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PEAK DISTRICT NATIONAL PARK

Our Ref: A.1146

Date: 11 September 2014

NOTICE OF MEETING

Meeting: **Audit Resources & Performance Committee**

Date: **19 September 2014**

Time: **10.00 am**

Venue: **Board Room, Aldern House, Baslow Road, Bakewell**

JIM DIXON
CHIEF EXECUTIVE

AGENDA

1 **Apologies for Absence**

2 **Minutes of previous meeting**

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.

5 **Members Declarations of Interest**

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.

6 **2013/14 External Audit Annual Governance Report and Letter of Representation** *(Pages 1 - 26)*

7 **2013/14 Audited Annual Statement of Accounts** *(Pages 27 - 90)*

8 **2013/14 Governance Statement** *(Pages 91 - 102)*

9 **2014/15 Quarter 1 Corporate Performance and Risk Management Report** *(Pages 103 - 124)*

10 **Environmental Management Annual Performance Report** *(Pages 125 - 138)*

11 **Brosterfield Caravan Site Foolow** *(Pages 139 - 142)*

12 **Stanage/Northlees Estate- Progress Report** *(Pages 143 - 166)*

13 **Exempt Information S100 (A) Local Government Act 1972**

The Committee is asked to consider, in respect of the exempt items, whether the public should be excluded from the meeting to avoid the disclosure of Exempt Information.

Draft Motion:

That the public be excluded from the meeting during consideration of Agenda Items Nos. 14, 15 and 16 to avoid the disclosure of Exempt Information under S100 (A)(4) Local Government Act 1972, Schedule 12A, Paragraph 3 "information relating to the financial or business affairs of any particular person (including the authority holding that information)".

14 **Stanage/North Lees Estate Update on the Business Plan for Full Cost Recovery** *(Pages 167 - 186)*

15 **Eastern Moors Estate - Warren Lodege - Future Options** *(Pages 187 - 196)*

16 **Losehill Hall Bungalow and Paddock** *(Pages 197 - 206)*

17 **Approval for Allocation of Capital Receipts to Finance Works Associated with the Aldern House Accommodation Project** *(Pages 207 - 210)*

18 **Annual Report on Local Government Ombusdman Complaints** *(Pages 211 - 220)*

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 www.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 by appointment at the National Park Office, Bakewell. Contact Democratic Services on 01629 816200, ext 362/382. E-mail address: democraticservices@peakdistrict.gov.uk.

Public Participation and Other Representations from third parties

Anyone wishing to participate at the meeting under the Authority's Public Participation Scheme is required to give notice to the Director of Corporate Resources to be received not later than 12.00 noon on the Wednesday preceding the Friday meeting. The Scheme is available on the website www.peakdistrict.gov.uk or on request from Democratic Services 01629 816362, email address: democraticservices@peakdistrict.gov.uk, fax number: 01629 816310.

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

The Local Government Act 1972 does not require the Authority to permit the recording of meetings by sound, video, film, photograph or any other means this includes blogging or tweeting, posts on social media sites such as facebook or publishing on video sharing sites. However, in the interests of helping the wider public observe and understand Authority decisions, requests to record and report on Authority and its Committees held in public will be allowed by the Monitoring Officer or their deputy providing it will not disrupt the meeting and is carried out in accordance with any published protocols and guidance. Please contact Democratic Services in advance of the meeting if you intend to record or report on a meeting.

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. The recordings will usually be retained only until the minutes of this meeting have been confirmed.

General Information for Members of the Public Attending Meetings

Aldern House is situated on the A619 Bakewell to Baslow Road, the entrance to the drive is opposite the Ambulance Station. Car parking is available. Local Bus Services from Bakewell centre and from Chesterfield and Sheffield pick up and set down near Aldern House. Further information on Public transport from surrounding areas can be obtained from Traveline on 0871 200 2233 or on the Traveline website at www.travelineeastmidlands.co.uk.

Please note that there is no catering provision for members of the public during meal breaks. However, there are cafes, pubs and shops in Bakewell town centre, approximately 15 minutes walk away.

To: Members of Audit Resources & Performance Committee:

Chair: Clr Mr A McCloy
Vice Chair: C Furness

Mr P Ancell	Mrs F Beatty
Cllr D Birkinshaw	Cllr G Claff
Cllr A R Favell	Cllr D Greenhalgh
Mr Z Hamid	Cllr P Harrison
Cllr Mrs G Heath	Mr R Helliwell
Ms S Leckie	Cllr S Marshall-Clarke
Mr G Nickolds	Clr Mrs L C Roberts
Mrs E Sayer	Cllr Mrs N Turner
Cllr D Williams	

Copies for information to:
Constituent Authorities
Natural England
Secretary of State for the Environment

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6. 2013/14 EXTERNAL AUDIT ANNUAL GOVERNANCE REPORT AND LETTER OF REPRESENTATION (A1362/ RMM)

Purpose of the report

1 This report asks Members to consider the external auditors' (KPMG) 2013/14 annual governance report (titled 'report to those charged with governance') and approve the letter of representation as requested by the Auditor. 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 2013/14 financial statements subject to 'resolving outstanding queries to their satisfaction'
- The scope of the auditors' work on value for money (in order to satisfy the Auditor that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources) is limited to reviewing the 2013/14 Annual Governance Statement; the External Auditor has reviewed this and has no matters to report
- The External Auditor requires a signed copy of the representation letter at Annex B prior to issuing her audit opinion

Recommendations

2 **1. That Members:**

a) Take note of the adjustments to the financial statements included in the following report by the Chief Finance Officer in response to the External Auditor's findings

b) Agree the management response to the recommendations at Appendix 1 of Annex A

c) Approve the letter of representation at Annex B

d) Note that the External Auditor expects to give an unqualified audit opinion on the 2013/14 financial statements and has no matters to report on the 201314 Annual Governance Statement

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 against our corporate objective 11 'be a well run public body with proportionate and effective ways of working, delivering excellent customer service and living our values'. 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 through her review of the Annual Governance Statement is a corporate performance indicator.

Background

4 The duties and powers of auditors appointed by the Audit Commission are set out in the Audit Commission Act 1998, the Local Government Act 1999, the Statement of Responsibilities of Auditors and Audited Bodies and the 2010 Code of Audit Practice issued by the Audit Commission. Considering the Auditor's report is part of the agreed Audit Resources and Performance Committee work programme.

Proposals

5 The full report for consideration is given at Annex A and includes two relevant Appendices:

Appendix 1: Key issues and recommendations
Appendix 2: Declaration of independence and objectivity

6 The Auditor plans to issue an audit report that includes an unqualified opinion on the financial statements subject to:

a) the Head of Finance resolving queries raised (at the time of writing this report) and
b) this Committee considering the matters raised and agreeing the letter of representation at Annex B.

7 The scope of the auditors' work on value for money (in order to satisfy the Auditor that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources) is limited to reviewing the 2013/14 Annual Governance Statement; the External Auditor has reviewed this and concludes:

- The Authority has made proper arrangements to secure economy, efficiency and effectiveness in its use of resources
- The wording of our Annual Governance Statement accords with their understanding
- There are no matters to report.

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

9 The Auditor has made three recommendations at Appendix 1 of Annex A and members are asked to agree the management response.

10 Before the Auditor can issue an opinion written representations are required about the financial statement and governance arrangements. The draft letter of representation is given at Annex B.

Are there any corporate implications members should be concerned about?

11 **Financial**: The fees for external audit are funded from the existing Finance Services budget. There is an additional £2000 charge that will be funded from existing budgets.

12 **Risk Management:** 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. Pages 5 and 6 of Annex A describes the Auditor's conclusions against the risks identified in the 2013/14 audit plan.

13 **Sustainability:** There are no issues to highlight.

14 **Background papers** (not previously published) – None

Appendices:

Annex A: External Audit (KPMG): Annual Governance Report 2013/14 including:

- Appendix 1 titled key issues and recommendations and
- Appendix 2 titled declaration of independence and objectivity

Annex B: Letter of representation

Report Author, Job Title and Publication Date

Ruth Marchington, Director of Corporate Resources, 11 September 014

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KPMG

cutting through complexity™

Report to those charged with governance (ISA 260) 2013/14

Peak District National Park Authority

August 2014

Contents

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This report is addressed to the Authority and has been prepared for the sole use of the Authority. We take no responsibility to any member of staff acting in their individual capacities, or to third parties. The Audit Commission has issued a document entitled *Statement of Responsibilities of Auditors and Audited Bodies*. This summarises where the responsibilities of auditors begin and end and what is expected from the audited body. We draw your attention to this document which is available on the Audit Commission's website at www.auditcommission.gov.uk.

External auditors do not act as a substitute for the audited body's own responsibility for putting in place proper arrangements to ensure that public business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

If you have any concerns or are dissatisfied with any part of KPMG's work, in the first instance you should contact Sue Sunderland, the appointed engagement lead to the Authority, who will try to resolve your complaint. If you are dissatisfied with your response please contact Trevor Rees on 0161 246 4000, or by email to trevor.rees@kpmg.co.uk, who is the national contact partner for all of KPMG's work with the Audit Commission. After this, if you are still dissatisfied with how your complaint has been handled you can access the Audit Commission's complaints procedure. Put your complaint in writing to the Complaints Unit Manager, Audit Commission, 3rd Floor, Fry Building, 2 Marsham Street, London, SW1P 4DF or by email to complaints@audit-commission.gsi.gov.uk. Their telephone number is 0303 4448 330.

Introduction

This document summarises:

- **the key issues identified during our audit of the financial statements for the year ended 31 March 2014 for the Authority; and**
- **our assessment of the Authority's arrangements to secure value for money (VFM) in its use of resources.**

Scope of this report

This report summarises the key findings arising from:

- our audit work at Peak District National Park ('the Authority') in relation to the Authority's 2013/14 financial statements; and
- our work to support our 2013/14 value for money (VFM) conclusion.

Financial statements

Our *External Audit Plan 2013/14*, presented to you in February 2014, set out the four stages of our financial statements audit process.

This report focuses on the second and third stages of the process: control evaluation and substantive procedures. Our on site work for these took place during March 2014 (interim audit) and August 2014 (year end audit).

We are now in the final phase of the audit, the completion stage. Some aspects of this stage are also discharged through this report.

VFM conclusion

Our *External Audit Plan 2013/14* explained our risk-based approach to VFM work, which follows guidance provided by the Audit Commission. In the case of your authority this means the scope of our work on value for money is limited to a review of your annual governance statement (AGS) unless any specific risks are identified

One specific risk has been identified regarding saving plans.

Structure of this report

This report is structured as follows:

- Section 2 summarises the headline messages.
- Section 3 sets out our key findings from our audit work in relation to the 2013/14 financial statements.
- Section 4 outlines our key findings from our work on the VFM conclusion.

Our recommendations are included in Appendix 1. We have also reviewed your progress in implementing prior recommendations and this is detailed in Appendix 2.

Acknowledgements

We would like to take this opportunity to thank officers and Members for their continuing help and co-operation throughout our audit work.

Headlines

This table summarises the headline messages. Sections three and four of this report provide further details on each area.

Page 12

Proposed audit opinion	We anticipate issuing an unqualified audit opinion on the Authority's financial statements by 30 September 2014. We will also report that the wording of your Annual Governance Statement accords with our understanding.
Audit adjustments	Our audit of your financial statements identified material adjustments to the Property, Plant and Equipment (PPE) note. These affected the gross book value of assets and the accumulated depreciation, but has no impact on the net book value. The Authority made a small number of presentational adjustments. There was no impact on the General Fund. We have raised one recommendations arising from our work, which is summarised in Appendix 1. As a consequence of the additional work that was needed to resolve the issues around the adjustments to PPE we will need to charge an additional fee of £2,000 (subject to Audit Commission approval).
Accounts production and audit process	The Authority has good processes in place for the production of the accounts and good quality supporting working papers. Officers dealt efficiently with audit queries and the audit process has been completed within the planned timescales. We have worked with Officers throughout the year to discuss the specific risk areas for this year's audit. The Authority addressed the issues appropriately.
Control environment	The Authority's organisational control environment is effective overall, and we have not identified any significant weaknesses in controls over key financial systems.
Completion	At the date of this report our audit of the financial statements is substantially complete. Before we can issue our opinion we require a signed management representation letter. We confirm that we have complied with requirements on objectivity and independence in relation to this year's audit of the Authority's financial statements.
VFM conclusion and risk areas	The scope of our work on value for money is limited to a review of your annual governance statement (AGS) unless any specific risks are identified. There is one matter to report.

Proposed opinion and audit differences

We have identified one issue in the course of the audit of the audit that is considered to be material.

We anticipate issuing an unqualified audit opinion in relation to the Authority's financial statements by 30 September 2014.

Proposed audit opinion

Subject to all outstanding queries being resolved to our satisfaction, we anticipate issuing an unqualified audit opinion on the Authority's financial statements following approval of the Statement of Accounts by the Audit, Resource and Performance Committee on 19 September 2014.

Audit differences

In accordance with ISA 260 we are required to report uncorrected audit differences to you. We also report any material misstatements which have been corrected and which we believe should be communicated to you to help you meet your governance responsibilities.

Our audit identified significant audit differences in the Property, Plant and Equipment note (note 11). These differences related to:

- misclassification of the impairment costs identified in the year, which have now been amended and show in the cost or valuation section of the note; and
- the accumulated depreciation figure to be written off on revaluation which was materially incorrect. This value has now been adjusted and correctly disclosed on the note.

These amendment affect both the gross book value and accumulated depreciation values in the note, but do not impact on the closing net book value.

Due to the misclassifications identified above, it is likely that the opening gross book value and accumulated depreciations values are misstated. However, based on the much lower balances brought forward it is unlikely that these balances are materially misstated. Therefore we have agreed the necessary amendments can be worked during 2014/15 as work on the fixed asset register takes place.

In addition, we identified a small number of presentational adjustments required to ensure that the accounts are compliant with the *Code of Practice on Local Authority Accounting the United Kingdom 2013/14 ('the Code')*. We understand that the Authority will be addressing these where significant.

Section three

Key financial statements audit risks

We have worked with officers throughout the year to discuss specific risk areas. The Authority addressed the issues appropriately.

Page 14

In our External Audit Plan 2013/14, presented to you in February 2014, we identified the key risks affecting the Authority's 2013/14 financial statements. We have now completed our testing of these areas and set out our evaluation following our substantive work.

The table below sets out our detailed findings for each of the risks that are specific to the Authority.

Additionally, we considered the risk of management override of controls, which is a standard risk for all organisations.

Our controls testing and substantive procedures, including over journal entries, accounting estimates and significant transactions that are outside the normal course of business, or are otherwise unusual, did not identify any issues

Key audit risk	Issue	Findings
LGPS Triennial review	During the year, the Local Government Pension Scheme for Derbyshire (the Pension Fund) has undergone a triennial valuation with an effective date of 31 March 2013 in line with the Local Government Pension Scheme (Administration) Regulations 2008. The Authority's share of pensions assets and liabilities is determined in detail, and a large volume of data is provided to the actuary in order to carry out this triennial valuation. The IAS 19 numbers to be included in the financial statements for 2013/14 will be based on the output of the triennial valuation rolled forward to 31 March 2014. For 2014/15 and 2015/16 the actuary will then roll forward the valuation for accounting purposes based on more limited data. There is a risk that the data provided to the actuary for the valuation exercise is inaccurate and that these inaccuracies affect the actuarial figures in the accounts. Most of the data is provided to the actuary by Derbyshire County Council who administer the Pension Fund based on information received from the Authority.	As part of our audit, we agreed the data provided to the actuary back to the systems and reports from which it was derived, and tested the accuracy of this data. We also liaised with the separate KPMG audit team for the Pension Fund, where this data was provided by the Pension Fund on the Authority's behalf. No issues were identified relating to the pension fund triennial review

Key financial statements audit risks

Key audit risk	Issue	Findings
Fixed asset register	The Authority's Fixed Asset Register (FAR) is spreadsheet based. The PPE figures in the accounts come straight from the FAR, without passing through the ledger first. The spreadsheet FAR has served well in the past, but presents inherent risks around the accuracy of data transfer.	Our audit of the fixed asset register identified several minor formula errors. None had a material impact on the accounts but confirm the inherent risks around the integrity of the figures in the register. Given the wider issues identified around accounting for PPE this year consideration should be given as to whether current spreadsheet is still fit for purpose, or whether a FAR software package would be more appropriate, particularly if it included reporting elements which would help in the preparation of the PPE notes.

Accounts production and audit process

Officers maintained the high quality of the accounts and the supporting working papers.

Officers dealt efficiently with audit queries and the audit process could be completed within the planned timescales.

Page 16

Accounts production and audit process

ISA 260 requires us to communicate to you our views about the significant qualitative aspects of the Authority's accounting practices and financial reporting. We also assessed the Authority's process for preparing the accounts and its support for an efficient audit.

We considered the following criteria:

Element	Commentary
Accounting practices and financial reporting	We consider that accounting practices are appropriate.
Completeness of draft accounts	We received a complete set of draft accounts on 27th June 2014
Quality of supporting working papers	Our *Accounts Audit Protocol*, which we issued in February 14 and discussed with Philip Naylor, set out our working paper requirements for the audit. The quality of working papers provided was consistently good and met the standards specified in our *Accounts Audit Protocol*.
Response to audit queries	Officers resolved our audit queries in a reasonable time.

Control environment

The Authority's organisation control environment is effective, and controls over the key financial systems are sound.

During March 2014 we completed our control evaluation work. We did not issue an interim report as there were no significant issues arising from this work. For completeness we reflect on key findings from this work.

Organisational control environment

Controls operated at an organisational level often have an impact on controls at an operational level and if there were weaknesses this would have implications for our audit. We therefore obtain an understanding of the Authority's overall control environment and determine if appropriate controls have been implemented.

We found that your organisational control environment is effective overall.

Controls over key financial systems

Where we have determined that this is the most efficient audit approach to take, we test selected controls that address key risks within the financial systems. The strength of the control framework informs the substantive testing we complete during our final accounts visit.

Based on our work on controls over the year end process, the controls over the financial systems are sound.

Completion

We confirm that we have complied with requirements on objectivity and independence in relation to this year's audit of the Authority's financial statements.

Before we can issue our opinion we require a signed management representation letter.

Once we have finalised our opinions and conclusions we will prepare our *Annual Audit Letter* and close our audit.

Declaration of independence and objectivity

As part of the finalisation process we are required to provide you with representations concerning our independence.

In relation to the audit of the financial statements of Peak District National Park Authority for the year ending 31 March 2014, we confirm that there were no relationships between KPMG LLP and Peak District National Park Authority, its directors and senior management and its affiliates that we consider may reasonably be thought to bear on the objectivity and independence of the audit engagement lead and audit staff. We also confirm that we have complied with Ethical Standards and the Audit Commission's requirements in relation to independence and objectivity.

We have provided a detailed declaration in Appendix 4 in accordance with ISA 260.

Management representations

You are required to provide us with representations on specific matters such as your financial standing and whether the transactions within the accounts are legal and unaffected by fraud. We have provided a template to the Chief Finance Officer for presentation to the Audit Committee. We require a signed copy of your management representations before we issue our audit opinion.

Other matters

ISA 260 requires us to communicate to you by exception 'audit matters of governance interest that arise from the audit of the financial statements' which include:

- significant difficulties encountered during the audit;
- significant matters arising from the audit that were discussed, or subject to correspondence with management;
- other matters, if arising from the audit that, in the auditor's professional judgment, are significant to the oversight of the financial reporting process; and
- matters specifically required by other auditing standards to be communicated to those charged with governance (e.g. significant deficiencies in internal control; issues relating to fraud, compliance with laws and regulations, subsequent events, non disclosure, related party, public interest reporting, questions/objections, opening balances etc).

There are no others matters which we wish to draw to your attention in addition to those highlighted in this report or our previous reports relating to the audit of the Authority's 2013/14 financial statements.

VFM conclusion

Our VFM conclusion considers how the Authority secures financial resilience and challenges how it secures economy, efficiency and effectiveness.

We have concluded that the Authority has made proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

The wording of your Annual Governance Statement accords with our understanding.

Background

To provide stability for auditors and audited bodies, the audit Commission has kept the VFM audit methodology unchanged from last year.

In the case of your Authority this means the scope of our work on value for money is limited to a review of your annual governance statement (AGS) unless any specific risks are identified.

In our Audit Plan we identified one specific risk linked to the ongoing development and delivery of your savings plans. This related to pressures on the finances of the Authority leading to reduced funding and budgets . We have reviewed the plans that the Authority has in place for dealing with the increased need to make savings and are confident that plans are sufficiently robust to ensure that the Authority can continue to provide services effectively.

As a result of our review of the AGS and through discussions with Senior Managers, we have made one recommendation regarding the slower than anticipated progress around implementation of the capital asset management programme. This is particularly apparent with Brosterfield Caravan Site, where there has been no further developments in the last year.

Conclusion

We have no matters to formally report within our opinion.

Appendix 1: Key issues and recommendations

We have given each recommendation a risk rating and agreed what action management will need to take.

The Authority should closely monitor progress in addressing specific risks and implementing our recommendations.

Page 20

Priority rating for recommendations		
❶ *Priority one*: issues that are fundamental and material to your system of internal control. We believe that these issues might mean that you do not meet a system objective or reduce (mitigate) a risk.	❷ *Priority two*: issues that have an important effect on internal controls but do not need immediate action. You may still meet a system objective in full or in part or reduce (mitigate) a risk adequately but the weakness remains in the system.	❸ *Priority three*: issues that would, if corrected, improve the internal control in general but are not vital to the overall system. These are generally issues of best practice that we feel would benefit you if you introduced them.

No.	Risk	Issue and recommendation	Management response / responsible officer / due date
1	❶	**Fixed Asset Register (FAR)** We have identified several formula errors within the spreadsheet that is used for the FAR. None of these have a material impact on the accounts, but questions the integrity of the system **Recommendation** The Authority should consider whether the spreadsheet used for the FAR is still fit for purpose, or whether a FAR software package would be more appropriate. If the spreadsheet is maintained, it requires detailed review to ensure that its formula's are correct	Agreed. A review of the asset spreadsheet will be carried out later in the year (2014) to correct formula errors and enhance reconciliations. This is considered to be the most cost effective way forward before any further consideration of a software package purchase.
2	❶	**Prior period amendments** We have identified misclassifications in the Property, Plant and Equipment note and it is likely that the opening gross book value and accumulated depreciations values are misstated. **Recommendation** The Authority needs to work through the historic gross book value and accumulated depreciation figures to ensure that they are correctly stated.	Agreed. These misclassifications will be dealt with in the review above and the values will be corrected if necessary.

Appendix 1: Key issues and recommendations

We have given each recommendation a risk rating and agreed what action management will need to take.

The Authority should closely monitor progress in addressing specific risks and implementing our recommendations.

Priority rating for recommendations		
❶ ***Priority one***: issues that are fundamental and material to your system of internal control. We believe that these issues might mean that you do not meet a system objective or reduce (mitigate) a risk.	❷ ***Priority two***: issues that have an important effect on internal controls but do not need immediate action. You may still meet a system objective in full or in part or reduce (mitigate) a risk adequately but the weakness remains in the system.	❸ ***Priority three***: issues that would, if corrected, improve the internal control in general but are not vital to the overall system. These are generally issues of best practice that we feel would benefit you if you introduced them.

No.	Risk	Issue and recommendation	Management response / responsible officer / due date
3	❷	**Capital asset management programme** Slower progress than anticipated has been made on the Authority's asset management programme. **Recommendation** The Authority needs to proactively manage this programme to ensure progress is made in 2014-15	The Authority approved the response to the strategic review of property in May 2014 and target dates for implementation for the period 2014-2017. Progress against the agreed action plan will be monitored by the Integrated Property Board. It is agreed that there have been delays in progressing action on Brosterfield and a timeline for proceeding is being considered by the Audit Resources and Performance Committee on 19 September. Other property reports are also being considered by this Committee in line with the action plan including: Losehill Hall Bungalow; Aldern House; North Lees.

Appendix 2: Declaration of independence and objectivity

The *Code of Audit Practice* requires us to exercise our professional judgement and act independently of both the Commission and the Authority.

Requirements

Auditors appointed by the Audit Commission must comply with the *Code of Audit Practice* (the 'Code') which states that:

"Auditors and their staff should exercise their professional judgement and act independently of both the Commission and the audited body. Auditors, or any firm with which an auditor is associated, should not carry out work for an audited body that does not relate directly to the discharge of auditors' functions, if it would impair the auditors' independence or might give rise to a reasonable perception that their independence could be impaired."

In considering issues of independence and objectivity we consider relevant professional, regulatory and legal requirements and guidance, including the provisions of the Code, the detailed provisions of the Statement of Independence included within the Audit Commission's *Standing Guidance for Local Government Auditors* ('Audit Commission Guidance') and the requirements of APB Ethical Standard 1 *Integrity, Objectivity and Independence* ('Ethical Standards').

The Code states that, in carrying out their audit of the financial statements, auditors should comply with auditing standards currently in force, and as may be amended from time to time. Audit Commission Guidance requires appointed auditors to follow the provisions of ISA (UK &I) 260 Communication of *Audit Matters with Those Charged with Governance*' that are applicable to the audit of listed companies. This means that the appointed auditor must disclose in writing:

- Details of all relationships between the auditor and the client, its directors and senior management and its affiliates, including all services provided by the audit firm and its network to the client, its directors and senior management and its affiliates, that the auditor considers may reasonably be thought to bear on the auditor's objectivity and independence.
- The related safeguards that are in place.
- The total amount of fees that the auditor and the auditor's network firms have charged to the client and its affiliates for the provision of services during the reporting period, analysed into appropriate categories, for example, statutory audit services, further audit services, tax advisory services and other non-audit services. For each category, the amounts of any future services which have been contracted or where a written proposal has been submitted are separately disclosed. We do this in our *Annual Audit Letter*.

Appointed auditors are also required to confirm in writing that they have complied with Ethical Standards and that, in the auditor's professional judgement, the auditor is independent and the auditor's objectivity is not compromised, or otherwise declare that the auditor has concerns that the auditor's objectivity and independence may be compromised and explaining the actions which necessarily follow from his. These matters should be discussed with the Audit Committee.

Ethical Standards require us to communicate to those charged with governance in writing at least annually all significant facts and matters, including those related to the provision of non-audit services and the safeguards put in place that, in our professional judgement, may reasonably be thought to bear on our independence and the objectivity of the Engagement Lead and the audit team.

General procedures to safeguard independence and objectivity

KPMG's reputation is built, in great part, upon the conduct of our professionals and their ability to deliver objective and independent advice and opinions. That integrity and objectivity underpins the work that KPMG performs and is important to the regulatory environments in which we operate. All partners and staff have an obligation to maintain the relevant level of required independence and to identify and evaluate circumstances and relationships that may impair that independence.

Appendix 2: Declaration of independence and objectivity (continued)

We confirm that we have complied with requirements on objectivity and independence in relation to this year's audit of the Authority's financial statements.

Acting as an auditor places specific obligations on the firm, partners and staff in order to demonstrate the firm's required independence. KPMG's policies and procedures regarding independence matters are detailed in the *Ethics and Independence Manual* ('the Manual'). The Manual sets out the overriding principles and summarises the policies and regulations which all partners and staff must adhere to in the area of professional conduct and in dealings with clients and others.

KPMG is committed to ensuring that all partners and staff are aware of these principles. To facilitate this, a hard copy of the Manual is provided to everyone annually. The Manual is divided into two parts. Part 1 sets out KPMG's ethics and independence policies which partners and staff must observe both in relation to their personal dealings and in relation to the professional services they provide. Part 2 of the Manual summarises the key risk management policies which partners and staff are required to follow when providing such services.

All partners and staff must understand the personal responsibilities they have towards complying with the policies outlined in the Manual and follow them at all times. To acknowledge understanding of and adherence to the policies set out in the Manual, all partners and staff are required to submit an annual ethics and independence confirmation. Failure to follow these policies can result in disciplinary action.

Auditor declaration

In relation to the audit of the financial statements of Peak District National Park Authority for the financial year ending 31 March 2014, we confirm that there were no relationships between KPMG LLP and Peak District National Park Authority, its directors and senior management and its affiliates that we consider may reasonably be thought to bear on the objectivity and independence of the audit engagement lead and audit staff. We also confirm that we have complied with Ethical Standards and the Audit Commission's requirements in relation to independence and objectivity.

cutting through complexity ™

ANNEX B

LETTER OF REPRESENTATION TO EXTERNAL AUDITORS TO BE SIGNED BY THE CHAIR OF AUDIT RESOURCES AND PERFORMANCE COMMITTEE AND CHIEF FINANCE OFFICER

This representation letter is provided in connection with your audit of the financial statements of Peak District National Park Authority ("the Authority") for the year ended 31 March 2014, for the purpose of expressing an opinion:

i. as to whether these financial statements give a true and fair view of the financial position of the Authority as at 31 March 2014 and of the Authority's expenditure and income for the year then ended; and

ii. whether the financial statements have been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2013/14.

These financial statements comprise the Authority Movement in Reserves Statement, the Authority Comprehensive Income and Expenditure Statement, the Authority Balance Sheet, the Authority Cash Flow Statement and the related notes.

The Authority confirms that the representations it makes in this letter are in accordance with the definitions set out in the Appendix to this letter.

The Authority confirms that, to the best of its knowledge and belief, having made such inquiries as it considered necessary for the purpose of appropriately informing itself:

Financial statements

1. The Authority has fulfilled its responsibilities, as set out in regulation 8 of the Accounts and Audit (England) Regulations 2011, for the preparation of financial statements that:

    i. give a true and fair view of the financial position of the Authority as at 31 March 2014 and of the Authority's expenditure and income for the year then ended;

    ii. have been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2013/14

    The financial statements have been prepared on a going concern basis.

2. Measurement methods and significant assumptions used by the Authority in making accounting estimates, including those measured at fair value, are reasonable. [ISA (UK&I) 540.22]

3. All events subsequent to the date of the financial statements and for which IAS 10 Events after the reporting period requires adjustment or disclosure have been adjusted or disclosed. [ISA (UK&I) 560.9]

4. There are no uncorrected misstatements

Information provided

5. The Authority has provided you with:

    - access to all information of which it is aware, that is relevant to the preparation of the financial statements, such as records, documentation and other matters;

    - additional information that you have requested from the Authority for the purpose of the audit; and

    - unrestricted access to persons within the Authority from whom you determined it necessary to obtain audit evidence.

6. All transactions have been recorded in the accounting records and are reflected in the financial statements.

7. The Authority confirms the following:

    i) The Authority has disclosed to you the results of its assessment of the risk that the financial statements may be materially misstated as a result of fraud.

    ii) The Authority has disclosed to you all information in relation to:

    a) Fraud or suspected fraud that it is aware of and that affects the Authority and involves:
        - management;
        - employees who have significant roles in internal control; or
        - others where the fraud could have a material effect on the financial statements; and

    b) allegations of fraud, or suspected fraud, affecting the Authority's financial statements communicated by employees, former employees, analysts, regulators or others.

    In respect of the above, the Authority acknowledges its responsibility for such internal control as it determines necessary for the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In particular, the Authority acknowledges its responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error.

8. The Authority has disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

9. The Authority has disclosed to you and has appropriately accounted for and/or disclosed in the financial statements, in accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*, all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

10. The Authority has disclosed to you the identity of the Authority's related parties and all the related party relationships and transactions of which it is aware. All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with IAS 24 *Related Party Disclosures*.

11. The Authority confirms that:

    The financial statements disclose all of the uncertainties surrounding the Authority's ability to continue as a going concern as required to provide a true and fair view.

    Any uncertainties disclosed are not considered to be material and therefore do not cast significant doubt on the ability of the Authority to continue as a going concern.

12. On the basis of the process established by the Authority and having made appropriate enquiries, the Authority is satisfied that the actuarial assumptions underlying the valuation of defined benefit obligations are consistent with its knowledge of the business and are in accordance with the requirements of IAS 19 (revised) Employee Benefits.

    The Authority further confirms that:

    a) all significant retirement benefits, including any arrangements that are:

        - statutory, contractual or implicit in the employer's actions;
        - arise in the UK and the Republic of Ireland or overseas;
        - funded or unfunded; and
        - approved or unapproved,
        -

    have been identified and properly accounted for; and

    b) all plan amendments, curtailments and settlements have been identified and properly accounted for.

    This letter was tabled and agreed at the meeting of the Audit, Resources and Performance Committee on 19 September 2014.

    Yours sincerely

    Chair of the Audit Resources and Performance Committee

    Chief Financial Officer

<u>Appendix to the Representation Letter of Peak District National Park Authority Definitions</u>

Financial Statements

IAS 1.10 states that "a complete set of financial statements comprises:

- a statement of financial position as at the end of the period;
- a statement of profit or loss and other comprehensive income for the period;
- a statement of changes in equity for the period;
- a statement of cash flows for the period;
- notes, comprising a summary of significant accounting policies and other explanatory information;

- comparative information in respect of the preceding period as specified in paragraphs 38 and 38A; and
- a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements in accordance with paragraphs 40A-40D.

An entity may use titles for the statements other than those used in this Standard. For example, an entity may use the title 'statement of comprehensive income' instead of 'statement of profit or loss and other comprehensive income'.".

Material Matters

Certain representations in this letter are described as being limited to matters that are material.

IAS 1.7 and IAS 8.5 state that:

> "Material omissions or misstatements of items are material if they could, individually or collectively, influence the economic decisions that users make on the basis of the financial statements. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances. The size or nature of the item, or a combination of both, could be the determining factor."

Fraud

Fraudulent financial reporting involves intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users.

Misappropriation of assets involves the theft of an entity's assets. It is often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorisation.

Error

An error is an unintentional misstatement in financial statements, including the omission of an amount or a disclosure.

Prior period errors are omissions from, and misstatements in, the entity's financial statements for one or more prior periods arising from a failure to use, or misuse of, reliable information that:

a) was available when financial statements for those periods were authorised for issue; and
b) could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.

Such errors include the effects of mathematical mistakes, mistakes in applying accounting policies, oversights or misinterpretations of facts, and fraud.

Management

For the purposes of this letter, references to "management" should be read as "management and, where appropriate, those charged with governance".

Related parties

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to in IAS 24 *Related Party Disclosures* as the "reporting entity").

a) A person or a close member of that person's family is related to a reporting entity if that person:
   i. has control or joint control over the reporting entity;
   ii. has significant influence over the reporting entity; or
   iii. is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
b) An entity is related to a reporting entity if any of the following conditions applies:
   i. The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
   ii. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
   iii. Both entities are joint ventures of the same third party.
   iv. One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
   v. The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
   vi. The entity is controlled, or jointly controlled by a person identified in (a).
   vii. A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

A reporting entity is exempt from the disclosure requirements of IAS 24.18 in relation to related party transactions and outstanding balances, including commitments, with:

a) a government that has control, joint control or significant influence over the reporting entity; and
b) another entity that is a related party because the same government has control, joint control or significant influence over both the reporting entity and the other entity.

Related party transaction

A transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

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7. STATEMENT OF ACCOUNTS 2013-14 (A.137/21/PN)

Purpose of the Report

1. To seek approval for the audited Statement of Accounts for 2013-14.

Recommendations

2. **1. That the audited Statement of Accounts for 2013-14 as attached at Appendix 1 be approved and that the amendments made to the draft accounts itemised in Appendix 2 be noted.**

How does this contribute to our policies and legal obligations?

3. The Accounts and Audit Regulations require the Statement of Accounts to be approved by Members by 30 September of each year. Members have had access to a copy of the draft accounts which were signed, as required by the Regulations, by the Chief Finance Officer on the 27th June. The Chair and Vice-Chair of committee were involved in a more detailed briefing on the key changes within the accounts, to which Members were also invited.

Proposals

4. The position on over and underspending was reported to the Audit, Resource and Performance Committee on 6th June, and the final audited accounts reflect that position, with only a number of small changes following final revenue and capital financing adjustments:-

Reserve	June Outturn	Final Accounts	Variance plus (minus)	Comments
General Fund	743,110	730,452	(12,658)	final revenue adjustments (mainly suspense account reconciliations).
Capital Reserve	432,697	425,597	(7,100)	Correction and adjustment to net sale receipt
Specific Reserves	2,340,928	2,340,928	0	This is the surplus mentioned above, now contained within the Matched funding reserve awaiting allocation.
Restricted Funds	19,507	19,518	11	interest credited to Restoration Bond
Total	**3,536,242**	**3,516,495**	**(19,747)**	

Audit of the Accounts

5. The audit has been completed and the audit opinion is included in the Statement of Accounts. 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 are all incorporated into the final version.

Are there any corporate implications members should be concerned about?

6. **Financial:**

The financial position was explained in the outturn report to Audit Resources and Performance Committee on the 6th June and the Statement of Accounts contains explanations and commentary as required by the Code of Accounting Practice.

7. **Risk Management:** Not applicable

8. **Sustainability:** Not applicable

9. **Background Papers** (not previously published) - None

Appendices

Appendix 1 – Statement of Accounts for Financial Year 1 April 2013 – 31 March 2014

Appendix 2 – Amendments to Draft Accounts

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

Philip Naylor, Chief Finance Officer, 15 September 2014

APPENDIX 1

PEAK DISTRICT
NATIONAL PARK AUTHORITY

Statement of Accounts for the Financial Year

1st April 2013 to 31st March 2014

Contents **Page**

Signed: **Date:**

Chair of the Audit, Resources & Performance Committee

In accordance with the requirements of the Accounts & Audit Regulations 2011 paragraph 8 (2)

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 gives a true and fair view of the financial position of the National Park Authority as at 31st March 2014 and its income and expenditure for the year ended 31st March 2014.

