

# Public Document Pack

**Peak District National Park Authority****Tel: 01629 816200**E-mail: [customer.service@peakdistrict.gov.uk](mailto:customer.service@peakdistrict.gov.uk)Web: [www.peakdistrict.gov.uk](http://www.peakdistrict.gov.uk)

Aldern House, Baslow Road, Bakewell, Derbyshire. DE45 1AE



Our Ref: A.1142/2401

Date: 26 August 2020



## NOTICE OF MEETING

Meeting: **National Park Authority**Date: **Friday 4 September 2020**Time: **10.00 am**Venue: **WebEx Virtual Meeting****(Joining instructions will be sent to Authority Members separately)**SARAH FOWLER  
CHIEF EXECUTIVE

In response to the Coronavirus (Covid-19) emergency restrictions, all meetings of the Authority and its Committees will take place using video conferencing technology.

You can watch our meetings live on YouTube using the following link:

<https://www.youtube.com/user/peakdistrictnpa/live>

Members of the public who have given notice may still speak at this meeting for three minutes. Please call 01629 816352 for more information.

**Link to meeting papers:**

<https://democracy.peakdistrict.gov.uk/ieListDocuments.aspx?MIId=2398>

## AGENDA

1. **Roll Call of Members Present, Apologies for Absence and Members Declarations of Interest** 10 mins  
Members are asked to declare any disclosable pecuniary, personal or prejudicial interests they may have in relation to items on the agenda for this meeting.
2. **Minutes of previous meetings of 3rd July and 24th July 2020** (*Pages 5 - 20*) 5 mins
3. **Urgent Business**
4. **Public Participation**  
To note any questions or to receive any statements, representations, deputations and petitions which relate to the published reports on Part A of the Agenda.

## FOR INFORMATION

5. **Authority Chair's Update** 5 mins
6. **Chief Executive's Report (SLF)** (*Pages 21 - 22*) 5 mins

## FOR DISCUSSION

7. **External Audit 2019/20 Annual Report (A137/21/DH)** (*Pages 23 - 46*) 30 mins  
Appendix 1

## FOR DECISION

8. **Statement of Accounts 2019-20 (A.137/21/PN)** (*Pages 47 - 108*) 20 mins  
Appendix 1  
Appendix 2
9. **2019/20 Annual Governance Statement (AMc)** (*Pages 109 - 120*) 10 mins  
Appendix 1
10. **2020-2021 Reserve Allocations (A.137/22/PN)** (*Pages 121 - 130*) 20 mins  
Appendix 1
11. **Great North Bog Support Project 2020 - 2025 (CD)** (*Pages 131 - 140*) 15 mins  
Appendix 1
12. **Amendment to Standing Orders - Part 7 Delegation to the Chief Executive (Business and Planning Act 2020) JRS** (*Pages 141 - 146*) 15 mins

## FOR DISCUSSION

13. **2020/21 Quarter 1 Corporate Performance and Risk Management Report (A91941/HW)** (Pages 147 - 198) 30 mins  
Appendix 1  
  
Appendix 2  
  
Appendix 3
14. **Peak District National Park Foundation Update (SS)** (Pages 199 - 204) 30 mins  
Appendix 1

## FOR INFORMATION

15. **Local Government and Social Care Ombudsman Annual Review Letter 2019/2020** (Pages 205 - 216) 5 mins  
Appendix 1  
  
Appendix 2  
  
Appendix 3
16. **Outside Body Feedback Report** (Pages 217 - 218)

## Duration of Meeting

In the event of not completing its business within 3 hours of the start of the meeting, in accordance with the Authority's Standing Orders, the Authority will decide whether or not to continue the meeting. If the Authority decides not to continue the meeting it will be adjourned and the remaining business considered at the next scheduled meeting.

If the Authority has not completed its business by 1.00pm and decides to continue the meeting the Chair will exercise discretion to adjourn the meeting at a suitable point for a 30 minute lunch break after which the committee will re-convene.

## ACCESS TO INFORMATION - LOCAL GOVERNMENT ACT 1972 (as amended)

### Agendas and reports

Copies of the Agenda and Part A reports are available for members of the public before and during the meeting. These are also available on the website <http://democracy.peakdistrict.gov.uk>

### Background Papers

The Local Government Act 1972 requires that the Authority shall list any unpublished Background Papers necessarily used in the preparation of the Reports. The Background Papers referred to in each report, PART A, excluding those papers that contain Exempt or Confidential Information, PART B, can be inspected on the Authority's website.

### Public Participation and Other Representations from third parties

In response to the Coronavirus (Covid -19) emergency our head office at Aldern House in Bakewell has been closed. Therefore all meetings of the Authority and its Committees will take place using video conferencing technology. Public participation is still available using a telephone connection. Anyone wishing to participate at the meeting under the Authority's Public Participation Scheme is required to give notice to the Director of Corporate Strategy and Development to be received not later than 12.00 noon on the Wednesday preceding the Friday meeting. The Scheme is available on the

website <http://www.peakdistrict.gov.uk/looking-after/about-us/have-your-say> or on request from the Democratic and Legal Support Team 01629 816362, email address: [democraticandlegalsupport@peakdistrict.gov.uk](mailto:democraticandlegalsupport@peakdistrict.gov.uk).

## **Written Representations**

Other written representations on items on the agenda, except those from formal consultees, will not be reported to the meeting if received after 12noon on the Wednesday preceding the Friday meeting.

## **Recording of Meetings**

In accordance with the Local Audit and Accountability Act 2014 members of the public may record and report on our open meetings using sound, video, film, photograph or any other means this includes blogging or tweeting, posts on social media sites or publishing on video sharing sites. If you intend to record or report on one of our meetings you are asked to contact the Democratic and Legal Support Team in advance of the meeting so we can make sure it will not disrupt the meeting and is carried out in accordance with any published protocols and guidance.

The Authority uses an audio sound system to make it easier to hear public speakers and discussions during the meeting and to make a digital sound recording available after the meeting. From 3 February 2017 the recordings will be retained for three years after the date of the meeting.

## **General Information for Members of the Public Attending Meetings**

In response to the Coronavirus (Covid -19) emergency our head office at Aldern House in Bakewell has been closed. Therefore all meetings of the Authority and its Committees will take place using video conferencing technology.

### **To: Members of National Park Authority:**

Chair: Cllr A McCloy  
Deputy Chair: Mr J W Berresford

Cllr W Armitage	Cllr J Atkin
Cllr M Chaplin	Cllr P Brady
Cllr C Farrell	Cllr D Chapman
Cllr A Gregory	Cllr C Furness
Mr Z Hamid	Prof J Haddock-Fraser
Cllr A Hart	Mrs A Harling
Mr R Helliwell	Cllr Mrs G Heath
Cllr B Lewis	Cllr I Huddleston
Cllr Mrs K Potter	Cllr C McLaren
Cllr K Richardson	Cllr V Priestley
Mr K Smith	Miss L Slack
Cllr R Walker	Cllr P Tapping
Cllr G D Wharmby	Mrs C Waller
Cllr B Woods	Ms Y Witter

Constituent Authorities  
Secretary of State for the Environment  
Natural England



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Aldern House, Baslow Road, Bakewell, Derbyshire. DE45 1AE



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## MINUTES

Meeting: **National Park Authority**

Date: Friday 3 July 2020 at 10.00 am

Venue: WebEx Virtual Meeting

Chair: Cllr A McCloy

Present: Cllr D Chapman, Cllr J Atkin, Cllr W Armitage, Mr J W Berresford, Cllr P Brady, Cllr M Chaplin, Cllr C Farrell, Cllr C Furness, Cllr A Gregory, Prof J Haddock-Fraser, Mr Z Hamid, Cllr A Hart, Cllr Mrs G Heath, Mr R Helliwell, Cllr I Huddleston, Cllr B Lewis, Cllr C McLaren, Cllr Mrs K Potter, Cllr V Priestley, Cllr K Richardson, Miss L Slack, Mr K Smith, Cllr P Tapping, Cllr R Walker, Mrs C Waller, Ms Y Witter and Cllr B Woods

Apologies for absence: Cllr G D Wharmby.

### 36/20 ELECTION OF AUTHORITY CHAIR & DEPUTY CHAIR

Cllr D Chapman, the Deputy Chair of the Authority, presided for the appointment of the Chair for 2020/21.

One Member Cllr A McCloy, had expressed an interest in the role of Chair of the Authority and provided a written statement, circulated to all Members in advance of the meeting. A motion to appoint Cllr McCloy was moved and seconded and, in accordance with Standing Order 1.12(4), the voting was carried out using a WebEx Poll. Cllr A McCloy was appointed as Chair of the Authority for 2020/21. Cllr A McCloy then presided for the remainder of the meeting.

Two Members, Mr J Beresford and Cllr C Furness had expressed an interest in the role of Deputy Chair of the Authority and provided written statements, circulated to all Members in advance of the meeting. A motion to appoint one of the candidates was moved and seconded and, in accordance with Standing Order 1.12(4), the voting was carried out in the form of a ballot.

Following the ballot Mr J Beresford was appointed as Deputy Chair of the Authority for 2020/21.

### RESOLVED

1. To appoint Cllr A McCloy as Chair of the Authority for a term expiring at the Annual Meeting in July 2021.

- 2. To appoint Mr J Beresford as Deputy Chair of the Authority for a term expiring at the Annual Meeting in July 2021.**

## **37/20 MINUTES OF PREVIOUS MEETING OF 22 MAY 2020**

The minutes of the last meeting of the Authority held on 22 May 2020 were approved as a correct record.

### **Appendix 1 - Appointment to Outside Bodies**

### **Appendix 2 - Calendar of Meetings 2021**

## **38/20 CHIEF EXECUTIVES REPORT**

The Chief Executive introduced her written report and invited questions and comments from Members.

### **RESOLVED:**

**To note the report.**

## **39/20 REPORT OF THE MEMBER APPOINTMENT PROCESS PANEL - APPOINTMENT OF COMMITTEE CHAIRS AND VICE-CHAIRS, ANNUAL APPOINTMENTS TO COMMITTEES, SUB-COMMITTEES, PANELS AND ADVISORY GROUPS MEMBER CHAMPIONS AND OUTSIDE BODIES.**

The meeting considered the report of the Member Appointments Process Panel and considered each of the appointments in the order set out in recommendations 2 to 8 in the report. In most cases the appointments were moved, seconded and approved in accordance with the expressions of interest in the report. Any changes to the report are identified below.

### **Appointment of the Chair of Planning Committee and the Chair of Programmes and Resources Committee.**

A motion to appoint Mr R Helliwell as Chair of Planning Committee and Mr Z Hamid as Chair of Programmes and Resources Committee was moved and seconded put to the vote and carried.

### **Appointment of the Vice Chair of Planning Committee**

A motion to appoint one of the following five Members as Vice-Chair of Planning Committee was moved and seconded:

Cllr P Brady,  
Cllr M Chaplin,  
Cllr D Chapman,  
Cllr K Richardson,  
Mr K Smith.

Following the first vote there was not a clear majority in favour of one Member so, in accordance with Standing Order 1.12(3), Cllr K Richardson was struck off the list and a fresh vote was taken.

Following the second vote there was not a clear majority in favour of one Member so, in accordance with Standing Order 1.12(3), Cllr D Chapman was struck off the list and a fresh vote was taken.

Following the third vote there was not a clear majority in favour of one Member so, in accordance with Standing Order 1.12(3), Cllr D Chaplin was struck off the list and a fresh vote was taken.

Following the fourth vote Mr K Smith received a majority of the votes cast and was appointed as Vice Chair of Planning Committee.

### **Vice Chair of Programmes and Resources Committee**

A motion to appoint either Cllr C Furness or Prof J Haddock-Fraser as Vice Chair of Programmes and Resources Committee was moved and seconded put to the vote and Prof J Haddock-Fraser was appointed.

### **Planning Committee and Programmes and Resources Committee**

It was noted that the Authority had previously agreed that the Membership of both Standing Committees should be set at 15 and the Local Authority positions on Planning Committee allocated according to the formula used in previous years. At the meeting the Authority agreed to increase the size of Programmes and Resources Committee to 16 Members so that the Chair of the Authority could be appointed to both Committees

### **Local Joint Committee**

At the meeting Cllr K Richardson expressed an interest in being appointed to the Committee.

### **Appeals Panel**

At the meeting Cllr A Hart, Cllr V Priestley and Prof J Haddock-Fraser expressed an interest in being appointed to the Panel.

### **Budget Monitoring Meeting**

At the meeting it was agreed that both Cllr V Priestley and Ms V Witter would be appointed to attend the quarterly meetings.

### **Natural Environment , Biodiversity and Farming Member Champion**

A motion to appoint one of the following five Members as the Natural Environment , Biodiversity and Farming Member Champion was moved and seconded:

Cllr D Chapman,  
Cllr Ms C Farrell,  
Mr R Helliwell,  
Cllr V Priestley,  
Miss L Slack.

Following the first vote there was not a clear majority in favour of one Member so, in accordance with Standing Order 1.12(3), Cllr V Priestley was struck off the list and a fresh vote was taken.

Following the second vote there was not a clear majority in favour of one Member and both Cllr C Farrell and Mr R Helliwell had the lowest number of votes. Mr Helliwell then withdrew his expression of interest so a fresh vote was taken with his name removed.

Following the third vote there was not a clear majority in favour of one Member so, in accordance with Standing Order 1.12(3), Cllr Ms C Farrell was struck off the list and a fresh vote was taken.

Following the fourth Miss L Slack received a majority of the votes cast and was appointed as the Natural Environment , Biodiversity and Farming Member Champion.

### **Thriving and Sustainable Communities**

A motion to appoint either Cllr P Brady or Cllr V Priestley as the Thriving and Sustainable Communities Member Champion was moved and seconded, put to the vote and Cllr V Priestley was appointed.

### **Appointments to Outside Bodies**

Derwent Valley Community Rail  
Partnership

Cllr A McCloy expressed an interest in being appointed as Deputy.

Moors for the Future Partnership Group

It was moved and seconded that either Miss L Slack or Cllr R Walker be appointed as Deputy Chair. The motion was put to the vote and Miss L Slack was appointed.

Miss L Slack withdrew her interest as being appointed as a reserve Member.

Staffordshire Destination Management  
Partnership

Cllr A Hart expressed an interest in being appointed.

National Park Management Plan Advisory  
Group

Mr J Berresford withdrew his expression of interest.

### **RESOLVED**

1. **To confirm that voting on recommendations 2 to 8 in the report be carried out using a WebEx poll instead of a recorded vote.**
2. **To confirm that the size of Planning Committee is set to 15 Members made up of 8 Local Authority Members and 7 Secretary of State Members with Local Authority places on Planning Committee as set out in Section B(i) of Appendix 1 of the report.**
3. **To confirm that the size of Programmes and Resources Committee is set to 16 made up of 8 Local Authority Members and 8 Secretary of State Members.**
4. **To appoint the following Members to the offices of Chair and Vice Chair of the Standing Committees until the Annual Meeting in July 2021:**

**Planning Committee**

**Chair: Mr R Helliwell**  
**Vice Chair: Mr K Smith**

**Programmes and Resources  
Committee**

**Chair: Mr Z Hamid**  
**Vice Chair: Prof J Haddock-Fraser**

5. To appoint Members to Planning Committee, and the Programmes and Resources Committee as set out below until the Annual Meeting in July 2021:

**Planning Committee**

**Programmes and Resources**

Chair: Mr R Helliwell  
Vice Chair: Mr K Smith

Chair: Mr Z Hamid  
Vice Chair Prof J Haddock Fraser

Cllr J W Armitage  
Cllr R P H Brady  
Cllr M Chaplin  
Cllr D Chapman  
Cllr A Gregory  
Cllr A Hart  
Cllr I Huddleston  
Cllr A McCloy  
Cllr Mrs K Potter  
Cllr K Richardson  
Miss L Slack  
Cllr G Wharmby  
1 Vacancy

Cllr J Atkin  
Mr J Berresford  
Cllr C Farrell  
Cllr C Furness  
Cllr Mrs C G Heath  
Cllr B Lewis  
Cllr A McCloy  
Cllr C McLaren  
Cllr V Priestley  
Cllr P Tapping  
Cllr R Walker  
Mrs C Waller  
Ms Y Witter  
Cllr B Woods

6. To appoint the following Members to the Local Joint Committee until the Annual Meeting in July 2021:

Cllr W Armitage  
Cllr M Chaplin  
Cllr C Furness  
Cllr I Huddleston  
Cllr K Richardson

Cllr Mrs K Potter  
Mr K Smith  
Prof J Haddock Fraser  
Cllr V Priestley

7. To appoint the following Members to the Appeals Panel until the Annual Meeting in July 2021:

Cllr M Chaplin  
Cllr D Chapman  
Cllr I Huddleston  
Cllr A Hart  
Cllr B Woods

Cllr R P H Brady  
Mr R Helliwell  
Prof J Haddock Fraser  
Cllr V Priestley

8. To appoint the following Members to the Due Diligence Panel until the Annual Meeting in July 2021:

One Member

Mr J Berresford

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**One Deputy Member:** **Cllr C Furness**

- 9. To appoint the following Members to the Local Plan Review Steering Group until the Annual Meeting in July 2021:**

**Chair of Planning Committee** **Mr R Helliwell**

**Vice Chair of Planning Committee:** **Mr K Smith**

**Chair of the Authority** **Cllr A McCloy**

**Member Representatives:** **Cllr C Furness**  
**Prof J Haddock-Fraser**  
**Cllr V Priestley**  
**Miss L Slack**  
**Mr K Smith**  
**Ms Y Witter**

- 10. To appoint the following Members to the Governance Review Working Group until the Annual Meeting in July 2021:**

**Cllr W Armitage** **Mr J Berresford**  
**Cllr C Furness** **Cllr R P H Brady**  
**Cllr B Woods** **Cllr A McCloy**  
**Mr K Smith**

- 11. To appoint the following Members to the Climate Change Task Group until the Annual Meeting in July 2021:**

**Cllr C Farrell** **Prof J Haddock-Fraser**  
**Cllr C Furness** **Miss L Slack**  
**Cllr D Chapman** **Mr K Smith**  
**Cllr M Chaplin**

- 12. To appoint the following Members to the Budget Monitoring Meeting until the Annual Meeting in July 2021:**

**Chair and Vice Chair of Programmes and Resources Committee:** **Mr Z Hamid**  
**Prof J Haddock-Fraser**

**Chair of the Authority:** **Cllr A McCloy**

**Two other Members:**

**Cllr V Priestly and Ms Y Witter**

- 13. To appoint the following Member Champions until the Annual Meeting in July 2021:**

<b>Natural Environment, Biodiversity and Farming:</b>	<b>Miss L Slack</b>
<b>Cultural Heritage and Landscapes:</b>	<b>Mr K Smith</b>
<b>Engagement:</b>	<b>Ms Y Witter</b>
<b>Thriving and Sustainable Communities:</b>	<b>Cllr V Priestly</b>
<b>Climate Change:</b>	<b>Prof J Haddock-Fraser</b>
<b>Business Economy:</b>	<b>Cllr C Furness</b>
<b>Member Learning and Development:</b>	<b>Cllr B Woods</b>

- 14. To make appointments to the Outside Bodies set out in Appendix 1 to the minutes to expire at the Annual meeting in July 2021.**
- 15. To confirm that only these appointments are approved duties for the payment of travel and subsistence allowances as set out in Schedule 2 in the Members' Allowances Scheme.**

**40/20 MEMBERS ANNUAL ATTENDANCE REPORT**

The meeting considered the annual return of Members' attendance at Authority and Committee meetings and Training and Development events for 2019/20.

**RESOLVED:**

**To note the annual return of Members' attendance for 2019/20.**

**41/20 APPOINTMENT OF INDEPENDENT PERSONS**

Under the provisions of the Localism Act 2011, the Authority was required to appoint at least one Independent Person to assist it in promoting and maintaining high standards of conduct amongst all Members. The Authority considered a report proposing that the current two Independent Persons be reappointed for a further 4 year term.

**RESOLVED:**

- 1. To reappoint Philip Sunderland and Jean Walker as Independent Persons for a term of office of 4 years ending at the Annual Meeting in 2024.**
- 2. To confirm that these appointments will end in 2024 when new Independent Persons will be selected and appointed following a formal recruitment process.**

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**42/20 ANNUAL CALENDAR OF MEETINGS 2021**

The Authority considered a report setting out proposals for a schedule of meetings to cover the period from 1 January 2021 to 31 December 2021.

**RESOLVED:**

**To approve the Calendar of Meetings for 2021 as set out in Appendix 2 of the minutes.**

**43/20 OUTSIDE BODY FEEDBACK REPORTS**

The Authority received an update report from the Member appointed as Member Representative for Landscape and Heritage.:

**44/20 CHAIR'S ANNOUNCEMENTS**

The Chair welcomed Cllr Ken Richardson to his first meeting of the Authority since being appointed by Barnsley Metropolitan Borough Council, and updated Members on a number of recent issues and activities.

**RESOLVED:**

**To note the report.**

**45/20 EXEMPT INFORMATION S100(A) LOCAL GOVERNMENT ACT 1972**

**RESOLVED:**

**That the public be excluded from the meeting during consideration of Agenda Item No. 15 to avoid the disclosure of Exempt Information under S100 (A)(4) Local Government Act 1972, Schedule 12A, paragraph 1 "information relating to any individual" and paragraph 3 "information relating to the financial or business affairs of any particular person (including the Authority holding that information)".**

**PART B**

**46/20 APPOINTMENT OF CHIEF FINANCIAL OFFICER**

Following the resignation of the Authority's Chief Financial Officer the Authority were asked to delegate the appointment of his successor to the Chief Executive in consultation with the Chair and Deputy Chair of the Authority. The Authority also appointed an interim Chief Finance Officer to fill any gap between the current post holder leaving the Authority and the new appointee starting.

**RESOLVED**

- 1. To delegate the appointment of the Authority's Chief Financial Officer (CFO) to the Chief Executive in consultation with the Chair and Deputy Chair of the Authority.**
- 2. To approve the appointment of David Hickman as interim CFO.**

The meeting ended at 11.50 am



Campaign for National Parks	1 Member: Cllr A McCloy 2 Deputies: Mr Z Hamid-and Prof J Haddock-Fraser
East Midland Councils	1 Member: Cllr J Atkin 1 Deputy: Cllr C Furness
Europarc	Member: Cllr D Chapman
Marketing Peak District and Derbyshire Local Authority Investor Group	1 Member: Mr J Berresford 1 Deputy: Cllr J Atkin
Derbyshire Archeological Advisory Committee	1 Member: Cllr C Furness
Sheffield City Region Combined Authority	1 Member: Cllr C Furness 1 Deputy: Cllr M Chaplin
Peak District National Park Foundation	3 Members: Mr Z Hamid, Cllr A McCloy, Cllr C McLaren 1 Reserve: Miss L Slack
National Parks England	1 Member: Cllr A McCloy
National Parks Partnerships LLP – Annual Meeting	1 Member: Cllr A McCloy
Derwent Valley Community Rail Partnership	1 Member: Cllr C Furness 1 Deputy: Cllr A McCloy
Hope Valley and High Peak Community Rail Partnership	1 Member: Cllr I Huddleston 1 Deputy: Cllr V Priestley
Moors for the Future Partnership Group	1 Chair: Cllr D Chapman 1 Deputy Chair: Miss L Slack 1 Reserve Member: Cllr V Priestley
Peak District Partnership	1 Member: Cllr R P H Brady 1 Deputy: Cllr J Atkin
South West Peak Landscape Partnership Board	1 Member: Cllr D Chapman 1 Deputy: Mr K Smith
Staffordshire Destination Management Partnership	1 Member: Cllr A Gregory 1 Deputy: Cllr A Hart
Land Managers Forum	1 Chair: Cllr D Chapman 1 Deputy Chair: Cllr A McCloy 2 Members: Mr Robert Helliwell and Miss L Slack
National Park Management Plan Advisory Group	1 Member: Cllr D Chapman

## Appendix 1: Appointment to Outside Bodies 2020

Peak District Local Access Forum	1 Member: Cllr I Huddleston
Peak District Local Nature Partnership	1 Member: Mr R Helliwell 1 Deputy: Cllr C Farrell
Stanage Forum Steering Group	1 Member: Mr Z Hamid

*Authority Meeting 3 July 2020*

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# PROGRAMME OF MEETINGS 2021

Bank Holidays 2021: 1 Jan, 2 & 5 April, 3 & 31 May, 30 Aug, 27 & 28 Dec

All Meetings/Events start at 10am except where shown

	2021											
Formal Committee Meetings	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
Authority		19	19		21		2 (AGM) 23		3		12	
Programme and Resources	22		5		7		16			1		3
Planning	15	12	12	16	14	11	9	6	10	8	5	10
Planning Site Visits	14	11	11	15	13	10	8	5	9	7	4	9
Advisory Groups, Workshops and Events	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
Members' Forum (1.30pm)		19	19		21		2 &/or 23		3		12	
Member Workshop									17	15	19	
Essential Training (Start Times to be notified)						4 New Member Induction			24 Planning Training(1)	22 Planning Training(2)		
Other Events (Start Times to be notified)	22 Budget Monitoring		5 Budget Monitoring		7 Budget Monitoring	25 Annual Tour	16 Budget Monitoring	20 Planning Tour			12 Budget Monitoring	

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## MINUTES

Meeting:	<b>National Park Authority</b>
Date:	Friday 24 July 2020 at 10.00 am
Venue:	Virtual Meeting
Chair:	Cllr A McCloy
Present:	Mr J W Berresford, Cllr J Atkin, Cllr W Armitage, Cllr P Brady, Cllr M Chaplin, Cllr C Farrell, Cllr C Furness, Cllr A Gregory, Prof J Haddock-Fraser, Mr Z Hamid, Mrs A Harling, Cllr A Hart, Cllr Mrs G Heath, Mr R Helliwell, Cllr I Huddleston, Cllr C McLaren, Cllr Mrs K Potter, Cllr V Priestley, Miss L Slack, Mr K Smith, Cllr P Tapping, Cllr R Walker, Mrs C Waller, Cllr G D Wharmby, Ms Y Witter and Cllr B Woods
Apologies for absence:	Cllr D Chapman, Cllr B Lewis and Cllr K Richardson.

### **48/20 CHAIR'S ANNOUNCEMENTS**

The Chair of the Authority announced the passing of Mr John Foster who had been the first National Park Officer from 1953 – 1968. Condolences had been sent to Mr Foster's family.

10.10 Cllr Colin McLaren joined the meeting

10.15 Ms Annabel Harling joined the meeting, the Chair welcomed her as the new Secretary of State Member

### **49/20 URGENT BUSINESS**

There were no items of urgent business

### **50/20 PUBLIC PARTICIPATION**

There was no public participation.

### **51/20 MEMBERS DECLARATIONS OF INTEREST**

There were no Member declarations of interest.

### **52/20 CHIEF EXECUTIVE'S REPORT (SLF)**

Members noted the Chief Executive's report.

**RESOLVED:**

**That the report be noted.**

**53/20 INTERNAL AUDIT 2020/21 ANNUAL PLAN (A1362/7/DH)**

Mr Ian Morten was present and introduced the report. Members were asked to note that there were additions to the normal plan to take into account the circumstances in relation to COVID 19 and that the timing of the work would be altered in line with current restrictions.

The recommendation to approve the Internal Audit Plan for 2020/21 was moved, seconded, put to the vote and carried.

**RESOLVED:**

**To approve the Internal Audit Plan for 2020/21**

**54/20 NATIONAL PARK MANAGEMENT PLAN ANNUAL MONITORING REPORT 2019/20 (MM)**

The Senior Strategy Officer introduced the covering report, the second for the Management Plan, which ran from 2018 – 2023 and identified those areas that had achieved, were at risk of not being achieved (amber) or had not achieved their target (red), two of those in the amber range had been impacted by the lockdown due to COVID19.

Amendments to the Delivery Plan (Appendix 3 of the Report) were outlined by the Senior Strategy Officer including adding hard targets to the information in the Target/Outcome column of the document as requested by the National Park Management Plan Advisory Group.

Members requested an update on the Sustainable Moorland Management Group which last met in 2018, the Director of Conservation & Planning confirmed that Natural England had organised the group and conversations were ongoing regarding arranging another meeting.

Discussion of intention 5 included a request to Members to promote #peakdistrictproud and to ask partners, local authorities and parishes to support the campaign; more information was available on the National Park Authority website. A request was made from Members to increase the information on the Authority website relating to events management and to look at the format of the website to make it more interesting for a younger audience similar to the website of the Yorkshire Dales National Park Authority.

The Chief Executive confirmed that work was continuing to improve the website and to move forward with social media as research had shown that social media channels were better for getting a message out. Natural England were promoting the Countryside Code and Visit England were promoting Enjoy the Countryside Safely.

Members discussed the requirement for Affordable Housing within the National Park

Members made comments on impact 6 regarding affordable homes and the continued work with local authorities to identify suitable land. A change to the report was noted for page 27, the final paragraph to be changed to local plan instead of planning. The Director of Conservation & Planning confirmed that the work on the scoping phase of the

local plan review included those local agents who had an interest but not the private housebuilding sector as they do not typically build in the Peak District. Further discussion outside the meeting was agreed.

The Chief Executive left the meeting at 11.30.

Members raised the issue of sites for expanding business within the National Park and it was confirmed that this would be part of the local plan review.

The recommendation to approve the Annual Monitoring Report (Appendix 1 of the report) subject to the changes noted above was moved, seconded, put to the vote and carried.

**RESOLVED:**

- 1. Members approved the National Park Management Plan Annual Monitoring Report 2019/20.**
- 2. Members noted the additional actions relating to climate change as part of the Peak District National Park Management Plan 2018-23 delivery plan.**
- 3. That any necessary changes to the proposed wording of the Annual Monitoring Report or to the additional targets for the Peak District National Park Management Plan 2018-23 delivery plan be delegated to the Chief Executive.**

The meeting ended at 11.40 am

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6. **CHIEF EXECUTIVE’S REPORT (SLF)**

1. **Purpose of the report**

To up-date members of key items since the previous Authority meeting

2. **Recommendation**

1. **For members to note the report**

3. **Key Items**

**Investors in People**

Last month I met with our Investors in People assessor as part of monitoring our progress. Our assessment had been due in April but was postponed by mutual agreement while we prioritised our response to the impact of Covid 19. Our assessment report has now been received and rates the effort that has gone into addressing some of the original recommendations from the IIP assessor as ‘highly commendable’.

The report goes on to say, ‘*the volume of work, commitment and effort from everyone in the organisation is extremely impressive. All staff have been consulted and involved. Whether this is via one of the staff representative groups or via questionnaires and surveys or workshops. The commitment to getting people’s feedback is seriously impressive.*’

The assessment was a great opportunity for me to look back and reflect on how far we have come since we started our Investors in People journey in April 2019. Our main priority in our action plan last year was to identify our core values which I shared with you earlier this year. Our values are

**Care** *We care for the Peak District National Park, the people we work with and all those we serve. It’s at the heart of everything we do.*

- Give your best
- Show respect for others
- Be open and welcoming
- Never compromise on safety and wellbeing

**Enjoy** *We take pride in what we do and feel good about our contribution.*

- Be proud of the work we do
- Find solutions to problems
- Keep things simple
- Work as one team

**Pioneer** *We were born of pioneers. We will continue to explore opportunities to inspire future generations.*

- Lead by example
- Never stop learning
- Always look to improve
- Embrace change

We are in the process of adopting the values into our recruitment and performance framework.

### **Future Finance 2021/24**

Over the past few months we have shared how we are managing the immediate impact of COVID-19 and its medium and long-term implications. A key area for us has been on our income, because this gives us the all-important money that enables us to do our job. We are living in rapidly changing times which is impacting the income of many businesses and those in the voluntary sector. National Parks and the Peak District National Park Authority is not immune to this, even with the important job we have to do. At the May Authority meeting, Members agreed to proposals to create a £480k emergency COVID-19 reserve to support this immediate impact, which is a start to managing our immediate in-year pressures. We need to continue to plan and put in place measures to manage the pressures on our budget over the rest of this year and into future years.

The majority of our revenue comes from the National Park Grant provided by Defra. This currently stands at £6.7 million per year. Based upon the information currently available, we anticipate our annual budget will be between £616k to £954k lower over the next three years. Put simply, we know we will not have enough revenue money to cover our staff and fixed operating costs from 1 April 2021. We are starting to plan now to meet this challenge so we have time to explore all options to keep our costs in balance with our income and avoid job losses, including a timetable for member engagement and decision-making. We recognise this will require changes to the functions/services provided and our existing change process is in place to ensure that everyone potentially affected is properly consulted. In undertaking this assessment we are clear that our two statutory purposes have equal weight and we must be mindful of our duty. Our common organisational brief remains the Corporate Strategy 2019-24, although as part of this approach we will need to review and understand the impact these changes may have on the KPIs we have set.

We recognise this will not be easy and some tough decisions will need to be made. Relative to other National Parks and public sector services we are in a good place because of how we have managed our money to date.

### **Report Author, Job Title and Publication Date**

Sarah Fowler, Chief Executive, 26 August 2020

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**7. EXTERNAL AUDIT 2019/20 ANNUAL REPORT (A137/21/DH)**

**1. Purpose of the report**

This report asks Members to consider the External Auditors' (Mazars) 2019/20 annual report. John Pressley and Mark Surridge, of Mazars will be at the meeting to present the report. The related reports on the statement of accounts and annual governance statement follow.

**Key Issues**

**Key issues include:**

- **The External Auditor expects to give an unqualified audit opinion on the 2019/20 financial statements.**
- **The External Auditor will also report that the Annual Governance Statement for 2019/20 complies with the guidance issued by CIPFA/SOLACE (Chartered Institute of Public Finance and Accountancy/Society of Local Authority Chief Executives) and anticipates issuing an unqualified Value For Money (VFM) conclusion.**
- **The External Auditor requires a signed copy of the management representation letter (Appendix A within Appendix 1) prior to issuing his audit opinion.**

**2. Recommendations(s)**

- 1. To Consider and note the External Auditor's report at Appendix 1.**
- 2. To note that the letter of management representation at Appendix A within Appendix 1 needs to be signed by the Chief Finance Officer.**

**How does this contribute to our policies and legal obligations?**

3. The work of the External Auditors is a key part of our governance arrangements and helps us to monitor and improve performance to ensure the Authority has a solid foundation supporting achievement of our outcomes, as set out in the Corporate Strategy, by making sure the Authority is an agile and efficient organisation. Achieving an unqualified opinion on the financial statements and satisfying the Auditor that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources are corporate performance indicators.

**Background Information**

4. The duties and powers of auditors are set out in the Local Audit and Accountability Act 2014, the Local Government Act 1999, the Statement of Responsibilities of Auditors and Audited Bodies and the Code of Audit Practice. Considering the Auditor's report is part of the agreed Authority work programme.

**Proposals**

5. The full report for consideration is given at Appendix 1.
6. The External Auditor plans to issue an audit report that includes an unqualified opinion on the financial statements subject to Authority considering this report, approving the

financial statements and receiving the letter of management representations at Appendix A within the audit report at Appendix 1.

7. The Chief Finance Officer has responded to a number of issues raised by the External Auditors as given in his report that follows.

**Are there any corporate implications members should be concerned about?**

**Financial:**

8. The fees for external audit are funded from the existing Finance Services budget. The audit fee for this year's audit is £10,209 plus VAT.

**Risk Management:**

9. The scrutiny and advice provided by external audit is part of our governance framework. The Auditor's work is based on an assessment of audit risk. Appendix 1 describes the Auditor's conclusions against the risks identified in the 2019/20 audit plan.

**Sustainability:**

10. There are no issues to highlight.

**Equality:**

11. There are no issues to highlight.

**Climate Change:**

12. There are no issues to highlight.

**13. Background papers (not previously published)**

None

**14. Appendices**

**Appendix 1** - External Audit (Mazars) 2019/20 Annual Report.

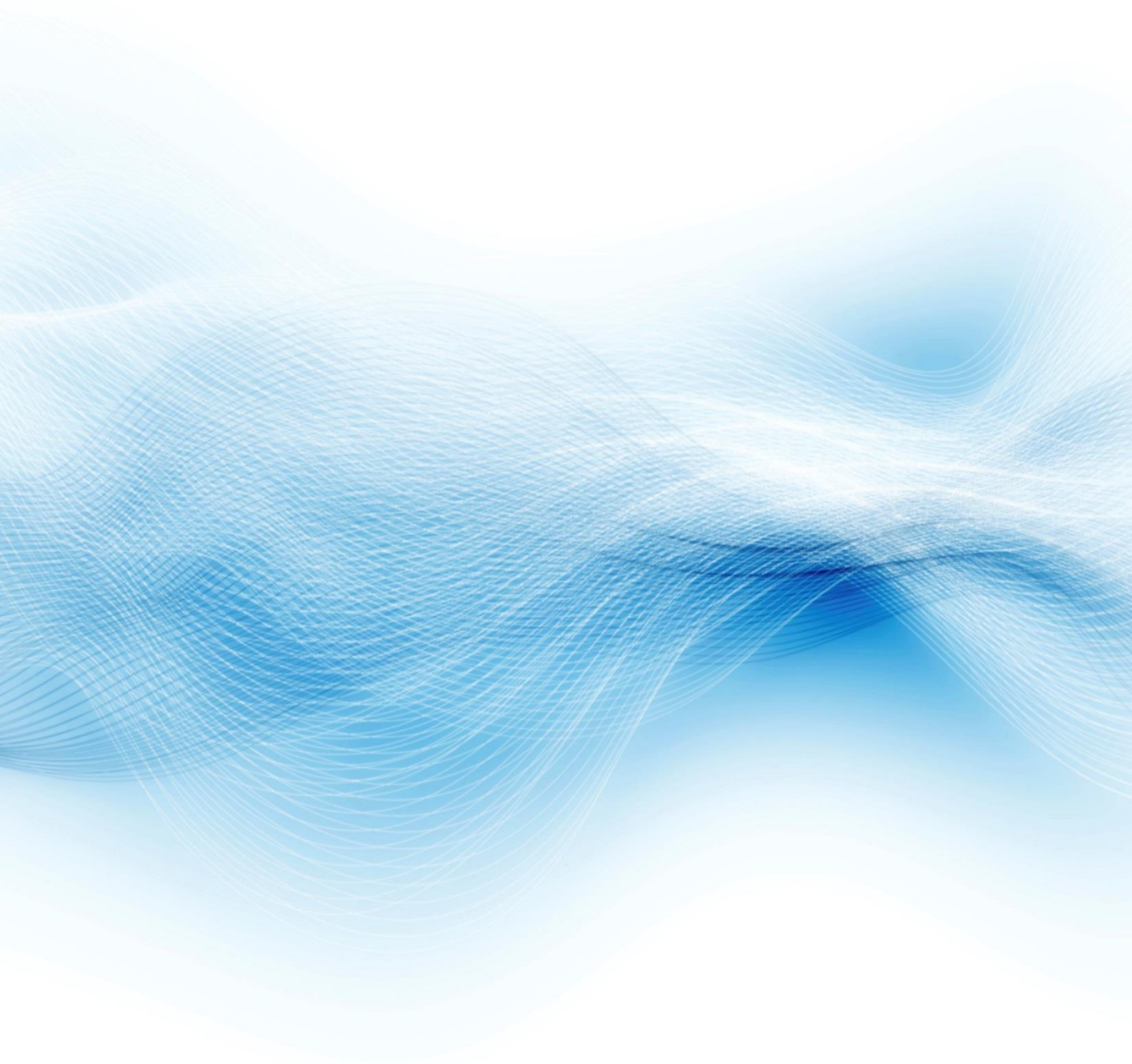
**Report Author, Job Title and Publication Date**

David Hickman, Director of Corporate Strategy and Development, 26 August 2020

# Audit Completion Report

Peak District National Park Authority

Year ended 31 March 2020



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1. Executive summary
2. Significant findings
3. Internal control recommendations
4. Summary of misstatements
5. Value for Money conclusion

Appendix A – Draft management representation letter

Appendix B – Draft auditor's report

Appendix C – Independence

Our reports are prepared in the context of the 'Statement of responsibilities of auditors and audited bodies' and the 'Appointing Person Terms of Appointment' issued by Public Sector Audit Appointments Limited.

Reports and letters prepared by appointed auditors and addressed to the Authority are prepared for the sole use of the Authority and we take no responsibility to any member or officer in their individual capacity or to any third party.

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Park View House  
58 The Ropewalk  
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NG1 5DW

Members  
Peak District National Park Authority,  
Aldern House,  
Baslow Road,  
Bakewell,  
DE45 1AE

4 September 2020

Dear Members

### **Audit Completion Report – Year ended 31 March 2020**

We are pleased to present our Audit Completion Report for the year ended 31 March 2020. The purpose of this document is to summarise our audit conclusions.

The scope of our work, including identified significant audit risks and other areas of management judgement, was outlined in our Audit Strategy Memorandum which we presented on 14 February 2020. Since we issued our Audit Strategy Memorandum the UK has been subject to the challenges and restrictions of COVID-19. We have reviewed our Audit Strategy Memorandum and concluded that the original significant audit risks and other areas of management judgement remain appropriate.

One implication of COVID-19 for the Authority was that the deadlines for submission of the draft and audited financial statements were pushed back to 31 August and 30 November respectively. Despite the revised deadlines we acknowledge the difficulties encountered by your team during accounts preparation and audit, and would like to express our thanks for the assistance of your team during our audit.

If you would like to discuss any matters in more detail then please do not hesitate to contact me on 0787 5974291.

Yours faithfully

Mark Surridge  
Mazars LLP

Mazars LLP – Park View House, 58 The Ropewalk, Nottingham, NG1 5DW  
Tel: 0115 964 4744 – [www.mazars.co.uk](http://www.mazars.co.uk)

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We are registered to carry on audit work in the UK and Ireland by the Institute of Chartered Accountants in England and Wales. Details about our audit registration can be viewed at [www.auditregister.org.uk](http://www.auditregister.org.uk) under reference number C001139861.  
VAT number: 839 8356 73

# 1. EXECUTIVE SUMMARY

## Purpose of this report and principal conclusions

The Audit Completion Report sets out the findings from our audit of Peak District National Park Authority ('the Authority') for the year ended 31 March 2020, and forms the basis for discussion at the Authority meeting on 4 September 2020.

The detailed scope of our work as your appointed auditor for 2019/20 is set out in the National Audit Office's (NAO) Code of Audit Practice. Our responsibilities and powers are derived from the Local Audit and Accountability Act 2014 and, as outlined in our Audit Strategy Memorandum, our audit has been conducted in accordance with International Standards of Auditing (UK) and means we focus on audit risks that we have assessed as resulting in a higher risk of material misstatement.

Sections 2 and 5 of this report outline the detailed findings from our work on the financial statements and our conclusion on the Authority's arrangements to achieve economy, efficiency and effectiveness in its use of resources. Section 2 also includes our conclusions on the audit risks and areas of management judgement in our Audit Strategy Memorandum, which include:

- Management override of control;
- Property, plant and equipment valuation; and
- Defined benefit liability valuation.

## Status of our work

As we outline on the following page, our work is substantially complete. Subject to the satisfactory completion of the outstanding work, at the time of issuing this report we have the following conclusions:

### Opinion on the financial statements

Subject to the completion of our work as set out on the following page, we anticipate issuing an unqualified opinion, without modification, on the financial statements. Our proposed audit opinion is included in the draft auditor's report in Appendix B.

### Value for Money conclusion

We anticipate concluding that the Authority had proper arrangements in place to secure economy, efficiency and effectiveness in its use of resources. Our draft auditor's report, including proposed conclusion, is provided in Appendix B

### Whole of Government Accounts (WGA)

We anticipate completing our work on your WGA submission, in line with the group instructions issued by the NAO, by their deadline date. The Authority is below the threshold requiring a detailed review of your WGA submission, and we expect to be able to provide the information required by NAO at the conclusion of our audit work, well ahead of the formal deadline

### Wider powers





The 2014 Act requires us to give an elector, or any representative of the elector, the opportunity to question us about the accounting records of the Authority and to consider any objection made to the accounts. No objections have been made to date. Further details on the exercise of our wider powers are provided in section 2.






# 1. EXECUTIVE SUMMARY

## Status of our audit work

We have substantially completed our work on the financial statements and Value for Money conclusion for the year ended 31 March 2020. At the time of preparing this report the following matters remain outstanding:

Audit area	Status	Description of outstanding matters
Defined benefit liability valuation		The Authority has received a triennial valuation from the Pension Fund actuary that reflects the impact of the McCloud judgement and GMP equalisation in relation to the valuation of the Authority's pensions liability. In this regard we liaise with the auditor of the Derbyshire Pension Fund to obtain a letter of assurance regarding the valuation detailed. We are yet to receive this assurance letter as work on the audit of the Derbyshire Pension Fund is still ongoing.  In addition, we have been notified that the liability calculations for McCloud may have changed as a result of recent guidance on the proposed remedy.
Going concern and PPE valuation		We are anticipating further guidance on the form of the opinion wording that should be used against the backdrop of Covid-19. We currently expect that the declaration of uncertainty in property valuations caused by Covid19 will lead to an emphasis of matter paragraph in the opinion.
Whole of Government Accounts (WGA)		NAO Group Instructions for local authority audits were unlikely to be available until mid-September therefore WGA returns and audit certificates cannot be issued at the present time. This is because HM Treasury (HMT) is undertaking the WGA consolidation on its new OSCAR II IT system this year and is making a number of changes to the requirements involved.
Audit Quality Control Completion Procedures		Our audit work is undergoing final stages of review by the Engagement Lead. In addition, there are residual procedures to complete, including updating post balance sheet event considerations to the point of issuing the opinion and obtaining final management representations.

### Status

-  Likely to result in material adjustment or significant change to disclosures within the financial statements
-  Potential to result in material adjustment or significant change to disclosures within the financial statements
-  Not considered likely to result in material adjustment or change to disclosures within the financial statements

## Our audit approach

We provided details of our intended audit approach in our Audit Strategy Memorandum in February 2020. We have not made any changes to our audit approach since we presented our Audit Strategy Memorandum.

## Materiality

We set materiality at the planning stage of the audit at £336,000 using a benchmark of 2% of Gross Operating Expenditure. Our final assessment of materiality, based on the final financial statements and qualitative factors is £354,000 using the same benchmark. We set our trivial threshold (the level under which individual errors are not communicated to the Authority, at £11,000 based on 3% of overall materiality. Performance materiality is the amount or amounts set by the auditor at less than materiality for the financial statements as a whole to reduce, to an appropriately low level, the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole. In setting performance materiality we have taken into account our view that there is relatively low inherent risk. We have therefore set our performance materiality at 75% of our overall materiality being £265,000.

## Misstatements and internal control recommendations

Section 3 sets out the internal control recommendations that we make, together with an update on any prior year recommendations. Section 4 outlines the misstatements noted as part of our audit as at the time of issuing this report. If any additional misstatements are noted on completion of the outstanding work, these will be reported to the Authority.

## 2. SIGNIFICANT FINDINGS

Set out below are the significant findings from our audit. These findings include:

- our audit conclusions regarding significant risks and key areas of management judgement outlined in the Audit Strategy Memorandum;
- our comments in respect of the accounting policies and disclosures that you have adopted in the financial statements. On page 8 we have concluded whether the financial statements have been prepared in accordance with the financial reporting framework and commented on any significant accounting policy changes that have been made during the year;
- any further significant matters discussed with management; and
- any significant difficulties we experienced during the audit.

### Significant risks and key areas of management judgement

As part of our planning procedures we considered the risks of material misstatement in the Authority's financial statements that required special audit consideration. Although we report the identified significant risks at the planning stage of the audit in our Audit Strategy Memorandum, our risk assessment is a continuous process and we regularly considering whether new significant risks have arisen and how we intend to respond to these risks. No new risks have been identified since we issued our Audit Strategy Memorandum.

Significant risk	Description of the risk
1) Management override of controls	In all entities, management at various levels within an organisation are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Due to the unpredictable way in which such override could occur, we consider there to be a risk of material misstatement due to fraud and thus a significant risk on all audits.
<b>How we addressed this risk</b>	
We addressed this risk through performing audit work including:	
<ul style="list-style-type: none"><li>• performing tests on the appropriateness of journal entries recorded in the general ledger and other material adjustments made in the preparation of the financial statements;</li><li>• reviewing the calculation of management's material accruals, estimates and provisions for evidence of management bias;</li><li>• evaluating the business rationale for any significant transactions identified outside the course of the business;</li><li>• understanding the oversight given by those charged with governance of management process over fraud;</li><li>• making enquiries of management and Internal Audit regarding actual or any suspicions of fraud; and</li><li>• considering whether the Authority's accounting policies are consistent with relevant standards.</li></ul>	
<b>Audit conclusion</b>	
Our work has provided the assurance we sought and has not highlighted any material issues to bring to your attention.	

