applications for a log fuel boiler house and solar panels at the Pinkery Centre.
- (7) Instruct the Head of Corporate Services to prepare a report on the utilisation of the 'spend to save' budget including the renewable energy proposals at the Pinkery Centre.
- (8) Instruct the Head of Information and Access Services to conduct a thorough review of the Pinkery Centre operations including options for future management and to present a report to the Committee by 31 December 2011.
- (9) Note the position regarding reserves as set out in Appendix 3 and the projected balance on the General Fund at 31 March 2011 of £358,897.
- (10) Approve a review of reserves as part of the construction of the Medium Term Financial Plan for 2011-2016 and the budget for 2011-12.
- (11) Authorise the Chief Executive and the Chief Finance Officer to make such adjustments as are necessary to keep within the overall budget and with the objective of transferring underspends that arise to reserves.

36. **RISK MANAGEMENT 2010/11**

The Committee received the report of the Head of Corporate Services.

- RESOLVED:** (1) To note the annual review of Risk Management.
- (2) To approve the Risk Management Policy set out in Appendix 1.
- (3) To approve the Risk Register set out in Appendix 2.

37. **BUSINESS CONTINUITY / DISASTER RECOVERY PLAN**

The Committee received the report of the Head of Corporate Services.

- RESOLVED:** (1) To note that the Business Continuity/Disaster Recovery Plan had been reviewed.
- (2) To note that a series of actions is planned and that an update would be provided in November 2011.

38. **PROGRESS IMPLEMENTING THE BUSINESS PLAN 2010/11**

The Committee received the report of the Head of Corporate Services.

**The Committee's Consideration**

The importance of the planning process in the delivery of affordable housing was noted and following planning permissions for developments at Cutcombe, Dulverton and Porlock, it was anticipated that the National Park Management Plan target of achieving 60 affordable homes by 2012 would be exceeded. However, it was recognised that the Authority could not control the implementation of planning permissions by housing associations/housing providers, and the current uncertainty regarding funding availability for affordable housing was acknowledged.

It was believed that the reduced number of applications to the Sustainable Development Fund might reflect a general picture of a decline in proposals for grant-funding, probably due to the current economic uncertainties.

The meeting acknowledged the potential impact of the anticipated reduction in National Park Grant on progress implementing the business plan, and the current pressures on staff were recognised. It would therefore be particularly important to retain focus on the business plan and to be aware of the range of issues that could affect performance delivery.

- RESOLVED:** To note the progress made to the end of Quarter 2 in implementing the Annual Work Programme and Service Standards.

39. **SUMMARY OF COMPLAINTS AND REQUESTS RECEIVED UNDER THE FREEDOM OF INFORMATION ACT**

The Committee received the report of the Head of Corporate Services.

**The Committee's Consideration**

The summary of complaints and requests received under the Freedom of Information Act was noted. Members were mindful of the significant time spent responding to Freedom of Information Act requests and commended Officers for the detailed responses provided.

Complaints were defined as expressions of dissatisfaction with the Authority's actions or policies, and the importance not only of responding to but also of learning from complaints was emphasised. It was proposed that future reports should also advise the Committee of any compliments received.

As responding to complaints and answering Freedom of Information Act requests fell into different categories of service provision, it was agreed that in future they would be reported separately.

**RESOLVED:** To note the complaints made to the Authority and the requests for information that have been received.

40. **THE REVALUATION OF ASSETS**

The Committee received the report of the Head of Corporate Services.

**The Committee's Consideration**

It was confirmed that the asset valuations were based on a capital valuation as at 1 April 2009 carried out by independent valuers. The figures represented unencumbered open market valuations and it was important to clarify that as the major part of the Authority's landholding was subject to encumbrances, open market values were not achievable. It was noted that the significant uplifts in value related to moorland, probably representative of eligibility for environmental stewardship schemes, and any changes to agri-environment payments would be likely to have a corresponding impact on asset value.

It was noted that while there may be liabilities associated with the Authority's asset holdings, there might also be opportunities to generate income.

**RESOLVED:** To note the value of the assets of the Authority.

41. **PERSONNEL UPDATE**

The Committee received the report of the Head of Corporate Services.

**The Committee's Consideration**

The Chief Finance Officer confirmed that the current compensation package awarded to any staff whose posts become redundant was the statutory entitlement (based on actual weekly pay) plus a compensatory element of an additional two times the statutory entitlement. This package had been in place for many years and was the basis on which the majority of staff had been appointed to the Authority.

It was questioned by some Members whether, as custodians of public funds, this level of redundancy package was appropriate and whether by way of comparison, the Committee should receive information on redundancy terms offered by other local authorities and National Park Authorities. Other Members endorsed the view that while the Authority was indeed charged with good governance of public funds, it was also a major employer on Exmoor with a responsibility to support staff at this time.

The Chief Executive advised that the Spending Review Advisory Panel had considered this issue at length. The Panel had concluded that any change to the redundancy package at this time would be invidious, particularly as the Authority was responding to a situation not of its own making, and considering that staff continued to provide excellent service and that the future prospects for anyone made redundant were very uncertain. The Chief Executive further advised that following the 2007 staff complement review, the Authority was in a favourable position both to respond to the anticipated funding reductions and to meet the costs of the current redundancy arrangements; there was therefore no imperative to amend staff terms and conditions at this time. The Committee was urged to consider the matter based on the particular circumstances of Exmoor National Park Authority rather than situations faced by other authorities.

It was acknowledged that adjustment of the current redundancy terms might be considered in the future; however, it was agreed that the existing arrangements should be retained for the time being.

- RESOLVED:**
- (1) To note the personnel changes that have occurred since April 2010.
  - (2) To note the key information on the Equality Act 2010.
  - (3) To approve the proposals in relation to staffing being followed by the Spending Review Advisory Panel including the retention of the current terms for any staff redundancies.

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42. **ANNUAL AUDIT LETTER FOR THE YEAR END 31 MARCH 2010**

**RESOLVED:** To note the Annual Audit letter from the District Auditor.

43. **ANY OTHER BUSINESS OF URGENCY**

The Committee received an urgent report from the Head of Conservation and Land Management relating to a request from the Environment Agency, on behalf of the Exmoor Mire Restoration Project funded by South West Water, to install hydrological monitoring equipment on National Park Authority land 1km south of Simonsbath for a period of five years.

**The Committee's Consideration**

The Committee was advised that installation of the proposed equipment within this area of open access land did not require planning permission but would need the consent of the Authority as landowner. The small area required would not interfere with grazing of the remaining landholding, however adequate fencing would be necessary to protect the equipment from damage by Exmoor ponies and the tenant's livestock.

Negotiation of a wayleave payment was continuing and options for an element of this to be paid as compensation to the tenant, or as grant funding for a scheme linked to the Mire Project, would be considered. It was confirmed that the Environment Agency would indemnify the Authority and meet its legal and associated costs.

The potential benefits of the Mire Restoration Project and the value of monitoring and understanding its effectiveness were recognised. Members agreed that if installed, it would be important to publicise the purpose of the monitoring equipment and to provide interpretation material on site.

**RESOLVED:** To delegate the decision on the Environment Agency's request to install hydrological monitoring equipment on Authority land 1km south of Simonsbath for a period of five years to the Chief Executive in consultation with the Chairman and Deputy Chairman of the Resources and Performance Committee and Mr S J Pugsley, as the District Councillor for that area.

The meeting closed at 3.50pm

(Chairman)