Philip Naylor
Chief Finance Officer to the Authority
19th September 2014

Peak District National Park Authority
Annual Accounts for the Year Ended 31st March 2014

1. Explanatory Foreword

1.1 These Accounts contain all the information required by the Accounts & Audit Regulations 2011 and the Code of Practice on Local Authority Accounting. This is the fourth year that the Authority has prepared accounts in accordance with International Financial Reporting Standards (IFRS). As the Authority does not have any interests in subsidiaries, associates or jointly controlled entities, these Accounts represent the accounts of a single entity and no consolidated Group Accounts are required.

1.2 Accompanying notes, cross referenced from the statements, explain in greater detail some of the calculations and reasoning behind the figures. The figures are rounded up to the nearest pound. The accounts comprise the following principal statements:-

Movement in Reserves
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 reserves. The "Surplus (Deficit) on the provision of services" line shows the true economic cost of providing the Authority's services, more details of which are shown in the Comprehensive Income and Expenditure Statement. These are different from the statutory amounts required to be charged to the General Fund Balance for National Park Grant expenditure purposes. The "Net Increase (Decrease) before transfers to Earmarked Reserves" line shows the statutory General Fund Balance before any discretionary transfers to or from earmarked reserves undertaken by the Authority.

Comprehensive Income & Expenditure Account
This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices; the actual expenditure figure funded from National Park Grant may be different as the Authority is required to account for expenditure in accordance with Local Authority financial regulations, which may be different from the accounting cost.

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 (e.g. the Capital Receipts Reserve may only be used to fund capital expenditure or repay debt). 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 between accounting basis and funding basis under regulations".

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.

1.3 Each year the Department for Food and Rural Affairs (Defra) sets the level of funding for the National Park Authority. In 2013-14 the funding was set at £6,960,536 (£7,406,630 in 2012-13), including any supplementary allocations received in-year. 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.

1.4 Overall, the Authority's usable reserves increased by £201,109, reflecting a number of asset sales into the Capital Reserve, balanced by a similar amount being drawn from earmarked reserves, but allowing overall the General Fund to increase by £217,356, mainly due to monies which are required to be carried forward to offset potential shortfalls arising from announcements that National Park Grant will continue to reduce in further years. This allows a small degree of financial resilience until permanent reductions in resource are approved.

1.5 The Service Expenditure Analysis common to all National Park Authorities has been complied with; income and expenditure being allocated across 8 mandatory functional headings.

1.6 The Authority continued its rolling programme of asset re-valuations, concentrating on car parks, an Authority estate and miscellaneous other properties.

1.7 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 31st March 2014 shows a decreased liability of £10.551m, a decrease of £3.376m compared to the liability of £13.927m for the preceding 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 33.

1.8 For the 2013-14 financial year the Authority set a borrowing limit (the "authorised" limit) of £1.8m. The Authority's borrowing as at 31st March 2014 was £752,269. The Authority's Capital Financing Requirement, i.e. its underlying need to borrow for capital purposes, was £937,790.

1.9 Explanation of Main Variances Between Years.

On February 1st 2013 the Authority approved the 2013/14 Budget and the variances from the previous year were mainly in line with budget expectation and allocations. A more detailed financial commentary on the 2013/14 results can be found in the outturn report which was reported to Audit, Resources and Performance Committee on the 6th June 2014; obtainable from the Authority's website (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 variances shown in the Comprehensive Income and Expenditure Statement arise from normal business and project related fluctuations; the main variances (above £50,000 and 10% of the previous year's net expenditure) are outlined below.

	Variance £,000	**Comment**
Comprehensive Income and Expenditure Statement (CIES)		
Historic Buildings	-38	Reduced expenditure on grants for historic buildings compared to the previous year.(£38k)

Campsites, Hostels & Barns	-192	Last year's poor weather affecting trading (£10k) now reversed through better trading in 13/14, the figures no longer contain the one-off accounting entry reflecting (unrealised) impairment of acquisition to fair value (£182k) showing in the previous year's figures.
Environmental Education (New Learning Team	+74	Impairment (unrealised) of bungalow premises occupied by the service charged to the CIES following downwards revaluation compared to the Net Book value.
Development Control	-173	Increased staff costs as vacancies filled (+£25k) but saving in consultancy and agency costs incurred in previous year (-£66k) and increased fee income (-£46k) with the remainder reduced support service charges compared to the previous year
Balance Sheet		
Long Term Assets	+773	Capital additions of some £331k (mainly purchase vehicles; enhancement of tenanted farms, roof renewal, boiler and alarm replacement and IT expenditure); asset valuation increases of £2,410k; depreciation of £626k; and impairments of £543k and disposals of £799k.
Current Assets	+314	Debtors' levels have decreased by £618k mainly as a result of fluctuations in projects with claims outstanding at year end. Cash balances have increased by £920k, boosted by property sales of nearly £300,000 and outstanding grant claims from projects being received.
Current Liabilities	+455	The level of creditors normally fluctuates between years because of one-off project expenditure variations; the increase is mainly due to March invoicing by suppliers following significant groundworks undertaken by the Moors for the Future team.
Long Term Liabilities	-3,717	the impact of the actuarial estimates used to provide notional figures to comply with International Accounting Standard 19 – Retirement Benefits - (see Note 33) is the principal reason for the decrease (£3,376k); there is also a reduction in grants receipts in advance (£245k) as these projects have progressed and the income is accounted for as revenue income in the 2013/14 year (see Note 27).
General Fund	+217	The General Fund has increased mainly due to unallocated monies which are required to be carried forward to offset potential shortfalls in future years arising from uncertainties over National Park Grant.
Economic Impact		The Authority's income sources largely continue to achieve their budget estimates, despite difficult economic times and stretched estimates required as part of the programme to achieve balanced budgets with a significantly reduced central grant figure; however Members received a report in March concerning continuing shortfalls in achieving Cycle hire business targets with a £60,000 variance against the budget. The number of Planning applications fell by 3%, but with a broadly similar mix of applications; the full year impact of the planning fee increases announced in November 2012 and two large planning applications increased the fee level by £46,000 above the previous year. Note 34 highlights the Authority's exposure to interest rate risk, which is now minimised in revenue budgets. Uncertainties remain over National Park Grant funding for future periods beyond 2015/16.

The remaining variances are sufficiently explained in the accompanying Notes to the Accounts.

1.10 In December 2013 the Department of Environment, Food and Rural Affairs (DEFRA) confirmed National Park Grant figures which over the period from 2010-11 to 2015/16 comprised year on year cash reductions with a cumulative reduction by 2015-16 of 24.6% from its 2010/11 level, which represents approximately a 37% decrease in real terms after taking account of inflationary cost pressures. Concerns remain that overall government spending up to 2017/18, beyond our current horizon for National Park Grant, will continue to fall at a similar rate. Meeting the challenge up to 2015/16 requires the Authority to find ongoing revenue savings totalling £2.4m, in order to balance to the projected 2015-16 National Park Grant figure of £6,257,122 (2009-10 National Park Grant = £8,309,049). The Authority has to date approved reductions totalling £2.04m, including the approved budget for 2014/15. The proposals to achieve the required reductions and the underlying risks of them not being achieved, are subject to regular review.

1.11 The Authority has maintained a satisfactory financial position in 2013/14, 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. The fourth concerns a cautious approach to longer term commitments, ensuring the Authority can maintain a degree of flexibility in responding to future settlements, whilst retaining sufficient contingency reserves to cope with the lack of certainty over future National Park Grant provision.

2. Summary of Significant Accounting Policies

2.1 General Principles

2.1.1 The Statement of Accounts summarises the Authority's transactions for the 2013/14 financial year and its position at the year-end of March 2014. The Authority is required to prepare an annual Statement of Accounts by the Accounts and Audit Regulations 2011, which require preparation in accordance with proper accounting practices. These practices comprise the Code of Practice on Local Authority Accounting in the UK (2013/14) and the Service Reporting Code of Practice (2013/14), supported by International Financial Reporting Standards (IFRS).

2.1.2 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.

2.1.3 The analysis of expenditure used in the Comprehensive Income and Expenditure Statement is based on the requirements contained in the Grant Memorandum issued by the Department for Environment, Food and Rural Affairs (DEFRA), which complies with CIPFA guidance on Accounting for Overheads in Local Government, and the National Parks' Service Expenditure Analysis.

2.2 Accruals of Income and Expenditure

2.2.1 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).

2.3 Acquisitions and Discontinued Operations

2.3.1 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.

2.4 Cash and Cash Equivalents

2.4.1 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.

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

2.5 Exceptional Items

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

2.6 Prior Period Adjustments, Changes in Accounting policies and estimates and errors

2.6.1 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.

2.6.2 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.

2.7 Charges to Revenue for Non-Current Assets

2.7.1 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

2.7.2 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.

2.8 Employee Benefits

2.8.1 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.

2.8.2 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.

2.9 Post - Employment Benefits

2.9.1 Employees of the Authority can choose to be a member of the Local Government Pensions Scheme, administered by Derbyshire County Council, which provides defined benefits (retirement lump sums and pensions) to members earned as employees 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.

2.9.2 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 of 4.3%.

2.9.3 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.

2.9.4 The change in the net pensions liability is analysed into seven 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.

2.9.5 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.

2.10 Events After the Balance Sheet Date

2.10.1 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.

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

2.11 Financial Instruments

2.11.1 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.

2.11.2 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.

2.11.3 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.

2.11.4 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.

2.11.5 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.

2.11.6 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.

2.11.7 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.

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

2.12 Foreign Currency Translation

2.12.1 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 31st March. Resulting gains or losses are recognised in the Financing and Investment Income & Expenditure line in the CIES.

2.13 Government Grants and Contributions

2.13.1 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.

2.13.2 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.

2.13.3 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.

2.13.4 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.

2.14 Heritage Assets

2.14.1 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 2.19. The current approach to Heritage assets in this Statement of Accounts is summarised in Note 32.

2.15 Intangible Assets

2.15.1 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.

2.15.2 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.

2.15.3 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.

2.16 Inventories and Long Term Contracts

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

2.16.2 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.

2.17 Leases

2.17.1 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.

2.17.2 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.

2.17.3 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.

2.17.4 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 Comprehensive Income & Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal), 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.

2.17.5 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.

2.18 Overheads and Support Services

2.18.1 The costs of overheads and support services are charged to those that benefit from the supply or service in accordance with the costing principles of the CIPFA Service Accounting Code of Practice 2013/14 (SERCOP). The total absorption costing principle is used – the full cost of overheads and support services are shared between users in proportion to the benefits received, with the exception of:-

- Corporate and Democratic Core – costs relating to the Authority's servicing of its democratic mandate (i.e. the Membership)
- Non-Distributed Costs – the cost of discretionary benefits awarded to employees retiring early and impairment losses chargeable on Assets held for sale.

These two cost categories are defined in SERCOP and are accounted for as separate headings in the CIES, as part of Total Cost of Services.

2.19 Property, Plant & Equipment

2.19.1 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.

2.19.2 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.

2.19.3 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.
- 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.

2.19.4 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 1st April 2007 only, the date of its formal implementation. Gains arising before that date were consolidated into the Capital Adjustment Account.

2.19.5 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.

2.19.6 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	Nil
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
Intangible Assets	Over the life of the asset – 5 years

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.

2.19.7 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.

2.19.8 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.

2.19.9 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.

2.20 Provisions, Contingent Liabilities and Contingent Assets

2.20.1 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.

2.20.2 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 probably that there will be an inflow of economic benefits or service potential.

2.21 Reserves

2.21.1 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.

2.22 Revenue Expenditure Funded from Capital Under Statute

2.22.1 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.

2.23 VAT

2.23.1 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.

3. Movement in Reserves Statement 2013/14

	General Fund	Earmarked Reserves	Capital Receipts Reserve	Total Usable Reserves	Un-usable Reserves	Total Authority Reserves
	£	£	£	£	£	£
Balance at 31st March 2013	**513,096**	**2,614,256**	**188,034**	**3,315,386**	**3,273,531**	**6,588,917**
Surplus (Deficit) on provision of services (accounting basis)	(1,821,904)	0	0	**(1,821,904)**	0	**(1,821,904)**
Other Comprehensive (Expenditure) & Income (Note 5)	0	0	0	**0**	6,171,383	**6,171,383**
Total Comprehensive (Expenditure) & Income	**(1,821,904)**	**0**	**0**	**(1,821,904)**	**6,171,383**	**4,349,479**
Adjustments between accounting basis & funding basis under regulations (Note 6)	1,785,450	0	237,563	**2,023,013**	(2,023,013)	**0**
Net Increase (Decrease) before Transfers to Earmarked Reserves	**(36,454)**	**0**	**237,563**	**201,109**	**4,148,370**	**4,349,479**
Transfers (to) from earmarked Reserves (Note 7)	253,810	(253,810)	0	**0**	0	**0**
Increase (Decrease) in Year	**217,356**	**(253,810)**	**237,563**	**201,109**	**4,148,370**	**4,349,479**
Balance as at 31st March 2014	**730,452**	**2,360,446**	**425,597**	**3,516,495**	**7,421,901**	**10,938,396**

3. cont. Movement in Reserves Statement 2012/13

	General Fund	Earmarked Reserves	Capital Receipts Reserve	Total Usable Reserves	Un-usable Reserves	Total Authority Reserves
	£	£	£	£	£	£
Balance at 31st March 2012	**235,953**	**3,051,600**	**890,177**	**4,177,730**	**4,881,714**	**9,059,444**
Surplus (Deficit) on provision of services (accounting basis)	(1,093,441)	0	0	**(1,093,441)**	0	**(1,093,441)**
Other Comprehensive (Expenditure) & Income (Note 5)	0	0	0	**0**	(1,377,086)	**(1,377,086)**
Total Comprehensive (Expenditure) & Income	**(1,093,441)**	**0**	**0**	**(1,093,441)**	**(1,377,086)**	**(2,470,527)**
Adjustments between accounting basis & funding basis under regulations (Note 6)	933,240	0	(702,143)	**231,097**	(231,097)	**0**
Net Increase (Decrease) before Transfers to Earmarked Reserves	**(160,201)**	**0**	**(702,143)**	**(862,344)**	**(1,608,183)**	**(2,470,527)**
Transfers (to) from earmarked Reserves (Note 7)	437,344	(437,344)	0	**0**	0	**0**
Increase (Decrease) in Year	**277,143**	**(437,344)**	**(702,143)**	**(862,344)**	**(1,608,183)**	**(2,470,527)**
Balance as at 31st March 2013	**513,096**	**2,614,256**	**188,034**	**3,315,386**	**3,273,531**	**6,588,917**

4. Comprehensive Income and Expenditure Statement

2012/13				2013/14		
Gross Expenditure	**Income**	**Net Expenditure**		**Gross Expenditure**	**Income**	**Net Expenditure**
£	**£**	**£**	**Conservation of the Natural Environment**	**£**	**£**	**£**
64,003	(534)	63,469	Forestry & Tree Management	73,954	(13,997)	59,957
684,575	(495,719)	188,856	Estates Management	634,553	(401,450)	233,103
1,020,849	(177,522)	843,327	Countryside & Economy Service	855,631	(47,486)	808,145
2,945,352	(2,630,077)	315,275	Conservation & Environment Projects	3,819,755	(3,503,371)	316,384
300,315	(1,280)	299,035	Natural Environment Team	319,244	(1,875)	317,369
5,015,094	(3,305,132)	1,709,962		5,703,137	(3,968,179)	1,734,958
			Conservation of Cultural Heritage			
134,130	(0)	134,130	Historic Buildings	96,246	(0)	96,246
137,562	(18)	137,544	Village Management	138,405	(1,382)	137,023
135,153	(39,413)	95,740	Archaeology	147,664	(39,670)	107,994
32,449	(32,361)	88	Cultural Heritage Projects	33,687	(33,423)	264
439,294	(71,792)	367,502		416,002	(74,475)	341,527
			Recreation Management & Transport			
251,133	(53,088)	198,045	Campsites, Hostels & Barns	70,737	(64,420)	6,317
1,044,018	(193,969)	850,049	Access, Walking & Riding Routes	1,083,690	(219,247)	864,443
174,809	(50,000)	124,809	Area Projects	207,330	(130,584)	76,746
288,740	(276,561)	12,179	Car Parks & Concessions	287,550	(299,828)	(12,278)
379,136	(276,105)	103,031	Cycle Hire	373,270	(265,155)	108,115
200,147	(7,198)	192,949	Toilets	212,407	(14,210)	198,197
161,690	(1,749)	159,941	Transport Policy & Transport Projects	153,543	(7,850)	145,693
2,499,673	(858,670)	1,641,003		2,388,527	(1,001,294)	1,387,233
			Promoting Understanding			
853,465	(439,329)	414,136	Visitor Centres	829,045	(456,457)	372,588
199,645	(10,185)	189,460	Communications and Design Services	230,941	(4,582)	226,359
285,896	(65,840)	220,056	Rangers education & Community Liaison	282,131	(53,176)	228,955
294,953	(86,186)	208,767	Environmental Education (New Learning Team)	377,882	(95,017)	282,865
30	(1,087)	(1,057)	Promoting Understanding Projects	0	(0)	(0)
1,633,989	(602,627)	1,031,362		1,719,999	(609,232)	1,110,767

2012/13			Comprehensive Income & Expenditure Account (Continued)	2013/14		
Gross Expenditure	Income	Net Expenditure		Gross Expenditure	Income	Net Expenditure
			Rangers, Estates Service & Volunteers			
410,675	(65,583)	345,092	Rangers	409,089	(69,507)	339,582
71,840	(6,165)	65,675	Countryside Volunteers	59,239	(16,479)	42,760
283,793	(106)	283,687	Property Team	286,187	(26)	286,161
49,456	(2,478)	46,978	Estates Workers	44,298	(2,877)	41,421
818,764	(74,332)	741,432		798,813	(88,889)	709,924
			Development Control			
1,460,555	(217,234)	1,243,321	Development Control	1,333,122	(262,975)	1,070,147
1,460,555	(217,234)	1,243,321		1,333,122	(262,975)	1,070,147
			Forward Planning & Communities			
530,389	(32,916)	497,473	Policy Planning	508,939	(3,175)	505,764
290,178	(18,849)	271,329	Community Development	299,258	(36,413)	262,845
820,567	(51,765)	768,802		808,197	(39,588)	768,609
			Service Management & Support Services			
2,007,457	(36,133)	1,971,324	Corporate Management	2,066,248	(215,514)	1,850,734
416,120	(0)	416,120	Corporate & Democratic Core	436,420	(0)	436,420
89,009	(0)	89,009	Non-Distributed Costs	115,491	(0)	115,491
0	(0)	0	Past Service Cost (Gain)	0	(0)	0
(1,971,324)	(0)	(1,971,324)	Less Recharged Support Service Costs	(1,850,732)	(0)	(1,850,732)
541,262	(36,133)	505,129		767,427	(215,514)	551,913
13,226,198	**(5,217,685)**	**8,008,513**	**Total Cost of Services**	**13,935,224**	**(6,260,146)**	**7,675,078**
684	(0)	684	Other Operating Expenditure (Note 8)	503,987	(0)	503,987
556,257	(25,775)	530,482	Financing and Investment Income (Note 9)	622,726	(16,096)	606,630
0	(0)	0	Surplus or deficit on discontinued operations (Note 22)	0	(0)	0
0	(7,446,238)	(7,446,238)	National Park Grant, non-specific grant and capital income (Note 10)	0	(6,963,791)	(6,963,791)
13,783,139	**(12,689,698)**	**1,093,441**	**(Surplus) or Deficit on Provision of Services**	**15,061,937**	**(13,240,033)**	**1,821,904**
0	(1,356,456)	(1,356,456)	(Surplus) or deficit on revaluation of Property, Plant & Equipment assets	0	(1,988,283)	(1,988,283)
2,733,542	0	2,733,542	Actuarial (gains) losses on pension assets / liabilities	0	(4,183,100)	(4,183,100)
2,733,542	**(1,356,456)**	**1,377,086**	**Other Comprehensive (Income) Expenditure (Note 5)**	**0**	**(6,171,383)**	**(6,171,383)**
16,516,681	**(14,046,154)**	**2,470,527**	**Total Comprehensive (Income) Expenditure**	**15,061,937**	**(19,411,416)**	**(4,349,479)**

5. Balance Sheet as at 31st March 2014

2012-13 £		Notes	2013-14 £
	Property, Plant & Equipment		
16,863,621	- Land & Buildings	11	17,709,751
1,263,742	- Vehicles, Plant & Equipment	11	1,206,849
236,558	Intangible Assets	12	220,818
0	Assets held for Sale	16	0
0	Long Term Investments		0
0	Long Term Debtors	14	0
18,363,921	**Total Long Term Assets**		**19,137,418**
126,907	Inventories	13	138,409
2,191,920	Short Term Debtors	14	1,574,259
3,803,797	Cash & Cash Equivalents	15	4,724,208
6,122,624	**Total Current Assets**		**6,436,876**
(251,305)	Cash & Cash Equivalents	15	(193,259)
(92,591)	Short Term Borrowing	35 & 36	(95,202)
(1,574,381)	Short Term Creditors	17	(2,090,314)
(232,421)	Accruals	20	(226,728)
(2,150,698)	**Total Current Liabilities**		**(2,605,503)**
(752,269)	Long Term Borrowing	35 & 36	(657,067)
(13,927,000)	Other Long Term Liabilities	33	(10,551,000)
(1,067,661)	Grants Receipt in Advance	27	(822,328)
(15,746,930)	**Total Long Term Liabilities**		**(12,030,395)**
6,588,917	**TOTAL NET ASSETS**		**10,938,396**
	Financed by:		
	Usable Reserves		
513,096	General Reserve	See p.17	730,452
188,034	Capital Receipts Reserve	19	425,597
2,595,414	Specific Reserves	7	2,340,928
18,842	Trust Funds	7	19,518
3,315,386			**3,516,495**
	Unusable Reserves		
5,319,451	Revaluation Reserve	20	6,502,000
12,113,501	Capital Adjustment Account	20	11,697,629
(13,927,000)	Pensions' Reserve	20	(10,551,000)
(232,421)	Accumulated Absences Account	20	(226,728)
3,273,531			**7,421,901**
6,588,917	**Total Reserves**		**10,938,396**

6. Cashflow Statement

2012-13 £		2013-14 £
	Operating Activities	
(238,193)	Rents	(227,719)
(1,794,815)	Charges for Goods and Services	(1,309,992)
(2,813,670)	Grants and Partnership Income	(5,107,757)
(7,406,630)	National Park Grant and Levies	(6,960,536)
(25,775)	Interest Received	(16,096)
(0)	Discontinued Operations	(0)
(12,279,083)	***Cash Inflows***	***(13,622,100)***
6,930,512	Employment Costs	7,129,250
5,455,994	Payments for Goods and Services	4,884,627
393,061	Other Costs	471,259
35,257	Interest Paid	32,726
0	Discontinued Operations	0
12,814,824	***Cash Outflows***	***12,517,862***
535,741	**Operating Activities Net Cash Flow**	**(1,104,238)**
	Investing Activities	
1,177,841	Purchase of Property, plant and equipment and intangible assets	344,713
0	Purchase of Investments	0
(130)	Sale of Property, plant and equipment and intangible assets	(294,849)
(26,189)	Capital Grants received	(16,674)
0	Discontinued Operations	0
1,151,522	**Investing Activities Net Cash Flow**	**33,190**
	Financing Activities	
90,060	Repayments of amounts borrowed	92,591
0	New Loans	0
0	Discontinued Operations	0
90,060	**Financing Activities Net Cash Flow**	**92,591**
1,777,323	**Net (Increase) Decrease in Cash and Cash equivalents**	**978,457**
5,329,815	Cash and Cash Equivalents at the beginning of the Reporting Period (Note 15)	3,552,492
(1,777,323)	Net Increase (Decrease) in Cash and Cash equivalents as above	978,457
3,552,492	**Cash and Cash Equivalents at the end of the Reporting Period (Note 15)**	**4,530,949**

7. Notes to the Accounts

Note 1 Critical Judgements in applying Accounting Policies

In applying the accounting policies set out in Section 2, 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.

Note 2 Assumptions made about the future and other major sources of estimation uncertainty

The National Park Grant, the principal funding source for the Authority, has been confirmed for 2014/15 and 2015/16, although Defra have said that these allocations may be subject to revision in the event that Defra's budget is materially reduced. The current allocations mean a reduction from £6,960,536 in 2013-14 to £6,257,122 in 2015/16, a reduction of £703,414. A programme to achieve these savings is being worked on, in addition to the reductions achieved to date mentioned in the Foreward. The Authority has determined at this stage that there is no need to impair assets as a result of changes in service provision which might occur in response to this resource reduction. 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 33 contains more information on the assumptions made and the impact on the accounts. The estimated pensions liability as at 31/03/14 is £10,551,000, and estimates of the liability in the last five years have ranged between £7,483,000 and £13,927,000.

The Land & Buildings figure (within the Property, Plant & Equipment heading on the Balance Sheet) is determined by the accounting policies outlined in paragraph 2.193 and 2.19.4., and as such, any revaluations of assets within this category may be subject to variations arising from the nature of the valuation process. The carrying amount as at 31/03/2014 was £17,709,751.

There are no other significant estimations or assumptions which require disclosure.

Note 3 Material Items of Income and Expenditure

There are no items of income and expenditure contained within the Comprehensive Income and Expenditure Statement totals which require specific disclosure or explanation in this note, although the explanatory foreward helps to explain a number of variances from the previous year where the figures are materially different.

Note 4 Events after the Balance Sheet Date

The Chief Finance Officer authorised the Statement of Accounts for issue on 27th June 2014 and the audited accounts were reported to the Audit, Resources and Performance Committee for approval on the 19th September 2014. Events taking place after this date are not reflected in the financial statements or notes. Events which have occurred since the Balance Sheet date (31/03/14) and up to the date of re-certification of the accounts (19th September 2014) by the Chief Finance Officer 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).

Note 5 Other Comprehensive Expenditure & Income

2012-13 £		2013-14 £
1,356,456	Surplus (Deficit) arising on revaluation of non-current assets	1,988,283
(2,746,000)	Actuarial Gain (Loss) on pension fund assets and liabilities	4,235,000
12,458	Other – difference between actuarial and actual charge against government grant	(51,900)
(1,377,086)	**Total**	**6,171,383**

Note 6 Adjustments Between Accounting Basis and Funding Basis under Regulations

This note details the adjustments that are made to move from the basis of comprehensive income and expenditure recognised in accordance with proper accounting practice, to the basis specified for Local Authorities by statute.

2013/14	**General Fund**	**Capital Receipts Reserve**	**Un-usable Reserves**
Adjustments primarily involving the Capital Adjustment Account	**£**	**£**	**£**
Charges for depreciation and impairment of non-current assets	(699,910)		699,910
Revaluation losses on Property, Plant & Equipment	0		0
Amortisation of Intangible Assets	(47,312)		47,312
Capital grants and contributions applied	3,255		(3,255)
Revenue expenditure funded from capital under statute	0	0	
Non-current assets written off on disposal or sale as part of the gain /loss on disposal	(798,834)		798,834
Statutory provision for the financing of capital investment	111,165		(111,165)
Capital Expenditure charged against the General Fund Balances	152,744		(152,744)
Adjustments primarily involving the Capital Receipts Reserve			
Transfer of cash sale proceeds credited as part of the gain/loss on disposal to the CIES	294,849	(294,849)	
Use of the Capital Receipts reserve to finance capital expenditure		57,286	(57,286)
Adjustments primarily involving the Pensions reserve			
Reversal of items relating to retirement benefits' accruals under IAS 19	(1,786,000)		1,786,000
Employer's pensions contributions payable in the year	978,900		(978,900)
Adjustments primarily involving the Accumulated Absences Account			
Amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration paid in the year according to statutory requirements	5,693		(5,693)
Total Adjustments	**(1,785,450)**	**(237,563)**	**2,023,013**

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

2012/13	**General Fund**	**Capital Receipts Reserve**	**Un-usable Reserves**
Adjustments primarily involving the Capital Adjustment Account	**£**	**£**	**£**
Charges for depreciation and impairment of non-current assets	(767,923)		767,923
Revaluation losses on Property, Plant & Equipment	0		0
Amortisation of Intangible Assets	(37,966)		37,966
Capital grants and contributions applied	39,608		(39,608)
Revenue expenditure funded from capital under statute	0	0	
Non-current assets written off on disposal or sale as part of the gain/loss on disposal	(814)		814
Statutory provision for the financing of capital investment	88,190		(88,190)
Capital Expenditure charged against the General Fund Balances	333,718		(333,718)
Adjustments primarily involving the Capital Receipts Reserve			
Transfer of cash sale proceeds credited as part of the gain/loss on disposal to the CIES	130	(130)	
Use of the Capital Receipts reserve to finance capital expenditure		702,274	(702,274)
Adjustments primarily involving the Pensions reserve			
Reversal of items relating to retirement benefits' accruals under IAS 19	(1,480,000)		1,480,000
Employer's pensions contributions payable in the year	895,543		(895,543)
Adjustments primarily involving the Accumulated Absences Account			
Amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration paid in the year according to statutory requirements	(3,726)		3,726
Total Adjustments	**(933,240)**	**702,144**	**231,096**

Note 7 Earmarked Reserves and Transfers to and from the Reserves

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

£	**Balance at 1st April 2012**	Transfers Out 2012/13	Transfers In 2012/13	**Balance at 31st March 2013**	Transfers Out 2013/14	Transfers In 2013/14	**Balance at 31st March 2014**
Minerals Reserve	**353,459**			**353,459**			**353,459**
Reducing Resources / Restructuring Reserve	**279,009**	(64,961)		**214,048**	(59,391)		**154,657**
ICT Reserve	**50,000**			**50,000**			**50,000**
Warslow Reserve	**12,218**		5,242	**17,460**	(10,000)	8,506	**15,966**
North Lees Reserve	**0**			**0**		10,000	**10,000**
Minor Properties Reserve	**0**			**0**		10,000	**10,000**
Conservation Acquisitions Reserve	**0**			**0**		19,000	**19,000**
Visitor Centre Reserve	**94,446**		16,700	**111,146**			**111,146**
Aldern House Reserve	**30,197**	(30,197)		**0**		10,000	**10,000**
Design Reserve	**18,582**		4,000	**22,582**		3,300	**25,882**
Forestry Reserve	**3,140**		15,000	**18,140**			**18,140**
Trail Reserve	**28,704**	(10,000)		**18,704**		37,000	**55,704**
Vehicle Maintenance Reserve	**16,854**		1,155	**18,009**			**18,009**
Planned Maintenance Reserve	**18,845**			**18,845**			**18,845**
Car Park Reserve	**65,504**			**65,504**	(20,000)		**45,504**
Cycle Hire Reserve	**13,490**			**13,490**	(13,490)	20,000	**20,000**
Matched Funding Reserve	**1,233,409**	(481,634)	149,000	**900,775**	(383,888)	83,000	**599,887**
Slippage Reserve	**815,286**	(806,786)	764,752	**773,252**	(764,752)	796,229	**804,729**
Total Earmarked Reserves	**3,033,143**	**(1,393,578)**	**955,849**	**2,595,414**	**(1,251,521)**	**997,035**	**2,340,928**
Restricted Funds							
Cyril Bennett Bequest	**9,270**			**9,270**			**9,270**
Graham Attridge Bequest	**2,546**	(500)		**2,046**			**2,046**
Memorial Landscape Fund	**0**		867	**867**		665	**1,532**
Restoration Bond	**4,141**		18	**4,159**		11	**4,170**
Friends of Losehill Hall	**2,500**			**2,500**			**2,500**
Total Restricted Funds	**18,457**	**(500)**	**885**	**18,842**		**676**	**19,518**
Total Transfers		(1,394,078)	956,734		(1,251,521)	997,711	
Net Transfer as per Movement in Reserves Statement			**(437,344)**			**(253,810)**	

Note 8 Other Operating Expenditure

2012-13 £		2013-14 £
0	Write Down of carrying amount of asset to fair value as a result of transfer to asset held for sale category	0
684	(Gains) Losses - disposal of non-current assets	503,987
684	**Total**	**503,987**

The loss on disposal of £503,987 in 2013-14 related to the difference between book values, based on the estimated market value of assets sold (mainly the Roaches Estate but also a minor landholding), and the agreed purchase price; reductions arising from the imposition of conditions put in place to achieve lasting conservation objectives. Members approved these reductions, based on the business cases presented in the Committee reports.

Note 9 Financing and Investment Income and expenditure

2012-13 £		2013-14 £
35,257	Interest payable and similar charges	32,726
521,000	Pensions' interest cost and expected return on pensions' assets	590,000
(25,775)	Interest receivable and similar income	(16,096)
530,482	**Total**	**606,630**

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

2012-13 £		2013-14 £
7,406,630	National Park Grant (DEFRA)	**6,960,536**
0	Non-specific grant income	**0**
	Capital Grants	
10,000	Defra – Catchment Sensitive Farming Grant	0
25,248	SITA Landfill Grant, Species Rich Grasslands	0
4,360	Other Capital Grants each under £10,000	3,255
39,608	**Total Capital Grants**	**3,255**
7,446,238	**Total**	**6,963,791**

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 has an Asset Management Plan, which helps to guide its future asset strategy and ownership of assets. The Authority's Intangible assets comprise only purchased software. The Authority's network of trails along disused railway lines are regarded as infrastructure assets.

2013/14	Land & Buildings	Vehicles, plant, equipment	Community Assets	Infra-structure Assets	Surplus Assets	Total
Cost or Valuation	**£**	**£**	**£**		**£**	**£**
Gross Book Value at 1st April 2013	15,090,759	2,519,661	1,337,949	1,641,432	867,631	**21,457,432**
Additions	135,093	149,606	15,000	0	0	**299,699**
Donations	0	0	0	0	0	**0**
Revaluation increases (decreases) recognised in the Revaluation Reserve	1,301,366	0	0	0	686,917	**1,988,283**
Revaluation increases (decreases) recognised in the Surplus/Deficit on the Provision of Services	(46,022)	0	0	0	(74,675)	**(120,697)**
De-recognition: disposals	(779,684)	(22,672)	0	0	0	**(802,356)**
De-recognition: other	0	(1)	0	0	0	**(1)**
Assets re-classified (to) from Held for Sale / surplus assets	(369,675)	0	0	0	369,675	**0**
Other Movements – accumulated depreciation w/o on revaluation	(337,598)	0	0	0	(18,700)	**(356,298)**
Gross Book Value at 31st March 2014	**14,994,239**	**2,646,594**	**1,352,949**	**1,641,432**	**1,830,848**	**22,466,062**
Accumulated depreciation and impairment At 1st April 2013	(1,634,810)	(1,255,919)	(42,803)	(212,904)	(183,633)	**(3,330,069)**
Depreciation Charge	(277,025)	(185,924)	(11,707)	(94,572)	(9,984)	**(579,212)**
Depreciation written out to the Revaluation Reserve	93,123	0	0	0	0	**93,123**
Depreciation written out to the Surplus/deficit on the Provision of Services	244,475	0	0	0	18,700	**263,175**
Impairments recognised in the Revaluation Reserve	0	0	0	0	0	**0**
Impairments recognised in the Surplus/deficit on the Provision of Services	0	0	0	0	0	**0**
De-recognition - disposals	1,423	2,098	0	0	0	**3,521**
Accumulated depreciation & impairment as at 31st March 2014	**(1,572,814)**	**(1,439,745)**	**(54,510)**	**(307,476)**	**(174,917)**	**(3,549,462)**
Net Book Value at 31st March 2013	*13,455,949*	*1,263,742*	*1,295,146*	*1,428,528*	*683,998*	***18,127,363***
Net Book Value at 31st March 2014	**13,421,425**	**1,206,849**	**1,298,439**	**1,333,956**	**1,655,931**	**18,916,600**
At Historical Cost						
As at 31/03/2014	7,854,704	-	-	-	952,523	
Fair Value Movement 2013/14	451,452	-	-	-	610,398	
Fair Value Movement 2012/13	1,169,922	-	-	-	93,305	
Fair Value Movement 2011/12	1,264,977	-	-	-	(295)	
Fair Value Movement 2010/11	(71,784)	-	-	-	0	
Fair Value Movement up to 2009/10	2,752,154					
Net Book Value at 31/03/2014	**13,421,425**	-	-	-	**1,655,931**	

Note 11 continued

2012/13	Land & Buildings	Vehicles, plant, equipment	Community Assets	Infra-structure Assets	Surplus Assets	Total
Cost or Valuation	**£**	**£**	**£**		**£**	**£**
Gross Book Value at 1st April 2012	14,203,895	2,127,425	1,303,981	1,641,432	93,498	**19,370,231**
Additions	0	393,213	33,968	0	681,786	**1,108,967**
Donations	0	0	0	0	0	**0**
Revaluation increases (decreases) recognised in the Revaluation Reserve	1,262,864	0	0	0	93,592	**1,356,456**
Revaluation increases (decreases) recognised in the Surplus/Deficit on the Provision of Services	0	0	0	0	0	**0**
De-recognition: disposals	0	(977)	0	0	0	**(977)**
De-recognition: other	0	0	0	0	0	**0**
Assets re-classified (to) from Held for Sale / surplus assets	0	0	0	0	0	**0**
Depreciation & Impairment written off on revaluation	(376,000)	0	0	0	(1,245)	**(377,245)**
Gross Book Value at 31st March 2013	**15,090,759**	**2,519,661**	**1,337,949**	**1,641,432**	**867,631**	**21,457,432**
Accumulated depreciation and impairment At 1st April 2012	(1,713,632)	(1,082,560)	(31,155)	(110,647)	(1,559)	**(2,939,553)**
Depreciation written out to the Revaluation Reserve	(92,941)	0	0	0	(288)	**(93,229)**
Depreciation written out to the Surplus/deficit on the Provision of Services	(182,547)	(173,522)	(11,648)	(102,257)	(1,245)	**(471,219)**
Impairments recognised in the Revaluation Reserve	0	0	0	0	0	**0**
Impairments recognised in the Surplus/deficit on the Provision of Services	(21,690)	0	0	0	(181,786)	**(203,476)**
Depreciation & Impairment written off on revaluation	376,000				1,245	**377,245**
De-recognition - disposals	0	163	0	0	0	**163**
Accumulated depreciation & impairment as at 31st March 2013	**(1,634,810)**	**(1,255,919)**	**(42,803)**	**(212,904)**	**(183,633)**	**(3,330,069)**
Net Book Value at 31st March 2012	*12,490,263*	*1,044,865*	*1,272,826*	*1,530,785*	*91,939*	***16,430,678***
Net Book Value at 31st March 2013	**13,455,949**	**1,263,742**	**1,295,146**	**1,428,528**	**683,998**	**18,127,363**

Capital Commitments

The Authority's Capital Strategy was approved by the Authority in October 2011. As part of the strategy capital expenditure of £213,000 was approved for minor and urgent improvement works and £250,000 was approved for environmental improvements on the Authority's property; £231,099 of this expenditure has been accounted for, financed from the Capital Reserve, with the remainder (£231,901) to be financed from the reserve in future years.

