



## Role and Decision Making of Due Diligence Panel in Support of Policy on Working with Businesses, Organisations, Individuals and Groups of Individuals on Sponsorship, Philanthropy and Legacies

Peak District National Park Authority		
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1.1	22/04/2016 & 21/07/2016	Amendments
1.2	21/08/2019	Amendments
1.3	12/01/2021	Amendments to reflect organisational staffing changes
1.4	20/09/2023	Amendments to reflect organisational staffing changes

## **Role and Decision Making of Due Diligence Panel in Support of Policy on Working with Businesses, Organisations, Individuals and Groups of Individuals on Sponsorship, Philanthropy and Legacies**

### **Role and Decision Making Outcomes:**

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

### **NOTE:**

1. This process will complement and will not duplicate other decision making processes e.g. RMM business case process depending on financial delegation limits; requirement of SO to consult Chair and Vice Chair of Programmes and Resources Committee on new income generation proposals.
2. In accordance with the policy all decisions made below the £5000 threshold will be:
  - 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 Customer and Democratic Support Team (CDST) for recording on a register where the transaction is an in-kind transaction with a report being made every six months by the CDST to the Due Diligence Panel for review.

### **Process:**

The Due Diligence Panel will consider the information provided and score against the following due diligence criteria:

1. Contribution to achieving corporate plan – assessed through the material presented to the Panel by the proposer showing how achieves focus (and/or performance measures) of the outcomes and integrated principles of the 2019-24 corporate strategy and the National Park Management Plan 2023-2028 (NPMP)
2. Fit with the PDNPA brand values; whether the relationship adds value to the PDNPA brand; whether proposal has potential to grow into a national partner with National Parks UK – assessed through: the material presented to the panel by the proposer; nature/ size/location of a business; discussion with the Head of Engagement
3. Motive of the interested party - assessed against ‘reasons why an organisation might want to sponsor or donate to the PDNPA activity’ given in the policy adopted by Authority (minute 48/14) at paragraph 2.4 and whether the information given is considered by the Panel as reasonable and transparent
4. Identity and financial check – assessed through:
  - a. If an individual, or non–UK company: as far as can be ascertained, consistent with any Money Laundering obligations, what is the source of the individual or company’s wealth
  - b. If the sponsor is a UK registered company: that the company is legally constituted at Companies House and that it or Directors are not in breach of Companies Act requirements
  - c. If the sponsor is an individual: bankruptcy search to ensure that they are not bankrupt
5. Environmental credentials – assessed through:
  - a. Any organisational statement or commitment
  - b. Material presented by proposer on motives
  - c. Consultation with internal specialists to check any reputational issues and if they are aware of any pending investigation by other bodies e.g. Environment Agency/Natural England
  - d. Internet search to see if any negative publicity that needs to be considered

6. Conflict of interest/impact on Authority's reputation assessed through:
- a. Consideration of whether it is reasonably foreseeable that the interested party will
    - Make a planning or regulatory application; or
    - Have any procurement dealings with the Authority; or
    - Have any other dealings with the Authority including a significant/key contributor to policy development

And that the development of a relationship with the interested party in the manner proposed (in the reasonable opinion of the Authority) may be perceived to have a material impact on an application or dealing or development of policies or the reputation of the Authority
  - b. The extent of 'regulatory' contact an interested party may have or potentially have with the Authority including a check of enforcement and planning history with the Authority
  - c. The interested party's association with controversial or sensitive issues in the community or in a wider public context
  - d. The interested party's publicised and publicly promoted/campaign association with a particular political party
  - e. Check of whether there have been any county court judgements made against the interested party
  - f. The extent any mitigating action could be put in place to minimise impact of any possible conflicts

#### **Scoring:**

Score out of 10

10 = no issues

1= prohibitive issues meaning cannot proceed whatever the value of other scores

5= satisfactory – some issues but not insurmountable

0= difficult to make judgement from information provided- more information needed

Templates for the Panel's assessment process are provided at Appendices 1a (not Legacies) and 1.b (Legacies)

#### **Information Needed by Panel:**

The Panel needs the proposer to carry out some pre checks and to provide sufficient information for the Panel to fulfil its role. Templates are provided at Appendices 2a (not Legacies) and 2b (Legacies) for this purpose. It is recognised that sometimes a 'light touch' assessment is required and the proposer needs only to provide as much information as is needed to obtain a decision.

#### **Panel:**

1. The Panel will consist of:
  - Nominated Member (or deputy nominated by Authority)
  - Head of Assets and Enterprise (or deputy)
  - Chief Finance Officer (Section 151 Officer)
  - Monitoring Officer who will also Chair the Panel (deputy: Deputy Monitoring Officer)

The Grant Development Officer should receive copies of all Panel papers.

The Chair will decide if a meeting can take place if one or more members of the Panel cannot attend in a timely way. This judgement will be made based on the proposal to be considered.

2. The proposer will be asked to join the Panel to present the proposal, to answer questions and to propose or agree mitigating action if identified.
3. If the Panel feels it needs to test the risk appetite for a particular proposal it will take one of the following actions:
  - ask for external scrutiny by inviting an external independent person with appropriate expertise to join the Panel
  - ask the Management Team for a steer prior to taking a Panel decision
  - refer to Programmes and Resources Committee for a decision

#### **Administering the Process including Recording Decisions:**

The CDST will support the process through:

1. Calling a Panel meeting on the receipt of a completed template from the proposer
2. Sending paper work and an agenda out to participants three working days before the date of the meeting
3. Taking notes of decisions by completing and circulating the Panel's collective completion of the scoring assessment
4. Retaining a register of decisions of the Panel which is open to public scrutiny
5. Taking an annual report on decisions of the panel to the Programmes and Resources Committee as committed to in the Policy
6. In accordance with the policy, receiving notification of all in-kind decisions made below the £5000 threshold for recording on the register and reporting to the Panel every six months

The Head of Finance will support the process through:

1. In accordance with the Policy, reporting financial transactions under the £5,000 threshold every six months to the Panel

#### **Review of Policy and Due Diligence Panel Process**

The Panel will test the procedure proposed above and amend as appropriate through experience. If the Panel can recommend a simpler process, it will. If the Panel feels the policy is too restrictive in its requirements or difficult to interpret it will make a recommendation for change to the Authority.

#### **Appendices:**

Appendix 1a: Panel's assessment and scoring sheet template (not Legacies)

Appendix 1b: Panel's assessment and scoring sheet template (Legacies)

Appendix 2a: Proposer's pre-checks and information proposal template (not Legacies)

Appendix 2b: Proposer's pre-checks and information proposal template (Legacies)