

12. NATIONAL PARK GRANT FUNDING AGREEMENT (PN)

1. Purpose of the report

To delegate approval to the Chief Executive to sign the National Park Grant Funding Agreement (the “Agreement”). The parties to the Agreement are the Peak District National Park Authority (“the Authority”) and the Department for Environment, Food and Rural Affairs (“Defra”).

Key Issues

- Defra has advised the Authority that it intends to update the existing mechanisms for review and oversight of National Park Grant.
- As part of the new arrangements, the standing Financial Grant Memorandum, dated 1st April 2008, will be replaced by a new National Park Grant Funding Agreement, common to all National Parks and Areas of Outstanding Natural Beauty.
- Defra intend that the Agreement is signed to cover the period over which National Park Grant is offered, tailored to the period the National Park Grant settlement letter covers.
- Defra are wishing to issue the Agreement for signature by 31st July 2019 so that it is operative for the current National Park Grant (2019-20), and they will re-issue the Agreement to cover future settlements.

2. Recommendation

- 1. That Members delegate to the Chief Executive, in consultation with the Chief Finance Officer and Head of Law, authority to sign the new National Park Grant Funding Agreements issued by Defra, covering National Park Grant payments from 1st April 2019.**

3. How does this contribute to our policies and legal obligations?

The National Park Grant enables the Authority to comply with its obligations in accordance with the Law and in particular to deliver National Park Purposes and Duty.

4. Background

The National Park Grant is the Authority’s primary source of funding. In 2019/20, it is estimated that the National Park Grant payable to the Authority will amount to £6,698,847.

Following a National Audit Office (NAO) review, Defra have informed the English National Park Authorities that they intend to strengthen their oversight role and in turn update the National Park Grant funding arrangements.

Under the new arrangements, a formal annual review meeting with each National Park Authority to discuss priority areas of work, key successes, issues, risks and barriers will take place. In addition, Defra intends to replace the current Financial Grant Memorandum, which has been in operation since 1st April 2008, with a new form of Grant Agreement. The new Grant Agreement will be based upon the prescribed template developed by the Cabinet Office for all grants, and is presented in the form a grant agreement with underlying conditions for signature by both parties, the broad

content of which is similar to the current Financial Grant Memorandum. A draft of the new Agreement is shown in Appendix 1, the final version of which will be issued by Defra at the end of July 2019 in order to ensure it is in place for the current National Park Grant, and available to cover future Spending Reviews. Subsequent grant agreements will be issued by Defra to cover future National Park Grant settlements.

5. Proposals

In line with the Authority's standing orders (7.C.2), which require Committee approval to accept grants over £200,000, delegated approval is sought to enter into the current, and any future, National Park Grant funding agreement with Defra, for payment of our principal grant funding.

Are there any corporate implications members should be concerned about?

6. Financial:

As detailed above

7. Risk Management:

The National Park Grant is essential to ensure the Authority is able to comply with its duties and responsibilities.

8. Sustainability:

None.

9. Equality:

None.

10. Background papers (not previously published)

None.

Appendices

Appendix 1 – Draft National Park Authority – Grant Funding Agreement

Report Author, Job Title and Publication Date

Philip Naylor, Chief Finance Officer, 11 July 2019
Philip.Naylor@peakdistrict.gov.uk