Effects of Changes in Estimates

There are no material effects arising from changes in accounting estimates for residual values, useful lives or depreciation methods.

Revaluations

The Authority's property shown in the Land & Buildings column has been valued as at 31st March 2014 by the Authority's Property Managers Michael Ingham MRICS and Julie Green MRICS. 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 North Lees estate and other miscellaneous properties.

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.

2012/13		**2013/14**
429,805	Gross carrying amounts at Start of Year	514,497
(239,973)	Accumulated amortisation to date	(277,939)
189,832	**Net Carrying Amount at Start of Year**	**236,558**
84,692	Additions	31,572
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
(37,966)	Amortisation for the period	(47,312)
0	Other changes	0
236,558	**Net carrying amount at end of year**	**220,818**
	Comprising:	
514,497	Gross carrying amounts	546,069
(277,939)	Accumulated amortisation	(325,251)
236,558		**220,818**

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:-

31 March 2013 £		**31 March 2014 £**
117,710	**Balance o/s at start of year**	**126,907**
220,402	Purchases	235,039
(209,656)	Recognised as an expense in the year	(223,080)
(1,549)	Written off balances / Reversals of write offs in previous years	(457)

126,907	**Balance o/s at year end**	**138,409**

Note 14 Debtors

Debtors can be analysed as follows:

31 March 2013 £		31 March 2014 £
773,369	Central Government Bodies	712,823
61,858	Other Local Authorities	154,868
0	NHS Bodies	0
21,806	Public Corporations and Trading Funds	50,252
1,358,189	Bodies external to general government	679,808
(23,492)	Less: Provision for Bad Debts	(23,492)
190	Car loans to staff less than 1 year	0
2,191,920		**1,574,259**
0	Car / Study Loans to Officers due after one year	0
2,191,920	**Total**	**1,574,259**

Note 15 Cash and Cash Equivalents

Cash and Bank can be analysed as follows:

31 March 2013 £		31 March 2014 £
(252,805)	Bank current accounts	(194,759)
1,500	Cash held by the Authority	1,500
3,803,797	Deposits with Derbyshire County Council	4,724,208
3,552,492	**Total**	**4,530,949**

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 Derbyshire 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 is shown below for non-current assets.

2012/13 £		2013/14 £
0	**Balance outstanding at start of year**	**0**
0	Property, Plant & Equipment newly identified as held for sale	0
0	Revaluation (losses) gains	0
0	Impairment losses	0
0	Property, Plant & Equipment declassified as held for sale	0
0	Assets sold	0
0	**Balance outstanding at year end**	**0**

Note 17 Creditors due within 12 months

Creditors can be analysed as follows:

31 March 2013 £		31 March 2014 £
106,924	Central Government Bodies	170,114
209,455	Other Local Authorities	229,103
0	NHS Bodies	0
0	Public Corporations and Trading Funds	0
1,254,089	Bodies external to general government	1,686,609
3,913	Provision for unpaid cheques	4,488
1,574,381	**Total**	**2,090,314**

Note 18 Provisions and Contingent Liabilities

No provisions or contingent liabilities have been disclosed in the 2013/14 accounts in accordance with the Code of Accounting Practice, however 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 Usable Reserves

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:-

2012-13 £		2013-14 £
890,177	Balance at 1 April	**188,034**
130	Receipts received in year	294,849
(702,273)	Receipts used to finance Capital Expenditure	(57,286)
188,034	**Balance at 31 March**	**425,597**

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.

2012-13 £	Revaluation Reserve	2013-14 £
4,056,224	**Balance at 1 April**	**5,319,451**
1,356,456	Upward revaluation of assets	2,410,542
(0)	Downward revaluation of assets & impairment losses not	(422,259)

	charged to the Surplus/Deficit on the Provision of Services	
1,356,456	Surplus or deficit on revaluation of non-current assets not posted to the Surplus/Deficit on the Provision of Services	**1,988,283**
(93,229)	Difference between fair value depreciation and historical cost depreciation	(102,301)
0	Accumulated gains on assets sold or scrapped	(703,433)
(93,229)	Amount written off to the Capital Adjustment Account	**(805,734)**
5,319,451	**Balance at 31 March**	**6,502,000**

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.

2012-13	**Capital Adjustment Account**	**2013-14**
£		**£**
11,663,185	**Balance at 1 April**	**12,113,501**
	Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income & Expenditure Statement (CIES)	
(564,447)	Charges for depreciation of non-current assets	(579,212)
(203,476)	Charges for impairment of non-current assets	0
0	Revaluation losses on Property, Plant & Equipment	(120,697)
(37,966)	Amortisation of intangible assets	(47,312)
0	Revenue expenditure funded from capital under statute	0
(814)	Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the CIES	(798,835)
(806,703)		(1,546,056)
93,229	Adjusting amounts written out of the Revaluation Reserve	805,734
(713,474)	**Net written out amount of the cost of non-current assets consumed in the year**	**(740,322)**
	Capital financing applied in the year:-	
702,274	Use of the Capital Receipts Reserve to finance new capital expenditure	57,286
39,608	Capital grants and contributions credited to the CIES that have been applied to capital financing	3,255
88,190	Statutory provision for the financing of capital investment charged against the General Fund	111,165
333,718	Capital expenditure charged against the General Fund	152,744
1,163,790	**Total Capital Financing applied in year**	**324,450**
12,113,501	**Balance at 31 March**	**11,697,629**

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.

2012-13	**Pensions' Reserve**	**2013-14**
£		**£**
(10,609,000)	**Balance at 1 April**	**(13,927,000)**
(2,944,000)	Actuarial gains or (losses) on pensions assets and liabilities	4,235,000
(1,269,543)	Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the CIES	(1,837,900)
895,543	Employer's pension contributions and direct payments to pensioners payable in the year	978,900
(13,927,000)	**Balance at 31st March**	**(10,551,000)**

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 31st March. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.

2012-13	**Accumulated Absences Account**	**2013-14**
£		**£**
(228,695)	**Balance at 1 April**	**(232,421)**
228,695	Settlement or cancellation of accrual made at the end of the preceding year	232,421
(232,421)	Amounts accrued at the end of the current year	(226,728)
(3,726)	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	5,693
(232,421)	**Balance at 31st March**	**(226,728)**

Note 21 Amounts Reported for Resource Allocation Decisions (the Budget Reporting Analysis)

The analysis of income and expenditure by service on the face of the Comprehensive Income & Expenditure Statement is that specified by the Best Value Accounting Code of Practice. Decisions about resource allocation are taken by the Authority on the basis of budget reports analysed across the same headings, although these reports are prepared on a different basis from the accounting policies used in the financial statements, and monitoring of budgets is organised on a divisional basis for purposes of accountability. In particular:-

- No charges are made in relation to capital expenditure (whereas in the financial statements depreciation, revaluation and impairments are charged to the CIES)
- The cost of retirement benefits is based on cash flows (payment of employers' pension contributions) rather than the current service cost of benefits accrued in the year
- Expenditure on some support services is budgeted for centrally and is not charged to services

The income and expenditure of the Authority as recorded in the budget reports for the year is as follows:-

2013-14 £	Employee expenses	Service Expenses	**Total Expenditure**	Fees, charges and other income	Grants	**Total Income**	**Net Expenditure**
Conservation of the Natural Environment	1,574,445	3,637,331	**5,211,776**	(254,348)	(3,745,086)	**(3,999,434)**	**1,212,342**
Conservation of the Cultural Heritage	250,606	91,067	**341,673**	(3,990)	(70,485)	**(74,475)**	**267,198**
Recreation Mgt & Transport	1,040,613	731,135	**1,771,748**	(677,484)	(329,593)	**(1,007,077)**	**764,671**
Promoting Understanding	823,956	488,134	**1,312,090**	(493,703)	(118,354)	**(612,057)**	**700,033**
Rangers, Estates Services & Volunteers	570,667	154,475	**725,142**	(25,253)	(67,877)	**(93,130)**	**632,012**
Development Control	753,066	91,114	**844,180**	(261,987)	(988)	**(262,975)**	**581,205**
Forward Planning & Communities	479,355	178,090	**657,445**	5,060	(44,648)	**(39,588)**	**617,857**
Support Services	1,636,542	951,163	**2,587,705**	(347,086)	(122,429)	**(469,515)**	**2,118,190**
Total	**7,129,250**	**6,322,509**	**13,451,759**	**(2,058,791)**	**(4,499,460)**	**(6,558,251)**	**6,893,508**

2012-13 £	Employee expenses	Service Expenses	**Total Expenditure**	Fees, charges and other income	Grants	**Total Income**	**Net Expenditure**
Conservation of the Natural Environment	1,381,838	3,109,219	**4,491,057**	(303,649)	(3,041,091)	**(3,344,740)**	**1,146,317**
Conservation of the Cultural Heritage	254,309	116,897	**371,206**	(2,154)	(69,638)	**(71,792)**	**299,414**
Recreation Mgt & Transport	1,076,272	1,320,461	**2,396,733**	(617,578)	(243,570)	**(861,148)**	**1,535,585**
Promoting Understanding	814,590	483,388	**1,297,978**	(477,265)	(125,362)	**(602,627)**	**695,351**
Rangers, Estates Services & Volunteers	571,884	150,835	**722,719**	(9,189)	(62,665)	**(71,854)**	**650,865**
Development Control	746,173	147,369	**893,542**	(217,234)	(0)	**(217,234)**	**676,308**
Forward Planning & Communities	494,087	181,879	**675,966**	(290)	(51,475)	**(51,765)**	**624,201**
Support Services	1,591,359	1,229,670	**2,821,029**	(28,340)	(7,923)	**(36,263)**	**2,784,766**
Total	**6,930,512**	**6,739,718**	**13,670,230**	**(1,655,699)**	**(3,601,724)**	**(5,257,423)**	**8,412,807**

Note 21 Continued

Reconciliation of Budget reporting Income & Expenditure to Cost of Services in the Comprehensive Income & Expenditure Statement

This reconciliation shows how the figures in the above analysis relate to the amounts included in the Comprehensive Income & Expenditure Statement.

2012-13		**2013-14**
£		**£**
8,412,807	**Net Expenditure in the Budget Reporting Analysis**	**6,893,508**
(1,193,657)	Remove capital expenditure capitalised in the financial statements but included in the budget reporting	(331,271)
(895,543)	Remove employers' cash pension contributions included in budget reporting but removed from the financial statements	(978,900)
(35,257)	Remove interest charges included in the budget reporting but excluded from the Cost of Services in the CIES (interest charges as shown as part of the Surplus or Deficit on Provision of Services in the CIES instead)	(32,726)
(88,190)	Remove Statutory provision for the financing of capital investment included in the budget reporting but excluded from the Cost of Services in the CIES (provision is shown in the Movement in Reserves Statement instead)	(111,165)
39,738	Remove capital income included in the budget reporting but capitalised in the financial statements	298,104
0	Remove deficit or surplus on discontinued operations	0
959,000	Add employers' cash pension contributions included as an accrual in the financial statements but excluded from budget reporting	1,196,000
3,726	Add (subtract) impact of employee accrual for leave	(5,693)
602,413	Add depreciation charges included in the CIES but excluded in the budget reporting	626,524
203,476	Add impairment charges included in the CIES but excluded in the budget reporting	120,697
8,008,513	**Cost of Services in Comprehensive Income & Expenditure Statement**	**7,675,078**

Note 21 Continued

Reconciliation to Subjective Analysis

This reconciliation shows how the figures in the budget reporting analysis relate to a subjective analysis of the Surplus or Deficit on the Provision of Services included in the Comprehensive Income & Expenditure Statement.

2013-14 £	Budget Reporting Analysis	Amounts included in the Analysis but not in the Total Cost of Services in the CIES	Amounts included in the Total Cost of Services in the CIES but not in the Analysis	Allocation of Support Service Recharges	Amounts reported below the Total cost of Services in the CIES	**Total**
Fees, charges & other service income	(2,058,791)	294,849	-	-	-	**(1,763,942)**
Interest & Investment Income	-	-	-	-	(16,096)	**(16,096)**
National Park Grant	-	-	-	-	(6,960,536)	**(6,960,536)**
Discontinued operations	-	-	-	-	-	**0**
Government Grants and contributions	(4,499,460)	3,255	-	-	(3,255)	**(4,499,460)**
Gain on the disposal of fixed asset	-	-	-	-	-	**0**
Total Income	**(6,558,251)**	**298,104**	**0**	**0**	**(6,979,887)**	**(13,240,034)**
Employee Expenses	7,129,250	(978,900)	1,190,307	(1,320,115)	590,000	**6,610,542**
Other Service Expenses	6,289,782	(442,436)	-	(530,617)	-	**5,316,729**
Support Service Recharges	-	-	-	1,850,732	-	**1,850,732**
Depreciation, amortisation & impairment	-	-	747,221	-	-	**747,221**
Interest Payments	32,727	(32,727)	-	-	32,727	**32,727**
Discontinued operations	-	-	-		-	**0**
Loss on Disposal of Fixed Assets	-	-	-	-	503,987	**503,987**
Total Expenditure	**13,451,759**	**(1,454,063)**	**1,937,528**	**0**	**1,126,714**	**15,061,938**
		-	-	-	-	-
(Surplus) Deficit on the Provision of Services	**6,893,508**	**(1,155,959)**	**1,937,528**	**0**	**(5,853,173)**	**1,821,904**

Note 21 Continued

Reconciliation to Subjective Analysis

2012-13 £	Budget Reporting Analysis	Amounts included in the Analysis but not in the Total Cost of Services in the CIES	Amounts included in the Total Cost of Services in the CIES but not in the Analysis	Allocation of Support Service Recharges	Amounts reported below the Total cost of Services in the CIES	**Total**
Fees, charges & other service income	(1,655,699)	130	-	-	-	**(1,655,569)**
Interest & Investment Income	-	-	-	-	(25,775)	**(25,775)**
National Park Grant	-	-	-	-	(7,406,630)	**(7,406,630)**
Discontinued operations	-	-	-	-	-	**0**
Government Grants and contributions	(3,601,724)	39,608	-	-	(39,608)	**(3,601,724)**
Gain on the disposal of fixed asset	-	-	-	-	-	**0**
Total Income	**(5,257,423)**	**39,738**	**0**	-	**(7,472,013)**	**(12,689,698)**
Employee Expenses	6,930,512	(895,543)	962,726	(1,279,966)	521,000	**6,238,729**
Other Service Expenses	6,704,461	(1,281,847)	-	(691,358)	-	**4,731,256**
Support Service Recharges	-	-	-	1,971,324	-	**1,971,324**
Depreciation, amortisation & impairment	-	-	805,889	-	-	**805,889**
Interest Payments	35,257	(35,257)	-	-	35,257	**35,257**
Discontinued operations	-	-	-		-	**0**
Loss on Disposal of Fixed Assets	-	-	-	-	684	**684**
Total Expenditure	**13,670,230**	**(2,212,647)**	**1,768,615**	**0**	**556,941**	**13,783,139**
		-	-	-	-	-
(Surplus) Deficit on the Provision of Services	**8,412,807**	**(2,172,909)**	**1,768,615**	**0**	**(6,915,072)**	**1,093,441**

Note 22 Acquired and Discontinued Operations

There were no acquisitions or discontinuation of operations during the year, requiring disclosure in this note.

Note 23 Trading Operations

The Authority has two trading operations:-

2012-13			2013-14	
Turnover	**(Surplus)/ Deficit £**	**Nature of Operation**	**Turnover £**	**(Surplus)/ Deficit £**
(439,329)	414,136	Visitor Centres	(456,457)	372,588
(276,105)	103,031	Cycle Hire Centres	(265,155)	108,115

The deficit represents the full cost, including all support service recharges and depreciation of assets used. A financial objective for each operation is set in the budget and was met by Visitor Centres. The Cycle Hire Centre showed a shortfall against budget of £60,000.

Note 24 Members' Allowances

The following amounts were paid to the 30 Members of the Peak District National Park Authority as allowances in the year ended 31st March 2014.

2012-13 £		2013-14 £
50,028	Basic Allowance	51,038
16,172	Special Responsibility Allowance	16,344
14,362	Travel and Subsistence	16,026
80,562		**83,408**

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 25 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:

	Number of Employees	
Payment Range	**2012-13**	**2013-14**
£50,000 - £54,999	1	1
£55,000 - £59,999	0	0
£60,000 - £64,999	0	0
£64,999 - £69,999	0	0
£70,000 - £74,999	0	0
£75,000 - £79,999	1	1

The remuneration for individual senior employees in this category is shown in the table below – with 2012-13 comparator payments shown in brackets alongside. All posts are 1 Full Time Equivalent (FTE) except the Director of Land Use Policy who worked 0.6 FTE in 2013/14:-

Job Title	Salary	Benefits in Kind	Subtotal	Employers Pension contributions	Total Remuneration
Chief Executive	£75,435 *(£75,435)*	£0 *(£0)*	**£75,435** ***(£75,435)***	£12,884 *(£12,756)*	**£88,319** ***(£88,191)***
Director of Land Use Policy	£32,265 *(£43,359)*	£0 *(£0)*	**£32,265** ***(£43,359)***	£5,511 *(£7,332)*	**£37,776** ***(£50,691)***
Director of Planning	£49,352 *(£23,465)*	£0	**£49,352** ***(£23,465)***	£8,429 *(£3,968)*	**£57,781** ***(£27,433)***
Director of Operations	£0 *(£47,997)*	£0 *(£0)*	**£0** ***(£47,997)***	£0 *(£5,631)*	**£0** ***(£53,628)***
Director of Corporate Resources	£53,649 *(£53,649)*	£0 *(£0)*	**£53,649** ***(£53,649)***	£9,163 *(£9,072)*	**£62,812** ***(£62,721)***

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 £	
	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14
£0-£20,000	1	0	2	1	3	1	16,614	18,563
£20,001- £40,000	0	0	1	2	1	2	39,250	47,527
£40,001 - £60,000	0	0	0	1	0	1	0	40,894
Total	**1**	**0**	**3**	**4**	**4**	**4**	**55,864**	**106,984**

A business case was prepared for each approval, and approvals were based on the Authority's Managing Change policy and the requirement that these costs were recoverable within three years through the disestablishment of the redundant or linked cascade post, resulting in the long term revenue savings required by the Authority in order to meet the challenges faced by the significant reductions in National Park Grant announced in Spending Reviews. All payments were calculated according to the statutory requirement with no enhancements.

Note 26 External Audit Cost

Fees paid to KPMG for audit services were as follows:-

	2012-13 £	2013-14 £
External audit services as appointed auditor (Section 5 Audit Commission Act 1998)	13,258	13,259
Fees in respect of statutory inspection (Section 10 LGA Act 1999)	0	0
Fees payable for certification of grant claims and returns (Section 28 Audit Commission Act 1998)	0	0
Fees payable in respect of any other services provided by the appointed auditor	0	0
Total	**13,258**	**13,259**

Note 27 Grant Income

The Authority credited the following grants, contributions and donated assets to the Comprehensive Income & Expenditure Statement in 2013/14, with amounts over £10,000 only shown:-

2012-13 £		2013-14 £
	Revenue Grants Credited to Services	
248,760	DEFRA – Environmental Stewardships	185,047
30,147	DEFRA – Modernisation Fund	27,853
0	DCLG – Neighbourhood Planning Grants	16,000
21,221	Forestry Commission – Danebridge Woodlands	0
0	Forestry Commission – Moors for the Future / MoorLIFE Projects	30,000
0	Forestry Commission – Higher Minnend Fm	28,401
27,518	English Heritage – Archaeology Projects	40,748
125,441	Environment Agency – Moors for the Future / MoorLIFE Project	155,280
34,931	Natural England - Pennine Way Ranger	36,010
17,305	Natural England – Farm Advisors	0
83,193	Natural England – Wader Recovery Project	32,500
528,007	Natural England – Moors for the Future / MoorLIFE work	437,470
25,030	Heritage Lottery Fund – MFF Moor Memories /Community Science Projects	93,276
0	Heritage Lottery Fund – Dane Valley Woodlands	34,052
23,459	Derbys County Council – Rights of Way	36,029
20,000	Derbys County Council – Moors for the Future	0
0	Derbys County Council – Green Lanes	14,917
15,000	Staffs County Council – Rights of Way	11,788
17,103	Derbys Dales DC - Operating Costs at Bakewell Visitor Centre	14,880
15,000	High Peak BC - Operating Costs at Castleton Visitor Centre	12,500
0	Staffs Moorlands DC – Village and Communities Officer	11,000
29,556	SITA – Calaminarian Grassland Project	0
3,419	SITA –Species Rich Grassland Project	0
12,020	SITA – Dane Valley Woodlands Project	17,667
32,361	Calver Weir Restoration Group	33,423
16,336	RSPB – Nature Improvement Area	29,314
	RSPB - Moors for the Future / MoorLIFE work	22,600
100,500	United Utilities – Joint Ranger Costs	101,014
163,235	United Utilities – Moors for the Future / MoorLIFE Project	161,615
45,500	Severn Trent Water - Joint Ranger Costs	46,365
28,015	Severn Trent Water – MFF/MoorLIFE	10,354

	Project	
50,000	Severn Trent Water – Car Park	50,000
15,471	Severn Trent Water - Operating Costs at Upper Derwent Visitor Centre	14,752
34,915	Yorkshire Water - Joint Ranger Costs	32,265
207,153	Yorkshire Water - Moors for the Future / MoorLIFE Project	312,281
14,250	National Trust – Moorland Discovery Project	14,395
491,909	National Trust - Moors for the Future / MoorLIFE Project	1,141,063
0	Turisticka Zajedni – Project Kazan	40,381
900,064	European Life Funding – MoorLIFE Project	993,486
0	OFGEM – Aldern House Biomass Boiler	26,813
185,297	Other Revenue Grants each under £10,000	230,449
3,562,116	**Total**	**4,496,202**

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:-

2012-13 £		**2013-14 £**
	Grants Received in Advance	
10,000	DCLG – Neighbourhood Planning	0
93,751	English Heritage – Ecton Mine Project	76,741
26,899	HLF – Dane Valley Woodlands	19,286
0	National Trust – Moors for the Future Project / MoorLIFE Project	93,697
117,985	Environment Agency – Moors for the Future Project / MoorLIFE Project	114,010
70,944	Heritage Lottery Fund – Moors for the Future Project / MoorLIFE Project	41,527
153,979	Natural England - Moors for the Future Project / MoorLIFE Project	96,007
29,615	Yorkshire Wildlife Trust - Moors for the Future Project / MoorLIFE Project	26,568
27,857	Sheffield City Council - Moors for the Future Project / MoorLIFE Project	27,857
24,038	Derbys County Council – Vehicular Routes	0
15,000	High Peak BC – Rural Housing Enablement Work	13,384
0	Severn Trent Water - Moors for the Future Project / MoorLIFE Project	36,522
76,348	Yorkshire Water - Moors for the Future Project / MoorLIFE Project	45,276
165,616	United Utilities – Moors for the Future / MoorLIFE Project	120,908
142,668	Other Revenue Grants received in advance each under £10,000	110,545
1,067,661	**Total**	**822,328**

Note 28 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 Department of Communities & Local Government (DCLG) 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, nor does it have any material interest in other separate legally constituted bodies; there are therefore no 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. In respect of this, one Member is a Business Development Manager at Bakewell & Eyam Community Transport with which organisation the Authority contracted for bus services of £4,329; and one Member was in receipt of an Environmental Enhancement Scheme Grant of £1,159. A number of Members act in a senior capacity as advisors to government agencies or other bodies. One Member is a Chair of a regional committee of the Environment Agency. The transactions with this Agency in the 2013/14 year were £155,280 of income and £342 of expenditure. One Member was a Chair of the Heritage Lottery Fund's East Midlands Committee; the transactions in the 2013/14 year with this body are shown below. One Member is President of Bakewell St John Ambulance with which organisation the Authority contracted (regionally) a total of £4,657 for first aid training and supplies; one Member acted as an (unpaid) director of National Parks England and the UK Association of National Park Authorities, not-for-profit companies limited by guarantee, representing the interests of the National Parks; the transactions in the 2013/14 year with these bodies is shown below.

In summary during the normal course of business the following significant transactions were made between the Authority and other related parties:

	Income		**Expenditure**	
		Outstanding		***Outstanding***
	£	**£**	**£**	**£**
Government Bodies – other	1,015,917	*595,093*	6,000	4,805
Dept of Transport	63,770	*63,770*		
Other Local Authorities	132,446	*73,652*	318,157	*106,631*
Other National Parks	36,279	*6,949*	5,694	393
National Park Associations	6,639	-	17,910	1,332
Rural Development Funds	6,845	-	-	-
European Funds	1,034,197	*199,038*	-	-
Water companies	899,373	*180,854*	168,517	*31,109*
Heritage Lottery	128,949	-	-	-
Landfill Tax	21,200	-	-	-
OFGEM	26,913	*7,611*		
RSPB	54,415	*20,556*	-	-
National Trust	1,173,083	*140,244*	5,663	-
Total	**4,600,026**	***1,287,767***	**521,941**	***144,270***

Note 29 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.

2012-13 £		2013-14 £
901,100	**Opening Capital Financing Requirement**	**930,969**
	Capital Investment	
681,786	Land & Buildings	135,093
393,213	Vehicles, Plant & Equipment	149,606
33,968	Community Assets	15,000
0	Infrastructure Assets	0
84,692	Intangible Assets	31,572
0	Revenue Expenditure Funded from Capital under Statute	0
1,193,659	**Total**	**331,271**
	Sources of Finance	
(702,274)	Capital Receipts	(57,286)
(39,608)	Government Grants and other contributions	(3,255)
	Sums set aside from Revenue	
(333,718)	Direct Revenue Contributions	(152,744)
(88,190)	Minimum Revenue Provision for repayment of principal	(111,165)
930,969	**Closing Capital Financing Requirement**	**937,790**
	Explanation of Movements in year	
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
118,059	Expenditure not supported by government financial assistance financed from internal funds	117,986
0	Use of Capital Receipts to reduce CFR	0
(88,190)	Minimum Revenue Provision	(111,165)
0	Assets acquired under finance leases	0
29,869	**Increase (Decrease) in Capital Financing Requirement**	**6,821**

Note 30 Statement of Capital Charges charged to Revenue

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

2012-13 £		£	2012-13 £
	Conservation of the Natural Environment		
1,422	Forestry & Tree Mgt	1,364	
11,367	Moors Project	13,886	
28,450	Estates Management	45,077	
41,239			60,327

	Recreation Management		
184,931	Campsites, Hostels & Barns	10,812	
136,869	Access, Walking and Riding Routes	120,885	
179,323	Car Parks & Concessions	167,741	
5,861	Cycle Hire	6,084	
17,530	Toilets	17,238	
524,514			322,760
	Promoting Understanding		
35,447	Visitor Centres	34,108	
22,863	Environmental Education	93,468	
58,310			127,576
	Rangers, Estate Service & Volunteers		
25,383	District Rangers	17,444	
13,861	Conservation Volunteers	13,088	
377	Estate Workers	358	
39,621			30,890
	Development Control		
1,206	Development Control	964	
			964
	Service Management and Support Services		
4,407	Vehicles	4,895	
23,294	Headquarters Premises	87,209	
113,298	Capitalised IT Expenditure	112,600	
140,999			204,704
805,889	**Total**		**747,221**

Note 31 Leases

The Authority does not have any finance leases so the notes below refer only to operating leases. As such the liability for future rentals, or any asset value, is not shown in the balance sheet.

During the year ended 31st March 2014 the Authority made the following payments for operating leases, as lessee, which were charged to revenue:

	2012-13 £	2013-14 £
Vehicles	5,850	0
Premises	25,490	28,542
Total	**31,340**	**28,542**

Future rental obligations are as follows:-

	2014-15 £	2nd – 5th year £	6th year onwards £	Total £
Vehicles	0	0	0	0
Premises	20,174	69,098	16,567	105,838
Total	**20,174**	**69,098**	**16,567**	**105,838**

Vehicles – 2013/14 was the first full year since the current fleet management policy was implemented that the authority had no vehicle leases in operation. The final vehicle lease expired in 2012-13 and the vehicle was returned to the leaseholder.

Any additions to the fleet in 2013-14 have been purchased in line with the fleet management policy, which is to purchase vehicles rather than lease them.

Premises - The revenue charge reports the total lease payments (excluding arrears payments), with future rental obligations reflecting anticipated changes within the years reported. The future charges also include a nominal increase year on year to accommodate rent reviews.

The lease income includes changes arising from completed agreements within the property portfolio as per the asset management strategy.

The Authority collected the following rentals in 2013/14 from its assets as lessor.

	2012-13 £	2013-14 £
General Rents	5,535	8,082
Agricultural Rents	101,054	91,881
Residential Rents	58,918	52,448
Business Rents	59,861	54,486
Agricultural Licences	4,793	9,972
Business Licences	8,034	10,851
Total	**238,195**	**227,720**

The table below shows in aggregate the minimum expected lease payments for non-cancellable operating leases. 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 enterprise policy.

The year on year increases have been calculated according to expected returns as advised by the Authority's Property Service. There have been no changes to the method of calculation from that used for 2012-2013.

	1st Year 2014-15	2nd to 5th year 2015-2019	5+yrs 2020+	Total
General Rents	8,162	33,474	8,579	**50,215**
Agricultural Rents	92,800	380,572	97,533	**570,905**
Residential Rents	N/A	N/A	N/A	**N/A**
Business Rents	54,486	217,943	54,486	**326,915**
Agricultural Licences	N/A	N/A	N/A	**N/A**
Business Licences	10,851	43,404	10,851	**65,106**
Total	**166,299**	**675,393**	**171,449**	**1,013,141**

Note 32 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 33 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 held by the scheme (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:-

Restated 2012-13 £			2013-14 £
	Cost of Services		
926,000	Current Service cost		1,196,000
33,000	Curtailments / Settlements		0
0	Past Service cost (gain)		0
959,000			1,196,000
	Financing & Investment Income & Expenditure		
521,000	Net Interest Expense	Note 9	590,000
1,480,000	Total Chargeable to Surplus or Deficit on the Provision of Services		1,786,000
	Other amount chargeable to the CIES (Re-measurement of plan liabilities)	Note 5	
(2,829,000)	Return on plan assets excluding amount included in net interest expense above)		21,000
513,000	Actuarial (gains) and losses arising on changes in demographic assumptions		(506,000)
5,062,000	Actuarial (gains) and losses arising on changes in financial assumptions		195,000
	Other Experience		(3,945,000)
2,746,000	Total Re-measurements		(4,235,000)
4,226,000	**Total Charged to the Comprehensive Income & Expenditure Account**		**(2,449,000)**
	Movement in Reserves Statement		
(1,480,000)	Reversal of net charges made to the Surplus or Deficit for the Provision of Services		(1,786,000)
	Employers' Contributions payable		
895,543	Actual amount charged against the General Fund balance for pensions in the year		978,900

Balance Sheet

The underlying assets and liabilities for retirement benefits attributable to the Authority as at 31st March 2014 are as follows:

2009-10 £	2010-11 £	2011-12 £	2012-13 £		2013-14 £
(41,043,000)	(39,733,000)	(43,368,000)	(50,900,000)	Estimated Liabilities in scheme	(49,002,000)
28,789,000	32,250,000	32,759,000	36,973,000	Estimated Assets in scheme	38,451,000
(12,254,000)	**(7,483,000)**	**(10,609,000)**	**(13,927,000)**	**Net Asset (Liability)**	**(10,551,000)**
69%	81%	76%	73%	% Funded	78%

The liabilities show the underlying commitments that the Authority has in the long-run to pay retirement benefits. The total liability of £10.551m 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

	£
Opening Balance 1st April 2013	**50,900,000**
Current Service cost	1,196,000
Interest Cost	2,141,000
Contributions from scheme participants	335,000
Re-measurement (Gains) and losses:-	
-changes in demographic assumptions	(506,000)
-changes in financial assumptions	195,000
-Other	(3,945,000)
Past Service Cost	0
Curtailment (gains) losses	0
Benefits paid	(1,314,000)
Closing Balance 31st March 2014	**49,002,000**

Analysis of Value of Scheme Assets

	£
Opening fair value 1st April 2013	**36,973,000**
Interest income	1,551,000
Re-measurement gain (loss):-	
Return on plan assets excluding amount in net interest expense charged to CIES	(21,000)
Other	0
Contributions from employer	927,000
Contributions from employees into the scheme	335,000
Benefits paid	(1,314,000)
Closing fair value 31st March 2014	**38,451,000**

Analysis of Pension Fund Assets

Asset Category	**Period Ended 31st March 2014**				**Period Ended 31st March 2013**			
	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
Equity Securities:								
Consumer	3,315.6	0	3,315.6	9	2,891.7	0	2,891.7	8
Manufacturing	5,446.9	0	5,446.9	14	5,346.3	0	5,346.3	14
Energy/Utilities	3,431.4	0	3,431.4	9	3,185.8	0	3,185.8	9
Financial institutions	6,682.2	0	6,682.2	17	6,028.3	0	6,028.3	16
Health & Care	2,044.6	0	2,044.6	5	1,887.3	0	1,887.3	5
Information Technology	1,071.5	0	1,071.5	3	1,040.5	0	1,040.5	3
Other	564.3	0	564.3	1	460.2	0	460.2	1
Debt Securities:								
Corporate Bonds (Investment Grade)	190.8	0	190.8	0	202.1	0	202.1	1
Corporate Bonds (non-	0	0	0	0	0	0	0	0

Investment Grade)								
UK Government	4,775.4	0	4,775.4	13	5,111.9	0	5,111.9	13
Other	1,118.6	0	1,118.6	3	971.5	0	971.5	3
Private Equity:								
All	188.8	107.8	296.6	1	198.2	108.7	306.9	1
Real Estate:								
UK property	1,138.4	668.7	1807.1	5	1,150.2	608.4	1,758.6	5
Overseas Property	0	0	0	0	0	0	0	0
Investment Funds & Unit Trusts:								
Equities	4,188.5	78.4	4,267	11	4,091.9	72.9	4,164.8	11
Bonds	0	1,135.9	1,135.9	3	0	1,023.6	1,023.6	3
Hedge Funds	0	0	0	0	0	0	0	0
Commodities	0	0	0	0	0	0	0	0
Infrastructure	0	169	169	0	0	165.6	165.6	0
Other	0	0	0	0	0	0	0	0
Derivatives:								
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
Cash & Cash Equivalents:								
All	2,133.9	0	2,133.9	6	2,428.0	0	2,428.0	7
Totals	**36,291**	**2,160**	**38,451**	**100**	**34,994**	**1,979**	**36,973**	**100**

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 31st March 2013. 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 2010 model published by the Continuous Mortality Investigation (CMI):-

	Illustrative example: life expectancy currently aged 65	**April 2013 assumption**	**March 2014 assumption**
Current Pensioners	Males normal health Females normal health	22.2 24.8	22.0 24.2
Future Pensioners	Males normal health Females normal health	24 26.8	24.1 26.6

The main assumptions used in their calculations have been

2012-13		**2013-14**
%		%
4.15	Rate of increase in salaries	3.6
2.4	Rate of increase in pensions	2.8
4.2	Discount rate for scheme liabilities	4.3

The expected rate of return on all the scheme assets is based on market expectations, at the beginning of the period, for investment returns over the entire life of the related obligation:-

Expected Rate of Return – Beginning of Year (%)	**Expected Rate of Return – End of Year (%)**
5.47	5.8

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.

