

South Downs National Park Authority

Annual Governance Statement 2023-24

Review Date	Annual
Responsibility	Chief Executive
Approved by	Policy & Resources Committee

ANNUAL GOVERNANCE STATEMENT FOR SOUTH DOWNS NATIONAL PARK AUTHORITY 2023-24

1. Scope of Responsibility

- 1.1 Through carrying out its general statutory duties and responsibilities in connection with the two national park purposes, the South Downs National Park Authority (the SDNPA) seeks to work for and with the local community to foster the social and economic wellbeing of communities within the National Park.
- 1.2 The SDNPA is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively.
- 1.3 The SDNPA also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 1.4 In discharging this overall responsibility, the SDNPA is also responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of the Authority's functions, which includes arrangements for the management of risk.
- 1.5 The SDNPA has approved and adopted a Local Code of Corporate Governance, which is consistent with the principles of the CIPFA/SOLACE guidance Delivering Good Governance in Local Government Framework. The Local Code of Corporate Governance sets out agreed criteria against which the effectiveness of the governance framework will be assessed. This statement explains how the Authority has complied with the Local Code and meets the requirements of Regulation 6(1) of the Accounts and Audit (England) Regulations 2015 for the Authority to prepare an Annual Governance Statement.

2. The purpose of the governance framework

- 2.1 The governance framework comprises the systems and processes, and culture and values, by which the SDNPA is directed and controlled. The framework also includes the Authority's activities through which it is accountable to, engages with, and leads the community. It enables the SDNPA to monitor the achievement of its strategic priorities and to consider whether these priorities have led to the delivery of appropriate, cost-effective services. It is also a driver for the delivery of the Authority's outcomes and objectives, by contributing to the Authority's culture and empowering staff and members to act.
- 2.2 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness.
- 2.3 The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Authority's aims, objectives, and policies, to evaluate the likelihood and potential impact of those risks being realised and to manage them efficiently, effectively, and economically.
- 2.4 The governance framework, which has evolved and been strengthened over many years, has been in place within the SDNPA for the year ended 31 March 2024 and up to the date of approval of the Annual Report and Statement of Accounts.

3. The Governance Framework

- 3.1 The key elements of the systems and processes that comprise the SDNPA's governance arrangements are summarised below.

Vision and Leadership

- 3.2 The SDNPA's purposes, vision, and intended outcomes for residents, visitors and other service users are identified in a range of policy documents set out in our Local Code of Corporate Governance. The overarching vision for the management of the South Downs was agreed in July 2012 and is included in the Partnership Management Plan (PMP), which was launched in 2014. The review of the PMP was completed in 2020 and an updated PMP published. The plan was originally developed with partners and delivery partnerships have been put in place to ensure the objectives are met. The Authority also established a refreshed South Downs Partnership in 2021, with updated terms of reference, an independent Chair and representatives from across a wide range of key sectors, linked to the PMP in order to support delivery of the PMP, review progress against it and embed the PMP across those organisations and sectors operating within the National Park. The Authority is currently reviewing the PMP in order to adopt a new five year management plan in 2025. The South Downs Partnership will continue to play a key role in both the development of the new PMP and the delivery of it once approved.
- 3.3 The Policy and Resources (P&R) Committee has considered during this period, a number of items relating to the delivery of the PMP, and with a view to the development of the next PMP, including the SDNPA Climate Change programme, SDNPA's role in Local Nature Recovery Strategies and its approach to Cultural Heritage and Volunteering.
- 3.4 The Local Plan sets out how the National Park Authority will manage development until 2033. This is based on the statutory purposes and duty for national parks. The Local Plan builds on the framework of the South Downs National Park Partnership Management Plan. The PMP sets out an overarching strategy for the management of the National Park and the Local Plan policies deliver many of the outcomes and policies set out in the PMP.
- 3.5 A review of the Local Plan is ongoing and a revised Local Development Scheme has been approved for consultation. The Local Plan review will, alongside reviewing local planning policies in relation to climate change, park for all and renature, also consider the impacts of changing national planning legislation and a new plan-making system.
- 3.6 The SDNPA's Corporate Plan 2020-25 establishes the high-level objectives and priorities for the organisation and includes an action plan setting out detailed proposals for the forthcoming financial year. The Corporate Plan also sets out our values and includes the climate change action plan. The Corporate Plan action plan has been reviewed during this period and, as the Authority will soon be coming to the end of the current five-year Corporate Plan, an action plan covering both years 4 and 5 was agreed in July 2023. Some revised Corporate Plan measures for year 5 were agreed in March 2024. The action plan was considered in the development of the 24-25 budget to ensure the budget aligned with the organisational priorities for the remaining year of the current Corporate Plan. The action plan set out clear priorities and targets which reflect the Authority's continued flat cash grant settlement from Defra.
- 3.7 During this period the Authority also, with a mind to the general election expected during 2024, approved a set of 5 key "asks" along with their surrounding narratives which would be used as the basis for the Authority's advocacy work ahead of the general election.