## 2. SIGNIFICANT FINDINGS (CONTINUED)

Significant risk	Description of the risk
2) Valuation of property, plant and equipment, investment properties and assets held for sale	<p>The Authority's accounts contain material balances and disclosures relating to its holding of property, plant and equipment, investment properties and assets held for sale, with the majority of land and building assets required to be carried at valuation. Due to high degree of estimation uncertainty associated with those held at valuation, we determined there is a significant risk in this area. The significant risk of material misstatement is further increased due to the additional estimation uncertainty arising from the Covid-19 pandemic.</p> <hr/> <p><b>How we addressed this risk</b></p> <p>In relation to the valuation of property, plant and equipment, investment properties and assets held for sale we:</p> <ul style="list-style-type: none"><li>critically assessed the Authority's valuer's scope of work, qualifications, objectivity and independence to carry out the required programme of revaluations;</li><li>considered whether the overall revaluation methodologies used by the Authority's valuer are in line with industry practice, the CIPFA Code of Practice and the Authority's accounting policies;</li><li>compared valuation movements against information provided by the NAO on regional valuation trends; critically assessed the approach that the Authority adopted to ensure that assets not subject to revaluation in 2019/20 were materially correct, including considering the robustness of that approach in light of the valuation information reported by the Authority's valuer;</li><li>critically assessed the treatment of the upward and downward revaluations in the Authority's financial statements with regards to the requirements of the CIPFA Code of Practice;</li><li>critically assessed the approach that the Authority adopted to ensure that assets not subject to revaluation in 2019/20 were materially correct, including considering the robustness of that approach in light of the valuation information reported by the Authority's valuer.</li></ul> <hr/> <p><b>Audit conclusion</b></p> <p>Our work is ongoing, but to date it has not highlighted any material errors or adjustments to bring to your attention.</p> <p>The Authority's valuer has included a notification that, due to Covid019, there is "material uncertainty" over the valuation of land and buildings at the balance sheet date. This will be explained in the financial statements, and referred to in our audit opinion as an 'emphasis of matters'. This is not a qualification or modification to the audit opinion.</p>

## 2. SIGNIFICANT FINDINGS (CONTINUED)

Significant risk	Description of the risk
3) Valuation of net defined benefit liability	<p>The Authority's accounts contain material liabilities relating to the local government pension scheme. The Authority uses an actuary to provide an annual valuation of these liabilities in line with the requirements of IAS 19 Employee Benefits. Due to the high degree of estimation uncertainty associated with this valuation, we have determined there is a significant risk in this area.</p>
<hr/>	
<b>How we addressed this risk</b>	
<p>In relation to the valuation of the Authority's defined benefit pension liability we:</p> <ul style="list-style-type: none"><li>• reviewed the appropriateness of the Pension Asset and Liability valuation methodologies applied by the Pension Fund Actuary, and the key assumptions included within the valuation. This included comparing them to expected ranges, utilising information provided by a consulting actuary engaged by the National Audit Office;</li><li>• agreed the data in the IAS 19 valuation report provided by the Fund Actuary for accounting purposes to the pension accounting entries and disclosures in the Authority's financial statements;</li><li>• critically assessed the competency, objectivity and independence of the Derbyshire Pension Fund's Actuary, Hymans Robertson;</li><li>• liaised with the auditors of the Pension Fund to gain assurance that the controls in place at the Pension Fund are operating effectively. This included the processes and controls in place to ensure data provided to the Actuary by the Pension Fund for the purposes of the IAS 19 valuation is complete and accurate; and</li><li>• performed a walkthrough of payroll transactions at the Authority to understand how pension contributions are deducted and paid to the Pension Fund by the Authority.</li></ul>	
<hr/>	
<b>Audit conclusion</b>	
<p>Our work is largely complete and has provided the assurance we sought. However, as mentioned in the Executive Summary on page 4 we are awaiting a letter of assurance from the auditor of the Pension Fund before concluding.</p> <p>We have also been recently notified of a potential adjustment caused by the proposed remedy to take account of the 'McCloud' judgement.</p>	

## 2. SIGNIFICANT FINDINGS (CONTINUED)

### Qualitative aspects of the Authority’s accounting practices

We have reviewed the Authority’s accounting policies and disclosures and concluded that following minor amendments that have been agreed they comply with the requirements of the Code of Practice on Local Authority Accounting (the Code), appropriately tailored to the Authority’s circumstance.

In recognition of the demands placed upon staff as a result of remote working, the Authority refined its closedown plan to enhance the project management of this complex process. This included providing working papers to aid the audit process, and officers engaging with the audit process to proactively address issues as they emerged.

Draft accounts were received from the Authority on 31 May 2020 and were of a good quality. This represents a significant achievement by the finance team.

### Significant matters discussed with management

Significant matters discussed with management included:

- the impact of COVID-19 on the Authority’s business, including any potential impact on risks of material misstatement; and
- business conditions affecting the Authority, and business plans and strategies that may affect the risks of material misstatement.

### Significant difficulties during the audit

Despite the impact of Covid-19, during the course of the audit we did not encounter any significant difficulties and we have had the full co-operation of management. We would like to express our thanks to management and officers for their co-operation throughout the audit.

### Wider responsibilities

Our powers and responsibilities under the 2014 Act are broad and include the ability to:

- issue a report in the public interest;
- make statutory recommendations that must be considered and responded to publicly;
- apply to the court for a declaration that an item of account is contrary to law; and
- issue an advisory notice under schedule 8 of the 2014 Act.

We have not exercised any of these powers as part of our 2019/20 audit.

The 2014 Act also gives rights to local electors and other parties, such as the right to ask questions of the auditor and the right to make an objection to an item of account. We have received no questions or objections that meet the criteria involved.

Our draft audit report, in full, is set out in Appendix B.

### 3. INTERNAL CONTROL RECOMMENDATIONS

The purpose of our audit is to express an opinion on the financial statements. As part of our audit we have considered the internal controls in place relevant to the preparation of the financial statements. We do this in order to design audit procedures to allow us to express an opinion on the financial statement and not for the purpose of expressing an opinion on the effectiveness of internal control, nor to identify any significant deficiencies in their design or operation.

The matters reported are limited to those deficiencies and other control recommendations that we have identified during our normal audit procedures and that we consider to be of sufficient importance to merit being reported. If we had performed more extensive procedures on internal control we might have identified more deficiencies to be reported or concluded that some of the reported deficiencies need not in fact have been reported. Our comments should not be regarded as a comprehensive record of all deficiencies that may exist or improvements that could be made.

Our findings and recommendations are set out below. We have assigned priority rankings to each of them to reflect the importance that we consider each poses to your organisation and, hence, our recommendation in terms of the urgency of required action. In summary, the matters arising fall into the following categories:

Priority ranking	Description	2019/20 issues identified	2018/19 issues outstanding
1 (high)	In our view, there is potential for financial loss, damage to reputation or loss of information. This may have implications for the achievement of business strategic objectives. The recommendation should be taken into consideration by management immediately.	0	0
2 (medium)	In our view, there is a need to strengthen internal control or enhance business efficiency. The recommendations should be actioned in the near future.	0	0
3 (low)	In our view, internal control should be strengthened in these additional areas when practicable.	1	0

### 3. INTERNAL CONTROL RECOMMENDATIONS (CONTINUED)

Recommendations on internal control – Level 3

Controls in place with regard to depreciation charges

During our testing we concluded the depreciation charged for buildings did not strictly follow the accounting policy detailed in the draft financial statements. The accounting policy for buildings states 60 years, which contradicts the District Valuer’s assessment of 35 years.

Potential effects

Risk of error in relation to the disclosure made.

Recommendation

Accounting policy wording in the financial statements should reflect the policy adopted in practice by management and ongoing checks undertaken to ensure alignment.

Management response

Accepted, wording amended and annual checks to be undertaken.

# 4. SUMMARY OF MISSTATEMENTS

We report any misstatements identified for adjustment during the course of the audit, above the level of our trivial threshold of £11,000.

Subject to completion procedures there are no unadjusted items and there were no adjusted or unadjusted misstatements identified during the course of our audit which impacted on the Comprehensive Income and Expenditure Statement or Balance Sheet.

## Disclosure amendments

During our review of the financial statements we identified some minor amendments to disclosures. These disclosure issues were corrected by the Authority in the final version of its financial statements for 2019/20.

- 1 We reviewed the proposed disclosure for operating leases and this was found to include an amount of £570k of non-contractual costs that should not be included. This has been amended.
- 2 The disclosure note for audit fees included additional costs of £1,500 which related to 2018/19 year disclosed incorrectly in 2019/20 figure. This has been amended.



# 5. VALUE FOR MONEY CONCLUSION

## Introduction

We are required to form a conclusion as to whether the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The NAO issues guidance to auditors that underpins the work we are required to carry out in order to form our conclusion, and sets out the criterion and sub-criteria that we are required to consider.

The overall criterion is that, ‘in all significant respects, the Authority had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people.’ To assist auditors in reaching a conclusion on this overall criterion, the following sub-criteria are set out by the NAO:

- Informed decision making
- Sustainable resource deployment
- Working with partners and other third parties

## Our Approach

Our overall approach is set out in our Audit Strategy Memorandum and involves a detailed risk assessment at the planning stage to identify whether or not a Value for Money (VFM) exists. Risk, in the context of our VFM work, is the risk that we come to an incorrect conclusion rather than the risk of the arrangements in place at the Authority being inadequate. As set out in our Audit Strategy Memorandum, for the 2019/20 financial year, we have not identified any significant risks to our VFM conclusion. We did however identify one specific matter which we needed to keep to under close review:

- Government funding

During our fieldwork we identified a further related matter which we needed to review:

- Impact of Covid-19

Matter	Work undertaken	Conclusion
<b>Government funding</b> – At the planning stage of our audit we recognised that there was uncertainty regarding the extent of the future funding to be given to national park authorities by central government and there were potential scenarios where cash settlements would be offered as against inflation uplifted settlements. However, we are also aware of the importance afforded the national park authorities by central government. Against this backdrop and the relatively sound financial position of the Peak District National Park Authority we did not identified a significant VFM risk at this stage of our work. On 25 February 2020 Defra confirmed a flat cash rollover for 2020/21 of the Authority's 2019/20 budget. This will pose a challenge in terms of the savings required to fund the impact of inflation, however the Authority has identified savings plans which will help it meet the funding constraints faced.	We have assessed whether any matters have come to our attention through the course of our audit that lead us to conclude that a risk to our 2019/20 VFM conclusion does indeed exist. We addressed this requirement by reviewing the Authority's arrangements for developing and delivering its MTFP and for working in partnership.	We are satisfied that this has not given rise to a significant audit risk to the value for money conclusion.

# 5. VALUE FOR MONEY CONCLUSION (CONTINUED)

Matter	Work undertaken	Conclusion
<b>Impact of Covid-19</b> – After a series of advisory statements about the need for social distancing and avoiding none essential travel; the Covid-19 restrictions came into force on 20 March with further restrictions imposed on 23 March. At the time of writing this report the lifting of these restrictions is still not complete, however visitor centres, bike hire, car parks and the North Lees campsite are now open albeit on a somewhat different basis to previously. Although the impact on the Authority during 2019/20 was relatively limited, the longer term impact of these restrictions is still not fully understood. The Authority has recognised the requirement to consider the uncertainty faced and the extent of Government funding to meet any shortfalls experienced as a result of Covid-19 and to revisit its medium-term financial and operational plans in the light of changed circumstances.	We have assessed whether any matters have come to our attention through the course of our audit that lead us to conclude that a risk to our 2019/20 VFM conclusion does indeed exist. We addressed this requirement by reviewing the Authority's arrangements for developing and delivering its MTFP and for working in partnership.	We are satisfied that this has not given rise to a significant audit risk to the value for money conclusion.

## Matters kept under review

Before drawing our conclusion, we have:

- updated our risk assessment for any new or emerging issues through discussions with management and updating our review of Authority reports;
- reviewed the Authority's Annual Governance Statement for any significant issues; and
- considered the Authority's financial outturn position as presented in the financial statements.

From the work performed, no new significant VFM risks were identified and we have no matters to report.

## Our overall Value for Money conclusion

We have completed our procedures and, as set out in our draft auditor's report included at Appendix B, we intend to issue an unqualified Value for Money conclusion for the 2019/20 financial year.

# APPENDIX A

## DRAFT MANAGEMENT REPRESENTATION LETTER

Mazars LLP  
Park View House  
58 The Ropewalk  
Nottingham  
NG1 5DW

4 September 2020

Dear Mark

**The Authority's management representation letter should be provided to us on client headed note paper.**

**Peak District National Park Authority - audit for year ended 31 March 2020**

This representation letter is provided in connection with your audit of the statement of accounts for Peak District National Park Authority (the Authority) for the year ended 31 March 2020 for the purpose of expressing an opinion as to whether the statement of accounts give a true and fair view in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2019/20 (the Code).

I confirm that the following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, inspection of supporting documentation) sufficient to satisfy ourselves that I can properly make each of the following representations to you.

**My responsibility for the statement of accounts and accounting information**

I believe that I have fulfilled my responsibilities for the true and fair presentation and preparation of the statement of accounts in accordance with the Code and applicable law.

**My responsibility to provide and disclose relevant information**

I have provided you with:

- access to all information of which we are aware that is relevant to the preparation of the statement of accounts such as records, documentation and other material;
- additional information that you have requested from us for the purpose of the audit; and
- unrestricted access to individuals within the Authority you determined it was necessary to contact in order to obtain audit evidence.

I confirm as Head of Finance that I have taken all the necessary steps to make me aware of any relevant audit information and to establish that you, as auditors, are aware of this information. As far as I am aware there is no relevant audit information of which you, as auditors, are unaware.

**Accounting records**

I confirm that all transactions that have a material effect on the financial statements have been recorded in the accounting records and are reflected in the financial statements. All other records and related information, including minutes of all Authority and Committee meetings, have been made available to you.

**Accounting policies**

I confirm that I have reviewed the accounting policies applied during the year in accordance with the Code and International Accounting Standard 8 and consider these policies to faithfully represent the effects of transactions, other events or conditions on the Authority's financial position, financial performance and cash flows.

**Accounting estimates, including those measured at fair value**

I confirm that any significant assumptions used by the Authority in making accounting estimates, including those measured at current or fair value, are reasonable.

**Contingencies**

There are no material contingent losses including pending or potential litigation that should be accrued where:

- information presently available indicates that it is probable that an asset has been impaired or a liability had been incurred at the balance sheet date; and
- the amount of the loss can be reasonably estimated.

There are no material contingent losses that should be disclosed where, although either or both the conditions specified above are not met, there is a reasonable possibility that a loss, or a loss greater than that accrued, may have been incurred at the balance sheet date. There are no contingent gains which should be disclosed.

All material matters, including unasserted claims, that may result in litigation against the Authority have been brought to your attention. All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in accordance with the Code and applicable law.



# APPENDIX A

## DRAFT MANAGEMENT REPRESENTATION LETTER

### (CONTINUED)

#### Laws and regulations

I confirm that I have disclosed to you all those events of which I am aware which involve known or suspected non-compliance with laws and regulations, together with the actual or contingent consequences which may arise therefrom. The Authority has complied with all aspects of contractual agreements that would have a material effect on the accounts in the event of non-compliance.

#### Fraud and error

I acknowledge my responsibility as Head of Finance for the design, implementation and maintenance of internal control to prevent and detect fraud and error.

I have disclosed to you:

- all the results of my assessment of the risk that the statement of accounts may be materially misstated as a result of fraud;
- all knowledge of fraud or suspected fraud affecting the Authority involving:
  - management and those charged with governance;
  - employees who have significant roles in internal control; and
  - others where fraud could have a material effect on the financial statements.

I have disclosed to you all information in relation to any allegations of fraud, or suspected fraud, affecting the Authority's statement of accounts communicated by employees, former employees, analysts, regulators or others.

#### Related party transactions

I confirm that all related party relationships, transactions and balances, have been appropriately accounted for and disclosed in accordance with the requirements of the Code and applicable law.

I have disclosed to you the identity of the Authority's related parties and all related party relationships and transactions of which I am aware.

#### Impairment review

To the best of my knowledge, there is nothing to indicate that there is a permanent reduction in the recoverable amount of the property, plant and equipment below their carrying value at the balance sheet date. An impairment review is therefore not considered necessary.

#### Future commitments

I am not aware of any plans, intentions or commitments that may materially affect the carrying value or classification of assets and liabilities or give rise to additional liabilities.

#### Subsequent events

I confirm all events subsequent to the date of the financial statements and for which the Code require adjustment or disclosure have been adjusted or disclosed.

Should further material events occur after the date of this letter which may necessitate revision of the figures included in the financial statements or inclusion of a note thereto, I will advise you accordingly.

#### Covid-19

I confirm that I have carried out an assessment of the potential impact of the COVID-19 Virus pandemic on the Authority, including the impact of mitigation measures and uncertainties and am satisfied the going concern assumption remains appropriate and that no material uncertainty has been identified.

#### Brexit

We confirm that we have carried out an assessment of the potential impact of the United Kingdom leaving the European Union, including the potential outcomes at the end of the Implementation Period, and that the disclosure in the Narrative Report fairly reflects that assessment.

#### Going concern

To the best of my knowledge there is nothing to indicate that the Authority will not continue as a going concern in the foreseeable future. The period to which I have paid particular attention in assessing the appropriateness of the going concern basis is not less than twelve months from the date of approval of the accounts.

Yours sincerely

Head of Finance  
4 September 2020

Executive summary

Significant findings

Internal control  
recommendations

Summary of  
misstatements

Value for Money  
conclusion

Appendices

# APPENDIX B

## DRAFT AUDITOR’S REPORT (SUBJECT TO AMENDMENT FOLLOWING COMPLETION PROCEDURES)

**Independent auditor’s report to the members of Peak District National Park Authority**  
**Report on the financial statements**

**Opinion**

We have audited the financial statements of Peak District National Park Authority for the year ended 31 March 2020, which comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2019/20.

In our opinion, the financial statements:

- give a true and fair view of the financial position of Peak District National Park Authority as at 31<sup>st</sup> March 2020 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 2019/20.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities section of our report. We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard as applicable to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Head of Finance’s use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Head of Finance has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Authority’s ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The Head of Finance is responsible for the other information. The other information comprises the information included in the Statement of Accounts, other than the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## DRAFT AUDITOR'S REPORT (SUBJECT TO AMENDMENT FOLLOWING COMPLETION PROCEDURES)

### Responsibilities of the Head of Finance for the financial statements

As explained more fully in the Statement of the Chief Finance Officer's Responsibilities, the Chief Finance Officer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2019/20, and for being satisfied that they give a true and fair view. The Chief Finance Officer is also responsible for such internal control as the Chief Finance Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Chief Finance Officer is required to comply with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2019/20 and prepare the financial statements on a going concern basis, unless the Authority is informed of the intention for dissolution without transfer of services or function to another entity. The Chief Finance Officer is responsible for assessing each year whether or not it is appropriate for the Authority to prepare its accounts on the going concern basis and disclosing, as applicable, matters related to going concern.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Matters on which we are required to report by exception under the Code of Audit Practice

We are required by the Code of Audit Practice to report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014;
- we make a recommendation under section 24 of the Local Audit and Accountability Act 2014; or
- we exercise any other special powers of the auditor under sections 28, 29 or 31 of the Local Audit and Accountability Act 2014.

We have nothing to report in these respects.

### Conclusion on Peak District National Park Authority's arrangements for securing economy, efficiency and effectiveness in the use of resources

#### Conclusion

On the basis of our work, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General in April 2020, we are satisfied that, in all significant respects, Peak District National Park Authority has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2020.

#### Basis for conclusion

We have undertaken our review in accordance with the Code of Audit Practice issued by the Comptroller and Auditor General, having regard to the guidance on the specified criterion issued in April 2020, as to whether the Authority had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General determined this criterion as that necessary for us to consider in satisfying ourselves whether the Authority put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2020.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether, in all significant respects, the Authority had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

### Responsibilities of the Authority

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

## DRAFT AUDITOR’S REPORT (SUBJECT TO AMENDMENT FOLLOWING COMPLETION PROCEDURES)

### Auditor’s responsibilities for the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

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 requires us to report to you our conclusion relating to proper arrangements. 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.

### Use of the audit report

This report is made solely to the members of Peak District National Park Authority, as a body, in accordance with part 5 of the Local Audit and Accountability Act 2014 and as set out in paragraph 44 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the members of the Authority those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members of the Authority, as a body, for our audit work, for this report, or for the opinions we have formed.

### Certificate

We certify that we have completed the audit of Peak District National Park Authority in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

**Mark Surridge**  
For and on behalf of Mazars LLP

Park View House  
58 The Ropewalk  
Nottingham  
NG1 5DW

XX September 2020

# APPENDIX C

## INDEPENDENCE

As part of our ongoing risk assessment we monitor our relationships with you to identify any new actual or perceived threats to our independence within the regulatory or professional requirements governing us as your auditors.

We can confirm that no new threats to independence have been identified since issuing the Audit Strategy Memorandum and therefore we remain independent.



## CONTACT

### **Mark Surridge**

Director

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Manager

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## 8. **STATEMENT OF ACCOUNTS 2019-20 (A.137/21/PN)**

### **Purpose of the Report**

1. To seek approval for the audited Statement of Accounts for 2019-20.

### **Recommendations**

2.
  1. That the audited Statement of Accounts for 2019-20 as attached at Appendix 1 be approved and that the amendments made to the draft accounts itemised in Appendix 2 be noted.
  2. That the Chief Finance Officer agrees, to the External Auditors' satisfaction, any further amendments arising from revised actuarial figures which may be received.

### **How does this contribute to our policies and legal obligations?**

3. The Accounts and Audit Regulations Section 9 2015 requires the Statement of Accounts to be approved by Members by 31<sup>st</sup> July of each year, although there is an extension this year to 30<sup>th</sup> November because of the Covid emergency. The draft accounts were signed and authorised for issue by the Chief Finance Officer on the 29th May, and were available on the website from that day. The accounts were audited in June, and this report has been prepared on the strength of preliminary audit findings and any further updates will be tabled at committee as appropriate.
4. Section 9 (3) a of the Accounts and Audit Regulations 2015 also requires "that the responsible financial officer for a Category 1 authority must re-confirm on behalf of that Authority that they are satisfied that the statement of accounts presents a true and fair view of—  
(a) the financial position of the authority at the end of the financial year to which it relates; and  
(b) that authority's income and expenditure for that financial year."

The Chief Finance Officer re-confirms that the Statement of Accounts in Appendix 1 meets the above requirement.

### **Proposals**

5. The position on over and underspending was reported to the Authority Meeting on the 22nd May, and the final audited accounts reflect that position, with a number of small changes following final reserve adjustments between the outturn report and the draft accounts.

<b>Reserve</b>	<b>May Outturn</b>	<b>Final Accounts</b>	<b>Variance plus (minus)</b>	<b>Comments</b>
General Reserve	355,953	351,703	(4,250)	Mainly sale proceeds of a vehicle which should have been appropriated to the Capital Reserve
Capital Reserve	1,288,893	1,292,693	3,800	See above
Specific Reserves	4,655,834	4,655,834	0	-
Restricted Funds	108,988	109,261	273	A small error in the amount drawn down, now corrected
<b>Total</b>	<b>6,409,668</b>	<b>6,409,491</b>	<b>(177)</b>	

### **Audit of the Accounts**

6. The audit has been completed and the audit report is a separate agenda item. Appendix 2 of this report lists the amendments made to the draft Accounts following audit recommendations, and these amendments have all been incorporated into the final version. Because of the very short timescales between drafting the accounts, auditing the accounts, and providing the audit opinion, any further changes required in order to allow the auditors to issue their opinion, will be updated and tabled at the Authority meeting, .
7. The actuaries are producing updated information reflecting changes to their assumptions arising from the McCloud case on the Authority's pension fund, and any impact on the pension figures disclosed in the Statement of Accounts will be discussed with the auditors, and some final changes may be required before the audit opinion is signed off. Members are asked in Recommendation 2 to allow the C.F.O to agree these with the External Auditor.

### **Are there any corporate implications members should be concerned about?**

#### **8. Financial:**

The financial position was explained in the outturn report to the Authority on the 22nd May and the Statement of Accounts contains explanations and commentary as required by the Code of Accounting Practice. The final adjustments to reserves do not affect any of the advice or conclusions reached in the outturn report.

#### **9. Risk Management:** Not applicable

#### **10. Sustainability:** Not applicable

#### **11. Background Papers** (not previously published) - None

### **Appendices**

Appendix 1 – Statement of Accounts for Financial Year 1 April 2019 – 31 March 2020

Appendix 2 – Amendments to Draft Accounts

#### **12. Report Author, Job Title and Publication Date**

Philip Naylor, Chief Finance Officer, 26 August 2020



## Statement of Accounts for the Financial Year

**1<sup>st</sup> April 2019 to 31<sup>st</sup> March 2020**

<b>Contents</b>	<b>Page</b>
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**Signed:**

**Date:**

**Chair of the Authority**

In accordance with the requirements of the Accounts & Audit Regulations 2015 paragraph 9 (2) c

# Peak District National Park Authority

## Annual Accounts for the Year Ended 31<sup>st</sup> March 2020

### 1. Statement of Responsibilities for the Statement of Accounts

#### The Authority's responsibilities

The Authority is required:

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

#### The Chief Finance Officer's responsibilities

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

In preparing this statement of accounts, the Chief Finance Officer has:

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

The Chief Finance Officer has also:

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

#### Authorisation for Issue and Certificate of Chief Finance Officer

I certify that the accounts give a true and fair view of the financial position of the National Park Authority as at 31<sup>st</sup> March 2020 and its income and expenditure for the year ended 31<sup>st</sup> March 2020.

Philip Naylor  
Chief Finance Officer to the Authority  
29th May 2020

# Peak District National Park Authority

## Annual Accounts for the Year Ended 31<sup>st</sup> March 2020

### 2 Narrative Report

2.1 These Accounts contain all the information required by the Accounts & Audit Regulations 2015 and the Code of Practice on Local Authority Accounting, with accounts prepared in accordance with International Financial Reporting Standards (IFRS). As the Authority does not have any material interests in subsidiaries, associates or jointly controlled entities, these Accounts represent the accounts of a single entity and no consolidated Group Accounts are required.

2.2 Accompanying notes, cross referenced from the statements, explain in greater detail some of the calculations and reasoning behind the figures; these notes, on pages 24 – 57, form part of the financial statements. The figures are rounded up to the nearest pound. The accounts comprise the following principal statements:-

#### Comprehensive Income & Expenditure Statement

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices.

#### Movement in Reserves Statement

This statement shows the movement in the year on the different reserves held by the Authority, analysed into “usable” reserves (i.e. those that can be applied to fund expenditure) and other unusable reserves. The Statement shows how the movement in year of the Authority’s reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices, and the statutory adjustments required to return to the amounts required to be reported to show the impact on the General Fund Balance, in line with statute for Local Authorities.

#### Balance Sheet

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Authority. The net assets (assets less liabilities) of the Authority are matched by the reserves held by the Authority, which are reported in two categories. The first category of reserves are usable reserves i.e. those reserves that the Authority may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use. The Capital Receipts Reserve may only be used to fund capital expenditure or repay debt, and the remaining revenue reserves comprise the “General Fund Balance”, although this is split further into Restricted Reserves, Earmarked reserves, and the General Reserve. The second category of reserves comprises those that the Authority is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses - e.g. the Revaluation Reserve, where amounts would only become available to provide services if the assets are sold - and reserves that hold timing differences shown in the Movement in Reserves Statement line “Adjustments from income and expenditure charged under the accounting basis to the funding basis”.

#### Cash Flow Statement

The Cash Flow statement shows the changes in cash and cash equivalents of the Authority during the reporting period. The statement shows how the Authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Authority are funded by way of National Park Grant, other grant income, or from the recipients of services provided by the Authority. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Authority’s future service delivery. Cash flows arising from financing

activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Authority.

2.3 Each year the Department for Food and Rural Affairs (Defra) sets the level of funding for the National Park Authority. In 2019-20 the funding was set at £6,698,847 (£6,585,575 in 2018-19). An annual balanced budget is set by the Authority based on the National Park Grant, income from sales, fees and charges and internal financing measures such as interest on cash flow and use of reserves.

2.4 Overall, the Authority's usable reserves increased by £40,136, with a £426,746 net transfer into earmarked reserves (mainly for the Covid 19 emergency reserve), and there was a £71,204 decrease in the Capital Reserve, required to finance projects approved in the current Capital Programme. The General reserve decreased by £305,699, mainly the result of a £304,000 transfer of previously committed funds to earmarked reserves, reflecting the fact that the General Reserve should not contain earmarked commitments. Restricted reserves decreased by £9,707.

2.5 The Service Expenditure Analysis recommended for all National Park Authorities has been retained, with income and expenditure being allocated across 8 functional headings. Note 36 highlights the possible future impact on the Authority's accounts of any accounting changes required by accounting standards which have been issued, but not yet adopted.

2.6 The Authority continued its rolling programme of asset re-valuations, concentrating on cycle hire centres, toilets, and some miscellaneous properties.

2.7 In accordance with accounting practice, the Authority must show the present value surplus or deficit position on its share of the Pension Fund on the Balance Sheet. The net position as at 31<sup>st</sup> March 2020 shows a liability of £13.983m, a decrease of £6.482m compared to the liability of £20.465m for the preceding year (representing a pension liability which is considered to be covered by pension scheme assets up to 79% rather than 73% the previous year). The liability is assessed on an actuarial basis using a present value estimate of the pensions that will be payable in future years, over and above the assets within the Fund retained for this purpose. The level of employer and employee contributions into the Fund are assessed every three years with a view to ensuring that the assets within the Fund are capable of financing in full future pension commitments. Fluctuations often occur as the valuations made for the purpose of the accounts are based on prevailing economic conditions (e.g. bond yields, stock market values, inflation rates etc) at balance sheet date. Full details are explained in Note 32.

2.8 For the 2019-20 financial year the Authority set a borrowing limit (the "authorised" limit) of £2.0m. The Authority's external borrowing as at 31<sup>st</sup> March 2020 was £419,942. The Authority's Capital Financing Requirement, i.e. its underlying need to borrow for capital purposes, was £1,161,461 at 31/03/2020 (£1,143,308 at 31/03/2019). The Authority did not enter into any financing transactions during the year, and relied upon internal cash resources.

## 2.9 Analysis of amounts recognised in the financial statements.

On February 1st 2019 the Authority approved the 2019/20 Budget and the variances from the previous year were mainly in line with budget expectation and allocations. A more detailed financial commentary on the 2019/20 results can be found in the outturn report which was reported to the Authority meeting on the 22nd May 2020; obtainable from the Authority's website ([www.peakdistrict.gov.uk](http://www.peakdistrict.gov.uk) - under Committee meetings) or by request to the Head of Finance, Aldern House, Baslow Rd, Bakewell, Derbyshire tel 01629 816366. Many of the changes shown in the Comprehensive Income and Expenditure Statement arise from normal business and project related fluctuations; the main differences (above £50,000 and 10% of the previous year's net expenditure) are outlined below.



	Difference £,000	Comment
<b>Comprehensive Income and Expenditure Statement (CIES)</b>		
Natural Environment & Rural Economy	+79	Mainly higher grant support to farmers compared to the previous year, plus the impact of higher current service cost of the pension fund apportioned pro-rata to staff costs
Conservation & Environment Projects	-107	Natural fluctuation in project costs between years
Cycle Hire	+66	A combination of higher staff & non-pay costs, increased depreciation on cycle hire premises and reduced income (some related to Covid 19 closure in March)
Access Walking and Riding Routes	+139	Higher maintenance expenditure on the trails and downwards revaluation of Millers Dale buildings following 5 yearly valuation cycle
Visitor Centres	+80	Increase in staff costs and maintenance expenditure, with reduced income (some related to Covid 19 closure in March)
Promoting Understanding Projects	-58	Natural fluctuation in project costs between years
Development Control	+129	Higher staff costs compared to the previous year, plus the impact of higher current service cost of the pension fund apportioned pro-rata to staff costs
Strategy	+91	Staff costs and increased programme expenditure including bus subsidy for Edale explorer
Customer & Business Support Team	+75	Mainly higher staff costs, plus the impact of higher current service cost of the pension fund apportioned pro-rata to staff costs
Non-Distributed Costs / past service costs	-350	Reduced redundancy costs and lower past service cost of pension fund
<b>Balance Sheet</b>		
Long Term Assets	+474	Capital additions of some £665k (mainly enhancement of tenanted farms, trails facilities, vehicle purchases, and IT expenditure); reclassifications of £168k asset valuation increases of £326k; disposals of £55k; depreciation of £630k;
Current Assets	-58	Current Assets have decreased, mainly a reclassification of assets held for sale, back to the surplus properties category as the tests for inclusion as assets held for sale have not been met this year.
Current Liabilities	+635	The level of creditors normally fluctuates between years because of one-off project expenditure variations; the increase is mainly because of project fluctuations in creditors, but also because for accounting system data refresh reasons all outstanding system creditors were paid before 31 <sup>st</sup> March 2019; whereas this was not necessary at 31 <sup>st</sup> March 2020.
Long Term Liabilities	-6,983	Largely the impact of the actuarial estimates used to provide notional figures to comply with International Accounting Standard 19 – Retirement Benefits - (see Note 32), with a decrease in the long term liability of £6.482k

Useable Reserves	+40	The Authority's useable reserves increased by £40k with some increase in earmarked reserves, mainly to accommodate the Covid 19 emergency reserve and to ensure that the General Reserve contained unearmarked contingency sums only.
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Other significant movements are sufficiently explained in the accompanying Notes to the Accounts.

### The Development and Performance of the Authority in the 2019-20 Financial Year

2.10 The Authority has two significant operational plan documents relevant to the financial year covered in this Statement of Accounts:-

- The Annual Governance Statement
- The Performance and Business Plan 2019-20, with the Authority meeting receiving a quarterly performance monitoring report on progress in achieving year end performance targets, based on this plan.

The fourth quarter monitoring report and Appendices 1 – 3 can be found on the website following these links:-

- <https://democracy.peakdistrict.gov.uk/documents/s36498/HW%20201920%20Year%20End%20Performance%20Report%20201920%20Performance%20and%20Business%20Plan%20and%20202021%20Corporate%20Risk.pdf>
- <https://democracy.peakdistrict.gov.uk/documents/s36499/HW%20Appendix%201a%20-%20Executive%20summary%20Q4%20performance%20report.pdf>
- <https://democracy.peakdistrict.gov.uk/documents/s36500/HW%20Appendix%201b%20-%20Q4%20performance%20report.pdf>
- <https://democracy.peakdistrict.gov.uk/documents/s36501/HW%20Appendix%202%20-%20Performance%20and%20Business%20Plan%202019-20%20draft%20content.pdf>
- <https://democracy.peakdistrict.gov.uk/documents/s36502/HW%20Appendix%203%20-%202019-20%20Q4%20and%20year%20end%20Corporate%20Risk%20Register%20status.pdf>

The Annual Governance Statement can be found on the website here:-

- <https://democracy.peakdistrict.gov.uk/ecSDDisplayClassic.aspx?NAME=SD3897&ID=3897&RPID=488958&sch=doc&cat=13647&path=13348%2c13647>

The quarterly performance monitoring report summarises progress into two categories:- priorities on target and priorities with performance issues. The Chief Finance Officer has reviewed the above documents with a view to reporting any additional explanations which may help users of these accounts to understand what impact any significant departure from planned expectations has had on the reported financial statements. Where items are identified as not achieved, an explanation will be provided if this has a material financial impact on the Statement of Accounts. In relation to the 2019/20 year, the quarter 4 and final outturn monitoring report do not raise any such performance concerns in this category.

The Annual Governance Statement reviews the Authority's governance arrangements and identifies any issues relevant during the year which may have an affect on effectiveness. The Annual Governance Statement for 2019/20 identifies 9 issues for improvement action. The Chief Finance Officer has reviewed the statements on governance for the 2019/20 year, and these issues, alongside their impact on the reported financial statements. There are two issues identified which will have a future impact on the Authority's resources; the first is the impact of the recommendations in the Landscapes Review of National Parks, if implemented, and the second is the unknown level of National Park Grant settlement from 2021-22 onwards. The 2020-21 single year settlement announced in January 2020 was a disappointing static settlement with no inflation allowance, despite the overall Defra revenue grant settlement from government itself benefitting from a substantial real terms resource increase.

### The Authority's Cashflow

2.11 The Cashflow statement shows how cash resources were expended or received during the year. The main factors affecting the Authority's cashflows are:-

- The timing of grant monies, usually claimed after funds are expended
- The timing of drawdown of National Park Grant from the Department of Environment, Food and Rural Affairs (Defra)
- Any significant capital expenditure and the timing of any borrowing to support this expenditure
- The availability of reserve monies.

The Authority estimates cashflow expenditure and draws down National Park grant in advance on a quarterly basis; because of the variability of grant funding and the significant amount of external grant funding the Authority receives, a large margin of safety is built into the drawdown of National Park Grant, so that the Authority does not have to borrow monies temporarily for cashflow purposes.

### Capital Expenditure and Commitments

2.12 The Authority approved a Capital Strategy in December 2015 which set out a forward Capital Programme which remains current. The strategy estimated potential capital expenditure in support of the corporate strategy of up to £3.59m, financed by borrowing of up to £2.49m and allocations from the Authority's Capital Reserve of up to £1.1m. Four principal business cases have been approved for capital expenditure since the Strategy was approved; the first is a £600,000 commitment from the Capital Reserve to support structural work on the Trails structures for high priority work (ARP Minute 51/16 16<sup>th</sup> September 2016); the second was approval of a £330,000 enhancement of Castleton Visitor Centre (ARP Minute 18/16 4<sup>th</sup> March 2016), which has been completed; the third was a £657,000 project for Stage 1 of Miller's Dale station (ARP Minute 21/18 16 March 2018), of which project the conversion of the station buildings into a café has been completed in 2018/19, and the fourth is approval of up to £450,000 of borrowing for replacement of the vehicle fleet. Two prior approvals are also in progress, a minor works programme (£213,000 original commitment Minute 58/11) and an environmental programme (£250,000 original commitment Minute 58/11); of which programme there are remaining commitments of £35,000 and £115,000 respectively from the Capital Reserve. A number of smaller projects have also been approved within the confines of the above Capital Strategy. All Capital expenditure is governed by the key principles and working assumptions outlined in the Capital Strategy which can be found on the Authority's website under the agenda and reports section of the Authority meeting for December 2015. The Capital Reserve reported in the Balance Sheet has been supplemented by a number of asset sales. The Capital Financing Requirement is estimated to increase based on the additional borrowing and this has been covered by a higher Authorised Limit as approved in the March 2020 Authority report, rising from £2m in 2019/20 to £3m in 2022/23. Debt repayments for the additional borrowing are either found within current revenue budgets (e.g. vehicle replacements) or are deemed to be prudent based on income generating proposals, with the risk covered by a combination of strong interest cover ratios and increased asset values, rather than underwritten by reliance on National Park Grant.

### Major Changes in Statutory Functions or delivery, and Reduction in Services

2.13 There are no major changes in statutory functions. The budget for the 2019/20 year was approved on the basis that the Authority would be able to balance its revenue budget with reasonable assurance up to March 2020, based on the current Spending Review period.

### National Park Grant

2.14 DEFRA confirmed in February 2020 that the 2020-21 National Park Grant figure would be frozen at its 2019-20 cash level and there is no indication of what the figure will be for the remaining years of this next Spending Review period. The government commissioned and published its Landscapes Review in September 2019 which recommended inflation protection for National Park Grant as a minimum, although this has yet to be implemented. The medium term financial stability of National Parks therefore remains uncertain.

### The European Union Referendum

2.15 The people of the United Kingdom voted to leave the European Union. In respect of the Authority's financial position, there are two main impacts identified, Euro funding for the Moorlife 2020 project, and UK government funding for National Parks. We have received a letter (February 2016) from the Permanent Secretary of Defra confirming that the UK government will underwrite the European grant funding for the Moorlife 2020 project.

### Covid 19 emergency

2.16 In March 2020 following government advice the Authority closed its directly managed recreation and tourism facilities. The resulting loss of income in March affected the final month's figures for this Statement of Accounts, and will affect the first and second quarter of 2020-21, with further effects felt later in the year, depending on the lockdown and social distancing measures still in place. It is unclear as to what the precise financial impact will be but the loss of income is estimated to be approximately £1.2m up to the end of October 2020 and up to £1.8m for the full year, on a worst case basis. It is hoped that the impact will be mitigated by actual income losses being lower than this, depending on when the Authority's operations can be re-opened, but current expectation is that this will start during the second quarter of 2020-21, and possibly earlier. Paragraph 8 of the outturn report mentioned in paragraph 2.9 covers this in a little more detail. In order to prepare to meet the initial cost a Covid emergency reserve of £500,000 has been found, and close monitoring of the actual situation as it emerges will take place during 2020-21.

### Conclusion

2.16 The Authority has maintained a satisfactory financial position in 2019/20, and this strength stems from the operation of four principal aspects of our financial strategy. The first is achieving a balance between maximising funding sources, and ensuring that agreed budgets do not include speculative or imprudent assumptions. The second follows on as a consequence, ensuring that our budgetary control procedures remain robust, particularly in early monitoring of the risks implicit in our provision of demand-led services. The third is the need to ensure that the Authority's fixed asset base is sustainable, with an approved Asset Management Plan in place and a matching capital strategy approved, with rationalisation of the Authority's property portfolio reducing maintenance liabilities and providing possible capital receipts. The fourth concerns a cautious approach to longer term commitments, ensuring the Authority is able to maintain a degree of flexibility in responding to future settlements, whilst retaining sufficient contingency reserves.

### **3. Summary of Significant Accounting Policies**

#### **3.1 General Principles**

3.1.1 The Statement of Accounts summarises the Authority's transactions for the 2019/2020 financial year and its position at the year-end of March 2020. The Authority is required to prepare an annual Statement of Accounts by the Accounts and Audit Regulations 2015, which require preparation in accordance with proper accounting practices. These practices comprise the Code of Practice on Local Authority Accounting in the UK (2019/20), supported by International Financial Reporting Standards (IFRS).

3.1.2 The accounting convention adopted in the Statement of Accounts is principally historic cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

3.1.3 The analysis of expenditure used in the Comprehensive Income and Expenditure Statement is based on the requirements contained in the Grant Funding Agreement issued by the Department for Environment, Food and Rural Affairs (DEFRA), and is consistent with internal management reporting.

#### **3.2 Accruals of Income and Expenditure**

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

- Revenue from the sales of goods is recognised when the Authority transfers the significant risks and rewards of ownership to the purchaser and it is probable that economic benefits or service potential associated with the transaction will flow to the Authority.
- Revenue from the provision of services is recognised when the Authority can measure reliably the percentage of completion of a transaction and it is probable that economic benefits or service potential associated with the transaction will flow to the Authority.
- Supplies are recorded as expenditure when they are consumed; where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including employees) are recorded as expenditure when the services are received rather than when payments are made.
- Interest receivable on investments and payable on borrowings is accounted for as income and expenditure respectively on the basis of the effective interest rate for the relevant financial instrument, rather than the cash flows fixed or agreed by the contract, which may be different.
- When revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the amount which might not be collected is written down from the debtors' balance and charged to the Comprehensive Income and Expenditure Statement (CIES).

#### **3.3 Acquisitions and Discontinued Operations**

3.3.1 Any income or expenditure directly related to the acquisition of operating services, or discontinued operations, is shown in a separate disclosure note to the accounts (Note 22), together with any outstanding liabilities arising from closure of a service.

#### **3.4 Cash and Cash Equivalents**

3.4.1 Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that

mature within 3 months or less from the date of acquisition and are readily convertible to known amounts of cash with no significant risk of a change in value.

3.4.2 In the Cashflow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand.

### **3.5 Exceptional Items**

3.5.1 When items of income and expenditure are material, their amount is disclosed separately in a note to the accounts.

### **3.6 Prior Period Adjustments, Changes in Accounting policies and estimates and errors**

3.6.1 Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for in the year affected by the change and do not give rise to a prior period adjustment.

3.6.2 Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information. Material errors discovered in prior period figures are corrected. Where a change is made it is applied retrospectively by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied, or as if the error had not been made.

### **3.7 Charges to Revenue for Non-Current Assets**

3.7.1 Services, support services and trading accounts are debited with the following amounts to record the cost of holding non-current assets during the year:

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

3.7.2 The Authority is not required to charge the National Park Grant with the amount required to fund depreciation, revaluation and impairment losses or amortisations. It is however required to make an annual contribution from revenue to the reduction in its overall borrowing requirement, which is derived from an amount prudently determined by the Authority in accordance with its Treasury Management Policy. This contribution is known as the Minimum Revenue Provision and any difference between the two amounts is adjusted for between the capital adjustment account and the General Fund balance.

### **3.8 Employee Benefits**

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

3.8.2 Termination benefits are amounts payable as a result of a decision by the Authority to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy, and are charged on an accruals basis to the appropriate

service in the CIES when the Authority is committed to the termination. Where termination before retirement involves additional cost to the pension fund, statutory provisions require the General Fund Balance to be charged with the amount payable by the Authority to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are therefore required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

### **3.9 Post - Employment Benefits**

3.9.1 Employees of the Authority can choose to be a member of the Local Government Pensions Scheme, administered by Derbyshire County Council, which provides defined pension benefits to members earned as employees whilst working for the Authority. The cost of providing pensions for employees in this scheme is funded in accordance with the statutory requirements governing the scheme, and is accounted for in accordance with the requirements of IAS 19, as interpreted by the Code of Practice.

3.9.2 The liabilities of the pension fund attributable to the Authority are included in the Balance Sheet on an actuarial basis using the projected unit method – i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc and projections of earnings for current employees. Liabilities are discounted to their value at current prices, using a discount rate.

3.9.3 The assets of Derbyshire County Council's pension fund attributable to the Authority are included in the Balance Sheet at their fair value – at current bid price for quoted securities; professional estimate for unquoted securities; and market value for property.

3.9.4 The change in the net pensions liability is analysed into six components:-

- current service cost – the increase in liabilities as a result of years of service earned this year – allocated in the CIES to the services for which the employee worked.
- past service cost – the increase in liabilities arising from current year decisions whose effect relates to years of service earned in earlier years –debited to the Surplus or Deficit on the Provision of Services in the CIES as part of Non-Distributed Costs.
- Net interest cost – the change during the period in the scheme's net liability arising from the passage of time - debited to the Financing and Investment Income & Expenditure line in the CIES.
- Re-measurements: – the return on scheme assets attributable to the Authority, excluding amounts included in the net interest cost above, charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
- Re-measurements:- actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions, charged to the Pensions' Reserve as Other Comprehensive Income and Expenditure.
- contributions paid to the pension fund – cash paid as employer's contributions to the pension fund in settlement of liabilities, not accounted for as an expense.

3.9.5 Statutory provisions require the General Fund Balance to be charged with the amount payable by the Authority to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are movements to and from the Pensions' Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid or payable to the pension fund. The negative balance that arises on the Pensions' Reserve therefore measures the beneficial impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than when benefits are earned by employees.

### 3.10 Events After the Balance Sheet Date

3.10.1 Events after the Balance Sheet date are those events that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

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

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

### 3.11 Financial Instruments

3.11.1 Financial Liabilities are recognised on the Balance Sheet when the Authority becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and carried at their amortised cost. Annual charges to the Financing and Investment Income & Expenditure line in the CIES for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

3.11.1 For most of the Authority's borrowings this means that the amount presented in the Balance Sheet is the outstanding principal repayable, and interest charged to the CIES is the amount payable for the year according to the loan agreement.

3.11.2 Gains and losses on the re-purchase or early settlement of borrowing are credited and debited to the Financing and Investment Income & Expenditure line in the CIES in the year of re-purchase / settlement. Where re-purchase has taken place as part of restructuring the loan portfolio, and involves modification or exchange of existing instruments, the premium or discount is respectively deducted from or added to the amortised cost of the new or modified loan and the write-down to the CIES is spread over the life of the loan by an adjustment to the effective interest rate.

3.11.3 Financial Assets are classified into two types – loans and receivables, which are assets which have fixed or known payments but are not quoted in an active market; and available-for-sale assets, which have a quoted market price and may or may not also have fixed or known payments.

3.11.4 Loans and receivables are recognised on the Balance Sheet when the Authority becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Financing and Investment Income & Expenditure line in the CIES for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument.

3.11.5 Where assets are identified as impaired because of a likelihood arising from a past event that payments due under the contract will not be made, the asset is written down and a charge made to the relevant service, or to the Financing and Investment Income & Expenditure line in the CIES if not attributable. The impairment loss is measured as the difference between the carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate.



3.11.6 Any gains and losses that arise on the de-recognition of an asset are credited or debited to the Financing and Investment Income & Expenditure line in the CIES.

3.11.7 Where fair value cannot be measured reliably, the instrument is carried at cost (less any impairment losses).

### **3.12 Foreign Currency Translation**

3.12.1 Where the Authority has entered into a transaction denominated in a foreign currency, the transaction is converted into sterling at the exchange rate applicable on the date the transaction was effective. Where amounts are outstanding at the year-end, they are re-converted at the spot exchange rate at 31<sup>st</sup> March. Resulting gains or losses are recognised in the Financing and Investment Income & Expenditure line in the CIES.

### **3.13 Government Grants and Contributions**

3.13.1 Whether paid on account, by instalments or in arrears, government grants and third party contributions and donations are recognised as due to the Authority when there is reasonable assurance that the Authority will comply with the conditions attached to the payments and that the grants or contributions will be received.

3.13.2 Amounts recognised as due to the Authority are not credited to the CIES until conditions attached to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset acquired using the grant or contribution, are required to be consumed by the recipient as specified, otherwise the future economic benefits or service potential must be returned to the transferor.

3.13.3 Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line, if attributable, or to Taxation and non-specific Grant Income in the CIES if not ring-fenced or if they are capital grants.

3.13.4 Where capital grants are credited to the CIES, they are reversed out of the General Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied Reserve. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

### **3.14 Heritage Assets**

3.14.1 Heritage assets are assets with historical, artistic, scientific, technological, geophysical or environmental qualities which are held and maintained principally for their contribution to knowledge and culture. The accounting standard has been introduced in order to move these assets onto a valuation basis on the Balance Sheet, rather than as previously, a historic cost basis; the predominant reason for the introduction of the change is to ensure that items held within Local Authority museum and gallery collections are properly reflected in valuation terms on the Balance Sheet.

The standard also allows a Local Authority to move other Community Assets, which are currently accounted for on the same historic cost basis, onto a valuation basis.

Notwithstanding its historical or other heritage qualities, any asset used by an organisation in its operations is still accounted for as an operational asset, and not as a heritage asset. It is therefore accounted for as set out in the Summary of Accounting policies note paragraph 3.19. The current approach to Heritage assets in this Statement of Accounts is summarised in Note 31.

### 3.15 Intangible Assets

3.15.1 Expenditure on non-monetary assets that do not have physical substance but are controlled by the Authority as a result of past events (e.g. software licences) is capitalised when it is expected that future economic benefits or service potential will flow from the intangible asset to the Authority.

3.15.2 Intangible assets are measured initially at cost, and are carried on the Balance Sheet at their amortised cost. The depreciable amount of an intangible asset is amortised over its useful life to the relevant service line in the CIES, as are any losses arising from impairment of the asset. Any gain or loss arising on the disposal of an intangible asset is posted to the Other Operating Expenditure line in the CIES.

3.15.3 Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and, if it is a sale over £10,000, the Capital Receipts Reserve.