Change in assumption at March 2014	Approximate % increase to Employer liability	Approximate monetary amount £,000
0.5% decrease in Real Discount Rate	10	4,829
1 year increase in member life expectancy	3	1,470
0.5% increase in the Salary increase Rate	3	1,398
0.5% increase in the Pension increase Rate	7	3,387

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 2014/15 are expected to be in the region of £875,000. The projected current service cost for 2014/15 is estimated to be £1,292,000.

Note 34 Risks Arising from Financial Instruments

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

£	Long Term				Current		
	31st March 2012	31st March 2013	31st March 2014		31st March 2012	31st March 2013	31st March 2014
Investments							
Loans and receivables	0	0	0		5,329,815	3,552,492	4,530,949
Debtors							
Financial assets carried at contract amounts	0	0	0		2,084,148	2,022,929	1,384,246
Total Debtors & Investments	**0**	**0**	**0**		**7,413,963**	**5,575,421**	**5,915,195**
Borrowings							
Financial liabilities at amortised cost	(844,860)	(752,269)	(657,067)		(90,060)	(92,591)	(95,202)
Total Borrowings	**(844,860)**	**(752,269)**	**(657,067)**		**(90,060)**	**(92,591)**	**(95,202)**
Creditors							
Financial liabilities at amortised cost	0	0	0		(1,762,439)	(1,371,568)	(1,798,743)
Total Creditors	**0**	**0**	**0**		**(1,762,439)**	**(1,371,568)**	**(1,798,743)**

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 36. 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 £917,943 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 2013-14. The Debtors figure of £679,808 relating to bodies external to government arises from normal business activity (last year the higher figure was because of outstanding European Grant and Moors for the Future contracted works) and the bad debts provision of £23,492 is regarded as sufficient mitigation of the risks of any of this debt not being paid, representing 53% 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 Derbyshire County Council under a Service Level Agreement. The risk of Derbyshire County Council failing to meet its contractual obligations under this agreement is judged to be low. From June 2014 the Authority's short term investments moved to North Yorkshire County Council, sharing the investment risks with the pooled funds of North Yorkshire County Council, and the Authority has adopted North Yorkshire County Council's Treasury Management Policy. 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 one externally funded project, Moorlife, which is a five year project starting 1st April 2010. This project committed the Authority, as the accountable body for the project, to expenditure of €6,690,856 over five years, with 75% grant aid from the European Commission of €5,018,142. The project therefore had an element of exchange rate risk depending upon the exchange rate of the euro against sterling, at key points in the five year project. Sterling expenditure on the project is converted annually by the Commission at the exchange rate on the first working day of the calendar year, 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 three stages, and the date on which the euro grant is drawn down and paid over determines the value of sterling income received. The Services committee in November 2009 (Minute 49/09) approved the method by which the Authority would monitor and manage the exchange rate risk in the project. Short term weakness of sterling against the euro in 2009 helped reduce the overall risk as 40% of the grant was paid in advance in October 2009.

A financial risk to the Authority was identified if sterling strengthened significantly against the euro in the remaining three years of the project. Because of this, and because of strengthening Sterling exchange rate at the time, in July 2012 a forward contract with the Co-operative Bank was agreed, for sale of €1,505,442 Euros between 2nd April 2013 and 31st December 2013 at an exchange rate of 1.28; this contract covered the second tranche of grant. The forward contract rate unfortunately with hindsight locked the Authority into an unfavourable rate for the second payment, because of the significant weakening of Sterling since 2012; but the purpose of the transaction was always to reduce risk rather than speculate on exchange rate movements. Given sterling's recent strengthening further hedging may need to be considered although there is reasonable headroom currently to balance the project budget up to a sterling euro rate of approximately 1.32.

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 £937,790 CFR £752,269 is financed from external fixed rate debt, with only £185,520 at risk of interest rate fluctuations , and it is considered that there is little risk in continuing to finance this from internal funds while the markets are still pricing medium term interest rates at low levels despite their being some upward movement in these rates recently.

Note 35 Prior Year Adjustments

There were changes to the International Accounting Standard IAS 19 (Employee benefits) which applied in the 2013/14 year. This has meant that figures prepared under the previous IAS 19 standard for 2012-13 have to be re-stated so that the figures used for comparison against this year's figures are presented on the same basis.

- The "expected return on assets" figure is replaced with "interest on assets". This is the interest on assets held at the start of the period and cashflows occurring during the period, calculated using the discount rate at the start of the year.
- Similarly, the pension cost under the revised standard sees the "interest cost and expected return on assets" figure replaced with a "net interest cost". This is calculated as interest on pension liabilities (substantially the old interest cost) less the interest on assets.
- All actuarial gains and losses are recognised in the year of occurrence via "Other Comprehensive Income", with alternative arrangements which deferred recognition no longer being available. Actuarial gains and losses on liabilities are split further into the effect of changes in financial assumptions, and changes in demographic assumptions.
- Administration expenses are treated as a reduction in investment return achieved over the period.
- Interest on the current service cost is no longer regarded as an interest cost on liabilities, but is treated as part of the current service cost itself.

The difference in treatment affects the figures in Notes 5 and 9 and the corresponding sub-totals at the foot of the CIES for 2012-13, but does not affect the Total Comprehensive Income & Expenditure in the Statement, as set out below:-

£	2012-13 Accounts Comprehensive Income & Expenditure Account (Below Total Cost of Services				Re-stated 2012-13		
	Gross Expenditure	**Income**	**Net Expenditure 2014**		**Gross Expenditure**	**Income**	**Net Expenditure 2014**
Other Operating Expenditure (Note 8)	684	(0)	684		684	(0)	684
Financing and Investment Income (Note 9)	358,257	(25,775)	332,482		556,257	(25,775)	530,482
National Park Grant, non-specific grant and capital income (Note 10)		(7,446,238)	(7,446,238)			(7,446,238)	(7,446,238)
(Surplus) or Deficit on Provision of Services	**13,585,139**	**(12,689,698)**	**895,441**		**13,783,139**	**(12,689,698)**	**1,093,441**
(Surplus) or deficit on revaluation of Property, Plant & Equipment assets	0	(1,356,456)	(1,356,456)		0	(1,356,456)	(1,356,456)
Actuarial (gains) losses on pension assets / liabilities	2,931,542	0	2,931,542		2,733,542	0	2,733,542
Other Comprehensive (Income) Expenditure Note 5	**2,931,542**	**(1,356,456)**	**1,575,086**		**2,733,542**	**(1,356,456)**	**1,377,086**
Total Comprehensive (Income) Expenditure	**16,516,681**	**(14,046,154)**	**2,470,527**		**16,516,681**	**(14,046,154)**	**2,470,527**

Note 5 Other Comprehensive Expenditure & Income	**Amount under old IAS 19 for 2012/13 £,000**	**Amount under revised IAS 19 for 2012/13 £,000**	**Difference £,000**
Surplus (Deficit) arising on revaluation of non-current assets	1,356,456	1,356,456	0
Actuarial Gain (Loss) on pension fund assets and liabilities	(2,944,000)	(2,746,000)	(198,000)
Other – difference between actuarial and actual charge against government grant	12,458	12,458	0
	(1,575,086)	**(1,377,086)**	**(198,000)**

Note 9 Financing and Investment Income and Expenditure	**Amount under old IAS 19 for 2012/13 £,000**	**Amount under revised IAS 19 for 2012/13 £,000**	**Difference £,000**
Interest payable and similar charges	35,257	35,257	0
Pensions' interest cost and expected return on pensions' assets	323,000	0	(323,000)
Net interest on the pension scheme net liability		521,000	521,000
Interest receivable and similar income	(25,775)	(25,775)	
	332,482	**530,482**	**198,000**

Although the net difference is zero the £198,000 intermediate difference affects these other Statements and Notes: The Movement in Reserves Statement, Note 6, Note 21 and Note 38:- where the 2012-13 figures need to be amended for this difference as follows:-

Note 6 Adjustments between Accounting Basis and Funding Basis under Regulations

2012/13	**General Fund**	**Capital Receipts Reserve**	**Un-usable Reserves**
Adjustments primarily involving the Pensions reserve			
Reversal of items relating to retirement benefits' accruals under IAS 19	~~(1,282,000)~~ (1,480,000)		~~1,282,000~~ 1,480,000
Total Adjustments	**~~(735,240)~~ (933,240)**	**702,144**	**~~33,096~~ 231,096**

The Movement in Reserves Statement

	General Fund £	**Total Usable Reserves £**	**Un-usable Reserves £**	**Total Authority Reserves £**
Balance at 31st March 2012	**235,953**	**4,177,730**	**4,881,714**	**9,059,444**
Surplus (Deficit) on provision of services (accounting basis)	~~(895,441)~~ (1,093,441)	**~~(895,441)~~ (1,093,441)**	0	**~~(895,441)~~ (1,093,441)**
Other Comprehensive (Expenditure) & Income (Note 5)	0	**0**	~~(1,575,086)~~ (1,377,086)	**~~(1,575,086)~~ (1,377,086)**
Total Comprehensive (Expenditure) & Income	**~~(895,441)~~ (1,093,441)**	**~~(895,441)~~ (1,093,441)**	**~~(1,575,086)~~ (1,377,086)**	**(2,470,527)**
Adjustments between accounting basis & funding basis under regulations (Note 6)	~~735,240~~ 933,240	**~~33,097~~ 231,097**	~~(33,097)~~ (231,097)	**0**
Net Increase (Decrease) before Transfers to Earmarked Reserves	**(160,201)**	**(862,344)**	**(1,608,183)**	**(2,470,527)**

Note21 reconciliation

2012-13 £	Amounts reported below the Total cost of Services in the CIES	**Total**
Fees, charges & other service income	**-**	**(1,655,569)**
Interest & Investment Income	(25,775)	**(25,775)**
National Park Grant	(7,406,630)	**(7,406,630)**
Discontinued operations	-	**0**
Government Grants and contributions	(39,608)	**(3,601,724)**
Gain on the disposal of fixed asset	-	**0**
Total Income	**(7,472,013)**	**(12,689,698)**
Employee Expenses	~~323,000~~ 521,000	**~~6,040,729~~ 6,238,729**
Other Service Expenses	**-**	**4,731,256**
Support Service Recharges	**-**	**1,971,324**
Depreciation, amortisation & impairment	-	**805,889**

Interest Payments	35,257	**35,257**
Discontinued operations	-	**0**
Loss on Disposal of Fixed Assets	684	**684**
Total Expenditure	**~~358,941~~** **556,941**	**~~13,585,139~~** **13,783,139**
	-	**-**
(Surplus) Deficit on the Provision of Services	**~~(7,113,072)~~** **(6,915,072)**	**~~895,441~~** **1,093,441**

Note 38 Reconciliation of Operating Activities in Cash Flow Statement to Revenue Expenditure

2012-13 £	
~~895,441~~ **1,093,441**	**(Surplus) Deficit on Income & Expenditure Account**
~~(735,240)~~ (933,240)	Adjustments between accounting basis and funding basis (Note 6)
(437,344)	Transfers to (from) earmarked reserves (Note 7)
(277,143)	**(Increase)/Decrease in General Fund Balance for the year**

A service re-organisation has led to the merging of Litter Collection services and the Estates Workers team. Therefore the Litter Collection heading shown in the 2012-13 CIES under the Recreation Management and Transport heading has been subsumed within the Estates Workers line shown under the Rangers, Estates Services and Volunteers heading. The figures for 2012-13 in the CIES have been re-stated as follows:-

2012-13 CIES	**Gross Expenditure**	**Income**	**Net Expenditure**
Litter Collection	14,669	(2,478)	12,191
Total Recreation Management & Transport	**2,514,342**	**(861,148)**	**1,653,194**
Estates Workers	34,787	(0)	34,787
Total Rangers, Estates Service & Volunteers	**801,095**	**(71,854)**	**729,241**

Re-stated 2012-13 CIES	**Gross Expenditure**	**Income**	**Net Expenditure**
Litter Collection (line removed)	0	0	0
Total Recreation Management & Transport	**2,499,673**	**(858,670)**	**1,641,003**
Estates Workers	49,456	(2,478)	46,978
Total Rangers, Estates Service & Volunteers	**815,764**	**(74,332)**	**741,432**

Note 36 Long Term Loans

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

31 March 2013 £	Analysis by Type of Loan	31 March 2014 £
92,591	Public Works Loan Board	95,202
92,591	**Total**	**95,202**

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

31 March 2013 £	Analysis by Type of Loan	31 March 2014 £	Ave. Interest Rate %
752,269	Public Works Loan Board	657,067	4.1
752,269	**Total**	**657,067**	
	Analysis by maturity		
95,202	Between 1 and 2 years	97,897	2.8
184,361	Between 2 and 5 years	112,233	3.9
141,698	Between 5 and 10 years	148,436	4.7
178,748	Between 10 and 15 years	187,248	4.7
152,260	Between 15 and 20 years	111,253	4.7
0	Between 20 and 25 years	0	-
752,269		**657,067**	**4.1**

The average interest rate for all Local Authorities and other bodies using the PWLB for loans is 4.99%. 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.

31 March 2013		31 March 2014
1,027,581	**PWLB Fair Value**	**857,687**
	Balance Sheet Carrying Value	
92,591	Under 1 year	95,202
752,269	Between 1 and 30 years	657,067
844,860		**752,269**

The Fair Value is more than the carrying amount at 31st March 2014 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 two long term loans only:-

1) 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.

2) a 7 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 19/10/09 at a fixed rate of 2.26% with a final payment 30/09/2016.

Note 37 Impact of Accounting Changes

Disclosure of the impact of accounting changes arising from new accounting standards is required for standards which have been issued but not yet adopted by the Code. There are a number of standards relevant to this requirement but at this stage the implications of any new disclosure requirements are not fully understood and guidance is awaited. The relevant standards are:-

- *IFRS 13 Fair Value Measurement*
- *IFRS 10 Consolidated Financial Statements (May 2011)*
- *IFRS 11 Joint Arrangements (May 2011)*
- *IFRS 12 Disclosures of Interests in Other Entities (May 2011)*
- *IAS 27 Separate Financial Statements (as amended in May 2011)*
- *IAS 28 Investments in Associates and Joint Ventures (amended May2011)*
- *IAS 32 Financial Instruments: Presentation – Offsetting Financial Assets*
- *and Financial Liabilities (as amended in December 2011)*
- *IAS 1 Presentation of Financial Statements— (as amended in May 2011*

The majority of the standards concern joint arrangements and group accounting considerations and would not, under current operating structures, have an impact on this Authority's statements.

Note 38 Reconciliation of Operating Activities in Cash Flow Statement to Revenue Expenditure

2012-13 £		£	2013-14 £
1,093,441	**(Surplus) Deficit on Income & Expenditure Account**		**1,821,904**
(933,240)	Adjustments between accounting basis and funding basis (Note 6)	(1,785,450)	
(437,344)	Transfers to (from) earmarked reserves (Note 7)	(253,810)	(2,039,260)
(277,143)	**(Increase)/Decrease in General Fund Balance for the year**		**(217,356)**
(88,190)	Minimum / Voluntary Revenue Provision	(111,165)	
437,729	Contributions (to)/from Reserves	254,486	
(385)	Contributions (to)/from Restricted Funds	(677)	
417,243	(Increase)/Decrease in Creditors	(502,962)	
507,634	(Increase)/Decrease in Advance Income	243,978	
(136,626)	Increase/(Decrease) in Debtors	(629,300)	
9,197	Increase/(Decrease) in Stock	11,502	
(333,718)	Revenue Contribution to Capital Expenditure	(152,744)	
812,884			**(886,882)**
535,741	**Net Cash Flow Operating Activities**		**(1,104,238)**

Independent auditors' report to the Members of Peak District National Park Authority

We have audited the financial statements of Peak District National Park Authority for the year ended 31 March 2014 on pages 7 to 58. 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 2013/14.

This report is made solely to the Members of the Authority, as a body, in accordance with Part II of the Audit Commission Act 1998. Our audit work has been undertaken so that we might state to the Members of the Authority, as a body, those matters we are required to state to them in an auditors' 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.

Respective responsibilities of the Accounting Officer and auditor

As explained more fully in the Statement of the Accounting Officer's Responsibilities, the Accounting 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, and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Authority's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Accounting Officer; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Explanatory Foreword to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

• give a true and fair view of the financial position of the Authority as at 31 March 2014 and of the Authority's expenditure and income for the year then ended;

• have been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2013/14.

Matters on which we are required to report by exception

The Code of Audit Practice 2010 for Local Government Bodies requires us to report to you if:

• the annual governance statement does not reflect compliance with 'Delivering Good Governance in Local Government: a Framework' published by CIPFA/SOLACE in June 2007; or

• the information given in the Explanatory Foreword for the financial year for which the financial statements are prepared is not consistent with the financial statements; or

• any matters have been reported in the public interest under section 8 of Audit Commission Act 1998 in the course of, or at the conclusion of, the audit; or

• any recommendations have been made under section 11 of the Audit Commission Act 1998; or

• any other special powers of the auditor have been exercised under the Audit Commission Act 1998.

We have nothing to report in respect of these matters

Other matters on which we are required to conclude

We are required under Section 5 of the Audit Commission Act 1998 to satisfy ourselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are also required by the Audit Commission's Code of Audit Practice to report any matters that prevent us being satisfied that the audited body has put in place such arrangements.
We have undertaken our audit in accordance with the Code of Audit Practice and, having regard to the guidance issued by the Audit Commission in October 2013, we have considered the results of the following:

• our review of the annual governance statement; and

• the work of other relevant regulatory bodies or inspectorates, to the extent the results of the work have an impact on our responsibilities.

As a result, we have concluded that there are no matters to report.

Certificate

We certify that we have completed the audit of the financial statements of Peak District National Park Authority in accordance with the requirements of the Audit Commission Act 1998 and the Code of Audit Practice issued by the Audit Commission.

Sue Sunderland for and on behalf of KPMG LLP, Appointed Auditor

Chartered Accountants

St Nicholas House

31 Park Row

Nottingham

NG1 6FQ

September 2014

Appendix 2

Amendments to draft Accounts

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

1. Note 11 does not comply with the IFRS code and requires amendment.

Note 11 amended as follows:-

Note 11 Property, plant & Equipment – Movements on Balances

2013/14	**Land & Buildings**	**Vehicles, plant, equipment**	**Community Assets**	**Infra-structure Assets**	**Surplus Assets**	**Total**
Cost or Valuation	**£**	**£**	**£**		**£**	**£**
Gross Book Value at 1st April 2013	15,090,759	2,519,661	1,337,949	1,641,432	867,631	**21,457,432**
Additions	135,093	149,606	15,000	0	0	**299,699**
Donations	0	0	0	0	0	**0**
Revaluation increases (decreases) recognised in the Revaluation Reserve	~~1,723,625~~ 1,301,366	~~0~~	~~0~~	~~0~~	686,917	**~~2,410,542~~ 1,988,283**
Revaluation increases (decreases) recognised in the Surplus/Deficit on the Provision of Services	~~0~~ (46,022)	0	0	0	~~0~~ (74,675)	**~~0~~ (120,697)**
De-recognition: disposals	(779,684)	(22,672)	0	0	0	**(802,356)**
De-recognition: other	0	(1)	0	0	0	**(1)**
Assets re-classified (to) from Held for Sale / surplus assets	(369,675)	0	0	0	369,675	**0**
~~Depreciation & Impairment written off on revaluation~~ Other: accumulated depreciation written off on revaluation	~~(1,408,729)~~ (337,598)	0	0	0	~~(93,375)~~ (18,700)	**~~(1,502,104)~~ (356,298)**
Gross Book Value at 31st March 2014	**~~14,391,389~~ 14,994,239**	**2,646,594**	**1,352,949**	**1,641,432**	**1,830,848**	**~~21,863,212~~ 22,466,062**
Accumulated depreciation and impairment At 1st April 2013	(1,634,810)	(1,255,919)	(42,803)	(212,904)	(183,633)	**(3,330,069)**
Depreciation Charge ~~written out to the Revaluation Reserve~~	~~(100,458)~~ (277,025)	~~0~~ (185,924)	~~0~~ (11,707)	~~0~~ (94,572)	~~(1,843)~~ (9,984)	**~~(102,301)~~ (579,212)**
Depreciation written out to the Revaluation Reserve ~~Surplus/deficit on the Provision of Services~~	~~(176,567)~~ 93,123	~~(185,924)~~ 0	~~(11,707)~~ 0	~~(94,572)~~ 0	~~(8,141)~~ 0	**~~(476,911)~~ 93,123**
Depreciation written out to the Surplus/deficit on the Provision of Services	244,475	0	0	0	18,700	**263,175**
Impairments recognised in the Revaluation Reserve	~~(422,259)~~ 0	0	0	0	0	**~~(422,259)~~ 0**
Impairments recognised in the Surplus/deficit on the Provision of Services	~~(46,022)~~ 0	0	0	0	~~(74,675)~~ 0	**~~(120,697)~~ 0**
~~Depreciation & Impairment written off on revaluation~~	~~1,408,729~~				~~93,375~~	**~~1,502,104~~**
De-recognition - disposals	1,423	2,098	0	0	0	**3,521**
Accumulated depreciation & impairment as at 31st March 2014	**~~(969,964)~~ (1,572,814)**	**(1,439,745)**	**(54,510)**	**(307,476)**	**(174,917)**	**~~(2,946,612)~~ (3,549,462)**
Net Book Value at 31st March 2013	*13,455,949*	*1,263,742*	*1,295,146*	*1,428,528*	*683,998*	***18,127,363***
Net Book Value at 31st March 2014	**13,421,425**	**1,206,849**	**1,298,439**	**1,333,956**	**1,655,931**	**18,916,600**

At Historical Cost					
As at 31/03/2014	~~7,808,684~~ 7,854,704	-	-	-	~~877,845~~ 952,523
Fair Value Movement 2013/14	~~497,475~~ 451,452	-	-	-	~~685,074~~ 610,398
Fair Value Movement 2012/13	1,169,922	-	-	-	~~93,305~~
Fair Value Movement 2011/12	1,264,977	-	-	-	~~(293)~~ (295)
Fair Value Movement 2010/11	~~(71,787)~~ (71,784)	-	-	-	~~0~~
Fair Value Movement up to 2009/10	~~2,752,154~~				
Net Book Value at 31/03/2014	**13,421,425**	-	-	-	**1,655,931**

2. Note 20: Change in Capital Adjustment Account breakdown arising from above amendment

2012-13	**Capital Adjustment Account**	**2013-14**
£		**£**
11,663,185	**Balance at 1 April**	**12,113,501**
	Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income & Expenditure Statement (CIES)	
(564,447)	Charges for depreciation of non-current assets	(579,212)
(203,476)	Charges for impairment of non-current assets	~~(542,956)~~ 0
0	Revaluation losses on Property, Plant & Equipment	~~422,259~~ (120,697)
(37,966)	Amortisation of intangible assets	(47,312)
0	Revenue expenditure funded from capital under statute	0
(814)	Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the CIES	(798,835)
(806,703)		(1,546,056)
93,229	Adjusting amounts written out of the Revaluation Reserve	805,734
(713,474)	**Net written out amount of the cost of non-current assets consumed in the year**	**(740,322)**

3. Note 11: The Valuation date is incorrect

The Authority's property shown in the Land & Buildings column has been valued as at 31st March ~~1st April~~ 2014 by the Authority's Property Managers Michael Ingham MRICS and Julie Green MRICS.

4. Minor presentation corrections required : zeros in Note 27; brackets missing Note 34, Notes to the Accounts should be Section 7 not 6.

Corrections made.

8. 2013/14 ANNUAL GOVERNANCE STATEMENT (A.137/13/RMM)

Purpose of the report

1. Members are asked to review and approve the audited Annual Governance Statement for 2013/14.

Key Issues:

Key issues include:

- Each year the Authority reviews its performance against the Code of Corporate Governance and in doing 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 2013/14 annual report from the internal auditors confirmed a positive assurance of 'adequate and effective' in all three areas of risk management, control processes and governance.

- The Annual Governance Statement highlights areas for further improvement action.

- The poor forecast for public sector finances remains highlighted as a significant issue to be addressed through our budget planning work.

Recommendations

2. **1. That the audited Annual Governance Statement for 2013/14 be approved**

How does this contribute to our policies and legal obligations?

3. Regulation 4 of the Accounts and Audit Regulations (2011) 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 8(3), i.e. by 30 September.

4. The Department for Communities and Local Government issued further advice through circular 03/2006 (section 7) and 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'. In recent years this guidance has been supplemented and updated by: 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 delivering good governance addendum (2012).

5. 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 which contributes to the Authority's corporate objective 11 'be a well run public body with proportionate and effective ways of working, delivering excellent customer service and living our values'.

Background

6. The review of effectiveness of our governance framework, including the system of internal control, is informed by assurances from staff 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.

7. 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 held on 20 May 2014 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 2013/14 year which contributes to achieving our outcome of 'good governance'

   b) Identify any further improvement action needed for the forthcoming year

   The meeting involved the Chief Executive, Director of Planning, Chair of Audit Resources and Performance Committee, Head of Law/Monitoring Officer and Director of Corporate Resources. The Chief Finance Officer inputted his views to the review outside the meeting as he was unable to attend.

8. It was agreed that the outputs of our review in terms of improvement action for the forthcoming year would be reflected in the 2013-14 Annual Governance Statement. These are recorded in Appendix 1 against the 6 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 Director of Corporate Resources or can be found at: http://www.peakdistrict.gov.uk/publications/operationalpolicies.

   The full review has not been included in the Annual Governance Statement in order to provide a briefer document.

Proposals

9. The proposed Annual Governance Statement for 2013/14 is given in Appendix 1 for Members' consideration and approval. This statement has been audited by our external auditors from KPMG to inform their conclusions as provided in their Annual Governance report to this same committee.

10. As part of reviewing performance and assurances received issues have been identified which affect effectiveness and these are given at the end of the Appendix to address during the year. The poor forecast for public sector finances remains highlighted as a significant issue to be addressed through our budget planning work. Work on this has started with an introductory members' workshop on 20 June 2014. Further discussions with Members will take place at the strategic and finance planning workshops in the autumn.

Are there any corporate implications members should be concerned about?

11. **Financial**:
There are no additional financial issues to highlight.

12. **Risk Management:**
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 to 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 ongoing 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.

13. **Sustainability:**
There are no issues to highlight.

14. **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.

Appendices –
Appendix 1: 2013/14 Annual Governance Statement

Report Author, Job Title and Publication Date

Ruth Marchington, Director of Corporate Resources, 11 September 2014

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2013/14 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 May 2009 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.* This is reviewed annually and updated appropriately including taking into account new 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 delivering good governance addendum (2012). A copy of the Authority's Code of Corporate Governance can be obtained from the Director of Corporate Resources 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 2011.

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 2014 and up to the date of finalising this statement on 5 June 2014 for publication by the end of June 2014. The statement will be revised prior to reporting to Members of the Audit Resources and Performance Committee in September 2014 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 and the National Park Grant Memorandum. 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. We have publicised our second annual report for the 2012-17 NPMP – this has included progress against our 5 signature programmes to support delivery of the whole plan and to aid communication with stakeholders. A partnership protocol is in place to support our work with partners. Progress against the NPMP is monitored by a stakeholder Advisory Group which is independently chaired.

(b) The Authority's contribution to achieving the NPMP outcomes is described in our 3 year corporate objectives, 2012-15. The three year strategic planning process is integrated with the medium term financial strategy/budget planning. The Authority's corporate objectives and success measures, which have been amended to reflect progress and changes over 2013/14, have been used as the basis for service planning for 2014/15. During 2014/15 we will be developing a new corporate plan for the period 2015 – 2020.

(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.

(d) The Moving Forward in a Time of Change document provides a steer for leading and managing future change in light of external pressures on the Authority and guides our budget planning process. It has 3 key themes of: being focussed on what we are going to do and what we are not going to do; realising our commercial potential; working with partners. Our medium term financial strategy is based on diversifying our sources of funding so that we maximise opportunities for income generation, giving, sponsorship and external grant funding whilst reducing costs and reliance on our core Defra grant.

(e) The Local Development Framework Core Strategy is in place and has been checked to ensure it is consistent with the provisions of the National Planning Policy Framework. Development Management Policies are being updated to support the core strategy including consultation and discussion with stakeholders on the response to the issues and options consultation which took place in 2012. It is likely that the proposed submission document will be brought to the Authority by early 2015 with adoption in April 2016. The process of producing development management policies will be used to consider any further ways in which the Authority's planning policies can be refined to further strengthen the consistency with national policy.

(f) The current Working with People and Communities strategy and the Communications strategy are being implemented to ensure clear channels of communication, consultation and engagement with target audiences and stakeholders. The Communications Strategy has been reviewed to include our approach to marketing and there is an interim Marketing and Communications strategy in place for 2014/15. This will be reviewed to ensure it supports our new corporate plan as that is developed. We will shortly also be in a position to set out, within the new corporate plan, the Authority's updated strategy on engaging and working with people and communities, both resident and non-resident. The original Working with People and Communities strategy, written in 2006 has guided the Authority's work with children and young people, park residents, under-represented groups and visitors and in terms of target audiences for the future, we do not expect to change significantly the groups that we want to reach. The new strategy will however reflect our new thinking in terms of how we engage with people, setting our sights on creating opportunities for a more meaningful connection between people and place through key interventions such as the Peak District Award, externally funded projects, volunteering and family focused events. Probably the biggest change in terms of our relationship with resident communities since the last strategy is the Localism Act and its effect on how the Authority interacts with local people will be central to the new strategy's approach to engagement with park residents.

(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 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, external/internal audit and inspection reports and the National Park Authorities Performance Assessment (NPAPA) process.

(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 Audit Resources and Performance Committee for standards issues. The prime objectives are to operate effectively, efficiently, transparently, accountably and within the law. 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 (which has been updated to reflect the Enterprise and Regulatory Reform Act 2013)
- Protocols on (i) Member/Officer Relations, (ii) Monitoring Officer and (iii) Development Control and Planning
- Complaints procedures (which have been updated to be clearer about the role of members in the complaints process)
- 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 regular and open engagement across the organisation particularly with managers of the Authority and with members through the Audit Resources and Performance Committee
- a risk based internal audit strategy and annual plan
- reports from external bodies like the Local Government 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 Team 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 the public, staff or members 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 to the public through our website section titled 'standards and behaviour' which can be found at http://www.peakdistrict.gov.uk/about-us/who-we-are/members/standards-and-behaviour

(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 further support the above by setting out policies and procedures that are to be adhered to. Following a review of the CIPFA statement on The Role of the Chief Financial Officer (CFO) in Local Government (2010) our Code of Corporate Governance has been strengthened to reflect better the role of the CFO. Our reporting arrangements meet the requirements of the Code with the CFO having independent reporting as necessary to the Chief Executive, Resource Management Team and Members even though the post holder sits in the Corporate Resources Directorate.

(l) Our Code of Corporate Governance has also been strengthened to reflect that the Head of Law post is now designated as Monitoring Officer and to ensure that the Monitoring Officer has independent reporting as necessary to the Chief Executive, Senior Management Team and Members even though the post holder sits in the Corporate Resources Directorate.

(m) 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 document approved by the Authority in October 2007 titled 'Review of Member Training and Development' and a subsequent report in September 2010. 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.

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 staff 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 held on 20 May 2014 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 2013/14 year which contributes to achieving our outcome of 'good governance'

2. Identify any further improvement action needed for the forthcoming year

The meeting involved the Chief Executive, Director of Planning, Chair of Audit Resources and Performance Committee, Head of Law/Monitoring Officer and Director of Corporate Resources. The Chief Finance Officer inputted his views to the review outside the meeting as he was unable to attend. In carrying out our review we took account of the 'assurances' we have received during the year (and at our meeting) including:

(a) External Audit Annual Audit Letter and unqualified opinions
(b) Internal Audit reports for 2013/14 including the annual report and assurance opinion. During 2013/14 we have responded to two internal audit reports receiving 4 adequate and 5 substantial assurances for all areas reviewed in the year. The 2013/14 annual report from the internal auditors has confirmed a positive assurance of 'adequate and effective' in all three areas of risk management, internal control and governance over the year (NB there are only 2 levels of overall assurance given: 'adequate and effective' or 'inadequate and ineffective'). Out of a total of 18 recommendations made over the year: none of them were classed as fundamental; 7 were classed as significant; 11 were classed as meriting attention
(c) Assurances given from 'those charged with governance' including: members of Management Team, Statutory Officers (Head of Paid Service, Chief Financial Officer, Monitoring Officer), Chair of Audit Resources and Performance Committee
(d) Progress against action we identified last year as part of our Annual Governance Statement
(e) The most recent Local Government 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) The retention of the external Customer Service Excellence standard
(i) Feedback and lessons learnt from legal proceedings

It was agreed that it had been a positive year in terms of progress against action agreed last year and as we have done for a number of years we identified further issues to address as part of our continuous improvement approach to our governance arrangements. These issues are recorded below against the 6 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 Director of Corporate Resources at Aldern House, Baslow Road, Bakewell, DE45 1AE or can be found on our website at http://www.peakdistrict.gov.uk/publications/operationalpolicies

(1) Code of Corporate Governance core principle: ***Focusing on the purpose of the authority, on outcomes for the community and creating and implementing a vision for the area***
Issues identified during review which affect effectiveness: 1. The poor forecast for public sector finances remains as a significant issue to be addressed through our corporate and budget planning work 2. We are missing opportunities to work with local authorities in the wider peak district area to achieve our objectives 3. There is an outstanding action from last year on reporting on the results of the user survey and agreeing what action is taken in response to feedback received 4. Timely implementation of our asset management proposals will be necessary to help the Authority move forward. This includes implementation of: a) The new property structure b) The capital strategy/programme c) Business plans/options for key properties

(2) Code of Corporate Governance core principle: ***Members and officers working together to achieve a common purpose with clearly defined functions and roles***
Issues identified during review which affect effectiveness: 5. As the proposals for direct elections are progressed we will need to ensure this is appropriately resourced and evaluated 6. Leadership style and capacity needs to develop in order to deliver the organisation's strategy including members' understanding of the need for development 7. Changes to the membership leadership team in the summer will mean a transition period and will possibly impact on continuity of progressing current priorities 8. The due diligence frameworks for local and national (organisational and individual) sponsorship agreements are needed as an essential part of our governance framework

(4) Code of Corporate Governance core principle: ***Taking informed and transparent decisions which are subject to effective scrutiny and managing risk***
Issues identified during review which affect effectiveness: **9. The draft business continuity plan needs to be finalised and agreed**

(5) Code of Corporate Governance core principle: ***Developing the capacity and capability of members and officers to be effective***
Issues identified during review which affect effectiveness: 10. Participation in essential learning and development events remains an issue for the membership

Significant Governance Issues:

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. The poor forecast for public sector finances remains as a **significant issue** to be addressed through our corporate and budget planning work. Work on this has started and will be discussed with Members at the strategic planning workshops in June and the autumn.

Signed on behalf of the Peak District National Park Authority:

………………………………………… Chair of Audit Resources and Performance Committee

………………………………………… Chief Executive

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9. 2014/15 QUARTER 1 CORPORATE PERFORMANCE AND RISK MANAGEMENT REPORT (A91941/WA)

1. **Purpose of the report**

This report provides Members with monitoring information at the end of Quarter 1 (April - June 2014) for review of performance against our 2012-15 Corporate Objectives; monitoring of the corporate risk register; monitoring of Freedom of Information Requests monitoring of complaints; and to highlight any other significant issues of which Members should be aware.

2. **Key Issues**

- At the end of Quarter 1, following monitoring of Service operational actions and corporate indicators, 9 of the 12 Corporate Objectives are green in their overall status with only 1 success factors out of 43 highlighted as red (8c: we have increased opportunities for people to access recreational facilities using sustainable means).
- One risk on the corporate risk register has increased in risk rating to high likelihood and high impact:
  - 9a) Failure to realise the 2014/15 financial targets for our property portfolio.
  - 9b) Failure to agree on financial targets for the property portfolio longer term.

Recommendations

3. **1. That the Quarter 1 Corporate Performance Return, given in Appendix 1, is reviewed and any remedial action agreed.**

2. That the risk register be reviewed and status of risks accepted, including the escalation of, and mitigating action proposed for, risk 9a/b.

3. That the status of complaints and Freedom of Information Requests be noted.

How does this contribute to our policies and legal obligations?

4. Performance and Risk Management contributes to Corporate Objective 11 to be a well run public body with proportionate and effective ways of working, delivering excellent customer service and living our values. Monitoring the Corporate Indicators and Service operational actions against our Corporate Objectives and Success Factors is part of our approach to ensuring mitigating action can be taken to maintain and improve performance or to reprioritise work in consultation with staff and Members.

Background

5. The format of performance reporting to this committee follows the format agreed in January 2013 (minute 7/13).

6. Performance Information is reported by each Corporate Objective (of which there are 12) by providing: a visual representation of the status of the Corporate Objective and each of its associated success factors; an overview of the activity contributing to each Objective; a commentary on where we are doing well; an understanding of associated risks; specific issues; and remedial action.

