

Report to **South Downs National Park Authority**  
Date **17 October 2024**  
By **Head of Governance**  
Title of Report **Governance arrangements for Seven Sisters Country Park**  
**Decision**

---

**Recommendation:**

**The Authority is recommended to:**

- 1. Note the arrangements to manage Seven Sisters Country Park within the Authority following the termination of the Operating Agreement with South Downs Commercial Operations Ltd on 9 October 2024;**
- 2. Note the Terms of Reference of the Seven Sisters Country Park Operations Advisory Board, as set out in Appendix 1; and,**
- 3. Approve the amended terms of reference for the Policy and Resources Committee, as set out in Appendix 2, to take effect on 22 November 2024.**

**The Authority, as Shareholder, is recommended to:**

- 4. Agree to remove Chris Dowling, Stephen McAuliffe, and Stephen Whale as Directors of South Downs Commercial Operations Ltd with effect from 18 October 2024; and,**
  - 5. Note the arrangements for the future of South Downs Commercial Operations Ltd.**
- 

**1. Introduction**

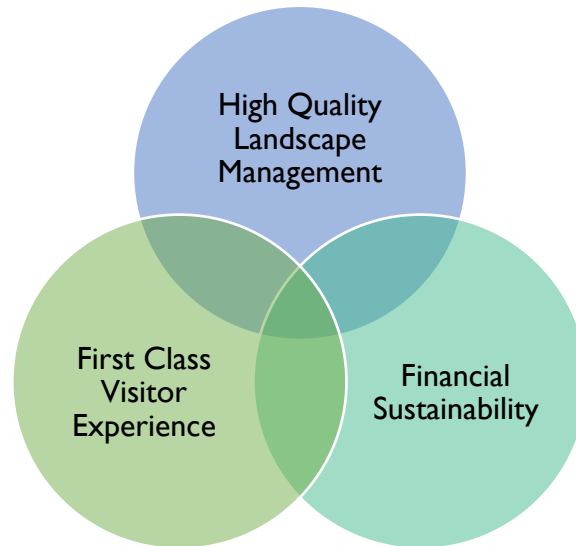
- 1.1** At the meeting of the South Downs National Park Authority on 9 July 2024 it was agreed that the Operating Agreement for the management of Seven Sisters Country Park (SSCP) with South Downs Commercial Operations Ltd (SDCOL) would be terminated on 9 October 2024. Following that date the Authority would manage operations at SSCP directly.
- 1.2** The decision to bring the management of SSCP within the Authority was taken following a thorough 12 month review of the operating model for SSCP. The review benefited from the two years of full operations at SSCP and has had input from Members, officers, and the Board of SDCOL.
- 1.3** The purpose of this report is to update Members on the arrangements in place to manage SSCP within the Authority, including the new Operations Advisory Board which will support the Chief Executive and the Strategic and Commercial Manager in operating SSCP.
- 1.4** In its capacity as shareholder, the Authority is also asked to determine practical matters in relation to the Directors of SDCOL and to note the future arrangements for SDCOL.

**2. Background**

- 2.1 The Authority established SDCOL in May 2020 with the aim of being able to undertake commercial opportunities as they may arise or are identified with the aim of generating income for the Authority.
- 2.2 The Authority took ownership of SSCP from East Sussex County Council in August 2021 and since April 2022 the operations at SSCP have been managed by SDCOL. For the last two years the management of SSCP has been SDCOL's sole focus.
- 2.3 It is important to note that the Authority performs a number of roles in relation to SSCP and SDCOL. The Authority is the freehold owner of SSCP and, therefore, landlord to any business which operates on the site. The Authority set up SDCOL as a company limited by shares for which the Authority is the sole shareholder. Up to 9 October 2024, the Authority contracted SDCOL, through an Operating Agreement, to deliver a variety of activities at SSCP in line with the Annual Business Plan agreed by the Authority. From 9 October the Authority is responsible for directly managing SSCP.

**3. Operations at SSCP**

- 3.1 The Authority is committed to delivering on three operational priorities at SSCP: High Quality Landscape Management, a First Class Visitor Experience, and Financial Sustainability.



Day-to-day operations

- 3.2 As the Authority's Operational Plan for SSCP is a continuation of SDCOL's Annual Business Plan, the objectives for the remainder of the 24/25 financial year remain the same.
- 3.3 The Authority considered the Business Plan at its meeting on 9 July 2024 and agreed with the focus on Visitor Engagement and consolidation of the core offer at SSCP. In particular, the core activities of the visitor centre, food & beverage and events offer, alongside a wide range of engagement activities from volunteering to interpretation and improving accessibility. The aim being that these will attract visitors and opportunities for visitor spend and income generation in a less weather dependent way.