### 3.16 Inventories and Long Term Contracts

3.16.1 Inventories are included in the Balance Sheet at the lower of cost or net realisable value. The cost of inventories is assigned using the average costing formula.

3.16.2 Long Term Contracts are accounted for on the basis of charging the Surplus or Deficit on the Provision of Services with the value of works and services received under the contract during the financial year.

#### 3.16 Leases

3.16.1 Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards of ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases. Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification. If an arrangement does not have the legal status of a lease but in substance conveys a right to use an asset in return for payment, and fulfilment of the arrangement is dependent on the use of specific assets, they are also accounted for under this policy.

3.16.2 The Authority as Lessee, Finance Leases: property, plant and equipment held under finance leases is recognised on the Balance Sheet at the start of the lease at either its fair value measured at the lease's inception or if lower, the present value of the minimum lease payments. The asset recognised is matched by a liability for the obligation to pay the lessor. Initial direct costs of the Authority are added to the carrying amount of the asset, and any premia paid on entry into a lease are applied to writing down the lease liability. Contingent rents are charged as expenses in the periods in which they are incurred. The lease payments are apportioned between a charge for the acquisition of the interest in the asset – which is used to write down the lease liability, and a finance charge which is debited to the Financing and Investment Income & Expenditure line in the CIES. Property, plant & equipment recognised under finance leases is accounted for using the policies applied generally to such assets, subject to depreciation being charged over the lease term if this is shorter than the asset's estimated useful life, assuming ownership of the asset does not transfer to the Authority at the end of the lease period. The Authority is not required to account for depreciation or revaluation and impairment losses arising on leased assets. Instead, a prudent annual contribution is made from revenue funds towards the deemed capital investment in accordance with the Authority's Treasury Mgt Policy. Depreciation, revaluation and impairment losses are therefore substituted by a revenue contribution in the

General Fund Balance, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

**3.16.3 The Authority as Lessee, Operating Leases:** rentals paid under operating leases are charged to the CIES as an expense of the services benefitting from use of the leased property, plant and equipment. Charges are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments.

**3.16.4 The Authority as Lessor, Finance Leases:** where the Authority grants a finance lease over a property or an item of plant or equipment, the relevant asset is written out of the Balance Sheet as a disposal. At the start of the lease, the carrying amount of the asset in the Balance Sheet (whether Property, Plant & Equipment or Assets held for sale) is written off to the Other Operating Expenditure line in the CIES as part of the gain or loss on disposal. A gain, representing the Authority's net investment in the lease, is credited to the same line in the CIES also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal), matched by a lease (long-term debtor) asset in the Balance Sheet. Lease rentals receivable are apportioned between a charge for the acquisition of the interest in the asset – which is used to write down the lease debtor, and finance income which is debited to the Financing and Investment Income & Expenditure line in the CIES. The gain credited to the CIES on disposal is not permitted by statute to increase the General Fund Balance and is required to be treated as a capital receipt. Where a premium has been received, this is posted out of the General Fund Balance to the Capital Receipts Reserve in the Movement in Reserves Statement. Where the amount due in relation to the lease asset is to be settled by the payment of rentals in future financial years, this is posted out of the General Fund Balance to the Deferred Capital Receipts Reserve in the Movement in Reserves Statement. When the future rentals are received, the element for the capital receipt for the disposal of the asset is used to write down the lease debtor. At this point, the deferred capital receipts are transferred to the Capital Receipts Reserve. The written off value of disposals is not a charge against National Park Grant, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are therefore appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

**3.16.5 The Authority as Lessor, Operating Leases** where the Authority grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to the Other Operating Expenditure line in the CIES. Credits are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments. Initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the asset and charged as an expense over the lease term on the same basis as the rental income.

### **3.18 Overheads and Support Services**

3.18.1 The costs of overheads and support services are not recharged to those services that benefit from the supply or service, as this is how these services are reported in the internal management accounts, however the Authority does maintain an activity based costing model which helps to inform what these charges would be, which supports our budget setting and determination of financial objectives for services.

### **3.19 Property, Plant & Equipment**

3.19.1 Assets that have physical substance, are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and that are expected to be used for more than one financial year, are classified as Property, Plant & Equipment. Assets below the de minimis value of £10,000 are not introduced into the balance sheet unless they are part of a pooled system of assets.

3.19.2 Recognition: expenditure on the acquisition, creation or enhancement of Property, Plant & Equipment is capitalised on an accruals basis, provided that it is probable that the

future economic benefits or service potential associated with the item will flow to the Authority and the cost of the item can be measured reliably. Expenditure which maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred.

**3.19.3 Measurement:** Assets are initially measured at cost, comprising the purchase price, and any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The Authority does not capitalise borrowing costs incurred whilst assets are under construction. The cost of assets acquired other than by purchase is deemed to be fair value, unless the acquisition has no impact on cash flow, in which case, where an asset is exchanged, the cost of the acquisition is deemed to be the carrying amount of the asset given up in exchange. Donated assets are measured initially at fair value. The difference between fair value and any consideration paid is credited to the Taxation and Non-Specific Grant Income line of the CIES, unless the donation has been made conditionally, in which case until conditions are satisfied the gain is held in the Donated Assets Account. Where gains are credited to the CIES, they are reversed out of the General Fund Balance to the Capital Adjustment Account in the Movement in Reserves statement. Assets are carried into the Balance Sheet using the following measurement bases:-

- infrastructure, community assets and assets under construction – depreciated historic cost.
- Surplus assets – the current value measurement base is fair value, estimated at highest and best use from a market participant's perspective.
- other assets – fair value, determined as the amount that would be paid for the asset in its existing use (existing use value = EUV).

Where there is no market based evidence of fair value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of fair value.

**3.19.4 Revaluation:** Assets included in the Balance Sheet at fair value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their fair value at the year-end, but as a minimum every five years. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains might be credited to the CIES where they arise from the reversal of a loss previously charged to a service. Where decreases in value are identified, and there is a balance of revaluation gains for the asset in the Revaluation Reserve, they are accounted for by writing down the carrying amount of the asset against that balance, up to the amount of the accumulated gains. Where decreases in value are identified, and there is no balance, or an insufficient balance, of revaluation gains for the asset in the Revaluation Reserve, they are accounted for by writing down the carrying amount of the asset against the relevant service line in the CIES. The Revaluation Reserve contains revaluation gains recognised since 1<sup>st</sup> April 2007 only, the date of its formal implementation. Gains arising before that date were consolidated into the Capital Adjustment Account.

**3.19.5 Impairment:** Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for this shortfall. Where decreases in value are identified, and there is a balance of revaluation gains for the asset in the Revaluation Reserve, they are accounted for by writing down the carrying amount of the asset against that balance, up to the amount of the accumulated gains. Where impairment losses are identified, and there is no balance, or an insufficient balance, of revaluation gains for the asset in the Revaluation Reserve, they are accounted for by writing down the carrying amount of the asset against the relevant service line in the CIES. Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line in the CIES, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

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

Type of Fixed Asset	Depreciation Period
Land & Community assets	Nil
Furniture & Equipment	over the life of the asset – 5-10 years ; computer hardware 3 years
Vehicles	over the life of the asset - 6-20 years
Car Parks	over the life of the asset - 15-20 years
Buildings	over the life of the asset - 60 years, unless the valuer indicates a shorter asset life.
Intangible Assets	over the life of the asset – 5 years
Surplus Assets	Surplus assets are usually Buildings, so they share the same 60 year asset life, unless the valuer indicates a shorter asset life.
Infrastructure Assets	over the life of the asset - 60 years, unless a shorter asset life is warranted as a result of applying a component accounting approach

Where an item of Property, Plant & Equipment has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately. Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historic cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

3.19.7 Disposals and Non-current Assets Held for Sale: When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is re-classified as an Asset Held for Sale. The asset is re-valued immediately before re-classification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to the Other Operating Expenditure line in the CIES. Gains in fair value are recognised only up to the amount of any previous losses in the Surplus or Deficit on Provision of Services. Depreciation is not charged on Assets Held for Sale. If assets no longer meet the criteria to be classified as Assets Held for Sale, they are re-classified back to non-current assets and valued at the lower of their carrying amount before they were classified as held for sale (adjusted for depreciation, amortisation or revaluations that would have been recognised had they not been classified as Held for Sale) and their recoverable amount at the date of the decision that the criteria were not met. Assets that are to be scrapped are not re-classified as Assets Held for Sale.

3.19.8 Where an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet is written off to the Other Operating Expenditure line in the CIES as part of the gain or loss on disposal. Receipts from disposals are credited to the same line in the CIES (i.e. netted off). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account. The written off value of disposals is not a charge against National Park Grant, as the cost of fixed assets is fully provided for under separate Local Authority arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

3.19.9 Amounts received for a disposal in excess of £10,000, or where the asset has been previously capitalised, are categorised as capital receipts and are credited to the Capital Receipts Reserve, available only for new capital investment or set aside to reduce the Authority's underlying need to borrow (the capital financing requirement). Receipts are

appropriated to the Reserve from the General Fund Balance in the Movement in Reserves Statement.

### **3.20 Provisions, Contingent Liabilities and Contingent Assets**

3.20.1 Provisions are made where an event has taken place that gives the Authority a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation. Provisions are charged as an expense to the appropriate service line in the CIES in the year that the Authority becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation. When payments are eventually made they are charged to the provision carried in the Balance Sheet. If the provision proves not to be required, the provision is reversed and credited back to the CIES. Income potentially recoverable from a third party which would offset the provision is only recognised if it is virtually certain to be received.

3.20.2 A contingent liability arises where an event has taken place that gives the Authority a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Authority. Contingent liabilities are not recognised in the Balance Sheet but are disclosed in a note to the accounts. Where the event might give rise to an asset (i.e. a contingent asset) these are not recognised in the Balance Sheet but are disclosed in a note to the accounts only where it is probable that there will be an inflow of economic benefits or service potential.

### **3.21 Reserves**

3.21.1 The Authority sets aside specific amounts as reserves for future National Park purposes or to cover contingencies. Reserves are created by transferring amounts out of the General Fund Balance in the Movement in Reserves statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year against the Surplus or Deficit on the Provision of Services in the CIES. The reserve is then transferred back in to the General Fund Balance in the Movement in Reserves Statement so that there is no net charge against National Park Grant for the expenditure. Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments, retirement and employee benefits and do not represent usable resources for the Authority.

### **3.22 Revenue Expenditure Funded from Capital Under Statute**

3.22.1 Expenditure incurred during the year that may be capitalised under statutory provisions but that does not result in the creation of a non-current asset has been charged as expenditure to the relevant service in the CIES. Where the Authority has determined to meet the cost of this expenditure from existing capital resources or by borrowing, a transfer in the Movement in Reserves Statement from the General Fund Balance to the Capital Adjustment Account then reverses out the amounts charged so that there is no impact on the National Park Grant.

### **3.23 VAT**

3.23.1 VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income.

#### 4. Comprehensive Income and Expenditure Statement

2018/19				2019/20			
Gross Expenditure	Income	Net Expenditure		Gross Expenditure	Income	Net Expenditure	
£	£	£		£	£	£	
557,139	(33,133)	524,006	<b>Conservation of the Natural Environment</b>	644,524	(41,926)	602,598	
70,346	(31,447)	38,899	Natural Environment & Rural Economy	77,278	(27,344)	49,934	
637,200	(479,891)	157,309	Woodlands	656,106	(483,819)	172,287	
4,848,944	(4,279,440)	569,504	Estates Management	5,817,682	(5,355,443)	462,239	
6,113,629	(4,823,911)	1,289,718	Conservation & Environment Projects	7,195,590	(5,908,532)	1,287,058	
			<b>Conservation of Cultural Heritage</b>				
208,000	(10,729)	197,271	Historic Buildings & Village Management	251,642	(5,850)	245,792	
51,256	(5,263)	45,993	Archaeology	71,383	(8,621)	62,762	
0	(0)	0	Cultural Heritage Projects	0	(0)	0	
259,256	(15,992)	243,264		323,025	(14,471)	308,554	
			<b>Recreation Management &amp; Transport</b>				
268,903	(285,184)	(16,281)	Cycle Hire	317,078	(266,927)	50,151	
486,166	(82,218)	403,948	Access, Walking & Riding Routes	617,932	(74,562)	543,370	
256,964	(407,342)	(150,378)	Car Parks & Concessions	265,800	(448,340)	(182,540)	
198,181	(32,746)	165,435	Toilets	226,536	(15,508)	211,028	
98,591	(124,276)	(25,685)	Campsites, Hostels & Barns	100,530	(146,039)	(45,509)	
62,786	(45)	62,741	Recreation & Transport Projects	80,994	(400)	80,594	
1,371,591	(931,811)	439,780		1,608,870	(951,776)	657,094	
			<b>Promoting Understanding</b>				
857,714	(554,260)	303,454	Visitor Centres	916,954	(533,403)	383,551	
263,757	(1,363)	262,394	Communications and Design Services	261,743	(645)	261,098	
611	(0)	611	Outreach	524	(0)	524	
1,013,835	(936,220)	77,615	Promoting Understanding Projects	325,772	(306,097)	19,675	
2,135,917	(1,491,843)	644,074		1,504,993	(840,145)	664,848	
			<b>Rangers, Estates Service &amp; Volunteers</b>				
1,035,586	(291,190)	744,396	Rangers	1,096,490	(284,920)	811,570	
139,096	(49,728)	89,368	Countryside Volunteers	171,923	(44,814)	127,109	
193,793	(42)	193,751	Property Team	229,224	(17)	229,207	
184,014	(30,147)	153,867	Estates Workers	199,297	(28,062)	171,235	
1,552,489	(371,107)	1,181,382		1,696,934	(357,813)	1,339,121	

2018/19			Comprehensive Income & Expenditure Account (Continued)	2019/20		
Gross Expenditure	Income	Net Expenditure		Gross Expenditure	Income	Net Expenditure
913,033	(345,918)	567,115	<b>Development Planning</b>	1,007,234	(311,146)	696,088
913,033	(345,918)	567,115	Development Planning	1,007,234	(311,146)	696,088
			<b>Forward Planning &amp; Communities</b>			
223,440	(0)	223,440	Planning Policy	175,698	(12)	175,686
342,177	(0)	342,177	Strategy	433,416	(0)	433,416
174,234	(50,435)	123,799	Community Development	186,205	(58,881)	127,324
739,851	(50,435)	689,416		795,319	(58,893)	736,426
			<b>Corporate Management &amp; Support Services</b>			
301,851	(47,934)	253,917	Headquarters Building	315,562	(46,775)	268,787
287,896	(11,488)	276,408	Legal Services	294,006	(11,842)	282,164
267,355	(62)	267,293	Democratic Services & Members	287,724	(565)	287,159
698,441	(12,123)	686,318	Information Management	749,964	(12,785)	737,179
453,780	(16,154)	437,626	Customer & Business Support Team	526,186	(13,593)	512,593
317,682	(1,842)	315,840	Finance	324,848	(5,679)	319,169
250,326	(55,257)	195,069	Corporate Management	177,957	(1,808)	176,149
269,917	(16,823)	253,094	Human Resources	273,997	(10,642)	263,355
94,101	(0)	94,101	Non-Distributed Costs	8,669	(0)	8,669
315,000	(0)	315,000	Past Service Cost (Gain)	50,000	(0)	50,000
3,256,349	(161,683)	3,094,666		3,008,913	(103,689)	2,905,224
<b>16,342,115</b>	<b>(8,192,700)</b>	<b>8,149,415</b>	<b>Total Cost of Services</b>	<b>17,140,878</b>	<b>(8,546,465)</b>	<b>8,594,413</b>
0	(33,345)	(33,345)	Other Operating Expenditure (Note 8)	8,839	(0)	8,839
447,287	(60,672)	386,615	Financing and Investment Income (Note 9)	530,693	(70,966)	459,727
0	(0)	0	Surplus or deficit on discontinued operations (Note 22)	0	(0)	0
0	(7,283,787)	(7,283,787)	National Park Grant, non-specific grant and capital income (Note 10)	0	(6,907,866)	(6,907,866)
<b>16,789,402</b>	<b>(15,570,504)</b>	<b>1,218,898</b>	<b>(Surplus) or Deficit on Provision of Services</b>	<b>17,680,410</b>	<b>(15,525,297)</b>	<b>2,155,113</b>
0	(1,191,897)	(1,191,897)	(Surplus) or deficit on revaluation of Property, Plant & Equipment assets	0	(401,525)	(401,525)
4,082,598	(0)	4,082,598	Actuarial (gains) losses on pension assets / liabilities	0	(8,517,809)	(8,517,809)
<b>4,082,598</b>	<b>(1,191,897)</b>	<b>2,890,701</b>	<b>Other Comprehensive (Income) Expenditure (Note 5)</b>	<b>0</b>	<b>(8,919,334)</b>	<b>(8,919,334)</b>
<b>20,872,000</b>	<b>(16,762,401)</b>	<b>4,109,599</b>	<b>Total Comprehensive (Income) Expenditure</b>	<b>17,680,410</b>	<b>(24,444,631)</b>	<b>(6,764,221)</b>



## 5. Movement in Reserves Statement 2019/20

	General Fund Balance	Capital Receipts Reserve	<u>Total Usable Reserves</u>	Un-usable Reserves	<u>Total Authority Reserves</u>
	£	£	£	£	£
<b>Balance at 31<sup>st</sup> March 2019</b>	<b>5,005,458</b>	<b>1,363,897</b>	<b>6,369,355</b>	<b>(1,436,710)</b>	<b>4,932,645</b>
<u>Movement in reserves during 2019/20 year</u>					
Total Comprehensive (Expenditure) & Income	(2,155,113)	0	(2,155,113)	8,919,334	6,764,221
Adjustments between accounting basis & funding basis under regulations (Note 6)	2,266,453	(71,204)	2,195,249	(2,195,249)	0
<b>Net Increase (Decrease) in 2019/20</b>	<b>111,340</b>	<b>(71,204)</b>	<b>40,136</b>	<b>6,724,085</b>	<b>6,764,221</b>
<b>Balance at 31<sup>st</sup> March 2020</b>	<b>5,116,798</b>	<b>1,292,693</b>	<b>6,409,491</b>	<b>5,287,375</b>	<b>11,696,866</b>

## Previous Year 2018/19

	General Fund Balance	Capital Receipts Reserve	<u>Total Usable Reserves</u>	Un-usable Reserves	<u>Total Authority Reserves</u>
	£	£	£	£	£
<b>Balance at 31<sup>st</sup> March 2018</b>	<b>4,932,205</b>	<b>1,289,375</b>	<b>6,221,580</b>	<b>2,820,664</b>	<b>9,042,244</b>
<u>Movement in reserves during 2018/19 year</u>					
Total Comprehensive (Expenditure) & Income	(1,218,898)	0	(1,218,898)	(2,890,701)	(4,109,599)
Adjustments between accounting basis & funding basis under regulations (Note 6)	1,292,151	74,522	1,366,673	(1,366,673)	0
<b>Net Increase (Decrease) in 2018/19</b>	<b>73,253</b>	<b>74,522</b>	<b>147,775</b>	<b>(4,257,374)</b>	<b>(4,109,599)</b>
<b>Balance at 31<sup>st</sup> March 2019</b>	<b>5,005,458</b>	<b>1,363,897</b>	<b>6,369,355</b>	<b>(1,436,710)</b>	<b>4,932,645</b>

6. Balance Sheet as at 31<sup>st</sup> March 2020

2018-19 £		Notes	2019-20 £
18,969,474	Property, Plant & Equipment		
1,071,985	- Land & Buildings	11	19,552,981
235,028	- Vehicles, Plant & Equipment	11	1,001,397
0	Intangible Assets	12	196,521
0	Long Term Investments		0
0	Long Term Debtors		0
<b>20,276,487</b>	<b>Total Long Term Assets</b>		<b>20,750,899</b>
280,913	Inventories	13	324,182
3,510,853	Short Term Debtors	14	3,780,053
169,500	Assets held for Sale	16	0
5,205,164	Cash & Cash Equivalents	15	5,004,129
<b>9,166,430</b>	<b>Total Current Assets</b>		<b>9,108,364</b>
(219,187)	Cash & Cash Equivalents	15	(0)
(26,995)	Short Term Borrowing	35	(28,278)
(1,054,554)	Short Term Creditors	17	(1,863,142)
(274,386)	Accumulated Absences	20	(319,063)
<b>(1,575,122)</b>	<b>Total Current Liabilities</b>		<b>(2,210,483)</b>
(419,942)	Long Term Borrowing	35	(391,664)
(20,465,000)	Other Long Term Liabilities	32	(13,983,000)
(2,050,208)	Grants Receipt in Advance	26	(1,577,250)
<b>(22,935,150)</b>	<b>Total Long Term Liabilities</b>		<b>(15,951,914)</b>
<b>4,932,645</b>	<b>TOTAL NET ASSETS</b>		<b>11,696,866</b>
<b>Financed by:</b>			
	<u>Usable Reserves</u>		
657,402	General Reserve		351,703
118,968	Restricted Funds	7	109,261
4,229,088	Specific Reserves	7	4,655,834
5,005,458	General Fund Balance	1	5,116,798
1,363,897	Capital Receipts Reserve	19	1,292,693
<b>6,369,355</b>			<b>6,409,491</b>
	<u>Unusable Reserves</u>		
8,099,851	Revaluation Reserve	20	8,312,614
11,202,825	Capital Adjustment Account	20	11,276,824
(20,465,000)	Pensions' Reserve	20	(13,983,000)
(274,386)	Accumulated Absences Account	20	(319,063)
<b>(1,436,710)</b>			<b>5,287,375</b>
<b>4,932,645</b>	<b>Total Reserves</b>		<b>11,696,866</b>

## 7. Cashflow Statement

2018-19 £		2019-20 £
<b><u>Operating Activities</u></b>		
(311,482)	Rents	(305,925)
(2,295,021)	Charges for Goods and Services	(1,054,620)
(3,542,902)	Grants and Partnership Income	(6,399,114)
(6,585,575)	National Park Grant and Levies	(6,698,847)
(60,672)	Interest Received	(70,966)
(0)	Discontinued Operations	(0)
<b>(12,795,652)</b>	<b>Cash Inflows</b>	<b>(14,529,472)</b>
7,703,363	Employment Costs	7,890,943
6,287,977	Payments for Goods and Services	5,953,480
232,101	Other Costs	163,063
33,287	Interest Paid	20,693
0	Discontinued Operations	0
<b>14,256,728</b>	<b>Cash Outflows</b>	<b>14,028,179</b>
<b>1,461,076</b>	<b>Operating Activities Net Cash Flow</b>	<b>(501,293)</b>
<b><u>Investing Activities</u></b>		
593,328	Purchase of Property, plant and equipment and intangible assets	673,072
0	Purchase of Investments	0
(143,957)	Sale of Property, plant and equipment and intangible assets	(7,907)
(73,212)	Capital Grants received	(209,019)
0	Discontinued Operations	0
<b>376,159</b>	<b>Investing Activities Net Cash Flow</b>	<b>456,146</b>
<b><u>Financing Activities (Note 38)</u></b>		
25,769	Repayments of amounts borrowed	26,995
0	New Loans	0
0	Discontinued Operations	0
<b>25,769</b>	<b>Financing Activities Net Cash Flow</b>	<b>26,995</b>
<b>1,863,004</b>	<b>Net (Increase) Decrease in Cash and Cash equivalents</b>	<b>(18,152)</b>
6,848,981	Cash and Cash Equivalents at the beginning of the Reporting Period (Note 15)	4,985,977
(1,863,004)	Net Increase (Decrease) in Cash and Cash equivalents as above	18,152
<b>4,985,977</b>	<b>Cash and Cash Equivalents at the end of the Reporting Period (Note 15)</b>	<b>5,004,129</b>

## 8. Notes to the Accounts

## Note 1. Expenditure and Funding Analysis

2018/19							2019/20		
Net Expenditure chargeable to the General Fund	Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement			Net Expenditure chargeable to the General Fund	Adjustments between the Funding and Accounting Basis (See Note 21)	Net Expenditure in the Comprehensive Income and Expenditure Statement		
885,604	404,114	1,289,718	Conservation of the Natural Environment		1,045,452	241,606	1,287,058		
216,527	26,737	243,264	Conservation of the Cultural Heritage		258,289	50,265	308,554		
348,434	91,346	439,780	Recreation Mgt & Transport		289,731	367,363	657,094		
557,767	86,307	644,074	Promoting Understanding		515,554	149,294	664,848		
1,004,418	176,964	1,181,382	Rangers, Estates Services & Volunteers		1,057,825	281,296	1,339,121		
475,169	91,946	567,115	Development Control		545,241	150,847	696,088		
621,355	68,061	689,416	Forward Planning & Communities		624,541	111,885	736,426		
2,589,505	505,161	3,094,666	Corporate Management & Support Services		2,517,361	387,863	2,905,224		
6,698,779	1,450,636	8,149,415	Net Cost of Services		6,853,994	1,740,419	8,594,413		
(6,772,032)	(158,485)	(6,930,517)	Other Income and Expenditure		(6,965,334)	526,034	(6,439,300)		
(73,253)	1,292,151	1,218,898	(Surplus) or Deficit		(111,340)	2,266,453	2,155,113		
4,932,205			Opening General Fund Balance		5,005,458				
73,253			Surplus (Deficit) on General Fund		111,340				
5,005,458			Closing General Fund Balance at 31 <sup>st</sup> March		5,116,798				

## **Note 2      Critical Judgements in applying Accounting Policies & Assumptions made about the future and other major sources of estimation uncertainty**

In applying the accounting policies set out in Section 3, the Authority has to make certain judgements about complex transactions or those involving uncertainty about future events, and their potential impact on the amounts recognised in the financial statements. The Authority believes there are no judgements made arising from its application of accounting policies which require disclosure.

The National Park Grant, the principal funding source for the Authority, has been confirmed for the 2020-21 financial year only, with the settlement being the same in cash terms as the 2019/20 figure; nonetheless with agreed savings and other measures the 2020-21 revenue budget has been approved by the Authority and is a balanced budget; but there remain concerns over the level of grant beyond this year, and what assumptions can be made in forward financial planning. The Authority's net liability to pay pensions depends on a number of complex judgements, e.g. the discount rate used, the rate of wages' inflation, changes in retirement ages, mortality rates and the return on pension fund assets. These judgements are made by the actuaries engaged by Derbyshire County Council to advise on the Pension Fund, within statutory guidelines. Note 32 contains more information on the assumptions made and the impact on the accounts. The estimated pensions' liability as at 31/03/20 is £13,983,000, and estimates of the liability in the last five years have ranged between £12,190,000 and £20,465,000.

The Land & Buildings figure (within the Property, Plant & Equipment heading on the Balance Sheet) is determined by the accounting policies outlined in paragraph 3.19.3 and 3.19.4, and as such, any revaluations of assets within this category may be subject to variations arising from the nature of the valuation process. In particular, the Authority's Valuer has issued a notification that, due to Covid-19, there is material uncertainty over the valuation of Land and Buildings at Balance Sheet date. The Authority's valuation of its Land and Buildings assets is therefore reported on the basis of 'material valuation uncertainty' as indicated in Global Valuation Technical and Performance Standards and Practice Guidance Applications VPS 3 and VPGA 10 of the Royal Institute of Chartered Surveyors (RICS) Red Book Global Standards, containing mandatory rules, best practice guidance and related commentary for all members undertaking asset valuations. Consequently, less certainty and a higher degree of caution should be attached to the Authority's Land and Buildings valuation than would normally be the case. The carrying amount as at 31/03/2020 was £19,552,981. There are no other significant estimations or assumptions which require disclosure.

## **Note 3      Material Items of Income and Expenditure**

The Narrative Report helps to explain a number of variances from the previous year where the figures are materially different, but there are no significant items meriting specific disclosure.

## **Note 4      Events after the Balance Sheet Date**

The Chief Finance Officer authorised these Statement of Accounts for issue on 29th May 2020 and the audited accounts were reported to the Authority for approval on the 24th July 2020. Events taking place after this date will not be reflected in the financial statements or notes. Events which have occurred since the Balance Sheet date (31/03/20) and up to the authorisation of the accounts (24th July 2020) have been considered. These events are of two kinds:- either "adjusting events" (events arising relating to conditions which existed at the Balance Sheet date which materially affect the amounts included in the accounts) or "non-adjusting events" (events arising relating to conditions which arose after the Balance Sheet which are material, and for which disclosure is required for the purposes of fair presentation). There are no such events to report.

**Note 5 Other Comprehensive Expenditure & Income**

<b>2018-19</b>		<b>2019-20</b>
<b>£</b>		<b>£</b>
(1,191,897)	(Surplus) Deficit arising on revaluation of non-current assets	(401,525)
3,995,000	Actuarial (Gain) Loss on pension fund assets and liabilities	(8,456,000)
87,598	Other – difference between actuarial and actual charge against government grant	(61,809)
<b><u>2,890,701</u></b>	<b>Total</b>	<b><u>(8,919,334)</u></b>

**Note 6 Adjustments between Accounting Basis and Funding Basis under Regulations**

This note details the adjustments made for items included or not included in the Statement of Comprehensive Income and Expenditure required by accounting standards, in order to understand the total Income and Expenditure which is required to be reported by Local Authorities as required by statute.

<b><u>2019/20</u></b>	<b>General Fund</b>	<b>Capital Receipts Reserve</b>	<b>Un-usable Reserves</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Adjustments to Revenue Resources</b>			
Pension costs – removal of accrual of full pension costs as reported on an actuarial basis under IAS19	3,136,000		(3,136,000)
Pension costs - replacement by employers actual paid contributions in year	(1,100,191)		1,100,191
Holiday Pay – removal of accrual for holiday pay costs leaving actual pay costs paid in year	44,677		(44,677)
Reversal of entries in relation to depreciation and impairment of non-current assets	629,589		(629,589)
Reversal of entries - revaluation gain (loss) on Property, Plant & Equipment	76,964		(76,964)
Reversal of entries - amortisation of Intangible assets	47,006		(47,006)
Reversal of entries for carrying value of non-current assets as part of gain / loss no disposal	16,746		(16,746)
<b>Total Adjustments to Revenue Resources</b>	<b>2,850,791</b>		<b>(2,850,791)</b>
<b>Adjustments between Revenue &amp; Capital Resources</b>			
Transfer of non-current asset sale proceeds to the Capital Receipts Reserve	(7,907)	7,907	(0)
Statutory provision for the repayment of debt	(106,165)		106,165
Capital Expenditure financed from revenue balances	(261,247)		261,247
<b>Total Adjustments between Revenue &amp; Capital Resources</b>	<b>(375,319)</b>	<b>7,907</b>	<b>367,412</b>
<b>Adjustments to Capital Resources</b>			
Use of the Capital Receipts Reserve to finance capital expenditure		(79,111)	79,111
Application of capital grants to finance capital expenditure	(209,019)		209,019
<b>Total Adjustments to Capital Resources</b>	<b>(209,019)</b>	<b>(79,111)</b>	<b>288,130</b>
<b>Total Adjustments</b>	<b>2,266,453</b>	<b>(71,204)</b>	<b>(2,195,249)</b>

The corresponding comparatives for the previous year are shown as follows:-

<b><u>2018/19</u></b>	<b>General Fund</b>	<b>Capital Receipts Reserve</b>	<b>Un-usable Reserves</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Adjustments to Revenue Resources</b>			
Pension costs – removal of accrual of full pension costs as reported on an actuarial basis under IAS19	2,870,000		(2,870,000)
Pension costs - replacement by employers actual paid contributions in year	(1,139,598)		1,139,598
Holiday Pay – removal of accrual for holiday pay costs leaving actual pay costs paid in year	18,074		(18,074)
Reversal of entries in relation to depreciation and impairment of non-current assets	553,486		(553,486)
Reversal of entries - revaluation gain (loss) on Property, Plant & Equipment	0		(0)
Reversal of entries - amortisation of Intangible assets	33,858		(33,858)
Reversal of entries for carrying value of non-current assets as part of gain / loss on disposal	110,613		(110,613)
<b>Total Adjustments to Revenue Resources</b>	<b>2,446,433</b>		<b>(2,446,433)</b>
<b>Adjustments between Revenue &amp; Capital Resources</b>			
Transfer of non-current asset sale proceeds to the Capital Receipts Reserve	(143,957)	143,957	(0)
Statutory provision for the repayment of debt	(131,650)		131,650
Capital Expenditure financed from revenue balances	(180,463)		180,463
<b>Total Adjustments between Revenue &amp; Capital Resources</b>	<b>(456,070)</b>	<b>143,957</b>	<b>312,113</b>
<b>Adjustments to Capital Resources</b>			
Use of the Capital Receipts Reserve to finance capital expenditure		(69,435)	69,435
Application of capital grants to finance capital expenditure	(698,212)		698,212
<b>Total Adjustments to Capital Resources</b>	<b>(698,212)</b>	<b>(69,435)</b>	<b>767,647</b>
<b>Total Adjustments</b>	<b>1,292,151</b>	<b>74,522</b>	<b>(1,366,673)</b>

## Note 7 Earmarked Reserves and Transfers to and from the Reserves

This note sets out the amount set aside from, and allocated to, the General Fund in earmarked reserves to provide financing for future expenditure plans. The Authority also administers Restricted Funds made up of donations or bequests, expended according to the wishes of the donor, or funds which have a legal restriction on their use.

### Earmarked Reserves

	£ Balance at 1 <sup>st</sup> April 2018	Transfers Out 2018/19	Transfers In 2018/19	Balance at 31 <sup>st</sup> March 2019	Transfers Out 2019/20	Transfers In 2019/20	Balance at 31 <sup>st</sup> March 2020
Minerals Reserve	507,959		32,000	539,959			539,959
Reducing Resource / Restructuring Reserve	146,693	(85,641)		61,052			61,052
ICT Reserve	246,816	(47,000)		199,816	(3,500)		196,316
Warslow Reserve	40,466	(40,466)		0		7,700	7,700
North Lees Reserve	78,946		23,000	101,946		12,345	114,291
Minor Properties Reserve	16,164		1,881	18,045			18,045
Conservation Acquisitions Reserve	19,000			19,000			19,000
Visitor Centre Reserve	0			0			0
Aldern House Reserve	47,620		36,929	84,549	(9,011)		75,538
Design Reserve	42,106			42,106			42,106
Forestry Reserve	18,140		5,000	23,140			23,140
Trail Reserve	371,910		48,000	419,910		27,300	447,210
Vehicle Maintenance Reserve	18,009			18,009			18,009
Planned Maintenance Reserve	21,545			21,545			21,545
Car Park Reserve	36,901			36,901	(27,000)		9,901
Cycle Hire Reserve	90,771			90,771			90,771
Covid 19 Reserve	0			0		481,900	481,900
Matched Funding Reserve	1,045,086	(123,745)	350,000	1,271,341	(187,176)	354,000	1,438,165
Slippage Reserve	1,250,423	(819,587)	850,162	1,280,998	(888,162)	658,350	1,051,186
<b>Total Earmarked Reserves</b>	<b>3,998,555</b>	<b>(1,116,439)</b>	<b>1,346,972</b>	<b>4,229,088</b>	<b>(1,114,849)</b>	<b>1,541,595</b>	<b>4,655,834</b>



**Restricted Reserves**

	£ Balance at 1 <sup>st</sup> April 2018	Transfers Out 2018/19	Transfers In 2018/19	Balance at 31 <sup>st</sup> March 2019	Transfers Out 2019/20	Transfers In 2019/20	Balance at 31 <sup>st</sup> March 2020
Cyril Bennett Bequest	9,105			9,105	(677)		8,428
Graham Attridge Bequest	2,046	(1,400)		646	(646)		0
Sheila Streek Bequest	36,020			36,020	(36,020)		0
Margaret Nicholls Bequest	3,000			3,000			3,000
Memorial Landscape Fund	1,934			1,934			1,934
Alan Beardsley Memorial Fund	12,000			12,000	(1,296)		10,704
Dr J Disney Bequest	0			0		33,157	33,157
Restoration Bond	4,225			4,225	(4,225)		0
Friends of Losehill Hall	2,500			2,500			2,500
Section 106 Funds	55,000	(55,000)	49,538	49,538			49,538
Moss Rake East Restoration Bond	137,329	(137,329)		0			0
<b>Total Restricted Funds</b>	<b>263,159</b>	<b>(193,729)</b>	<b>49,538</b>	<b>118,968</b>	<b>(42,864)</b>	<b>33,157</b>	<b>109,261</b>
<b>Total Transfers</b>		(1,310,168)	1,396,510		(1,157,713)	1,574,752	
<b>Net Increase (Decrease) in Earmarked Reserves</b>			<b>86,342</b>			<b>417,039</b>	

**Note 8 Other Operating Expenditure**

<b>2018-19</b>		<b>2019-20</b>
<b>£</b>		<b>£</b>
0	Write Down of carrying amount of asset to fair value as a result of transfer to asset held for sale category	0
(33,345)	(Gains) Losses - disposal of non-current assets	8,839
<b>(33,345)</b>	<b>Total</b>	<b>8,839</b>

**Note 9 Financing and Investment Income and expenditure**

<b>2018-19</b>		<b>2019-20</b>
<b>£</b>		<b>£</b>
33,287	Interest payable and similar charges	20,693
414,000	Pensions' interest cost and expected return on pensions' assets	510,000
(60,672)	Interest receivable and similar income	(70,966)
<b>386,615</b>	<b>Total</b>	<b>459,727</b>

**Note 10 National Park Grant, non-specific and capital grant income**

<b>2018-19</b>		<b>2019-20</b>
<b>£</b>		<b>£</b>
<b>6,585,575</b>	National Park Grant (DEFRA)	<b>6,698,847</b>
<b>0</b>	Non-specific grant income	<b>0</b>
	<i>Capital Grants</i>	
43,150	European Life Grant Aid, Moorlife 2020	0
0	Natural England	25,463
0	Rural Development Programme	182,231
19,459	Heritage Lottery Fund	0
625,000	Donated Property	0
10,603	Other Capital Grants each under £10,000	1,325
<b>698,212</b>	<b>Total Capital Grants</b>	<b>209,019</b>
<b>7,283,787</b>	<b>Total</b>	<b>6,907,866</b>

## Note 11 Property, plant & Equipment – Movements on Balances

The Authority is a major landowner and its principal assets comprise woodlands, tenanted farms, car parks, toilets, cycle hire centres, Visitor Centres and a headquarters building. The Authority's Intangible assets comprise only purchased software. The Authority's network of trails along disused railway lines are regarded as infrastructure assets.

<b>2019/20</b>	<b>Land &amp; Buildings</b>	<b>Vehicles, plant, equipment</b>	<b>Community Assets</b>	<b>Infra-structure Assets</b>	<b>Surplus Assets</b>	<b>Total</b>
<b>Cost or Valuation</b>	<b>£</b>	<b>£</b>	<b>£</b>		<b>£</b>	<b>£</b>
Gross Book Value at 1 <sup>st</sup> April 2019	16,695,658	3,122,649	1,769,100	1,682,124	1,262,972	<b>24,532,503</b>
Additions	264,628	107,111	257,907	35,550	0	<b>665,196</b>
Donations	0	0	0	0	0	<b>0</b>
Revaluation increases (decreases) recognised in the Revaluation Reserve	401,525	0	0	0	0	<b>401,525</b>
Revaluation increases (decreases) recognised in the Surplus/Deficit on the Provision of Services	(76,964)	0	0	0	0	<b>(76,964)</b>
De-recognition: disposals	(0)	(54,613)	(0)	(0)	(0)	<b>(54,613)</b>
De-recognition: other	(2)	(3)	(0)	(0)	(0)	<b>(5)</b>
Assets re-classified (to) from Held for Sale / surplus assets	167,500	0	500	0	0	<b>168,000</b>
Other Movements – accumulated depreciation w/o on revaluation	(399,580)	0	0	0	0	<b>(399,580)</b>
<b>Gross Book Value at 31<sup>st</sup> March 2020</b>	<b>17,052,765</b>	<b>3,175,144</b>	<b>2,027,507</b>	<b>1,717,674</b>	<b>1,262,972</b>	<b>25,236,062</b>
<b>Accumulated depreciation and impairment</b>	<b>(1,442,618)</b>	<b>(2,050,664)</b>	<b>(123,829)</b>	<b>(685,606)</b>	<b>(188,327)</b>	<b>(4,491,044)</b>
At 1 <sup>st</sup> April 2019						
Depreciation Charge	(367,547)	(162,451)	(23,036)	(60,092)	(16,462)	<b>(629,588)</b>
Impairment Charge	0	0	0	0	0	<b>(0)</b>
Depreciation written out to the Revaluation Reserve	140,465	0	0	0	0	<b>140,465</b>
Depreciation written out to the Surplus/deficit on the Provision of Services	259,115	0	0	0	0	<b>259,115</b>
Impairments recognised in the Revaluation Reserve	0	0	0	0	0	<b>0</b>
Impairments recognised in the Surplus/deficit on the Provision of Services	0	0	0	0	0	<b>0</b>
Re-classifications	0	0	0	0	0	<b>0</b>
De-recognition - disposals	0	39,368	0	0	0	<b>39,368</b>
<b>Accumulated depreciation &amp; impairment at 31<sup>st</sup> March 2020</b>	<b>(1,410,585)</b>	<b>(2,173,747)</b>	<b>(146,865)</b>	<b>(745,698)</b>	<b>(204,789)</b>	<b>(4,681,684)</b>
<i>Net Book Value 31 March 2019</i>	<i>15,523,040</i>	<i>1,071,985</i>	<i>1,645,271</i>	<i>996,518</i>	<i>1,074,645</i>	<i>20,041,459</i>
<b>Net Book Value at 31<sup>st</sup> March 2020</b>	<b>15,642,180</b>	<b>1,001,397</b>	<b>1,880,642</b>	<b>971,976</b>	<b>1,058,183</b>	<b>20,554,378</b>
<b>At Historical Cost</b>						
As at 31/03/2020	8,003,360	-	-	-	1,004,547	
Fair Value Movement 2019/20	227,851	-	-	-	(272)	
Fair Value Movement 2018/19	916,604	-	-	-	(280)	
Fair Value Movement 2017/18	(1,414,769)	-	-	-	(93,575)	
Fair Value Movement 2016/17	268,961	-	-	-	(1,752)	
Fair Value - up to 2015/16	7,640,173	-	-	-	149,515	
<b>Net Book Value at 31/03/2020</b>	<b>15,642,180</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,058,183</b>	

**Note 11 continued**

<b>2018/19</b>	<b>Land &amp; Buildings</b>	<b>Vehicles, plant, equipment</b>	<b>Community Assets</b>	<b>Infra-structure Assets</b>	<b>Surplus Assets</b>	<b>Total</b>
<b>Cost or Valuation</b>	<b>£</b>	<b>£</b>	<b>£</b>		<b>£</b>	<b>£</b>
Gross Book Value at 1 <sup>st</sup> April 2018	16,083,721	3,055,381	1,699,942	1,641,432	637,972	<b>23,118,448</b>
Additions	178,104	135,867	69,158	40,692	0	<b>423,821</b>
Donations	0	0	0	0	625,000	<b>625,000</b>
Revaluation increases (decreases) recognised in the Revaluation Reserve	1,227,797	0	0	0	0	<b>1,227,797</b>
Revaluation increases (decreases) recognised in the Surplus/Deficit on the Provision of Services	0	0	0	0	0	<b>0</b>
De-recognition: disposals	(77,100)	(68,599)	(0)	(0)	(0)	<b>(145,699)</b>
De-recognition: other	(0)	(0)	(0)	(0)	(0)	<b>(0)</b>
Assets re-classified (to) from Held for Sale / surplus assets	(205,400)	0	0	0	0	<b>(205,400)</b>
Other Movements – accumulated depreciation w/o on revaluation	(511,464)	0	0	0	0	<b>(511,464)</b>
<b>Gross Book Value at 31<sup>st</sup> March 2019</b>	<b>16,695,658</b>	<b>3,122,649</b>	<b>1,769,100</b>	<b>1,682,124</b>	<b>1,262,972</b>	<b>24,532,503</b>
<b>Accumulated depreciation and impairment</b>	<b>(1,665,373)</b>	<b>(1,929,352)</b>	<b>(102,318)</b>	<b>(620,913)</b>	<b>(182,153)</b>	<b>(4,500,109)</b>
At 1 <sup>st</sup> April 2018						
Depreciation Charge	(288,709)	(172,399)	(21,511)	(64,693)	(6,174)	<b>(553,486)</b>
Impairment Charge	0	0	0	0	0	<b>(0)</b>
Depreciation written out to the Revaluation Reserve	308,671	0	0	0	0	<b>308,671</b>
Depreciation written out to the Surplus/deficit on the Provision of Services	202,793	0	0	0	0	<b>202,793</b>
Impairments recognised in the Revaluation Reserve	0	0	0	0	0	<b>0</b>
Impairments recognised in the Surplus/deficit on the Provision of Services	0	0	0	0	0	<b>0</b>
Re-classifications	0	0	0	0	0	<b>0</b>
De-recognition - disposals	0	51,087	0	0	0	<b>51,087</b>
<b>Accumulated depreciation &amp; impairment at 31<sup>st</sup> March 2019</b>	<b>(1,442,618)</b>	<b>(2,050,664)</b>	<b>(123,829)</b>	<b>(685,606)</b>	<b>(188,327)</b>	<b>(4,491,044)</b>
<i>Net Book Value 31 March 2018</i>	<i>14,418,348</i>	<i>1,126,029</i>	<i>1,597,624</i>	<i>1,020,519</i>	<i>455,819</i>	<b>18,618,339</b>
<b>Net Book Value at 31<sup>st</sup> March 2019</b>	<b>15,253,040</b>	<b>1,071,985</b>	<b>1,645,271</b>	<b>996,518</b>	<b>1,074,645</b>	<b>20,041,459</b>

**Effects of Changes in Estimates**

There are no material effects arising from changes in accounting estimates for residual values, useful lives or depreciation methods. The impact of Covid 19 on property values, if any ensues, is not yet capable of estimation.

**Revaluations**

The Authority's property shown in the Land & Buildings column has been valued as at 31<sup>st</sup> March 2020 by the District Valuer. The valuations are in accordance with the CIPFA Code of Practice and the relevant sections of the Royal Institute of Chartered Surveyors Appraisal and Valuation Manual. The Authority values these assets over a five-year rolling programme, concentrating this year on toilets and cycle hire facilities, with a number of minor properties also included.

**Impairments**

There were no impairments this year.

**Note 12 Intangible Assets**

The Authority accounts for its software as intangible assets, at their historic purchase cost. The Authority does not capitalise internally generated assets. All software is given a finite useful life, based on assessments of the period that the software is expected to be of use to the Authority. The useful life in all cases is 5 years unless a shorter asset life is more appropriate. The carrying amount of intangible assets is amortised on a reducing balance basis. The amortisation charge forms part of the charge to the Information Technology Support Service and is then absorbed as an overhead across all the service headings in the Net Expenditure of Services. It is not possible to quantify exactly how much of the amortisation is attributable to each service heading.

<b>2018/19</b>		<b>2019/20</b>
£		£
657,874	Gross carrying amounts at Start of Year	757,470
(488,584)	Accumulated amortisation to date	(522,442)
<b>169,290</b>	<b>Net Carrying Amount at Start of Year</b>	<b>235,028</b>
99,596	Additions	8,499
0	Assets reclassified as Held for Sale	0
0	Other disposals	0
0	Impairment losses recognised in the Surplus / Deficit on the Provision of Services	0
0	Reversals of past impairment losses written back to the Surplus / Deficit on the Provision of Services	0
(33,858)	Amortisation for the period	(47,006)
0	Other changes	0
<b>235,028</b>	<b>Net carrying amount at end of year</b>	<b>196,521</b>
	<u>Comprising:</u>	
757,470	Gross carrying amounts	765,969
(522,442)	Accumulated amortisation	(569,448)
<b>235,028</b>		<b>196,521</b>

There are no intangible assets which are material to the financial statements requiring individual disclosure in this note. There are no contractual commitments for the acquisition of intangible assets which require individual disclosure in this note.

**Note 13 Inventories**

There is no work in progress. Stocks of publications & other items for resale are:-

<b>31 March</b>		<b>31 March</b>
<b>2019</b>		<b>2020</b>
£		£
<b>226,280</b>	<b>Balance o/s at start of year</b>	<b>280,913</b>
299,495	Purchases	283,236
(245,958)	Recognised as an expense in the year	(236,162)
1,096	Written off balances / Reversals of write offs in previous years	(3,805)
<b>280,913</b>	<b>Balance o/s at year end</b>	<b>324,182</b>

**Note 14 Debtors**

Debtors can be analysed as follows:

<b>31 March 2019</b>		<b>31 March 2020</b>
<b>£</b>		<b>£</b>
1,598,153	Central Government Bodies	1,741,340
24,345	Other Local Authorities	44,438
0	NHS Bodies	0
0	Public Corporations and Trading Funds	0
1,920,343	Bodies external to general government	2,024,111
0	Study Loans to staff	2,131
(31,988)	Less: Provision for Bad Debts	(31,967)
<b><u>3,510,853</u></b>	<b>Total</b>	<b><u>3,780,053</u></b>

**Note 15 Cash and Cash Equivalents**

Cash and Bank can be analysed as follows:

<b>31 March 2019</b>		<b>31 March 2020</b>
<b>£</b>		<b>£</b>
(221,349)	Bank current accounts	20,857
2,162	Cash held by the Authority	1,966
5,205,164	Deposits with North Yorks. County Council	4,981,306
<b><u>4,985,977</u></b>	<b>Total</b>	<b><u>5,004,129</u></b>

The above bank figures represent the value of the bank accounts on the accounting system. The bank statements show a different amount owing to timing differences, which are reconciled in the bank reconciliation process. At the end of each working day a transfer is made to and from the investment account, ensuring the bank accounts overall remain in credit by a small amount. The investment account represents deposits invested with North Yorkshire County Council on which interest is received. The amounts are invested daily, with surplus funds from the Authority's pooled bank accounts being transferred and invested in accordance with the Authority's Treasury Management Policy, leaving a small surplus balance in current accounts. The Authority's Short Term investments are all cash resources.

**Note 16 Assets Held for Sale**

An analysis of the Assets Held for Sale category within current assets is shown below.