7. The visual representation is on a traffic light system (using green for on target, amber for some remedial work required and red where there are some significant issues) and is based on an analysis of:

   a) the status of activity within service plans contributing to the delivery of that Objective and success factor;
   b) the outturn against the performance indicator relating to the success factor.

8. The Authority's risk management policy and supporting documentation was approved by Authority on 25 March 2011 (minute 21/11), 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 movement of one risk to a higher risk status and gives details of remedial action.

9. Information is given so that Members of Audit, Resources and Performance Committee, 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.

10. Reporting is dependent on the accuracy of data provided by the Heads of Service, Assistant Directors and indicator lead officers, as agreed with Directors and Chief Executive.

Proposals

11. Members are asked to review and agree the Quarter 1 Corporate Performance Return as detailed in Appendix 1.

12. Members are further asked to review and agree the proposed escalation in the Corporate Risk Register in Appendix 2.

13. That the status of complaints, Freedom of Information (FOI), and Environmental Information Regulations (EIR) Enquiries in Appendix 3 be noted.

Are there any corporate implications members should be concerned about?

14. 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.

15. A number of fixed term officer posts support the work contributing to a number of Objectives and are resourced to the end of 2014/15. Resources beyond this point will be discussed as part of the Authority's budget planning process in the Autumn of 2014.

15. **Background papers** (not previously published) – None

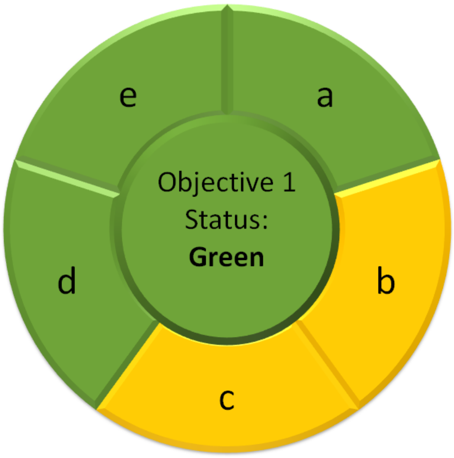
Appendices

1. Quarter 1, 2014/15 Corporate Performance Return
2. Quarter 1, Corporate Risk Register status
3. Quarter 1, Complaints, Freedom of Information (FOI), and Environmental Information Regulations (EIR) Enquiries

Report Author, Job Title and Publication Date

Wendy Amis, Senior Performance Officer, 11 September 2014

Objective 1: Lead or enable landscape-scale environment and heritage conservation programmes through multi agency partnerships



We will know we have been successful when:

a) we have identified and delivering on 3 new projects in partnership that correspond with landscape character areas in the national park;

b) we have focused work on the Landscape Strategy, the Biodiversity Action Plan and the Cultural Heritage Strategy to support the delivery of the revised National Park Management Plan;

c) we have increased the amount of Authority owned Site of Special Scientific Interest land in favourable condition from 32% to at least 35% by 2025;

d) we have developed formal relationships with all the Local Nature Partnerships with the national park and/ or developed a Peak District Local Nature Partnership;

e) we have met our targets for the rescue and restoration of buildings and monuments.

Quarter 1 Summary

Overall Status:

Continued developing a range of potential projects and further bids for Moors for the Future work, in particular MoorLife2020 and the second phase Community Science Project. Submitted a major landscape-scale HLF bid for the SW Peak. Good progress on undergrounding of electricity lines and developing further partnership projects. We are working with Natural England on locally agreed SSSI targets.

Key Activity in this Area:

- A landscape scale partnership project bid for over £2million for the SW Peak was submitted to HLF in May on behalf of the Peak District Local Nature Partnership;
- Strong progress on MFF delivery with new approvals and agreements in the project area, particularly through the Private Lands Partnership;
- Delivering in partnership: wader recovery project; birds of prey; clough woodlands; catchment restoration;
- Electricity line undergrounding projects completed at Harden Moss, Hurdlow and The Wash; and work commenced at Tissington;
- £27K partnership funding secured for monitoring and base line survey of Dales Ash Woodlands in response to the threat of Ash Dieback;
- 9-month student internship, that contributed to Natural Zone Review and Ash Dieback project, ended;
- Habitat management to increase percentage of land in favourable condition on our own properties through agri-environment schemes continued;
- Reviewing the Action Plan for the Landscape Strategy and the Cultural Heritage Strategy;
- Input into national and local targeting for new national agri-environment scheme;
- Underground designation pilot project continues(EH funded); liaison with Nottingham University on their Derbyshire Soughs project (potential links to White Peak Rivers initiative);
- Continued key Cultural Heritage projects: Ecton, Lead Rakes, Chatsworth parkland management plan; Lathkill/Magpie sough. Outline submitted to English Heritage for farmstead characterisation (£25k).
- Review of Listed Buildings changed to Decennial (300/year) from 2014/15 as a cost saving measure;
- Conservation Area Appraisals started for Longnor and Pott Shrigley;
- Attended another trans-Pennine stakeholder reference group meeting, and continue to try to ensure the National Park is recognised in the study the Department for Transport are undertaking;
- Responded to a consultation on the Poynton Relief Road, which is wholly outside the National Park, to outline our expectations regarding future evidence associated with the proposal.

Specific Issues:

1. Natural England have begun to address the identification of realistic locally agreed targets for SSSI condition.
2. Persecution of Birds of Prey has attracted increasing concern and attention nationally.

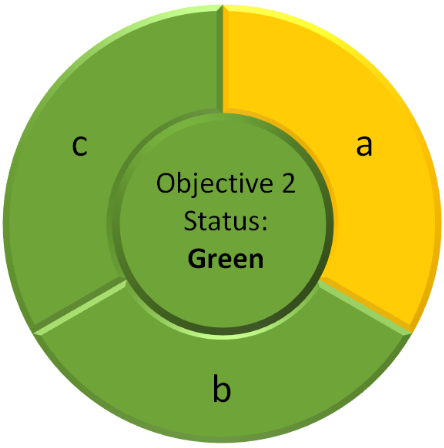
Action to address issues:

1. Ensure Authority input to identification of SSSI condition targets locally.
2. Focus the work of the Peak District Bird of Prey Initiative on increasing Bird of Prey nesting success on key sites.

Risk Implications: Low risk

Contextual Information: http://www.peakdistrict.gov.uk/looking-after/biodiversity/biodiversity-action-plan

Objective 2: Be the main provider of integrated advice and support to farmers and land managers to enable farms and other land use businesses to achieve national park purposes.



We will know we have been successful when:

a) there is a more streamlined approach to providing advice and support between the Peak District Land Management Advisory Service (PDLMAS) partners;

b) we continue to broker 30 agri-environment schemes per annum;

c) the area of land in the National Park in agri-environment schemes (ELS, HLS or equivalent) is 94,000 ha (that is, 65% of the national park as a whole).

Quarter 1 Summary

Overall Status:
Defra's Common Agricultural Policy (CAP) Reform proposals continue to unfold but until details for eligibility and payment rates are available, 2014 and 2015 remain a period of uncertainty. Close working with farmers, land managers and land owners remains a priority to encourage interest in conservation management and future schemes. So our lead national role in the development of Defra's CAP Reform proposals continues. The PDLMAS survey is on-going and will inform the future development of PDLMAS and help prepare for the new CAP support schemes when they come on stream from January 2015.

Key Activity in this Area:

- Assistance with the Environmental Stewardship Entry Level Scheme applications has been prioritised to take advantage of the remaining application window resulting in 12 agri-environment scheme applications (annual target 30) supported;
- Supported the preparation and submission of the management plans for the Authority woodlands to the Forestry Commission;
- The PDLMAS drop in centre at Bakewell market continues, staffed by PDNPA, NE, Environment Agency, Rural Action Derbyshire and the Farming Life Centre;
- At the end of the quarter we have 60 responses to the PDLMAS survey. The survey will continue as the aspiration is to achieve 100 responses for analysis;
- Defra made a further announcement on the greening of CAP in early June, with measures that mainly impact farms with more than 10 hectares of arable land. As only 1% of the National Park is arable the impact of these greening measures is likely to be minimal for the National Park;
- A Defra, NE and NPA workshop is planned in early July to consider the detailed implications of delivering the new schemes in National Parks.

Specific Issues:

1. Much of the detail of the new Basic Payment Scheme (BPS), agri-environment and on farm diversification grant schemes is still not known so uncertainty continues for the farmer/land manager community. Until 1 January 2016, the earliest start date for any New Environmental Land Management Scheme (NELMS) agreement, farmers & land managers may still consider land management changes.

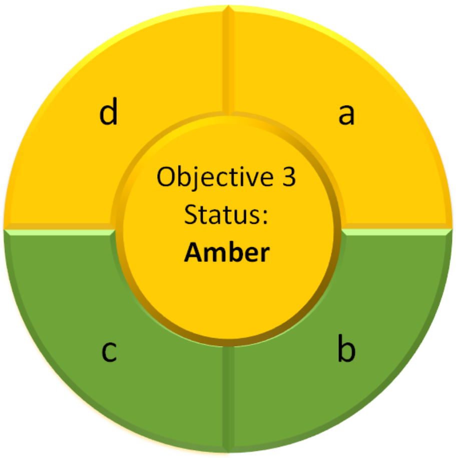
Action to address issues:

1. Continue to contribute to and influence nationally & locally key CAP Reform issues affecting upland farming.

Risk Implications:
Uncertainty about the new schemes for farmers/land managers may still lead to a reduction in the area of the National Park in agri-environment schemes and therefore a loss of environmental interest.

Contextual information: None

Objective 3: Provide a high quality planning service to the community of the National Park that achieves national park purposes and that is responsive to and contributes to the debate on planning reform nationally and locally.



We will know we have been successful when:

a) we have delivered the key milestones in our Planning Improvement Plan 2013/14;

b) our new Development Management Policies are found to be sound and are adopted;

c) we have evidence of improvement in public confidence in Planning;

d) there is a sustained reduction in the number of outstanding enforcement cases by 2015.

Quarter 1 Summary

Overall Status:

We have seen a continued improvement on planning application determination figures and have achieved our targets in each sector. We are working to raise public confidence through improved communication with Parishes and Agents, regular bulletins to both, twice-yearly meetings with Agents, invitations to Parishes to attend Planning Committees, and Planning officers attending Parish meetings and Parish Forum meetings.

Key Activity in this Area:

- Continued to work to the Planning Improvement Action Plan;
- A continued improvement in planning application determination figures, with targets now being met or exceeded (with the exception of county matters);
- Work on the new Development Management Policies Document has slipped slightly, with a revised timetable agreed at Planning Committee in April 2014;
- The Authority's planning decisions continue to have a high level of support on appeal; the impact of any allowed appeals on policy is assessed ;
- Charge for pre-application advice on some developments for introduced on 1 April 2014, working well and projected income on target;
- Regular Planning Bulletins to Parishes and Agents to explain the relaxations in planning legislation, introduction of pre-application advice charges, and other changes in planning;
- A survey of Parish Councils in first quarter of 2014 provided data on the current perceived performance of the service. Survey of Agents to be undertaken in April 2014 and followed up in July because of low response;

Specific Issues:

1. Consistency of advice, decisions and actions between the Planning Teams was identified as a performance issue;
2. In April 2014 the Government published another interim list of poorly performing planning authorities for Major and County matter applications. The Authority was not on this list, as it is currently performing above the 30% threshold for designation. The Government is, however, now proposing to increase the threshold to 40%.
3. Following a dip in the send part of 2013 and early 2014, performance on enforcement has improved, although there is a need to focus on the high priority cases, where there has been little progress.

Action to address issues:

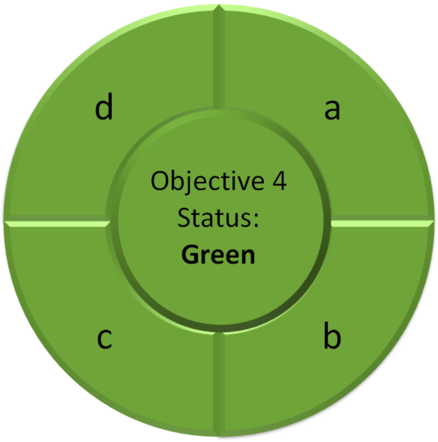
1. Relocation of the teams to a single, largely open plan office in April 2014.
2. Measures have been put in place to ensure that the Authority performs above the 40% threshold level for Major and County matter applications defining a poorly performing Authority, mainly through using extension of time agreements with applicants. We are now on or above target for all categories of applications on this basis.
3. A greater focus is being given the make progress on the high priority cases for the October Quarterly report to Planning Committee.

Risk Implications:

Reputational risk of not increasing public confidence.

Contextual information: None

Objective 4: Lead a programme to reduce greenhouse gas emissions across the National Park and adapt to climate change by inspiring and enabling others and through direct actions in our own operations.



We will know we have been successful when:

a) *through planning pre-application advice and information, we have enabled others to take action to reduce their greenhouse gas emissions;*

b) *the Authority's own carbon footprint has been reduced by 30% (in line with the agreed Carbon Management Plan);*

c) *we are increasing the area of moorland under restoration management, leading to a reduction in the loss of stored carbon;*

d) *we have developed a carbon reduction demonstration project.*

Quarter 1 Summary

Overall Status:
We are on target with this objective. Initial feedback on a new post providing advice on climate change matters has been positive. The new cycle friendly grant scheme is supporting sustainable travel. Work continues to make the Authority's properties more environmentally sustainable.

Key Activity in this Area:

- A one year post for 3 days a week providing on-farm advice on carbon, water, waste and renewables began on 1 June, as a trial to see if there is a market for charging for this service. Initial reaction from the NFU and the farming community is positive, particularly with regard to making sense of the deluge of information and offers available for renewables;
- We responded to the consultation on the Derbyshire Climate Change Charter to seek to influence it to make it more clear and practicable;
- The new cycling friendly grant scheme is designed to support the reduction of visitors using vehicles to the National Park by encouraging the use of new facilities at businesses and attractions along the routes of the new proposed routes that lead from major town and cities;
- Moors for the Future are progressing the tendering for capital works to start across the Peak District at the end of the bird breeding season in July and into the autumn. Plans are being made to extend the value of our works through the Private Lands Project to nearly £11 million over the next 4 years;
- Lime and fertiliser application is on schedule and completed on: Bleaklow, Kinder Scout, Turley Holes and the South Pennine Commons; with plans in place for: Rishworth Common, Saddleworth and Wessenden. We currently have two helicopter companies operating;
- Developing a funding bid for LIFE 2014 (MoorLIFE 2020) to protect areas of Active Blanket Bog, a UK Priority Habitat, through greatly increasing the amount of Sphagnum across the South Pennine Moors Special Area of Conservation (SAC);
- Tendered and awarded contract for the installation of a Ground Source Heat Pump at North Lees campsite. Planning application submitted for the scheme. A business plan is being prepared;
- Completed installation of a heating system for, and insulation of, North Lees Farmhouse and the application for the Renewable Heat Incentive has been submitted;
- Tender awarded for the installation of a new biomass heating system at Hayes Farm, Warslow.

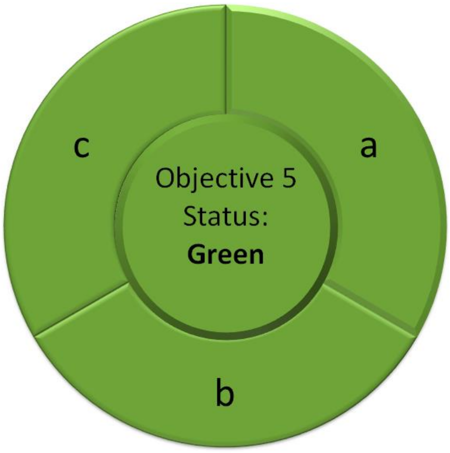
Specific Issues: None.

Action to address issues: None.

Risk Implications: None.

Contextual information None.

Objective 5: Work with others in an integrated way to support local people to develop community facilities, local needs housing and services in ways that are sustainable and contribute to national park



We will know we have been successful when:

a) *we fulfil our role in delivering the Peak District Affordable Housing Plan by annually working with at least 3 communities to agree the sites that would address the need for affordable housing;*

b) *we support annually 4 community sustainable projects*;*

c) *we work annually with 5 communities/ parishes/ villages to support or develop their plans (including neighbourhood plans).*

Quarter 1 Summary

Overall Status:
Progress remains very positive with action in all 3 success measure areas.

Key Activity in this Area:

- The Service Level Agreement with High Peak Borough council for housing needs surveys and sites search work is progressing surveys in Edale and Hope.
- Housing enabling arrangements in the Derbyshire Dales area continues via officer support at DDDC;
- Community projects continue to be supported through both SDF and cycling grants;
- Support is being provided to Bakewell in the DMP document with 2 major public consultation events progressing;
- We are progressing a new request for designating a Neighbourhood Plan in the Leekfrith area.

Specific Issues:

None

Action to address issues:

None

Risk Implications:

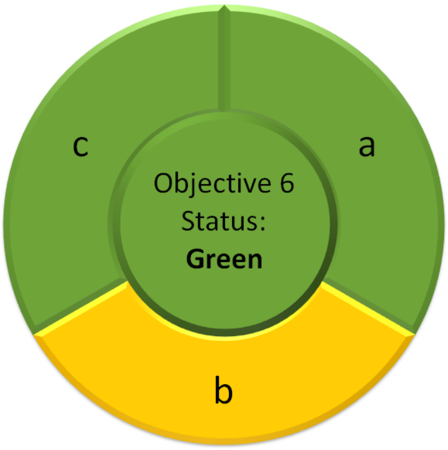
None

Contextual information

- Localism Act - http://www.legislation.gov.uk/ukpga/2011/20/contents/enacted
- Neighbourhood Planning - https://www.gov.uk/government/policies/giving-communities-more-power-in-planning-local-development/supporting-pages/neighbourhood-planning

* updated since 2012/13

Objective 6: Support a sustainable economy by working with businesses and other agencies, particularly focusing our efforts on environmental management.



We will know we have been successful when:

a) *annually, 100 Peak District businesses (non-agri environment and non-Environmental Quality Mark) are supported by Authority environmental grants, advice and programmes of work;*

b) *we have taken reasonable steps to secure a sustainable future for the Environmental Quality Mark and Business Peak District;*

c) *more community outcomes are achieved through enterprise by increasing the support given to social enterprise.*

Quarter 1 Summary

Overall Status:
We continue to make good progress with Business Peak District and high level strategic work with a range of partners including High Peak Borough Council, Derbyshire Dales and Staffordshire Moorlands District Councils and the key Local Enterprise Partnerships which affect the Peak District through Enterprise Peak District. Work contributing to this Objective is on target with the exception of growing the number of businesses holding the Peak District EQM award to support its future sustainability.

Key Activity in this Area:

- Four events have been organised covering e-commerce, e-marketing, social media and HR. These 1:many events attracted 49 businesses;
- A further 27 businesses have received 1:1 support this quarter from the Rural Business Adviser;
- Authority Grants are enabling 14 businesses to expand or develop new forms of business diversification and 13 businesses were supported through the Tour de France;
- A Business Peak District Board meeting was held in June with updates on progress on the Enterprise Peak District package of interventions and Local Enterprise Partnerships;
- The Inspired by the Peak District brand champion project funded by D2N2 and led by our Rural Business Adviser has delivered over 54 brand champions. Work will continue to support these businesses to use the brand and then evaluate the impacts on business performance;
- Developed further dialogue with key Local Enterprise Partnerships on possible feasibility studies and future funding support with a meeting with the LEP Chairs planned for early July;
- The EQM Community Interest Company (CIC) has undertaken assessments of existing award holders, compiled their annual report and conducted marketing to attract new businesses. The number of Peak District EQM awards remains at 63, with next recruitment event scheduled for November;
- Supported 3 social enterprises (through the Rural Business Adviser and the Authority Grant Scheme).

Specific Issues:

1. Continuing need to work with business partners to secure funding for business growth through the 6 relevant Local Enterprise Partnerships (LEPs) and consider shared services across the relevant local authorities for rural business advice and support.
2. Whilst the EQM CIC has become more established and delivers both the Peak District and Staffordshire EQM schemes, the growth in the number of businesses seeking and achieving the award is less than targeted. So the key issue remains as: - how many and what type of new businesses can be attracted to apply for the award from now on or does the potential growth of the scheme need to be reassessed.

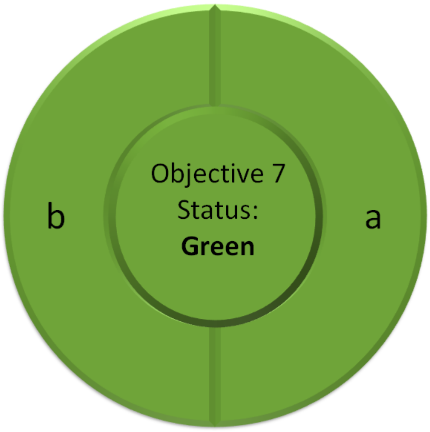
Action to address issues:

1. BPD to continue to build relationships with Visit Peak District and Nature Peak District to consolidate the Enterprise Peak District approach with the 6 LEPs.
2. The Authority will continue to support EQM with in kind support including championing/promoting the scheme and encouraging the EQM CIC to review marketing and potential growth of the scheme at the next EQM CIC Engagement meeting in July.

Risk Implications:
Reduced funding and business support available to Peak District businesses.

Contextual information: None.

Objective 7: Enable individuals, the community and voluntary sector to increase their contribution to the national park.



We will know we have been successful when:

a) *our work is supported by at least 8,500 volunteer days annually and the proportion from our target groups increases or is maintained;*

b) *over 90% of volunteers enjoy their experience and feel they have made a contribution to the national park.*

Quarter 1 Summary

Overall Status:

It has been a very busy time for volunteers and for the staff and teams that support them. Notably, Q1 is a key time for vegetation monitoring, conservation volunteers, and rangers who (especially with the fine weather) are dealing with large numbers of visitors. L' Eroica and Tour de France have also placed extra demands on existing volunteers – and have led to an increase in volunteering (facilitated or managed by the Authority.)

Key Activity in this Area:

- **Moors for the Future Science and Monitoring volunteering**: Vegetation monitoring started with the help of volunteers who are learning and practicing their vegetation ID in the field. This runs alongside routine monitoring work, which is well supported by regular volunteers;
- **The Community Science Project:** Completed Phase 1 with nine bumblebee training day events held in different locations in the Peak District since Easter, which were well attended by volunteers;
- **L&D Team:** Many students and some new long term volunteers have joined the L&D team;
- **Mosaic:** Peak District Mosaic is on track with a view to them achieving independence by September 2014. Two champions will be delivering introductory visits for urban groups over the coming months;
- **Rangers:** Ranger volunteers have continued to deliver their normal programmes whilst providing extra cover at events such as the Tour de France;
- **PPCV projects delivered**: Lincoln Conservation Volunteers on the Pennine way, Tibshelf school working at Stanage, Princes Trust (Sheffield) working at Edale, Home Farm Trust working by Surprise View car park.

Specific Issues:

1. The development of new volunteer web-pages (a priority action identified by volunteer managers in the volunteer action plan) has not been possible due to other priority commitments within the communications team.

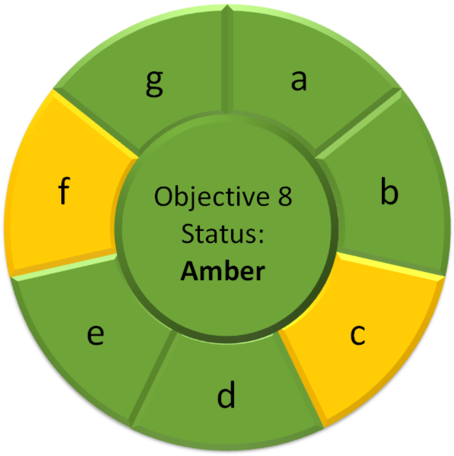
Action to address issues:

1. Ongoing liaison with communications team.

Risk Implications: None

Contextual information: None

<u>Objective 8:</u> Provide and enable recreation services that promote health benefits, widen participation, reduce impact on the environment and manage conflicts between users.



We will know we have been successful when:

a) *Action plans for all high priority unsealed routes are being implemented;*

b) *we have increased awareness of opportunities for recreation in the national park;*

c) *we have increased opportunities for people to access recreational facilities using sustainable means;*

d) *we have encouraged others to develop opportunities to experience the national park by bike, horse, on foot and on water;*

e) *over 90% of the users of our recreational facilities are satisfied with their experience;*

f) *we have widened participation of the services we offer to our target audiences;*

g) *at least 85% of our Rights of Way network continues to be easy to use*

Quarter 1 Summary

Overall Status:

Good performance on rights of way, unsealed routes and recreation action plan, meeting or exceeding our targets. The Summer of Cycling is well underway. Partnership working and media coverage has raised awareness of opportunities for recreation in the national park.

Key Activity in this Area:

- Wider Peak District cycle strategy consultation undertaken and draft strategy updated;
- Sustrans Active Travel Officer engaged 299 new beneficiaries in the project this quarter;
- Traffic regulation order made for Chapel Gate which runs below Rushop Edge to prohibit all mechanically propelled vehicles at all times on grounds of natural beauty and amenity;
- Meetings have been held with vehicle users to discuss the management of motorised vehicles in the National Park;
- The Authority provided advice to Derbyshire County Council on their repairs at Long Causeway;
- Consultations held on statutory review of 3 long-term directions on open access land to restrict access;
- The Peak District Local Access Forum Annual Report has been published for 2013;
- One public path diversion has been confirmed, two more diversions are on-going;
- A new public footpath has been created at Hayfield linking the moors and open access land;
- Pedal Peak District social marketing continues with 2,423 people signed up to the behaviour change programme http://www.lovetoride.net/peakdistrict and twitter followers now over 4,488;
- Work has started on new cycle routes as part of Pedal Peak 2;
- Summer of Cycling launched with partners, programme and fliers published and distributed; advice and support given to both L'Eroica Britannia and Tour de France;
- A 'Get Active' pull out included in Spring / Summer 2014 edition of Parklife to raise awareness of our events and activities;
- Held first public meeting towards formulating a new vision for Stanage and North Lees and a good response to the online survey;
- Opportunities around gateways and hubs now being developed into development management policies and rebranding work for PDNPA properties.

Specific Issues:

1. Need to review the appropriateness of the indicators being used to assess our performance.
2. 'You're Welcome' access guide is behind schedule due to unforeseen reduction of staffing levels.
3. Some concerns in relation to (c) "we have increased opportunities for people to access recreational facilities using sustainable means".

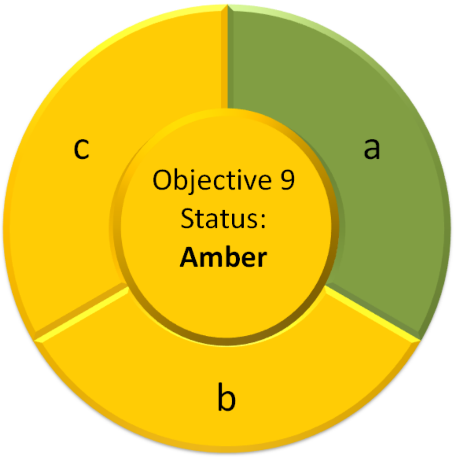
Action to address issues:

1. Indicators will be considered as part of corporate overview.
2. Work will commence work on the Access Guide in due course.
3. Implementation of the Cycling Strategy should enable more easy access into the NP by bike.

Risk Implications: None

Contextual information:

Objective 9: Support the development of a coherent and successful Peak District tourism sector which takes account of the needs of the environment, local residents, local businesses and visitors.



We will know we have been successful when:

a) *we have an updated tourism strategy for the Peak District by March 2014, subject to key delivery partners being able to work to this timetable;*

b) *the number of Peak District tourism businesses participating in Environmental Quality Mark (EQM) has increased;*

c) *the visitor elements of the sustainable transport action plan are being delivered.*

Quarter 1 Summary

Overall Status:

We are contributing to the review of Visit Peak District Destination Management Organisation along with other partners and seeking to influence any strategic funding opportunities through the Local Enterprise Partnerships. The Summer of Cycling events are well underway with the L'Eroica festival proving a great success.

Key Activity in this Area:

- The Summer of Cycling campaign is underway promoting over 100 events; punctuated by two major international festivals, including the first ever UK 3 day L'Eroica festival in June. This attracted around 1800 riders, including 360 from overseas, and around 25,000 visitors to the free festival on Bakewell showground. Several villages and attractions took part by offering local food to the riders;
- Work continues to help ensure that the Peak District is involved in and benefits from the development of national and international tourism campaigns with Visit England and Visit Britain;
- Numbers at our visitor centres is slightly down compared with Q1 last year at 111,000. Visitor Services are in discussion with Derbyshire Dales District Council over the future operation of Bakewell Visitor Centre to reduce costs to achieve a cost neutral position by April 2016;
- The EQM Community Interest Company (CIC) continued to undertake assessments for existing awards and marketing to attract new businesses to apply for the award. The number of Peak District EQM awards remains at 63. The next recruitment event is scheduled for November;
- A review of the future operation of Visit Peak District and Derbyshire Destination Management Organisation is underway and due to report to the VPD&D Board in September;
- The Upper Derwent Dam Buster Bus was launched in June operated by Bakewell and Eyam Community Transport with financial support from the Authority and Seven Trent Water;
- The Peak Connections project has not been restarted; further thinking is needed given the possible wider implications of reductions in public transport subsidies;
- The first visitor survey of the Peak District National Park since 2005 started in June and field work will finish late summer. The findings will be used along with the recent audit of visitor hubs to help inform our approach to visitor management as well as better understand the impact of tourism. The audit has also fed into the development of a gateways and hubs issues and options paper for the Development Management Policies, still to be agreed by Planning Committee;
- Draft storyboards have been produced and work is progressing on producing a quirky animation aimed at promoting pro environmental behaviour and responsible visiting, aimed primarily at young people.

Specific Issues:

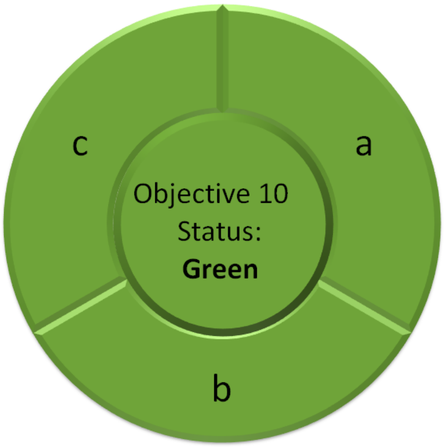
1. Further local reductions in public sector spending are likely to lead to reduced public transport subsidy and further implications for sustainable transport.

Action to address issues:

1. Concern for the sustainable transport solutions for the Peak District is growing and some key groups such as the National Park Management Plan Advisory Group keen to raise the profile of the problem by collaborating, lobbying and so on.

Risk Implications: None

<u>Objective 10:</u> Inspire a wider range of people to access and better understand the national park, through some direct provision of services and enabling others to do so.



We will know we have been successful when:

a) *we continue to provide a similar number of learning opportunities and more target audiences take part in the activities;*

b) *we maintain the proportion of users of our learning and understanding services that have an increased understanding of the national park;*

c) *we are involved in an increased number of formal partnerships that aim to reach new audiences and increase understanding.*

Quarter 1 Summary

Overall Status:

New partnerships concerned with 'new audiences and increased understanding' continue to develop and grow (see below). Additional effort is required with regards to our partnership with Manchester City Council.

Key Activity in this Area:

- Established a working group within the Inspiring Generations group to pursue a second Stepping Stones to Nature project, with a different geographical focus. Discussion is underway with Staffordshire County Council to establish links with the Inspiring Generations group;
- Commitment to ongoing succession and legacy of the original Stepping Stones to Nature project (the Stoke-on-Trent and North Staffordshire focused education and community engagement project) includes: development of an online education resource for teaching staff for a 2014/15 launch and plans to continue work with schools encouraging access to local countryside and the National Park;
- Established a classroom in the Hope Valley in partnership with Hope Construction Materials. Here, children and young people will be given the opportunity to take part in our engaging program of environmental education activity, experienced by Members first-hand during the recent Authority tour;
- The Peak District Interpretation Partnership has changed direction during quarter one to secure good outcomes for interpretation through three key projects / partnerships: Derwent Valley Catchment Partnership, White Peak Rivers Project and the South West Peak Landscape Partnership;
- A working group within the cross park Outreach Group was established to develop a strategic approach nationally to the Big Lottery's Reaching Communities funding programme, with early discussions suggesting that a project similar to Mosaic may be explored;
- The South West Peak Landscape Partnership stage one application was submitted in May. A community consultation campaign and event were delivered during quarter one, with over 70 people contributing five words to describe 'their South West Peak', whilst a lively event in Leek gave an opportunity for both residents and non-residents to input their thought and ideas to the project;
- Major project delivery work has included the Tour de France, the Volunteer Celebration and L'Eroica, an outcome of which is better and stronger partnerships.
- Guided walks and ranger education engagement have continued
- The Peak District Interpretation Partnership's target to develop a cross-park water themed interpretation project has ceased and been replaced with a focus on influencing interpretation outcomes through key large projects across the National Park.

Specific Issues:

1. The partnership with Manchester City Council has been slow during quarter one due to a change in key contact within the City Council.

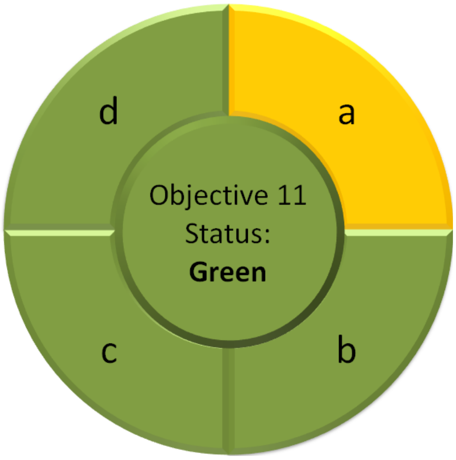
Action to address issues:

1. Additional effort during quarter two to ensure that the partnership with Manchester City Council remains on track.

Risk Implications:

Manchester City Council's support is key to the success in a number of projects including the Peak District Award, which will lead to greater engagement with the communities of Manchester.

Objective 11: Be a well-run public body with proportionate and effective ways of working, delivering excellent customer service and living our values.



We will know we have been successful when:

a) we renew our Customer Service Excellence certification;

b) we maintain our 'Investors in People' award;

c) we have received an unqualified opinion from our external auditors on our financial statements and governance arrangements.

d) New signature programmes (from the NPMP) are making progress with delivery through the effective working of the wider delivery partnership.

Quarter 1 Summary

Overall Status:
Good progress is being made against service plan actions and our success measures. The amber above reflects the delay in launching the mobile responsive website for customers.

Key activities over the quarter include:

- Preparations for gathering evidence for our customer service excellence standard assessment in October are going to plan in addition to work by front line services on customer service initiatives;
- Implementation of the staff engagement action plan continues with engaging staff through staff roadshows, a draft wellbeing at work policy, training of mediators to provide mediation and joint problem solving services, a review of the JPAR process and a draft recognition and procedural agreement with UNISON;
- Our new branding and logo have been launched and a programme to roll it out agreed;
- The pre audited Financial Statements and Annual Governance Statement for 2013/14 have been drafted and are published on the website;
- Members have been briefed on the approach to our medium term financial planning alongside the development of the new corporate plan;
- Work has started on delivering the Aldern House objectives to ensure greater utilisation of the building;
- A successful Members Tour and the induction of 5 new Members which represents a 1/6th of our total membership have been delivered;
- The National Park Management Plan (NPMP) Advisory Group met to discuss the Inspiring Generations signature with a view to discuss possibilities for a multi-partnership based big lottery bid. Partners have fed back progress against 2013/14 NPMP activities, which has been collated and reported to Advisory Group at the summer meeting. The Duke of Devonshire has agreed to speak at the 4th NPMP annual conference in October, which will be on the theme of Inspiring Generations.

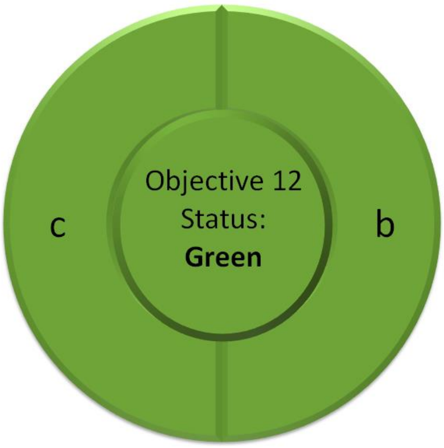
Specific issues and action to address issues:

1. Progress is behind but continues towards launching our new responsive website – although the build will be finished by the end of July it then needs to be populated with material and the launch is now expected to be mid-September.
2. There have been delays in policy/guidance development in: social media management; absence management. This will be addressed in quarter 2.

Risk implications
The risk of capacity issues relating to the government's announcement on direct elections has been included in the legal and democratic services risk register and has been raised with Defra.

Contextual information: none

Objective 12: Develop an approach to income generation to harness a more entrepreneurial focus on service delivery that is socially, economically and environmentally sustainable.



*We will know we have been successful when***:

b) *achieve £258k from increased income generation/cost reductions arising from wider market activities by the end of March 2015;*

c) *The Asset Management Plan has been reviewed (by March 2014) to reflect the changing priorities of the National Park and implementation has begun.*

Quarter 1 Summary

Overall Status:

Income generation is predicted to meet the £258K target by the end of March 2015.