Staffing

- 3.4 Following the termination of the Operating Agreement on 9 October 2024, the secondment of staff from the Authority to SDCOL ended. All staff remain employed by the Authority and continue to undertake the same roles at SSCP as they did under SDCOL.
- 3.5 The Authority is reviewing the use of zero hours contracts at SSCP with the aim of moving away from the use of these contracts. Options are currently being appraised by the Commercial and Strategic Manager and the Senior Leadership Team for inclusion in the 2025/26 budget.

Advice and decision-making

- 3.6 The Commercial and Strategic Manager continues to undertake the day-to-day management of SSCP and continues report to the Chief Executive. Decision-making responsibilities for operations at SSCP will rest with the Chief Executive. SSCP is housed within the Corporate Strategy Directorate which has ensured minimal disruption
- 3.7 In order to support the Chief Executive in this role, a new SSCP Operations Advisory Board made up of officers, Members, and external experts has been established. The role of the Board is to advise the Chief Executive and bring together subject experts, as appropriate, to consider operational matters.
- 3.8 The terms of reference for the Board are attached to note at **Appendix I**.  
Performance monitoring and reporting
- 3.9 The Commercial and Strategic Manager will report regularly to the Chief Executive on the performance of various aspects of SSCP, including the management of the landscape and the financial performance of the various income streams.
- 3.10 The Policy and Resources (P&R) Committee will receive a quarterly performance report, as is the current practice for SDCOL. This report will include a consideration of performance against the Operational Plan and will enable the Committee to make recommendations to the Authority about operations at SSCP. In order for the P&R Committee to perform this function, it is proposed this be included in the Committee’s terms of reference as follows and as set out in **Appendix 2**. The committee expects to receive the final SDCOL performance report at its next meeting on 21 November. Therefore, it is proposed the terms of reference change following that meeting.
- 3.11 The Authority will receive an annual update on operations at SSCP at the March Authority meeting each year alongside the consideration of the Authority’s Corporate Plan and budget.
- 3.12 For the remainder of 2024/25 the performance of SSCP will be monitored against the Delivery Action Plan which was approved by the Authority as part of the Operational Plan at its meeting on 9 July. For the 2025/26 financial year, revised Key Performance Indicators will be considered by the Authority as part of the 2025/26 Operational Plan.

Financial matters

- 3.13 Substantial work has been undertaken by the Authority’s finance and procurements teams to transfer SDCOL’s financial accounts and novate contracts held by SDCOL to the Authority.
- 3.14 As of 9 October (subject to audit), SDCOL had £204k in assets, including cash, outstanding debtors and stock, which have transferred over to the Authority. There was also a debt of £688k to the Authority which included staffing invoices and remaining payments on the £30k loan from the Authority to SDCOL, which the Authority will offset against the transferred assets. The Authority also has a loan reserve of £220,000 for SDCOL which, as the reserve will no longer be required, can also be used to mitigate the financial impact on the Authority. Any remaining outstanding debt is proposed to be written off by the Authority in due course. SDCOL had no other debts. A summary of this is set out below.

Detail	Amount
SDCOL Assets	£204,000
SDCOL Liabilities	-£688,000
SDCOL Financial Position	-£484,000
SDNPA Loan Reserve	£220,000
SDNPA Financial Impact	-£264,000

- 3.15 The impacts of this on the Authority's financial position is being integrated into Q3 and Q4 considerations around the use of budget underspend and appropriate use of reserves. This will be covered as part of the usual Q3 budget report to the Policy & Resources Committee and the end of year outturn report to the Authority.

Stakeholder Advisory Group

- 3.16 The Stakeholder Advisory Group (SAG) was set up under Memorandum of Understanding with East Sussex County Council as part of the transfer of SSCP to the Authority. The current membership of the group is limited. It is felt that the SAG could provide a very useful forum to bring together a number of key stakeholders in the local area to discuss matters of mutual concern. A review of the membership of the group will take place over the next 6-12 months with a view to engaging with a wider group of key stakeholders.