<b>2018/19</b>		<b>2019/20</b>
<b>£</b>		<b>£</b>
<b>16,000</b>	<b>Balance outstanding at start of year</b>	<b>169,500</b>
205,400	Property, Plant & Equipment newly identified	0
(35,900)	Revaluation (losses) gains	(0)
0	Impairment losses	0
0	Property, Plant & Equipment declassified as held for sale	(168,000)
(16,000)	Assets sold	(1,500)
<b><u>169,500</u></b>	<b>Balance outstanding at year end</b>	<b><u>0</u></b>

**Note 17 Creditors due within 12 months**

Creditors can be analysed as follows:

<b>31 March 2019</b>		<b>31 March 2020</b>
<b>£</b>		<b>£</b>
183,528	Central Government Bodies	125,452
29,201	Other Local Authorities	30,027
0	NHS Bodies	0
0	Public Corporations and Trading Funds	0
841,825	Bodies external to general government	1,707,663
0	Provision for unpaid cheques	0
<b>1,054,554</b>	<b>Total</b>	<b>1,863,142</b>

**Note 18 Provisions and Contingent Liabilities**

There are no provisions or contingent liabilities. The Authority considers that it has made sufficient financial arrangements to cover estimates of potential liabilities which may arise not covered by the accounting definition. Financing for these potential liabilities is achieved within the usable earmarked reserves (Note 7).

**Note 19 Capital Receipts Reserve**

Movements in the Authority's usable reserves are detailed in the Movement in Reserves Statement and Note 7. The Capital Receipts Reserve, built up from the proceeds of the sale of fixed assets and available for use to finance capital expenditure, is as follows:-

<b>2018-19</b>		<b>2019-20</b>
<b>£</b>		<b>£</b>
<b>1,289,375</b>	Balance at 1 April	<b>1,363,897</b>
143,957	Receipts received in year	7,907
(69,435)	Receipts used to finance Capital Expenditure	(79,111)
<b>1,363,897</b>	<b>Balance at 31 March</b>	<b>1,292,693</b>

**Note 20 Unusable Reserves**

The Authority's unusable reserves are shown in full in the Balance Sheet.

The Revaluation Reserve records the accumulated gains on the Property, Plant & Equipment assets held by the Authority arising from increases in value, as a result of inflation or other factors, less any subsequent downward movements in value – impairments and/or depreciation. The balance on the reserve therefore represents the amount by which the current value of fixed assets carried in the Balance Sheet has been revalued above their depreciated historic cost. It is the Authority's policy to revalue 20% of total assets each year as a rolling programme over a five-year period and the account includes these changes, together with any written down value of assets which have been disposed of in the year.

2018-19 £	Revaluation Reserve	2019-20 £
<b>7,100,997</b>	<b>Balance at 1 April</b>	<b>8,099,851</b>
1,191,897	Upward revaluation of assets	401,525
(0)	Downward revaluation of assets & impairment losses not charged to the Surplus/Deficit on the Provision of Services	(0)
<b>8,292,894</b>	<b>Surplus or deficit on revaluation of non-current assets not posted to the Surplus/Deficit on the Provision of Services</b>	<b>8,501,376</b>
(140,897)	Difference between fair value depreciation and historical cost depreciation	(187,262)
(52,146)	Accumulated gains on assets sold or scrapped / Other	(1,500)
<b>(193,043)</b>	<b>Amount written off to the Capital Adjustment Account</b>	<b>(188,762)</b>
<b>8,099,851</b>	<b>Balance at 31 March</b>	<b>8,312,614</b>

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements on the one hand, for accounting for the consumption of non-current assets, and on the other hand, for the financing of the acquisition, construction or enhancement of those assets as required by statute. The Capital Adjustment Account is credited with the amount of capital expenditure financed from revenue, capital receipts and capital grants, together with the Minimum Revenue provision (the amount charged to the Income and Expenditure account to ensure that an appropriate level of financing is set aside for the repayment of the principal element of any borrowing outstanding). As assets are consumed, either by depreciation, impairment or disposal, the charge is made to this account as a debit.

2018-19 £	Capital Adjustment Account	2019-20 £
<b>10,627,979</b>	<b>Balance at 1 April</b>	<b>11,202,825</b>
	<u>Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income &amp; Expenditure Statement (CIES)</u>	
(553,486)	Charges for depreciation of non-current assets	(629,589)
(0)	Charges for impairment of non-current assets	(0)
(0)	Revaluation (losses) gains on Property, Plant & Equipment	(76,964)
(33,858)	Amortisation of intangible assets	(47,006)
0	Revenue expenditure funded from capital under statute	0
(110,613)	Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the CIES	(16,746)
(697,957)		(770,305)
193,043	Adjusting amounts written out of the Revaluation Reserve	188,762
<b>(504,914)</b>	<b>Net written out amount of the cost of non-current assets consumed in the year</b>	<b>(581,543)</b>
	<u>Capital financing applied in the year:-</u>	
69,435	Use of the Capital Receipts Reserve to finance new capital expenditure	79,111
698,212	Capital grants and contributions credited to the CIES that have been applied to capital financing	209,019
131,650	Statutory provision for the financing of capital investment charged against the General Fund	106,165
180,463	Capital expenditure charged against the General Fund	261,247
<b>1,079,760</b>	<b>Total Capital Financing applied in year</b>	<b>655,542</b>
<b>11,202,825</b>	<b>Balance at 31 March</b>	<b>11,276,824</b>



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

<b>2018-19</b>	<b>Pensions' Reserve</b>	<b>2019-20</b>
<b>£</b>		<b>£</b>
<b>(14,652,000)</b>	<b>Balance at 1 April</b>	<b>(20,465,000)</b>
(3,995,000)	Actuarial gains or (losses) on pensions assets and liabilities	8,456,000
(2,957,598)	Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the CIES	(3,074,191)
1,139,598	Employer's pension contributions and direct payments to pensioners payable in the year	1,100,191
<b>(20,465,000)</b>	<b>Balance at 31<sup>st</sup> March</b>	<b>(13,983,000)</b>

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

<b>2018-19</b>	<b>Accumulated Absences Account</b>	<b>2019-20</b>
<b>£</b>		<b>£</b>
<b>(256,312)</b>	<b>Balance at 1 April</b>	<b>(274,386)</b>
256,312	Settlement or cancellation of accrual made at the end of the preceding year	274,386
(274,386)	Amounts accrued at the end of the current year	(319,063)
(18,074)	Amounts by which officer remuneration charged to the CIES on an accruals basis is different from remuneration chargeable on a salary basis in accordance with statutory requirements	(44,677)
<b>(274,386)</b>	<b>Balance at 31<sup>st</sup> March</b>	<b>(319,063)</b>

Page 86 **Note 21 Note to the Expenditure and Funding Analysis**

Adjustments from the General Fund to arrive at the Expenditure and Funding Analysis Amounts

<b>2019-20 £</b>	Adjustments for Capital Purposes (Footnote 1)	Net change for the Pensions Adjustments (Footnote 2)	Other Differences (Footnote 3)	<b>Total Adjustments</b>
Conservation of the Natural Environment	(162,604)	392,842	11,368	<b>241,606</b>
Conservation of the Cultural Heritage	0	48,919	1,346	<b>50,265</b>
Recreation Mgt & Transport	269,836	94,070	3,457	<b>367,363</b>
Promoting Understanding	19,602	126,081	3,611	<b>149,294</b>
Rangers, Estates Services & Volunteers	41,973	232,545	6,778	<b>281,296</b>
Development Control	253	146,155	4,439	<b>150,847</b>
Forward Planning & Communities	0	108,960	2,925	<b>111,885</b>
Support Services	871	376,238	10,754	<b>387,863</b>
<b>Net Cost of Services</b>	<b>169,931</b>	<b>1,525,810</b>	<b>44,678</b>	<b>1,740,419</b>
Other Income & Expenditure: Expenditure and Funding Analysis	16,034	510,000	0	526,034
<b>Difference between General Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services</b>	<b>185,965</b>	<b>2,035,810</b>	<b>44,678</b>	<b>2,266,453</b>

<b>2018-19 £</b>	Adjustments for Capital Purposes (Footnote 1)	Net change for the Pensions Adjustments (Footnote 2)	Other Differences (Footnote 3)	<b>Total Adjustments</b>
Conservation of the Natural Environment	162,751	236,960	4,403	<b>404,114</b>
Conservation of the Cultural Heritage	0	26,280	457	<b>26,737</b>
Recreation Mgt & Transport	30,345	59,633	1,368	<b>91,346</b>
Promoting Understanding	(11,478)	96,008	1,777	<b>86,307</b>
Rangers, Estates Services & Volunteers	36,101	138,229	2,634	<b>176,964</b>
Development Control	316	89,913	1,717	<b>91,946</b>
Forward Planning & Communities	0	66,930	1,131	<b>68,061</b>
Support Services	(101,877)	602,450	4,588	<b>505,161</b>
<b>Net Cost of Services</b>	<b>116,158</b>	<b>1,316,403</b>	<b>18,075</b>	<b>1,450,636</b>
Other Income & Expenditure: Expenditure and Funding Analysis	(572,485)	414,000	0	(162,485)
<b>Difference between General Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services</b>	<b>(456,327)</b>	<b>1,730,403</b>	<b>18,075</b>	<b>1,292,151</b>

Footnote 1

Adjustments for Capital purposes: for the Net Cost of Services, this column adds in depreciation and impairment, and any revaluation gains and losses chargeable to the CIES. In respect of Other Income & Expenditure, this comprises adjustments not allowable under generally accepted accounting principles, either operating expenditure (See Note 8) – an adjustment for the gain or loss on the disposal of a non-current asset compared to its net book value; or a fair value adjustment; Financing & investment (see Note 9) – deductions for the statutory charges for capital financing (minimum revenue provision and other revenue contributions); and Taxation and non-specific grant income – the removal of capital grants.

Footnote 2

Adjustments for the removal of employers' pension cash contributions and the addition of employee benefit pensions' related expenditure and income: for the Net Cost of Services, this column removes the employer pension cash contributions made by the Authority as required by statute, and replaces with a current and past service cost figure assessed by the actuary. In respect of Other Income & Expenditure, this comprises the net interest cost of the defined benefit liability

Footnote 3

Other differences , in this case the adjustment reflecting the difference between staff salaries paid in cash during the year, and the adjustment required to reflect unused leave and flexi-hours carried forward by staff.

Expenditure and Income analysed by Nature

<b>Expenditure</b>	<b>2018-19</b>	<b>2019-20</b>
Employee expenses	9,037,838	9,461,429
Other service expenses	6,848,581	7,032,057
Capital accounting transactions	455,693	647,392
Interest Payments	443,287	530,693
Loss on the disposal of fixed asset	0	8,839
<b>Total Expenditure</b>	<b>16,789,399</b>	<b>17,680,410</b>
<b>Income</b>		
Fees, charges, and other service income	(2,309,580)	(2,247,113)
Grants	(3,531,174)	(4,526,583)
Government Grants	(9,605,860)	(8,618,802)
Donations	(29,870)	(61,833)
Interest & Investment Income	(60,672)	(70,966)
Gain on the disposal of fixed asset	(33,345)	(0)
<b>Total Income</b>	<b>(15,570,501)</b>	<b>(15,525,297)</b>
<b>(Surplus) Deficit on the Provision of Services</b>	<b>1,218,898</b>	<b>2,155,113</b>

**Note 22 Acquired and Discontinued Operations**

There were no acquisitions or discontinuation of operations during the year.

**Note 23 Members' Allowances**

The following amounts were paid to the 30 Members of the Peak District National Park Authority as allowances in the year ended 31<sup>st</sup> March 2020.

<b>2018-19</b>		<b>2019-20</b>
<b>£</b>		<b>£</b>
60,099	Basic Allowance	68,549
19,818	Special Responsibility Allowance	20,765
8,907	Travel and Subsistence	7,722
<b>88,824</b>		<b>97,036</b>

Further information on Members' Allowances and payments to individual Members is published annually on our website, or can be obtained upon request from Democratic Services, Aldern House, Baslow Rd, Bakewell, DE45 1AE (Telephone 01629 816200).

**Note 24 Employee Remuneration**

The number of employees whose remuneration in the year, excluding employer pension contributions, was £50,000 or more in bands of £5,000 were as follows:

<b>Payment Range</b>	<b>Number of Employees</b>	
	<b>2018-19</b>	<b>2019-20</b>
£50,000 - £54,999	0	1
£55,000 - £59,999	0	0
£60,000 - £64,999	2	2
£64,999 - £69,999	0	0
£70,000 - £74,999	0	0
£75,000 - £79,999	0	0
£80,000 - £84,999	0	0
£85,000 - £89,999	0	0
£90,000 - £94,999	1	1
£95,000 - £99,999	0	0

The remuneration for individual senior employees in this category is shown in the table below – with 2018-19 comparator payments shown in brackets alongside.

<b>Job Title</b>	<b>Salary</b>	<b>Benefits in Kind</b>	<b>Subtotal</b>	<b>Employers Pension contributions</b>	<b>Total Remuneration</b>
Chief Executive	£92,016 (£90,212)	£0 (£0)	<b>£92,016</b> (£90,212)	£17,087 (£16,752)	<b>£109,103</b> (£106,964)
Director of Commercial Development and Engagement	£61,509 (£17,852)	£0 (£0)	<b>£61,509</b> (£17,852)	£11,408 (£3,315)	<b>£72,917</b> (£21,167)
Director of Planning	£62,439 (£61,215)	£0	<b>£62,439</b> (£61,215)	£11,595 (£11,368)	<b>£74,034</b> (£72,583)
Director of Corporate Resources	£51,262 (£61,215)	£0 (£0)	<b>£51,262</b> (£61,215)	£9,539 (£11,368)	<b>£60,801</b> (£72,583)

During the year decisions relating to the termination of contracts of staff were as follows:-

Exit package cost band	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band		Total cost of exit packages in each band £	
	2018/19	2019/20	2018/19	2019/20	2018/19	2019/20	2018/19	2019/20
£0-£20,000	0	0	2	0	2	0	18,956	0
£20,001-£40,000	0	0	0	0	0	0	0	0
£40,001 - £60,000	0	0	0	0	0	0	0	0
£60,001 - £80,000	1	0	0	0	1	0	71,173	0
<b>Total</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>90,129</b>	<b>0</b>

All voluntary termination of contracts were based on the Authority's Managing Change policy. All payments were calculated according to the statutory requirement with no enhancements.

## Note 25 External Audit Cost

Fees paid to Mazars LLP for audit services were as follows:-

	<b>2018-19</b>	<b>2019-20</b>
	<b>£</b>	<b>£</b>
External audit services as appointed auditor	11,708	10,208
Fees in respect of statutory inspection	0	0
Fees payable for certification of grant claims and returns	0	0
Fees payable in respect of any other services provided by the appointed auditor	0	0
<b>Total</b>	<b>11,708</b>	<b>10,208</b>

## Note 26 Grant Income

The Authority credited the following grants, contributions and donated assets to the Comprehensive Income & Expenditure Statement in 2019/20, with amounts over £10,000 only shown:-

<b>2018-19</b>		<b>2019-20</b>
<b>£</b>		<b>£</b>
	<u>Revenue Grants Credited to Services</u>	
	- Rural Development Programme for England – Moors for the Future Project	157,226
	- Rural Development Programme for England – South West Peak Projects	17,171
133,547	Visit Peak District – Pedal Peak Business Initiative	-
569,685	Dept of Culture, Media & Sport - Discover England Project	190,758
875,543	DEFRA – Environmental Stewardships	709,117
38,687	MHCLG – Neighbourhood Planning Grants	17,446

-	Forestry Commission – Woodland Grants	15,023
119,639	Environment Agency – Moors for the Future / MoorLIFE Project	118,964
35,702	Natural England - Pennine Way Ranger	32,639
518,444	Natural England – Moors for the Future / MoorLIFE work	228,435
110,524	Heritage Lottery Fund – MFF Community Science Project	-
11,408	Heritage Lottery Fund – MFF Moor Business Project	51,289
382,224	Heritage Lottery Fund – South West Peak Project	637,628
27,863	RSPB - Moors for the Future / MoorLIFE work	41,710
20,000	Derbys County Council – Rights of Way	20,000
-	Sheffield City Council – Rights of Way Moors for the Future / MoorLIFE work	62,300
17,848	Derbys Dales DC – Pedal Peak Business Initiative	-
90,600	9 Other National Parks – Discover England Project	-
20,000	Tarmac Ltd – Conservation Volunteers Project	20,000
-	The Woodland Trust – Small Woodlands Creation Scheme	17,230
-	National Grid – Longdendale Landscape Enhancements	18,180
-	Esme Fairburn – South West Peak Project	20,270
93,219	Private Landowners - Moors for the Future / MoorLIFE work	-
93,900	United Utilities – Joint Ranger Costs	97,498
249,406	United Utilities – Moors for the Future / MoorLIFE Project	325,718
49,189	Severn Trent Water - Joint Ranger Costs	50,369
238,768	Severn Trent Water – MFF/MoorLIFE Project	349,053
50,000	Severn Trent Water – Car Park	50,000
14,751	Severn Trent Water - Operating Costs at Upper Derwent Visitor Centre	14,939
36,724	Yorkshire Water - Joint Ranger Costs	37,340
238,534	Yorkshire Water - Moors for the Future / MoorLIFE Project	290,897
-	BMC - Moors for the Future Project	11,697
16,279	National Trust – Moorland Discovery Project	16,822
31,446	National Trust - Moors for the Future / MoorLIFE Project	50,826
1,556,849	European Life Funding – MoorLIFE Project	2,391,660
20,705	OFGEM – Aldern House / Other Biomass Boilers	22,990
183,898	Other Revenue Grants each under £10,000	151,898
<b>5,845,382</b>	<b>Total</b>	<b>6,237,093</b>

The Authority may receive a number of grants, contributions and donations that are not yet recognised as income as they might have conditions attached to them that will require the monies or property to be returned to the giver. The items at year end are:-

2018-19 £		2019-20 £
	<u>Grants Received in Advance</u>	
15,724	English Heritage – Ecton Mine Project	16,917
13,049	European Outdoor Conservation Award - MFF	-
40,160	National Grid - Longdendale Landscape Enhancements	227,480
-	Coldhouse Collective - Moors for the Future Project	12,000
-	British Mountaineering Council - Moors for the Future Project	98,176
24,286	National Trust – Moors for the Future Project / MoorLIFE Project	18,137
36,081	Environment Agency – Moors for the Future Project / MoorLIFE Project	31,311
-	RSPB - Moors for the Future Project / MoorLIFE Project	11,367
-	DEFRA – Moors for the Future Project / MoorLIFE Project	24,108
42,366	Natural England – Moors for the Future Project / MoorLIFE Project	-
17,560	Yorkshire Wildlife Trust - Moors for the Future Project / MoorLIFE Project	11,320
27,857	Sheffield City Council – Moors for the Future Project / MoorLIFE Project	40,000
677,380	Severn Trent Water – Moors for the Future Project / MoorLIFE Project	328,327
564,108	Yorkshire Water – Moors for the Future Project / MoorLIFE Project	280,803
410,991	United Utilities – Moors for the Future / MoorLIFE Project	300,931
16,192	HLF – Moors for the Future Project / MoorLIFE Project	-
60,841	Visit England – Discover England Project	29,282
-	Derbyshire Environment Trust – South West Peak Project	23,158
72,567	Other Revenue Grants received in advance each under £10,000	114,411
<b>2,050,208</b>	<b>Total</b>	<b>1,577,250</b>

## Note 27 Related Party Transactions

The Authority is required to disclose any material transactions with related parties that are not disclosed elsewhere in the accounts. The UK government, operating through the Department for the Environment, Food and Rural Affairs (DEFRA) and the Ministry of Housing, Communities & Local Government (MHCLG), has significant influence over the general operations of the Authority and is responsible for providing the statutory framework within which the Authority operates, provides the majority of funding in the form of grants, and prescribes the terms of many of the transactions

that the Authority has with other parties.

The Authority engages in a variety of formal and informal partnerships, and may contribute to those organisations financially to help further National Park purposes. It does not have control of those bodies. The Authority is a Member of National Parks Partnerships LLP, a body constituted to further the sponsorship ambitions of National Parks, and the Chair of the Authority is the Member representative. The Chair of the Authority is also a Director of National Parks England Ltd, which is a company limited by guarantee furthering the interests of the English National Parks; the Authority has joint ownership with the other National Parks of this company. Three Authority Members are Trustees of the new Peak District Foundation charity, which is an independent registered charity with the principal aim being to raise funds for the Peak District National Park. There are no other related parties with joint control or significant influence, subsidiaries, associates, or joint ventures in which the Authority is a venturer. All Members and Chief Officers of the Authority are deemed to be key management personnel and are required to disclose any financial transactions with the Authority, other than those received as part of normal conditions of employment or approved duties, in the Members' Register of Financial and Other Interests which is open to public inspection; this disclosure also applies to their involvement with entities which they may have significant influence over. One Member provided land for temporary use at a cost of £576 and whose spouse also charged the Authority for Health & Safety training totalling £15,640 during the year. One Member has a writing business to which the Authority paid £100 for publications during the year. In summary during the normal course of business the following significant transactions were made between the Authority and other related parties:

	<b>Income</b>	<b>Outstanding</b>	<b>Expenditure</b>	<b>Outstanding</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Government Bodies – other	1,354,413	1,099,611	-	-
Other Local Authorities	98,783	38,549	250,842	29,801
Other National Parks	63,596	5,889	38,068	227
National Parks UK Ltd	-	-	10,000	-
National Parks Partnership LLP	11,500	-	10,000	-
National Parks England	-	-	21,300	-
Rural Development Funds	356,523	325,151	-	-
European Funds	2,391,660	1,221,805	-	-
Water companies	1,229,321	12,575	80,185	23,708
Lottery	690,285	204,128	-	-
OFGEM	22,990	6,768	-	-
Tarmac	20,000	397	-	-
Support Staffordshire	9,859	-	236,611	80,743
The Wildlife Trusts	18,128	9,200	89,796	17,842
The Woodland Trust	43,682	31,132	-	-
RSPB	41,710	5,508	120,074	7,576
National Trust	76,163	4,832	173,412	3000
<b>Total</b>	<b>6,428,613</b>	<b>2,965,544</b>	<b>1,030,288</b>	<b>162,897</b>

## **Note 28 Capital Expenditure**

The total amount of capital expenditure incurred in the year is shown in the table below (including the value of assets acquired under finance leases), together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Authority, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the Authority that has yet to be financed. The CFR is analysed in the second part of this note.



2018-19 £		2019-20 £
<b>1,074,651</b>	<b>Opening Capital Financing Requirement</b>	<b>1,143,308</b>
	<u>Capital Investment</u>	
803,104	Land & Buildings	264,628
135,867	Vehicles, Plant & Equipment	107,111
69,158	Community Assets	257,907
40,692	Infrastructure Assets	35,550
99,596	Intangible Assets	8,499
0	Revenue Expenditure Funded from Capital under Statute	0
<b>1,148,417</b>	<b>Total</b>	<b>673,695</b>
	<u>Sources of Finance</u>	
(69,435)	Capital Receipts	(79,111)
(698,212)	Government Grants and other contributions	(209,019)
	<u>Sums set aside from Revenue</u>	
(180,463)	Direct Revenue Contributions	(261,247)
(131,650)	Minimum Revenue Provision for repayment of principal	(106,165)
<b>1,143,308</b>	<b>Closing Capital Financing Requirement</b>	<b>1,161,461</b>
	<b>Explanation of Movements in year</b>	
0	Increase in underlying need to borrow (supported by government financial assistance)	0
0	Expenditure financed from new external borrowing (not supported by government financial assistance)	0
200,307	Expenditure not supported by government financial assistance financed from internal funds	124,318
0	Use of Capital Receipts to reduce CFR	0
(131,650)	Minimum Revenue Provision	(106,165)
0	Assets acquired under finance leases	0
<b>68,657</b>	<b>Increase (Decrease) in Capital Financing Requirement</b>	<b>18,153</b>

## Note 29 Statement of Capital Charges charged to Revenue

The following statement shows the amount of capital charges calculated and charged to services, comprising depreciation, upwards and or downwards revaluation and/or impairment of the Authority's fixed assets.

2018-19 £		2019-20 £
	<b>Conservation of the Natural Environment</b>	
1,285	Forestry & Tree Mgt	2,123
32,145	Conservation Projects	42,382
70,798	Estates Management	81,037
<b>104,228</b>		<b>125,542</b>
	<b>Recreation Management</b>	
16,073	Campsites, Hostels & Barns	18,957
66,184	Access, Walking and Riding Routes	146,880
127,489	Car Parks & Concessions	158,032
6,627	Cycle Hire	11,115
19,838	Toilets	33,441
<b>236,211</b>		<b>368,425</b>
	<b>Promoting Understanding</b>	
38,300	Visitor Centres	40,833
611	Environmental Education	524

38,911		41,357
	<b>Rangers, Estate Service &amp; Volunteers</b>	
26,544	Rangers	21,442
14,766	Conservation Volunteers	21,953
277	Estate Workers	263
41,587		43,658
	<b>Development Control</b>	
317	Development Control	253
	<b>Service Management and Support Services</b>	
5,852	Vehicles	6,658
56,952	Headquarters Premises	53,671
103,286	Capitalised IT Expenditure	113,995
166,090		174,324
<b>587,344</b>	<b>Total</b>	<b>753,559</b>

## Note 30 Leases

### Authority as Lessee

#### Finance Leases

The Authority does not have any finance leases. As such the liability for future rentals, or any asset value, is not shown in the balance sheet.

#### Operating Leases

##### Vehicles

The fleet management policy was unchanged during 2019/20 and again had no vehicle leases in operation. Three vehicle were sold during the year and one new vehicle was purchased.

##### Equipment

The Authority continues to acquire its ICT services (namely networking servers including processing power, memory (RAM) and storage capacity) by leasing equipment from an external provider, with the current IaaS Core Services contract running until January 2022.

##### Property

The revenue charge reports the total lease payments made in year (including arrears payments where specified).

During the year ended 31<sup>st</sup> March 2020 the Authority made the following payments for operating leases charged to revenue:

	31 March 2020	31 March 2019
	£	£
Vehicles	0	0
Equipment	85,618	80,684
Property	80,953	77,125
<b>Total</b>	<b>166,571</b>	<b>157,809</b>

The future minimum lease payments due under non-cancellable leases in future years are:

	31 March 2020	31 March 2019
	£	£
Not later than one year	185,149	173,667
Later than one year and not later than five years	438,708	545,721
Later than five years	86,326	86,855
<b>Total</b>	<b>710,183</b>	<b>806,243</b>

## Authority as Lessor

### Finance Leases

The Authority has not issued any finance leases.

### Operating Leases

The Authority leases out property under operating leases primarily for the following purposes:

- For the provision of Farm Business Tenancies on Authority owned land and Agricultural Grazing of livestock for private working farms
- The lease of office accommodation to private businesses
- The provision of local market rents on the Warslow Estate
- The lease of the Eastern Moors to the EM Partnership for moor management and sustainability

The Authority collected the following rents in 2019/20 from its assets as lessor:

	31 March 2020	31 March 2019
		£
General Rents	2,497	1,973
Agricultural Rents	110,660	120,574
Residential Rents	95,745	91,522
Business Rents	48,830	26,947
Agricultural Licences	18,446	16,916
Business Licences	29,748	53,551
Eastern Moors Lease	22,569	22,083
<b>Total</b>	<b>328,495</b>	<b>333,566</b>

The table below shows in aggregate the future minimum lease payments receivable for non-cancellable leases in future years. Residential rents and agricultural licences have been excluded from these disclosures because they do not fit a non-cancellable operating lease as defined in the Code of Practice on Local Authority Accounting.

As last year the projected lease income excludes possible changes to the property portfolio as per the asset management strategy, nor does it include any changes expected from any new initiatives under the Authority's commercial strategy.

The year on year increases have been retained and calculated according to expected returns as advised by the Authority's Property Service. There have been no changes to the method of calculation.

	31 March 2020	31 March 2019
		£
Not later than one year	222,590	229,631
Later than one year and not later than five years	935,778	965,376
Later than five years	245,757	253,531
<b>Total</b>	<b>1,404,125</b>	<b>1,448,538</b>

## Note 31 Heritage Assets

Heritage assets are assets with historical, artistic, scientific, technological, geophysical or environmental qualities which are held and maintained principally for their contribution to knowledge and culture. The accounting standard (FRS 30) has been introduced in order to move these assets onto a valuation basis on the Balance Sheet, rather than as currently, a historic cost basis; the predominant reason for the introduction of the change is to ensure that items held within Local Authority museum and gallery collections are properly reflected in valuation terms on the Balance Sheet. The standard also allows a Local Authority to move other Community Assets, which are currently accounted for on the same historic cost basis, onto a valuation basis. Notwithstanding its historical or other heritage qualities, any asset used by an organisation in its operations is still required to be accounted for as an operational asset, and not as a heritage asset; it is therefore accounted for as set out in the Summary of Accounting policies note paragraph 2.19.

Whilst some of the Authority's properties may contain historical, geophysical or environmental qualities which could meet some of the criteria relating to heritage assets, it is considered that they are owned primarily to achieve the Authority's operational purposes (the conservation and enhancement of the natural environment and cultural heritage) and these assets are accounted for as operational assets and valued and depreciated accordingly. Where the assets meet the definition of Community Assets they remain within this asset category. The Authority therefore is not recognising any of its assets within the Heritage asset category. The Authority's Community assets are property holdings - predominantly the Warslow Moors Estate – and the Authority does not intend to take the option of valuing these assets and they are expected to remain within the Balance Sheet at their historic cost.

## Note 32 Defined Benefit Pension Scheme

All entries made in the Comprehensive Income & Expenditure Account and Balance Sheet relating to pensions are shown together in this note. As part of the terms and conditions of employment the Authority offers retirement benefits. Although these benefits will not actually be payable until the employees retire, the Authority has a commitment to make these payments, which needs to be disclosed at the time that the employees earn this entitlement. The Authority operates only one pension scheme, the Local Government Pension Scheme administered by Derbyshire County Council; this is a funded scheme, with the Authority and employees paying contributions calculated at a level intended to balance the pensions' liabilities with investment assets. The principal risks to the Authority of the scheme are the longevity assumptions of members, statutory or structural changes to the scheme, changes to inflation, bond yields (used to measure the value of future liabilities) and the performance of investments (predominantly equity based).

### **Comprehensive Income and Expenditure Account**

The cost of retirement benefits is recognised in the Total Cost of Services when they are earned by employees, rather than when the Authority makes its statutory payments to the Pension Fund, which are determined by the Scheme's Actuary. The charge which needs to be accounted for against government grant however is the actual cash paid to the Pension Fund during the year, so the real cost of retirement benefits is reversed out of the General Fund via the Movement in Reserves Statement. The following transactions have been made in the CIES and the General Fund Balance via the Movement in Reserves Statement during the year:-

<b>2018-19</b>			<b>2019-20</b>
<b>£</b>			<b>£</b>
	<u>Cost of Services</u>		
2,141,000	Current Service cost		2,576,000
0	Curtailments / Settlements		0
315,000	Past Service cost (gain)		50,000
<u>2,456,000</u>			<u>2,626,000</u>
	<u>Financing &amp; Investment Income &amp; Expenditure</u>		
414,000	Net Interest Expense	Note 9	510,000
<u>2,870,000</u>	Total Chargeable to Surplus or Deficit on the Provision of Services		<u>3,136,000</u>
	<u>Other amount chargeable to the CIES (Re-measurement of plan liabilities)</u>	Note 5	
(1,549,000)	Return on plan assets excluding amount included in net interest expense above		4,023,000
(0)	Actuarial (gains) and losses arising on changes in demographic assumptions		(2,641,000)
5,527,000	Actuarial (gains) and losses arising on changes in financial assumptions		(5,825,000)
17,000	Other Experience		(4,013,000)
<u>3,995,000</u>	Total Re-measurements		<u>(8,456,000)</u>
<u><b>3,995,000</b></u>	<b>Total Charged to the Comprehensive Income &amp; Expenditure Account</b>		<u><b>8,456,000</b></u>
	<u>Movement in Reserves Statement</u>		
(2,870,000)	Reversal of net charges made to the Surplus or Deficit for the Provision of Services		(3,136,000)
	<u>Employers' Contributions payable</u>		
1,139,598	Actual amount charged against the General Fund balance for pensions in the year		1,100,191

### **Balance Sheet**

The underlying assets and liabilities for retirement benefits attributable to the Authority as at 31<sup>st</sup> March 2019 are as follows:

<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>		<b>2019-20</b>
<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>		<b>£</b>
(54,366,000)	(65,737,000)	(66,819,000)	(75,238,000)	Estimated Liabilities in scheme	(65,512,000)
42,176,000	50,849,000	52,167,000	54,773,000	Estimated Assets in scheme	51,529,000
<u>(12,190,000)</u>	<u>(14,888,000)</u>	<u>(14,652,000)</u>	<u>(20,465,000)</u>	<b>Net Asset (Liability)</b>	<u><b>(13,983,000)</b></u>
78%	77%	78%	72%	% Funded	79%

The liabilities show the underlying commitments that the Authority has in the long-run to pay retirement benefits. The total liability of £13.983m has a substantial impact on the net worth of the Authority as recorded in the balance sheet. However, statutory arrangements for funding the deficit mean that the financial position of the Authority remains sound as the deficit on the local government scheme will be made good by increased contributions over the remaining working life of employees, as assessed by the scheme actuary in triennial valuations of the scheme. Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels etc.

### **Analysis of Present Value of Scheme Liabilities**

	£
<b>Opening Balance 1<sup>st</sup> April 2019</b>	<b>75,238,000</b>
Current Service cost	2,576,000
Interest Cost	1,821,000
Contributions from scheme participants	381,000
<b><u>Re-measurement (Gains) and losses:-</u></b>	
-changes in demographic assumptions	(2,641,000)
-changes in financial assumptions	(5,825,000)
-Other	(4,013,000)
Past Service Cost	50,000
Curtailment (gains) losses	0
Benefits paid	(2,075,000)
<b>Closing Balance 31<sup>st</sup> March 2020</b>	<b>65,512,000</b>

### **Analysis of Value of Scheme Assets**

	£
<b>Opening fair value 1<sup>st</sup> April 2019</b>	<b>54,773,000</b>
Interest income	1,311,000
Re-measurement gain (loss):-	
Return on plan assets excluding amount in net interest expense charged to CIES	(4,023,000)
Other	0
Contributions from employer	1,114,000
Contributions from employees into the scheme	381,000
Benefits paid	(2,027,000)
<b>Closing fair value 31<sup>st</sup> March 2020</b>	<b>51,529,000</b>

**Analysis of Pension Fund Assets**

<b>Asset Category</b>	<b>Period Ended 31<sup>st</sup> March 2020</b>				<b>Period Ended 31<sup>st</sup> March 2019</b>			
	Quoted in active markets £,000	Not Quoted in active markets £,000	Total £,000	% of Total Assets	Quoted in active markets £,000	Not Quoted in active markets £,000	Total £,000	% of Total Assets
<b>Equity Securities:</b>								
Consumer	1,405.0	0	1,405.0	3	3,327.3	0	3,327.3	6
Manufacturing	803.6	0	803.6	2	3,456.7	0	3,456.7	6
Energy/Utilities	377.3	0	377.3	1	2,421.1	0	2,421.1	4
Financial institutions	567.3	0	567.3	1	2,667.2	0	2,667.2	5
Health & Care	810.8	0	810.8	2	1,735.4	0	1,735.4	3
Information Technology	1,207.2	0	1,207.2	2	1,308.4	0	1,308.4	2
Other	4,271.8	0	4,271.8	8	5,854.2	0	5,854.2	11
<b>Debt Securities:</b>								
Corporate Bonds (Investment Grade)	0	6,521.0	6,521.0	13	0	5,776.8	5,776.8	11
Corporate Bonds (non-Investment Grade)	0	0	0	0	0	0	0	0
UK Government	5,119.5	0	5,119.5	10	5,103.0	0	5,103.0	9
Other	1,289.4	0	1,289.4	3	1,066.4	0	1,066.4	2
<b>Private Equity:</b>								
All	610.1	1,108.6	1,718.7	3	763.7	731.6	1,495.3	3
<b>Real Estate:</b>								
UK property	0	4,528.7	4,528.7	9	0	4,369.1	4,369.1	8
Overseas Property	0	0	0	0	0	0	0	0
<b>Investment Funds &amp; Unit Trusts:</b>								
Equities	15,805.9	0	15,805.9	31	9,647.8	0	9,647.8	18
Bonds	0	0	0	0	0	0	0	0
Hedge Funds	0	0	0	0	0	0	0	0
Commodities	0	0	0	0	0	0	0	0
Infrastructure	861.8	2,956.4	3,818.2	7	863.6	1,329.6	2,193.2	4
Other	0	0	0	0	0	0	0	0
<b>Derivatives:</b>								
Inflation	0	0	0	0	0	0	0	0
Interest Rate	0	0	0	0	0	0	0	0
Foreign Exchange	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
<b>Cash &amp; Cash Equivalents:</b>								
All	0	3,284.6	3,284.6	5	0	4,351.1	4,351.1	8
<b>Totals</b>	<b>33,130</b>	<b>18,399</b>	<b>51,529</b>	<b>100</b>	<b>38,215</b>	<b>16,558</b>	<b>54,773</b>	<b>100</b>

The Authority's scheme has been assessed by Hymans Robertson LLP, using the methodology required by IAS 19, based on the current valuation which was based on information as at 31<sup>st</sup> March 2020. The actuaries have relied upon mortality assumptions based on a bespoke set of "VitaCurves" specifically tailored to fit the membership profile of the Fund, in line with the 2018 model published by the Continuous Mortality Investigation (CMI):-

<b>Life expectancy beyond age 65</b>	<b>Male</b>	<b>Female</b>
Current Pensioners	21.6	23.7
Future Pensioners (assumed age 45)	22.6	25.1

The main assumptions used in their calculations have been

#### **31 March 2019**

%	
3.0	Rate of increase in salaries
2.5	Rate of increase in pensions (CPI)
2.4	Discount rate for scheme liabilities

#### **31 March 2020**

%
2.6
1.9
2.3

### **Impact on the Authority's Cash Flows**

The objectives of the scheme are to keep employers' contributions at as constant a rate as possible, with a view to achieving a funding level of 100%, and the scheme is valued formally every three years. The employer's contributions for 2020/21 are expected to be in the region of £1,104,000. The projected current service cost for 2020/21 is estimated to be £1,995,000.

The estimation of the scheme obligations is sensitive to the actuarial assumptions set out above. The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes, while all other assumptions remain constant. In practice some of the assumptions may be inter-related.

<b>Change in assumption at March 2020</b>	<b>Approximate % increase to Employer liability</b>	<b>Approximate monetary amount £,000</b>
0.5% decrease in Real Discount Rate	9	6,016
1 year increase in member life expectancy	3-5	-
0.5% increase in the Salary increase Rate	1	503
0.5% increase in the Pension increase Rate	8	5,467

### **McCloud Judgement**

When the Local Government Pension Scheme (LGPS) benefit structure was reformed in 2014, transitional protections were applied to certain older members close to normal retirement age. The benefits accrued from 1 April 2014 by these members are subject to an 'underpin' which means that they cannot be lower than the benefits they would have received under the previous structure. The underpin ensures that these members do not lose out from the introduction of the new scheme, by effectively giving them the better of the benefits from the old and new schemes. In December 2018 the Court of Appeal upheld a ruling ("McCloud/Sargeant") that similar transitional protections in the Judges' and Firefighters' Pension Schemes were



unlawful on the grounds of age discrimination. The implications of the ruling are expected to apply to the LGPS (and other public service schemes) as well. The UK Government requested leave to appeal to the Supreme Court but this was denied at the end of June 2019. LGPS benefits accrued from 2014 may therefore need to be enhanced so that all members, regardless of age, will benefit from the underpin. Alternatively, restitution may be achieved in a different way, for example by paying compensation. In either case, the clear expectation is that many more members would see an enhanced benefit rather than just those currently subject to these protections. There will therefore be a retrospective increase in members' benefits, which in turn will give rise to a past service cost for the Fund employers. The Accounts include the Fund Actuary's assessment of the impact of the judgement.

### Guaranteed Minimum Pension (GMP) Equalisation

Guaranteed minimum pension (GMP) was accrued by members of the Local Government Pension Scheme (LGPS) between 6 April 1978 and 5 April 1997. The value of GMP is inherently unequal between males and females for a number of reasons, including a higher retirement age for men and GMP accruing at a faster rate for women. However overall equality of benefits was achieved for public service schemes through the interaction between scheme pensions and the Second State Pension. The introduction of the new Single State Pension in April 2016 disrupted this arrangement and brought uncertainty over the ongoing indexation of GMPs, which could lead to inequalities between men and women's benefits.

As an interim solution to avoid this problem, GMP rules were changed so that the responsibility for ensuring GMPs kept pace with inflation passed in full to pension schemes themselves for members reaching state pension age between 6 April 2016 and 5 April 2021. This new responsibility leads to increased costs for schemes (including the LGPS) and hence scheme employers.

The Fund's actuary has carried out calculations in order to estimate the impact that the GMP indexation changes will have on the liabilities of the Authority for financial reporting purposes. The estimate assumes that the permanent solution eventually agreed will be equivalent in cost to extending the interim solution to all members reaching state pension age from 6 April 2016 onwards.

## Note 33 Risks Arising from Financial Instruments

The Authority has a number of exposures to risks arising from financial instruments.

£	Long Term			Current		
	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2019	31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2019	31 <sup>st</sup> March 2020
<b>Investments</b>						
Loans and receivables	0	0	0	6,848,981	4,985,977	5,004,129
<b>Debtors</b>						
Financial assets carried at contract amounts	0	0	0	2,307,049	3,319,196	3,494,357
<b>Total Debtors &amp; Investments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,156,030</b>	<b>8,305,173</b>	<b>8,498,486</b>
<b>Borrowings</b>						
Financial liabilities at amortised cost	(459,971)	(419,942)	(391,664)	(12,735)	(26,995)	(28,278)
<b>Total Borrowings</b>	<b>(459,971)</b>	<b>(419,942)</b>	<b>(391,664)</b>	<b>(12,735)</b>	<b>(26,995)</b>	<b>(28,278)</b>
<b>Creditors</b>						
Financial liabilities at amortised cost	0	0	0	(1,133,106)	(803,267)	(1,495,285)
<b>Total Creditors</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,133,106)</b>	<b>(803,267)</b>	<b>(1,495,285)</b>

Financial liabilities, financial assets represented by loans and receivables and long-term debtors and creditors are carried in the Balance Sheet at amortised cost. Their fair value can be assessed by calculating the present value of the cash flows that will take place over the remaining term of the instruments. The fair values of loans, provided by PWLB, are reported in Note 35. Short term debtors and creditors are carried at cost as this is a fair approximation of their value. The risks and mitigating actions are described below.

### Credit Risk

This is defined as the possibility that one party to a financial instrument will fail to meet its contractual obligations causing a loss for the other party. The Balance Sheet contains two items of this nature, Debtors (Note 14) and Cash and Cash Equivalents (Note 15). The Debtors figure contains £1,785,778 of debt from government agencies, Local Authorities and other public bodies. These funds are owed because of projects the Authority undertakes either in partnership or as a result of grant aid. The risks of non payment are assessed as relatively low as project outcomes and eligibility rules are believed to have been met for funds expended during 2019-20. The Debtors figure of £2,024,111 relating to bodies external to government arises from a combination of normal business activity and one-off projects. The bad debts provision of £31,967 is regarded as reasonable mitigation of the risks of general debts not being paid, representing 17% of debt outstanding over 4 months in age. The provision is reviewed annually. All Short Term investments, in accordance with the Authority's Treasury Mgt Policy, are invested with North Yorkshire County Council under a Service Level Agreement. The risk of North Yorkshire County Council failing to meet its contractual obligations under this agreement is judged to be low. The Authority has adopted North Yorkshire County Council's Treasury Management Policy at its March 2020 meeting. The Authority's Treasury Management Policy emphasises that the security of its cash resources is the primary objective of its Treasury Management, over and above the need to obtain a reasonable investment return.

### Liquidity Risk

This is defined as the possibility that the Authority might not have the funds available to meet its commitment to make payments. The Balance Sheet shows that the Authority has sufficient cash to finance its current liabilities, and the Treasury Mgt Policy allows the Authority to borrow to finance its working capital needs if necessary. In practice this has not been needed as Defra allow National Park Grant to be drawn down quarterly based on cashflow forecasts, and these forecasts include prudent contingencies for working capital. For its capital resources the Authority is able to draw on long term loans from the Public Works Loan Board.

### Market Risk

This is defined as exposure to movement in prices arising from market conditions. The Authority does not have any investment in equity shares. The Authority has some exposure to exchange rate risk because of a European funded grant project, which is paid retrospectively in euros.

The exposure relates to the Moorlife 2020 project, which is a five year project with 75% grant aid from the European Commission of €11,984,887, starting in 2016/17, which has been extended to 2022. The project therefore has an element of exchange rate risk depending upon the exchange rate of the euro against sterling, at key points in the project. Sterling expenditure on the project is converted monthly by the Commission at the exchange rate on the first working day of the calendar month, which then represents the project expenditure for the year denominated in euros, from which the appropriate % of grant aid is derived in euros. The grant is drawn down in four stages, and the date on which the euro grant is drawn down and paid over determines the value of sterling income received. The first tranche (40%) of the

grant, €3,595,466, was paid in advance in October 2015, and the second tranche (30%) of €2397,176 was paid in May 2019.

A financial risk to the Authority was identified if sterling strengthened significantly against the euro during the project, considered to be in the region of £1.5m at its maximum. The risk was therefore be mitigated by adjusting the overall sterling budget of the project (downwards by up to £1.5m), and also by considering how forward exchange contracts might be used to give greater certainty over future transaction exchange rates. A contingency of £500,000 has been allocated to an earmarked reserve to take account of any further exchange rate and grant draw down risks to the completion of the project, and this is considered to be sufficient based on current analysis of the project. A further risk was identified as a result of “Brexit” and specific assurances have been sought that the project would be covered by the Chief Secretary to the Treasury’s guarantee that such projects would be underwritten by the UK government. A letter from Defra’s Permanent Secretary was received on the 9<sup>th</sup> February 2016, to this effect.

In terms of interest rate risk, the unprecedented reduction in variable interest rates during the 2008-09 year and continuing very low base rates has had a large impact on the rate of interest earned on surplus funds during the year. Budgetary assumptions have been adjusted assuming these low variable interest rates would prevail. There is not therefore considered to be a significant risk in the Authority’s financial position arising from changes in variable interest rates, other than continuing pressure on budgets because of the depressed receipts. The Authority’s long term borrowings are at a fixed rate of interest, and it is the Authority’s policy to manage these risks by monitoring prevailing long term interest rates, ensuring that exposure to uncompetitive interest rate payments is minimised where possible. The timing of capital investment and raising of loan finance is also reviewed and forecast, in order to take advantage of interest rates which compare favourably against long term averages; the Capital Financing Requirement (CFR) is also managed in the short term with internal use of funds. Of the £1,161,461 CFR £419,942 is financed from external fixed rate debt, with £741,519 at risk of interest rate fluctuations, and it is considered that there is a reasonable risk in continuing to finance this from internal funds while the markets are still pricing medium term interest rates at low levels.

#### **Note 34 Prior Year Adjustments**

There have been no prior year adjustments.

#### **Note 35 Loans**

The Authority’s short-term borrowing is as follows:-

<b>31 March 2019</b>	<b>Analysis by Type of Loan</b>	<b>31 March 2020</b>
<b>£</b>		<b>£</b>
26,995	Public Works Loan Board	28,278
<b>26,995</b>	<b>Total</b>	<b>28,278</b>

The Authority’s Long-term borrowing is as follows:-

<b>31 March 2019</b>	<b>Analysis by Type of Loan</b>	<b>31 March 2020</b>	<b>Ave. Interest Rate</b>
<b>£</b>		<b>£</b>	<b>%</b>
419,942	Public Works Loan Board	391,664	4.7
<b>419,942</b>	<b>Total</b>	<b>391,664</b>	

<b>Analysis by maturity</b>			
28,278	Between 1 and 2 years	29,623	4.7
76,720	Between 2 and 5 years	97,593	4.7
182,948	Between 5 and 10 years	174,424	4.7
131,996	Between 10 and 15 years	90,024	4.7
0	Between 15 and 20 years	0	-
0	Between 20 and 25 years	0	-
<b>419,942</b>		<b>391,664</b>	<b>4.7</b>

The Code requires disclosure of the fair value of the loan, which is calculated by the PWLB based on the repayment rates prevailing on the dates below. This value is compared against the carrying value in the Balance Sheet, including debt repayments due within one year.

<b>31 March 2019</b>		<b>31 March 2020</b>
<b>569,803</b>	<b>PWLB Fair Value</b>	<b>547,090</b>
<b>Balance Sheet Carrying Value</b>		
26,995	Under 1 year	28,278
419,942	Between 1 and 30 years	391,664
<b>446,937</b>		<b>419,942</b>

The Fair Value is more than the carrying amount at 31<sup>st</sup> March 2020 because the fixed rate loan interest payable on existing loans is higher than the rates available for similar loans at that date. This Fair Value is derived by discounting the current fixed repayments remaining on the loan using the interest rates available at Balance Sheet date, with the result that if the Authority requested an early repayment of the loan, the lower interest rates prevailing at Balance Sheet date would result in the PWLB requesting a higher current value for the repayment than the amount outstanding shown in the Balance Sheet.

The Authority has one long term loan only:-

- a 25 year PWLB loan, repayable using the annuity method of repayment, with fixed half-yearly payments including principal and interest. The loan was taken out on 30/10/06 at a fixed rate of 4.7% with a final payment 30/09/2031.

### **Note 36      Impact of Accounting Changes**

Under the Code, the Authority is required to disclose details on the impact of an accounting change required by a new accounting standard that has been issued but not yet adopted by the Code.

