



Members of the Chilterns Conservation Board for the Chilterns Area of Outstanding Natural Beauty are hereby summoned to a meeting of the Chilterns Conservation Board Executive Committee on

6th May 2020 at 10.00am

By *remote video conferencing

Agenda

1. Apologies
2. Declaration of Interest
3. Minutes of Previous Meeting (15.01.20)
4. Matters Arising
5. ~~* Public Question Time~~
6. Finance Report
7. Interim Budgets 2020-21 and 2021-22
8. Operational update
9. Long Term Establishment and Governance Policy
10. A.O.B

** In accordance with The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020*

Future Meetings:

<u>Full Board</u>	17 th June (and AGM) 2020
	21 st October 2020
<u>Executive Committee</u>	6 th May 2020
	23 rd September 2020
<u>Planning Committee</u>	20 th November 2019
	4 th March 2020
	15 th July 2020
	18 th November 2020



**MINUTES OF THE ORDINARY MEETING OF THE EXECUTIVE COMMITTEE HELD ON
Wednesday 15th January 2020 at the offices of the Board, The Lodge, 90 Station Road,
Chinnor OX39 4HA commencing at 10.04 am**

Present:

Alison Doggett	Board Member
Cllr Bill Bendyshe-Brown	Board Member
Cllr John Griffin	Board Member
Cllr Charles Hussey	Board Member
Cllr Lynn Lloyd	Board Member
John Nicholls	Board Member
Paul Mains	Board Member
Prof. Ray Payne	Board Member
Cllr Ian Reay	Board Member, Chairman

In attendance:

Dr Elaine King	CCB Chief Executive Officer
Graham Hurst	CCB Finance Officer

Deirdre Hansen	Clerk to the Board
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The Chairman welcomed all present and opened the meeting.

19/20.14 Apologies for absence.

No apologies for absence were received.

19/20.15 Declarations of interest

None.

19/20.16 Minutes of the previous meeting

The minutes of the meeting of 18th September 2019 were approved and signed by the Chairman as a true record after the following corrections were made:

19/20.4- both 19/20 references were amended to 18/19

19/20.7.4 a second bracket around S23 had been omitted.

19/20.17 Matters arising

None

19/20.18 Public Question Time

No public present

19/20.19 Finance Report

The Finance Officer had circulated the financial report to the Committee on the financial position to the end of November. He went through the figures and reported that income and expenditure are in line and that he now anticipated a slight net surplus for the year of £1020.

As mentioned previously major project income and expenditure are frequently not inline, but are expected to be as per budget by the end of the financial year.

The Committee discussed the financial report.

The CEO thanked the Finance Officer for his help and support since she started in the post.

- 1. The Committee NOTED the current financial position based upon budget and projected outturn for the financial year.**

19/20.20 Pension Scheme

The Finance Officer reported on the administration and finances of the CCB Pension Scheme. It was noted that the CCB is required to provide a pension scheme under the Local Government Pension Scheme Regulations 2013. Under the CROW Act 2000 S86 the CCB is classified as a Scheduled Body and as such is required to offer a Local Government Pension Scheme (LGPS).

The size of the pension liability under Financial Reporting Standard 102 (FRS 102) has concerned the members.

The draft 31 March triannual valuation has been received and sets out the current valuation of the scheme and the contribution rates for the next three years.

Members discussed and commented on the report. The Finance Officer will report when the final actuary results are available.

- 1. The Committee NOTED the current findings.**

It was agreed to move agenda items 8 and 9 around.

19/20.21 Draft Budget

The Finance Officer presented the draft budget for 2020/21.

It was noted that current DEFRA funding arrangement ends 31 March 2020 and as yet the new arrangements are not known. The formation of the new Buckinghamshire Unitary authority takes place 1st April 2020.

Post meeting it has been confirmed that, in the financial year 2020/21, funding will be the same as the total contributions made by all five authorities in the previous year.

For budgeting purposes no reduction is expected in either source of income.

Budgeted expenditure has been reduced where possible.

The meeting discussed the proposed budget extensively and it was noted that, in due course revisions will most likely to be required. Any budget overspends in 2020/21 will be met from reserves.

1. The Committee CONSIDERED the budget for 2020/21 and RECOMMENDED its adoption to the Board.

19/20.22 Business Plan

The Development & Funding Manager introduced the draft Business Plan for 2020/21. The draft business plan links into the draft budget.

The Business Plan is presented to DEFRA as part of the core grant claim. It is noted that one measure of the CCB's effectiveness is the return achieved on the core grant. Over the last five years the CCB has managed to substantially increase its return on the core grant.

It was noted that external factors have potentially significant implications for the CCB, e.g. the Government's Landscapes Review.

The meeting discussed the draft business plan, commented and gave feedback.

1. The Committee APPROVED the Business Plan 2020/21 with some suggestions following discussion.

19/20.23 Partnership Development

The Countryside Officer gave a presentation on the progress of Partnership Development.