**4. South Downs Commercial Operations Ltd**

- 4.1 Following the Authority's decision at its meeting on 9 July 2024 to make SDCOL, as a company, dormant, it is the Authority's responsibility, as sole shareholder, to make appropriate arrangements for the future administration of the dormant company.
- 4.2 SDCOL is required to submit full accounts for any year it has been trading in. Full accounts will be prepared and submitted to Companies House for the 2024/25 financial year. Following this, the Company will fall dormant and SDCOL will only be required to complete an annual confirmation statement and dormant accounts which set out that the company has not traded during the financial year.
- 4.3 Once dormant, SDCOL will no longer require the services of Brighton and Hove City Council to manage its accounts, which will save £12k per year.
- 4.4 As SDCOL is no longer managing operations at SSCP, there is no need for a Board of Directors to handle these matters. The Authority is therefore recommended to remove Chris Dowling, Stephen McAuliffe, and Stephen Whale as Directors of South Downs Commercial Operations Ltd. The two external Directors are expected to retire as Directors of SDCOL following the Board meeting on 9 October 2024.
- 4.5 P&R Committee will no longer be required to monitor and review the performance of SDCOL. As such it is proposed that the terms of reference of the committee be amended to remove terms related to SDCOL. The committee expects to receive the final SDCOL performance report at its next meeting on 21 November. Therefore, it is proposed the terms of reference change following that meeting.
- 4.6 As a dormant company, SDCOL will still be required to have at least one Company Director. This will be an officer of the Authority who will also undertake the relevant administrative functions to satisfy the requirements of Companies House.
- 4.7 The Authority may in the future require an appropriate commercial vehicle should it look to undertake activities for a commercial purpose. Were this the case, and a company limited by shares was considered to be the most appropriate vehicle, SDCOL could be brought out of dormancy and be used to deliver these activities. This would be subject to a thorough assessment of the activities being undertaken and based on advice about the most appropriate vehicle to deliver them through.

**5. Next steps**

- 5.1 The new operating and decision-making structure for SSCP is in place in the Authority. Members will be updated on progress and performance at future meetings of the P&R Committee and Authority.
- 5.2 Officers will manage the ongoing administration of SDCOL and the necessary steps over the remainder of the 2024/25 financial year leading to the company being made dormant.
- 5.3 Over the next 6-12 months the membership of the SAG and the format of the meetings of this group will be reviewed with a view to engaging with a wider group of key stakeholders.

**6. Other implications**

Implication	Yes*/No
Will further decisions be required by another committee/full authority?	Not in relation to this decision. However, the operational plan for SSCP will be considered annually by the Authority.
Does the proposal raise any Resource implications?	No. The financial benefits of bringing the management of SSCP within the Authority were considered as part of the decision at the 9 July 2024 Authority meeting.
How does the proposal represent Value for Money?	The new operating model for SSCP seeks to make the best use of the Authority's assets and resources makes financial savings and better use of officer resources.  All income generated at SSCP comes into the Authority which will cover a substantial proportion of the costs of running SSCP.
Which PMP Outcomes/ Corporate plan objectives does this deliver against	The operation of SSCP has potential contributions to the Partnership Management Plan Outcomes 1, 2, 3, 4, 5, 6, 7 and 10 and supports all three of the higher level targets in the Authority's Corporate Plan Action Plan Years 4 and 5.
Links to other projects or partner organisations	SSCP links with a number of other stakeholders in the locality, including local authorities, The National Trust, Forestry Commission, Natural England, and other landowners.
How does this decision contribute to the Authority's climate change objectives	Nature recovery and climate change mitigation are key objectives of the SSCP Landscape Management Plan.
Are there any Social Value implications arising from the proposal?	No.
Have you taken regard of the South Downs National Park Authority's equality duty as contained within the Equality Act 2010?	Yes. Substantial consideration is given in both the strategic planning and the day-to-day operations at SSCP. SSCP welcomes a hugely diverse audience of visitors and the Authority undertakes its activities and delivers services in a way which is consistent with, amongst other things, the Authority's public sector duty in accordance with the Equality Act 2010 as well as having due regard to the NPA's Equality and Diversity Policy. With the Authority managing SSCP moving forward this will enable greater control over the application of this in practice and will enable the Authority to consider in greater detail the Equity, Diversity, and Inclusion implications of the operations at SSCP.
Are there any Human Rights implications arising from the proposal?	No.
Are there any Crime & Disorder implications arising from the proposal?	No.