Service Quality

- 3.8 Progress against the SDNPA's objectives, and the National Park Authority performance indicators is identified via performance reporting to the P&R Committee and, where appropriate, Planning Committee. The P&R Committee considered the schedule of performance reporting to the committee and agreed that biannual performance reporting was appropriate and an effective use of the Authority's resources. The Performance Management Framework reflects the development of high-level objectives for the Partnership Management Plan. Performance is monitored by the P&R Committee with

policies and strategies in place to ensure that the SDNPA makes best use of resources. The performance of the Sustainable Communities Fund, which is delivered by the South Downs National Park Trust, is subject to annual reporting to the Committee.

- 3.9 The P&R Committee receives an annual report on the performance of the SDNPA's planning function. This includes an overview of a wide variety of areas of the Authority's planning function which are monitored regularly by officers, including appeals, enforcement, speed and quality of decisions, and the performance of the local authorities who deliver planning services on our behalf. A more detailed report on planning appeal outcomes is considered by the Planning Committee on a quarterly basis.
- 3.10 Key data sets, as specified by Defra are reported to allow for national data comparison.
- 3.11 The service quality and performance of the Authority's Teckal Company in its management of Seven Sisters Country Park against the agreed Operating Agreement, KPIs and Business Plan is also monitored by P&R Committee through a quarterly performance report.

Decision Making

- 3.12 The SDNPA's Standing Orders, Scheme of Delegation, Financial Regulations, Contract Standing Orders and other procedures prescribe how the Authority operates and how decisions are made to ensure that these are efficient, transparent and accountable to local people. The Standing Orders are reviewed regularly and changes recommended to the Authority at least annually to ensure these reflect best practice and latest legislative requirements. During this period, following a review, the Standing Orders in relation to the appointment of and disciplinary action against chief officers of the Authority have been updated amendments were made to reflect best practice in terms of the approval of meeting minutes and, the P&R Committee's role in monitoring the Authority's compliance with relevant health and safety policies and plans adopted by the Authority was clarified, as well as other minor amendments for clarification or update.
- 3.13 The Authority makes use of virtual and hybrid meetings in its informal meeting arrangements, including for Member training, workshops, and briefing sessions as appropriate. These on-line and hybrid meetings continue to have advantages in terms of enabling Member attendance and reducing travel across the National Park. Where it is considered more conducive to detailed debate and discussion, for example budget and strategic workshops, meetings are held in person. Key workshops are often available for Members to join online so that any who are not able to attend in person can observe and keep up to date with discussions that have taken place. The Authority will continue to use virtual/hybrid meetings where it considers it appropriate and within its powers to do so.
- 3.14 Member training and engagement activity continued using a blend of in person, hybrid, and on-line 'virtual' meetings. Member training, knowledge and skills development, and other workshops have been held on the following subjects:
- Partnership Management Plan
 - South Downs Local Plan
 - SDNPA Budget
 - Climate Change
 - Seven Sisters Country Park
 - Development Management
 - Community Infrastructure Levy
 - Corporate Risk Register
 - SDNPA Risk Appetite and Strategy