The principal accounting change that will affect this Authority's accounts will arise from the introduction of IFRS 16 – Leases. This standard is anticipated to apply from 1<sup>st</sup> April 2021, and establishes a new model for accounting for leases of substantial long term leased assets. The likely impact is that leases classified as operating leases may need to be re-classified and dealt with as a balance sheet asset, in a similar way to finance leases currently. The precise impact on the Authority has not yet been calculated as the application of the standard to Local Authorities is still being discussed, but it is expected that a number of property leases will be affected by the change. The balance sheet values affected may not be a material sum, depending on the accounting treatment required under the new standard, especially for peppercorn or nil consideration leases.

**Note 37 Reconciliation of Operating Activities in Cash Flow Statement to Revenue Expenditure**

2018-19 £		2019-20 £
<b>1,218,898</b>	<b>(Surplus) Deficit on Income &amp; Expenditure Account</b>	<b>2,155,113</b>
(1,292,151)	Adjustments between accounting basis and funding basis (Note 6)	(2,266,453)
86,342	Transfers to (from) earmarked reserves (Note 7)	417,039 (1,849,414)
<b>13,089</b>	<b>(Increase)/Decrease in General Reserve Balance for the year</b>	<b>305,699</b>
(131,650)	Minimum / Voluntary Revenue Provision	(106,165)
(230,533)	Contributions (to)/from Reserves	(426,746)
144,191	Contributions (to)/from Restricted Funds	9,707
373,518	(Increase)/Decrease in Creditors	(852,617)
359,790	(Increase)/Decrease in Advance Income	509,251
1,058,501	Increase/(Decrease) in Debtors	277,556
54,633	Increase/(Decrease) in Stock	43,269
(180,463)	Revenue Contribution to Capital Expenditure	(261,247)
<b>1,447,987</b>		<b>(806,992)</b>
<b>1,461,076</b>	<b>Net Cash Flow Operating Activities</b>	<b>(501,293)</b>

**Note 38 Reconciliation of Liabilities Arising from Financing Activities**

	1 <sup>st</sup> April 2019 £	Financing cashflows £	1 <sup>st</sup> March 2020 £
Long Term Borrowings	<b>(419,942)</b>	28,278	<b>(391,664)</b>
Short Term Borrowings	<b>(26,995)</b>	(1,283)	<b>(28,278)</b>
<b>Total Liabilities from Financing activities</b>	<b>(446,937)</b>	<b>26,995</b>	<b>(419,942)</b>

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## Appendix 2

### Amendments to draft Accounts

Amendments made are shown below; where applicable the highlights show the revised figure.

**1. The depreciation policy wording in respect of buildings' asset life should reflect the policy adopted in practice.**

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

<i>Type of Fixed Asset</i>	<i>Depreciation Period</i>
Land & Community assets	Nil
Furniture & Equipment	over the life of the asset – 5-10 years ; computer hardware 3 years
Vehicles	over the life of the asset - 6-20 years
Car Parks	over the life of the asset - 15-20 years
Buildings	over the life of the asset - 60 years, unless the valuer indicates a shorter asset life
Intangible Assets	over the life of the asset – 5 years
Surplus Assets	Surplus assets are usually Buildings, so they share the same 60 year asset life, unless the valuer indicates a shorter asset life.
Infrastructure Assets	over the life of the asset - 60 years, unless a shorter asset life is warranted as a result of applying a component accounting approach

**2. Note 30 Leases included an amount of £570,000 of non-contractual costs which should not be included.**

#### Equipment

The Authority continues to acquire its ICT services (namely networking servers including processing power, memory (RAM) and storage capacity) by leasing equipment from an external provider, with the current IaaS Core Services contract running until January 2022. The rental forecast has been extended to include subsequent years outside the current contract as the intention is to renew an equipment lease contract for 2022/23 onwards

The future minimum lease payments due under non-cancellable leases in future years are:

	31 March 2020	31 March 2019
	£	£
Not later than one year	185,149	173,667
Later than one year and not later than five years	438,708	888,708
Later than five years	86,326	206,326
<b>Total</b>	<b>710,183</b>	<b>806,243</b>

**3. Note 25, The disclosure note for audit fees, included additional costs of £1,500 which related to the 2018/19 year rather than the 2019/20 year it was paid, so the note needs amending to correct this.**

#### **Note 25 External Audit Cost**

Fees paid to Mazars LLP for audit services were as follows:-

	<b>2018-19</b>	<b>2019-20</b>
	<b>£</b>	<b>£</b>
External audit services as appointed auditor	<b>11,708</b>	<b>10,208</b>
	<b>10</b>	<b>1,708</b>
Fees in respect of statutory inspection	0	0
Fees payable for certification of grant claims and returns	0	0
Fees payable in respect of any other services provided by the appointed auditor	0	0
<b>Total</b>	<b>11,708</b>	<b>10,208</b>
	<b>10</b>	<b>1,708</b>

**4. The Statement of Accounts should be updated to reflect the valuation uncertainties arising from Covid-19 and the valuer's notification that there is material uncertainty over the valuation of buildings at the Balance Sheet date.**

#### **Additional Text to Note 2:-**

The Land & Buildings figure (within the Property, Plant & Equipment heading on the Balance Sheet) is determined by the accounting policies outlined in paragraph 3.19.3 and 3.19.4, and as such, any revaluations of assets within this category may be subject to variations arising from the nature of the valuation process. In particular, the Authority's Valuer has issued a notification that, due to Covid-19, there is material uncertainty over the valuation of Land and Buildings at Balance Sheet date. The Authority's valuation of its Land and Buildings assets is therefore reported on the basis of 'material valuation uncertainty' as indicated in Global Valuation Technical and Performance Standards and Practice Guidance Applications VPS 3 and VPGA 10 of the Royal Institute of Chartered Surveyors (RICS) Red Book Global Standards, containing mandatory rules, best practice guidance and related commentary for all members undertaking asset valuations. Consequently, less certainty and a higher degree of caution should be attached to the Authority's Land and Buildings valuation than would normally be the case. The carrying amount as at 31/03/2020 was £19,552,981. There are no other significant estimations or assumptions which require disclosure.



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**9. 2019/20 ANNUAL GOVERNANCE STATEMENT (AMC)**

**1. Purpose of the report**

Members are asked to review and approve the audited Annual Governance Statement for 2019/20.

**Key Issues**

- Each year the Authority reviews its performance against the Code of Corporate Governance and in doing so this reviews the effectiveness of its governance arrangements including the system of internal control. The results of this feed into the Authority's Annual Governance Statement at Appendix 1.
- This review takes into account 'assurances' received during the year.
- The Annual Governance Statement highlights areas for further action in accordance with our approach to achieve continuous performance improvement.
- The External Auditor is expected to give a satisfactory conclusion with no issues highlighted following the Auditors' assessment of the Annual Governance Statement.

**2. Recommendations**

1. To approve the audited Annual Governance Statement for 2019/20 for sign off by the Chief Executive Officer and the Chair of the Authority.

**How does this contribute to our policies and legal obligations?**

3. Regulation 6 of the Accounts and Audit Regulations (2015) requires relevant bodies to conduct a review at least once a year of the effectiveness of its system of internal control and Members must approve an Annual Governance Statement, prepared in accordance with proper practices in relation to internal control, at the same time as the statement of accounts is approved under Regulation 12(2). To comply with the Regulations the Authority published an unaudited version of the Statement before the required deadline of 31 May. This report now asks the National Park Authority to approve the audited version before it is published in accordance with the Regulations.
4. The Ministry for Housing Communities and Local Government has clarified that 'proper practice' in relation to internal control relates to guidance produced by CIPFA (Chartered Institute of Public Finance and Accountancy) and SOLACE (Society of Local Authority Chief Executives). This guidance is found in the CIPFA/SOLACE publication titled 'Delivering Good Governance in Local Government Framework' which was updated in February 2016. Members approved our revised Code of Corporate Governance which reflected this guidance at the Authority meeting held on 3 February 2017 (Minute no. 5/17 refers)
5. This guidance has been supplemented and updated by: the CIPFA statement on the Role of the Chief Financial Officer (02/2016); the CIPFA statement on the Role of the Head of Internal Audit (2010); and the CIPFA delivering good governance addendum (2012). Since 2014/15 we have also been required to include a statement on our assessment of performance against CIPFA's Code of Practice on Managing the Risk of Fraud and Corruption.
6. A review of our performance against the Authority's Code of Corporate Governance

feeds into this Annual Governance Statement and is part of our work to ensure the Authority has a solid foundation supporting achievement of our outcomes, as set out in the Corporate Strategy, by making sure the Authority is an agile and efficient organisation. Obtaining a satisfactory External Audit conclusion on value for money through an assessment of the Annual Governance Statement is a corporate indicator.

### **Background Information**

7. The review of effectiveness of our governance framework, including the system of internal control, is informed by assurances from Officers and Members within the Authority who have responsibility for the development and maintenance of the governance environment (including financial controls, risk management and performance management processes, compliance with advice on legislation and regulations), Internal and External Audit reports and opinions, comments made by other agencies and inspectorates as well as feedback from customers and stakeholders.
8. The 2019/20 Annual Assurance Report from our Internal Auditor states: “the overall opinion of the Head of Internal Audit on the framework of governance, risk management and control operating in the Authority is that it provides Substantial Assurance. Although there are no significant control weaknesses, in light of the current coronavirus pandemic and the impact of this on the Authority, this year the opinion is qualified as the opinion is based on internal audit work undertaken, and completed, prior to emergency measures being implemented as a result of the pandemic. These measures have resulted in a significant level of strain being placed on normal procedures and control arrangements. The level of impact is also changing as the situation develops. It is therefore not possible to quantify the additional risk arising from the current short term measures or the overall impact on the framework of governance, risk management and control.
9. The review of effectiveness is continual throughout the year as evidenced by some of the action taken during the year but a more formal assessment takes place each year in the preparation for this statement. Usually a meeting is held during April to:
  - a) Review our performance against our action statements of commitment in our Code of Corporate Governance and highlight what we have done in the 2019/20 year which contributes to achieving our outcome of ‘good governance’
  - b) Identify any further action needed for the forthcoming year in accordance with our approach to ensure continuous performance improvement.
10. These meetings involve the Chief Executive (Head of Paid Service), the Chief Finance Officer and Head of Finance, Director of Corporate Strategy and Development, Director of Conservation and Planning, Director of Commercial Development and Engagement, Chair of the Authority, the Head of Law and Monitoring Officer and the Deputy Monitoring Officer. Unfortunately due to the Covid-19 Emergency this meeting could not take place. However, all the usual meeting participants were still able to contribute to the preparation of the Annual Governance Statement remotely.
11. It was agreed that the outputs of the review in terms of improvement action for the forthcoming year would be reflected in the 2019/20 Annual Governance Statement. These are recorded in Appendix 1 against the 7 core principles of our Code of Corporate Governance. A full record of the review of action and assurances received indicating maintenance and/or improvement to the effectiveness of elements of the governance framework can be obtained from the Head of Law & Monitoring Officer or can be found at:

<http://www.peakdistrict.gov.uk/publications/operationalpolicies>

12. The full review has not been included in the Annual Governance Statement in order to provide a briefer document but a detailed review of performance against our Code of Corporate Governance has been published on the Authority Website.

### **Proposals**

13. The proposed Annual Governance Statement for 2019/20 is given in Appendix 1 for Members' consideration and approval. This statement has been audited by our External Auditors from Mazars to inform their conclusions. The External Auditor is expected to give a satisfactory conclusion with no issues highlighted following their assessment of the Annual Governance Statement but again this may be qualified due to the impact of the Covid-19 Emergency. As a consequence the impact of Covid-19 has been identified as a factor affecting effectiveness in the Annual Governance Statement.
14. As part of reviewing performance and assurances received no significant issues have been identified and the arrangements in place continue to be regarded as fit for purpose in accordance with the governance framework. However over the coming year we will take steps to address a number of issues identified during our review of effectiveness to further enhance our governance arrangements, these are set out in the table at the end of the Appendix.

### **Are there any corporate implications members should be concerned about?**

#### **Financial:**

15. There are no additional financial issues to highlight.

#### **Risk Management:**

16. The system of internal control is a significant part of our governance framework and is designed to manage risk to a reasonable level and not provide absolute assurance of effectiveness so Members need to be aware that problems can still arise. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Authority's policies and outcomes, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage these risks efficiently, effectively and economically.

#### **Sustainability:**

17. There are no issues to highlight.

#### **Equality:**

18. There are no issues to highlight.

### **19. Background papers (not previously published)**

An electronic file of documents has been prepared relevant to the Statement consisting of Authority and Committee reports and other supporting records to evidence the review of effectiveness made in the Statement.

### **20. Appendices**

Appendix 1 - : 2019/20 Annual Governance Statement.

#### **Report Author, Job Title and Publication Date**

Andrea McCaskie, Head of Law, 26 August 2020  
andrea.mccaskie@peakdistrict.gov.uk

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## **2019/20 Annual Governance Statement**

### **Scope of Responsibility**

The Peak District National Park Authority ('the Authority') is responsible for ensuring that its business is conducted in accordance with the law and proper standards and that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively. The Authority also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Authority is responsible for putting in place proper arrangements for the governance of its affairs, and facilitating the effective exercise of its functions, which include arrangements for the management of risk.

The Authority approved and adopted a Code of Corporate Governance in February 2017 which is consistent with the principles of the CIPFA/SOLACE (Chartered Institute of Public Finance and Accountancy/Society of Local Authority Chief Executives) Framework Delivering Good Governance in Local Government published in April 2016. The Code is reviewed annually and if needed updated appropriately including taking into account guidance such as the CIPFA statement on the Role of the Chief Financial Officer (2010), the CIPFA statement on the Role of the Head of Internal Audit (2010) and the CIPFA code of practice on Managing the Risk of Fraud and Corruption (2014). A copy of the Authority's Code of Corporate Governance can be obtained from the Monitoring Officer at Aldern House, Baslow Road, Bakewell, DE45 1AE or can be found on our website at:

<http://www.peakdistrict.gov.uk/publications/operationalpolicies>.

The following statement reports on the outcome of the review of the effectiveness of the Authority's governance arrangements, and also meets the requirements of the Accounts and Audit Regulations 2015.

### **The Purpose of the Governance Framework**

The governance framework comprises the systems, processes, culture and values, for the direction and control of the Authority and its activities through which it accounts to, engages with and leads its National Park 'community' (locally, regionally and nationally). It enables the Authority to monitor the achievement of its strategic outcomes and objectives and to consider whether these objectives have led to the delivery of appropriate services and value for money.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Authority's policies and outcomes, to evaluate the likelihood and potential impact of those risks being realised, and to manage these risks efficiently, effectively and economically.

The elements of the governance framework identified in our Code of Corporate Governance have been in place at the Authority for the year ended 31 March 2020 and up to the date of finalising this statement on 22 May 2020 for publication by the end of May 2020. The statement will be revised prior to reporting to a meeting of the Authority in July 2020 to reflect any significant changes which may occur prior to that date.

## The Governance Framework

The Authority's corporate governance framework, as enshrined in our Code of Corporate Governance, helps us to ensure that the principles of good governance are embedded in all aspects of our work. The key aspects of the corporate governance framework include:

(a) The Authority's work, in pursuing its statutory purposes and duty, is governed by a number of key policies and plans including the Defra (Department for Environment, Food and Rural Affairs) circular, the National Park Grant Memorandum, the 8 Point Plan for England's National Parks and the recently published 25 Year Plan to Improve the Environment. The Authority communicates its vision and intended outcomes for the National Park working with partners over a 5-10 year period, through the National Park Management Plan (NPMP). This is reviewed every 5 years and is supplemented by a number of key National Park strategies and action plans also working with partners. A partnership protocol is in place to support our work with partners. Work on reviewing the NPMP has been completed so a plan is now in place for 2018 to 2023. Progress against the NPMP is monitored by a stakeholder Advisory Group which is independently chaired. Progress will be monitored against six areas of impact.

(b) The Authority's contribution to achieving the NPMP outcomes is described in our corporate objectives. The 2019/20 Corporate Strategy was published a year after the NPMP was approved to ensure the Authority captured the key areas of work it is responsible for in the NPMP in its own corporate objectives. The Authority reports to the independent Advisory Group on its own contribution to the NPMP.

(c) The Performance and Business Plan provides an annual work plan for the Authority showing priorities for action in the forthcoming year, measures of success, targets for performance and allocation of resources. The agreement of this follows a detailed planning process aimed at ensuring the economical, effective and efficient use of resources. We have set realistic, yet ambitious, targets to support our mission to inspire millions of people so together we will protect and care for our National Park for the enjoyment of all.

(d) During 2019/20 the Corporate Strategy has provided a steer for leading and managing change in light of external pressures on the Authority and has guided our budget planning process. The Strategy also focuses on how the Authority will deliver its contributions to the National Park Management Plan. Each outcome identified in the Strategy has a key performance indicator and target, alongside a set of strategic interventions that will guide our work.

(e) Following the adoption of the Authority's Core Strategy in October 2011, work has continued to complete both Development Management Policies and detailed supporting guidance. Collectively this suite of policies and supplementary guidance forms the Authority's Local Development Plan which provides a basis for greater clarity and certainty in decision making over the next 10-15 years. As the National Planning Policy Framework states that local planning authorities should review their Local Plans every 5 years, in March 2019 the Authority agreed the process and timescales for carrying out a review and this process has progressed during 2019/20.

(f) Our seven integrated principles set out our ways of working in terms of how we engage with people, both resident and non-resident and these are reflected in our Corporate Strategy. During the year the Investors in People (IiP) Delivery Group has responded to one of the key recommendations in our IiP audit to develop a set of core values for the organisation. These have been developed by a cross section of staff and following engagement and consultation with all staff, Members and volunteers. These value were launched for the start of the 2020/21 financial year and replace the 7 integrated principles.

(g) The Authority's performance management framework ensures that:

- the 'golden thread' is in place with all individual work programmes linked through the service planning process to achieving corporate objectives/priority focus and National Park Management Plan outcomes
- measures of success are identified and targets set for performance
- resources are allocated to priorities
- risks to achieving corporate objectives are considered and mitigating action identified at corporate and service levels
- performance and the changes to risks are monitored regularly throughout the year
- areas for performance improvement are identified and addressed both in the short term and as part of medium term performance improvement planning. This includes addressing issues arising from strategic, value for money and scrutiny reviews, and external/internal audit and inspection reports.

(h) The Authority's Standing Orders, and other procedures describe how the Authority operates and how decisions are made. They also define the terms of reference for committees and the Authority meeting including the role of the Authority in standards issues. The prime objectives are to operate effectively, efficiently, transparently, accountably and within the law. Our Standing Orders are supplemented by:

- Scheme of Delegation (which is regularly reviewed)
- Codes of Conduct and guidance for Officers and Members
- Policies and Procedures including the Anti-Fraud and Corruption Policy and the Confidential Reporting (whistle blowing) Policy
- Protocols on (i) Member/Officer Relations, (ii) Monitoring Officer and (iii) Development Management and Planning
- Complaints procedures
- Our scrutiny process led by Members

(i) Arrangements are in place to ensure compliance with relevant laws and regulations, internal policies and procedures and that expenditure is lawful. These include:

- requirement in our financial regulations and Standing Orders for technical advice to be sought including legal and financial advice from the Monitoring Officer and Chief Financial Officer
- reports for decisions including reference to relevant policies and procedures
- professional expertise and knowledge of staff employed by the Authority
- professional expertise of contractors and consultants where not available in house
- scrutiny provided by internal and external auditors. The internal auditor has had regular and open engagement across the organisation particularly with managers of the Authority and with Members through both the former Audit Resources and Performance Committee and now Authority meetings.
- a risk based internal audit strategy and annual plan
- reports from external bodies like the Local Government and Social Care Ombudsman, HM Revenue and Customs, Information Commissioner, Planning Inspectorate
- requirement to comply with relevant codes of practice and conduct mandatory for local authorities
- guidance received from time to time from Defra and other government agencies
- allocation of all income and expenditure to approved cost centres by Finance based on approved delegated decisions and business cases by Resource Management Meeting or Members, either at approval of the budget or during the year

(j) Arrangements are in place for 'whistle blowing' and for receiving and responding to complaints from employees if there are concerns about serious matters that could put the Authority and/or the wider public at risk. These arrangements are described in our 'confidential reporting policy'. This is given to all staff as part of their induction and is publicised through our website section titled 'standards and governance' which can be found at <http://www.peakdistrict.gov.uk>. The Authority's Complaints procedure provides a facility to those not employed by the Authority to raise their

concerns. Both policies were reviewed by Internal Audit in 2015/16 and given substantial assurances.

(k) Financial management includes forward planning of expenditure and resources, budget consultation, budget setting and monitoring and final accounts. The aim is to ensure that these are accurate, include information relevant to the user and are completed to agreed timescales. Financial Regulations - Our reporting arrangements meet the requirements of the CIPFA statement on The Role of the Chief Financial Officer (CFO) in Local Government (2010) with the CFO having independent reporting as necessary to the Chief Executive, Resource Management Meeting and Members even though the post holder sits in the Corporate Strategy and Development Directorate.

(l) Member and staff learning and development needs are identified and met through annual programmes. Our approach to staff development is described in our Learning and Development Policy. Our approach to Member development is described in the Member Learning and Development Framework document approved by the Authority in October 2016. Improvements to our approach on Member development, within resources available, are reported annually to the Authority as part of agreeing the annual programme of development and business events. During 2019/20 the Authority completed the process of gaining Investors in People reaccreditation and has an action plan in place to address areas for improvement.

(m) In December 2018 the Authority established a Member led Governance Review Working Group to review the Authority's Governance arrangements particularly around:

- the roles and responsibilities of Members and Officers
- delegations to Committees and matters reserved to the meetings of the Authority
- delegations to Officers
- the contribution and impact of the Member Representative role.
- Appointments to Outside Bodies

The first report of the Working Group was presented to the Authority in May 2019. At that meeting all the recommendations were approved and implemented in July 2019 following the 2019 Annual Meeting. Since then the Working Group has continued to meet and the second report was considered by the Authority in May 2020.

## **Review of Effectiveness**

The Authority has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by assurances from Officers and Members within the Authority who have responsibility for the development and maintenance of the governance environment (including financial controls, risk management and performance management processes, compliance with advice on legislation and regulations), internal and external audit reports and opinions, comments made by other agencies and inspectorates as well as feedback from customers and stakeholders.

The review of effectiveness is continual throughout the year as evidenced by some of the action taken during the year but a more formal assessment takes place each year in the preparation for this statement. In accordance with the Authority's Code of Corporate Governance a meeting was arranged to be held on 27 March 2020 to:

1. Review our performance against our action statements of commitment in our Code of Corporate Governance and highlight what we have done in the 2019/20 year which contributes to achieving our outcome of 'good governance'
2. Identify any further improvement action needed for the forthcoming year

Due to the Covid-19 Emergency the meeting could not take place but its objectives have been achieved remotely. This process has involved the Chief Executive, Director of Corporate Strategy



and Development, Director of Conservation and Planning, Director of Commercial Development and Engagement, Chair of the Authority, Chief Finance Officer (The Head of Finance) and the Monitoring Officer (Head of Law) and her Deputy (the Democratic Services Manager). In carrying out our review we took account of the 'assurances' we have received during the year (and at our virtual meeting) including:

- (a) External Audit Annual Audit Letter and unqualified opinion/satisfactory conclusions
- (b) Internal Audit reports for 2019/20 including the annual report and assurance opinion. Out of a total of 8 recommendations made over the year: none of them were classed as fundamental; 1 were classed as significant and 7 were classed as meriting attention. The 2019/20 annual assurance report from the internal auditor states: the overall opinion of the Head of Internal Audit on the framework of governance, risk management and control operating in the Authority is that it provides Substantial Assurance. This opinion is however qualified, in light of the current coronavirus pandemic and the impact of this on the Authority. The opinion at paragraph 9 is based on internal audit work undertaken, and completed, prior to emergency measures being implemented as a result of the pandemic. These measures have resulted in a significant level of strain being placed on normal procedures and control arrangements. The level of impact is also changing as the situation develops. It is therefore not possible to quantify the additional risk arising from the current short term measures or the overall impact on the framework of governance, risk management and control.
- (c) Assurances given from 'those charged with governance' including: members of the Leadership Team, Statutory Officers (Head of Paid Service, Chief Finance Officer, Monitoring Officer) and Chair of the Authority.
- (d) Progress against action we identified last year as part of our Annual Governance Statement
- (e) The most recent Local Government and Social Care Ombudsman's statistics
- (f) Our planning appeals performance and feedback from inspectors' reports
- (g) Any feedback from handling complaints, Freedom of Information and Environmental Information enquiries
- (h) Implementation of the action plan arising from achieving the Investors in People standard
- (i) Feedback and lessons learnt from legal proceedings
- (j) Testing our business continuity arrangements in response to the COVID-19 Emergency
- (k) Confirming, in accordance with CIPFA's Code of Practice on Managing the Risk of Fraud and Corruption that the Peak District National Park Authority has adopted a response that is appropriate for its fraud and corruption risks and commits to maintain its vigilance to tackle fraud.

## **Covid-19 Emergency**

Towards the end of the 2019/20 financial year, like all other public bodies, the Authority faced unprecedented circumstances as a result of the response to the Covid-19 pandemic. Consequently, the Authority was forced to scale back its operations and close its offices, visitor centres, cycle hire centres and campsites to Officers and members of the public.

In terms of business continuity, the Authority's existing Business Continuity Plan worked well and in terms of resilience most Officers who could work at home were quickly given the tools they needed to carry on remotely. In the first three weeks all Officers were paid in full whether they were able to work or not, after which 49 Officers whose salaries were funded directly from external income were furloughed.

With regard to decision making this continued through the Authority's existing Emergency Delegation to the Chief Executive. Through this delegation and supporting process the Authority was able to transparently continue making any time critical decisions while meetings of the Authority and its Committees could not take place. The Authority has also responded to the

emergency regulations put in place to arrange virtual decision making meetings involving Members.

The Authority has also played a significant role in supporting its partners during the national emergency through our representation on, and support of the objectives, of the Derbyshire Local Resilience Forum. Our activities include communicating the message for visitors to stay at home, protect the NHS and save lives, supporting the police in their work across the National Park and giving reassurances that we were continuing to care for the National Park and bringing nature, history and the beauty of our National Park indoors to people's homes.

The Leadership Team have set in place a rhythm of meetings to manage the organisation's response based on the following strategic objectives:

1. To support government messages - stay at home, protect the NHS, and save lives.
2. To support our staff as they work at home, unless undertaking essential safety tasks, in line with strict government guidance.
3. To return to business as usual (BAU) as much as possible with staff working from home, recognising the pressure on some services are impacting on some BAU activity.
4. To understand and manage down business costs and losses
5. To start to plan for recovery and the future

Before the lockdown ended the Leadership Team were actively planning on how the Authority could manage the recovery process. During 2020/21 the Authority will be reviewing its response to the emergency and using this to update our business continuity arrangements. There will also be social and financial challenges in the coming months as the international community recovers from the significant impact of the virus and the lockdown. This has therefore been identified as a key issue that will affect our effectiveness during 2020/21.

As part of our continuous improvement approach to our governance arrangements we have identified further issues to address as recorded below against the 7 core principles of our Code of Corporate Governance. A full record of our review of action and assurances received indicating maintenance and/or improvement to the effectiveness of elements of the governance framework can be obtained from the Monitoring Officer at Aldern House, Baslow Road, Bakewell, DE45 1AE or can be found on our website at

<http://www.peakdistrict.gov.uk/publications/operationalpolicies>

<b>(A) Core Principle</b> <b>Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of Law</b>	
<b>Issues identified which affect effectiveness</b>	
1.	Embedding the new values and competency framework and delivering the IIP Action Plan.
2.	Uncertainties around the impact of the recommendations arising from the National Landscapes (Glover) Review on structures and funding and the timescales in which they are to be implemented.
3.	The impact of the 2020/21 funding settlement from Defra on delivery targets and uncertainty around the longer-term funding settlements from Defra following the end of the four-year settlement.
<b>(B) Core Principle</b> <b>Making sure of openness and comprehensive stakeholder engagement</b>	
<b>Issues identified which affect effectiveness</b>	
4.	Although the 2018-2023 National Park Management Plan has been approved and adopted by partners there are still risks around the delivery of certain elements such as sustainable business. This will be even more critical as local businesses and farmers recover from the Covid-19 emergency.
<b>(C) Core Principle</b> <b>Defining outcomes in terms of sustainable economic, social, and environmental benefits.</b>	
5	The ability for the Authority to be able to deliver on its Carbon Management and Climate Change ambitions within the prescribed timescales.
<b>(D) Core Principle</b> <b>Determining the interventions necessary to optimise the achievement of the intended outcomes.</b>	
<b>Issues identified which affect effectiveness</b>	
6.	There still remain issues around the culture of the Authority and its ability to deliver commercial ambitions.
<b>(E) Core Principle</b> <b>Developing the Authority's capacity including the capability of its leadership and the individuals within it</b>	
<b>Issues identified which affect effectiveness</b>	
7.	The impact on the suspension of development management pre-application advice service upon income targets and decision making.

<b>(F) Core Principle</b> <b>Managing risks and performance through robust internal control and strong public financial management.</b>	
<b>Issues identified which affect effectiveness</b>	
8.	There are still uncertainties around the impact of Brexit beyond 2020 due to ongoing trade talks.
<b>(G) Core Principle</b> <b>Implementing good practices in transparency, reporting and audit, to deliver effective accountability.</b>	
8.	The social and economic impact of COVID-19 will have a significant and currently unknown impact on the Authority and its ability to achieve its statutory purposes and corporate strategy targets.

### **Significant Governance Issues:**

Other than the issues identified that may affect effectiveness there are no significant issues and the arrangements continue to be regarded as fit for purpose in accordance with the governance framework. However, over the coming year we will take steps to address the issues identified during our review of effectiveness as detailed above to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that have been identified and will monitor their implementation and operation as part of our next annual review.

Signed on behalf of the Peak District National Park Authority

Signed.....

Chair of the Authority

Signed .....

Chief Executive

### **Publication Date:**

29 May 2020 (Draft Unaudited Statement)

4 September 2020 (Approved Audited Statement)

## **10. 2020-2021 RESERVE ALLOCATIONS (A.137/22/PN)**

### **Purpose of the Report**

1. This report follows on from the 2019-20 outturn report approved by the Authority on the 22<sup>nd</sup> May 2020, and proposes further allocations to be set aside from current cash reserves to finance the impact of:-
  - a) the Covid emergency and
  - b) the need for a higher re-structuring reserve to allow for the cost of any staff redundancies, if there is a poor National Park Grant settlement for the Spending Review period up to 2024.

### **Key Issues**

- The Department for Environment, Farming and Rural Affairs (Defra) have indicated in a letter dated 21<sup>st</sup> May 2020 that National Parks should use their earmarked and non-earmarked reserves to offset Covid related deficits, rather than rely on any additional Defra support outside the National Park Grant.
- The outturn report in May dealt with the initial impact of Covid at the end of the 2019-20 financial year, and also approved the creation of a Covid reserve with £481,900 allocated to help cope with the further impact of Covid on the first quarter of the 2020-21 financial year. It was anticipated that a further phase of allocations would be needed to cover the full impact of the 2020-21 financial year.
- This report therefore makes recommendations to re-allocate earmarked and non-earmarked reserves, based on best estimates of the likely Covid impact on the 2020-21 financial year, in order to ensure that the deficit can be covered in the way Defra anticipate.
- In addition, this report recommends that should not all of the reserve allocations earmarked for the Covid impact be needed, any surplus should be appropriated to the restructuring reserve.
- The impact of reallocating the earmarked reserves identified in the report is also covered.

### **Recommendation**

2.
  1. **That the further allocations from the Authority's reserves as outlined in Appendix 1 be approved for appropriation to the Covid Reserve in order to finance the impact of the Covid emergency in 2020-21, to be allocated at the end of the year.**
  2. **That any funds in the Covid reserve not required be appropriated to the Re-structuring Reserve at the end of the year, for the reasons set out in paragraph 11 of this report.**

### **How does this contribute to our policies and legal obligations?**

3. The Local Government Act 2003 sets out the required financial administration standards Local Authorities must comply with, in particular the responsibilities of the Authority's Chief Finance Officer to advise Members on the Authority's financial

position, with particular concerns about ongoing budget monitoring, the adequacy of reserves, and the requirements to achieve a balanced revenue budget. The Chartered Institute of Public Finance and Accountancy (CIPFA) also issue guidance in the form of good practice for Local Authority reserves. The External Auditors in considering their going concern and value for money opinion also take account of a Local Authority's approach to and level of reserves. The outturn report in May and the budget report in February, together with budget monitoring with Members during the year, are the main reporting mechanisms.

## Background

4. The initial estimates of the impact of the Covid emergency were outlined in the May outturn report, with the creation of a £481,900 reserve to help deal with the impact in the first quarter of 2020-21. The estimated impact is based on broad analyses of past income achieved; the precise impact will not be known until the end of the financial year, although the position will become clearer as the year progresses. The opportunity costs of lost income (e.g. sponsorship, donations and the loss of excellent trading through exceptional April and May weather for example) were not included but will still be felt.

5. It was proposed to attempt to finance the income shortfall in two phases, the first phase covering the April to June period. This was supported from the Covid emergency reserve. The Authority was able to take advantage of the Coronavirus Job Retention scheme for furloughed staff in income earning activities affected by the closedown, which covered approximately 80% of furloughed staff costs, and claims have been made and reimbursed by HMRC.

It is anticipated, following the resumption of income activities, that the second phase covering the impact of Covid for the remainder of the year can be covered from the re-allocations from reserves outlined in this report.

6. The main problem of any further drawdown from earmarked reserves is that the majority of these are one off resources which will need to be replaced as a further pressure on future resources, as the funds are set aside for the specific purposes they are earmarked for, many of which are commitments or obligations. The recommendations in this report have been drawn up with a view to minimising the impact of this; in some cases the purposes for which the reserves were earmarked no longer apply, but the Appendix identifies the main consequences. The total reallocated is a substantial sum however and although it does not materially affect the financial position of the Authority, in a climate of increasing concern about future National Park Grant levels directing these resources to the Covid impact reduces our resilience in the future to respond to other pressures.
7. The table below sets out what is considered to be a worst case scenario, which takes account of the actual income situation in the first 4 months, but also still assumes full income losses in quarters 2 – 4, which is not likely to be the case. It can be seen that if this situation prevailed a further £677,000 would be required to be found.

£,000	Q1 Actuals	Q2	Q3	Q4	Total
Net income loss – trading services	456	431	351	319	<b>1,557</b>
CJRS scheme estimate*	(109)	(46)			<b>(155)</b>
Other Savings (Cost of Sales)	(71)	(66)	(65)	(41)	<b>(243)</b>

<b>Net Cost as known currently</b>	<b>276</b>	<b>319</b>	<b>286</b>	<b>278</b>	<b>1,159</b>
Phase 1 Covid reserve drawdown	(276)	(206)	-	-	(482)
<b>Possible Unfinanced Cost (full year)</b>	<b>0</b>	<b>113</b>	<b>286</b>	<b>278</b>	<b>677</b>

\*The figures assume that all project staff costs can still be recovered from project grant funds in full as per original project budgets.

The potential income loss of £1,557,000 in the table above is broken down into the different sources of income as follows:-

<b>8.</b>	<b>£,000</b>	<b>Possible full year loss</b>
	Warslow Estate	100
	North Lees Estate	185
	Trails	176
	Other Car Parks & Dovedale Toilets	66
	Other Concessions	11
	Visitor Centres including Cycle Hire	691
	Engagement Rangers	93
	Volunteers	15
	Planning	220
	<b>Possible Unfinanced Cost (full year)</b>	<b>1,557</b>

9. As stated above, the figures take account of the income losses borne in the first four months, but also assume total income losses for the remaining 8 months of the year, which is not likely given that our income generating services are now reopening for business. Two scenarios are modelled, one that on average across services 75% of normal income will be achieved for the remainder of the year, and the other that a more pessimistic 50% of normal income will be achieved. In practice individual services have been affected differently: for example planning fees have held up near to their normal levels so far, and so has rental income on estate properties, but Engagement Rangers and Volunteers income has been very heavily affected with most of the annual income capability lost. Nonetheless, the resulting year end figures would then be as per the table below, and this is the basis for considering that the reserve allocations recommended in Appendix 1 should be sufficient mitigation. It is accepted that these calculations are relatively crude, but it is hard to be more precise at this stage, and the actual income achieved will be closely monitored at each quarter stage.

<b>10.</b>	<b>£,000</b>	<b>Worst Case (4 months plus 8 months full income loss as per Table 7 above)</b>	<b>If 50% normal income achieved for remainder of year (last 8 months)</b>	<b>If 75% normal income achieved for remainder of year (last 8 months)</b>
	Net income loss – trading services	<b>1,557</b>	<b>1,038</b>	<b>779</b>
	CJRS scheme estimate*	(155)	(155)	(155)
	Other Savings (Cost of Sales)	(243)	(165)	(126)
	<b>Net Cost as known currently</b>	<b>1,159</b>	<b>718</b>	<b>498</b>
	Phase 1 Covid reserve drawdown	(482)	(482)	(482)
	<b>Possible Unfinanced Cost (full year)</b>	<b>677</b>	<b>236</b>	<b>16</b>

If the Appendix 1 reallocations are confirmed at £605,286 as a second phase contingency, it can be seen that this should cover the likely year end scenarios in the table above, with the possibility of a meaningful surplus to be allocated to the Re-structuring Reserve as per Recommendation 2 of this report.

11. Members will note that the Re-structuring Reserve level stands at £61,052. This Reserve was created in 2010 to take account of the often significant costs of restructuring, brought about by the year on year National Park Grant reductions between 2010 and 2015. The reserve is used to pay for statutory redundancy costs and superannuation shortfall payments to the pension fund, where staff are voluntarily or compulsorily made redundant if job roles and posts change / reduce. Statutory redundancy costs vary according to length of service, but at their maximum tend to be in the region of 6 months pay. Where staff are aged 55 or over they have the protection benefit of being able to take an immediate payment of pension, which, based upon a typical state pension retirement age of about 67, could result in the payment of their pension some 12 years earlier than assumed by the Pension Fund. The Pension Fund recover this “pension strain” on the fund by invoicing employers the capitalised present value sum of that early payment. The costs of even one redundancy can be significant, if for example the staff member has long service and is just over the age of 55.

Most Local Authorities control these payments by adopting strict criteria for making decisions on these redundancies, usually requiring the affected posts to be disestablished and not recruited to for at least 3 years to recover some of this cost, so that there is an enduring saving protecting the public purse. The cost of “termination” payments as they are known are under public scrutiny for obvious value for money reasons and are required to be reported annually in the Statement of Accounts.

Where employees have less service or are under the age of 55 (or over about age 62) the payments are much less substantial, but it is usually the case that where a number of redundancies are involved the mix of staff can result in high costs for these “termination” payments.

The current level of reserve is considered to be inadequate if the Spending Review announcement contains no inflation or a cut in resource, as there will need to be some re-organisation to cope with the baseline revenue budget reductions required.

Recommendation 2 therefore asks Members to approve any surplus remaining at the end of the year from Appendix 1 not allocated to support the Covid impact, to be allocated to the Re-structuring Reserve.

### **Proposals**

12. Members are asked to note the purpose for the reserve allocations as outlined in the report, and also the impact on the individual reserves outlined in Appendix 1, and are asked to approve both Recommendations.
13. Approving the Recommendations will allow the external auditors to have confidence that the Authority is able to meet the resource implications of the Covid emergency and any potential re-structure costs, whilst maintaining a reduced but still viable level of earmarked reserves for the purposes the reserves are set up for.

### **Are there any corporate considerations Member should be concerned about?**

14. **Financial:** The issues have been covered in the report.
15. **Risk Management:**



The Chief Finance Officer has a statutory responsibility under Sections 25 – 28 of the Local Government Act 2003 to report to Members, the Monitoring Officer and external auditors on the robustness of the budget setting and monitoring process, and has an express duty to monitor the budget and underlying assumptions throughout the year, and to take action when significant overspends or shortfalls in income occur.

The External Auditor assesses the financial position of the Authority as part of its annual Value for Money conclusion.

16. **Sustainability:** There are no issues relevant to this report.

**Consultees**

17. The proposed allocations were discussed and agreed by the Resource Management Meeting (RMM) on the 4<sup>th</sup> August.

18. **Background Papers** (not previously published)

None

**Appendices**

Appendix 1 - Proposed reserve re-allocations

**Report Author, Job Title and Publication Date**

Philip Naylor, Head of Finance / Chief Finance Officer, 26 August 2020

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## Proposed Reallocations from Reserves

## APPENDIX 1

	<u>Current Balance</u>	<u>Proposed Re-allocation</u>	<u>Remaining Balance</u>	<u>Impact</u>
<b>General Reserve</b>	351,703	(51,703)	300,000	Remaining General Reserve balance is considered to be adequate
<b><u>Specific Reserves:</u></b>				
Car Parks & Facilities	9,901	-	9,901	
Trails Reserve	447,210	(10,000)	437,210	Concerns that Reserve is fully committed hence small contribution to Trails income loss from this source; there may be some scope to top up reserve from Trails Revenue budget
Aldern House	75,538	(5,538)	70,000	Maintenance for HQ building; amongst which are refurbishment of gents toilets; CCTV replacement; letting refurbishment; Bungalow and workshop roofing and Boardroom elevations
ICT	196,316	-	196,316	Reserve used to facilitate Design and Comms equipment replacement, releasing the need for the design reserve below Reserve to be required for next round of Microsoft licencing Remainder of reserve required for resilience in outsourcing of ICT infrastructure
Warslow	7,700	-	7,700	
Design	42,106	(42,106)	0	No longer required to support Design team equipment and income
Visitor Services	0		0	
Woodland	23,140		23,140	
Cycle Hire	90,771	(40,771)	50,000	Possible impact on replacement of Ashbourne Cycle Hire centre as required for matched funding for external bid; but availability of capital resources either from borrowing or

				capital fund should be possible to allow project to go ahead if business case is approved
Vehicle Maintenance	18,009	(13,009)	5,000	Small impact as old vehicles are being replaced and less maintenance reserve is anticipated
Planned Maintenance	21,545	-	21,545	Field buildings maintenance
Minerals & Legal	539,959	(39,959)	500,000	Some 15 cases, mainly minerals, are currently being risk managed with possible legal processes required to support our planning policies; the risk based approach points to a substantial reserve being required, although this is reviewed periodically. The reallocation proposed is not considered to jeopardise the ability to take the appropriate legal action on individual cases.
Restructuring	61,052	-	61,052	This reserve is considered to be inadequate and is the subject of Recommendation 2 of this report
North Lees	114,291	(24,291)	90,000	The proposed allocation helps to support income losses on the North Lees estate
Minor Properties	18,045	-	18,045	
COVID Reserve	481,900		481,900	The first phase of allocation from the 2019/20 outturn
Conservation Acquisitions	19,000	(19,000)	0	This reserve is not now considered to be necessary and any conservation land acquisition would be financed from capital resources.
Matched Funding Reserve - outturn commitments	99,433	(39,839)	59,594	No impact – release of commitments no longer required
Matched Funding Reserve - Moorlife 2020 contingency	500,000	-	500,000	This reserve is expected to be fully required to meet the Moorlife project risks
Matched Funding Reserve - old commitments	108,878	(108,878)	0	No impact – release of commitments no longer required
Matched Funding Reserve – Throwley Old Hall	29,764	0	29,764	Joint funds earmarked for the site
Matched Funding Reserve – External Bid Fund	28,500	-	28,500	Matched funding or bid support

Matched Funding Reserve - investment allocations remaining	671,590	(117,319)	554,271	Remaining commitments to be allocated into budgets from the investment allocations however uncommitted funds (£72,400) and a reduction in data cleansing allocation (£44,919) can be released
Slippage Reserve - Planning Policy funds for LDF	50,000	(50,000)	0	This sum was set aside to pay for Planning Inspectorate examination costs which were actually absorbed in the annual revenue budget so is not required. There is a need for a similar sum for the next Local Plan examination which will need to be built into the revenue budget assumptions for the year it is required.
Slippage Reserve - Enforcement direct action	52,873	(32,873)	20,000	A reduced ability to carry out direct enforcement action for any sites requiring this intervention
Slippage Reserve - Bakewell Visitor Centre refurbishment	40,000	0	40,000	
Slippage Reserve - Giving Fund	10,000	(10,000)	0	Currently supported from the revenue budget enabling release of these funds
Slippage Reserve - corporate overhead commitments	175,165	0	175,165	These funds are regularly reviewed and are committed to provide additional staff capacity to support grant funded projects
Slippage Reserve - enforcement funds staff salaries	64,798	0	64,798	Committed to a temporary post in Development Planning
Slippage Reserve - approved slippage list May outturn	658,350	0	658,350	These funds were already examined in the outturn report in May and reduced in order to create the first phase Covid Reserve
<b>Capital Reserve</b>	1,292,693	0	1,292,693	For capital purposes only
	<b>6,300,230</b>	<b>605,286</b>	<b>5,694,944</b>	

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## **11. GREAT NORTH BOG SUPPORT PROJECT 2020 - 2025**

### **1. Purpose of the report**

This report puts before Committee the proposal to accept funds, initially from Defra and Environment Agency, to enter into agreements with the Yorkshire Wildlife Trusts and the North Pennines AONB to deliver the first phase of activities in the setting up and supporting the Great North Bog (GNB) initiative. It also makes arrangement for a further phase beyond 2020/21 should that opportunity arise.

### **Key Issues**

- **Moors for the Future Partnership (MFFP), through the Peak District National Park Authority and its partners have, for over 17 years, led and delivered landscape-scale peatland restoration on the most degraded upland landscape in Europe. The Partnership has been successful in attracting a large amount of investment (circa £40m) into the landscape from a variety of sources, and through its expertise and collaborative approach has brought about a landscape-scale change in the condition of the region's peatlands.**
- **In July 2019 the HoPD worked up a new initiative to try and encourage a closer and less competitive working arrangement between the three big Northern partnerships, which for the past two decades, have been carrying out significant restoration work. Initially, this was in order to have a better working relationship for bidding into Defra's new Nature for Climate fund and the National Lottery Heritage Fund. The initial idea was developed by the three senior officers of The Moors for the Future Partnership, Yorkshire Peat Partnership and the North Pennines AONB Partnership. This is now been taken forward by the CEO's of the parent organisations of these partnerships. A request was made to Defra for support funding in November 2019. This was originally within the Moors for the Future Partnership's Moor Carbon project. It has taken until now for Defra (through many questions and iterations) to agree to funding some support costs. The Environment Agency has also now made funding available for some of the initial mapping and data analysis. The support work fits mainly within the Moor Carbon and working with MoorLIFE 2020 partners authority, already granted by committee (ARP Minute Refs 05/17 and 50/18). It is now however, moving towards becoming a separate project needing its own authority.**
- **The state of peatlands across the North of England require more investment, with the most pressing need at the southern end of the Pennine chain in the Peak District.**
- **Even with acknowledgement of the significant achievements of the Partnership, it is vital to recognise that there remains a need for further investment into the landscape in order to bring the peatland habitats into favourable condition (Active Blanket Bog). Works completed to date have put peatland on a positive trajectory towards this aspiration. However, evidence shows that without further intervention this impressive feat is only temporary and there is a real danger that it will revert to its previous state. Further work is now urgently needed to build on the achievements made thus far.**

- **Collaborating on a bigger national story of upland peat across the North of England will create a better fit into national policy such as the 25 Year Environment Plan, the new England Peat Strategy and the new Flood and Coastal Erosion Risk Management Strategy. It will enable a better placement of bids into the Nature for Climate Fund and future strategic lottery bids.**

## **2. Recommendations(s)**

**That the Authority supports the proposed delegated function for fundraising and spending to support the setting up of the Great North Bog Initiative.**

**Specifically:**

- 1. That the Authority supports the delegated function for the Head of Programme Delivery to accept funds from the Environment Agency and Defra to a maximum of £400,000 in FY 2020/21 in consultation with Director of Conservation and Planning, Head of Finance and Head of Legal services for the support costs of the Great North Bog Initiative.**
- 2. That the Authority supports the delegated function for the Head of Programme delivery to fundraise and accept funds to a maximum of £1.2M in FY 2021/22 to 2025 in consultation with Director of Conservation and Planning, Head of Finance and Head of Legal services for the support costs of the Great North Bog Initiative.**
- 3. That the Authority supports delegated function for the Head of Programme Delivery in consultation with Director of Conservation and Planning, Head of Finance and Head of Legal services to enter into arrangements with the other two Partnership leads, Yorkshire Wildlife Trust and North Pennines AONB (Durham County Council).**
- 4. That the Authority may, subject to compliance with its procurement standing orders, enter into contracts for the delivery of the project.**

### **How does this contribute to our policies and legal obligations?**

The strategic fit of the Great North Bog is fully integrated within the MFFP 20/21 Operational and the MFFP interim Business Plan 2020-2021. It is relevant to the Peak District National Park Management Plan delivery aims mainly through giving the MFFP a greater ability to leverage funds, specifically to support :

Special quality 1: Beautiful views created by contrasting landscapes and dramatic geology

Special quality 2: Internationally important and locally distinctive wildlife and habitats

Special quality 3: Undeveloped places of tranquillity and dark night skies within reach of millions

Special quality 4: Landscapes that tell a story of thousands of years of people, farming and industry

Special quality 6: An inspiring space for escape, adventure, discovery and quiet reflection

Special quality 7: Vital benefits for millions of people that flow beyond the landscape boundary.

Areas of impact:



- 1: Preparing for a future climate
- 2: Ensuring a future for farming and land management
- 3: Managing landscape conservation on a big scale
- 4: A National Park for everyone
- 5: Encouraging enjoyment with understanding
- 6: Supporting thriving and sustainable communities and economy

In addition; for many years the value of ecosystem services benefits has been well known. One of the difficulties in fully capturing this benefit has been the need to work on a genuine landscape scale - which the GNB does. It will also create greater collaboration between the major partners in this field whilst maintaining the Authority as an innovative leader.

The GNB also has strong connections with other North of England initiatives such as the Northern Powerhouse and the Northern Forest.

### **Background Information**

Background – The wider background in which this initiative is set.

Peatlands, Climate Change & the 25 Year Environment Plan

It is widely recognised that healthy peatlands are vital in helping tackle the climate and biodiversity crises.

Peatlands are the UK's rainforests, storing vast amounts of carbon. Restoring them will also reduce carbon emissions released by damaged peat and enable it to sequester more in the future.