Implication	Yes*/No
Are there any Health & Safety implications arising from the proposal?	The operations at SSCP carry many important H&S considerations, some of which are managed by the Authority through risk registers and risk assessments as appropriate, and others which were managed by the Company. All H&S considerations are now the responsibility of the Authority enabling a holistic overview of all risks and mitigations. This is within the current resources of the Authority.
Are there any Data Protection implications?	Yes. The operations at SSCP include payment systems and may also include other personal data provided to the Authority by users of SSCP. Advice will be sought from the Authority's Data Protection Officer as necessary.

**7. Risks Associated with the Proposed Decision**

- 7.1 The Authority took the decision to bring the management of SSCP within the Authority at its meeting in July 2024, however, it is important the Authority have in place a suitable operating structure in place to ensure SSCP remains to be seen and managed as a whole, not as a group of separate activities, but as a cohesive visitor attraction which recognises the individuality of SSCP. This will also support the Authority in monitoring the financial performance of SSCP so that officers and Members have a clear understanding of to what extent the site is meeting its operational priority of financial sustainability. The structure also strives to ensure that SSCP does not become overly distracting for the Authority, given running visitor attractions is not the Authority's day-to-day business.
- 7.2 It is also important to note that by managing the operations at SSCP directly, rather than via a company, the Authority assumes all liabilities on the site. However, this situation is considered to be an improvement over the previous split of roles and responsibilities between the Authority and SDCOL and will enable the Authority to take a holistic view of all risk, liabilities, and opportunities at SSCP.

**RICHARD SANDIFORD**

**Head of Governance**

**South Downs National Park Authority**

Contact Officer: Tim Slaney

Tel: 01730 814810

Email: [tim.slaney@southdowns.gov.uk](mailto:tim.slaney@southdowns.gov.uk)

Appendices 1. SSCP Operations Advisory Board Terms of Reference  
2. Revised Policy and Resources Committee Terms of Reference

SDNPA Consultees Chief Executive; Director of Planning, Director of Landscape and Strategy, Monitoring Officer; Chief Finance Officer; Head of Finance and Corporate Services; Commercial and Strategic Manager.

External Consultees None

Background Documents None

**Draft Terms of Reference for Seven Sisters Country Park Operations Advisory Board**

<b>Name of Group</b>	Seven Sisters Country Park (SSCP) Operations Advisory Board
<b>Purpose</b>	<ol style="list-style-type: none"> <li>1. Advise the Chief Executive on operational matters at SSCP.</li> <li>2. Ensure a focus on the operational priorities of High Quality Landscape Management, First Class Visitor Experience, and Financial Sustainability.</li> </ol>
<b>Outcomes &amp; Deliverables</b>	<ol style="list-style-type: none"> <li>1. Regular advice to the Chief Executive on operational matters at SSCP.</li> <li>2. Bring together subject experts to advise on operations at SSCP.</li> <li>3. Support the development of the SSCP annual Operational Plan.</li> </ol>
<b>Duration</b>	The work of the Board is ongoing.
<b>Membership</b>	<p>The Board will be Chaired by the Chief Executive and members of the Board will be appointed by the Chief Executive.</p> <p>The core members of the group, in addition to the Chief Executive will be:</p> <ul style="list-style-type: none"> <li>• SSCP Commercial and Strategic Manager</li> <li>• Director of Planning</li> <li>• Countryside and Policy Manager Eastern Area</li> <li>• Head of Finance and Corporate Services</li> <li>• Head of Governance</li> <li>• At least two Authority Members</li> <li>• External experts (as appropriate)</li> </ul> <p>Other officers may be invited to meetings of the Board as required to advise on operational matters (i.e. fundraising, communications, land and woodland management, grazing).</p>
<b>Accountability</b>	<p>The Board will have no policy or decision-making powers and performs an advisory role only.</p> <p>Operations at SSCP will be monitored by the Chief Executive and performance by the Policy &amp; Resources Committee.</p>
<b>Working Methods &amp; Meetings</b>	<p>The Board will be chaired by the Chief Executive.</p> <p>The Board will meet every 4-6 weeks.</p> <p>The Chair may call additional meetings of the Group as and when required.</p> <p>As the Board is not decision-making there is no quorum for meetings, but the Chair will ensure the relevant subject experts are in attendance as necessary and will seek to reach a consensus opinion.</p> <p>The Group may meet in person, online, or hybrid at the discretion of the Chair.</p>
<b>Resources</b>	<p>The group will have no budget or resources allocated to it.</p> <p>Meetings will be supported by SDNPA staff.</p>
<b>Amendment, modification or variation</b>	Changes to the terms of reference and the membership of the Board may be made by the Chief Executive.