- Equity, Diversity and Inclusion
 - Committee Away Days
 - Finance training
 - Audit training
 - Whole Estate Plans
 - New Member Induction
- 3.15 There is a programme for reviewing and updating key documentation. We have a research and evidence strategy, which ensures that comprehensive, good quality data is available to base our decisions on and allow us to monitor progress. Committee reporting templates ensure these capture all relevant information to inform member decision making and promote consistency. These templates are periodically reviewed and updated as required to ensure they are effective and provide Members with the necessary information for them to deliver their decision-making responsibilities.
- 3.16 Each of the SDNPA's committees has distinct terms of reference, which are kept under review and, where necessary, updated by the NPA. The P&R Committee has five co-opted members that serve on the committee, two Independent (CIPFA) co-opted members and three to further diversify the range of voices the Committee hears as part of its decision making and consideration of issues. During this period one of the three further co-opted members resigned in order to take up a role in the Authority so a recruitment process was undertaken to co-opt a third member. The process was successful, attracting a wide range of applicants. The recommendation for the appointment was approved at the Authority AGM in July 2024. As part of the review of Standing Orders, in the interests of efficiency of decision-making, the power to commence the recruitment of co-opted members was delegated to the Chief Executive.
- 3.17 The Authority has appointed two independent persons to advise on standards matters.
- 3.18 Meetings of the Authority and its committees are held in public (save for individual items of a sensitive nature properly considered in private session, in line with LGA 1972) with publicly available agendas and minutes published on the Authority's website. Members of the public may ask questions and make representations on relevant matters at meetings in accordance with a defined protocol for public engagement, which enshrines the rights of the public to address meetings.
- 3.19 The Authority continues to webcast meetings of the Full Authority, and its Planning and P&R Committees. An archive of webcast meetings in the last 6 months is maintained and is publicly available through the Authority website and our webcasting provider, Public-i.
- 3.20 The Authority's governance framework is kept under review by the Head of Governance, Monitoring Officer and Chief Finance Officer who are responsible for ensuring that the framework complies with changes in legislation, regulations, codes or guidance issued by government departments, regulatory bodies or relevant professional bodies. Committee and Officer Delegations and terms of reference are also kept under review and have been updated to ensure that the governance framework reflects changes in roles and responsibilities of committees, Members and/or Officers. During this period the terms of reference of both the P&R Committee and the Appointments, Management and Standards Committee have been updated, the former now includes confirmation of P&R Committee's role in monitoring compliance with adopted health and safety policies and plans.
- 3.21 The roles and responsibilities of the Members and officers are defined in Member/Officer job descriptions and there is a Local Protocol for Member and Officer Relations. The roles of Chief Executive, Monitoring Officer and Chief Finance Officer are filled.

- 3.22 During this period the first permanent Chief Executive of the Authority retired on 31 December 2023. The Authority agreed arrangements for an Interim Chief Executive to fulfil the role of National Park Officer and Head of Paid Service until the first working day of a new permanent Chief Executive. The Director of Planning was appointed to this role. The Authority also agreed that the appointment should not be made exclusively from among the existing Officers of the Authority, ensuring that the search for suitability qualified candidates for the role would take place both within and outside of the Authority. The Appointments, Management and Standards (AMS) Committee, under its delegations, has been undertaking the necessary processes in relation to the recruitment of the Chief Executive with the aim of appointing a permanent Chief Executive in late summer 2024. In order for the AMS Committee to effectively undertake these processes its membership was amended to include the Chairs of the Planning and P&R Committees as it was considered particularly important in recruiting a new Chief Executive that the senior Members of the Authority be involved in leading this process.
- 3.23 The SDNPA has a range of contracts for key support services. This includes the provision of the Chief Finance Officer and Monitoring Officer functions. In reaching this decision the SDNPA took into account the governance requirements of CIPFA's Statement on the role of the Chief Financial Officer (CFO) in Local Government (2010). The CFO accordingly has full responsibility for reporting on financial performance and presenting financial performance updates and the annual budget report to members, as well as Internal Audit reviews and the Statement of Accounts.
- 3.24 There is a contract in place with Brighton & Hove City Council for the provision of financial services and Chief Finance Officer support. Under this contract the Authority has appointed its CFO who has a nominated Deputy Chief Finance Officer.
- 3.25 The contracts for legal services and provision of the Monitoring Officer (MO) are managed by the Head of Governance. Under a contract with Hampshire County Council the Authority has appointed its MO.
- 3.26 There are arrangements for consultation with the Monitoring Officer, CFO or Deputy CFO on key decisions and advice to the Authority and its Committees.
- 3.27 Over this period the Authority, through its Teckal Company (South Downs Commercial Operations Limited), has continued its operations at Seven Sisters Country Park (SSCP). An operating agreement is in place between the Teckal Company and the Authority which defines the relationship between the company and the Authority. The Company's Articles of Association are also agreed by the Authority, as is the annual business plan for the company which sets out the approved functions to be delivered by the company and incorporates key performance indicators (KPIs). These KPIs are reviewed on a quarterly basis by the P&R Committee and were amended, along with the approval of the business plan, in July 2023. The developments undertaken on site have been very positive, with significant improvements to both the landscape management and the visitor experience. Challenges have continued into the Company's second year of trading and the Board of Directors and the Authority continue to have constructive discussions to ensure improvements continue. The Authority has been kept informed of the progress of the Company and considered a report at its meeting in July 2024 on a review of operating arrangements at SSCP.
- 3.28 By way of an update as part of the annual audit, it should be noted that the Authority considered the report into the operational arrangements at SSCP at its meeting on 9 July 2024. The report presented the outcome of the review alongside a number of recommendations to bring the management of SSCP within the Authority. Members considered the financial impacts of the decision alongside efficiency improvements and savings that could be achieved by managing operations at SSCP within the Authority. The recommendations agreed by Members included the termination of the operating agreement with the Teckal Company and agreement that the company would be made dormant.

