

9. ANNUAL REPORT OF THE DUE DILIGENCE PANEL (RC/AGM)

1. Purpose of the report

To inform Members of the items considered by the Due Diligence Panel over the past 12 months.

Key issues

- This is the first annual report of the Due Diligence Panel.

Recommendations

2. **1. That the items considered by the Due Diligence Panel over the last 12 months, as set out in paragraph 11 of the report, be noted.**

How does this contribute to our policies and legal obligations?

3. This work contributes to achieving the following corporate objectives for 2016/19:
 - Directional Shift Grow Income – Diversifying and growing our funding, building on our valued government grant
 - 1. Increase our income from giving
 - 2. Achieve our commercial programme income targets
 - 3. Develop/establish sponsorship relationships
 - 5. Secure external funding for major programme and partnership delivery.
 - Cornerstone Our Organisation - Developing our organisation so we have a planned and sustained approach to performance at all levels
 - 1. Develop and maintain appropriate standards of corporate governance
 - 2. Implement our medium term financial plan
 - 3. Develop key business processes underpinning the Corporate Strategy.

Background

4. The Due Diligence Panel was set up as part of the Authority's Policy on Working with Businesses, Organisations, Individuals and Groups of Individuals on Sponsorship, Philanthropy and Legacies agreed at the Authority meeting on 3 October 2014.
5. Since then the role and decision making of the Panel has been updated twice and checklists for officers to use for prospective proposals produced. The role and decision making outcomes of the Panel are:
 1. To confirm whether it is appropriate to develop a relationship which has a financial value of £5000 or more (actual or in kind) with the proposed interested party (or parties)
 2. To confirm sufficient material has been provided to make a judgement or to refer back to the proposer if more information is needed
 3. To advise if mitigation action is required in light of risks identified by the proposer or the Panel in order for development of the relationship to proceed
6. In accordance with the agreed Policy all decisions made below the £5000 threshold are:
 - a) Recorded through the finance system where a financial transaction is made - with a report being made every six months by the Head of Finance to the Due Diligence Panel for review
 - b) Reported to Democratic and Legal Support Team for recording on a register where the transaction is an in-kind transaction with a report being

made every six months by the Democratic and Legal Support Team to the Due Diligence Panel for review.

7. The Panel first met in November 2015 and has since set quarterly meetings but can be convened as necessary in between those meetings. The Panel has now met five times.
8. The current Members of the Panel are:
 - Monitoring Officer as Chair – with Deputy Monitoring Officer as deputy
 - Director of Commercial Development and Outreach – with an appropriate deputy to attend if any conflict of interest arises
 - Chief Finance Officer
 - One Member appointed at annual Authority meeting – Mr Zahid Hamid with Cllr Caroline Howe appointed as deputy Member.
9. When the Panel was first appointed Ruth Marchington, Director of Corporate Strategy and Development, was the Chair and Mrs Emma Sayer was the appointed Member. Both were instrumental in establishing the Panel's processes.
10. Nationally within the last 12 months the 15 National Park Authorities have set up the National Parks Partnerships Limited Liability Partnership (LLP) to create successful partnerships between the UK National Parks and business and this is now fully operational. The Authority's Director of Commercial Development and Outreach attended its launch workshop. The Partnership's way of operating is through a named group of commercially-focused officers within each National Park Authority who can co-ordinate any data/insight requests and co-ordinate any potential activation of agreed sponsorships. The Partnership's Development Director, Naomi Conway, provides a monthly update on contacts made and potential for conversion to the Director of Commercial Development & Outreach, who has also conducted direct discussions with her and the Partnership board member, Tim Barclay, on the particular benefits of partnering with the Peak District National Park Authority.

Proposals

11. The Committee is asked to note the following items that have been considered and decided on by the Due Diligence Panel in the past 12 months:
 - Agreed a trial for 'Product sales donation' with Outdoor Division, JD Sports Fashion Plc, an outdoor clothing company, for an agreed range of products that have an experiential link to the PDNPA and support the Authority's statutory purposes (eg walking boots).
 - Agreed a trial on donations at the till added to transaction/purchase with Outdoor Division, JD Sports Fashion Plc.
 - Agreed to support proposals with Outdoor Division, JD Sports Fashion Plc for uniform testing of two brands and sponsorship through supply of uniform clothing items for all relevant staff and volunteers and extension of previously agreed donation contribution linked to product sales in store on 'tested ranger endorsed products'.
 - Agreed to support the development of a relationship with Tarmac Trading Ltd to deliver conservation works on the ground via 50,000 volunteer hours for Tarmac employees and to engage in wider, harder to reach sectors, to accept £20,000 funding annually for a period of 5 years from Tarmac towards one half time, fixed term Conservation Volunteers post and the 'badging up' of one vehicle and one uniform.

- Agreed due diligence procedures for considering future legacies given to the Authority.

12. Since the Due Diligence Panel decisions regarding the proposals with Outdoor Division, JD Sports Fashion Plc, the potential partnership has been transferred to the National Parks Partnerships LLP. Conversations had already been started by the Partnership with Outdoor Division, JD Sports Fashion Plc and it was agreed that the greater audience reach and national brand positioning provided by a pan-Park approach was likely to be more attractive to the company.

Are there any corporate implications members should be concerned about?

13. **Financial:** Any financial risks of individual proposals are considered as part of the Due Diligence process.
14. **Risk Management:** Any risks related to individual proposals are considered as part of the Due Diligence process and addressed accordingly.
15. **Sustainability:** Any sustainability issues of individual proposals are considered as part of the Due Diligence process and addressed accordingly.
16. **Background papers** (not previously published) – None

Appendices - None

Report Author, Job Title and Publication Date

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Ruth Crowder, Democratic and Legal Support Team Leader, 27 October 2016