

13. PEAK DISTRICT NATIONAL PARK FOUNDATION PARTNERSHIP AGREEMENT AND ANNUAL REPORT

1. Purpose of the report

To inform Members of the progress of the Peak District National Park Foundation (the Foundation) in 2012/22. To seek an extension of the current Memorandum of Understanding (MoU) and grant offer while new terms are agreed that will see the Foundation achieve financial independence over a five-year period. The Foundation will employ their own staff team, giving a greater agility and independence from the formality and rigidity that comes with the current interconnections with the Authority.

In November 2021, the Authority approved a 12-month extension to the grant agreement and MoU with the Foundation. This included providing staff resources to manage and develop the charity and embed the Foundation across the Authority to support Management Plan outcomes. There is now an opportunity to support the Foundation to become more effective and allow it to focus more on generating funds to help deliver the Management Plan objectives. This report sets out the Authority's proposed support for the Foundation going forward.

Key Issues

The Foundation was established by the Authority to help generate sustainable income and registered with the charity commission in February 2019. The initial MoU was for 3 years and was extended for a further year to March 2023 to enable development work following the Business Change Manager recommendations and to identify the ideal fundraising resource to develop and grow support for agreed National Park priority projects.

Fundraising remains a priority for the Authority and is recognised in the new Management Plan. The Foundation has successfully doubled year on year income (adjusted for one-off unanticipated gifts), and increased its visibility and brand recognition.

The partnership between the Foundation and the Authority is critical to its continued success. Whilst the Foundation continues developing and building its fundraising capacity, it needs the support of the Authority to underpin that growth and allow it to reach its full potential. It is proposed that the Authority gives a grant to the Foundation agreed for the next five years that will enable it to fund core staff and running costs while moving to be a more sustainable self-financing model. The Authority and Foundation will continue to work closely together to raise funds to support the delivery of Management Plan objectives.

2. Recommendations

- 1. To note the 2021/22 annual report of the Foundation and progress in its first three years of operation.**
- 2. To approve a short extension of the current MoU and grant on similar terms, to enable the Authority and Foundation to negotiate terms of the ongoing relationship for the next five years. The extension would come to an end on completion of the new five-year agreement, or after a period of twelve months, whichever is the earlier.**
- 3. To approve in principle a new five-year grant agreement and MoU with the Foundation.**
- 4. To delegate approval of the terms of the new MoU and grant agreement to the CEO, in consultation with the Deputy Chair of Authority and Chair of Programmes and Resources Committee.**

- 5. To authorise applications for and acceptance of grants from the Foundation up to a maximum of £200,000 per annum, subject to approval of the relevant Head of Service, without the need to comply with Standing Order 7.C-2 in respect of each individual grant.**

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

The Peak District National Park Authority has a long-term ambition and need to diversify and increase income. As a statutory body the Authority is restricted in some forms of fundraising and there is some limitation in attracting charitable donations, hence the Authority took the decision in 2018 to establish a charity to harness fundraising opportunities and create a special purpose vehicle for fundraising.

In the new Management Plan the Foundation is the responsible partner to deliver actions to provide opportunities for communities and visitor businesses to support the National Park through advocacy, volunteering and financial support. The Foundation can also help deliver Authority Plan objectives around financial resilience and value for money.

4. Background Information

4.1 What the Foundation has achieved so far

In its first three years of operation the Foundation has raised £303,222 (see table below). The annual report for 2021/22 details activity in the last full year of operation. See appendix 1

	19/20 Income	20/21 Income	2021/22 Income	Total to date
Total Income	£88,667	£54,652	£159,903	£303,222
Core income	£26,103	£54,652	£109,903	£190,658
One-offs	£62,564 Legal deposit		£50,000 Legacy	£112,564

4.2 The Foundation strategy

Thanks to the support of the Authority, the Foundation has been able to demonstrate its capacity as an effective fundraising body and has built a solid base across all the major charitable income streams. To continue to develop and improve its capacity for income generation, the Authority is proposing a new MoU with the Foundation which will allow for longer term planning. The Foundation would be able to independently hire staff and control its own operations.

The Foundation has prepared financial projections with the aim of:

- Continuing to develop the Foundation brand to build profile and a supporter base
- Developing and refining a pipeline of projects which the Foundation supports
- Applying for funds that are not open to the Authority or are better suited to a charity
- Developing and delivering a major gift strategy and Trusts and Foundations plan
- Developing the Peak Partner scheme
- Increasing regular donors and digital fundraising

Alongside charitable fundraising by the Foundation, the Authority will create a Grants Officer who will develop a pipeline of projects and coordinate grant applications across the Authority. They will create a pipeline of projects both for funding directly via Authority grant applications and via donations from the Foundation.