- 3.29 During 2022-23 a review of byelaws at SSCP was undertaken. It was identified that any byelaws the Authority may consider making on the site needed to be evidence based, as such, the starting point would be monitoring at SSCP to identify if there was a need for a particular byelaw. A monitoring regime has been agreed for SSCP and this will be reviewed annually to consider if any further action is required.
- 3.30 The Authority has continued its relationship with the South Downs Trust – which is an independent charity established by the Authority. The Authority continues to have a licence agreement for the use of the shared identify and seconds staff to the Trust. The Authority appoints two Authority members as trustees. The Trust provides an annual update to the Authority, with the update being presented in public. The Trust complies with the reporting requirements of the Charity Commission and Companies House, has undertaken a thorough audit of the its account, and keeps its governance and policy framework under review to ensure it is robust and fit for purpose.
- 3.31 The annual review of governance has been undertaken, particularly taking into consideration the actions from the 2022-23 AGS which have been implemented during this period. With the growing work in the green finance market teams across the Authority have worked collaboratively to ensure that good governance mechanisms were developed to support this work.
- 3.32 Members of the P&R Committee, at their away day, reviewed the committee’s terms of reference and felt the oversight of the Authority’s communications and engagement work needed to be clarified and that this should be proposed as part of changes to Standing Orders. Members of the committee also considered the Authority’s audit arrangements against the CIPFA audit guidance and it was acknowledged that the Authority is not in alignment with all CIPFA’s recommendations so this will be considered further. Some actions were also considered to support the committee’s audit function and the effectiveness of these will be kept under review over the coming year and the Authority will consider this matter in further detail. Timely reporting from the Authority’s external auditors is also considered of particular importance and had become an area of concern during 2022-23. This was addressed with the external auditors during this period and their response was encouraging with improvements in the timeliness of reports to the P&R Committee. It should also be noted that the Authority continues the streamlined schedule of Authority and Committee meetings and other Member events as part of the Member Development Programme, which were highlighted in the 2022-23 AGS, with at least one meeting of the Authority or one of its committees being held in Lewes with the aim of improving local engagement.

Risk management

- 3.33 The SDNPA has a well-established systematic strategy, framework, and processes for managing risk. These are set out in the Authority’s Risk Strategy and Guidance which also includes the Authority’s risk appetite statement. A corporate risk register is maintained and has been reviewed on an ongoing basis at meetings of the Policy & Resources Committee as well as being subject to regular review by Operational Management Team (OMT) and Senior Leadership Team (SLT). The Policy and Resources committee has opportunities for members to better engage with the corporate risk register through a series of meetings – enabling committee members to dig deeper into issues on the risk register in advance of the Committee meeting and better inform the discussions which take place in Committee. This enables relevant risks to be identified and evaluated, with consideration given to appropriate mitigation strategies.
- 3.34 Directorate level risk monitoring is in place and has been reviewed to ensure consistency across the organisation. Risk is also monitored at project level and there is an escalation process from project and directorate risk registers to the corporate risk register. The Authority’s Risk Strategy and Guidance is being reviewed during 2024 and was the subject of

an initial workshop with Members to engage them in a consideration of the Authority's appetite to risk and future risk strategy which will inform the Risk Strategy and Guidance document which will include a revised risk appetite statement.

- 3.35 The Authority's insurance arrangements have been kept under review and updated as required.
- 3.36 The Authority has a Procurement Strategy 2021-26 in place which sets out how the SDNPA will take a proportionate view of risk in procurement, to strike a balance between mitigation and accessibility for small and medium sized enterprises. The Procurement Strategy Action Plan was reviewed and revised during this period. The action plan looks to embed social value and sustainability in the procurement process and provides for training and the updating of policies and procedures in line with the Procurement Act 2023 and Procurement Regulations 2024.