## **POLICY AND RESOURCES COMMITTEE: TERMS OF REFERENCE**

### **I. AUDIT**

- I.1 To meet the requirements of the Accounts and Audit Regulations 2015 in respect of:
- Conducting an annual review of the effectiveness of the system of internal control;
  - Conducting an annual review of the effectiveness of internal audit;
  - Reviewing the outcome of annual review of governance arrangements and approving the Annual Governance Statement, ensuring it contains any actions for improvement; and
  - Considering and approving the Authority's annual Statement of Accounts
- I.2 To ensure the robustness of risk management and performance management arrangements.
- I.3 To provide assurance as to the adequacy of arrangements for the prevention and detection of fraud and corruption.
- I.4 To agree the internal audit plan and annual report, and receive progress and other relevant internal audit reports.
- I.5 To agree the External Auditor's Annual Audit Plan, and receive the District Auditor's Audit Results Report and other relevant reports.
- I.6 To provide assurance as to compliance with the Authority's Treasury Management Policy, Financial Regulations and Procedures and Capital Strategies
- I.7 Consider and recommend to the Authority the approach to the appointment of the Authority's external Auditor
- I.8 To recommend to the authority any material and/or substantial changes to the Financial regulations and Financial Procedures

### **2. STRATEGIES AND POLICIES**

- 2.1 To recommend annually to the Authority:
- The Corporate and Business Plans including strategies and priorities, appropriate objectives and key performance measures; Treasury Management Policy and Capital Strategies.
- 2.2 To review and recommend to the NPA the adoption or revision of the Partnership Management Plan and monitor and review its delivery.
- 2.3 To approve appropriate resource plans (including workforce plans, information strategies, procurement and estates strategy), and policies, procedures and systems to support effective resource management.
- 2.4 To develop and consider policies and strategies for recommendation to the NPA save for when these are delegated to another Committee or Officer.
- 2.5 To consider, and where the Committee considers it appropriate, endorse Whole Estate Plans.
- 2.6 To consider, and where the Committee considers it appropriate, endorse non-planning related community led plans, including Parish Plans, Market Town Health Checks and Landscape Character Assessments
- 2.7 To decide applications for, or reviews, of directions for restrictions on Access Land referred to the Committee by the Chief Executive

### **3. GRANTS AND PROJECTS**

- 3.1 To have oversight of bids for grant funding including to receive updates on the submission of bids for grant funding and the application of grants funds received.
- 3.2 To have oversight of the Strategic Fund including approving project bids to the Fund in excess of £50k up to a maximum SDNPA contribution of £100k. To recommend for approval by the NPA any Strategic Fund project bid where the SDNPA contribution exceeds £100k.
- 3.3 To receive updates from the South Downs National Park Trust on the financial position and operational activities of the Sustainable Communities Fund.

### **4. PERFORMANCE AND PROCUREMENT**

- 4.1 To monitor and identify improvements arising from the outcomes and evaluation of projects identified by the Committee, audits, survey and other feedback and make recommendations as appropriate.
- 4.2 To monitor and review the performance, including financial performance, of the Authority in the context of its business delivery, and the management and maintenance of the Authority's assets in accordance with the Authority's agreed budget, Corporate Plan and other approved plans [including the Seven Sisters Country Park Operational Plan](#), and make recommendations for changes as appropriate.
- 4.3 To monitor the Authority's compliance with relevant health and safety policies and plans adopted by the Authority.
- 4.4 To monitor and review the Authority's communications and engagement activities, including in relation to the Authority's brand and identity, and make recommendations to the NPA as appropriate.
- 4.5 To agree arrangements for the procurement and ongoing monitoring of external contracts for support services, and to authorize entering into contracts of a value of £200k or greater in accordance with Contract Standing Orders.
- ~~4.6 To monitor and review the performance including financial performance of South Downs Commercial Operations Limited in the context of its business delivery against the agreed operating agreement and annual business plan and make recommendations to the NPA as appropriate.~~
- ~~4.7 To review the operating agreement agreed between the Authority and South Downs Commercial Operations Limited and make recommendations to the Authority, as appropriate.~~
- ~~4.8 To exercise any function of the Authority with regard to audit and/or inspection arising under the operating agreement agreed with South Downs Commercial Operations Limited.~~

### **5. OTHER**

- 5.1 To consider and report to the Authority on any other matter delegated to it by the Authority.