Key Activity in this Area:

- There is considerable progress in the projects to achieve the rental income for Aldern House;
- The Cycling Jersey project from the Dragon's Den initiatives has achieved a profit of £13,070 to date which has greatly contributed to the "can do" culture for enterprise within the organisation;
- The water project has been closed;
- Visitor services, archaeology, planning pre-application advice, car parks and concessions are all achieving above the predicted profile;
- Progressed Asset Management Plan planning and implementation with management response to DTZ report agreed by Members in May;
- Cycle hire income improved compared with Q1 2013/14 (although still below target).

Specific Issues:

1. Warren Lodge has a target of £10,200 rental to be achieved.
2. Natural Environment and Countryside and Economy (£6,000) and Dragon's Den initiatives (£18,000) are still to be achieved.

Action to address issues:

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1. Rent Warren Lodge as a matter of priority.
2. Look for further initiatives to ensure the £18,000 Dragon's Den income is achieved.

Risk Implications:

Failure to meet trading income targets, in particular cycle hire (corporate risk)

** Note: Success Factor 12a has been removed as the associated work has been completed

Appendix 2: Corporate Risk Register 2014/15, Q1 (Summary)

IMPACT	**High**	5. Update information management strategy	2. Ownership planning policies and decisions 4. Deliver balanced budget 15/16 7. Finance incorporated into capital investment proposals	6. Align strategic plans to skills/ capacity 9. Property portfolio financial targets
	Medium		1. Agri-environment scheme take up 8. Manage external funding for delivery 10. Meet trading income targets	
	Low		3. Tour de France opportunities	
		Low	**Medium**	**High**
		LIKELIHOOD		

Appendix 2: Corporate Risk Register 2014/15, Q1 (Summary)

Corporate Risk Register: list of risks

1. Lower take up of agri-environment schemes due to uncertainty with regard to the details of the CAP reform and risk of reduced funding, with considerable impact on National Park purposes (carried over from 2013/14).
2. Failure to obtain ownership of policies and decisions (carried over from 2013/14 but updated).
3. Failure to maximise the opportunities for the Peak District of the Tour de France (carried over from 2013/14).
4. Failure to make and deliver an effective plan for achieving a structurally balanced budget for 2015/16.
5. Failure to develop updated Information Management strategy to support delivering new business plan from 2015/16.
6. Failure to align strategic plans with capacity and skills at senior level.
7. Failure to ensure robust financial analysis and financial objectives in the assessment of significant capital investment proposals.
8. Failure to effectively manage external funding to deliver on our Corporate Objectives.
9. a) Failure to realise the 2014/15 financial targets for our property portfolio.
   b) Failure to agree on financial targets for the property portfolio longer term.
10. Failure to meet trading income targets, in particular cycle hire (carried over from 2013/14 but updated).

Appendix 2: Corporate Risk Register 2014/15, Q1 (Summary)

Corp. Obj	Risk Description	Existing controls	Risk before mitigation	Additional mitigating action	Risk rating with mitigating action LxI (expressed as Green, Amber or Red						Timeframe of action	Lead officer	How monitor/ indicator	Quarterly update
						Start	**Q1**	**Q2**	**Q3**	**Q4**				
12	9a. Failure to realise the 2014/15 financial targets for our property portfolio. 9b. Failure to agree on financial targets for the property portfolio longer term.	Integrated Property Board set up to manage internally.	Impact: High Likelihood: High RED	Business plans being developed in key areas.	**Impact**	High	High				Mar 2015	RG	Integrated Property Board	a) 14/15 capacity to develop plans is not available until new staff are in post. b) Property managers will be in place by Q2.
					Likelihood	Med	High							
					Rating	**AMBER**	**RED**							

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Appendix 3: Quarterly Report on Complaints and Freedom of Information (FOI) and Environmental Information Regulations (EIR) Enquiries (1 April to 30 June 2014)

Total Number of Complaints Received in Quarter 1 was 5.
Of these 0 were made regarding an Authority Member.

Total Number of Complaints Received April 2014 – March 2015: 5

a) Complaints made this quarter

Complaint Ref, Date Made and Stage	Service and Reason for Complaint	Date Response Sent	Outcome
C.385 23/05/14 Stage One	Planning Service Complaint regarding the handling of a planning application including: • that Complainant's planning agent was originally advised that planning permission would be needed. • that the Complainant looked on the Authority's website the day before the 8 week statutory target date for a decision on the application and was surprised to see an email from the Planning officer to his agent saying that the development was considered 'Permitted Development' and that the application had been considered withdrawn. • That neither the Authority nor his agent contacted him about the permitted	30/05/14 Within 15 working day deadline	No justification for this complaint. The complainant sought a refund of his Agent's fees from the Authority for submitting an unnecessary planning application (permitted development). The application fee was immediately refunded but the Authority accepts no responsibility for the accuracy of a Planning Agent's advice or monies spent using a Planning Agent especially when no pre-application advice had been sought.

	development decision and that the application was being treated as withdrawn when the planning application had been made on the basis of the advice that permission was needed.		
C.386 02/06/14 Stage One	Planning Service Complaint regarding the handling of a planning application and the degree to which we as a local planning authority have acted reasonably and in the best interests of the property concerned.	Meeting held with Complainant and written response sent 30/05/14 Within 15 working day deadline	Complaint not justified. No evidence of fault by Authority officers involved other than in relation to the points the Authority conceded resulting from the complainant's client's judicial review. Officers have exercised judgement on an application presented to them. When additional analysis and representations had been made, they had considered those as material too.
C.387 02/06/14 Stage One	Planning Service Complaint alleging that an Authority officer misled the public and the Planning Committee Members with regard to a planning application for a person who the officer had previously worked for in a private capacity.	15/06/14 Within 15 working day deadline	Complaint not justified. There was no evidence that the officer had in any way had an undue influence demonstrating bias in favour of his former client. The decisions taken in this case were based on the Authority's policies and the evidence and information submitted to officers.
C.388 19/06/14 Stage One	Land Management Complaint regarding the actions of an Authority officer with regard to a HLS agreement	Meeting held on 21/07/14 with third party representing the Complainant and family.	Awaiting response from Complainant and representative for further information
C.389 19/06/14 Stage One	Planning Service Complaint regarding a planning application decision including:	Response re non-declaration of interest sent 04/07/14	Non-declaration of interest: Concluded that officer had followed the guidelines agreed with him by Monitoring Officer at the start of his employment on how to declare and respond to potential interests due to his previous

	• Issuing the decision whilst public concern had been raised regarding the decision • Omitting to include a Grampian condition which was requested by the Planning Committee • Failure of an Authority officer to declare an interest in the planning application	Response to outstanding issues currently being considered.	employment and the Authority was satisfied that he did not need to declare an interest in this planning application.

b) Updates on Outstanding Complaints reported in previous Quarters:

Complaint Ref, Date Made and Stage	Service and Reason for Complaint	Date Response Sent	Outcome
C355 19/07/13 Ombudsman (Stage One complaint and response reported in Quarter 2 and Stage Two response reported in Quarter 4 of 2013 - 2014)	Planning Complaint regarding lack of consultation for a planning application on a neighbouring property and impact on complainant's property.	13/06/14 One day over 31 day deadline	Final decision not yet received from Ombudsman.
C.376 23/01/14 Ombudsman Stage One and Stage Two responses reported in Quarter 4 of	Planning Service Complaint regarding the length of time taken to enforce an enforcement notice issued in 2013.	23/05/14 Within 31 day deadline	Final decision not yet received from Ombudsman.

2013-2014)			

c) Quarter 3 Report on Freedom of Information (FOI) and Environment Information Regulation Enquiries (EIR).

No of FOI Enquiries received	No of EIR Enquiries received	No of Enquiries dealt with in time (20 days)	No of late Enquiry responses	No. of Enquiries still being processed	No of referrals to the Information Commissioner
10	11	20	1	5	0

10. ENVIRONMENTAL MANAGEMENT ANNUAL PERFORMANCE REPORT (A595/MF)

Purpose of the report
This report details the environmental performance data for the 2013/14 financial year and progress against performance in previous and baseline years. The data relates to the environmental impacts arising from the Authority's operations and reflects the scope and methodology of reports as established in the Authority's Carbon Management Plan (CMP).

Key issues

- **Performance continues to improve and the Authority has demonstrated a 16% reduction in carbon emissions since the 2009/10 baseline period. This is broadly in line with the overall target of achieving a 30% reduction by the end of the 2016/17 year**

1.

Recommendations

2. **1. That the environmental performance data detailed in Appendix 1 be adopted as a measure of the Authority's operational environmental performance over the 2013/14 reporting period.**

How does this contribute to our policies and legal obligations?

3.
- PDNPA Corporate objective 4
  b) the Authority's own carbon footprint has been reduced by 30% (in line with the agreed Carbon Management Plan);

- JIG Indicators CD3 – CO2 reduction from NPA operations.

- National Park Management Plan links:

  Theme: A DIVERSE WORKING AND CHERISHED LANDSCAPE (DL)
  Outcome: DL4 - Greenhouse gas emissions will be reduced and a healthy national park will adapt to the effects of climate change
  Delivery Aim: 4.1. Encourage individuals, communities and businesses in their aspirations to reduce their green house gas emissions and adapt to the effects and impacts of climate change
  Delivery Action: 4.1.1 Support projects, appropriate to a protected landscape and which follow the energy hierarchy to achieve GHG emission reductions

Reporting on environmental performance is either an implicit requirement of the above objectives or is essential to monitor progress and achieve further improvements.

Additionally, the Authority signed up (in 2007) to the Nottingham Declaration which commits us to:

- 'Achieve a significant reduction of greenhouse gas emissions from our own authority's operations, especially energy sourcing and use'

The new Nottingham Declaration successor, Climate Local says that:

- We will progressively address the risks and pursue the opportunities presented by a changing climate, in line with local priorities, through our role as:
  Community leader – helping local people and businesses to be smarter about their energy use and to prepare for climate impacts;
  Service provider – delivering services that are resource efficient, less carbon

intensive, resilient and that protect those who are most vulnerable to climate impacts;
Estate manager – ensuring that our own buildings and operations are resource efficient, use clean energy, and are well prepared for the impacts of a changing climate.

Where we aim to be a community leader, a robust and comprehensive system of monitoring our own progress will allow us to communicate where initiatives have worked best and where we have achieved the greatest levels of impact.

Background

4. Appendix 1 fulfils the commitment to regular reporting established in Authority decision of 23rd January 2009 (Minute ref: 6/09) and the Authority's Environmental Management Policy.

5. The Authority approved the revision of the timescales to achieve a 30% reduction in carbon emissions by 2016/17 (minute ref: 9/14). A revised list of carbon management plan projects including a revised profile for achieving the target was approved by Senior Management Team in December 2013. A summary of the revised profile is provided in Figure 1 of Appendix 1.

Proposals

6. The report contained within Appendix 1 represents Authority's environmental impacts over the 2013/14 financial year. The report details the progress made in the key areas of environmental impact but the key trends and points of note are:

- A total decrease in Carbon Emissions of 16% since the baseline year, representing a 161 tonnes reduction in emission against baseline and a 188 tonne reduction against a business as usual (BAU) scenario (19% against BAU emissions). This is a significant improvement over progress in previous years.
- The reductions made include:
  - An 18% reduction in emissions related to energy use within buildings.
  - Emissions from travel and transport have decreased by 18% compared to baseline levels.
  - Some small improvements have been made in the tenanted housing stock.
  - Emissions from waste production and water use have fallen with the most significant reductions being in emissions resulting from waste production.

Financial savings from the measures associated with the Carbon Management Plan are broadly in line with those predicted in the revised profile. When anticipated increases are taken into consideration, the actual savings against the 'business as usual' scenario of continuing consumption at 2009/10 levels, savings are calculated to be approximately £85,000 to date.

Are there any corporate implications members should be concerned about?

7. **Financial**:
Resources are in place to fund the current Carbon Management Plan for the period of the target (up to 2016/17),The Authority has already benefited significantly from the reductions in travel, energy use and waste production. Many of the financial benefits are not directly attributable to particular cost centres (or they are offset by increases in fuel and energy costs), whereas a number of projects have directly contributed towards efficiency savings.

8. **Risk Management:**

The most significant risk is that actions in the Carbon Management Plan to improve the Authority's environmental performance do not achieve the anticipated level of reductions. However, the monitoring of environmental performance will help this risk to be managed and will inform future proposals in an updated Carbon Management Plan beyond 2016/17 which will be developed to support the new corporate plan. However the ambitions of an updated plan will be subject to future resource and capital programme considerations.

9. **Sustainability:**
Sustainability of the Authority's operations is implicit within this report

10. **Background papers**
None

Appendices –
Appendix 1 - Environmental Management Annual Performance Report 2013/14

Report Author, Job Title and Publication Date

Matt Freestone, Environmental Management Officer, 11 September 2014

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PEAK DISTRICT NATIONAL PARK AUTHORITY
ENVIRONMENTAL MANAGEMENT ANNUAL PERFORMANCE REPORT 2013/2014

1. INTRODUCTION

Good environmental management has been central to how the Authority aims to conduct its operations for some time. A key element of this is that the Authority is transparent and accurate when describing the environmental impacts that are caused as a result of its activities, particularly when making statements concerning achievements and improvements we have made. This report establishes the data which will then be promoted and reported publically.

The scope and data contained within this document reflects the data contained within the Authority's Carbon Management Plan (CMP) 2010 – 2015[1]. This is in line with the Authority's corporate objectives which focus on the Carbon Management Plan and the implementation of the actions contained within. This report serves not only as a performance reporting tool but also allows an annual review of progress against the CMP performance objectives in very practical terms. Importantly, this report provides an update on progress on the Authority's target to reduce its carbon emissions.

Within the last year, the Authority approved an amendment to the timescales it has set to achieve a 30% reduction in emissions. The target date for achieving the reduction has been revised to the end of the 2016/17 year. A profile of the emissions if no action were taken (Business As Usual or BAU), anticipated reductions in emissions contained within the original and revised CMP and the reductions to date are shown in Figure 1, below.

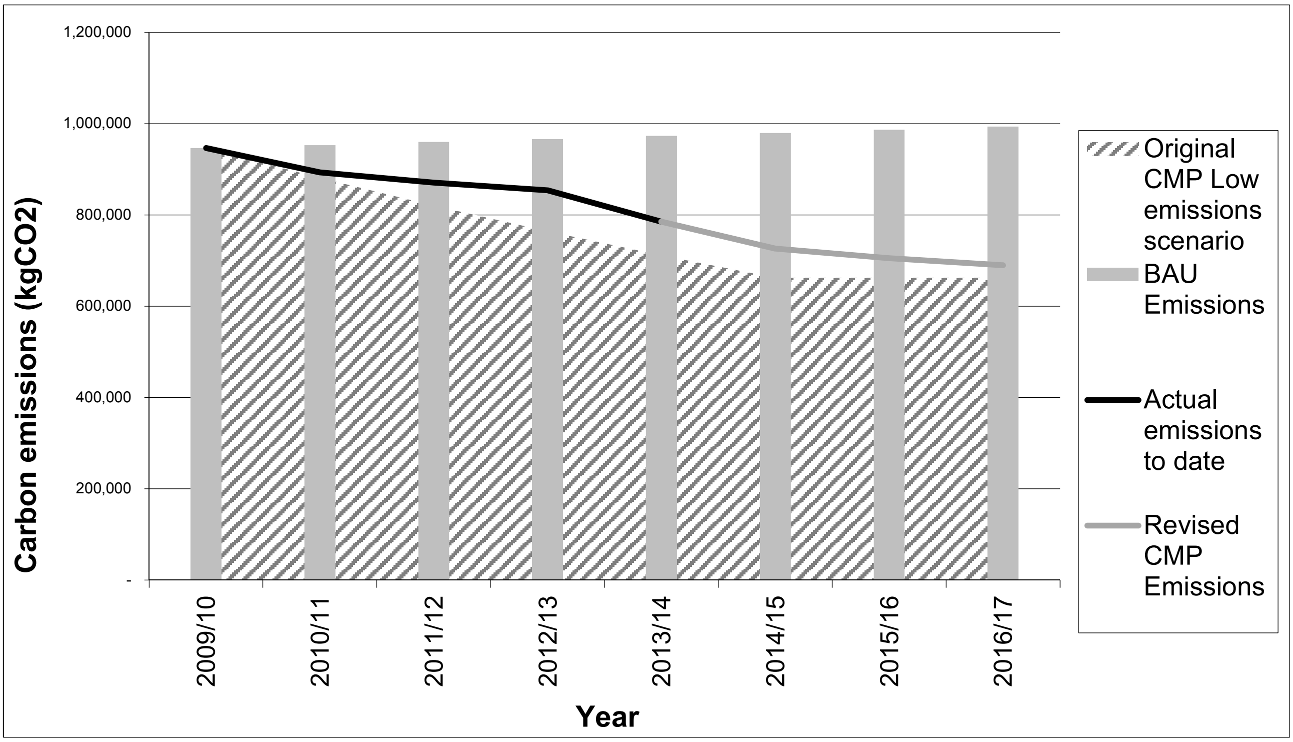


Figure 1. Emissions to date and forward predictions

[1] http://www.peakdistrict.gov.uk/__data/assets/pdf_file/0011/133400/carbon-management-plan-2010-2015.pdf

1.1. Scope and definitions

We must recognise that the actual scope of our environmental impacts is much wider than can ever be effectively monitored. However, by focusing our efforts on areas that can present opportunities for significant, demonstrable improvements, we will progress towards achieving our carbon management vision.

The scope of our performance reporting is now limited to those impacts recognised within our carbon management plan. Emissions are included where they fit into one of the following categories:

- Scope 1: directly resulting from our operations (on-site fuel use, fleet vehicles)
- Scope 2: caused as a result of our operations (the generation of electricity for use on our sites)
- Scope 3: caused as a result of our operations and where we can have some influence but over which we have no direct control (waste disposal, the use of water, business travel in non-authority vehicles and emissions resulting from energy use in Authority tenanted properties)

This represented in the figure below:

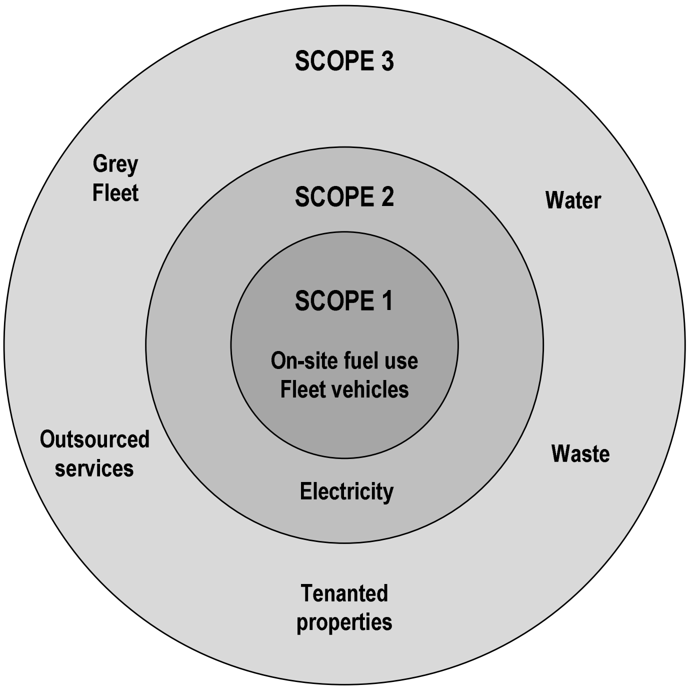


Figure 2. Overview of Authority carbon footprint scope

For more information and explanation of the scope of our reported emissions, please see the CMP.

1.2. Summary of Baseline

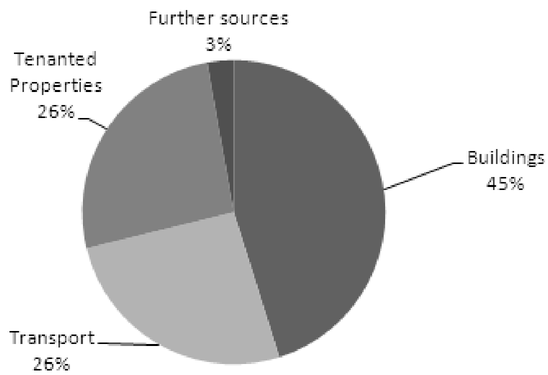
The data against which we now report is based on emissions resulting from our operations during the 2009/10 year as defined within the Carbon Management Plan[2]. Emissions are broadly split in to 4 categories:

- Buildings: emissions resulting from electricity and gas consumption
- Transport: emissions resulting from all vehicle use including fleet vehicles, pool cars, private cars used for Authority business, public transport and air travel.
- Tenanted properties: emissions resulting from energy use within Authority owned tenanted properties
- Further sources: emissions resulting from the disposal of waste and the use of water at Authority sites.

An overview of the baseline emissions is given below. For more detail concerning the baseline emissions, see the Carbon Management Plan.

Table 1. Data for 2009/10 baseline year

	CO_2 (tonnes)	%
Buildings	427	45%
Transport	246	26%
Tenanted Properties	246	26%
Further sources	27	3%
	946	**100%**



[2] The baseline emissions been amended since the publication of the carbon management plan to reflect the availability of more accurate base data.

2. PERFORMANCE REPORT

Our overall performance has shown a significant level of improvement over the 5 year period since the baseline was established. Our corporate objectives refer to the overall target within the CMP of a 30% reduction over the 7 year period of the plan rather than establishing specific targets for each year.

The total reduction in emissions has fallen from 946 tonnes CO_2 in the 2009/10 baseline year to 794 in this reporting period, representing a 16% reduction against baseline (19% reduction against BAU). This is a significant improvement on previous years and represents a 6% reduction in this year alone. A summary of the sources of emissions each year is shown in Figure 2, below:

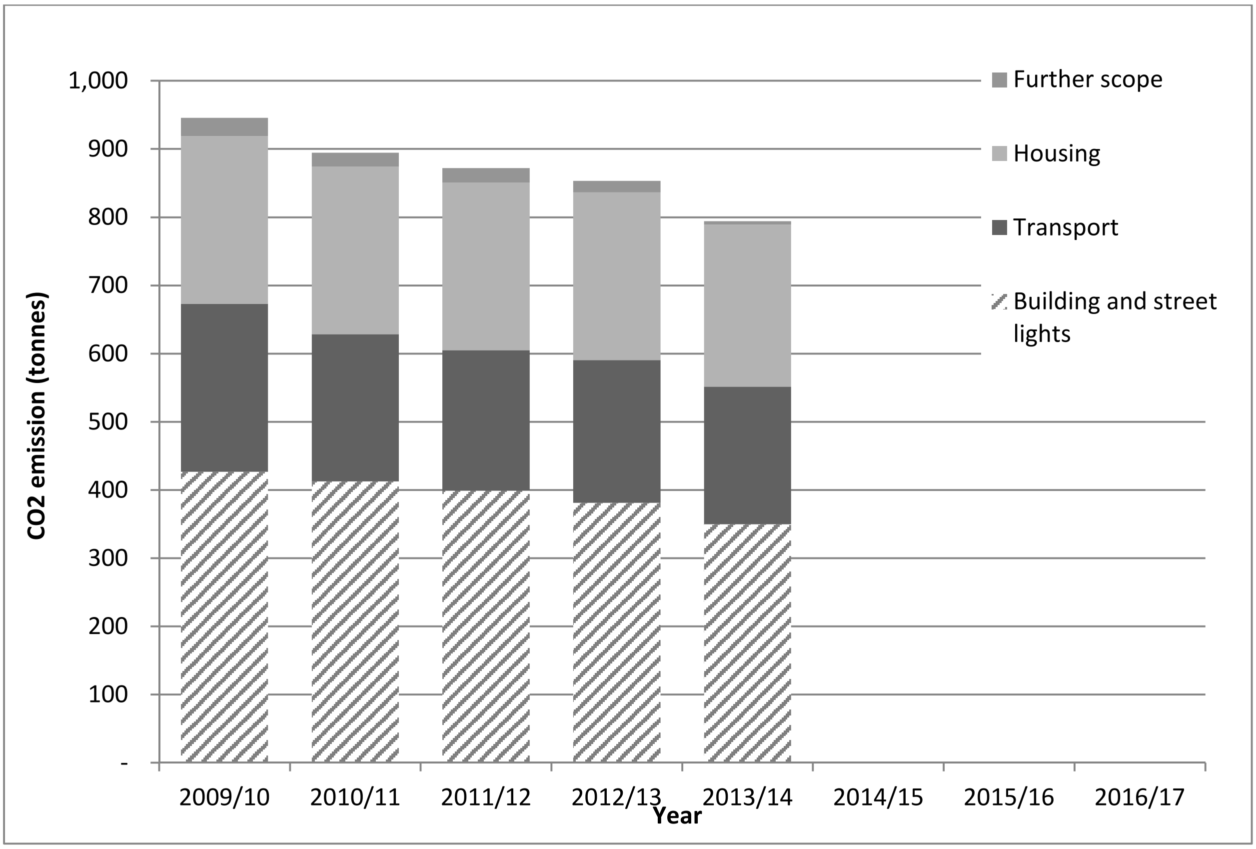


Figure 3. Graph showing total CO_2 emissions from all sources.

A more detailed breakdown of the sources of the emissions is given in the table below:

Category		tCO2 2009/10	tCO2 2010/11	tCO2 2011/12	tCO2 2012/13	tCO2 2013/14
Buildings and Street Lights	HQ	193	184	158	120	119
	Operational Bases	112	114	135	130	130
	Hostels	15	12	12	17	16
	Public Toilets	9	9	9	7	7
	Visitor/Cycle Hire	97	94	86	77	77
Transport	Fleet	183	159	161	149	149
	Business	63	56	45	53	53
Further Sources	Waste	18	15	16	1	2
	Water	8	5	5	3	3
Housing	Tenanted	246	246	246	238	238
	TOTAL	**946**	**895**	**873**	**854**	**794**

The Anticipated reduction in emissions is in line with the 19% recognised within the implementation programme of the (revised) CMP.

A description of each key area of impact and further analysis of the data is provided in sections 2.1 to 2.3 below.

2.1. Buildings

Emissions from Authority buildings arise as a result of the consumption of energy in the form of fossil fuels and electricity. This category is limited to operational properties and does not include tenanted properties which are dealt with in the housing section below. Emissions resulting from buildings continue to show positive progress with an 18% reduction from baseline levels. A summary of the key sources of emissions each year is provided in figure 3 below:

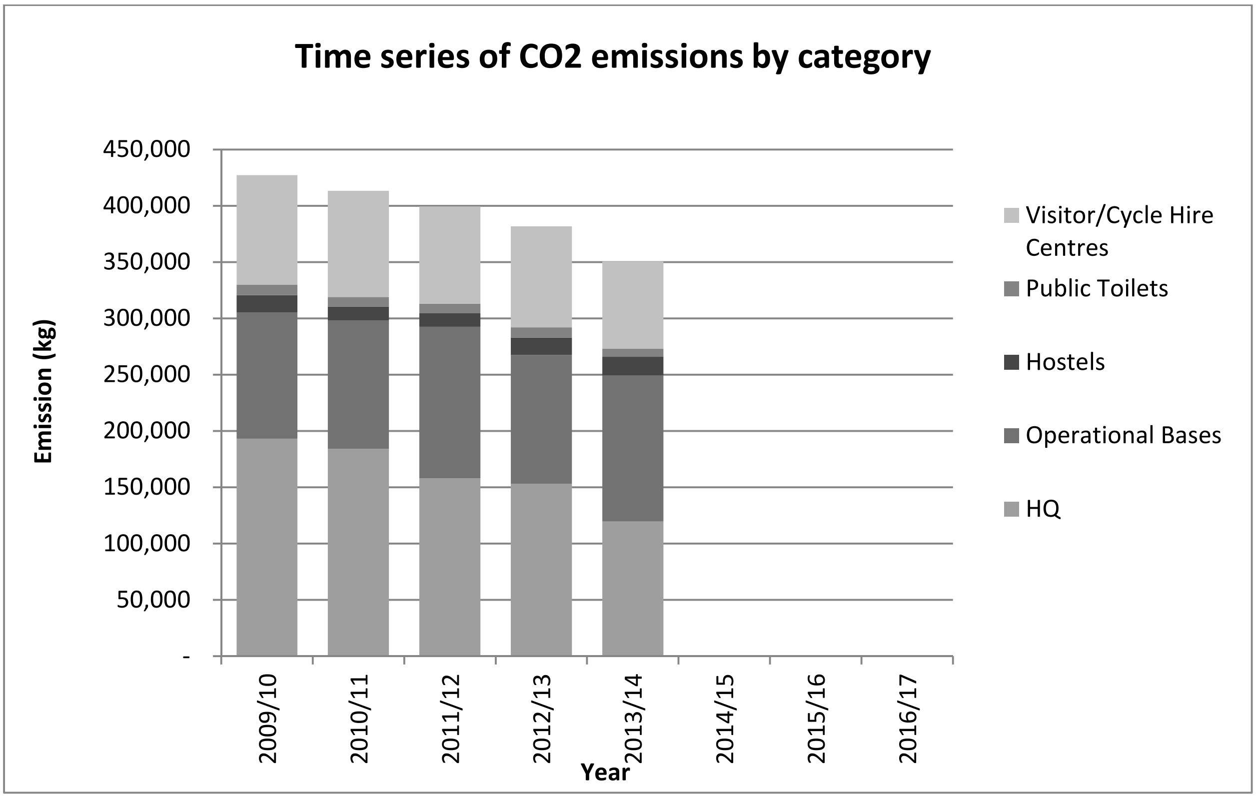


Figure 4. Graph showing building related CO_2 emissions

While in the past, progress in this area has been slower than expected due to the opening of the Monsal trail and severe winters (notably in 2012/13). The relatively mild winter during the 2013/14 year and the full impact of the biomass boiler operation have resulted in significant gains over the period. However, officers remain confident that, over the longer term, progress will continue to be made in this area.

The full year's operation of the biomass boiler at Aldern House has achieved a 30tonne reduction in emissions and it is hoped this will be increased over the coming year.

2.2. Transport

Following a small increase in transport emissions during the 2012/13 year, we again appear to be making progress in this area. Overall transport emissions are now 18% below baseline levels. We have seen some increases in pool car and grey fleet car use over the period but this has been offset by a significant decrease in Field Services fleet mileage, representing a 16 tonne reduction, the largest since the new fleet was purchased in the 2010/11 year. This reduction is thought to be a result of greater coordination between staff to minimise travel and share cars wherever possible. Member mileage related emissions have dropped back to levels in line with other years at just under 8 tonnes per annum compared to 11 tonnes in the preceding year, although still above previous lows of 5 tonnes.

The key sources of emissions in this area are shown in figure 5 below.

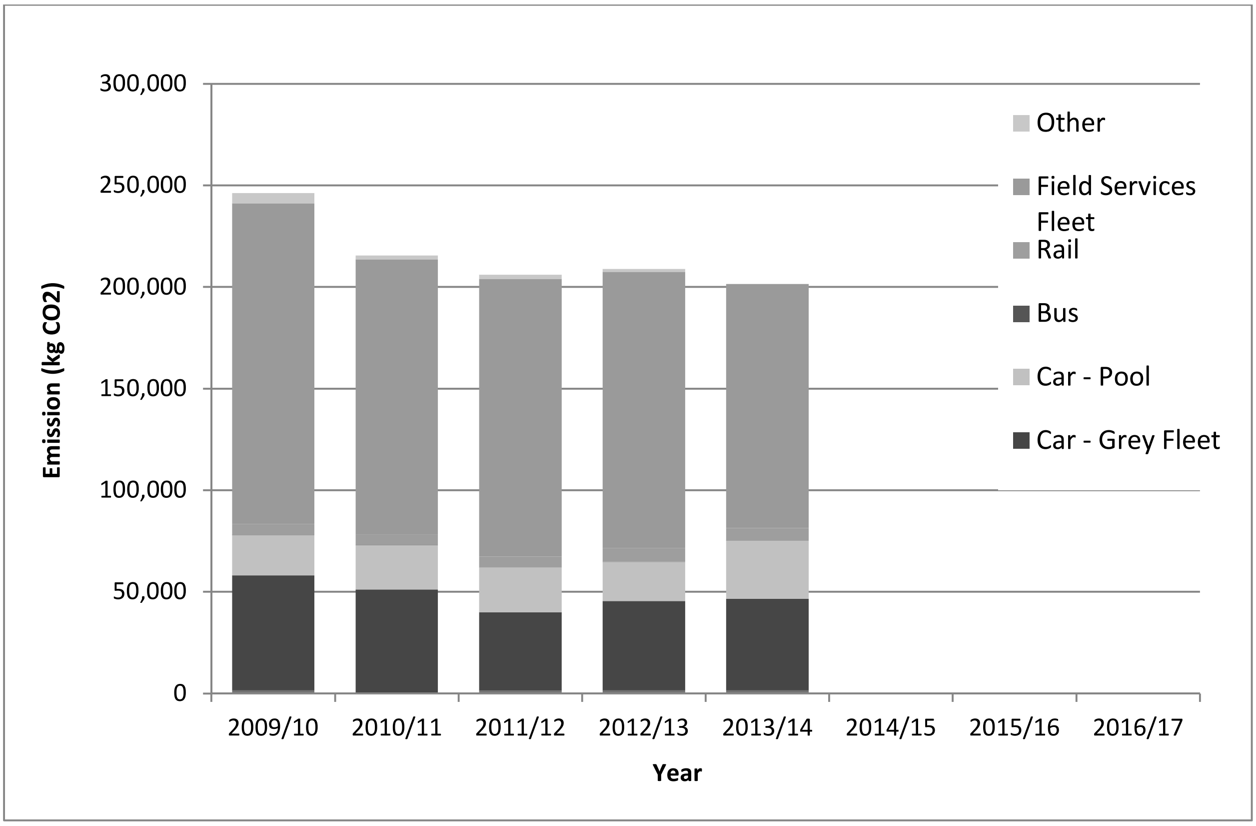


Figure 5. Graph showing travel related CO_2 emissions

2.3. Housing and further sources

Emissions resulting from housing (Authority tenanted properties) are calculated using benchmarks provided by the Carbon Trust. As the number of properties and heating system within them has not altered since the baseline period, the emissions remain largely constant. The conversion of Big Fernyford Farm from oil heating to renewable energy has resulted in an 8 tonne reduction due to a significant decrease in heating energy. The installation of a renewable heating system at North Lees Farmhouse has had no impact on the figures as this property has not been occupied until this year and therefore was responsible for no emissions in the past. This is illustrated in the graph below:

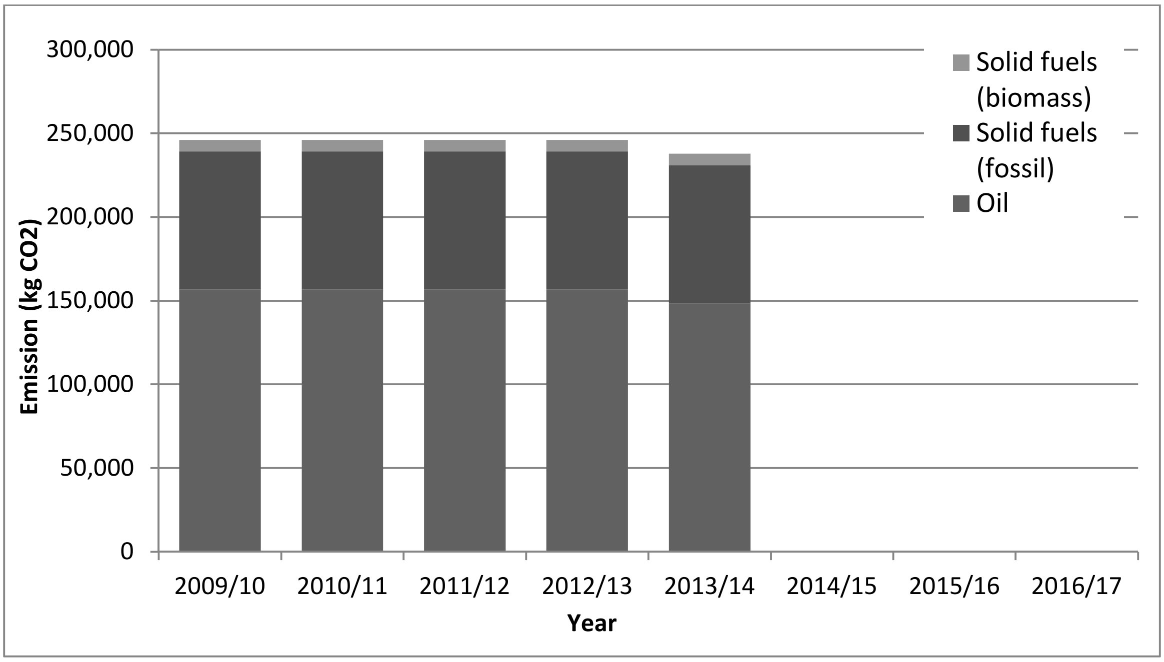


Figure 6. Emissions resulting from Authority tenanted properties

Also included within this category are emissions resulting from 'further sources' which includes water use and the production of waste. Waste that is recycled is considered to avoid the production of emissions and therefore offsets some of the emissions from the waste that is sent to landfill. The Authority has achieved a significant increase in the amount of waste collected for recycling over the previous year which has largely offset the emissions created from the disposal of waste to landfill. The total volume of landfilled waste has remained largely static but the amount recycled has increased from 25 to 39 tonnes. This has resulted in a reduction in emissions of 12 tonnes. A breakdown of the emissions from these sources is provided in figure 7 below:

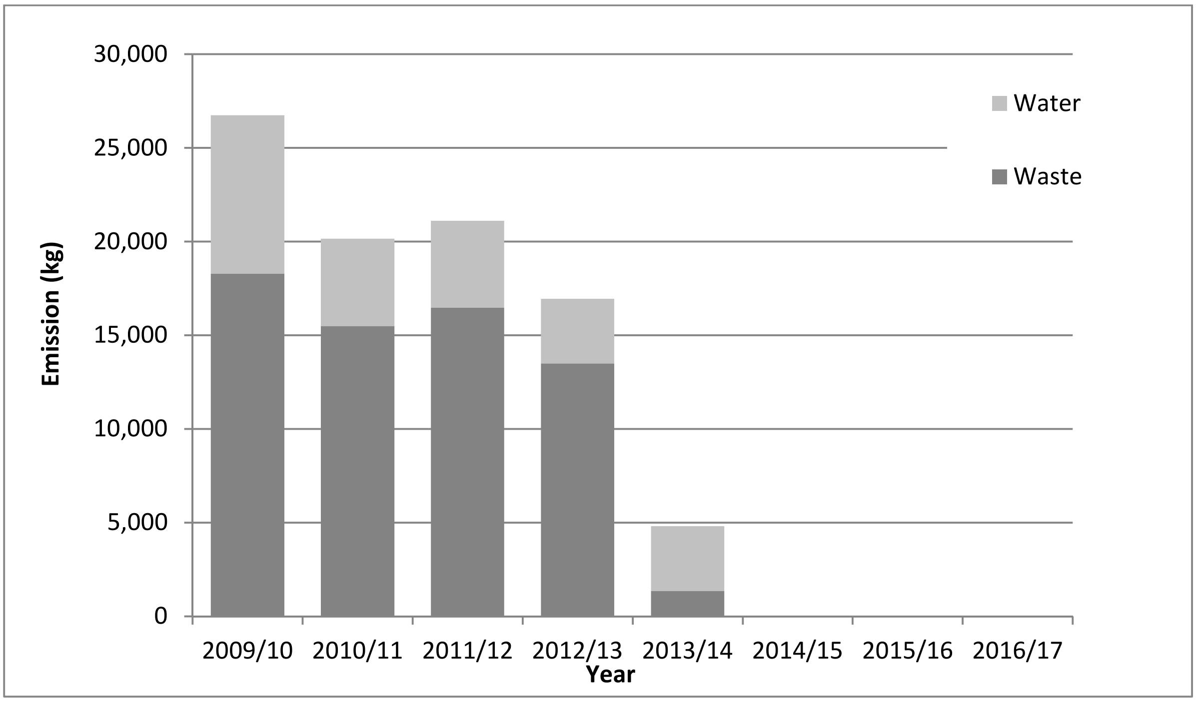


Figure 7. Emissions resulting from water use and waste production

2.4. Financial performance

An important element of the Authority's CMP are the savings that will be made from the measures within the plan. Over the course of the revised plan, a total of £160,000 savings have been recognised all of which are associated with the measures recognised within the plan.