A healthy peatland slows the flow of water from the hills, reducing the risk of flooding and the impact of storm water, directly benefitting towns and major cities downstream.

The Great North Bog provides drinking water to 15 million properties in the area. Eroding peatlands discolour water, increasing the cost of water treatment. Restoration reduces the costs of providing safe drinking water.

Healthy peatlands support a wide range of wildlife. Restoration will help to reverse the trend of decline in upland species, such as curlew and golden plover (identified in the State of Nature 2019 report). Healthy peatlands are resilient and ecologically diverse habitats that provide benefits for people and nature. Restoring the Great North Bog will increase local contractors' skills and capacity, benefitting rural economies.

The peatland restoration programmes of northern England have developed a vision to match the scale of this ecological challenge.

The Great North Bog is an ambitious, grand-scale peatland restoration initiative being developed by the North Pennines AONB Partnership, the Yorkshire Peat Partnership and the Moors for the Future Partnership. It is a landscape approach to restoration across nearly 7,000 square kilometres of upland peat in the Protected Landscapes of northern England, which currently store 400 million tonnes of carbon. Damaged peat in the Great North Bog releases 3.7 million tonnes of carbon annually. The programme aims to develop a working partnership to deliver a 20-year funding, restoration and conservation

plan to make a significant contribution to the UK's climate and carbon sequestration targets.

In the last two decades, the three leading peatland programmes have restored about 1100km<sup>2</sup> (YPP – 323km<sup>2</sup>, NPAONB – 350km<sup>2</sup>, MFFP – 454km<sup>2</sup>). This is a great start but despite this massive effort it is still less than 20% of the total area and, with a climate and biodiversity emergency, now is the time to pool our skills to make a revolutionary change in the rate of restoration of England's upland peatlands.

To restore the remaining damaged peatlands in the Great North Bog, the partners are seeking blended investment from both public and private sector sources of approximately £200 million over 20 years. Once restored, the Great North Bog will safeguard the increased carbon it stores and will avoid annual carbon losses estimated at 3.7 million tonnes per year. The restoration of the Great North Bog will leave a living, national legacy of a functioning ecosystem providing vital services for future generations.

## **Proposals**

### **Proposals**

The three existing partnerships across the North of England already have a significant ability to deliver at a large scale and pace. The Great North Bog will not seek to substitute this but will seek to resolve some of the barriers so increasing the effectiveness and efficiency of the present delivery.

In the initial phase 2020/21 it will employ staff to undertake;

- The project management of the initial phase of setup work.
- Business development and business planning to establish a better and more sustainable funding support for all three of the existing partnerships
- Better data and mapping resource in order to tell the story more effectively and to maximise the effectiveness of the present evidence.
- Better understanding of the Natural capital and how this could be utilised to supply more sustainable funding streams

In the following phase 2021 to 2025 we believe there will be further funds forthcoming to develop business and joint working on a variety of project items.

## **Are there any corporate implications members should be concerned about?**

### **Financial:**

The Partnership has a history of sound financial management, income control (including draw down of funding and claims) is of great importance and overseen by the Programme Office Manager. Regular updates are held with the Chief Finance Officer with monitoring of cash flow to ensure the 'books' are balanced.

It was anticipated that the original value of the funding was in the region of £171,483.89 from DEFRA, plus an additional £50k (£221,483 total) from the EA. This was on the basis of the Defra funding being over a 12 month period leading to April 2021. An outline costing is given below. The final figure from Defra is still being negotiated; the figure below may reduce or may stay the same with more staff being employed. It is difficult to estimate in this volatile period hence the HoPD request for a 400k ceiling which will only be utilised if capacity allows.

It is anticipated any further funding to 2025 would include funding from the Nature for Climate Fund and may be able to take advantage of other funding streams. This is difficult to estimate and to ensure a sensible working headroom, the HoPD is suggesting a £1.2m figure is used for this period. Again this would be assessed against capacity to deliver.

<b>Task</b>	<b>Estimated Time</b>	<b>Estimated Costs @12 months £</b>
<b>MFFP: Project Director: Programme Managers</b> Strategic, technical, and line management time.	15 days/yr (5 days for each PD from GNBSP)	5,542
<b>MFFP: Project Manager</b> Drive the project forwards.	Full time	56,791
<b>YPP: Project Officer</b> Research and Development activities, including ecosystem services metrics review and peatland resource mapping.	Full time	53,576
<b>YPP: Communications Officer:</b> Stakeholder engagement and develop Communications Plan and GNB launch.	0.6FTE	21,500
<b>NP AONB: Business Development Officer</b> Develop funding strategy for Phase 2.	0.6FTE	34,075
<b>Workshops / meetings / travel / Presentations / Comms material.</b>	Much of this now not possible due to Covid19	
<b>EA funding for external research assistance / consultancy support / software licences Mapping/ ecosystem services matrix mapping.</b>	Serviced by the staff above, this will be the supply budget for the practical requirements and may also include contracted services	50,000
<b>Original total over 12 months</b>		<b>£221,484</b>

#### **Risk Management:**

The MFFP staff team produce a Programme Progress Log four times a year which identifies approvals and financial values of projects - with issues identified through a Red/Amber/Green assessment - and includes brief summaries of progress highlights. Income and Expenditure of projects and programme team are also monitored by the Partnership's Operational Management Group at its quarterly meetings.

Risks, Issues and Dependencies of the programme of projects are monitored weekly and reviewed quarterly alongside the Programme Progress Log.

Our health & safety log is reviewed weekly.

The application for funding proposed within this report is within the expertise of MFFP. As such the risk of the work not delivering the required results, is considered to be low.

As part of this recommendation, the MFFP Programme Management team has undertaken an impact assessment of the resource requirements of delivering this project. This has been in consultation with the MFFP teams and Head of Programme Delivery. The continuation of adequate capacity in light of ongoing commitments on other projects will remain the responsibility of the MFFP Programme Managers.

Elements of the project will be delivered by The Yorkshire Wildlife Trust and the North Pennines AONB acting as delivery partners through partnership agreements. This is currently being explored with the Legal Service along the lines of previous similar delivery arrangements with partners.

### **Sustainability:**

From a business sustainability perspective, this project will help keep both MFFP and the Authority in a leadership position with an opportunity to develop new sources of project funding and income.

This proposal fits within the context of the Moors for the Future Partnership interim Business Plan 2020-2021. Undertaking additional projects for our partners, building on current work, is a key part of our business model and has allowed immense improvements to the landscape and conservation of the Dark Peak and beyond. Creating synergies between projects is a key component of the sustainability of the Moors for the Future programme.

Protection of the peatlands of our core work area is a key part of protecting land based carbon, which internationally has the potential to have a huge impact on climate change. In addition, the ecosystem service benefits of our blanket peat work is well known, reducing the risk of flooding, improving water quality and improving the landscape, so highly valued for recreation.

The revegetation and conservation of peatlands is a vital role in reducing erosion, enhancing the quality of the landscape and transforming a source of carbon into a carbon sink. Our work, to date, is avoiding the loss of circa 62,000 tonnes loss per annum of CO<sub>2</sub>.

In addition, the moorland fires and drought conditions have shown how the upland landscape needs to be in the best ecological condition to withstand the shocks and stresses of a changing climate in order to deliver positive benefits for the downhill, downstream and downwind communities in places such as Manchester.

By revegetating the areas of damaged blanket bogs, we aim to:

- halt the erosion of peat from the moors
- reduce the loss of carbon
- increase the amount of carbon absorption
- turn the damaged carbon sources back into carbon sinks

### **Equality:**

3. There are no equality issues arising from this report.

### **4. Climate Change**

1. How does this decision contribute to the Authority's role in climate change set out in the UK Government Vision and Circular for National Parks?

Whilst the context of this matter is much wider than the boundary of the Peak District National Park, the benefits from the GNB initiative are likely to be more productive to the southern end of the Pennine Chain. This is largely due to the much higher degree of benefit to climate change when dealing with the most degraded rather than slightly degraded land and due to the much larger population, which surrounds the southern end of this landscape.

The potential for reduction in carbon emissions in degraded peat is higher in the Peak District National Park as the peat is more degraded and vulnerable to damage due to the much larger population, which surrounds the southern end of this landscape.

- a. Educators in climate change

- The Blanket bog landscape of England is still very much out of sight and out of mind to the majority of the public. The issue needs to be told in a bigger story in order to capture more of the public imagination and drive behaviour change, particularly around fire prevention and litter prevention. Being part of a bigger story across the North of England does just this and is likely to be more successful at individual behaviour change.

- b. Exemplars of sustainability

- This is exactly what this initiative will do. It will make a step change happen in adapting 7,000 square kilometres of upland peat landscape, 92% of the upland peat in England, into a more resilient landscape with an increasing quality of ecosystem services delivery.

- c. Protecting the National Park

- See above point

- d. Leading the way in sustainable land management

- This will set the most degraded of England's upland peat in the priority context across the whole upland peat landscape

- e. Exemplars in renewable energy

- This is not a renewable energy solution but it does have a relationship with energy in that it will, in time if restored, provide a continual means of sequestering carbon produced by the creation and use of energy.

- f. Working with communities

- There are future opportunities for individuals to balance their own negative effect on the environment through the practical help in volunteering and through contributing funds.

2. How does this decision contribute to the Authority meeting its carbon net zero target? (Not applicable)

3. How does this decision contribute to the National Park meeting carbon net zero by 2050?

A rough calculation has been made that the poor condition of the upland Peat of the North of England is losing 3.7m tonnes of carbon a year, a bigger share of this loss is in the southern reaches of the Pennine chain. One of the objectives of the initial project actions for which approval by committee is sought is to develop and refine this data.

4. Are there any other Climate Change related issues that are relevant to this decision that should be brought to the attention of Members?

Preventing the loss of carbon from the upland peat of the North of England and bringing this into an active condition is the biggest and easiest way of preventing terrestrial carbon loss nationally.

5. **Background papers (not previously published)**

None

6. **Appendices**

Appendix 1 - Great North Bog Map and Vision summary

**Report Author, Job Title and Publication Date**

Chris Dean Head of Programme Delivery - Moors for the Future Partnership.  
26 August 2020

The time to invest in our peatlands is now. We recognise that healthy peatlands are vital to helping tackle the climate and biodiversity crises. The peatland restoration programmes of northern England have developed a vision to match the scale of this ecological challenge.

The Great North Bog is an ambitious, grand-scale peatland restoration initiative being developed by the North Pennines AONB Partnership, the Yorkshire Peat Partnership and the Moors for the Future Partnership. It is a landscape approach to restoration across nearly 7000 square kilometres of upland peat in the Protected Landscapes of northern England, which currently store 400 million tonnes of carbon. Damaged peat in the Great North Bog releases 3.7 million tonnes of carbon annually. The programme aims to develop a working partnership to deliver a 20-year funding, restoration and conservation plan to make a significant contribution to the UK's climate and carbon sequestration targets.

## Partnership

By joining up of some of the most successful peatland restoration programmes in Europe we can bring about a massive and urgent step change in saving the majority of England's upland peatlands before it is too late. The Protected Landscapes of the Great North Bog represent around 92% of the upland peat in England. The Great North Bog includes four National Parks, three Areas of Outstanding Natural Beauty, and the proposed South Pennines Park, and represents a significant opportunity to implement the peatland restoration objectives in the 25 Year Environment Plan.

In the last two decades, the three leading peatland programmes have restored about 1100km<sup>2</sup> (YPP – 323km<sup>2</sup>, NPAONB – 350km<sup>2</sup>, MFFP – 454km<sup>2</sup>). This is a great start but despite this massive effort it is still less than 20% of the total area and, with a climate and biodiversity emergency, now is the time to pool our skills to make a revolutionary change in the rate of restoration of England's upland peatlands.

## Benefits to society

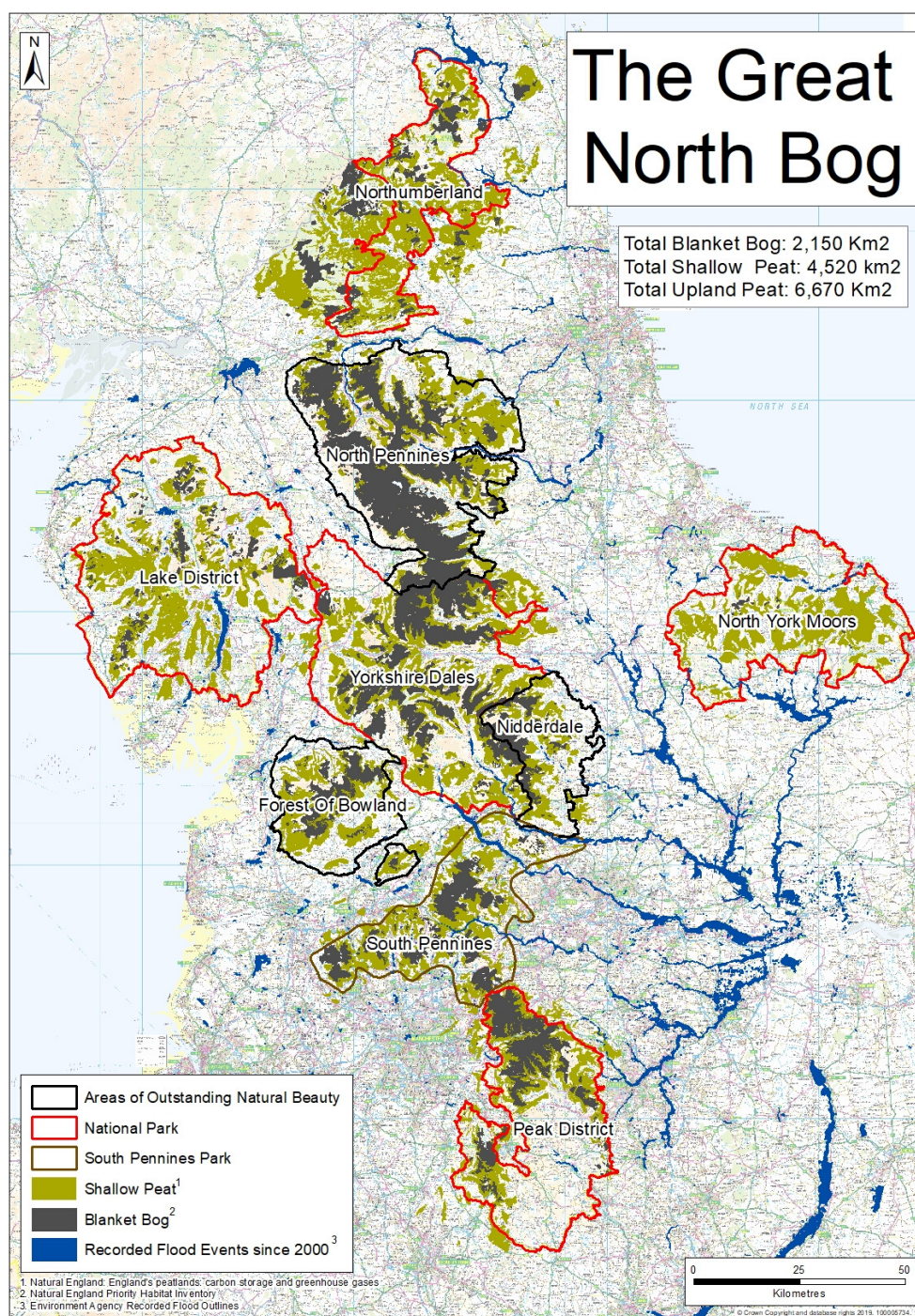
- Peatlands are the UK's rainforests, storing vast amounts of carbon. Restoring them will also reduce carbon emissions released by damaged peat and enable it to sequester more in the future.
- A healthy peatland slows the flow of water from the hills, reducing the risk of flooding and the impact of storm water, directly benefitting towns and major cities downstream.
- The Great North Bog provides drinking water to 15 million properties in the area. Eroding peatlands discolour water, increasing cost of water treatment. Restoration reduces the costs of providing safe drinking water.
- Healthy peatlands support a wide range of wildlife. Restoration will help to reverse the trend of decline in upland species, such as curlew and golden plover (identified in the State of Nature 2019 report).
- Healthy peatlands are resilient and ecologically diverse habitats that provide benefits for people and nature.
- Restoring the Great North Bog will increase local contractors' skills and capacity, benefitting rural economies.

## Costs and legacy

To restore the remaining damaged peatlands in the Great North Bog, the partners are seeking blended investment from both public and private sector sources of approximately £200 million over 20 years. Once restored, the Great North Bog will safeguard the increased carbon it stores and will avoid annual carbon losses estimated at 3.7 million tonnes per year. The restoration of the Great North Bog will leave a living, national legacy of a functioning ecosystem providing vital services for future generations.



# THE GREAT NORTH BOG



## Great North Bog partners and contacts:



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**12. AMENDMENT TO STANDING ORDERS - PART 7 DELEGATION TO THE CHIEF EXECUTIVE (BUSINESS AND PLANNING ACT 2020) - JRS**

**1. Purpose of the report**

The Authority's Standing Orders are periodically reviewed to make sure they incorporate legislative changes, changes to the organisation and to reflect on their operation. This report proposes additions to the Delegation to the Chief Executive in part 7 of Standing Orders following the coming into effect of certain provisions of the Business and Planning Act 2020 relating to planning permissions and in particular the process for obtaining extensions of time under existing permissions.

**Key Issues**

The Authority's Standing Orders are made up of 7 parts. This report proposes changes to part 7.

Part 7 sets out delegations to the Chief Executive under section 101 of the Local Government Act 1972. This report proposes officer delegation to determine applications under the recently enacted Business and Planning Act 2020 which contains provisions relating to economic recovery and growth following the Covid 19 outbreak. The Chief Executive may delegate this authority to another Officer providing any such delegation is recorded in writing. These are published in Part 7B of Standing Orders.

**2. Recommendation(s)**

To amend the Scheme of Delegation to the Chief Executive set out in part 7 of Standing Orders to authorise the Chief Executive:

**A Modification of conditions relating to construction working hours**

(1) To give written notice under s 74C TCPA 1990 upon an application under 74B (Modification of conditions relating to construction working hours) either to

(a) Modify conditions or the approved document in accordance with the application as applied for,

(b) Refuse to modify the conditions as applied for, or

(c) Make a determination under s74C (2) as to

- The times that construction activities may be carried out

- The dates date from which modifications are to take place

- The date at the end of which the modifications are to cease to have effect

And for the purposes of (c) to seek the agreement of the applicant to the terms of the determination.

**B Matters relating to automatic extension of certain planning permissions: additional environmental approval applications under s93B(3) TCPA 1990**

1 To grant, or refuse to grant the additional environmental approval in relation to the relevant planning permission

2 To agree in writing extensions of time for determining the application (not

exceeding 21 days)

3 Where the development to which the relevant planning permission relates is EIA development, to determine whether a reasoned conclusion on the significant effects of the proposed development on the environment was reached and integrated into the decision and is up to date.

4 To determine whether the Authority is satisfied that a previous assessment under regulation 63(1) of the Conservation of Habitats and Species Regulations 2017, of the implications of the development to which the permission relates for a European site, was carried out; that, in light of the assessment, the development to which the permission relates would not adversely affect the integrity of the European site and that the assessment remains up to date.

**C Outline planning permission: extension of limits for beginning development with additional environmental approval: applications for additional environmental approval under s 93F(3) TCPA 1990**

1 To grant, or refuse to grant the additional environmental approval in relation to the relevant planning permission

2 To agree in writing extensions of time for determining the application (not exceeding 21 days)

3 Where the development to which the relevant planning permission relates is EIA development, to determine whether a reasoned conclusion on the significant effects of the proposed development on the environment was reached and integrated into the decision and is up to date

4 To determine whether the Authority is satisfied that a previous assessment under regulation 63(1) of the Conservation of Habitats and Species Regulations 2017, of the implications of the development to which the permission relates for a European site, was carried out; that, in light of the assessment, the development to which the permission relates would not adversely affect the integrity of the European site and that the assessment remains up to date

**How does this contribute to our policies and legal obligations?**

3. The Authority has a duty to keep its constitutional documents up to date and agree appropriate delegations to Committees and Officers to make sure decisions are made efficiently and at the appropriate level. The Authority has not delegated its ability to update and amend Standing Orders.

**Background Information**

4. The Business and Planning Act 2020 was enacted on 22 July 2020. The relevant sections (see below) come into effect as follows:

Section 16 came into effect on 29 July 2020

Sections 17-19 come into effect on 20 August 2020

5. The Act includes a range of measures to help businesses adjust to new ways of working as the country recovers from disruption caused by Covid-19. The measures support the transition from immediate crisis response and lockdown into recovery and getting the economy moving again. In particular there are temporary changes to the law relating to planning in England. Lockdown has meant that, in particular, construction activities had to be halted. This has impacted on permissions which would otherwise

expire because of non-commencement, or planning conditions which otherwise impose a time limit on commencement of development.

6. It is important to note that the Act provides for a default decision in some cases – for example if an application is not determined with a certain time or only partly determined.

## **Proposals**

### Planning restrictions on construction site working hours (Section 16 of the Act)

7. The Act introduces a new, fast track application process for the temporary variation of planning conditions relating to construction site working hours for developers to seek to temporarily allow extended working hours, for example work during the evening and at weekends. This is to ensure that, where appropriate, planning conditions are not a barrier to the safe operation of construction sites during the response to the Covid19 pandemic and to enable work to proceed at pace where otherwise delayed as a result of Covid-19.

8. An applicant may apply in writing, electronically, to modify the restrictions on the hours of construction activity, either to extend the permitted hours, or to allow construction activity to take place on a day that it is not presently permitted.

9. Such an extension of working hours may only be for a temporary period not extending beyond 1 April 2021.

10. Upon such an application the planning authority may:

- approve the proposed modifications to construction hours;
- refuse the proposed modifications to construction hours; or
- determine, with the agreement of the applicant, different modifications to construction hours (including dates)

11. If an LPA does not give notice of its decision within 14 days (beginning with the day after that on which the application is sent to the authority) then the condition is deemed to be modified as set out in the application and the applicant can implement the new working hours.

12. Where modifications are determined by the Authority in respect of only some of the matters in the application (e.g. the date on which the extended hours may start) then the condition is deemed to have been modified in respect of the other matters, in line with the application.

### Extension of duration of certain planning permissions and listed building consents (section 17-19 of the Act)

13. Sections 17 to 19 make provision to allow the commencement period for certain unimplemented planning permissions and listed building consents to be extended. This is to ensure relevant permissions and consents are still extant, enabling development to commence following delays caused by Covid-19.

14. The Act also extends the expiration of certain planning permissions and listed building consents, providing certainty to the development industry where developments are delayed due to Covid-19.

15. There is an automatic modification to any planning condition that imposes a time limit for commencement of development pursuant where the time limit for commencement of development is due to expire between and 31 December 2020. The time limit for commencement of development pursuant to these permissions will be extended to 1 May 2021.

16. There will be a similar extension of the time limit for commencement of development to 1 May 2021 for a relevant planning permission where the time limit for commencement expired between 23 March 2020 and 20 August 2020, if an “additional environmental approval” is granted or deemed to be granted in relation to that permission.

17. An application for additional environmental approval has to be submitted using electronic communications in a manner specified by the LPA, and to include sufficient information to enable the application to be determined.

18. The local planning authority is to grant additional environmental approval (this is a straightforward “grant” or “refuse” – no conditions may be imposed) if it is satisfied that the EIA and Habitats requirements are met.

19. The EIA requirement is met if either:

- a. the development contains no development that would require an EIA, or
- b. the development remains the subject of an up-to-date Environmental Impact Assessment within the meaning of those Regulations.

20. The Habitats requirement is met if either:

- a. the development would not require a Habitats assessment, or
- b. the development was previously the subject of a Habitats assessment which ascertained that the development would not adversely affect the integrity of a European site or European offshore marine site, and which remains up-to-date;

20. The LPA must issue a decision to grant or refuse additional environmental approval within 28 days, or such longer period agreed in writing with the applicant (such longer period not to exceed an additional 21 days). If the local planning authority does not issue a decision within the 28-day period (or as extended), it is deemed to have granted additional environmental approval;

21. No additional environmental approval may be granted or deemed to be granted after 31 December 2020, unless the grant is on an appeal lodged on or before that date.

22. The provisions detailed above expire at the end of 1 May 2021.

#### Extensions in connection with outline planning permission (Section 18)

23. There is a modification to any condition that imposes a time limit for the submission of an application for the approval of a reserved matter for those outline permissions

- Where the time limit for submission of an application for approval expires between 23 March 2020 and 31 December 2020 the time limit for submission of such applications will be extended to 1 May 2021.
- For those outline permissions where a time limit for commencement of

development is due to expire between 20 August and 31 December 2020, the time limit for commencement of development pursuant to these permissions will be extended to 1 May 2021.

24. The time by which the development or (as the case may be) the part of the development must be begun cannot be further extended.

25. Where a time limit for commencement expired between 23 March 2020 and 20 August 2020 there is a requirement for an “additional environmental approval” in the same way as described above. These temporary modifications expire at the end of 1 May 2021.

#### Extension of duration of certain listed building consents (Section 19)

26. Section 19 provides for an extension of the duration of certain listed building consents, by temporarily modifying the effect of the Planning (Listed Buildings and Conservation Areas) Act 1990 which is to be read as if a new section 18A were inserted in it (see subsection (1)). New section 18A will modify any condition that imposes a time limit for the commencement of works pursuant to a listed building consent where the time limit for commencement of works expires between 23 March 2020 and 31 December 2020. The time limit for commencement in such cases will be extended to 1 May 2021.

#### **Are there any corporate implications members should be concerned about?**

##### **Financial:**

3. No significant financial implications.

##### **Risk Management:**

4. No significant risks.

##### **Sustainability:**

5. No significant issues

##### **Equality:**

6. Equality and human rights issues have been considered and addressed in preparing this report

7. **Climate Change:**

This report deals with the process for determining certain planning applications. As such there are no further climate change implications over and above current practice.

The temporary process for determining certain planning applications that would otherwise lapse or expire leaving development to come to standstill contains measures for, where necessary, reviewing environmental and habitat implications. However the time allowed for considering these safeguards is limited, and, as pointed out in the report, failure to meet these time limits will result in a deemed permission.

8. **Background papers (not previously published)**

None

9. **Report Author, Job Title and Publication Date**

John Scott, Director of Conservation and Planning and Joanna Bunting, Assistant

Solicitor (Planning and Minerals) 26 August 2020

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**13. 2020/21 QUARTER 1 CORPORATE PERFORMANCE REPORT (A91941/HW)**

**1. Purpose of the report**

This report provides Members with monitoring information for the end of Quarter 1 2020/21 (April to June 2020) to review performance against the second year of our 2019-24 Corporate Strategy.

**2. Key Issues**

**Corporate Performance** at the end of Quarter 1:

- 41 of our strategic interventions are on target, 15 require more planned work and 9 have performance issues.
- Those that have performance issues are strategic interventions focusing on:
  - developing a methodology for landscape monitoring
  - carrying out Conservation Area Appraisals
  - reaching under-represented audiences
  - generating sustainable additional income
  - increasing the value of volunteer support
  - increasing workforce diversity
  - developing a new Capital Programme for the Authority
- Key performance indicators will be reported on in Q4.

**Corporate Risk** status at the end of Quarter 1:

- One risk has moved in its risk rating and been reworded:
  - 'Four Principal financial risks within the Moorlife 2020 European funded project: exchange rate movements; the sterling ceiling set for the total project budget; the contractual treatment of partner contributions; and the possibility of expenditure being found ineligible' has been managed down and reworded
- One other risk has also been reworded:
  - 'Failure to deliver the audience engagement plan targets and outcomes'
- Four risks remain as high risk:
  - 'Area of NP land safeguarded in environmental land management schemes reduces due to Brexit uncertainty and Countryside Stewardship issues leading to the potential loss of a range of grassland habitats'
  - 'Failure to achieve sustainable gross revenue income targets (£140k) for the PDNP'
  - 'Failure to develop nature recovery networks in the Peak District National Park'
  - 'Impact of the coronavirus pandemic on delivery of planned Corporate Strategy outcomes, the Authority's financial position, staff wellbeing and how we maintain the #PeakDistrictProud message of 'care, respect and enjoy' for all audiences within and outside the National Park both during lockdown and as we come out of it'

1 complaint was received in Quarter 1.

4 Freedom of Information requests and 5 Environmental Information Regulations requests were dealt with.

### Recommendations

3.
  1. That the Q1 performance report, given in Appendix 1, is reviewed and any actions to address issues agreed.
  2. That the Q1 corporate risk register given in Appendix 2 is reviewed and status of risks accepted.
  3. That the status of complaints, Freedom of Information and Environmental Information Regulations requests, given in Appendix 3, is noted.

### How does this contribute to our policies and legal obligations?

4. Performance and risk management contributes to the fourth outcome in our corporate strategy: *The PDNPA is an agile and efficient organisation*. Monitoring the indicators and strategic interventions for 2020/21 is part of our approach to ensuring we are progressing against our Performance and Business Plan and, if needed, mitigating action can be taken to maintain and improve performance or to reprioritise work in consultation with staff and Members.

### Background

5. The visual representation for performance data remains on a traffic light system, using:
  - **green** – the strategic intervention or indicator is on target
  - **amber** – some remedial work is required to get on target
  - **red** – wider variance from being on target where some significant issues may need to be addressed.
6. In addition, a commentary is provided in Appendix 1 for each corporate strategy outcome, including any issues and action being taken to address the issues. An overall Chief Executive's commentary is also included.
7. The Authority's risk management policy and supporting documentation was approved by Authority on 19 January 2018 (minute 7/18) and is reviewed annually as part of the Authority's review of the Code of Corporate Governance. In line with these arrangements, Appendix 2 shows the status of the corporate risks.
8. Appendix 3 shows the status of the complaints received in this quarter and the report on Freedom of Information and Environmental Information Regulations requests. All remain at a low level.
9. Information is given so that Members of Authority, in accordance with the scrutiny and performance management brief of the committee, can review the performance of the Authority and the risks being managed corporately.

### Proposals

10. Members are asked to review and agree the Quarter 1 performance report as detailed in Appendix 1.
11. Members are further asked to review the Corporate Risk Register status in Appendix 2 and agree the proposed changes.



12. Members are asked to note the status of complaints, Freedom of Information (FOI), and Environmental Information Regulations (EIR) enquiries in Appendix 3.

**Are there any corporate implications members should be concerned about?**

13. This report gives Members an overview of the achievement of targets in the past quarter and includes ICT, financial, risk management and sustainability considerations where appropriate. There are no additional implications in, for example, Health and Safety.
14. **Background papers** (not previously published) – None

**Appendices**

1. Appendix 1: Quarter 1 Performance Report for 2020/21
2. Appendix 2: Quarter 1 2020/21 Corporate Risk Register status
3. Appendix 3: Quarter 1 2020/21 Complaints, Freedom of Information (FOI) and Environmental Information Regulations (EIR) enquiries

**Report Author, Job Title and Publication Date**

Holly Waterman, Senior Strategy Officer - Research, 26 August 2020

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## **Quarter 1 Performance Report for Year 2 of the Corporate Strategy (2020/21)**

### **Quarterly overview by Chief Executive**

RAG status of strategic interventions:      Red = 9, Amber = 15, Green = 41

Our work in this first quarter of 2020/21 has been during an unprecedented period of restrictions on our daily lives due to the Covid-19 pandemic. Staff have been working tirelessly alongside local partners, businesses and communities to support a safe home for those who live and work in the National Park and a safe welcome for those who have been able to visit.

I am pleased that throughout this period we have been able to maintain important Member oversight, decision-making and engagement, albeit remotely. Covid-19 restrictions on how we work and what we can do has had an inevitable impact on our delivery, as our planned face-to-face audience engagement work had to cease almost overnight and the organisation continued to work from home. This does mean several of our strategic interventions are red or amber – such as volunteering, landscape monitoring, audience engagement and income. We are currently reviewing whether we will be able to get these back on track. We have also seen some great examples of innovation and cross-team working to find solutions to issues; for example, the online shop is now working well and a car park alert status website page has been introduced. In addition, our countryside code campaign #PeakDistrictProud, which we launched with partners on 1 March, has proven its value. We've also broadened out our engagement with communities, Parish Councils and the Peak Park Parishes Forum and have valued their input and support. At the start of this quarter we also delivered on our main priority in our Investors in People action plan, which was to identify our core values – care, enjoy, pioneer – which I shared with Members and staff in early April.

The easing of lockdown restrictions and calls for a move to a green recovery has shown the importance of our four strategic programmes of the Programme and Resources Committee: climate change; volunteering; landscape programmes monitoring and delivery; recreation hubs and visitor engagement. This quarter, we have seen great team working across the Authority to develop these programmes. National parks have been at the heart of the nation's recovery from lockdown as we have welcomed back those who last set foot amongst our dales and uplands months ago and we are seeing many new visitors seeking sanctuary in our landscapes and in nature for the first time. I'd like to thank those people who have looked after our National Park alongside us and to those who have slowly returned and shown respect and care for the land, its wildlife and our communities. A key #PeakDistrictProud message has been to ask people to plan ahead and be flexible to avoid busy hotspots, take litter home, leave BBQs at home and stick to social distancing. Our national parks can be the roots to a positive post-Covid-19 landscape, where wellbeing and our impact on the planet go hand-in-hand with our working and home lives under a 'new normal'. We have been supporting this through offers made nationally to Defra from the 10 English national parks and the recovery groups under the Local Resilience Fora.

We have seen a significant impact on our income this quarter. We have been able to mitigate this in-year through our reserves, use of government support and working hard to get some of our income streams operating again. There will be impacts of this, with some work now not being able to progress, and while the level of our future National Park Grant remains uncertain we have to plan now for a reasonable worst case scenario. This work begins in Quarter 2, as we review what our resources will enable us to do.

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- [2. Audiences overview](#)
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# Outcome: **A sustainable landscape that is conserved and enhanced**

## **Q1 overview by Director of Conservation and Planning**

The work of the Conservation and Planning Directorate largely continued during the period of lockdown, albeit with some significant changes, which will inevitably have an impact on performance and outcomes. During Quarter 1, we have managed to make progress in most of our areas of work after the initial period of lockdown, with meetings being held virtually where appropriate. Nearly all site-based work was suspended until later in the quarter and only then when it could be carried out safely. The Development Management Service continued to deliver a Planning service, as requested by MHCLG, but with limitations on site visits. There were no Planning Committees during the quarter, with decisions being made under the emergency delegation scheme or the standard delegation scheme. However, it was not possible to determine some applications because of constraints on staff and site visits.

Due to Covid-19, the Environmental Land Management Policy Discussion Document consultation has been paused, with the revised timescale for responses extended to 31 July. Officers continue to work closely with other English national park authorities, National Parks England (NPE) and Defra to shape and influence the design of a future environmental land management scheme (ELMS). Our Head of Landscape and Conservation is leading on this for NPE and has represented NPE on a number of the Working and Technical Groups. The White Peak ELMS Phase 1 Test continued, albeit in a more limited way because of Covid-19 restrictions. This focuses on testing whether National Character Area assessments can be used to prioritise public goods to be delivered under ELMS and how farmers and land managers can develop land management plans to deliver those public goods.

The Authority's partner work on landscape-scale projects continues with the Moors for the Future, South West Peak Landscape and White Peak partnerships. Covid-19 meant that the delivery of some projects was brought forward at the end of the quarter, but most projects have been delivered, as they were due to be completed by the start of the bird nesting season anyway. Other projects will either be postponed or redesigned in consultation with partners and funders. Discussions have been taking place with Defra and other stakeholders about a Great North Bog initiative, linking the Pennine peatlands together to focus on carbon, flood management and biodiversity. A virtual legacy workshop to consider the future of the South West Peak Partnership and its work was held in April.

Discussions are taking place with the consultants who produced the Moorland Birds Survey report, which launched in October, but was withdrawn pending a further analysis of the results. Early indications are that birds of prey are having a slightly better season in 2020. Officers continue to work with moorland interests on moorland management, including wildfire mitigation and wildlife protection. There have been regular virtual meetings with moorland managers, but this year's meeting at Chatsworth was postponed.

Work has progressed on setting out a brief and methodology for reviewing the Authority's Landscape Strategy and for landscape monitoring, integrating this with the assessment of special qualities, but it has been delayed to some extent by Covid-19 restrictions. However, Cranfield University is exploring a semi-automated approach to the sample repeat of the Countryside Commission's *Monitoring Change in National Parks*.

RAG status of strategic interventions: Red = 3, Amber = 5, Green = 14

## Outcome: A sustainable landscape that is conserved and enhanced

### Distinctive landscapes that are sustainably managed, accessible and properly resourced

KPI and targets	RAG status of strategic intervention	Commentary on strategic intervention and likelihood of meeting target
<p><b>KPI 1:</b> Influence the development of a support system that properly rewards farmers and land managers for delivering a full range of public benefits</p> <p><b>2024 target:</b> At least an additional 10% of Peak District National Park in environmental land management schemes</p> <p><b>2020/21 target:</b> At least 40% of Peak District National Park in environmental land management schemes</p> <p><b>Responsible officer:</b> Head of Landscape and Conservation</p>	<p>Influence the design of the future post-Brexit scheme for roll out in 2025. Influence and deliver tests, trials and pilots for the new scheme through to 2025</p>	<p>PDNPA continued to represent the English NPAs at the Agri-Environment Stakeholder Working and Technical Groups, External Working Group and more recently the Industry Stakeholder Emergency Covid-19 Group meetings. All meetings have been virtual.</p> <p>The Environmental Land Management (ELM) Policy Discussion Document consultation was paused due to Covid-19 and has now reopened with a deadline of 31 July. A National Parks England (NPE) response has been prepared by our Head of Landscape and Conservation. This will be submitted after final editing at the start of Q2. A more local response from the Peak District Land Managers Forum will be explored in Q2.</p> <p>The White Peak (WP) ELM test has continued despite Covid-19. The test is looking at: 1) whether a National Character Area (NCA) assessment can prioritise delivery of public goods; and 2) how farmers and land managers can develop land management plans to deliver public goods. The third 1:many workshop was delivered virtually albeit with fewer numbers, split into two sessions and with training on the virtual system. 1:1s continued virtually, but at a slower pace and with greater Farm Adviser support. The WP test is still on target for completion in Q3. The proposed WP Budget Ready Reckoner has been created with support from the Peak District Land Managers Forum Brexit sub-group and is now being tested. It has recently been agreed with Defra that the next two NCAs to be considered will be the Dark and South West Peak. The exact approach is likely to be amended in light of Covid-19 implications.</p>
	<p>Make the case for and influence the design of</p>	<p>Representation for the English NPAs at stakeholder meetings and workshops has continued virtually. Transitional arrangements including improvements to the</p>

transitional arrangements including further improvements to the current Countryside Stewardship scheme

current Countryside Stewardship Scheme (CSS) continue to be explored but have slowed due to Covid-19 and staff capacity. While there have been industry calls for timescale extensions for transitional arrangements, particularly the start of the phased reduction of the Basic Payment Scheme (BPS), the Government has so far said the current timetable should remain.

**Issues arising:** While there is growing recognition of upland issues during transition, there is as yet no clear road map though this period. The risk is that many of our upland farmers and land managers will be left with no option but to intensify their agricultural activities (with potential resulting losses of natural and cultural assets) or go out of business. Q1 has seen an increase in actions such as wall removal and scrub burning, largely on land outside current agri-environment schemes. ELM will need to be sufficiently attractive to encourage a high level of participation and to properly reward participants for continuing to deliver public goods in the longer term. The ELM National Pilot will be crucial for ensuring farmers and land managers want to engage in ELM.

**Actions to address:** Continue to highlight the upland transitional issues and press for further improvements to the current CSS at stakeholder meetings. A position statement around the transitional issues for the English National Parks is being prepared and will be completed in Q2. The ELM test is supporting farmers and land managers to explore the implications of the loss of Basic Payment Scheme and the start of ELM. It is hoped that the WP Budget Ready Reckoner will help farmers and land managers consider their options before making any business decisions and help highlight the level of ELM payments that may be necessary to attract participation.

Continue to support land managers to access current and future schemes

Authority Farm Advisers have continued to support farmers and land managers remotely. However, delivery has been slower due firstly to no site visits and then intensive support for virtual meetings, claims and applications. Helping farmers and land managers access the national CSS and understand regulation is key. A range of habitat management and conservation works have continued to be supported by the Authority's own small scale Land Management Grant Scheme filling some of the gaps from the national scheme and encouraging farmers and land managers to remain engaged in conservation. The small scale practical trials exploring techniques to develop nature recovery networks across the agriculturally-improved WP plateau have stimulated interest in nature recovery and techniques new to the Peak District.

		<p>The South West Peak Landscape Partnership has also continued to provide a range of grants to improve water quality, 'slow the flow', restore grassland and wader habitat. Moors for the Future Partnership has continued to work with Natural England and landowners to provide complex surveys to support stewardship applications across the South Pennine Moorlands Special Area of Conservation. Three major schemes are presently in consideration. The first year of Nature for Climate funding is being applied for to subsidise the more expensive items which are difficult for farm-scale cash flow to engage with.</p>
<p><b>KPI 2A:</b> Natural beauty conserved and enhanced</p> <p><b>2024 target:</b> Net enhancement as identified by landscape monitoring</p> <p><b>2020/21 target:</b> Baseline carried out for strategic sustainable landscape monitoring</p> <p><b>Responsible officer:</b> Head of Landscape and Conservation</p>	<p>Develop methodology for strategic sustainable landscape monitoring with partners, which: identifies interventions required to prevent / reduce / reverse / mitigate negative changes and enhance natural beauty; and addresses any issues arising from the climate change vulnerability assessment of special qualities</p>	<p>Covid-19 has impacted partner availability and prevented site visits until the latter part of Q1. This has resulted in no further progress on agreeing methodology.</p> <p><b>Issues arising:</b> While it is hoped that completion of a landscape monitoring methodology by the end of Q4 will be achieved, this will depend on the continuing impacts of Covid-19 and partner availability.</p> <p><b>Actions to address:</b> Keep progress and timescale for completion under review.</p>
	<p>Undertake an initial assessment of net enhancement to include repeating existing detailed vegetation photos, photographing special quality views and sample repeating the 1991 <i>Changes to National Parks Report</i> indicators</p>	<p>Progress has been made despite Covid-19, but has been slower than planned due to staff capacity and no site visits for most of Q1.</p> <p>Following completion of the sample Landscape Description Unit (LDU) photos in 2019/20, the proposed methodology for assessing changes will be agreed internally in Q2. Further repeat LDU photos will be taken in Q2 and Q3.</p> <p>Cranfield University's project exploring a semi-automated approach to the repeat sampling of the 1991 Changes to National Parks Report had to be completed by students without site visits or access to all University facilities. The results were not as complete as hoped. Further funding has been acquired by the University to enable the lecturers to complete the work in Q2.</p>
	<p>Explore and develop community and audience engagement through</p>	<p>As this is part of the landscape monitoring methodology, this strategic intervention is likely to be delayed. Exploring and developing community and audience</p>



	<p>landscape monitoring including special quality views</p> <p><b>Responsible officer:</b> Head of Policy and Communities</p>	<p>engagement with special quality view monitoring was planned for Q1 but this has now been delayed due to funding issues within the Authority.</p> <p><b>Issues arising:</b> This work has not begun due to funding issues.</p> <p><b>Actions to address:</b> Explore and develop community and audience engagement with special quality view monitoring as part of the overall landscape monitoring methodology. Review timescale for delivery in light of Covid-19 impacts. Seek clarity on funding.</p>
<p><b>KPI 2B:</b> Natural beauty conserved and enhanced</p> <p><b>2024 target:</b> Net enhancement as identified by landscape monitoring</p> <p><b>2020/21 target:</b> 100% of planning decisions in accordance with strategic policy</p> <p><b>Responsible officer:</b> Head of Development Management</p>	<p>Ensure all planning decisions are in accordance with strategic policy</p>	<p>No decisions in Q1 were contrary to strategic planning policies.</p> <p>Due to Covid-19 restrictions, there were no Planning Committees in Q1, with decisions being made under either emergency delegation by the Director in consultation with the Chair of Planning and Chair of the Authority, or through standard delegation powers.</p> <p>There were no significant appeal decisions in the quarter.</p>
<p><b>KPI 3:</b> Increase the amount of carbon captured and stored as part of routine land use and management</p> <p><b>2024 target:</b> 3,650 tonnes net decrease in carbon emissions from moorland</p> <p><b>2020/21 target:</b> 1,460 tonnes net decrease in carbon emissions from moorland</p>	<p>Further develop our knowledge and insights of total carbon captured and stored to tell the carbon management story of the Peak District moorlands</p>	<p>The Moor Green Investment project will start in July following successful conclusion of contractual agreement with the funders. This project will be MFFP's main source of insight and new approach into taking advantage of the carbon and other ecosystem resources to drive investment.</p> <p>Interest and resource opportunity has developed in Q1 to better baseline and present the metrics of the peatland resource and the trajectory of restoration progress. This has been promoted through interest from the new National Trust/Yorkshire Water Partnership, the data requirements of the emerging Great North Bog initiative and requirements from Natural England for emerging moorland management plans. The challenge of resourcing this will continue into Q2.</p>

<b>Responsible officer:</b> Head of Programme Delivery (MFFP)	Continue to carry out a range of moorland restoration work to revegetate bare peat and reduce carbon emissions	<p>From April through to the end of July, practical works on site are halted for the Bird Breeding season; therefore, there has been no practical restoration in Q1. This is normal at this time of year and progress remains on track.</p> <p>During Q1, there have been increased habitat regulation concerns due to the increasing quality of the habitat, which means new processes and resources are needed to meet consent requirements for project work. MFFP staff are working closely with NE staff to achieve this over the 40-60 project sites this restoration season.</p> <p>The range of moorland restoration work has broadened this quarter with local authorities engaging with MFFP and with the Leeds city region enterprise partnership regarding moorland resource potential for contributing towards climate emergency targets. Delivery of the research portion of the Building Blocks project has provided a good evidence base which has captured Environment Agency accelerated flood funding.</p> <p>SSSI consent has been received for the Warslow Moors Estate Swallowmoss re-wetting project and work is due to start in Q2.</p>
	Expand our work to identify and develop carbon auditing methods for non-moorland land use and management techniques  <b>Responsible officer:</b> Head of Landscape and Conservation	<p>The ELM White Peak habitat carbon ready reckoner has been tested with farmers, land managers and advisers as part of the WP ELM test. The ready reckoner has proved helpful in stimulating interest in and discussion about the carbon picture of habitats other than moorland, such as different types of grasslands and woodlands. There is clearly an appetite for the ready reckoner to be more widely available for farmers and land managers in the WP. Other national park authorities and Defra have also shown interest. The ready reckoner uses data drawn from the full Peak Carbon Tool, which was last updated in 2014/15. As there have been changes in carbon data since then, a further update has progressed during Q1 and will be signed off in Q2.</p> <p>Further versions of the habitat carbon ready reckoner are planned as part of the ELM test for the Dark and South West Peak National Character Areas.</p>
	Develop the climate change vulnerability assessment and implement the key outcomes  <b>Responsible officer:</b> Head of Strategy and Performance	<p>A full draft of the climate change vulnerability assessment report has been written. The introductory sections have been finalised. We are continuing to fine tune the recommendations with internal specialists.</p>

## High quality habitats in better condition, better connected and wildlife rich

KPI and targets	RAG status of strategic intervention	Commentary on strategic intervention and likelihood of meeting target
<p><b>KPI 4:</b> Area of moorland blanket bog moving towards favourable condition</p> <p><b>2024 target:</b> Restoration activities on 1,500 hectares of degraded blanket bog</p> <p><b>2020/21 target:</b> Restoration activities on 600 hectares of degraded blanket bog</p> <p><b>Responsible officer:</b> Head of Programme Delivery (MFFP)</p>	<p>Continue restoration activities on degraded blanket bog to move it towards favourable condition with a focus on reducing the amount of bare peat and rewetting as far as possible in years 1-3</p>	<p>From April through to the end of July, practical works on site are halted for the bird breeding season; therefore, there has been no practical restoration in Q1. This is normal at this time of year and progress remains on track.</p> <p>The Covid-19 crisis has coincided with the bird breeding season so, with the exception of some plant material losses, this has not been a major issue to delivery. Tendering and planning for the 2020/21 season has progressed as normal with a robust Covid-19-safe site visit authorisation in place. This will bring a similar number of 2020/21 projects into live delivery as the 45 projects over 65 sites delivered in 2019/20.</p> <p>Discussions have begun on a very large opportunity of funding from various sources such as those attached to the first year of the Nature for Climate fund and the accelerated flood funding. This will increase the reach of current projects within their spending authority ceilings.</p>
	<p>Support the development of and implement a resilient, sustainable moorland management model</p> <p><b>Responsible officer:</b> Head of Landscape and Conservation</p>	<p>The Draft England Peat Strategy was drafted by Defra with input from many organisations involved in peat restoration work. This has been opened for a final targeted consultation with a number of organisations involved in its original drafting. The deadline for response is in Q2. The Authority will be feeding in to an ENPA/NPE response and MFFP are consulting with partners on a response from the Partnership.</p> <p>Through work with Defra on an application for the first year of Nature for Climate funds, a MFFP Moor Carbon Project bid was made for assistance with vegetation management to reduce our unique fire risk. Although this part of the bid failed in Q1 for not fitting the current project criteria, Defra are open to discuss this with the Partnership through the bidding process for the remaining 4 years of the Nature for Climate fund over Q2 and Q3.</p> <p>The Chatsworth moorland group has discussed how to achieve resilient, sustainable moorlands. Natural England acknowledged that Peak District heather growth is uniquely greater than on other moors due to the damaged peatland</p>

		<p>habitat and that fire is a legitimate land management technique, but only in exceptional circumstances. The focus is on fixing the hydrology to achieve blanket bog restoration and provide greater benefits around peat stabilisation, carbon loss and run-off. Natural England has continued discussions with estates to complete Long Term Management Plans - two more are close to being finalised and signed off, bringing the total to 13.</p> <p>The development of The Great North Bog developed by MFFP staff gained traction in Q1. This will cover 92% of all the upland peat in England between Edale and Scotland involving 4 national parks, 3 AONBs and the new South Pennine Park. It will drive a strategic ambition making the case for restoration locally more pertinent.</p>
<p><b>KPI 5:</b> Sustain the area of non-protected, species-rich grassland through retention, enhancement and creation</p> <p><b>2024 target:</b> Sustain at least 5,000 hectares of non-protected, species-rich grassland</p> <p><b>2020/21 target:</b> Sustain at least 5,000 hectares of non-protected, species-rich grassland</p> <p><b>Responsible officer:</b> Head of Landscape and Conservation</p>	<p>Use and share our data on non-protected species rich (priority habitat) grassland to inform our plans with a view to it becoming publicly available and supporting the public payment for public goods approach</p> <p>Deliver annual assessment of net gain/loss of non-protected, species-rich grassland and use this to influence our future plans</p>	<p>Further progress has been made cleansing the ecological data during Q1: over half of the 2,000 ecological datasets have been either migrated, checked or deleted. Completion of the cleansing and sorting of the ecological data is on target for Q4.</p> <p>Compilation of the metadata report is roughly 50% complete and will be produced in a similar layout to the Natural Capital Atlases to enable it to be used as a foundation for Natural Capital Assessment etc. This will help with planning for sharing the data externally.</p> <p>Active engagement with farmers and land managers through the Authority's farm advisers, WP ELM test and the SWPLP's Glorious Grasslands project has continued, albeit with some delay due to Covid-19 affecting site visits and the need for virtual working.</p>
<p><b>KPI 6:</b> Area of new native woodland created</p> <p><b>2024 target:</b> Create at least 400 hectares of new native woodland</p> <p><b>2020/21 target:</b> Create at least 100 hectares of new native woodland</p>	<p>Prioritise new native woodland creation work</p>	<p>The Authority's Farm Advisers continue to explore native woodland creation opportunities with farmers and land managers through the Countryside Stewardship Scheme. The Authority and Woodland Trust partnership for the creation of small scale woodlands will continue for a further year with planting taking place in Q3 and Q4. In addition, further 'slowing the flow' tree planting is planned in a SWPLP project. The WP ELM test results collated in Q1 show that WP farmers and land managers are aware of and keen to do their bit to support the public's wish to see more trees for carbon management and climate change reasons.</p>

<p><b>Responsible officer:</b> Head of Landscape and Conservation</p>		<p>MFFP are continuing to pursue re-funding the very successful Clough Woodland project and are in regular contact with the Northern Forest Project staff. A firm connection has been made this quarter, with a commitment to develop any joint opportunities where bog restoration and woodland creation opportunities coincide in the same catchment.</p> <p><b>Issues arising:</b> Covid-19 may continue to impact partner availability and farmers' and land managers' willingness and ability to prioritise woodland creation. Transition issues and concerns around the final design, payment levels and governance of ELM may also impact on business decisions for more woodland creation. White Peak ELM test learnings show a lack of clear, simple information about trees and carbon e.g. the role of species-rich grassland in carbon storage, the importance of the right tree in the right place for the right reason and the need to balance and integrate public good delivery.</p> <p><b>Actions to address:</b> Continue to prioritise new native woodland creation. Explore the continuation of the Woodland Trust partnership beyond March 2021 (subject to funding). Explore updating the White Peak ELM test carbon ready reckoner and develop new versions for the Dark Peak and South West Peak in Q3. Develop a Treescapes Action Plan to further inform the opportunity map in Q2 for sharing with external partners and Members in Q3.</p>
	<p>Create an opportunity map for new native woodland and scrub including details of the right trees in the right places</p>	<p>The Authority's approach to more trees and native woodland creation has been further refined and will be tested with members in Q2. A Future Treescapes Ask, building on and refining the new opportunity map for new native woodland and scrub will also be prepared.</p>
<p><b>KPI 7:</b> Maintain and enhance populations of protected and distinctive species</p> <p><b>2024 target:</b> Restore breeding pairs of birds of prey in the moorlands to at least the levels present in the late 1990s</p>	<p>Continue to have a clear voice on the outcomes we expect from the Peak District National Park moorlands</p>	<p>The interim report of the Birds of Prey Initiative's 2020 season will be published in Q2. This recent breeding season has once again shown the green shoots of recovery continue to grow, with species such as peregrine and goshawk in the Dark Peak nesting successfully across multiple locations. Yet, we still have some way to go to achieve the targets.</p> <p>Wildlife crime remains a factor in this progress, not only in our Bird of Prey Initiative study area (the moorlands of the Dark Peak) but elsewhere in the National Park, where police and others continue to work on tackling criminality impacting our raptors.</p>

**2020/21 target:** 17 Peregrine, 25 Short-eared owl, 37 Merlin, 5 Hen harrier

**Responsible officer:** Head of Landscape and Conservation

Wildfire risk was heightened in Q1, as visitor numbers remained high and the weather warm and dry. A campaign to encourage local retailers not to stock disposable BBQs had some success. The Authority, partners and major land owners also agreed a press release advising that land owners had not given permission for any fires to be lit on private land.