Conduct and behaviour

- 3.37 There are Codes of Conduct for Members and officers, in place and performance appraisal processes for both. Training is given to new Members on the Code of Conduct as part of the induction process and biennially by external experts. There is a Register of Members' Interests. The Authority operates standards arrangements for the conduct of Members in accordance with the Localism Act 2011. The Appointment Management & Standards Committee is responsible for monitoring the ethical framework of the Authority. The Authority has appointed two independent persons to oversee the investigation of complaints about the conduct of Members.
- 3.38 A thorough review of the Member Code of Conduct was undertaken by the Monitoring Officer and the Head of Governance, considering both the Local Government Association's Model Councillor Code of Conduct and the Cabinet Office Code of Conduct for Board Members of Public Bodies, which those Members appointed by the Secretary of State are also required to comply with. The revised Code of Conduct was considered by the Appointment, Management and Standards Committee and subsequently approved by the Authority. Throughout the year individual and collective guidance has been issued to Members on the management of standards issues. Based on some of the standards issues considered during this period, the protocols which support the Member Code of Conduct, including the Local Protocol for Members and Officer Relations, will be reviewed during 2024-25 and revised as appropriate.
- 3.39 An annual update on complaints received, and matters referred to the Local Government and Social Care Ombudsman is considered by the Policy and Resources Committee, so that the Authority can seek service improvement. The SDNPA has a Whistleblowing Policy, with confidential reporting arrangements in place to enable internal and external whistleblowing. There is an Anti-fraud and Corruption Policy in place. The Whistleblowing Policy and Anti-fraud and Corruption Policy will be reviewed during 2024-25.
- 3.40 The Authority has implemented a revised performance and development review process for staff which incorporates clear competencies across the grades to assist with staff development. The Authority also has in place a set of corporate values which were developed through collaboration with both staff and Members. A comprehensive online EDI training and development programme for both staff and Members has been implemented. A full staff survey was undertaken during this period by an independent agency with very positive staff engagement and overall results. An action plan has been developed from the results and is being implemented.

Financial accountability

- 3.41 The SDNPA's Financial Regulations and Procedures, provide a framework for the management of the Authority's financial affairs. The SDNPA has an approved Capital Strategy, Treasury Management Policy and Annual Investment Strategy detailing its approach

and risk appetite for managing financing, treasury, and non-treasury investments. Monitoring of the operational budget is conducted during the year and findings incorporated into the budget planning process.

- 3.42 The Scheme of Members' Allowances will be subject to a partial review in 2024 with a full review in 2025 to set a scheme for 2025-29.
- 3.43 Members have a key role in providing assurance that the Authority's funds are used economically, efficiently, and effectively in accordance with agreed policies, and the Authority's general Duty of Best Value under the Local Government Act 1999. The financial strategy and budget are agreed by the Authority following scrutiny by all Members via a series of workshops. The P&R Committee receives regular reports on budget monitoring and treasury management performance and has a membership that includes two independent co-opted members who have relevant finance and governance experience. This committee undertakes the core functions of an audit committee. This ensures the provision of appropriate skills and experience in the scrutiny of the Authority's arrangements for financial control and risk management and enhances transparency.
- 3.44 The Authority's project funds are allocated through the budget setting process by the NPA and are administered on a day to day basis by the Authority's Operational Management Team (OMT). The projects the Authority undertakes continue to be driven by the objectives set out in the PMP and Corporate Plan and in approving these projects OMT aims to reflect the priorities of the Authority.
- 3.45 During this period the Authority has also continued to carefully consider how it can best prepare itself to respond to future grant settlements. During 2022-23 the Authority undertook changes in the organisation and approved the creation of an invest to save reserve to be used to assist with the reduction of overheads. The changes to the Authority were concluded during 2023-24 and works, funded from the invest to save reserve, have commenced. This invest to save package has been reviewed and altered appropriately as part of the 2024-25 budget.
- 3.46 The Authority's accounts are subject to external audit on an annual basis and reported to the P&R Committee at a public meeting. During this period the P&R Committee also received and considered the Value for Money Audit. During 2022-23 the Authority had expressed concerns, both in a public meeting and in a letter to the external auditor, about the performance of the external auditor in regard to the timeliness of their reports. This has been the subject of work by officers with the external auditor during 2023-24 and the timeliness of reports has been improved with the audited accounts and the Value for Money audit being reported on time.
- 3.47 An Internal Audit service is provided under a service level agreement by Brighton & Hove City Council's Internal Audit Services. The Internal Audit strategy and annual plan is agreed by the P&R Committee. The outcomes of internal audits are reported to the P&R Committee and the full reports are sent to the Chair and Deputy Chairs and the Independent co-opted Members of the committee. The Authority's external auditors review the appropriateness of internal audit arrangements and accordingly place reliance on the work done where applicable.
- 3.48 The Authority has also embedded processes to oversee the delivery of the Infrastructure Business Plan and for allocating monies generated through the Community Infrastructure Levy.
- 3.49 Authority contracts have, since June 2013, been procured through e-sourcing using the Intend system or national frameworks as appropriate. In exceptional circumstances a waiver has been agreed in compliance with Contract Standing Orders.