'Actual costs' have been calculated using the data within this report and all available information concerning energy and fuel unit prices; this has been compared against actual costs from the Authority financial system and is thought to be broadly accurate. Target costs are the predicted costs using target figures from the CMP and energy and fuel unit prices as above, the Business As Usual (BAU) cost predictions use Department for Energy and Climate Change predictions for energy price and fossil fuel retail price increases[3] and assumptions made by the Carbon Trust relating to waste and water price increases. BAU figures have been updated with the most recent figures hence the slightly different cost predictions in figure 7 below to those within the CMP.

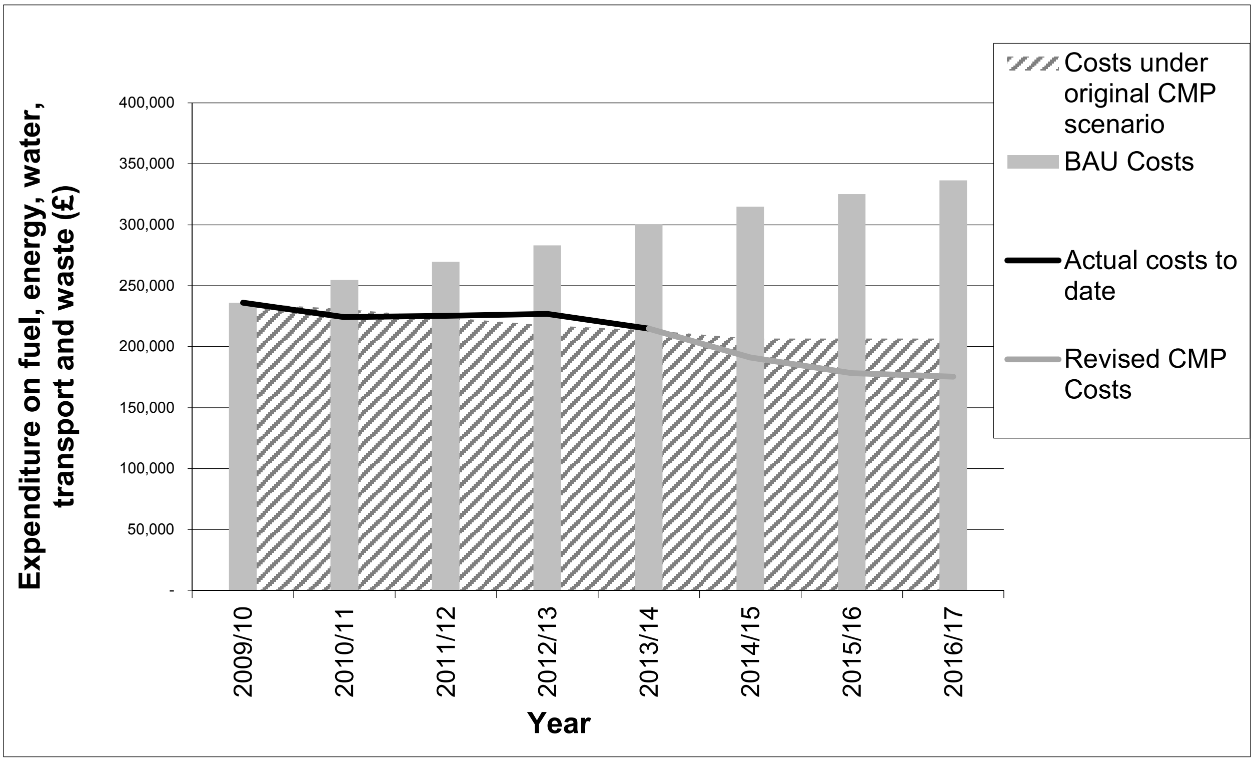


Figure 8. Comparison of Actual, target and BAU costs for expenditure related to the CMP scope.

The Authority has achieved savings as were expected within the original CMP and it is anticipated that the Authority will go on to benefit from further savings over the course of the coming 3 year period.

Financial savings form an important element of this area of work and robust business cases will continue to be provided to support the implementation of new projects.

[3] http://www.decc.gov.uk/en/content/cms/meeting_energy/Renewable_ener/incentive/incentive.aspx

11. BROSTERFIELD CARAVAN SITE, FOOLOW (P4484 / JC)

Purpose of the report
To update Members on the process, timetable and key milestones over the next 6 months for Brosterfield Caravan Site. Stage 1 involves engagement with the community prior to submission of the proposed discontinuance order for consideration by Planning Committee and application to the Secretary of State for confirmation of the discontinuance order. Stage 1 takes us to completion of the planning process. Stage 2 will consider market viability of the property with a future report to Audit, Resources and Performance Committee in May 2015. Opportunities for the 2015/16 season will be considered whilst a detailed market analysis is carried out.

Key issues:Stage 1
- Reconsideration of the access prior to consideration of the discontinuance order by Planning Committee
- Consultation by Chief Executive with Parish Meeting prior to consideration of the discontinuance order by Planning Committee

1. **Recommendations**

2. **1. That Committee approves the actions in the planned timetable at Appendix 1 as the next steps as part of development and disposal options.**

2. That officers keep the Chair and Deputy of the Authority and Chair and Vice Chair of Audit, Resource and Performance Committee and the Member representative for Asset Management advised on progress.

How does this contribute to our policies and legal obligations?

The site was purchased in order to protect the intrinsic landscape value of the national park.
The Authority has a duty to the public purse to achieve best value when considering disposal of its assets.

3. **Background**

The situation at Brosterfield arose from the threat from the previous owners to use the site as an all year round static caravan site. In 2012 the Authority acquired the site after considering options for the site.

In May 2013 Members took a decision on future options for the site and officers were instructed to make a full planning application to modify the existing 1998 permission.

Current Situation

Further consideration of the planning and legal issues and discussions with Counsel have led to additional aspects being raised, including the proposal to apply for a discontinuance order, which now need to be presented to Committee..

A new project team has been set up at the beginning of September.

An indicative layout has been produced by Authority officers, based on the option preferred by Members. The design for a high quality amenity block is complete but will be considered as part of the market analysis. Details of access and amenity provision will be included in the discontinuance order.

For 2015, as an interim position, we are exploring opportunities for possible temporary use of the site with minimal investment required.

Discussions are ongoing with the adjoining owner regarding passing places on the existing access. Notwithstanding discussions, it is intended that the discontinuance order will include an alternative access option.

4. Planning Counsel's opinion was received in late December 2013 and advised that the Authority should make a discontinuance order under section 102 of the Town and Country Planning Act 1990 which would modify the 1998 permission and also give effect to proposals for future development of the site. This is a procedure which would require the publication of such an order and its confirmation by the Secretary of State. In the event that there were objections to the order, then the Secretary of State would need to make a decision how best to resolve those objections. If confirmed, the 1998 permission would continue to exist but subject to the modifications provided for in the section 102 order as confirmed.

5. **Proposals**

The proposal is to progress action at Brosterfield in line with the timescales and milestones for the key stages in Appendix 1. A detailed project plan will be produced by the new team and monitored regularly with key Members kept informed of progress.

Are there any corporate implications members should be concerned about?

6. **Financial**:
The Stage 2 report to Audit, Resources and Performance committee in May 2015 following market analysis will seek to ensure development and disposal of the site in a way which achieves best value for the Authority.

7. **Risk Management:**
There is public interest in the development.
A very active approach to project management with director level involvement and use of expert external advice at key stages plus a tactical plan for the summer season 2015 will help to minimise risks that the project might present.

8. **Sustainability:**
There are no issues

9. **Human Rights:**
There are no Human Rights implications

10. **Background papers** (not previously published) – [List below or None]
None

Appendices
Appendix 1

Report Author, Job Title and Publication Date

Jane Chapman, Assistant Director Land Management, 11 September 2014

BROSTERFIELD

Project Timescales and key milestones

Set up new Project Team (Chief Executive, Assistant Director Land Management, Rural Surveyor, Landscape Architect, Assistant Solicitor and Senior Legal Officer) - 3 Sept 2014

Major Milestones

Stage 1

- Chief Executive to lead consultation process with Foolow Parish Meeting through September /October 2014
- Submission of proposed discontinuance order to planning service by 1 December
- Formal assessment and consultation on discontinuance order by Planning Service Dec/Jan
- Report to Planning Committee for determination - Feb/March 2015
- If approved, submission to Secretary of State for confirmation - March/April 2015
- Interim plan agreed for use of the site for 2015 season by end Dec 2014 through business case process

Stage 2

- Market appraisal by specialist leisure advisory expertise completed by March/April 2015
- Report to ARP on options available to the Authority with financial appraisal of each option based on retention/disposal/joint venture - 22 May 2015
- Implementation of resolution from June 2015

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12 STANAGE/NORTHLEES ESTATE – PROGRESS REPORT

1. Purpose of the report

This report, in conjunction with the Part B report, updates Members on the leadership and management of Stanage/ North Lees Estate and reports on the progress of the business plan (Part B) to achieve full cost recovery position.

2. Key issues

On the 20th September 2013 Members considered a report of the management appraisal for Stanage/North Lees Estate and resolved that a business plan should be put in place to achieve full cost recovery by September 2014. Members also requested that officers develop a vision for the Estate in consultation with local organisations.

1. That Members note the current position with regard to improved asset management initiatives on the estate and the analysis of future management options in the context of full cost recovery.
2. Put the Business Plan in place to achieve a full cost recovery position by 30 September 2014.

3. Recommendations

This report shows how this has been progressed this year, and how through an internal property review, the property will be led and managed going forward in liaison with the Stanage Forum and members of this committee.

The recommendations are as follows

3.1 Members endorse the vision framework as the basis for developing the management plan for the estate. (Part A).

3.2 Members note the internal property review and timescales for the appointment of the new North Lees Property Manager. (Part A).

3.3 Members support the initiatives outlined in part B of the report on the progress towards achieving a Full Cost Recovery position. (Part B).

3.4 Officers will bring back a report on the "giving" opportunities on the North Lees Estate in March 2015.

3.5 Officers will bring back an annual report in September 2015 on the progress on North Lees vision, management plan and business plan.

How does this contribute to our policies and legal obligations?

4. Corporate Policies.

Stanage/North Lees contributes to our statutory purposes and duty. It is an asset for the National Park that brings pleasure and inspiration to millions.

Stanage/North Lees Estate contributes to the following corporate objectives:

Corporate Objective 1: Lead or enable landscape-scale environment and heritage conservation programmes through multi agency partnerships.

Corporate Objective 2: Be the main provider of integrated advice and support to farmers and land managers to enable farms and other land use businesses to achieve national park purposes.

Corporate Objective 4: Lead a programme to reduce greenhouse gas emissions across the National Park and adapt to climate change by inspiring and enabling others and through direct actions in our own operations.

Corporate Objective 6: Support a sustainable economy by working with businesses and other agencies, particularly focusing our efforts on environmental management.

Corporate Objective 7: Enable individuals, the community and voluntary sector to increase their contribution to the national park.

Corporate Objective 8: Provide and enable recreation services that promote health benefits, widen participation, reduce impact on the environment and manage conflicts between users.

Corporate Objective 9: Support the development of a coherent and successful Peak District tourism sector which takes account of the needs of the environment, local residents, local businesses and visitors.

Corporate Objective 10: Inspire a wider range of people to access and better understand the national park, through some direct provision of services and enabling others to do so.

Corporate Objective 11: Be a well-run public body with proportionate and effective ways of working, delivering excellent customer service and living our values.

Corporate Objective 12: Develop an approach to income generation to harness a more entrepreneurial focus on service delivery that is socially, economically and environmentally sustainable.

Officers have instigated more efficient and successful management actions in key areas of the Estate as set out in this report. A key action was to ensure there was a new vision as the framework for the management and business plans going forward to achieve our statutory purposes and financial obligations in the medium to longer term.

5. Background

Stanage/North Lees is one of the Peak District National Park Authority's iconic estates. The estate totals 542 ha. and comprises moorland, woodland and farmland.

The scenic value is exceptional. The dramatic rock scenery of Stanage Edge is set in wild open moorland with views to the pleasant rural landscape surrounding North Lees Hall and the farm below. As well as being adored by local people of Outseats and Hathersage, Stanage is only 6 miles (9.5 km.) from Sheffield (the UK's fifth largest city) and is central to one of the busiest National Parks in the world. The estate receives over half a million visitors per year and people come to enjoy a whole range of activities including: climbing, walking, camping at the Authority's campsite, cycling, picnicking, horse riding, hang-gliding, para-gliding, model aeroplane flying, bird watching or simply enjoying the amazing wildlife and literary heritage. The estate affords opportunities for visitors to be actively engaged in energetic pursuits or, and as well as, quiet enjoyment, the main reason the estate was purchased in the first place. It is also a valued film venue. Details of the progress on access and rights of way, event and education and interpretation can be found in Sections 9, 10 and 11 of this report. Numerous school and outdoor education groups visit the estate for education, outdoor sports, landscape and wildlife as well as the demonstration of good practice for managing the landscape. Key to the management of the landscape is the farm tenancy which has been renewed this year. The Estate is especially important for walking as an area of open access and for climbing for which it is regarded as the birthplace of the sport. Stanage Edge has over 1200 identified routes of all different grades and is internationally famous for bouldering.

It has internationally rare heather moorland and blanket bog, designated as a SSSI and Special Area of Conservation and sits in the recently designated Nature Improvement Area. It has a mixture of native board leaved and coniferous woodlands and flower rich meadows. Details of the ecological significance of the estate can be found in Section 9 of this report. The whole landscape has been influenced by man and contains a wide range of interesting features, four of which are Scheduled Ancient Monuments. These include the remains of a Catholic Chapel, a Romano-British settlement and Bronze Age sites. Interesting buildings include traditional farm buildings that predate the 16th century North Lees Hall (Grade 11* Listed) which has literary associations with the novel "Jane Eyre" by Charlotte Bronte.

The existing vision was drafted and agreed with the Stanage Forum. "To care for and enjoy Stanage/ North Lees Estate in a way which respects and enhances wildlife, heritage and landscape." The work with stake holders creating a new vision and framework for taking forward a management plan is detailed in Section 7 of this report.

Members have taken the decision to keep this iconic Peak District Estate in house which has given us an opportunity to create an outstanding example of working across services and with a wide range of partners and stakeholders to achieve great outcomes for our Authority purposes.

An internal Property Review has taken place this year through our Managing Change Process and from September 2014 Stanage/North Lees will move from Land Management into Enterprise and Field Services with a new North Lees Property Manager being recruited to a new position in the Authority as detailed in Section 6.

The Members resolved for the Stanage/North Lees Estate – Management Appraisal (PM6193/RHP/CBM) that officers develop a vision for the Estate in consultation with local organisations and :

1. That Members note the current position with regard to improved asset management initiatives on the estate and the analysis of future management options in the context of full cost recovery.

2. Put the Business Plan in place to achieve full cost recovery position by 30 September 2014.

6. North Lees Property Manager.

It has been essential to review the staff arrangements and put in suitable leadership and management for the long-term needs of the estate as a result of the decision to retain the management of the estate for the long term within the Authority. Decisions relating to other estates and properties and the Authority's Asset Management Plan Review required similar commitments and so a comprehensive review of property staff was undertaken in early 2014. A key conclusion was the need to have a North Lees Property Manager able to pursue with focus and appropriate professional skills the business planning for the estate. As part of the review North Lees Estate will move over from the Land Management Service to Enterprise and Field Services from September 2014. The North Lees Property Manager post was advertised in the early September and the interviews for the post are scheduled for October 10th. The new North Lees Manager will be a key position for the Authority to take this estate forward, developing the business plan further, working with all stakeholders and developing an outstanding property for the Authority delivering our purposes and duty. The new manager will also be responsible for all the PDNPA minor properties in the northern part of the Peak District.

7. Progress on the Vision to August 2014

To take the estate forward there is the need for an inspirational vision and management plan building on the previous plan. Links with the Stanage Forum Steering Group were refreshed early in 2014, with several meetings between the group, Authority officers and Members during January and February to discuss the need to refresh the vision for the estate and develop a new management plan. To ensure all stakeholders with an interest in the estate could be involved, a process of mutual co-operation and consultation was designed.

In March an open meeting in Hathersage was attended by approximately 50 members of the public, with an electronic survey targeting a wider audience during March and April resulting in an additional 60 responses.

Over a period of 8 weeks and 3 workshops with key stakeholders, (including members of the Stanage Forum Steering Group as well as organisations such as Natural England, Friends of the Peak District, Derbyshire County Council and English Heritage) a new draft vision framework was developed, aligned to the Peak District National Park Management Plan and Sheffield Moors Partnership Master plan as well as reflecting responses from consultation exercises earlier in the year.

The draft vision was produced as designed artwork in late July, using the new logo for the National Park, for wider circulation within stakeholders' networks and organisations, and for consultation by Authority members. Our new vision is "to care for, enjoy and promote understanding of the Stanage North Lees Estate in a sustainable way which respects and enhances wildlife, heritage and landscape for everyone, forever." The four segments of the vision that form the future management plan are Landscape, People, Connections and Resources. The artwork has been designed as an A3 poster, and presents the structure for the new management plan for the estate, the details of which can be seen in Appendix 1.

Members of the Authority have played an active role throughout the engagement process. The Chair of the Authority attended the public meeting, along with the Chair and Vice Chair of Audit Resource and Performance Committee (ARP), and subsequently the Chair and Vice of ARP were involved in stakeholder meetings. Members of the Authority had an opportunity to comment on the final draft through the Strategic Advisory Group in July. This version in Appendix 1 now reflects the views of a wide range of partners.

Next Steps.

Working with the Stanage Forum Steering Group and stakeholders the development of a new management plan for Stanage North Lees Estate will commence once the new Property Manager is in post. The new management plan will address the detail of what needs to be done to deliver our vision. The final version of the vision framework will be agreed with the Stanage Forum as the management plan is progressed.

8. Progress on the Ecological significance of North Lees Estate.

8.1 Introduction

The North Lees Estate comprises a variety of habitats from flower rich hay meadows and pastures to National and European designated moorland, including extensive peat bog, dry heath habitats rough grazing and rock edges. Native broadleaved and coniferous woodlands are also present, with ancient woodland indictors recorded in some areas. Notable bird species which nest on the Estate include Golden Plover, curlew, snipe, ring ouzel, whinchat, long and short eared owls, pied flycatcher, reed bunting and linnet.

The Estate has been farmed in a traditional manner and is currently managed under a Higher Level Stewardship agreement which commenced in 2007.

8.2 Moorland habitats

Two thirds of the Estate (359 hectares) falls within the Eastern Peak District Moors SSSI, which forms the eastern fringe of the Peak District National Park. This area also forms part of the Peak District Moors Special Protection Area (for birds), and the South Pennine Moors Special Area of Conservation (for habitats) at a European level.

The Eastern Peak District Moors are crossed by many minor roads that break the SSSI into a number of individually named and separately managed moors. These moors are of special interest for their breeding birds, upland vegetation, lower plants, invertebrates and geological features. Habitats present at North Lees include blanket bog, wet and dry heaths, bracken beds, acid grasslands and small flushes, together with gritstone edges, cliffs, boulder slopes, streams and fringing woodland, representing the full range of upland vegetation characteristic of the South Pennines and supporting several important species assemblages. The range of habitats makes the estate of very special significance.

The upland breeding bird assemblage is of great regional importance and contributes to national importance of the South Pennines. The site supports Merlin, Ring Ouzel, Curlew, lapwing and golden plover, along with whinchat, stone chat, reed bunting and grass hopper warbler. A bird survey of the Estate was last completed in 2001 and this has since been supplemented by records from the Estate Warden. The Sheffield Bird Study Group is to complete a survey for moorland birds on the Estate this year.

The watercourses and wetland habitats support good numbers of water vole and we have seen an increase in numbers on the Estate. Mountain hare are also present and are believed to be increasing in number.

Specific measures have also been put in place to protect breeding birds. For example, the Estate Warden diligently monitors the ring ouzel population once they have returned from migration and identifies potential nesting sites along the edge and bouldering areas. Once nesting sites are confirmed, 50 meter restriction zones are placed around the nests and climbers are encouraged to stay out of these areas until the young have fledged. Working closely with the British Mountaineering Council (BMC), these restrictions have been successful. As a result we still have a breeding population of ring ouzel at Stanage with the target of five successful nesting pairs being met this year; an iconic bird which has been lost from so many other upland areas in the Peak District. This is a brilliant success story and Natural England are considering including ring ouzel in the SSSI designation as a result of all the hard work to keep this species breeding here. The Chairman of the National Ring Ouzel Study Group wrote specifically during the vision work to say "One of the few places where the Ring Ouzel numbers seem to be holding up and bucking the national trend is at Stanage. We think this continuing success is down to two factors. Firstly the excellent management of the area. The second factor is down to the North Lees Estate Warden. Bill Gordon has built up the trust of the visitors and recreational users of Stanage, in particular the rock climbing community. Bill then works with the rock climbers to negotiate temporary closures to enable the birds to nest without being disturbed. In many situations this would lead to conflict but Bill's diplomacy has resulted in the climbers having a sense of pride and an "ownership" of the birds. Now the climbers are interested to know and enquire if the nests are successful, and are happy to cooperate. So the indicator of how people and wildlife can co-exist is certainly working at Stanage." "This experience at Stanage is communicated widely so that the Stanage model can be copied elsewhere."

Previous works to the herringbone ditches that drain the long causeway adjacent to the Jubilee plantations were designed to maximise habitat for water vole. The repair works that Derbyshire County Council has completed on Long Causeway have also included enhancements for water voles. Every opportunity is taken on the estate to enhance the landscape for visitors and wildlife.

8.3 SSSI Unit condition

The North Less Estate includes 4 SSSI units, numbers 56, 57, 58 and 59.

SSSI units on North Lees

SSSI Unit	**Main habitat**	**Unit area (ha)**	**Condition status**
56	Bogs - upland	171.95	Unfavourable recovering
57	Dwarf shrub heath - upland	60.22	Favourable
58	Acid grassland - upland	40.12	Favourable
59	Acid grassland - upland	86.41	Favourable

56. Unfavourable recovering. White Path Moss is a large unit stretching from Stanage Pole in the north-west to Burbage Rocks in the south-east. It mostly comprises bog vegetation on deep peat dominated in most parts by either heather or hare's-tail cotton-grass with smaller areas of soft-rush and purple-moor grass. While large areas are species-poor, much of the western part of the bog is fairly diverse, with scattered crowberry and occasional cross-leaved heath and cranberry, with frequent Sphagnum mosses. Current low intensity management of the bog (no burning and light grazing) and the blocked artificial drainage ditch is allowing the recovery of more diverse bog vegetation. Towards the end of summer, we are planning to ask volunteers to help collect and spread sphagnum moss in this area to speed up the recovery process. We hope to get this SSSI unit into favourable condition by 2020. Notable species includes bog rosemary and one area of bog bean has flowered well this year.

57. Favourable. This unit is dominated by dry heathland, with a few patches of dense bracken, a large stand of soft-rush flush, and small patches of acid grassland. Some bracken control has been completed in this area.

58. Favourable. The majority of this unit comprises bracken-dominated slopes below Stanage Edge. The bracken varies from dense stands to a more open cover with grasses. Dwarf shrub cover is generally low, but at the southern end of the unit there is a small area of dry heath dominated by heather and bilberry. Bracken control has targeted the areas of dry heath as described above. A series of small flushes occur on the lower slopes. Most of these are dominated by soft rush and sphagnum is becoming

more frequent.

59. Favourable. These slopes below Stanage Edge are dominated by bracken on the upper slopes with occasional patches of grassland, giving way to a mosaic of purple moor-grass, mat-grass and soft rush on the lower slopes. Numerous acid and base rich flushes run down the slope, mostly species-rich with abundant bog moss, common cotton-grass, small sedges, cross-leaved heath and cranberry. Notable and rare species in this area include common sundew, common butterwort and bog asphodel

8.4 Hay meadows

These are the conservation jewels of our in-bye land, as they are rich in wild flowers and those found at Ridgeway side are of SSSI quality. There are currently 9 hay meadows on the Estate that are managed in a traditional manner. The hay meadows are cut after the 15th July, with a later cutting date once every three years to allow later flowering plants to flower and seed.

A survey of the meadows in 2009 has shown that the number of wild flowers and grasses has increased as a result of the positive management.

Autumn gentian was recently found in one of the hay meadows when poor weather meant that it was cut late. The management of the field now takes into account this later flowering species.

8.5 Pastures

The farm has a range of pastures from semi-improved to unimproved of high conservation value.

As a result of careful management, the number of grasses and herbs has increased. Chapel field is of particular interest and is of SSSI quality. A survey in the 1980's recorded over 70 species here. This increased to over 80 in 2001 and a recent survey in 2009 recorded over 100 species in this one field. We have also seen a good increase in indicator species.

A fungi survey in 2012 found that some of the pastures are regionally important for their waxcap interest. We are making sure we take this interest is taken into account as part of their management.

8.6 Woodlands and Plantations

There are eight woods on the Estate which are managed by the Authority's Conservation Woodlands Officer.

Applications for Woodland Planning and Woodland Creation grants under the England Woodland Grant Scheme were successfully made on behalf of the Authority by a forestry consultant. An application for a Woodland Improvement Grant has also been made but has not yet been processed by the Forestry Commission. The Planning grant attracted a one off payment of £1,024 and the Creation grant a one off net payment of around £8,000 both in 13/14.

Although none of the broadleaved woodlands are found on the Woodland Inventory, there are a number that are ancient in character. Carpets of bluebells are present in some locations, along with dog's mercury, fly agaric and wood sorrel. The Estate Warden has recently found a large patch of wild daffodils within one of the woodlands. These may have been historically planted, but are still of significance. Veteran beech is present in the woodlands along ridgeway side and the plantation. The cavities and cracks in these trees provide excellent features for nesting birds and roosting bats. The woodlands along the warren tend to be dominated by oak and are more characteristic of clough woodlands found in the uplands.

A nest box scheme has been set up in the Warren woodlands and these are monitored by Flo Gordon on an annual basis. There are now a total of approximately one hundred and fifty bird boxes. In 2014 we had occupancy of over 80%; in previous years it's has always been around 50%. The boxes support a regionally important population of pied flycatchers, with 72 successful fledglings recorded in 2012, 67 in 2013 and 123 in 2014 all of which have been ringed. We now have the largest pied flycatcher colony in Derbyshire. The Pied flycatcher under the Stanage Forum objectives is an indicator for how well the woodlands are managed.
Success this year with the great tit and blue tits has been the best ever with 80% of the boxes occupied and broods of 12 fledglings recorded. There is also known raptor interest within the woodlands with a successful buzzard nest this year.

The conifer plantations tend to fringe the moorland edge and are dominated by larch and scots pine. The Nature Improvement Area (NIA) funding has allowed us to thin these woodlands as well as create a number of glades and areas of standing deadwood. The works have been carefully designed to maximise benefits for the ecology, archaeology and landscape. These works were particularly aimed at benefiting woodland birds and this is already paying off, as breeding woodcock have been recorded in one of the plantations that were thinned in 2012. Enrichment planting of native species has also taken place in the plantations to benefit woodland birds, including planting rowan to provide a food source for the ring ouzel.

We have also been creating new woodlands on the Estate, with a small woodland being planted as part of the HLS agreement in 2008. A further area of woodland planting, seeding and encouragement of natural regeneration has taken place below sheepwash bank and is contributing to clough woodland creation targets in the NIA.

A woodland management plan is being produced for the Estate, funded through a grant from the NIA, and this will detail further works that will be carried out in the future, which will contribute to the North Lees management plan in consultation with the Stanage Forum.

8.7 Boundary features

The walls and hedgerows on the farm are a feature of the in-bye and contribute to the character of the landscape. These features provide valuable shelter. The hedges provide food, shelter and breeding habitat for small birds, and support a range of woodland ground flora. The field boundaries generally have historical importance as they reveal the manner and sequence in which the land was divided over the centuries.

The fabric of the walled landscape is a feature of the in-bye, which we maintain. Unfortunately there has been some theft of coping stones this year which is being monitored and managed by the Estate Warden. Preventative measures include the regular patrolling and specific signs on site. Boundary features also include hedgerows which have been restored under the HLS agreement providing further habitat for a range of fauna.

8.8 Other interests

Good numbers of bats are recorded on the Estate. A bat survey in 2005 recorded good numbers of pipstrelle and Myotid species foraging below the edge. There are a number of roosts within trees in the woodlands. The campsite and cruck barn also support known roosts. A number of badger setts are also recorded on the estate.

Lower plants are found in good numbers on the Estate, some being rare and notable. A University project is currently looking at habitat parameters of the rare Reindeer lichen which is found on the Estate.

8.9 Current/Future Management Issues

Over the last 10 years we have enhanced the ecological interests on the Estate, following the aims/objectives put forward in the previous management plan as well as completing additional tasks and we plan to do more over the next year. Much of this work would not have been achieved without the time and commitment of Bill and Flo Gordon. We need to ensure that the capacity to implement work on the ground is still available in the future. This includes unsociable hours (early morning and evening surveys and weekend work).

7.2.4 – Investigate planting fodder crop for birds was not implemented due to archaeological concerns. An alternative option was suggested, but this has not been implemented yet.

7.4.2 – Lichen survey. This has not been completed yet due to funding issues.

7.7.1 – Express concern about Blue Circle. No longer relevant as controls are in place under Environment Agency permit.

Bracken is an issue in specific areas where it is encroaching on existing ecological interest. This issue is partly being addressed through the NIA funding, where it is being controlled below the edge. Consideration needs to be given to funding this in the future once the NIA grant has been spent (by 2015).

Climate change – the habitats on the Estate need to be robust enough to face the issues that climate change may bring. The work that we have been doing has helped towards this, although more needs to be done. Monitoring of these habitats is also important so that any issues as a result of climate change can be highlighted and addressed.

Future Opportunities

A lot of work has been carried out towards conserving and enhancing the wildlife on the Estate and achieved through external funding programmes, and we still plan to do more. Key will be the external funding opportunities and mechanisms of delivery. This will be taken forward with the Stanage Forum Steering Group and with greater public engagement to let people know that money is being spent in this way to maintain and enhance the wildlife, cultural heritage and landscape of the Estate.

9. Summary of Event and Education Work - North Lees Estate

9.1 Introduction

Field Services have been delivering events and educational visits at North lees and Stanage in the form of guided walks and school visits for a considerable number of years. However these have always been part of the more general service offered across the national park. The new focus on North Lees as an estate with its own identity and vision has opened new opportunities to promote the site and increase the formal provision for visitors.

In early 2014 an assessment was made of the possibilities for the development of events and new educational programmes which have been further developed into a project plan with key targets and milestones. Many of these have been achieved with an event programme produced and currently being delivered, and publicity produced for all events so they can be marketed as a complete offer for the Estate (see Appendix 2).

The current school offer has been reviewed and the programme up-dated to fit the new school curriculum and work has started on developing new programmes. This has been delayed due to staffing issues in the Learning and Discovery (L&D) team but is now progressing well.

9.2 Events

While there have been guided walks on the Estate we have not run events aimed at a wider market or on a different scale before, so this year has seen the L&D team working with the farm tenants and the Vivat trust to explore the possibilities on the site.
One of the key successes was ‘Open Farm Sunday’ in the spring. Open Farm Sunday is a project which has seen hundreds of farmers across the UK opening up their farm for one Sunday each year since 2006 and is managed by LEAF (Linking Environment and farming). The event at North Lees this year was jointly delivered by the Learning and Discovery team and the farm tenants. The BMC also held a celebration event for the first time this year which was a good success. The British Mountaineering Council Stanage Festival took place over the weekend of the 28-29 June 2014, and featured climbing master classes, guided walks, lectures, climbing challenges and social events. The Festival was intended to be both a celebration of the BMC’s 70th anniversary and an opportunity to bring climbers and walkers together to enjoy Stanage Edge, one of Britain’s most cherished crags. The BMC said they were grateful for the support of the PDNPA in making the event a success. PDNPA rangers led guided walks in conjunction with BMC volunteers, and staff provided hands-on support both in preparation for, and during, the weekend. The BMC gave a kind donation to the Authority for North Lees which will be spent on the estate.

The next big event will be the heritage days on 13th and 14th September. While the Vivat Trust will be opening the Hall to visitors the L&D team will be running activities for the public. We are very lucky to have Professor Steve Earnshaw delivering a talk on the Sunday titled, '"Truelove": The Importance of Names in Jane Eyre'. To help promote this event and the Estate we are also running a photography competition with a prize of £25 in vouchers being donated by Harrison Cameras.

Guided walks have continued to be delivered by the Ranger volunteers throughout the year.

9.3 Events - Next Steps

- To co-ordinate further with North Lees Estate project team, especially ecology and cultural heritage team to develop a regular programme of guided walks – one a month
- To explore the possibilities of developing events, guided and self-guided walks round the Jane Eyre theme and using this as a USP for the site
- To work with North Lees team to develop a site web presence and social media marketing
- To plan a co-ordinated programme of events for 2015/16

9.4 Current Education offer and programmes delivered in 2013/14 academic year

Programme	Key stage	Frequency of delivery	Numbers of pupils
Exploring my sense of place	KS2	2	103
Impacts of Tourism	KS3	6	126
Sustainable management	KS4 -GCSE	4	257
Sustainable management	KS5 – A level	2	23
	Tertiary	2	170
		Total	**679**
		Income generated	**£6,191.55**

9.5 Educational Work – next steps

- To develop an education delivery plan including marketing for the site by December 2014 (delayed due to staffing problems).
- To continue to develop new literacy and habitat based programmes and trail these.
- To further develop promotional material showing the educational offer at North Lees as an individual site.

10. Interpretation

An audit of interpretation on the estate has been completed in readiness for developing the management plan. An interpretation plan for the site will be developed as part of the management plan with the Stanage Forum. Key to this work will be how we reach our different audiences, fulfil our secondary statutory purpose and ensure that the way it is done does not change the “wilderness” feel of the site. Several stakeholders have said that “accessible wilderness” is the unique selling point of Stanage/North Lees and a sensitive interpretation plan will be key to maintaining and enhancing these two key features. All options will be explored including new technologies.