5. Proposals

It is proposed that a new MoU and grant offer is developed between the Authority and the Foundation that will enable the Foundation to employ its own team of staff and work towards being self-financing. The new agreements will set out the annual contribution of cash and resource (office accommodation only) for a five-year period, following which the Authority's financial support will cease as the Foundation should have become fully self-financing.

The proposed grant is £130,000 pa for three years with a further two years of funding decreasing at 20% pa. The Authority will also provide office accommodation. It is proposed that the grant has an annual inflationary increase set at the level used by the Authority in its medium-term financial plan (currently 5%).

The grant is based on the cost of two staff at pay scale J (higher management level) and one admin post at pay scale C (each role being four days per week), with additional running costs based on the current operational costs of the Foundation. This represents a higher staffing resource than is currently provided.

This proposal would see staff directly employed by the Foundation. This will give the Foundation the flexibility and agility to grow and develop its capacity to support delivery of its charitable aims.

The proposed grant will give the Foundation the certainty it needs to develop, grow and accelerate support, and gives potential funders and donors the confidence to partner with the Foundation.

It is proposed that acceptance of grants from the Foundation are authorised, up to a maximum of £200,000 per annum, without the need to obtain all of the separate authorisations under Standing Orders, to enable the smooth running of processes for grant giving to the Authority by the Foundation.

6. Are there any corporate implications members should be concerned about?

Financial:

The current model of providing support for the Foundation has been shown not to work and carries an ongoing financial commitment. Current levels of financial support for the Foundation equate to £59,000 in direct costs plus a range of in-kind support measures. The proposal gives the Authority greater certainty as to the level and length of time that financial and in-kind support are given. It is expected that the Foundation will continue to raise more funds to support the Management Plan than the Authority gives the Foundation.

7. Risk Management:

The risk of continuing support for the Foundation is low and is managed in a number of ways:

- There are robust processes, policies and systems in place for the charity
- The trustee board includes 3 members nominated by the Authority although the number might change with the new working relationship.
- A list of fundraising projects has been agreed to meet Management Plan outcomes.
- The MoU and grant agreement sets out the partnership working, including the formal pattern of regular meetings.

- There is a fundraising strategy in place with a clear plan to grow support.

Given the above mitigation the risk is considered low.

8. Sustainability:

The Foundation will raise funds to support sustainability work identified in the Management Plan.

9. Equality:

Supporting the Foundation has a positive impact on equality as funds support projects which contribute to a National Park for everyone and connect diverse communities to the National Park.

10. Climate Change

1. How does this decision contribute to the Authority's role in climate change set out in the UK Government Vision and Circular for National Parks?
 - a. Educators in climate change
 - b. Exemplars of sustainability

The Foundation fundraises for the following Management Plan outcomes:

- Preparing for a Future Climate
- Conservation on a Landscape Scale
- A National Park for Everyone

To date the Foundation has raised over £300,000 for a range of projects including funding for Moors for the Future Partnership's moorland restoration, supporting woodland restructuring work at Stanage North Lees estate, Ambassador Schools, supporting access improvements and footpath restoration, supporting conservation and ash die back mitigation work on the Monsal Trail

- c. Protecting the National Park
- d. Leading the way in sustainable land management
- e. Exemplars in renewable energy
- f. Working with communities

As above the Foundation is funding a range of projects which meet the above outcomes including community led projects: Hedgerow restoration in the Hope Valley; Bradwell hydro-electric Christmas lights project; supporting sustainable land management in Stanage North Lees; and via the Connect Fund small grants pot.

- How does this decision contribute to the Authority meeting its carbon net zero target?

The Foundation supports nature restoration for carbon sequestration.

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

The Foundation supports projects which deliver nature restoration and carbon sequestration.

- Are there any other Climate Change related issues that are relevant to this decision that should be brought to the attention of Members?

No.

11. Background papers (not previously published) - None

12. Appendices

Peak District National Park Foundation Annual Report 2021/22 [Our Annual Report 2021/2022 - Peak District National Park Foundation \(peakdistrictfoundation.org.uk\)](https://www.peakdistrictfoundation.org.uk/our-annual-report-2021-2022)

Report Author, Job Title and Publication Date

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