Constructive working relationships between officers and Members

- 3.50 Compliance with relevant legal requirements and the SDNPA's procedures is facilitated by a range of controls. Policies are in place to regulate how the Members and Officers use the resources available to them.
- 3.51 The SDNPA receives legal advice and Monitoring Officer support as appropriate via separate contracts with West Sussex County Council and Hampshire County Council. This advice includes input into significant Committee/Authority papers.
- 3.52 SLT and Committee Chairs and Deputy Chairs meet monthly in an informal capacity to horizon scan and consider the forward management of Authority business. Although this is not a decision-making body it allows for a constructive dialogue between officers and Members and ensures activities are informed by a wide range of views.
- 3.53 The Authority has continued its practice of a small number of Members who are not appointed to committees, this enables the particular skills of these Members to be best employed in the work of the Authority in specific policy areas or activities. All Members are still required to attend NPA meetings and other Member development and engagement activities and are subject to the requirements to attend meetings set out in the Local Government Act 1972 and the Authority's Standing Orders. The matter of the approval of any reason for non-attendance at meetings, particularly for Members who are not appointed to a committee, was considered by the AMS Committee and it was concluded that it remained appropriate for the committee to continue to consider and, where appropriate, approve reasons for non-attendance.
- 3.54 The induction of new Members continues to be delivered using a variety of in person events with SLT and other officers, along with Committee Chairs and Deputy Chairs, to ensure that new Members joining the Authority are able to fully engage in the work of the Authority.

Skills and Learning for staff and Members

- 3.55 Member and Officer learning and development needs are identified and met through induction programmes, the Performance and Development Review process, individual staff learning and development plans, and the Member Engagement Protocol. There are annual Member discussions between individual Members and the Chair of the Authority which include a consideration of any development needs.
- 3.56 An e-learning platform is maintained as part of a blended approach to training delivery. This includes a series of mandatory courses to be undertaken by all staff as well as optional courses focussing on personal development and growth. These courses are also available to Members. For staff, completion of courses is linked to the annual Performance and Development Review process.
- 3.57 The learnings from mid and end of Project evaluations are reported to the Policy and Resources Committee and key organisational learnings are used to inform the development of future projects and ways of working.
- 3.58 Budget managers have access to one-to-one support for budget management and also briefings on financial procedures and administration, further budget management, and closedown procedures. All financial guidance and procedure notes are available on the Authority's Intranet. Contract management training has been provided to relevant staff.

Clear relationships with Partners and the public

- 3.59 A key element in the SDNPA's guiding principles is working with partners and community groups. The SDNPA has therefore developed and maintained a range of relationships and arrangements with other agencies in the public, private, and voluntary sectors to ensure that they are able to engage with and contribute to the work of the Authority. The SDNPA has an Accord with Natural England and Memoranda of Understanding with the South Downs Network and South Downs Land Management Group. A Memorandum of Understanding

with the Association of Local Councils within the South Downs is also in place and the Authority communicates with parishes and local communities through parish workshops. These workshops include in person events alongside on-line webinars and Q&A sessions. The Authority has continued Member appointments to a number of local and national partner organisations and groups including the South Downs Local Access Forum, Campaign for National Parks and the South Downs National Park Trust.