Site visits to take forward land management concerns with two landowners are planned for Q2 but depend on Natural England's approach to Covid-19 and whether they allow staff site visits. Meeting outcomes will be shared with the Sustainable Moorland Management Group.

NE are applying for funding to complete the environmental features map that is critical to explain and show how much progress has been made in moorland restoration over the last 25 years.

The England Peatland Strategy has been launched by DEFRA and a National Parks England response is being prepared for completion in Q2.

The original results of the Moorland Breeding Bird Survey are still suspended while a way forward is decided. Through discussions with the consultants, it has been confirmed there are two elements that need resolving before the data is comparable to previous surveys.

**Issues arising:** Changes to blanket bog burning and deep peat process continue to delay Long Term Moorland Management Plans between moorland owners/managers and NE. Continued suspension of Moorland Bird Survey results.

**Actions to address:** Continue to support the ambition for Long Term Moorland Management Plans. Regarding the Moorland Breeding Birds Survey, a meeting of the project steering group is planned in Q2 to move the situation forward. Wildlife crime continues to be a factor across the National Park and elsewhere and we continue to work with the police to support their work tackling illegal activity.

Work with moorland owners, land managers and partners to deliver resilient, sustainable moorlands that

Despite a late start due to Covid-19, monitoring work has taken place. There are mixed reports with success in some areas but concerns in others. Work is in progress to develop a protocol for keepers and raptor workers to improve



	lead to increased numbers of birds of prey	<p>understanding and communication. Final results will be available at the end of Q2 and the annual report will be prepared in Q3.</p> <p>The Upland Skies project led by the RSPB and supported by the Authority has been largely paused due to Covid-19.</p> <p><b>Issues arising:</b> Breeding pairs of birds of prey in the moorlands have not yet reached the levels present in the late 1990s.</p> <p><b>Actions to address:</b> Continue to work with moorland owners, managers, gamekeepers and partners to restore breeding pairs of birds of prey in the moorlands and develop trusted relationships.</p>
<b>Cherished cultural heritage</b> that is better understood and looked after		
KPI and targets	RAG status of strategic intervention	Commentary on strategic intervention and likelihood of meeting target
<p><b>KPI 8:</b> Increased knowledge, understanding and active engagement with archaeology, historic structures and landscapes</p> <p><b>2024 target:</b> 5% increase in audiences actively engaging with cultural heritage</p> <p><b>2020/21 target:</b> Baseline determined for audiences actively engaging with cultural heritage</p> <p><b>Responsible officer:</b> Head of Landscape and Conservation</p>	Engage with a range of audiences to promote and increase knowledge, understanding and engagement with archaeological sites, historic structures and landscapes	<p>Covid-19 has prevented the majority of planned engagement interventions to date. A move to a digital approach is being explored where possible for use in Q2. Operationally, essential site visits and some volunteering opportunities under South West Peak Landscape Partnership projects recommenced with full social distancing and following government guidance towards the end of Q1.</p> <p><b>Issues arising:</b> Covid-19 continues to impact on the type and range of engagements and is likely to impact on target delivery.</p> <p><b>Actions to address:</b> Explore and deliver digital and virtual engagement where possible. Keep progress under review.</p>
<b>KPI 9:</b> Percentage of Scheduled Monuments and Listed Buildings conserved and/or enhanced	Conservation and enhancement of scheduled monuments and listed buildings through our	Specialist input to development management has continued as normal but remotely. Over 115 new cases and many previous ones are still ongoing, 103 cases have received archaeological support.

<p><b>2024 target:</b> 10% of scheduled monuments and listed buildings conserved and/or enhanced</p> <p><b>2020/21 target:</b> 4% of scheduled monuments and listed buildings conserved and/or enhanced</p> <p><b>Responsible officer:</b> Head of Landscape and Conservation</p>	<p>regulatory, advisory and partnership roles and our own property</p>	<p>Through the SHINE portal, 14 Countryside Stewardship Higher Tier (3,280 hectares) and 13 Mid Tier (at least 1,367 hectares) cultural heritage consultation responses have been provided. In addition, 37 other archaeology consultations for countryside-related work (farm advisors, woodland creation, SWPLP projects, RSPB etc) have been delivered.</p> <p>The CSS Traditional Barn Restoration Pilot includes 8 listed buildings and 1 scheduled monument.</p> <p>Enhanced support was provided for summer solstice at Stanton Moor and the Nine Ladies stone circle including a police operation. We are monitoring damage to Nine Ladies &amp; Doll Tor, Dennis Knoll &amp; Carl Wark from trial bike riding, illegal camping fires and moving stones. There is a dramatic increase in the number of cases of damage to Scheduled Monuments, potentially linked to Covid-19 post lockdown and new audiences.</p> <p>A scheduled barrow on the Heritage at Risk register at Stanshope has received conservation support through the farm advice service. Derbyshire County Council has been encouraged to apply for Covid-19 grant funding to repair the scheduled Watchman's Hut on Baslow Bridge. 6 Scheduled Monuments in total for Q1.</p> <p>No SWPLP community grants have been awarded this quarter due to Covid-19 and loss of project staff.</p>
<p><b>KPI 10:</b> Percentage of Conservation Areas conserved and/or enhanced</p> <p><b>2024 target:</b> 100% (109) have adopted appraisals</p> <p><b>2020/21 target:</b> 97% of Conservation Areas have adopted appraisals</p> <p><b>Responsible officer:</b> Head of Landscape and Conservation</p>	<p>Develop and adopt the remaining six Conservation Area appraisals</p>	<p>Further development of the draft Conservation Area Appraisal (CAA) for Winster has continued but at a slower pace than expected due to the continued level of development management casework and remote working taking longer than normal. Longnor CAA has not yet been progressed due to lack of staff capacity and budget implications of Covid-19.</p> <p><b>Issues arising:</b> Covid-19 has impacted on progressing these CAAs.</p> <p><b>Actions to address:</b> Review timescales in Q2.</p>



# Outcome: A National Park loved and supported by diverse audiences

## Q1 overview by Director of Commercial Development and Engagement

This quarter has been extraordinary because of Covid-19. Visitor-facing operations closed during lockdown with only essential activities (litter collection, building checks, ranger patrols) continuing. All Commercial Development and Engagement staff moved to working from home, with 50 staff furloughed and many juggling work with caring responsibilities. The whole team has responded to the challenge with spirit and professionalism. Commercial trading including car parks, toilets, visitor centres, concessions, cycle hire and North Lees campsite suffered complete loss of income during lockdown. Staff have worked tirelessly and with agility to reopen at the earliest opportunity. With the closure of schools, income to support learning and discovery for young audiences stopped. Looking forward, footfall will be reduced for the foreseeable future in order to comply with government guidance, but we are seeing evidence of pent-up demand for services. Officers have responded to the income challenge with innovations introducing new offers including cycle sales, repairs and a bigger and better revamped online shop providing an enhanced, mobile-friendly customer experience. Income from other sources such as our estate tenancies and countryside stewardship schemes has largely been maintained.

High visitor numbers and new audiences have been evident following the easing of movement restrictions. This increased enjoyment and widespread benefit of the National Park at a time of national crisis is to be celebrated, notwithstanding the ongoing work with partners on the issues caused by a minority. There has been a huge increase in interest and focus on cycling and physical activity in general. Our cycle hire centres and multi-user trails provide an excellent introduction for those who are new to cycling, with the added value of experienced and knowledgeable staff being on hand to ensure that the Park is enjoyed in a sustainable manner. Officers are playing a key role at all levels in Derbyshire's Strategic Covid-19 Recovery, focussing on the leisure, culture and heritage offer of the county to drive a green economic recovery. To understand our new audiences better, we joined with Cambridge University on a European National Parks project to gain a deeper insight of resident experiences to better target communications, training and resources. Our rangers also conducted surveys of visitors at our hotspots with the data to be reported in Q2.

The current pandemic has inevitably slowed the Foundation's progress and impacted income. Despite this, the supporter base and social media reach continues to grow, raising £5k (Fire Fund and Spin & Bin) and increased regular donors. The Foundation completed their first annual report (<https://www.peakdistrictfoundation.org.uk/our-annual-report-2019-2020>) and held their first AGM.

"Every day is like a bank holiday" is how Engagement Rangers have described the weeks since lockdown restrictions eased. Rangers undertook 250 patrols supporting the police and have dealt with orders of magnitude increases in litter, anti-social behaviour, illegal parking, wild camping and open fires/BBQs. In addition, the unseasonably dry months of April and May contributed to higher than average numbers of moorland fire responses. Volunteering activity was suspended, although is now re-opening in line with government guidance (fire watch and honeypot litter collection are priority activities). A range of digital content, campaigns and consistent messaging on Covid-19 under the banner of #PeakDistrictProud led to a doubling of our social media engagement as compared with Q1 2019-20, with a further 12.8m people reached via the press.

Underlying our recovery, vital work has quietly and effectively progressed on our green lanes action plan, Millers Dale Good shed project, Pump House farm development and commencement of high priority maintenance works on our trails tunnels. As a consequence of prioritising Covid-19 recovery, some corporate strategy interventions have been delayed, including: Brunts Barn development application; North Lees options appraisal; and the Visitor Experience and Recreation Hub programme brief and vision workshop. Looking ahead to Q2, the primary focus will remain Covid-19 recovery, including supporting staff returning to 'normal' ways of working and re-profiling corporate strategy interventions against KPIs 12,13,14 and 15.

RAG status of strategic interventions: Red = 4, Amber = 4, Green = 4

## Outcome: A National Park loved and supported by diverse audiences

### Greater audience reach among under-represented groups

KPI and targets	RAG status of strategic intervention	Commentary on strategic intervention and likelihood of meeting target
<p><b>KPI 11:</b> Proportion of under-represented groups reached</p> <p><b>2024 target:</b> Peak District National Park audience reach that is 30% closer to demographics of those within an hour's travel time of the National Park</p> <p><b>2020/21 target:</b> Plan implemented for closing gaps in PDNP audience demographics</p> <p><b>Responsible officer:</b> Head of Marketing and Fundraising Development</p>	<p>Implement plans to match our offer to audience needs including engagement opportunities for all young people within an hour's travel time of the Peak District National Park, recruiting volunteers from under-represented groups, providing inclusive health, education and accessibility activities and developing digital channels that better align with the audiences we want to reach</p> <p><b>Responsible officer:</b> Head of Engagement</p>	<p>Work has been done to develop national Covid-19 recovery plans. The Engagement team have been involved in developing the health and wellbeing offer: restoring health and wellbeing through experiences in nature for essential workers, those disproportionately affected by lockdown, vulnerable people and those with disabilities, and their families. They have also developed the education and outreach offer: developing resilience through engagement and education of children and new visitors with nature. We are now building this work into our delivery as much as possible with current resources.</p> <p>We have also developed a survey to build our understanding of our new audiences, what their motivations for visiting are and how they found out where to visit. This will enable us to effectively target them with information about the National Park and encourage positive visitor behaviour.</p> <p><b>Issues arising:</b> Due to Covid-19, no direct delivery to target audiences has been carried out and limited volunteering activities have taken place. Where staff salary is related to income, staff have been furloughed, which has limited our capacity to develop new offers.</p> <p><b>Actions to address:</b> We have been engaging with the many visitors to the National Park as lockdown eased and encouraging positive visitor behaviour. We have also developed our online offer for young people and schools, with a new web page and webinars and online video conferencing for schools unable to visit.</p>
	Repeat data research in year 3 and year 5 to monitor against	The NFP Synergy survey is being carried out every 6 months throughout the Corporate Strategy period.

	outcome and adjust plan as required	
<b>A strong identity</b> and excellent reputation driving positive awareness and engagement		
KPI and targets	RAG status of strategic intervention	Commentary on strategic intervention and likelihood of meeting target
<p><b>KPI 12:</b> Public connection with the Peak District National Park</p> <p><b>2024 target:</b> Peak District National Park connection is increased by 20%</p> <p><b>2020/21 target:</b> Peak District National Park connection is increased by 2%</p> <p><b>Responsible officer:</b> Head of Marketing and Fundraising Development</p>	Use research to develop a plan to better understand our existing and potential audiences to increase public connection with the National Park	<p>Following Covid-19, a number of UK national parks have undertaken 'snapshot' surveys to understand the new audiences visiting and their key triggers and sources of information. This remains ongoing work and is being shared. As described above, Marketing and Communications (MarComms) insight is an integral part of the PDNP survey currently underway. The Audience Development plan was also completed for submission to P&amp;R Committee.</p> <p><b>Issues arising:</b> Research remains ongoing, so no plans have been developed.</p> <p><b>Actions to address:</b> Develop delivery plans as a result of insights gathered from the above activities.</p>
	Implement plans to increase public connection with the National Park through the development of quality engagement opportunities that encourage responsible behaviours and by growing sustainable tourism products	<p>A multi-national park re-submission to the Discover England Fund (DEF) was prepared by end of Q1 (submission beginning Q2). This will have a key focus on the domestic 'staycation' market as a result of Covid-19 implications on the sector.</p> <p>Covid-19 engagement otherwise dominated MarComms output during Q1, comprising around 80% of capacity. This included:</p> <ul style="list-style-type: none"> <li>- Reactionary and pro-active media statements, online content, public information across social media and physical collateral such as signage for our own locations (and communities) and regular partner liaison</li> <li>- Covid-19-related video content/advice and graphics were viewed over 184,000 times across Facebook and Twitter, with our initial lockdown video attracting over 30k views</li> <li>- Our social media engagement and impressions (people exposed to and reacting to our messages) doubled by trend comparison with Q1 2019/20. For 'engagements' the increase was +160%</li> <li>- Almost 60,000 people visited our Covid-19 page on advice and responsibilities and 54,000 visited our car park alerts page</li> </ul>

		<ul style="list-style-type: none"> <li>- Proactive delivery included the development of 'stay at home' challenges, plus video diary tips from rangers</li> <li>- New audiences photography portfolios commissioned and undertaken</li> <li>- #PeakDistrictProud pilot launched just before Covid-19 lockdown has been amplified by many partners during Q1 in parallel with Coronavirus messaging, including with communities requesting materials to display</li> </ul> <p><b>Issues arising:</b> In-train projects such as Millers Dale Goods Shed interpretation and 70<sup>th</sup> Anniversary development plans paused.</p> <p><b>Actions to address:</b> #PeakDistrictProud partners and Parishes survey in Q2, to determine ongoing delivery in Q2 and Q3 as Covid-19 restrictions continue to lift.</p>
	Repeat data research in year 3 and year 5 to monitor against outcome and adjust plan as required	The NFP Synergy survey is being carried out every 6 months throughout the Corporate Strategy period.
<p><b>KPI 13:</b> Public awareness of Peak District National Park Authority</p> <p><b>2024 target:</b> Peak District National Park Authority awareness is increased by 30%</p> <p><b>2020/21 target:</b> Peak District National Park Authority awareness is increased by 5%</p> <p><b>Responsible officer:</b> Head of Marketing and Fundraising Development</p>	Use existing research to develop a plan to increase awareness of the work of the Authority	<p>The Audience Plan as presented to the P&amp;R Committee identifies four key audience groups: BAME, those under 25, socially disadvantaged communities and those with health challenges. Cross-cutting these groups is our MarComms delivery and volunteering. The groups have been highlighted following insights from NFP Synergy and supporting research. A list of 5 'key principles' have been set out in the plan, with each delivery area – including MarComms – focusing on 3 core actions. The activity in support of these principles is set out as a cascade of delivery approaches set beneath each core action ('3x3 matrix').</p> <p><b>Issues arising:</b> The Audience Development plan has not yet been approved.</p> <p><b>Actions to address:</b> Seek approval of the Audience Development plan.</p>
	Implement the plan to increase awareness of the Authority, including but not limited to development of a Net Promotor Score (or similar) and seeking external awards in relation to our work	<p>Covid-19 provided an opportunity for the Authority to demonstrate a proactive approach to our response to the many issues arising out of the pandemic and lockdown scenarios:</p> <ul style="list-style-type: none"> <li>- Covid-related print media featuring statements or quotes from the Authority reached 12.8m people</li> <li>- Our social media audience grew 12% in Q1; more than 20% for Facebook (aligning with the importance placed on this channel for information as shown in recent Reuters insights). Our total audience is now over 92k</li> </ul>

		<ul style="list-style-type: none"> <li>- From Q4 to Q1, our inbound direct messages via social media increased by two thirds</li> <li>- Doubling of online views of ParkLife to almost 5,000 views of summer 2020 edition</li> <li>- Over 70 inbound media queries received, 50 actioned (e.g. TV/radio interviews), and the remainder redirected to more appropriate bodies or managed in terms of reputation.</li> </ul> <p><b>Issues arising:</b> Limited opportunities to progress signage, interpretation and 70<sup>th</sup> anniversary proposals due to dominance of Covid-19 delivery.</p> <p><b>Actions to address:</b> Progress 70<sup>th</sup> anniversary proposals.</p>
	Repeat data research in year 3 and year 5 to monitor against outcome and adjust plan as required	The NFP Synergy survey is being carried out every 6 months throughout the Corporate Strategy period.

## Active support through National Park points of contact to generate sustainable income

KPI and targets	RAG status of strategic intervention	Commentary on strategic intervention and likelihood of meeting target
<p><b>KPI 14:</b> Amount and sustainability of Peak District National Park Authority's income stream</p> <p><b>2024 target:</b> Generate an extra £500,000 sustainable gross revenue income</p> <p><b>2020/21 target:</b> Generate an extra £260,000 sustainable gross revenue income</p>	Implement and continue to develop the plan to maximise income without compromising the special qualities of the National Park, including car park management, new visitor experiences at Millers Dale and Hulme End, maximisation of existing income opportunities and growing our commercial enterprises	<p>Not only has Covid-19 impacted the implementation of plans to increase income due to additional demands on the visitor experience development service, it has also drastically reduced the expected (baseline) income where this is reliant on visitors (pay and display, visitor centres, cycle hire, North Lees and Field Head campsites, refreshment concessions/cafes). Income targets will not be achieved this year.</p> <p><b>Issues arising:</b> Every effort has been made to ensure the Authority benefits from the Government Job Retention Scheme where service costs are normally supported by income. It is not possible to predict what the long-term impact of Covid-19 will be on visitor-facing activities but it is likely to be significant and sustained. Restrictions are still in effect to protect both staff and customers, meaning that we will be unable to service the level of footfall expected in a normal year.</p> <p><b>Actions to address:</b> Significant work has gone into resumption of income-generating activities at the earliest date possible (in line with the lifting of</p>

<p><b>Responsible officer:</b> Head of Visitor Experience Development</p>	<p>Design and launch fundraising campaign in support of corporate strategy outcomes</p> <p><b>Responsible officer:</b> Head of Marketing and Fundraising Development</p>	<p>Government restrictions) and also to support local businesses to resume trading at PDNPA properties.</p> <p>70kfor70 campaign launched via the Foundation. Fundraising plan in place and £88k income secured to date. Further information included in Foundation annual report: <a href="https://www.peakdistrictfoundation.org.uk/our-annual-report-2019-2020/">https://www.peakdistrictfoundation.org.uk/our-annual-report-2019-2020/</a>.</p>
<p><b>KPI 15:</b> Value of Peak District National Park Authority volunteer support</p> <p><b>2024 target:</b> Generate an extra £250,000 in volunteer support across the Peak District National Park Authority</p> <p><b>2020/21 target:</b> Generate an extra £100,000 in volunteer support across the Peak District National Park Authority</p> <p><b>Responsible officer:</b> Head of Engagement</p>	<p>Review management and development of volunteers and roles to create an action plan to target increased volunteer support, diversity and efficiency</p> <p>Implement action plan to improve opportunities for volunteering and increase diversity amongst our volunteers</p>	<p>Volunteer ranger training has been moved online and will commence in Q2 with 20 new volunteers. New volunteer roles such as the Hotspot and fire watch volunteers have been created to support the current issues of high volumes of visitors to the PDNP. These roles have been offered to existing volunteer rangers rather than their normal opportunities.</p> <p><b>Issues arising:</b> Due to Covid-19 restrictions, no new volunteers have been recruited or new volunteer roles recruited to.</p> <p><b>Actions to address:</b> New timings for new volunteer roles such as at visitor centres and for the Foundation will be made as Covid-19 restrictions allow. Dates for other actions will also be amended as restrictions allow.</p> <p>There has been limited volunteer activity due to Covid-19. We have provided some online training and volunteers are now being offered access to online ELMS courses.</p> <p><b>Issues arising:</b> It is now clear that we will not be able to meet the value of volunteering target for 2020/21 and suggest this is amended. In Q1, we only achieved 14.5% of our target: volunteering value in Q1 was £30,740 against a target of £210,663.</p> <p><b>Actions to address:</b> Volunteering activities will start as Covid-19 restrictions allow and as they are assessed and amended to ensure the safety of our volunteers and staff. New opportunities for existing volunteers are being explored.</p>

# Outcome: Thriving communities that are part of this special place

## Q1 overview by Director of Conservation and Planning

Policy and Communities staff are working from home and their work is largely able to continue without significant disruption. There are some difficulties in lodging documents for public consultation, as libraries and other public places are closed. The Hope Valley Explorer, which was initiated and managed by this service, has been cancelled for the 2020 season. The Authority has continued to work with communities in the National Park, with a strong lead from the Policy and Communities Service working with teams in the Commercial Development and Engagement directorate. The P&C Service has also led on engagement with Parishes during lockdown and the subsequent relaxation, focussing on visitor and traffic management issues. The Directorates have also been working together on visitor management and recreational hubs, with an increased focus following the post-Covid relaxations on the impact of visitor pressure on our communities. The Parishes Bulletin has been broadened in its scope from a largely Planning focussed document to a wider communications tool. There have also been teleconferences with the Peak Park Parishes Forum and with a range of Parishes.

The Policy and Community Service has produced a draft Engagement Plan to direct and focus our work with communities. The Plan proposes early engagement on policy issues during 2020/21. Methods will include discussion with parishes and surveys using digital media. We have now produced a Parish Statement for every parish in the National Park, and we have consulted parishes on the statements. Over half have contributed positively to this process adding greater richness, accuracy and further detail about the place, leading in several cases to the creation of new community visions directly shaping the future of these special places. This will help to inform and guide our work on the Local Plan Review, development of our definition and understanding of 'thriving and sustainable communities', and the development of community plans by parishes and communities.

There continues to be a good response to community grants, with our funding helping to 'pump prime' some important local projects. Funding has been allocated to continue this grant in 2020/21.

A Member Local Plan steering group has been established to work with and assist officers through the process of reviewing the Local Plan and will meet to focus on issues for early engagement with communities, partners and the general public. Positive partnership working on programmes such as Thriving and Sustainable Communities, Recreation Hubs and Visitor Management, Landscape Monitoring, and Low Carbon Transport will inform the Local Plan review process and will enable survey questions to be generated for planned engagement in Q3.

We continue to work with some parishes on Neighbourhood Plans, with Leekfrith and Bakewell now at a relatively advanced stage. We have also continued to work with district councils and housing providers to determine levels of need for affordable housing in communities and to identify potential sites to meet this need. Sites were under construction at the start of lockdown in Bakewell, Bradwell, Winster and Hartington to deliver 50 affordable local needs housing; work has recommenced on these. A number of privately built local needs houses are also under construction units. Four units at Taddington are now occupied.



RAG status of strategic interventions: Red = 0, Amber = 3, Green = 7

## Outcome: Thriving communities that are part of this special place

### Influencing and shaping the place through strategic and community policy development

KPI and targets	RAG status of strategic intervention	Commentary on strategic intervention and likelihood of meeting target
<p><b>KPI 16:</b> Number and range of residents and other community stakeholders understanding and engaged in the development of strategic policies</p> <p><b>2024 targets:</b> 50% increase in number 50% increase in range</p> <p><b>2020/21 target:</b> 30% increase in number 30% increase in range</p> <p><b>Responsible officer:</b> Head of Policy and Communities</p>	<p>Redesign engagement plan to increase number and range of stakeholders involved in Local Plan review. Coordinate with engagement planning work under audience reach strategic interventions</p>	<p>While KPI data reveals no direct numbers for strategic plan review at this stage, wider engagement work is positive. Our Engagement Plan is in place with a plan to grow stakeholders throughout the Local Plan review process. The first formal stage is now planned for Q3; however, early work and commitment to Parish Statements, Parish Bulletins and teleconferences is generating a positive communication base giving confidence that formal consultation stages will see positive engagement.</p> <p>Positive partnership working on programmes such as Thriving and Sustainable Communities, Recreation Hubs and Visitor Management, Landscape Monitoring, and Low Carbon Transport will all inform the Local Plan review process and will enable survey questions to be generated for planned engagement in Q3.</p> <p>These early engagement methods have also provided an opportunity for close working with the Commercial Development &amp; Engagement (CD&amp;E) teams looking to understand wider audience reach. Anticipated surveys have also been shared and discussed to draw out responses that understand the relationships between visitor behaviours and community sustainability.</p>
	<p>Review resources by year 3. Local Plan review will gradually absorb more of team resources over 5 year period, plus fixed term post will terminate by 2022. Consider scope to draw in resources from specialists across the Directorates</p>	<p>Despite lockdown and some loss of staff, we have managed to refill key posts and create development opportunities for internal staff to support our commitments to the Local Plan review and community development.</p>



	Engage 100% of Parishes on audit work to create a comprehensive set of Parish Statements and enable the drafting of a State of Communities Report	The first version of parish statements is now completed and has been used to prepare a first report. The report has now been shared with PPPF as part of NPMP commitment to agree a definition of Thriving and Sustainable Communities by the end of 2020. The data along with other datasets will be used in preparing a holistic review of the State of Communities.
<b>KPI 17:</b> Number of communities shaping the place  <b>2024 target:</b> 20% of Parishes have helped shape their future  <b>2020/21 target:</b> 8% of Parishes have helped shape their future  <b>Responsible officer:</b> Head of Policy and Communities	Review team resources by year 3. Local Plan review will gradually absorb more of team resources over 5 year period, plus fixed term post will terminate by 2022. Consider scope to draw in resources from specialists across the Directorates	Despite lockdown and some loss of staff, we have managed to refill key posts and create development opportunities for internal staff to support our commitments to plan review and community development.
<b>Community development</b> through building capacity, skills and engagement in local governance and community events		
KPI and targets	RAG status of strategic intervention	Commentary on strategic intervention and likelihood of meeting target
<b>KPI 18:</b> Number of Peak District National Park Authority interventions facilitating community development  <b>2024 target:</b> 1,000 interventions  <b>2020/21 target:</b> 400 interventions  <b>Responsible officer:</b> Head of Policy and Communities	Review range and effectiveness of interventions provided and develop an action plan to focus attention on community development and to assist measurement of key performance measures	<p>Learning and experience from the 2019/20 period (such as YOGA event) has informed the environmental focus for community work going forward. At the beginning of the year, a commitment was made to devote resources to community climate action groups in Hope Valley and Dane Valley. Lockdown has prevented close working to the degree anticipated, but the team has continued to support these groups where possible, e.g. through grants, advice and by attending teleconferences.</p> <p>The community-focussed pages of the website have been updated accordingly with the new menu of support.</p> <p><b>Issues arising:</b> An inability to engage face to face with community groups (owing to Coronavirus) has hampered progress. This is likely to continue through summer with the loss of community events, parish meetings, summer shows etc.</p>

		<p><b>Actions to address:</b> It is important to maintain support and adapt to circumstances. Focus on parish bulletins, teleconferences and grants has been appreciated by communities. The team is still keen to maintain focus going forward and adapt towards the support of longer term community resilience and to reflect the NPMP aim of Thriving and Sustainable Community.</p>
	Implement the action plan	As above
<p><b>KPI 19:</b> Number of individuals and groups actively using Peak District National Park Authority social media channels for community development</p> <p><b>2024 target:</b> 100% increase</p> <p><b>2020/21 target:</b> 40% increase</p> <p><b>Responsible officer:</b> Head of Policy and Communities</p>	Develop tools for engaging resident communities using digital media channels towards the promotion of community development (e.g. sharing, promoting local events, commenting on policy development, encouraging and initiating local projects)	<p>Experience from the North Lees Estate consultation process has enabled the development of survey tools which the team now intend to employ on the Local Plan Review. Alongside this, the extended use of bulletins, social media and teleconferences has enhanced the team's skills and tools in readiness for more formal and structured consultation events for the Local Plan review.</p> <p><b>Issues arising:</b> We have growing confidence in our ability to increase the numbers engaged via social media, but we need to remain flexible for those with unreliable technology and those who do not have the skills to operate this way.</p> <p><b>Actions to address:</b> Government guidance is likely to enable greater use of digital technology but some stakeholders continue to require paper or seek face to face contact. We may need to explore limited contact via Aldern House using appointment based systems.</p>
	Embed within engagement plan and coordinate with engagement planning work under audience reach strategic interventions	<p>The digital media campaign is embedded within the engagement plan. Moreover, the lockdown and easing processes have enabled close working with the CD&amp;E team on Parish Bulletins, web presence and conducting teleconference forums. This learning provides a solid basis for formal consultation events later in the year.</p> <p>The teams are also liaising on surveys aiming to capture intelligence on visitor behaviour and impacts on local communities (both negative and resilience).</p>

## Active participation through sustainable projects that connect people to place

KPI and targets	RAG status of strategic intervention	Commentary on strategic intervention and likelihood of meeting target
<b>KPI 20:</b> Number of residents involved in community life as a result of Peak District National Park Authority grants  <b>2024 target:</b> An extra 500 residents involved  <b>2020/21:</b> An extra 200 residents involved  <b>Responsible officer:</b> Head of Policy and Communities	Review the outcomes from grant schemes and develop the future role of grants  Promote and deliver grants	Ongoing project with no issues arising.  New grants are still being delivered during lockdown with regular requests. For instance, Butterton notice board and the Voices of the Peak projects were supported during Q1.

# An agile and efficient organisation

## Q1 overview by Director of Corporate Strategy and Development

The first quarter of every financial year is always busy and Quarter 1 (Q1) of 2020/21 was no exception. In addition, this year the Directorate and the Authority had to respond to the numerous impacts of the Covid-19 pandemic. To ensure the Authority continues to operate efficiently and effectively, there are a variety of essential governance, finance and performance related activities that needed to be undertaken in Q1. I am pleased to report that during Q1 the production of the Authority's Financial Accounts for 2019/20, our Annual Governance Statement and our Performance and Business Plan were all completed and published in line with the statutory deadlines. In addition, the Head of Internal Audit reported to Members that in his opinion the framework of governance, risk management and control operating in the Authority during 2019/20 provided a substantial level of assurance.

Under the Chief Executive's Emergency Delegation, the Director of Conservation & Planning in consultation with the Chair of Planning and the Chair of the Authority considered nineteen planning applications. To support effective governance during the pandemic, on 22<sup>nd</sup> May 2020, the Authority approved temporary amendments to Standing Orders to facilitate virtual meetings of the Authority and its Standing Committees. At the same meeting, the Authority approved the sixteen recommendations contained within the second report of the Member led Governance Review Working Group.

A priority in the development and implementation of all aspects of our response to the pandemic has been the health and well-being of our staff. In approving the Occupational Safety and Health Annual Report, on 15<sup>th</sup> May 2020, the Programmes and Resources Committee noted the Authority's actions undertaken to date to mitigate the effects of the pandemic and to comply with Government guidance. Throughout Q1 regular contact was maintained with staff, providing information updates and signposting access to resources to promote health and well-being. Comprehensive risk assessments relating to the provision of services and the use of facilities have been developed and towards the end of Q1 some public facing operations began to reopen. The Democratic & Legal Support Team also welcomed the Authority's newest business apprentice who has been fully inducted online and has been set up to work remotely.

As the teams within the Directorate have diverted resources, in order to respond to the pandemic either directly or to support colleagues throughout the Authority, inevitably some development work planned to be undertaken during Q1 has been affected. Where this relates to a strategic intervention or key performance indicator the impact is described in the performance report. However, it has been possible to undertake development work on some key priorities. For example, with the support of the newly created Climate Change Member Task Group the Authority's second Carbon Management Plan has been developed. It is hoped to seek formal Member approval to adopt this key Management Plan early in Quarter 2.

The pandemic has had a significant impact upon the Authority's current year (2020/21) financial position. In addition to seeking financial assistance from government support packages, such as the Job Retention Scheme and business rates relief initiative, the Authority approved the creation of a Coronavirus Contingency Reserve on 22<sup>nd</sup> May 2020. The on-going financial situation will continue to be monitored and Members will be updated during Quarter 2.

RAG status of strategic interventions: Red = 2, Amber = 3, Green = 16

## Our organisational performance: The Peak District National Park Authority is an agile and efficient organisation

### Our workforce is more diverse, healthy and highly engaged

KPI and targets	RAG status of strategic intervention	Commentary on strategic intervention and likelihood of meeting target
<p><b>KPI 21:</b> Maintain low sickness levels</p> <p><b>2024 target:</b> Under 6 days per full time equivalent per year</p> <p><b>2020/21 target:</b> Under 6 days per full time equivalent per year</p> <p><b>Responsible officer:</b> Head of Human Resources</p>	<p>Further develop the Authority's Workforce Plan, to address the following key issues:</p> <ul style="list-style-type: none"> <li>- Staff wellbeing (e.g. initiatives such as Mental Health First Aiders)</li> <li>- Talent pipelines (including further development of apprenticeships)</li> <li>- Pay strategy (including a salary grade review and benchmarking)</li> <li>- Employer of choice (employer branding to attract and retain staff)</li> </ul>	<p>Staff wellbeing has been high priority during Q1. Lockdown due to Covid-19 has led to vulnerable staff shielding and all others working from home, where possible. Guidance and Q&amp;As on sickness reporting, flexi-time, caring leave and homeworking refreshed and published on website to account for impact of lockdown on staff. Weekly all staff wellbeing emails from HR on topics such as exercise, home workstations, mindfulness, and kindness. Counselling and coaching offered throughout.</p> <p>Development work on Talent pipeline, Pay strategy, and Employer of Choice were paused.</p> <p><b>Sickness:</b> Days lost per full time equivalent (FTE) in Q1 is 0.8 (1.48 in same quarter in 2019-20). A significant drop from Q4 at 2.6 days. There were 52 absence occurrences. Top 3 reasons:</p> <ul style="list-style-type: none"> <li>• Phased return</li> <li>• COVID-19 sickness/symptoms</li> <li>• Other (things in the other category include aches and pains, hay fever symptoms, and involvement in RTA).</li> </ul> <p>Absence reasons that lost the most hours:</p> <ul style="list-style-type: none"> <li>• Covid-19 sickness/symptoms</li> <li>• Pregnancy related</li> <li>• Covid-19 shielding.</li> </ul>

<p><b>KPI 22:</b> Increase response rates to workforce surveys (this is a proxy measure for staff engagement)</p> <p><b>2024 target:</b> 70% survey response rate (Investors In People / staff surveys)</p> <p><b>2020/21 target:</b> 70% survey response rate (Investors In People / staff surveys)</p> <p><b>Responsible officer:</b> Head of Human Resources</p>	<p>Develop a new competency framework that will be applicable to all staff</p> <p>Ensure all our staff and Members understand and live our values</p>	<p>The new values are Care, Enjoy, Pioneer. They are supported by a definition and set of behaviours. They are being incorporated into each roles person specification and will be used in the recruitment process.</p> <p>The Chief Executive Officer shared our new values with the workforce and Members on 6 April. Staff and Members previously had opportunity through surveys to comment on their development.</p>
<p><b>KPI 23:</b> Increase the diversity of our workforce (which includes volunteers)</p> <p><b>2024 target:</b> Move towards the demographics of those within an hour's travel time of the National Park</p> <p><b>2020/21 target:</b> Move towards the demographics of those within an hour's travel time of the National Park</p> <p><b>Responsible officer:</b> Head of Human Resources</p>	<p>Identify gaps in the diversity of our workforce (including volunteers) and establish plans to close those gaps</p>	<p>Work on this strategic intervention has not progressed as planned due to Covid-19.</p> <p><b>Issues arising:</b> As a result of lockdown, recruitment and volunteer activity was paused. Additionally, there was no time or opportunity available for collaboration between HR, Volunteer Co-ordinator and Strategy Officers.</p> <p><b>Actions to address:</b> Recruitment and volunteer activity has recommenced. Recruitment process is being reviewed and will promote equality, diversity and inclusion.</p>

We are **financially resilient** and provide value for money

KPI and targets	RAG status of strategic intervention	Commentary on strategic intervention and likelihood of meeting target
<p><b>KPI 24:</b> To have a medium term financial plan</p> <p><b>2024 target:</b> Plan developed in 2019/20 and then monitored and updated</p> <p><b>2020/21 target:</b> Plan monitored and updated</p> <p><b>Responsible officer:</b> Head of Finance</p>	<p>Develop a medium term financial plan (MTFP) that covers years 2-5 of the new Corporate Strategy (Year 1 - 2019/20 falls within the current MTFP)</p>	<p>The medium term financial plan has been updated based on the 2020-21 baseline approved budget and estimated key assumptions for the Spending Review period.</p> <p><b>Issues arising:</b> The principal material uncertainty in the plan is the absence of a National Park Grant allocation for 2021-2024, together with uncertainty over the longevity of a newly demarcated “biodiversity” allocation in the 2020-21 National Park Grant allocation; planning assumptions therefore have to prepare for the eventuality of a poor settlement for the current Spending Review period.</p> <p><b>Actions to address:</b> SLT and Members are working on proposals in Summer and Autumn of 2020 to balance the 2021-2024 budget with the impacts on National Park purposes clearly understood</p>
	<p>Develop a new Capital Programme for the Authority (following the adoption of the corporate Asset Management Plan)</p>	<p>This work is deferred until the National Park Grant position is better understood, in order to protect capital resources and to allow for the support of capital investment for assets and services which will be decided.</p> <p><b>Issues arising:</b> Lack of clarity around the National Park Grant position.</p> <p><b>Actions to address:</b> Seek to gain clarity before developing Capital Programme.</p>
<p><b>KPI 25:</b> To have arrangements in place to secure economy, efficiency and effectiveness in all our operations</p>	<p>Update our financial processes (regulations and standing orders) as a result of recommendations in the governance review</p>	<p>Financial regulations and standing orders are in place and up to date.</p>

<p><b>2024 target:</b> An unqualified value for money opinion (the best result possible) issued by External Audit</p> <p><b>2020/21 target:</b> An unqualified value for money opinion (the best result possible) issued by External Audit</p> <p><b>Responsible officer:</b> Head of Finance</p>	<p>Introduce electronic purchase order, authorisation and invoice scanning and the implementation of an electronic travel and subsistence claims system</p>	<p>The Exchequer accounting system has been upgraded to allow purchase order authorisation via the email system integrated with the accounting package and pilot testing will start in the later months of 2020. The system is also capable of travel and subsistence claims processing. Invoice scanning will follow in 2021.</p>
<p>Our <b>well-maintained assets</b> support the delivery of our landscape, audience and community outcomes</p>		
KPI and targets	RAG status of strategic intervention	Commentary on strategic intervention and likelihood of meeting target
<p><b>KPI 26:</b> To have a corporate Asset Management Plan</p> <p><b>2024 target:</b> Plan to be implemented</p> <p><b>2020/21 target:</b> Plan implemented</p> <p><b>Responsible officer:</b> Corporate Property Officer</p>	<p>Develop a corporate Asset Management Plan</p> <p>Develop and implement a new Carbon Management Plan for the Authority</p> <p><b>Responsible officer:</b> Head of Strategy and Performance</p>	<p>The Corporate Property Management Plan was approved by Authority in the last financial year. Work to refresh the Action Plan timetable is ongoing in the light of the pandemic situation.</p> <p>We finished developing Carbon Management Plan and will be seeking approval for it from the July Programmes and Resources Committee.</p>
<p>Our <b>data</b> is high quality, securely managed, and supports decision making and delivery</p>		
KPI and targets	RAG status of strategic intervention	Commentary on strategic intervention and likelihood of meeting target
<p><b>KPI 27:</b> To achieve at least reasonable assurance rating for the way we look after our data in an ever changing environment</p> <p><b>2024 target:</b> For data controls and security arrangements to be rated at</p>	<p>Ensure security services and control frameworks (e.g. anti-virus, encryption, disaster recovery, business continuity, server and client hardware and software etc) are fit for purpose and reflect best practice and that staff awareness and preparedness is improved and measured</p>	<p>Firewall rules maintained, and replacement firewalls scoped and designed. Antivirus extended to mobile devices with greater visibility of installed apps, forced encryption and greater remote support capabilities. Measures put in place to safely (during Covid-19 situation) continue replacement cycles of other end user equipment to maintain supported and secure devices.</p>



<p>least reasonable assurance in all Audit reports</p> <p><b>2020/21 target:</b> For data controls and security arrangements to be rated at least reasonable assurance in all Audit reports</p> <p><b>Responsible officer:</b> Head of Information Management</p>		
<p><b>KPI 28:</b> More of our data is digitally accessible internally and externally and is used to inform our decision making</p> <p><b>2024 target:</b> All services, capture, store and access data in a consistent and efficient manner</p> <p><b>2020/21 target:</b> All services capture, store and access data in a consistent and efficient manner</p> <p><b>Responsible officer:</b> Head of Information Management</p>	<p>Support the work of the Authority-wide group established to develop new and enhance existing services using data</p> <p>Investigate and deploy further self-service capabilities (e.g. increased spatial mapping tools on the Authority's website etc)</p> <p>Lead business change programmes with internal teams and services to improve efficiency and effectiveness of business processes and associated data management practices to improve data and information availability both internally and externally</p>	<p>Web mapping and field based data capture roll out continues well, with MFFP in particular capturing data and imagery in the field with automated synchronisation of that data back to Authority systems, removing duplication of effort and improving quality and discoverability of data.</p> <p>Q1 included the release of soil compaction survey apps for SWP volunteers, Development Management Plan interactive maps and Landscape Character Type mapping (supporting the landscape strategy) as well as a number of internal changes to allow quicker rollout of future web apps.</p> <p>Q1 focused largely on improving stability and resilience for staff working remotely (i.e. a much higher volume and for much longer unbroken time periods than we have serviced before). Whilst this has been successful, it has had a knock on impact on the amount of resource available to continue driving business change initiatives forward.</p> <p><b>Issues arising:</b> The rollout of an improved Planning System interface has again been delayed, but will progress during Q2. Improved documentation (customer contact forms etc) and some improved internal planning administrative processes will be included with the launch of this updated interface.</p> <p><b>Actions to address:</b> Continuation of existing project plan and actions.</p>

	Design and implement (with other national park authorities) shared ICT services (including telephony, Active Directory, Exchange, Internet, cyber security, GIS, image/video/content management etc)	The PDNPA has completed migration to the shared Exchange and shared domain. LDNPA has completed implementation of network connectivity with both the PDNPA and our infrastructure providers. PDNPA will be sharing this networking infrastructure during Q2 to bring additional sites into our network in a cost effective way that shares equipment, services and management overhead with LDNPA.
The Authority is <b>well managed</b> to achieve its objectives and enhance its performance		
KPI and targets	RAG status of strategic intervention	Commentary on strategic intervention and likelihood of meeting target
<p><b>KPI 29:</b> To have best practice governance, risk and performance management arrangements in place</p> <p><b>2024 target:</b> All internal and external audits relating to governance, risk and performance management are rated as providing substantial assurance or equivalent</p> <p><b>2020/21 target:</b> All internal and external audits relating to governance, risk and performance management are rated as providing substantial assurance or equivalent</p> <p><b>Responsible officer:</b> Head of Law, Legal and Democratic Services</p>	Undertake a review of governance arrangements, including the delegations to committees and officers	<p>The Governance Working Group presented its second report to the May 2020 virtual Authority meeting which approved the 16 recommendations set out in the report including approving the Appointment Principles, the Member Appointment Process Panel, the annual report on Member attendance, the terms of reference of the Programmes &amp; Resources Committee, the amendments to the Scheme of Delegation to the Chief Executive, quarterly meetings of the Local Joint Committee, and making no changes to the existing arrangements for Member Scrutiny as well as agreeing to have no Member representation on the Health &amp; Safety Committee. Appointment to the Governance Review Working Group at the 2020 AGM was agreed with a view to carry out a 6 month review of the impact of the changes introduced</p> <p>At the May virtual Authority meeting, the Internal Audit Report 19/20 stated that there were no special investigations during the year and the overall opinion on the framework of governance, risk management and control operating in the Authority was that it provided Substantial Assurance. A qualification was added in light of the current COVID-19 pandemic which had occurred at the end of the year but no specific concerns had been raised regarding the Authority's approach.</p>