11. Summary of Access & Rights of Way at North Lees/Stanage

11.1 Introduction

In 2004 the moorland areas above and below the south eastern part of Stanage Edge and at Cattis-side/Carhead were designated as open access land under the Countryside and Rights of Way Act 2000. These areas coincide with the designations of SAC, SPA, SSSI and Natural Zone. Prior to this access to the open country had been established under the 1962 Stanage Edge access agreement and by way of the Authority’s acquisition of the Estate in 1971 but this had not included Cattishead Moor. In 2005, the Authority dedicated three of its woodlands to give an additional 23.8 hectares of open access land.

In addition to the open access areas, there are a number of public rights of way providing access on foot, by cycle and by horse and a byway (Long Causeway). The linear routes are complemented by permissive routes through the farmland and hay meadows. The Sheffield Country Walk runs along Stanage Edge.

11.2 The NPA’s role

The NPA is the Relevant Authority and Access Authority for managing open access land within the National Park. In addition the NPA has certain other powers to help it meet its statutory purposes although, with regard to public rights of way, it does not have the same duties and responsibilities as its 7 constituent Highway Authorities. The maintenance of the public rights of way on the Estate is therefore the responsibility of Derbyshire County Council whereas the maintenance of permissive paths and access to open country are the responsibility of ourselves both as the landowner and the Access Authority.

Work carried out by the NPA for access and rights of way improvements is undertaken by the Access and Rights of Way team working closely with the Estate Warden, Area Ranger, and Peak Park Conservation Volunteers (PPCV). Advice on access matters is provided by the Peak District Local Access Forum with detailed input from the Stanage Forum

11.3 Long Causeway

Long Causeway is a Byway Open to All Traffic. This is a public right of way where there are rights of access for vehicles but where the main use is non-vehicular. It runs from Redmires Reservoir to Dennis Knoll car park a distance of approx. 3.5km and forms the northern boundary of the Estate. The route was identified by the NPA as a priority route requiring improved management in 2007 and prior to that, the Stanage Forum had sought to address matters relating to conflicts of use.

During 2012 a public consultation was undertaken on the Authority's proposal to make a traffic regulation order (TRO) on the grounds of safeguarding the natural beauty and amenity of the route and area. This consultation set out the conservation interests of the route, the factors which contribute to natural beauty and the opportunities for open-air recreation, and the effects of vehicle use on the special qualities of the area. The consultation generated 2500 responses illustrating the importance of the route and area for many people.

The Authority has now made its order prohibiting motorised vehicles which will further result in safeguarding the route and area.

The latest work by DCC were undertaken during July and August 2014 to repair the badly damaged sections of track immediately below and above Stanage Edge, and to have regard to the revetment wall. This is a very sensitive area in terms of ecology (SAC, SPA, SSSI, NIA), cultural heritage (historic trackway and revetment), landscape (Natural Zone, highly visible) and recreation (number and wide range of actual and potential users).

The Access and Rights of Way Team worked with DCC to ensure that all relevant interests and user groups were kept informed of actions at this site and that the repairs and maintenance were carried out in a way which recognises the sensitivities of the site and in accord with National Park purposes.

Throughout the process, advice and recommendations to DCC were provided by the Access and Rights of Way Team, the Estate Warden, the Authority's Ecologist and Archaeologist and Natural England. Supervision of the works was also undertaken in addition to formal progress meetings. The fact that there was often an onsite presence has helped with ensuring that any problems encountered have been dealt with expediently and appropriately. It has been recognised and acknowledged that a combination of the skills of those working on site, detailed management by DCC, expertise and knowledge of the Estate Warden, specialist input from Authority staff working in conjunction with Natural England has resulted in a good outcome.

The works were undertaken in a manner sympathetic to the surroundings and have not disturbed the ecology and archaeology of the area. Wider ecological improvements have been gained including a small pond was created during the works which will improve the habitat diversity in that area. The revetment wall has been safeguarded and the causeway and the cobbled areas have been retained in the final surfacing. DCC also carried out landscaping improvements at Dennis Knoll car park which has resulted in the opportunity for better use to be made of the car parking space.

There will be many users who will now feel confident in accessing this route and the works have made a positive contribution to the amenity and natural beauty of the area. The Authority will proceed to make its TRO when it is in a position to be able to do so and which will further result in safeguarding the route and area. At the same time opportunities for accessibility by less-able users will be considered in conjunction with advice from groups representing accessibility matters. The Access and Rights of Way team will also be looking at improvements to the barriers to make them more in keeping with the area. It is also proposed that self-guided information be made available on the interest of this route and area.

11.4 Access land

In this 10th anniversary year of the introduction of open access, the Access and Rights of way team have been considering the potential to review and improve its open access areas. This will include the condition and accessibility of structures, the impediment of fencing or other barriers, repairs to paths and desire lines, creation of new access points, creation of routes to manage use away from sensitive areas and way marking and signposting.

Where there is permissive access then consideration will be given to formally dedicating the land to secure access and at the same time so as to reduce occupier's liability. Other opportunities for dedication will also be explored with relevant officers and will be subject to consultation via the Peak District Local Access Forum and as part of the management plan process.

Specific areas of work that the Access and Rights of way Team will be considering in consultation and partnership with others will include:

- Dedication of new areas of access land areas of moorland and woodland
- Link in fragmented areas of open access land with new access points, routes and areas of open access
- Localised improvements/repairs to path surfaces
- Upgrading of furniture including replacement of stiles with gates and steps and handrails from the campsite
- Improve signage and promotion of areas of access and rights of way including concessionary routes
- Removal of fencing where no longer necessary for the purpose for which installed

12. The Buildings.

The buildings of the Estate are described below with consideration of the current position and recent developments.

12.1 North Lees Hall

The Hall is a Grade 2* Listed Building and is currently let to the Vivat Trust on a 50 year lease until 2038. The Trust restored the building in the late 1980's and early 1990's and it is used as three bedroomed holiday accommodation. The facilities, which are at the 'top end' of the market, are have been 'refreshed' and the two separate "flats" combined so that the hall is let as one unit. Staff are working with the Trustees to ensure that all financial details of the lease and any other management issues are transparent for both parties so that a thorough assessment of the lease is completed.

12.2 East Wing

The East Wing of the Hall has been unoccupied for many years pending decisions on its future use. The East Wing of the Hall is now occupied by the Farm Tenant. The cost of the refurbishment was approximately £70,500 and was financed from 'slippage' and from last years' estate budget and the carbon management plan budget.
The East Wing has now been refurbished and the farm tenant and his partner have been in occupation since April 2014.

12.3 The Pig Sties

At the rear of the Hall, there are a fine set of pig sties which would have serviced the Hall. These are also Grade II Listed Buildings and were restored by the Authority in the 1990's. These are now let with the farmhouse for general storage and use.

12.4 Traditional Farm Buildings

This is a Grade 2 Listed building situated behind the Hall. This is a beautiful building with an ancient 'cruck beam' structure. It is currently used for agricultural storage by the farm tenant (on a licence basis) and also by the Estate Ranger for storing materials and equipment to undertake maintenance works on the estate.

Planning permission to convert it to a bunk house and teaching area for educational use was granted to the then farm tenant, Broomfield College of Agriculture, in 1996. The College used the farm as a teaching resource for hill farming and wanted to provide some basic overnight accommodation for students as travelling from the College and allowing enough teaching time in a day was not ideal. The class room and associated toilets was provided but the accommodation was never implemented prior to the College giving up the tenancy in 2006. The planning permission for the bunk house accommodation has now lapsed.

It is tempting to think that this building has significant development potential but it is considered that the following factors mitigate against the redevelopment of the barn at the present time;

- Its Grade 2 listed status and the very significant constraints imposed by the cruck beam structure, would limit the freedom that a developer might need to create a commercially viable space.

- There is already excellent provision of high class office and conference space at Hathersage Hall Business Centre with units currently to let and other good village facilities to service tenants.

- Vehicular access to the barn is 'tight' with a very limited parking area in front of the barns.

- The close proximity to the modern agricultural building behind which houses cattle in the winter and the sheep handling pens might not be conducive to compatible uses in terms of smell, noise and farm vehicle movements.

- The farm only has the one modern storage building (above). The departing farm tenant had another set of farm buildings elsewhere but the present tenant has to be to be self –sufficient in this respect. Therefore these buildings will be of value to him. In particular, he is required to make small hay bales under the Higher Level Stewardship agreement and storage in the traditional lofts in the barn is essential.

- As mentioned above, part of the barn is also needed for secure storage of chemicals, fertilisers and machinery by the farm tenant and Estate Ranger.

- If the cruck barn were developed, another modern building would have to be provided for farm and estate use.

- If the buildings can still be used for their original function of agriculture / estate management, this would ideally take preference over a new use.

As proposed in the report to this committee in September 2013 the cruck barn has been let as part of the farm business tenancy on licence.

The existing classroom and toilets in the barn have been tidied up and painted so that, they can, once again, be used for educational purposes explaining the multi-dimensional role of land management and the Estate in the Dark Peak. The Authority and the new tenant have started to work in partnership for example on Open Farm Sunday. See section 9.2 above.

A small upstairs part of the eastern end of the barn (built at a later date to the cruck barn) could be used as a farm office. It could also be used as an occasional sleeping area in the event of forecast bad weather.

12.5 Cattiside Cottage

This cottage is located near the campsite and approximately 1/3 mile from the farm buildings is the home of the Estate Warden. It is a basic two bedroomed house with a small garden and adjacent workshop. In the longer term, the cottage presents further options and this will be reviewed when the present Estate Warden retires. As one of only two possible residences on the estate, it is considered essential to retain it for the Estates use.

13. The Farm Business Tenancy.

The new tenant at North Lees Farm took over the tenancy on 29th September 2013.
The transitional year has involved providing support to the tenant, and working with them to achieve cooperation and collaboration for a successful partnership. The change of tenant initiated the re-use of North Lees farmhouse which, due to its Grade II* status, was a significant project.
The farmhouse was mainly completed in April to coincide with lambing of the hefted flock of Swaledale ewes. Having a tenant living on the farm, and with his centre of operations there, the farm has changed from an ancillary block of grazing with a derelict house to a living working vibrant place and has attracted attention from Farmers Weekly, Farming Today, Upland Start, Princes Trust, and in addition provided the opportunity for the recent Open Farm Sunday event which included contributions from the Authority's Learning and Discovery Team, ex Newton Rigg students demonstrating sheep shearing and horse logging contractors demonstrating their work on the estate having worked for the Authority on the NIA project as noted in 10 above.

Teas were served and proved to be very popular with visitors. A planning application for diversification to serve refreshments to passing walkers was submitted but subsequently withdrawn by the Tenant due to a mapping anomaly. A revised application is imminent.

14. The Campsite

The basic 60 pitch facility and very reasonable camping charges has provided ideal accommodation for visitors to the Estate (particularly rock climbers) and has discouraged 'rough camping' elsewhere. It was also seen as an opportunity for staff to talk to visitors regarding the purposes of the Estate and National Park objectives.

The Estate Warden records overnight use on the estate and there are approximately 650 vehicles in a year staying for one night on the property, this would roughly equate to about £9000 worth of income lost to the estate. This has declined from approximately 1000 vehicles per year with the policy to speak to everyone and remind them of the campsite.
Over 90% of this use at the campsite is by climbers and a strong partnership with the British Mountaineering Council and monitoring and engagement by the Estate Warden are key to the prevention of "wild camping" on the estate.

However, as previously noted by Members, the campsite has usually been run at a trading loss. Recognising that in the current financial climate, that there needs to be a better balance between the above aspirations and the trading loss, new managers introduced a business plan in 2011. This increased pitch fees and adjusted opening hours which has reduced the staff costs. The site also required some capital investment to bring facilities up to date and these have been implemented. Despite bringing the campsite into profit in 2011/12, 2012/13 was a particularly bad weather year for all the Authority's trading operations and the campsite was not an exception. The 2013/14 did produce better results with more normal weather conditions prevalent. A challenging profit target for 2014/15 has been set. The details of the campsite income can be seen in Part B. The campsite is in the process of being tendered to see if there is interest in running the site from people outside the Authority.

15. Car Parks

There are 4 main car parking areas on or near the Estate. From West to East, these are Dennis Knoll (14 spaces), Hollin Bank (150 spaces), Hooks Car (58 spaces) and Burbage Bridge (38 spaces). There is a pay and display machine at Hollin Bank and an 'Honesty Box' at Hooks Car. As can be seen above the DDC work on Longcauseway has resulted in an improvement to Denis Knoll car park. One of the central policies of the North Lees /Stanage Estate Management Plan (2000-2013) is to manage the car parking charges preferably through voluntary rather than obligatory means. Working with the Stanage Forum as part of the management plan going forward we have started to look at how we can work together to help everyone use the car parks and contribute to the estate.

In 12/13, the machine at Hollin Bank yielded around £12,000. With increased charges to be introduced in early 2014, it was predicted that this machine could yield a further £2,000 per annum. Unfortunately, by the end of 13/14 the total yield was only £9,323.

Currently, the machine has yielded £3,550 to date which is £695 more than the equivalent period last year. The honesty box yielded £180 in 13/14.

It is very difficult to estimate the year end figure but the projected annual income is revised downwards to £12,500 at Appendix 1.

One of the central policies of the North Lees /Stanage Estate Management Plan (2000-2013) is to manage the car parking charges preferably through voluntary rather than obligatory means. This followed a campaign against parking charges mounted by the British Mountaineering Council and others in the late 1990's. This indirectly led to the formation of the Stanage Forum and the production of the Management Plan.

Work with the stakeholders as part of the vision and management plan moving forward is to ensure visitors to the estate wish to contribute to the estate park their car in the car parks and pay the required fee. Initiatives for 2014/15 include providing a car sticker saying "I'm supporting Stanage" with an annual fee that goes directly into the Estate budget and better signage to promote a deeper understanding of the costs of running the Estate and specific projects.

16. Refreshment Concessions

There are mobile refreshment concessions on Upper Burbage Bridge Car Parks. No one was interested in providing a concession at Hollin bank this year. There might be some scope for further concessions on the Estate but these would need to be very sensitively handled to avoid undue commercialisation and distraction from the open and "wilderness" landscape. The new farm tenant is providing some catering at the farmhouse gardens but this is unlikely to yield significant extra income for the estate.

17. Toilets and Ranger Briefing Centre.

The public toilets are located about 100 metres from Hollin Bank Car Park and are well used at all times of the year. The ranger briefing centre at Hollin Bank is a small functional area next to the public toilets. The building has no electric provision and therefore options for reuse are limited for the existing provision. Clarification of the planning position will continue with an options appraisal to be developed when the new North Lees Manager is in place.

The overall review of the Authority's toilets has not commenced and therefore no decision has been made on the future of Hollin Bank toilets. The new Property Manager – Trails will be responsible for the overall toilets review and liaise with the new Property Manager – North Lees when both are appointed. Preliminary discussions with the Director of Planning have taken place looking at future opportunities for this building

18. Visitor Giving.

There are opportunities for developing giving opportunities beyond the donation box in Hooks car park for volunteering, donations and sponsorship. Last year we had a donate from the BMC for the help we gave for their Stanage Event. Ranger walks have also collected donations and there have been initial discussions on vehicles for giving (both giving of money and time). The aim is to come back to the March ARP with a strategy for giving for the estate based on the work with the Stanage Forum and stakeholders. See section 7 above and Appendix 1.

19. Renewable Energy Initiatives

Carbon Management at North Lees

North Lees Estate encompasses many of the challenges faced when implementing carbon reduction measures in the National Park. The Authority has a unique opportunity to demonstrate how energy efficiency and renewable technologies can best be implemented while conserving the unique characteristics of the Park.

In North Lees Hall Farmhouse, we have an opportunity to demonstrate how an important listed building can be treated so that the thermal performance is improved and alternative, more sustainable sources of heat and power can be used.

The refurbishment of the farmhouse allowed us to create a building that is well insulated and heated using a renewable biomass energy source. The heating system not only offers a lower cost heating system for the tenant but also allows the Authority to benefit from Renewable Heat Incentive (RHI) tariff payments for the next 7 years. The tariff will allow the capital investment in the system to be repaid and a contribution towards the estate running costs to be made.

North Lees Campsite also presents an excellent opportunity to achieve a high level of performance and develop a demonstration project that will show leadership to others with the recreation and tourism industry within the Park.

Work is planned to install a ground source heat pump to provide hot water and heating to the site before the 2015 season. This will demonstrate how renewable heating can be incorporated with minimal impact on the landscape and provide a more sustainable facility from both environmental and financial perspectives. The Authority will benefit from tariff payments as owners of the site and will benefit directly from energy savings if it continues to run the facility or indirectly if it leases the site.

Financial aspects:

North Lees farmhouse:
Amount invested in complete heating system: £15,000 (including new radiators etc)
Annual income from RHI: £2,466 for 7 years
Benefit to Authority efficiency savings: £1,600 for 7 years
Benefit to estate budget: £800 for 7 years

North Lees Campsite:
The business case is still to be approved before the project is committed to but the tender process is complete and a planning application is being considered in September 2014 planning committee. However, the headline figures for the project are:
Total costs of project: £33,000
Annual income from RHI: £2220 p.a. for 20 years
Annual savings due to decreased energy use: £1,800 p.a. (this will continue for the lifetime for the installation – expected to be 25 years minimum)
This will make a contribution of approximately £2,400 p.a. towards efficiency savings for 20 years and approximately £1,600 towards the estate budget for the lifetime of the installation.

20. Filming

The Estate and, in particular, Stanage Edge has been used for many TV programmes films and still photography, on both a documentary and commercial basis. The Authority charges a commercial rate where appropriate. The Authority is mainly reactive to requests although suitable filming locations on Authority properties are published on the website. Although, the Authority already has a longstanding contact with Creative England (Central) who promote filming opportunities in the Midlands, a more pro-active marketing stance through other regional brokering agencies could be further developed. However, there must be realism in terms of income generation opportunities for filming as it is a very competitive market and filming budgets are often limited. It is likely that it will remain a fairly static source of income for the estate but an increased target has been included in the budget. Unfortunately this hasn't been realised this year and the marketing and branding of opportunities on the estate will be assessed in the Management Plan.

A target of around £3,500 pa was included in the Business Case. In 13/14 income was around £2,000. In 14/15, the current income is £200 to date and there are further enquires.

21. Bottled water

Under the 'Dragons Den' initiative, the Authority investigated the commercial possibility of bottling water from a spring source in an Authority owned woodland. Unfortunately this was found to not be a viable business opportunity on the estate. No financial input was included in the budget.

22. Grants and external funding

Working with the Dark Peak Nature Improvement Area (NIA) has attracted grant aid of £34,000 over 3 years for woodland and land management work on the Estate. External funding will be sought for all projects on the estate. Year 3 of the work is currently underway and will be self-financing.

23. Financial targets.

The financial targets set by Members in September 2013 to achieve full cost recovery position by 30th September 2014 have not been fully met this year. Detailed progress on this can be seen in Part B of this report. We are on a journey and progress has been made with additional opportunities beyond the original September 2013 business plan.

24. Risk Management:

Addressed in the Part B report

25. Sustainability:

Addressed in the Part B report

26. Consultations:

The Stanage Forum and wider stakeholders have been consulted about the refreshed vision as described in Section 7.

Chief Executive, Director of Corporate Resources, Assistant Director of Land Management, Assistant Director of Policy and Partnerships, Head of Legal, Head of Finance, Head of Human Resources, Property Managers, Ecologists, Access and Rights of Way Staff, Learning and Discovery Team, Ranger Service Staff and site staff.

27. Background papers (not previously published)

None

28. Appendices

Appendix 1- Draft Vision
Appendix 2- North Lees Events

Report Author, Job Title and Publication Date

Mary Bagley, Assistant Director of Enterprise and Field Services. September 12th 2014.

PEAK DISTRICT NATIONAL PARK

Our vision

To care for, enjoy and promote understanding of the Stanage North Lees Estate in a sustainable way which respects and enhances wildlife, heritage and landscape for everyone, forever

The estate is a living landscape that values the past and inspires the future

- The richness of the natural environment will be conserved so wildlife can thrive and ecological systems continue to improve
- The estate's rich and multi-layered cultural heritage is recognised, valued, and used to inspire
- Partners, land managers and visitors will work together to create an outstanding upland estate, sharing knowledge and experience, and enhancing access and connectivity of habitats
- The long term environmental viability of the estate will be sustained for future generations by best practice land, water and carbon management

The estate feels remote but is accessible and offers recreational activities to the people who love and enjoy it

- The estate will remain an accessible place, where people can escape to quiet tranquillity, enjoyment and adventure
- Everyone using it will feel a sense of ownership and pride, and will be inspired to help shape the estate and develop connections between different communities and generations
- Diverse recreation opportunities will be available for all, encouraging healthy living, sensitive enjoyment of the landscape and a sense of adventure
- The estate will have a well-connected access network that is appropriate to the natural landscape

The high standards and international reputation of the estate depend on financially robust business planning and sound management

- Leadership dedicated to the estate will ensure that it is well cared for and has a secure future
- High quality stewardship, supported by innovative methods, volunteering and partnership working, will ensure biodiversity is maintained and enhanced
- The estate's assets, including landscape, buildings and facilities, will be used to best economic effect within the overall context of sustaining long term environmental, financial and access objectives
- Income generated by the estate will be used for the estate

We will work in ways which connect people and landscape to the wider world, and recognise the estate's international importance as a recreation hub and accessible wilderness for future generations to cherish

- The estate will be managed in relationship with connecting landscapes, the local community and visitors
- All those who use the estate will forge deep connections which will foster its sustainable conservation
- The importance of the estate to the national park and to the nation will be recognised
- Ongoing traditions and uses of the estate will show how farming, heritage, recreation and the natural environment can benefit each other

Our vision for the Stanage North Lees Estate provides a structured approach to achieve our shared ambitions over the next 10 years, and is underpinned by our national park purposes and duty

Stanage North Lees Estate Management Plan 2015-2025

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Events & Activities

discover | explore | **enjoy**

Learning & Discovery in the National Park

PEAK DISTRICT NATIONAL PARK

Saturday 9 August
Water and Woodland

10 mile walk to explore the enchanting woodlands of Wyming Brook and the surrounding Hallam moorlands.
Meet at Hollin Bank car park - road below Stanage Edge
11am - 5pm (6 hours)
Donations on booking or on the day
Booking essential

Sunday 10 August
North Lees Family Activity Walk

Join this short family activity walk finishing up at the farm for craft activities and (optional) teas.
North Lees near Hathersage
2pm – 5pm
£5 per adult; £3 per child
Booking essential

Saturday 23 August
Glorious Heather

10 mile strenuous walk up onto the edges leading to Stanage Edge, with brilliant heather and an interesting cave!
Meet Grindleford Station Café
10:30am - 5pm (6 hours and 30 minutes)
Donations on booking or on the day
Booking essential

Sat 13 and Sun 14 September
Heritage Open Days

Join staff from the national park and the Vivat Trust to find out more about the North Lees estate and its history.
North Lees near Hathersage
Drop in any time between 11am to 4pm
Small charge for activities
Booking not required

Saturday 20 September
Millstones and Decoys

11 mile invigorating walk of discovery learning about the part this area played in war-time, and the old millstone industry.
Meet at Hollin Bank car park - road below Stanage Edge
10:30am - 5:00pm (6 hours and 30 minutes)
Donations on booking or on the day
Booking essential

Saturday 4 October
Rock Out on Stanage!

11 mile walk across the Stanage Edge and Bamford Moor area, exploring its inter-related history through stone; millstones, guide stoops, carvings, circles and a pub.
Meet at Hollin Bank car park - road below Stanage Edge
11am - 5pm (6 hours)
Donations on booking or on the day
Booking essential

To book a place on any of our events call:
01629 816211

Please visit our website:
www.peakdistrict.gov.uk/events

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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17. APPROVAL FOR ALLOCATION OF CAPITAL RECEIPTS TO FINANCE WORKS ASSOCIATED WITH THE ALDERN HOUSE ACCOMMODATION PROJECT (MF)

Purpose of the report

To seek approval for the use of capital receipts from the sale of Losehill Hall Bungalow to finance the re-structuring of the office space within Aldern House. This will optimise the accommodation on offer at Aldern House and allow for subsequent realisation of efficiency savings and additional income for the Authority.

Key issues

- The Aldern House accommodation project has been approved by RMT (within delegated authority) on the basis that borrowing will be used to fund the £147,000 project costs if necessary
- The project is closely linked to the sale of Losehill Hall Bungalow in that one of the project aims is to release space for the staff currently located at the bungalow and allow its sale (or lease).
- The project will ultimately contribute £26,470 per annum toward efficiency savings and increased income in addition to addressing any increase in running costs and resource requirements arising as a result of the increased levels of occupation.

1.

Recommendations

2. **1. That £147,000 capital funds from the sale of Losehill Hall Bungalow be allocated towards the Aldern House Accommodation Project**

How does this contribute to our policies and legal obligations?

3. Following the 2013/14 work on the strategic review of property commissioned by the Authority, it was agreed within the management response that Aldern House will be retained with the objectives of:

- Locating as many staff of the Authority at Aldern House as possible to improve the utilisation level;
- Releasing as much space as possible for renting by an appropriate outside organisation;
- Developing and implementing a business case for meeting the priority accommodation needs of services based at Aldern House

This report seeks to progress this area of work by securing appropriate funding to complete the project and realise the financial and operational benefits.

Background

4. Resource Management Team has, in accordance with delegated authority, approved the expenditure of £147,000 on works associated with achieving the following:

- Accommodating Moors for the Future and Leaning and Development Team staff currently housed within the Losehill Hall Bungalow within Aldern House
- Reorganising the allocation of space within Aldern House to achieve better integration of teams and services within the building.
- Creating accommodation that is more appropriate for a modern business operation and in-keeping with the Authority's values.
- Creating appropriate space within the building for letting to external partners.

5. The total cost of the project is estimated to be as follows:

- Restructuring of offices to increase capacity while maintaining an appropriate working environment: £32,332
- Additional storage facilities to allow more remote storage of files (but still at AH): £10,000
- Costs associated with meeting particular needs of field services staff in new location (radios and weekend access): £4173
- Costs associated with letting out space within the main building of Aldern House: £10,134
- Costs associated with re-configuring the bungalow: £14,072
- Costs associated with security and access changes to accommodate tenants: £23,060
- Ancillary costs: £8,208
- Contingency items (Potential builders works to main building rooms, project management and overall 10% contingency): £25,000
- Digitisation of additional files to free up storage space within AH: £20,000

Total project costs: £146,979

6. The completion of the project will generate a number of annual income streams or savings for the Authority. The key streams are as follows:

i. Lease of office accommodation within Aldern House and the Aldern House Bungalow
ii. Reduction in running costs paid for by the Learning and Development Team associated with the Losehill Hall Bungalow
iii. Release of opportunity cost paid as compensation for the lost income from the lettable space occupied by Moors for the Future staff.

Total income and savings: £48,470 p.a.

Once increases in costs, opportunity cost associated with housing Moors for the Future staff and an existing £3,500 income target are subtracted from the savings, the project will make **£26,470 p.a.** available to contribute towards other areas of expenditure/savings.

Proposals

7. To approve the allocation of £147,000 capital from the sale of Losehill Hall Bungalow towards the accommodation project.

Should this sum not be allocated from capital sources, the project will continue to progress but will be based on borrowing with repayments made from income generated by leasing space to tenants. This will reduce the savings by £11,700 p.a.

Are there any corporate implications members should be concerned about?

8. **Financial**:
If Members approve the recommendation there will be capital expenditure on the Aldern House project at 31st March 2015, and possibly during 2015/16 depending on when the project is financially complete. This may need to be temporarily financed from the Capital Receipts Reserve balance (currently £425,597) unless the Losehill bungalow capital receipt is received at the same time. When the bungalow receipt is received it will be appropriated into the Capital Reserve in full, and the balance of the capital receipt will be available for other capital purposes. The use of capital monies for this project will reduce the total amount of capital the Authority has available.

However, the project compares favourably when compared against other existing proposals and the net revenue savings represent a good return on the investment. Using the same methodology as other potential capital projects, the total net present value of the project is approximately +£303,000 over a 30 year period and the project scores 3.1 on the profitability index (i.e. a return of £3.10 for every £1 invested in today's money). Of the costed projects we have to date, this project scores reasonably highly and is therefore one of the projects which would merit financing from the capital resources available.

9. **Risk Management:**
The primary risk is that the generation of income from letting space to tenants will result in a lower than anticipated return on investment. This risk is thought to be small and work on letting space to external organisations is progressing well. Our financial planning is working on achieving the necessary savings and income to achieve a balanced budget for 2015-16 and the income generation from this project is a component of that planning. Members have approved temporary cash resources to underwrite the risk in 2015-16 that necessary savings or income might not be achieved and these resources will allow this project risk to be mitigated temporarily if letting space is achieved to a slower profile.

10. **Sustainability:**
The more effective and efficient use of Aldern House as an office facility for a greater number of staff will contribute towards an overall reduction in our carbon emission and improvements in our environmental performance. The disposal or letting of the Losehill Hall bungalow is one of the projects listed in the current version of the Carbon Management Plan and is anticipated to contribute a 7 tonne reduction in carbon emissions.

11. **Background papers** (not previously published) –
None

Appendices -
None

Report Author, Job Title and Publication Date

Matt Freestone, Environmental Management Officer, 11 September 2014

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18.1 LOCAL GOVERNMENT OMBUDSMAN ANNUAL REVIEW LETTER 2014 (RC/A.157)

Purpose of the report

1. This report provides details of the Local Government Ombudsman (LGO) Annual Review of complaints for the period 1 April 2013 to 31 March 2014.

Key issues

- This is the first full year of the LGO recording complaints under their new business model so the figures are not directly comparable to previous years.
- The LGO annual review has not stated any concerns about the Authority's performance.

Recommendations

2. **1. That the Local Government Ombudsman annual review letter in Appendix 1 of the report be noted.**

How does this contribute to our policies and legal obligations?

3. Quarterly reports on complaints received are considered by the Audit, Resources and Performance Committee as part of its agreed work programme. This is to give Members the opportunity to discuss lessons learnt and improvements made as a result of this feedback including from complaints which have been referred to the LGO. Learning from complaints received contributes to corporate objective 11 'be a well run public body with proportionate and effective ways of working, delivering excellent customer service and living our values'

Background

4. The change from annual reporting on complaints to quarterly reporting on complaints was made in 2011, however it was agreed that the annual review letter from the LGO would still be reported annually. Appendix 1 shows the LGO's annual review for the Authority covering the period 1 April 2013 to 31 March 2014.

5. The letter shows that the LGO made a total of 9 decisions in relation to the Authority during this period. It is important to note that this figure includes enquiries dealt with by the LGO where they have offered advice on, or referred complaints back to the Authority. In these situations there is no contact between the LGO and the Authority and therefore we do not hold a record of them. Of the 9 decisions made 7 were Planning and Development related issues and 2 were Corporate and Other Services. Appendices 2 and 3 show the benchmark figures for complaints and enquiries received and determined by the LGO for National Park Authorities.

6. As can be seen in Appendix 1 during the period 1 April 2013 to 31 March 2014, the LGO took decisions on 9 complaints of these:

    a. 3 were closed after initial enquiries
    b. 1 was incomplete/invalid
    c. 2 were referred to the Authority for local solution
    d. 1 was not upheld
    e. 2 were upheld

7. All complaints received under the Authority's complaints process are included in the quarterly report on complaints made to the Audit, Resources and Performance Committee along with decisions received from the LGO. The decision not upheld was

reported in Quarter 3 of 2013-14, whilst the 2 decisions which were upheld were reported in Quarter 2 and Quarter 3 of 2013-14.

8. The LGO has produced a new yearly report on local government complaint handling which includes a summary of complaint statistics for every local authority in England. This is available on the LGO website at Local Government Ombudsman • Annual reports

Proposals

9. It is proposed that the details of the LGO annual review, as set out in Appendix 1 of this report, be noted.

Are there any corporate implications members should be concerned about?

10. **Financial**:
We handle complaints within existing resources. However when a complaint has to be investigated it is often time consuming and distorts planned work programmes.

11. **Risk Management:**
The following risks have been identified at this time:

   a. Failure to ensure action is taken to improve service or address a problem as appropriate in response to complaints received.
   b. Failure to improve the way we handle and respond to customers making complaints.
   c. Unreasonable cost in time and staff resource spent in dealing with complaints.

Action taken as a result of complaints received and our procedure for handling unreasonably persistent complainants help us to mitigate these risks.

12. **Sustainability:**
The Authority's complaints procedure highlights that:

   a. All comments and complaints are treated in confidence and will not disadvantage complainants in any future dealings they might have with the Authority.
   b. Everyone will be treated fairly.

13. **Background papers** (not previously published) – None

Appendices -
Appendix 1: LGO Annual Review Letter 2014

Appendix 2: Benchmark figures for complaints received by the LGO for National Park Authorities

Appendix 3: Benchmark figures for complaints determined by the LGO for National Park Authorities

Report Author, Job Title and Publication Date

Ruth Crowder, Democratic and Legal Support Team Leader, 11 September 2014.

Local Government
OMBUDSMAN

7 July 2014

By email

Mr Jim Dixon
Chief Executive
Peak District National Park Authority

Dear Mr Jim Dixon

Annual Review Letter 2014

I am writing with our annual summary of statistics on the complaints made to the Local Government Ombudsman (LGO) about your authority for the year ended 31 March 2014. This is the first full year of recording complaints under our new business model so the figures will not be directly comparable to previous years. This year's statistics can be found in the table attached.

A summary of complaint statistics for every local authority in England will also be included in a new yearly report on local government complaint handling. This will be published alongside our annual review letters on 15 July. This approach is in response to feedback from councils who told us that they want to be able to compare their performance on complaints against their peers.

For the first time this year we are also sending a copy of each annual review letter to the leader of the council as well as to the chief executive. We hope this will help to support greater democratic scrutiny of local complaint handling and ensure effective local accountability of public services. In the future we will also send a copy of any published Ombudsman report to the leader of the council as well as the chief executive.

Developments at the Local Government Ombudsman

At the end of March Anne Seex retired as my fellow Local Government Ombudsman. Following an independent review of the governance of the LGO last year the Government has committed to formalising a single ombudsman structure at LGO, and to strengthen our governance, when parliamentary time allows. I welcome these changes and have begun the process of strengthening our governance by inviting the independent Chairs of our Audit and Remuneration Committees to join our board, the Commission for Administration in England. We have also recruited a further independent advisory member.

Future for local accountability

There has been much discussion in Parliament and elsewhere about the effectiveness of complaints handling in the public sector and the role of ombudsmen. I have supported the creation of a single ombudsman for all public services in England. I consider this is the best way to deliver a system of redress that is accessible for users; provides an effective and comprehensive service; and ensures that services are accountable locally.

To contribute to that debate we held a roundtable discussion with senior leaders from across the local government landscape including the Local Government Association, Care Quality Commission and SOLACE. The purpose of this forum was to discuss the challenges and opportunities that exist to strengthen local accountability of public services, particularly in an environment where those services are delivered by many different providers.

Over the summer we will be developing our corporate strategy for the next three years and considering how we can best play our part in enhancing the local accountability of public services. We will be listening to the views of a wide range of stakeholders from across local government and social care and would be pleased to hear your comments.

Yours sincerely

Jane Martin

Dr Jane Martin
Local Government Ombudsman
Chair, Commission for Local Administration in England

Local authority report – Peak District National Park Authority

For the period ending – 31/03/2014

For further information on interpretation of statistics click on this link to go to http://www.lgo.org.uk/publications/annual-report/note-interpretation-statistics/

Complaints and enquiries received

Local authority	Adult care services	Benefits and tax	Corporate and other services	Education and children's services	Environmental services and public protection and regulation	Highways and transport	Housing	Planning and development	Total
Peak District NPA	0	0	2	0	0	0	0	7	9

Decisions made

	Detailed investigations carried out						
Local authority	Upheld	Not upheld	Advice given	Closed after initial enquiries	Incomplete/Invalid	Referred back for local resolution	Total
Peak District NPA	2	1	0	3	1	2	9

LOCAL GOVERNMENT OMBUDSMAN NUMBER OF ENQUIRIES RECEIVED REGARDING NATIONAL PARK AUTHORITIES

National Park Authority	**Corporate & Other Services**	**Planning & Development**	**Total**
Lake District	0	6	6
New Forest	1	7	8
North York Moors	0	2	2
Northumberland	0	1	1
Peak District	2	7	9
South Downs	0	1	1
Yorkshire Dales	0	1	1

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LOCAL GOVERNMENT OMBUDSMAN NUMBER OF DECISIONS MADE REGARDING NATIONAL PARK AUTHORITIES

National Park Authority	Advice given	Closed after initial enquiries	Incomplete/Invalid	Referred back for local solution	Upheld	Not Upheld	Total
Dartmoor	1	2	0	0	0	4	7
Lake District	0	3	0	2	5	3	13
New Forest	0	1	1	0	1	5	8
North York Moors	0	0	0	1	0	1	2
Peak District	0	3	1	2	2	1	9
South Downs	0	0	0	1	0	0	1
Yorkshire Dales	0	1	0	0	0	0	1

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