- 3.60 The independently chaired South Downs Partnership, established in 2021, continues to champion the outcomes in the Partnership Management Plan (PMP) by providing 'integrated thinking' and seeking to resolve issues arising when there is a conflict between competing policy objectives as well as providing a forum for those with a stake in delivery of the PMP. As the Authority undertakes the review of the PMP, the role of and partners in the South Downs Partnership becomes even more important in informing the direction of the PMP.
- 3.61 We continue to work with neighbourhood planning groups across the National Park, to prepare neighbourhood plans that respect the purposes and duty of the National Park Authority and enhance the special qualities the National Park. The Planning Committee receives regular updates on neighbourhood planning across the National Park.
- 3.62 During this period a revised Statement of Community Involvement (SCI) was approved for consultation to reflect legislative changes and best practice. The SCI sets out how the Authority will consult with all stakeholders, including local communities, businesses and public bodies, on planning matters.
- 3.63 The Authority have also been working with a number of partner authorities on the West Sussex Joint Minerals Local Plan, the East Sussex Minerals and Waste Plan, and the Hampshire Joint Minerals and Waste Plan. The West Sussex Plan has been considered by the Authority and it was agreed that an update was not required at this time. The East Sussex Plan has been considered at main modifications stage, and the Hampshire Plan has been considered at regulation 19 stage.
- 3.64 During this period negotiations on the S101 agreements with the 5 Planning Host authorities have taken place with 4 of those 5 authorities renewing the agreements. These agreements define the relationship with the host Authorities who deliver planning services on behalf of the SDNPA and include quality and performance measures which are reported to the Policy and Resources Committee as part its performance monitoring. Horsham District Council has decided not to renew the S101 agreement and the Authority will recover the delivery of planning services in that area of the National Park over the coming year. The Authority has also commenced a procurement process for its planning administration system which, amongst other things, delivers the statutory register of planning applications.
- 3.65 Whole Estate Plans (WEPs) are seen as a key way of deepening engagement with estates and landowners. These plans are subject to consideration by the Policy and Resources Committee and involve visits to the estate to help Members and officers understand the context of these plans and the issues facing landowners in the National Park. These visits have proved to be effective in ensuring improved Member engagement with emerging WEPs at the most appropriate time and have been a valued tool to increase the knowledge and understanding of Members about land ownership and land management across the National Park.
- 3.66 The Authority uses a range of methods to maintain regular contact with its communities and wider public, including through its two regular newsletters and its presence on social media on the work of the Authority and its activities in the National Park. Engagement through in person and virtual events across the year also form an important aspect of the Authority's engagement programme and the Authority has actively worked to increase the diversity of the audiences, both locally and nationally, of these events.

- 3.67 The Authority has in place appropriate policies to ensure it complies with its duties under the Equality Act 2010. Every report considered by the NPA, or its committees includes a consideration of whether the decision would impact upon groups with protected characteristics, with full equality impact assessments being undertaken where this is considered necessary. The introduction of a new EDI training platform for both staff and Members has contributed to the ongoing organisational development in this area. The Authority's EDI action plan has also been reviewed during this period to ensure a strong focus continues on embedding of this work within the Authority and to promote and encourage access to the National Park to all individuals and communities. The Authority has sought to engage with communities across the national park and beyond and, through its comms, engagement and outreach work, improve awareness of the National Park across a wide range of groups.
- 3.68 The P&R Committee has, as part of its membership, co-opted members from communities in and around the National Park with the aim of diversifying the range of voices the Committee hears as part of its decision making and consideration of issues. A recruitment process for a new co-opted member has been undertaken during this period with 19 applications received representing a broad range of voices.
- 3.69 The Authority has maintained youth ambassador roles to strengthen engagement with young people across the National Park and has in place the appropriate safeguarding policies and mechanisms, all approved through the Authority's HR Team.
- 3.70 The Authority has engaged with partners across a range of consultations including in relation to the M3 Junction 9, the Rampion 2 offshore wind farm, and reforms to national planning policy.
- 3.71 During this period the Authority has been working closely with a range of partners in relation to an emerging proposal from Natural England to extend the Lullington Heath National Nature Reserve to include, amongst other land, land at Seven Sisters Country Park to create a new Super National Nature Reserve, currently named the Chalk Coast National Nature Reserve.
- 3.72 The Authority has also been working closer with partners to take forward the provisions set out in the Environment Act 2021, particularly in relation to the development of the Local Nature Recovery Strategies, the impact of the strengthened Biodiversity Duty, and the possible future use of Conservation Covenants to secure land for nature recovery.

4. Review of Effectiveness

- 4.1 The SDNPA has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the Senior Leadership Team and other officers within the Authority who have responsibility for the development and maintenance of the governance environment, the work done to review the Local Code of Corporate Governance, and also by responding to comments and recommendations made by external auditors and others. In 2024 the P&R Committee met to consider the effectiveness of the Committee, its performance against its terms of reference, and its delivery of the functions of an audit committee.
- 4.2 The annual review exercise, which incorporated a review of the Local Code of Corporate Governance, was initiated by the Head of Governance and the Monitoring Officer and included consultations with the Senior Leadership Team, the Chief Finance Officer and the Internal Auditor.
- 4.3 The Internal Audit Annual Opinion is that Reasonable Assurance can be provided that an effective system of internal control is in place at the SDNPA for the year ended 31 March 2024. Of the five audits undertaken, there were three substantial assurance opinions given and one partial assurance opinion given as set out below, along with a further audit, the

details of which are exempt under paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.