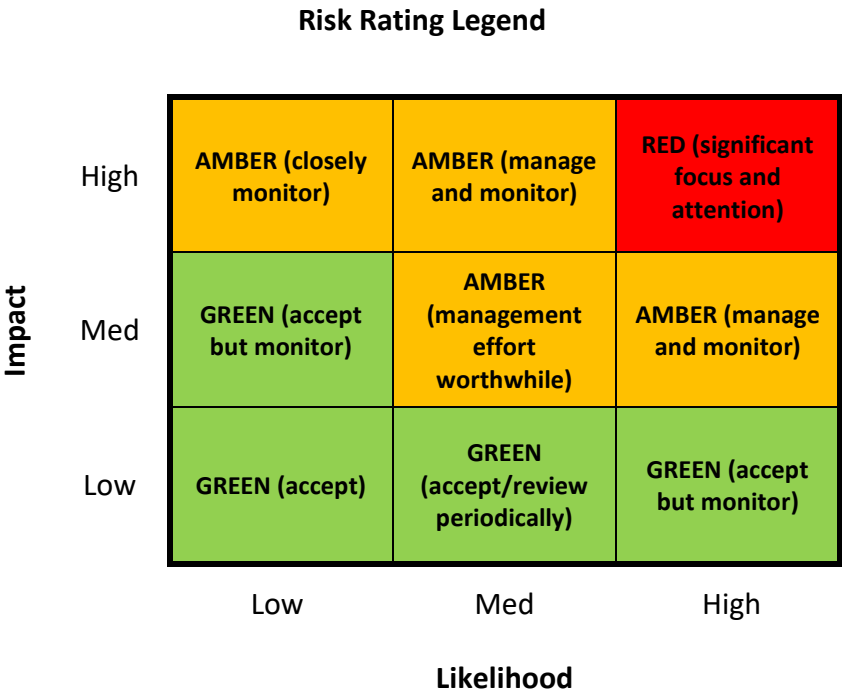
	Implement an online procurement portal, related processes and provide guidance and training for all relevant Authority staff	<p>Further roll out of the online procurement portal In-Tend has not occurred as planned due to Covid-19 and remote working. However procurement in line with our standing orders has continued throughout this quarter.</p> <p><b>Issues arising:</b> The In-Tend system has been tailored and customised to the Authority's requirements and the cash collection contract was procured and awarded through the portal in the last quarter.</p> <p><b>Actions to address:</b> The next stage is to undertake the evaluation training so that evaluations can be carried out online. The Authority has banked 4 training days which can be rolled out to support further training when lockdown restrictions have eased.</p>
	<p>Coordinate the delivery of the corporate strategy and drive through delivery and business planning, performance and risk management processes</p> <p><b>Responsible officer:</b> Head of Strategy and Performance</p>	<p>The 2019/20 Quarter 4 report and corporate risk register were approved by the May Authority meeting. At the same meeting, approval was given to the 2019/20 Performance and Business Plan and the 2020/21 corporate risk register.</p>
<p><b>KPI 30:</b> Our Members are more representative of our audiences</p> <p><b>2024 target:</b> Move towards greater diversity in our Members</p> <p><b>2020/21 target:</b> Move towards greater diversity in our Members</p> <p><b>Responsible officer:</b> Head of Law, Legal and Democratic Services</p>	<p>Identify and remove barriers that may restrict the appointment of Members from underrepresented groups (e.g. review our meeting format and dates/times of meetings)</p>	<p>Currently 63% (81% in 2018/19) of Members are male and 37% are female (19% in 18/19).</p> <p>93% are white and 7% are BME (96% and 4% in 2018/19).</p> <p>3% have a disability (3% in 2018/19).</p> <p>Of the key roles 83% are held by men and 17% by Women (100% Male in 2018/19). 83% are white and 17% BME (83% and 17% in 2018/19).</p> <p>Of the Member Champions 71% are women (27% in 2018/19) 14% are BME (9% in 2018/19) 14% have a disability (9% in 2018/19).</p>

We have <b>effective partnership arrangements</b> in place		
KPI and targets	RAG status of strategic intervention	Commentary on strategic intervention and likelihood of meeting target
<p><b>KPI 31:</b> To identify all existing partnership arrangements and review their effectiveness</p> <p><b>2024 target:</b> Complete review in 2019/20 and monitor effectiveness</p> <p><b>2020/21 target:</b> Monitor effectiveness partnership arrangements</p> <p><b>Responsible officer:</b> Head of Strategy and Performance</p>	<p>Monitor the implementation of the National Park Management Plan 2018-23 delivery plan</p> <p>Coordinate the development of the Peak District National Park Management Plan 2024-2029</p>	<p>The National Park Management Plan Advisory Group has continued to oversee good progress with implementation of the plan. The 2019/20 Annual Monitoring Report has been developed and will be taken to the July Authority meeting for approval.</p> <p>We have started to think about some key pieces of information and decisions that we will need to make in order to begin to project plan development of the next National Park Management Plan.</p>

APPENDIX 2: Corporate Risk Register 2020/21 – Q1 position, showing movement since the start of the year

IMPACT	High		<p>1. Four Principal financial risks within the Moorlife 2020 European funded project: exchange rate movements; the sterling ceiling set for the total project budget; the contractual treatment of partner contributions; and the possibility of expenditure being found ineligible [REWORDED]</p> <p>8. Fast changing Government priorities impact our ability to resource and deliver our Corporate Strategy and react to opportunities, in particular uncertainty over future national park grant and implications of Government focus on investment in the North</p>	<p>2. Area of NP land safeguarded in environmental land management schemes reduces due to Brexit uncertainty and Countryside Stewardship issues leading to the potential loss of a range of grassland habitats</p> <p>3. Failure to achieve sustainable gross revenue income targets (£140k) for the PDNP</p> <p>4. Failure to develop nature recovery networks in the Peak District National Park</p> <p>9. Impact of the coronavirus pandemic on delivery of planned Corporate Strategy outcomes, the Authority's financial position, staff wellbeing and how we maintain the #PeakDistrictProud message of 'care, respect and enjoy' for all audiences within and outside the National Park both during lockdown and as we come out of it</p>
	Medium	6. Failure of a poorly maintained trails structure e.g. bridge, tunnel	<p>5. Failure to deliver the audience engagement plan targets and outcomes [REWORDED]</p> <p>7. Failure to adequately protect and prepare for Cyber Security threats</p>	
	Low			
		Low	Medium	High
LIKELIHOOD				

Corporate Risk Register 2020/21



Outcome	Risk Description	Existing controls	Risk rating before mitigation L x I	Mitigating action	Risk rating with mitigating action L x I ( Green, Amber or Red)						Timeframe of mitigating actions	Lead officer	How monitor/ indicator	Quarterly update
						Start	Q1	Q2	Q3	Q4				
A sustainable landscape that is conserved and enhanced  Financial risk, Outcome /delivery risk	1. Four Principal financial risks within the Moorlife 2020 European funded project: exchange rate movements; the sterling ceiling set for the total project budget; the contractual treatment of partner contributions; and the possibility of expenditure being found ineligible	Capping Sterling budget	High x High  RED	Consider hedging transaction	Impact	High	High				Periodic assessment	PN (Chief Finance Officer)	Chief Finance Officer  Budget monitoring group	Contingency sum of £500,000 set aside and will be required for the duration of the project until final audit completion in 2022, as there are four principal uncertainties in the project to be mitigated:-
					Likelihood	High	Medium							

# Corporate Risk Register 2020/21

					Rating	RED	AMBER						Programme and Resources Committee or Authority	1) Continuing exchange rate fluctuations 2) Clarification of the forward profile of expenditure to the project end date within the sterling ceiling set of £11,280,000 3) The impact of the partner cash contributions (required by contract terms to be declared in claim documentation) on the final European grant amount 4) The hard approach of European grant funding bodies to technical adjustments in claims leading to expenditure which is valid, being declared ineligible
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## Corporate Risk Register 2020/21

Outcome	Risk Description	Existing controls	Risk rating before mitigation L x I	Mitigating action	Risk rating with mitigating action L x I ( Green, Amber or Red)						Timeframe of mitigating actions	Lead officer	How monitor/ indicator	Quarterly update
						Start	Q1	Q2	Q3	Q4				
<b>A sustainable landscape that is conserved and enhanced</b>  Outcome/ delivery risk	2. Area of NP land safeguarded in environmental land management schemes reduces due to Brexit uncertainty and Countryside Stewardship issues leading to the potential loss of a range of grassland habitats	National influencing for post Brexit agri/ environmental policies and support systems  Local communications across the farming & land management industry  NPMP work  National pilot of ELMS universal scheme will start in 2021 and run for 3 years. National rollout of ELMS 2024.	High x High  RED	Increase promotion of the service, working with agencies e.g. NFU, CLA, NE, EA, FC.  Public payment for public goods/ benefits.  Influencing role through PDNPA links and NPE's Future of Farming	Impact	High	High				On going	JRS (Director of Conservation and Planning)	Quarterly updates on progress	Area of land in schemes dropped by 20% since 2015; likely to remain low due to continuing uncertainty over ELMS design.  Defra contract for delivery of the White Peak ELMS Phase 1 Test has begun. Head of Landscape and Conservation is now a national lead on the development of ELMS for NPE with DEFRA.
					Likelihood	High	High							
					Rating	RED	RED							

Outcome	Risk Description	Existing controls	Risk rating before mitigation L x I	Mitigating action	Risk rating with mitigating action L x I ( Green, Amber or Red)						Timeframe of mitigating actions	Lead officer	How monitor/ indicator	Quarterly update
						Start	Q1	Q2	Q3	Q4				
<b>A National Park loved and supported by diverse audiences</b>  Financial risk, Outcome /delivery risk	3. Failure to achieve sustainable gross revenue income targets (£260k) for the PDNP (commercial income and donations including from the Foundation)	Commercial Development & Engagement service delivery plans.  Authority-approved budget.  Peak District National Park Foundation.	High x Medium  AMBER	Marketing & Fundraising plan implementation to include: - Running £70kfor70 campaign (PDNP Foundation) - Reputation enhancement and profile raising activity - Corporate social responsibility projects e.g. Tarmac  Resumption of suspended trading activities at earliest possible opportunity as restrictions are lifted	Impact	High	High				Continuous assessment as part of BAU reporting  Foundation report through trustees quarterly  Car parks, cycle sales/repairs and concessions (takeaway) reopened in Q1  Visitor Centres, cafes, campsite and cycle hire to be reopened on limited basis in Q2	AB (Director, Commercial Development & Engagement)	Non-trading income levels.	Fundraising plan in place and £70k gross income target exceeded before deadline of April 2021.  Visitor Experience provision resumed but on a limited capacity in some cases (in line with proposed timescales). Overwhelmingly positive reception from visitors.
					Likelihood	High	High							
					Rating	RED	RED							



## Corporate Risk Register 2020/21

Outcome	Risk Description	Existing controls	Risk rating before mitigation L x I	Mitigating action	Risk rating with mitigating action L x I ( Green, Amber or Red)						Timeframe of mitigating actions	Lead officer	How monitor/ indicator	Quarterly update
						Start	Q1	Q2	Q3	Q4				
<b>A sustainable landscape that is conserved and enhanced</b>  Outcome/ delivery risk	4. Failure to develop nature recovery networks in the Peak District National Park	Dark Peak focus on birds of prey	High x High  RED	White Peak pilot engaging with farmers and land managers to address biodiversity loss in the farmed landscape. Promoting the White Peak Pilot as a test and trial for ELMS  Encouraging creation of new native woodlands with species not vulnerable to diseases like ash die-back.	Impact	High	High				Ongoing	JRS (Director of Conservation and Planning)	Breeding birds survey	Moorland Breeding Bird Survey published in October but withdrawn due data analysis concerns; discussions with consultants taking place to rectify this.  The 2019-20 BoPI report noted some positive results but still below 1990 target figure. 2020 appears to be slightly better.  Regular engagement taking place with moorland owners and managers, and with Natural England on moorland issues.
		Part of the Birds of Prey initiative			Likelihood	Medium	Medium						Birds of Prey initiative meetings and conference calls	
		Breeding birds surveys			Rating	AMBER	AMBER						Ongoing monitoring of SWP and WP projects	
		Engagement with moorland owners												
		Engagement with Police and Crime Commissioner												
		Glorious Grasslands project as part of SWP Partnership												

## Corporate Risk Register 2020/21

Outcome	Risk Description	Existing controls	Risk rating before mitigation L x I	Mitigating action	Risk rating with mitigating action L x I ( Green, Amber or Red)						Timeframe of mitigating actions	Lead officer	How monitor/ indicator	Quarterly update
						Start	Q1	Q2	Q3	Q4				
<b>A National Park loved and supported by diverse audiences</b>  Outcome/ delivery risk	5. Failure to deliver the audience engagement plan targets and outcomes  [Reworded from: Failure to increase our audience's diversity both within and outside the National Park]	Audience Engagement plan (strategic direction approved by P&R July 2020)  6 monthly NFP Synergy survey (November and March) to monitor and track progress	Medium x Medium  AMBER	Develop a funded engagement delivery plan aligned with the Glover Review recommendations and building on baseline evidence.  Share and influence with partners to build collaboration and joint funding opportunities.  Amplify contact with supporters, audiences and clients via digital channels	Impact	High	Medium				Ongoing  Delivery plan to P&R Committee December 2020	AB (Director, Commercial Development & Engagement)	Through corporate strategy KPI reporting mechanism	Corporate risk reworded to more accurately reflect the existing position.  Strategic audience plan and principles approved by P&R – July 2020.  PDNP snapshot visitor survey  Partnering with Cambridge university for resident survey
					Likelihood	High	Medium							
					Rating	RED	AMBER							

Outcome	Risk Description	Existing controls	Risk rating before mitigation L x I	Mitigating action	Risk rating with mitigating action L x I ( Green, Amber or Red)						Timeframe of mitigating actions	Lead officer	How monitor/ indicator	Quarterly update
						Start	Q1	Q2	Q3	Q4				
<b>A National Park loved and supported by diverse audiences</b>  Outcome /delivery risk, Financial risk, Reputation risk	6. Failure of a poorly maintained trails structure e.g. bridge, tunnel	Strategy and inspection contract of the trails structures in place since 2015. Requires renewal in 2020  Strategy for high and medium priority remedial works to trails structures as per the report	Medium x Low  AMBER	Complete work as per the strategy	Impact	Low	Low				Work to be completed throughout the year  Implementation ongoing  Retender for inspection contract in Q2	AB (Director, Commercial Development and Engagement)	Active management of implementation	Works underway to structures on all three trails and progressing to plan
					Likelihood	Low	Low							
					Rating	GREEN	GREEN							

## Corporate Risk Register 2020/21

Outcome	Risk Description	Existing controls	Risk rating before mitigation L x I	Mitigating action	Risk rating with mitigating action L x I ( Green, Amber or Red)						Timeframe of mitigating actions	Lead officer	How monitor/ indicator	Quarterly update
						Start	Q1	Q2	Q3	Q4				
<b>An agile and efficient organisation</b>  Outcome/ delivery risk, Reputation risk	7. Failure to adequately protect and prepare for Cyber Security threats	Client and Server access controls; anti-virus; anti-spam; user access controls; locked down devices; storage encryption; active managed firewalls; Mobile device management; email and web filtering and monitoring; user awareness training; comprehensive backup and disaster recovery provisions; penetration testing and vulnerability scanning.	High x Medium  Amber	Network Access Control (NAC); further user training and scenario testing; intra-service firewall reviews; Removable device controls; IT 'run books development; investigation of external support for incident management and response; Security assessment reviews; skills training.	Impact	Medium	Medium				See Service Risk Register	DH (Director of Corporate Strategy and Dev)	Regularly reviewed through SLT monitoring and quarterly performance management  The risk area is assessed by the Authority's Internal Auditors when developing the annual programme of audit work to be undertaken.	A large percentage of successful breaches to private computer networks and systems come through email. A new warning message feature has recently been added to the Authority's email system to alert users if an email originated from outside the organisation. The message also reminds users not to open attachments or click on any links contained in the email if they have any concerns or doubts about the content.  The use of these types of warning features is becoming increasingly common practice.
					Likelihood	Medium	Medium							
					Rating	Amber	Amber							

Corporate Risk Register 2020/21

Outcome	Risk Description	Existing controls	Risk rating before mitigation L x I	Mitigating action	Risk rating with mitigating action L x I ( Green, Amber or Red)						Timeframe of mitigating actions	Lead officer	How monitor/ indicator	Quarterly update
						Start	Q1	Q2	Q3	Q4				
<b>All outcomes</b>  Outcome /delivery risk, Financial risk, Reputation risk	8. Fast changing Government priorities impact our ability to resource and deliver our Corporate Strategy and react to opportunities, in particular uncertainty over future national park grant and implications of Government focus on investment in the North	Working collectively with other English NPs on progressing the NPE road map in response to the Landscapes Review report	Medium x High	10 English NPAs have agreed the collective focus for our road map as: national parks to be leading nature recovery; shaping the future of farming; being national parks for everyone; and being leaders in tackling the climate change emergency. As well as collectively engaging with Defra to secure certainty on future national park grant.  Working with LEPs and devolved administrations of our constituent authorities to help shape future government investment towards green growth	Impact	High	High				Ongoing	SF (Chief Exec)	Budget report for national park grant  Success of the roadmap in gaining traction with Defra	NPE Green Recovery offer sent to Defra.  NPE Wildlife Delivery Plan finalised setting out the ‘what and how’ on nature’s recovery in National Parks. Now in tri-partite discussion with Natural England and NAAONBs.  Early discussion with Defra on our National Park Grant and currently working across NPAs to secure a collective approach.  Involvement at Chair and CEO level in Derbyshire Green Recovery strategy - shaping objectives and outcomes.
					Likelihood	Medium	Medium							
					Rating	AMBER	AMBER							

## Corporate Risk Register 2020/21

Outcome	Risk Description	Existing controls	Risk rating before mitigation L x I	Mitigating action	Risk rating with mitigating action L x I ( Green, Amber or Red)						Timeframe of mitigating actions	Lead officer	How monitor/ indicator	Quarterly update
						Start	Q1	Q2	Q3	Q4				
<b>All outcomes</b>  Outcome /delivery risk, Financial risk, Reputation risk	9. Impact of the coronavirus pandemic on delivery of planned Corporate Strategy outcomes, the Authority’s financial position, staff wellbeing and how we maintain the #PeakDistrictProud message of ‘care, respect and enjoy’ for all audiences within and outside the National Park both during lockdown and as we come out of it	Government legislation and guidance  Working with partners via Local resilience forums  Monitoring impact on our people  Monitoring impact on our finances	High x High	Seeking to reduce costs  Use of the Governments support schemes (such as the Job Retention Scheme)  Outturn – support from reserves from 19/20 resources  Good recovery planning in line with government guidance  Working closely with local partners and nationally	Impact	High	High				Recovery plan developed and implemented in Q1  Monthly financial monitoring of income shortfalls in 2020-21  Mid-year review  As yet unknown government claim timescales	Chief Exec	SLT, RMM, quarterly performance monitoring  NP CEOs  Financial information (monthly)  Chairs and vice chairs meeting  Monitoring of impact on 2020/21	SLT bi-weekly strategic co-ordination meetings in place since Covid-19 pandemic began, working to two principles (we will follow government guidance and work with partners) and 5 strategic objectives: • To support government message. • To support our staff as the majority continue to work at home, and plan for a phased return for those unable to work at home. • To return to BAU as much as possible with staff working from home, recognising the pressure on some services are impacting some BAU activity. • To understand and manage down business costs and losses • To start to implement our plan for recovery and the future  Ensuring our operations continued by shifting to working from home almost overnight and ensuring continued good governance with use of emergency delegation while we moved to virtual member meetings. Working with partners on collective messages and co-ordinating action on the ground. Starting with “If you don’t live in, or work on essential services please stay away”, then moving to “Please don’t rush back”, and now “We are a safe welcome and home and so we’re good to go” and “Know before you go”.  Regular staff and member communications and supporting line mangers to be in regular contact with staff. A number of staff surveys undertaken with a very high response rate (80% - 98%) to help inform our decision.
					Likelihood	High	High							
					Rating	RED	RED							

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## Quarter 1 Report on Complaints and Freedom of Information and Environmental Information Regulations Enquiries

### Complaints

Summary of Complaints in YTD	Q1	Q2	Q3	Q4	YTD	2019/20 Target
Number of Complaints Received in Quarter:	1				1	<20
Percentage of complaints dealt with in accordance with agreed deadline of 15 working days	100%					100%
Number of Complaints in Quarter regarding an Authority Member:	1				1	-

Complaint Ref, Date Made and Stage	Service and Reason for Complaint	Date Response Sent	Outcome	Any Change in Processes/Practices as a Result of Complaint Investigation
C.478 17/07/20 Member	Complaint that a Member had: <ul style="list-style-type: none"> <li>Not treated the complainant with respect</li> <li>Attempted to intimidate a member of the complainant's family</li> <li>Bullied and harassed the complainant</li> <li>By their actions brought the Authority into disrepute.</li> </ul>	Acknowledgement: 19/06/20  Response: 21/07/20	Decision: No further action to be taken.  The Monitoring Officer has met with the subject Member to discuss the circumstances behind the complaint in an attempt to avoid similar allegations in the future.	Guidance will be provided to all Members on submitting planning enforcement enquiries to be considered at the annual planning training session for Members

## Update on Complaints Reported in Previous Quarters

Complaint Ref, Date Made and Stage	Service and Reason for Complaint	Date Response Sent	Outcome	Any Change in Processes/Practices as a Result of Complaint Investigation
C.464 24/02/20 Ombudsman	Development Management  Complaint about the Council's handling of planning matters related to Complainant's planning application.	Response to initial enquiry sent 23/03/20  Within Ombudsman's deadline.	Ombudsman investigating compliant, awaiting further enquiries or decision.	
C467 06/02/20 Ombudsman  (Stage One reported in Q2 and Stage Two reported in Q3)	Development Management  Complaint regarding lack of response and action with regard to enforcement complaints relating to a public house including: <ol style="list-style-type: none"> <li>1) Erection of stainless steel extractor fan</li> <li>2) Erection of flag pole</li> <li>3) Erection of marquee and associated noise and disturbance in a conservation area</li> <li>4) Parking of a HGV on site</li> </ol> Complainant also requested clear clarification of whether or not the marquee required planning permission.	Response to initial enquiry sent 07/02/20  Within Ombudsman deadline  Response to further enquiry sent 10/07/20  Within Ombudsman deadline	Response made to Ombudsman's enquiries, awaiting decision.	



<p>C.476 Stage One 18/03/20</p> <p>(Receipt of Complaint reported in Q4 2019-20)</p>	<p>Development Management</p> <p>Complaint regarding conflicting dates given for deadline for comments to be made on a planning application and lack of comments form available on website.</p>	<p>Response sent 06/04/20</p> <p>Within 15 working day deadline</p>	<p>Explained the expiry date for the public consultation for this application was automatically generated by the Authority's system as 16 March, taking into account the Notice published in the Peak Advertiser, and was pre-printed on the yellow site notice. This date appears on the application details on the website. However, the yellow site notice was unable to be erected until the 27 February, and to allow for the 3 weeks consultation period the deadline for comments was extended on the notice to the 19 March. All comments received up to this latter date will be taken into account. The yellow site notice details how to view the application and how to contact the Authority regarding the application. Unfortunately, the system continued to display the 16 March on the website. However, given the newspaper advertisement had been published and the neighbour notification letters had been sent out as per the Statement of Community Involvement policy, the public consultation for the application complied with our policy.</p> <p>The issue surrounding viewing the documents relating to the application were caused by IT issues whilst making changes to the new website. Whilst this was unfortunate, the application documents could still be viewed by downloading them and therefore did not exclude anyone from commenting.</p>	<p>None required.</p>
<p>C.477 Stage One 23/03/20</p> <p>(Reported in Q4 2019-20)</p>	<p>Engagement</p> <p>Complaint regarding behaviour of a Ranger towards Complainant, whilst out walking, and not acting within current Government guidelines regarding Coronavirus.</p>	<p>Response sent 03/04/20</p> <p>Within 15 working day deadline</p>	<p>Explained that clear instructions given to all staff and volunteers to follow Government advice and keep 2m distance. Because of the risk of dogs disturbing wildlife and livestock at this time of year, Rangers request that dogs are kept under close control or preferably on a lead. If this request is ignored and the dog does not come under proper control, the request may become more like a requirement. Apologised if this task was undertaken in a manner that caused distress. Explained the wildlife most at risk in the area at this time of year (ground nesting birds)</p>	<p>None required.</p>

			and the legislation regarding different types of rights of way and on open access land.	
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### Quarter 1 report on Freedom of Information (FOI) and Environment Information Regulation Enquiries (EIR)

Quarter	No. of FOI Enquiries dealt with	No. of EIR Enquiries dealt with	No. of Enquiries dealt within time (20 days)	No. of late Enquiry responses	No. of Enquiries still being processed	No. of referrals to the Information Commissioner
Q1	4	5	8	1	3	0
Q2						
Q3						
Q4						
<b>Year end (cumulative)</b>	<b>4</b>	<b>5</b>	<b>8</b>	<b>1</b>	<b>3</b>	<b>0</b>

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14. **PEAK DISTRICT NATIONAL PARK FOUNDATION UPDATE (SS)**

**Purpose of the report**

1. The Peak District National Park Foundation has provided an operational and financial update on the Peak District National Park Foundation's first financial year.

**Recommendations**

2. **To note the contents of the report and the progress to date in developing our shared fundraising ambitions to support the National Park Management Plan.**

**How does this contribute to our policies and legal obligations?**

**KPI 14:** An extra £500,000 sustainable gross revenue income. - It is anticipated that some of this income will come via the Foundation.

3. The grant agreement between the Foundation and the Authority states:
  - The Recipient shall provide the Authority with an annual financial and operational report on its use of the Grant and delivery of the Project
  - the Recipient shall provide the Authority's Audit Resources & Performance Committee with a financial report and an operational report on its use of the Grant and delivery of the Project every quarter.

4. The Foundation have covered the above points in its attached report.

**Future Reporting**

The above extract from the grant agreement refers to ARP committee, which has been replaced by Programme & Resources with a revised terms of reference.

The Foundation provided an update at the December P&R Committee and it was agreed to reflect the above change future quarterly updates from the Foundation will be included in the standard Authority quarterly reporting, and The Foundation will report annually to full Authority on its use of grant and delivery of the project.

5. **Background**

The National Park Authority has wanted to diversify income for a number of years to conserve and enhance the National Park and promote opportunities for understanding from a more diverse audience.

Independent research from South Downs and the Authority's own research highlighted: Lack of charitable status significantly reduces the number of funding sources available, and makes contributions less tax efficient. The strategy recommended the *need to create a stand-alone charitable vehicle to maximise income*. a vehicle which will allow you to fundraise and reinforces the role of the Authority as the delivery agent.

A working group of Members and Officers was established which considered other fundraising organisations, learning from other National Parks, audience insight research and the professional expertise of Officers and Members. The group concluded a charity is the best vehicle for this and this decision was approved by Members in May 2018. Authority approved to set up and register the charity, support

its operation for 3 years and appoint Members to become Trustees.

The Peak District National Park Foundation received its registered charity number from the charity commission in February 2019. This report covers its first full financial year of operation.

Andrew McCloy, Zahid Hamid and Colin McLaren are the Trustees nominated by the Authority. Four Trustees were appointed following a recruitment process based on skills and experience required by the Foundation. We currently have one trustee vacancy and are in the process of recruiting to this.

There is a grant agreement and memorandum of understanding in place between the Foundation and the Authority for three years.

6. **Background papers**

None

7. **Appendices**

Appendix 1 - Report from the Peak District National Park Foundation

8. **Report Author, Job Title and Publication Date**

Sarah Slowther, Fundraising Manager & Foundation Trustees, 26 August 2020.

## Peak District National Park Foundation Year 1 Report 2019-20

This report provides the National Park Authority with a financial and operational overview of the Peak District National Park Foundation's first full year and a look forward for the current year. Our annual report was approved by trustees at our AGM in July and a link to this has been sent to Authority members and staff.

Our first year has focused on organisational and partnership development. We've developed our vision, mission and priorities and worked with the Authority to identify priorities for the Park which are for the public benefit and in line with our charitable objects.

We've launched #70kfor70 as our first campaign to celebrate the 70<sup>th</sup> birthday of the Peak District National Park in April 2021. By the end of the 19/20 financial year our income was £88,677 and we'd funded our first projects - all within our first year of operation.

It's certainly been an interesting and busy first year. We welcomed the recommendations of the Government's Landscapes Review particularly nature enhancement and recovery and a national park which is welcoming to everyone and we are continuing to fundraise to support projects which realise these ambitions.

We've witnessed the impact of a changing climate on the Park. February was the wettest month on record, followed by the sunniest May. In response, to the spate of fires we launched our Fire Fund to support important conservation, visitor engagement and fire prevention work and secured over £2,500 towards this during lockdown.

The current pandemic has inevitably slowed our progress and impacted our income. We've paused the work of our fundraising volunteers, and the many fundraising events we were due to attend over the spring and summer. Our major gifts programme has been delayed and we've paused our Peak Partners work during lockdown –as the many local businesses we work with have struggled. We've also been fortunate that our small fundraising team has been able to continue working from home (around childcare and home school commitments), progressing elements of our fundraising projects and reviewing our strategy to mitigate the impact of a challenging fundraising environment. Our supporter base and social media reach has continued to grow and we've appointed a marketing consultant on a pro-bono basis during this period to grow our audience which will lead to increased donations. We also managed to raise around £5,000 during quarter 1 2020/21 despite lock down.

We're proud of the progress, income and momentum we've achieved and grateful to all our staff, volunteers, supporters and partners. We're particularly grateful to the National Park Authority for covering our core costs so more of what we raise can support the important work the Authority and Management plan partners deliver across the Peak District.

### What is the Peak District National Park Foundation

We're a Charitable Incorporated Organisation, governed by seven trustees, three of our trustees are nominated annually by the Authority.

We've spent our first year developing our business plan, fundraising strategy and project pipeline in partnership with Authority colleagues. Our business plan is summarised below:

We believe the Peak District National Park should be a vibrant, colourful and safe home for the wildlife we all love. Our right to enjoy the National Park was hard won by ordinary folk. In that spirit, we want to make it more accessible, for everyone to enjoy. But it is also unique and very fragile; we must *always* strive to keep it special.

We work in partnership with the many organisations which care for the Peak District through The National Park Management Plan. The Foundation is the fundraising vehicle for the Authority, working to secure investment for Management Plan impacts which further our charitable objects.

We connect people who care about the Peak District - and have the means to invest in our vision -with partners striving to care for the National Park.

The Foundation is not a delivery organisation – we raise funds to support projects in the Park, the Authority is a key delivery partner.

### **Our Vision**

The Peak District National Park is enjoyed and conserved by everyone.

### **Our Mission**

To grow income and support to care for the Peak District National Park for everyone to enjoy forever.

### **Our Values**

**Inclusive** - we are open and approachable and committed to a National Park for all non-political and non-campaigning.

**Collaborative** – working with partners delivers better outcomes for the National Park and its visitors, beneficiaries and supporters. We work in an inclusive and transparent way with partners and supporters. All our fundraising activities are delivered in an ethical way to maintain the trust and confidence of our supporters and partners which we depend on.

**Creative** – we always look for opportunities to develop new projects and partnerships to maintain a resilient organisation with a diverse range of supporters and income streams, which help us realise our vision of a National Park conserved, enhanced and enjoyed by everyone.

### **Our charitable objects**

We have five charitable objects for public benefit. These include promoting the conservation and enhancement of the National Park's special qualities. Promoting learning and understanding about the National Park and improving physical and mental wellbeing through enjoyment of the Peak District. You can read our full charitable objects [here](#)

We're delivering these charitable objects through focussing on three areas of impact in the Management Plan. These are

- A National Park everyone
- Conservation and habitat restoration
- Preparing for a future climate

### **Organisation Progress/key achievements**

1. Recruiting trustees and treasurer
2. Registration with the Charity Commission
3. Registered with Fundraising regulator
4. Agreed business plan and fundraising strategy
5. Brand & website development
6. Social media development and growing followers
7. Launching the #70kfor70 campaign
8. Our calendar with Phil Sproson Photography
9. Peak Partners collecting donations for the Foundation, Visitor Centres, Phil Sproson Photography, Peak Ales, Peak Running
10. Securing over £88k in our first year!
11. Funding three Year of Green Action projects to help local communities tackle climate change as part of 70kfor70
12. Funding the first of our #70kfor70 projects - Fairer for Nature
13. Charity Partner of choice for Peak Resort operators
14. 13 regular donors

### **Fundraising Strategy**

Our first campaign is #70kfor70. We're raising £70,000 for a range of projects by April 2021 to celebrate 70 years of the Peak District National Park. This campaign is about developing the cause, building support and starting to

develop the donor journey. The strategy is to use #70kfor70 to start building awareness, start conversations and start developing a range of fundraising channels.

The 70kfor70 campaign and the projects supported will be celebrated at a 70<sup>th</sup> anniversary event on 22<sup>nd</sup> April 2021 at Thornbridge Hall. This will showcase the work of the projects and need for further investment to launch the Foundation's major gift/philanthropic fundraising.

The Foundation is fundraising for pre-agreed projects in the short to medium term with a longer-term aspiration to develop unrestricted income and become a grant giving body. Working with the Authority we're developing a 'project shelf' a list of projects to fundraise for. These must further the Foundation's charitable objects and deliver management plan outcomes around conservation, habitat restoration, climate change mitigation and a national park for everyone.

### 2020/21 Fundraising Focus

Although the current pandemic has impacted income, we're confident will meet our £70k net target for 70kfor70. This financial year we're focussing on completing 70kfor70 and developing our corporate and major gifts programme.

We're working with Authority and management plan colleagues to develop our project pipeline beyond 70kfor70 with a workshop planned for September. The fundraising focus will remain on the Management Plan impacts above and the projects supported are likely to be similar in the short term. We're hoping to create a Peak District Proud Fund to support enjoyment with understanding and community activities as well as further support for key programmes.

We're focussing our efforts on three main areas of fundraising –individual/regular donors, major gifts/partnerships and trust and foundation applications.

The 70kfor70 projects which the Foundation is fundraising for are in the table below (nb amounts may vary dependent on restricted and unrestricted income)

Project/outcome	Target
Junior Rangers & engagement	£5,000
Miles Without Stiles	£10,000
Monsal, High, Peak, Tissington Trails	£10,000
Ranger led Health Walks	£5,000
Moors for the Future	£10,000
Stanage North Lees Estate	£10,000
South West Peak	£10,000
Year of Green Action Community Activities	£2,000
Accessible Derbyshire – changing places facility at Millers Dale	£c1,000
Peak District Mosaic	£c1,000
Ride Sheffield/PD MTB Trail maintenance day volunteer costs	£c1,000
Fit for Work	£5,000
<b>TOTAL</b>	<b>£70,000</b>

### Fundraising & Financial Progress 19/20

We're delighted to have secured income of £88,667 in year 1

- Trustees allocated £15,088 to 70kfor70 projects in 19/20, with the remainder being paid to projects in 2020/21
- Total spend (excluding core costs funded by the Authority) was £531 .
- Authority spend was £20,876

Income was made up of:

- £8,073 grant income - an area we plan to grow with delivery partners in 2020/21
- £2,181 raffle & calendar sale income
- £62,564 dormant funds
- £15,859 income from fundraising activities – an area we plan to grow in 2020/21 along with our corporate support and major gifts programme.

### **Reserves & 70kfor70 Progress**

To ensure the Foundation is a financially sustainable organisation, we're working towards a reserves position of three months' core costs. We're allocating 15% of unrestricted income to general reserves to cover any unforeseen drop in income, additional running costs or to enable us to respond to new fundraising opportunities.

Trustees have agreed a restricted reserve for our dormant fund income to mitigate the unlikely risk of any claim on these funds. Twenty-five percent of dormant fund income is allocated to a restricted reserve.

70kfor70 is split across two financial years. We're pleased to report that we're almost at our £70k net target and will exceed the £70k cumulative target in the current financial year.

### **Grant Agreement Spend**

The table below is taken from the grant agreement with the Authority. The cash contribution is actual spend on behalf of the Foundation. Staff time is based on a percentage of various members of staff. In reality this is Fundraising Manager/Foundation Manager post 0.6FTE and Fundraising Development Officer 0.6FTE

	Year 1 as per grant agreement	Year 2 – 20/21 as per grant agreement	Year 3 21/22 as per grant agreement
Cash Contribution	£25,250	£11,200	£13,700
Staff Time	£58,000	£50,000	£45,000
Total	£83,250	£61,200	£58,700

Year 1 Cash contribution spend was £20,876 against the budget figure of £25,250 above.

### **Conclusion**

The Foundation Trustees are pleased with the progress in year 1. In the short time since our formation we've had numerous positive conversations with residents, businesses and visitors, with many already taking positive action to support the Foundation, following us on social media, becoming regular donors and signing up for our e newsletter. We've made significant progress in organisational development and we're motivated by the public and corporate support to date and in development.

Trustees would like to thank the Authority for its partnership approach and support. With public sector spending expected to decrease, coupled with the challenges of a changing climate and growing visitor numbers, we believe the Foundation has a vital role to play in enabling Authority & Management Plan projects to benefit from a wider range of funds. Working together we can be greater than the sum of our parts and achieve more for the National Park

Peak District National Park Foundation Trustees



**15. LOCAL GOVERNMENT AND SOCIAL CARE OMBUDSMAN ANNUAL REVIEW LETTER 2019/2020**

**1. Purpose of the report**

This report provides details of the Local Government and Social Care Ombudsman's (the Ombudsman) Annual Review of complaints for the period 1 April 2019 to 31 March 2020.

**Key Issues**

- **The Ombudsman's Annual Review has not stated any concerns about the Authority's performance.**
- **The complaint statistics provided focus on 3 key areas – Complaints Upheld, Compliance with Recommendations and Satisfactory remedies provided by the Authority.**

**2. Recommendation**

- 1. To note the Local Government and Social Care Ombudsman Annual Review Letter 2019/2020 at Appendix 1 of the report.**

**How does this contribute to our policies and legal obligations?**

3. Quarterly reports on complaints received were considered by the Audit, Resources & Performance Committee up to May 2019; then following the changes to the Authority's Committee structure they have been received and considered at the Authority meetings since July 2019. The quarterly reports give Members the opportunity to discuss lessons learnt and improvements made as a result of this feedback including from complaints that have been referred to the Ombudsman. Learning from complaints will contribute to the Authority's outcome as an 'agile and efficient organisation'.

**Background Information**

4. The Authority changed from annual reporting on complaints to quarterly reporting in 2011; however, it was agreed that the annual review letter from the Ombudsman would still be reported annually. Appendix 1 shows the Ombudsman's annual review for the Authority covering the period 1 April 2019 to 31 March 2020.
5. The letter shows that the Ombudsman received a total of 4 complaints and made 3 decisions in relation to the Authority during this period. Of the complaints received 2 were Planning and Development and 2 were Corporate and Other Services.
6. As can be seen in Appendix 1, of the 3 decisions the Ombudsman made during the period 1 April 2019 to 31 March 2020:
  - 1 was upheld (Corporate and Other Services)
  - 1 was not upheld (Planning and Development)
  - 1 was closed after initial enquiries (Corporate and Other Services)
7. Details of the upheld complaint decision and the agreed remedy, which has been complied with, were included in the quarterly report for Quarter 4 of 2019-20 made to the Authority meeting held on 22 May 2020.

8. The complaint concerned the Engagement and Information Management Service and the issue was that booking for a PDNPA event was only possible on-line with no alternative way of booking for those without access to a computer. The Ombudsman found that the Authority was at fault and made recommendations which the Authority accepted.
9. The recommendations were:
  - within one month of the date of this decision, the Authority will write to the Complainant and apologise to him for the inconvenience caused. It will offer him and a companion two free places on a guided walk of their choice,
  - within two months, the Authority will carry out an Equality Impact Assessment,
  - within three months the Authority will consider the best way to amend its policy of not accepting bookings and payments by phone and find the most cost-effective way to make this possible for exceptional circumstances and write to the Ombudsman to explain what steps it has taken to remedy the fault found
10. The above actions were completed and the Ombudsman confirmed that the remedy was “complete and satisfied”.
11. Appendices 2 and 3 of the report show the benchmark figures for complaints and enquiries received and determined by the Ombudsman for National Park Authorities. As can be seen from these 3 other National Park Authorities (NPAs) had 1 complaint against them, 3 had 4 complaints (as we did) and 1 had 5 complaints. All the complaints received against other NPAs were Planning and Development. Of the complaints decided regarding other NPAs 2 were upheld.

### **Proposals**

12. It is proposed that the details of the Ombudsman’s annual review, as set out in Appendix 1 of this report, be noted.

### **Are there any corporate implications members should be concerned about?**

#### **Financial:**

13. We handle complaints within existing resources. However when a complaint has to be investigated it is often time consuming and distorts planned work programmes.

#### **Risk Management:**

14. The following risks have been identified at this time:
  - Failure to ensure action is taken to improve service or address a problem as appropriate in response to complaints received
  - Failure to improve the way we handle and respond to customers making complaints
  - Unreasonable cost in time and staff resources spent dealing with complaints.

Action taken as a result of complaints received and our procedure for handling unreasonably persistent complaints help us to mitigate these risks.

#### **Sustainability:**

15. The Authority’s complaints procedure highlights that:
  - All comments and complaints are treated in confidence and will not disadvantage complainants in any future dealings they may have with the Authority
  - Everyone will be treated fairly.

- Equality:**
16. The Authority's complaints procedure highlights that everyone will be treated fairly.
- 17. Climate Change**  
There are no issues to raise.
- 18. Background papers (not previously published)**  
None.
- 19. Appendices**  
Appendix 1 - Local Government and Social Care Ombudsman's Annual Review Letter 2020, 22 July 2020  
Appendix 2 - Benchmark figures for complaints received by the Ombudsman for National Park Authorities  
Appendix 3 - Benchmark figures for complaints determined by the Ombudsman for National Park Authorities
- Report Author, Job Title and Publication Date**  
Ruth Crowder, Democratic and Legal Support Team Leader, 26 August 2020  
ruth.crowder@peakdistrict.gov.uk

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# Local Government & Social Care OMBUDSMAN

22 July 2020

*By email*

Ms Fowler  
Chief Executive  
Peak District National Park Authority

Dear Ms Fowler

## **Annual Review letter 2020**

I write to you with our annual summary of statistics on the decisions made by the Local Government and Social Care Ombudsman about your authority for the year ending 31 March 2020. Given the exceptional pressures under which local authorities have been working over recent months, I thought carefully about whether it was still appropriate to send you this annual update. However, now, more than ever, I believe that it is essential that the public experience of local services is at the heart of our thinking. So, I hope that this feedback, which provides unique insight into the lived experience of your Council's services, will be useful as you continue to deal with the current situation and plan for the future.

## **Complaint statistics**

This year, we continue to place our focus on the outcomes of complaints and what can be learned from them. We want to provide you with the most insightful information we can and have made several changes over recent years to improve the data we capture and report. We focus our statistics on these three key areas:

**Complaints upheld** - We uphold complaints when we find some form of fault in an authority's actions, including where the authority accepted fault before we investigated. A focus on how often things go wrong, rather than simple volumes of complaints provides a clearer indicator of performance.

**Compliance with recommendations** - We recommend ways for authorities to put things right when faults have caused injustice. Our recommendations try to put people back in the position they were before the fault and we monitor authorities to ensure they comply with our recommendations. Failure to comply with our recommendations is rare. An authority with a compliance rate below 100% should scrutinise those complaints where it failed to comply and identify any learning.

**Satisfactory remedies provided by the authority** - We want to encourage the early resolution of complaints and to credit authorities that have a positive and open approach to resolving complaints. We recognise cases where an authority has taken steps to put things

right before the complaint came to us. The authority upheld the complaint and we agreed with how it offered to put things right.

Finally, we compare the three key annual statistics for your authority with similar types of authorities to work out an average level of performance.

The data for councils will be uploaded to our interactive map, [Your council's performance](#), along with a copy of this letter on 29 July 2020, and our Review of Local Government Complaints. For further information on how to interpret our statistics, please visit our [website](#).

### **Resources to help you get it right**

There are a range of resources available that can support you to place the learning from complaints, about your authority and others, at the heart of your system of corporate governance. [Your council's performance](#) launched last year and puts our data and information about councils in one place. Again, the emphasis is on learning, not numbers. You can find the decisions we have made, public reports we have issued, and the service improvements your Council has agreed to make as a result of our investigations, as well as previous annual review letters.

I would encourage you to share the tool with colleagues and elected members; the information can provide valuable insights into service areas, early warning signs of problems and is a key source of information for governance, audit, risk and scrutiny functions.

Earlier this year, we held our link officer seminars in London, Bristol, Leeds and Birmingham. Attended by 178 delegates from 143 local authorities, we focused on maximising the impact of complaints, making sure the right person is involved with complaints at the right time, and how to overcome common challenges.

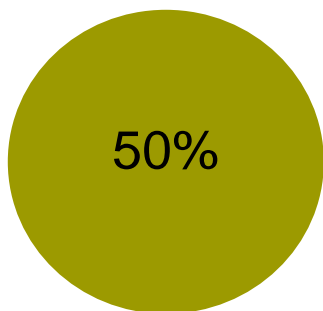
We have a well-established and successful training programme supporting local authorities and independent care providers to help improve local complaint handling. During the year, we delivered 118 courses, training more than 1,400 people. This is 47 more courses than we delivered last year and included more training to adult social care providers than ever before. To find out more visit [www.lgo.org.uk/training](http://www.lgo.org.uk/training).

Yours sincerely,



Michael King  
Local Government and Social Care Ombudsman  
Chair, Commission for Local Administration in England

### Complaints upheld



**50%** of complaints we investigated were upheld.

This compares to an average of **23%** in similar authorities.

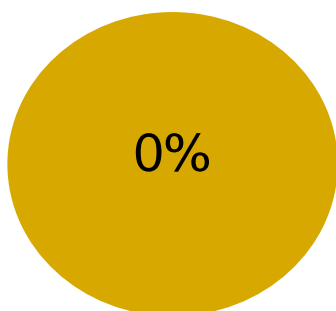
**1**  
upheld decision

Statistics are based on a total of 2 detailed investigations for the period between 1 April 2019 to 31 March 2020

### Compliance with Ombudsman recommendations

No recommendations were due for compliance in this period

### Satisfactory remedies provided by the authority



In **0%** of upheld cases we found the authority had provided a satisfactory remedy before the complaint reached the Ombudsman.

This compares to an average of **33%** in similar authorities.

**0**  
satisfactory remedy decisions

Statistics are based on a total of 2 detailed investigations for the period between 1 April 2019 to 31 March 2020

## Local Government &amp; Social Care Ombudsman Statistics for Peak District National Park Authority for period 1 April 2019 – 31 March 2020

## Complaints Received

Reference	Authority	Category	Received
19001265	Peak District National Park Authority	Corporate & Other Services	24 Apr 2019
19005323	Peak District National Park Authority	Corporate & Other Services	02 Jul 2019
19015994	Peak District National Park Authority	Planning & Development	18 Dec 2019
19016590	Peak District National Park Authority	Planning & Development	07 Jan 2020

## Complaints Decided

Reference	Authority	Category	Decided	Decision	Decison Reason
18003409	Peak District National Park Authority	Planning & Development	31/05/2019	Not Upheld	no maladministration
19001265	Peak District National Park Authority	Corporate & Other Services	05/06/2019	Closed after initial enquiries	Not warranted by alleged mal/service failure
19005323	Peak District National Park Authority	Corporate & Other Services	31/01/2020	Upheld	maladministration & injustice

## Compliance

No compliance data recorded during the period.



# **LOCAL GOVERNMENT OMBUDSMAN NUMBER OF ENQUIRIES RECEIVED REGARDING NATIONAL PARK AUTHORITIES 2019/20**

<b>National Park Authority</b>	<b>Corporate &amp; Other Services</b>	<b>Environmental Services, Public Protection and Regulation</b>	<b>Highways and Transport</b>	<b>Planning and Development</b>	<b>Other</b>	<b>Total</b>
Broads Authority	0	0	0	1	0	1
Dartmoor	0	0	0	4	0	4
Exmoor	0	0	0	1	0	1
Lake District	0	0	0	5	0	5
New Forest	0	0	0	4	0	4
North York Moors	0	0	0	1	0	1
Northumberland	0	0	0	0	0	0
Peak District	2	0	0	2	0	4
South Downs	0	0	0	4	0	4
Yorkshire Dales	0	0	0	0	0	0

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# **LOCAL GOVERNMENT OMBUDSMAN NUMBER OF DECISIONS MADE REGARDING NATIONAL PARK AUTHORITIES 2019/20**

<b>National Park Authority</b>	<b>Incomplete or Invalid</b>	<b>Advice Given</b>	<b>Referred back for local resolution</b>	<b>Closed after initial enquiries</b>	<b>Not Upheld</b>	<b>Upheld</b>	<b>Total</b>
Broads Authority	0	0	0	1	1	1	3
Dartmoor	0	0	0	2	0	1	3
Exmoor	0	0	0	0	1	0	1
Lake District	0	0	0	1	5	0	6
New Forest	0	0	1	2	0	0	3
North York Moors	0	0	0	0	1	0	1
Northumberland	0	0	0	0	0	0	0
Peak District	0	0	0	1	1	1	3
South Downs	0	0	1	0	1	0	2
Yorkshire Dales	0	0	0	0	0	0	0

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**OUTSIDE BODY AND CONFERENCE FEEDBACK REPORT**

<b>Name of Body</b>	<b>Meeting, Member Champion, Cultural Heritage and Landscapes, with PDNPA professional officers</b>
<b>Date of Meeting</b>	<b>5 August 2020</b>
<b>Member in attendance</b>	<b>Ken Smith</b>
<b>Supporting Officer</b>	<b>Suzanne Fletcher plus team managers Anna Badcock &amp; Rhodri Thomas, and Karen Shelley-Jones, Manager, South West Peak Landscape Partnership</b>
<b>Issues raised at the meeting of significance to the Authority</b>	
1.	Defra ELM 'Deep Dive': I fed back from this one-off meeting between Defra and the historic environment sector (I attended as Chair of Trustees of the Council for British Archaeology) re the opportunities presented by historic environment options in the developing ELM agri-environment scheme.
2.	National Tree Strategy: an up-date on the developing Authority response to this national consultation, including balances between short-term impacts of planting and longer-term natural regeneration.
3.	Peatland Strategy: an up-date on the developing response to this consultation, including issues such as the balance between tree cover and work such as that achieved by Moors for the Future; the appropriateness of targets; and what is meant by 'restoration'?
4.	Local Nature Recovery Strategy: an up-date on Local Nature Partnership work and this developing initiative, with pilots in Cumbria, Bucks, Gtr Manchester, Northumberland and Cornwall.
<b>Issues on which the views of Authority Members are sought</b>	
1.	
2.	
<b>Relevant documents such as reports and hyperlinks</b>	
1.	
2.	

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