- Substantial Assurance – Capital Accounting
- Substantial Assurance – Treasury Management
- Substantial Assurance – Income Processing
- Partial Assurance – Seven Sisters Country Park (SSCP) Operational Activities

4.4 The substantial assurance in the three audits covering financial matters evidences the Authority's good and well-established accounting practices, processes and procedures. The partial assurance on SSCP Operational Activities identified some of the challenges in running the site. In particular it was found "... difficult to differentiate where the SDNPA roles and responsibility ends and SDCOL [the management company] responsibility begins as clear operating boundaries have not been formed between the two entities ...". This has led to agreed actions in the areas of finance and contracts management, health and safety, site security, and general governance. Some of the actions have already been implemented, others are, to a certain extent, dependant on the outcomes of the review of the operating arrangements at SSCP which will report to the NPA meeting in July 2024.

4.5 The SDNPA's Chief Finance Officer and Monitoring Officer have also provided assurance that there have been no significant control issues which have:

- Required the need for formal action or reporting in their respective roles,
- Required the need for significant additional funding not already provided for within the approved budget,
- Had a material impact on the accounts; or
- Resulted in significant public interest, damaging the reputation of the Authority.

4.6 Although a review of the effectiveness of the Governance arrangements is reported once per year to the Authority, the process of gathering evidence and monitoring performance is continual and is managed through reports to the Authority and its Committees, and through the improvement planning process. Management action required to maintain effective governance arrangements is evident from reports and from other management reporting processes taken throughout the year.

4.7 We have been advised on the implications of the result of the review of the effectiveness of the governance framework and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework. The areas already addressed and those to be specifically addressed with new actions planned are outlined below.

5. Governance issues

5.1 No significant governance issues have been identified. The following key areas of work have been conducted during 2023-24:

- **Review the Authority's arrangements against the CIPFA Audit Committee Guidance.** The Authority's current arrangements were considered by P&R Committee members at their away day and it was acknowledged that the Authority is not in alignment with all CIPFA's recommendations so this will be considered further. Some actions were also considered to support the committee's audit function, including an additional quarterly Member audit workshop to promote a better understanding of audit and the matters being raised in relation to the Authority. The effectiveness of these will be kept under review over the coming year and the Authority will consider this matter in further detail.

- **Implement suitable monitoring at Seven Sisters Country Park to inform the future development of any byelaw required.** Following on from work in 2023-24 which identified byelaws that the Authority could look to make at SSCP, should it choose to, a monitoring regime has been agreed with the Strategic and Commercial Manager at SSCP. This will be reviewed on an annual basis to understand any areas which the making of a byelaw may need to be considered.
- **Work with the Authority's External Auditors to improve the timeliness of reports to the Policy and Resources Committee.** Whilst the delays in audits nationally are well understood by the Authority, it was encouraging that the external auditors were able to improve the timeliness of reports to the P&R Committee; in particular the Value for Money audit and the audit of the Annual Statement of Accounts, both of which were completed and reported to the committee in a timely manner.
- **Ensure good governance mechanisms are in place to support the Authority's growing work in the area of Green Finance.** Green finance has been a fast-moving area of work, both locally and nationally, over the past year and the Authority has had to be agile to adapt to changes throughout the year. Particular emphasis and work has been done on the cost recovery nature of the work and ensuring it continues to fully align with our purposes as a National Park Authority. This remains an evolving area of work and the pace of this evolution is acknowledged through the inclusion of an action for 2024-25 to ensure the good governance of this area of work continues.
- **Review of the Authority's Fraud and Anti-corruption and Whistleblowing Policies.** This work is ongoing and will continue into 2024-25.
- **Develop an Authority policy on the use of non-corporate communication channels.** The Authority has developed a new policy covering the use of both corporate and non-corporate communication channels. This was based on the Cabinet Office guidance which was released in 2023, but tailored to the particulars of the Authority.

5.2 Actions for 2024-25 include the following:

- Review of the Authority's Fraud and Anti-corruption and Whistleblowing Policies (ongoing from 23-24).
- Continue to ensure good governance mechanisms are in place to support the Authority's evolving work in the area of Green Finance.
- Review the Authority's Risk Strategy and Guidance, including the Authority's risk appetite statement.
- Review the Authority's protocols, including the Local Protocol for Members and Officer Relations, which support the Member Code of Conduct.
- Take appropriate actions to ensure the good governance of Seven Sisters Country Park (SSCP) following the review into the operating arrangements at SSCP which will report to the NPA in July 2024.
- Given the changes in the Senior Leadership team, additional support, as appropriate, through liaison, advice and training, to maintain good governance of the Authority.

5.3 We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements, and delivery against these will continue to be monitored by the P&R committee.

5.4 We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Chair

Melanie Hunt

Date: 20 February 2025

On behalf of the SDNPA

Chief Executive Officer

Sion McGeever