It is established that effective partnership working is vital for a favourable delivery of the Management Plan. Following the Partner event on 10th October 2019, a Chilterns Partnership will be established, hosted by the CCB with a core group of key stakeholders.

It is intended to align shared objectives and, foster genuine collaboration with task and finish groups. A number of priority themes are emerging. Working groups will be brought together to form a Chilterns Partnership Delivery Plan.

A Partnership Forum will be held annually, with 15th October 2020 set for this year's Forum. Planning and Development is not included, as those topics are covered in the separate Planning Forum.

The meeting supported the approach.

The CEO thanked the Countryside Officer and the Development & Funding Manager for their work, time, energy and passion that they are putting into this exciting project.

1. The Committee NOTED the proposals.

19/20.24 Review of the Risk Register

The CEO presented the Risk Register which is annually updated.

Members discussed the register and suggested some minor changes

- 1. The Committee APPROVED the Risk Register with some minor changes.**

19/20.25 Any Other Business

1. The new Buckinghamshire Unitary authority will require a new statutory order. The CEO and Cllr Bill Bendyshe-Brown are liaising with Bucks County Council to address this.
2. The CEO was congratulated on completing her six-month probationary period and becoming a permanent employee.
3. An update on the running of the Chilterns' chalk streams was requested, following recent period of heavy rain. Members were able to answer this.

Next meeting: Wednesday 6th May 2020 at 10.00 am at the offices of the Board in Chinnor.

The Chairman.....

Date.....

Item 6 **Finance Report**

Author:	Graham Hurst, Finance Officer
Summary:	Draft Annual accounts 2019-20.
Purpose of Report:	To advise members of the Board's Draft financial position to the end of the 2019/20 financial year.

Background

1. The Annual accounts for 2019/20 are in Draft format and may be subject to change.
2. Core income was £578,222 which is £12,707 higher than budgeted. This is partly due to a conservative estimate of Local Authority contributions and externally generated income.
3. Core expenditure was £560,565 which was £14,381 higher than budgeted. Most of this increase was due to staff costs but was offset by savings in other areas.
4. The CCB's core activities resulted in a surplus of £17,676, which was £1,674 lower than budgeted. This surplus is added to reserves and enables the Board to make a financial contribution to projects.
5. Project income and expenditure is largely financed by external funding and the CCB's financial exposure is that which it has agreed to contribute. Projects were performing to budget but, following the restrictions brought about by Covid-19, this may change. I am currently estimating a Net CCB contribution to projects of £16,563.
6. The CCB made a Net surplus of £1,094 after contributions to projects.
7. The financial accounts are subject to final adjustments and would normally require both internal and external audit. We await confirmation when this may happen as both have been delayed because of the Covid-19 restrictions.

Recommendation

- 1. To note the CCB financial results for the year ended 31 March 2020.**

Chilterns Conservation Board Finance Report Year to 31 March 2020	DRAFT	
	12 months Budget	12 Months to March 2020
	£	£
Income		
Public Sector		
Defra	442015	442015
Local Authorities	100000	106698
	542015	548713
External income	23500	29509
Core Income	565515	578222
Expenditure		
Employment	390960	411369
Members' Allowances	12100	9363
Premises	35000	33090
Office Costs	13000	14830
IT	13500	14129
Finance	13000	12278
Engagement	5000	3328
Special Projects	5000	0
Planning Consultancy	9600	9000
Monitoring and Evidence	10000	10000
Outstanding Chilterns mag.	3126	7026
Website	5000	4800
Insurance	5750	5877
Travel	3500	4357
Personnel	3525	3087
National AONB	3000	2619
Other costs centres < £3000 budget	15124	15413
Core Expenditure	546185	560565
Core Net income / (expenditure)	19330	17656
Major Projects		
Chalk Streams		
Income	65400	50473
Expenditure	60000	58313
Net	5400	-7840
Chilterns Woodlands contribution	-5000	-5000
Hillforts Delivery		
Income	276500	247958
Expenditure	283025	254483
Net	-6525	-6525
Chalk Cherries Chairs		
Income	423450	269842
Expenditure	425950	267342
Net	-2500	2500
HS2		
Income	5000	39059
Expenditure	5000	39059
Net	0	0
Chiltern Walking / Food Festival		
Income	11665	23024
Expenditure	11665	23024
Net	0	0
North Chilterns		
Income	0	1250
Expenditure	3000	948
Net	-3000	302
National Rail		
Income	750000	5967
Expenditure	750000	5967
Net	0	0
Project Net income / (expenditure)	-11625	-16563
Total Net Income (Expenditure)	7705	1094
Grand total income	1347530	1215795
Grand total expenditure	1339825	1214702
Grand total net	7705	1094

- a. Our current DEFRA agreement is for one year only, we have no visibility of what it may be going forward. DEFRA and other Government Departments will, no doubt, be subject to very tight financial constraints given the cost of Covid-19 to the economy
- b. Local Authorities may also face similar financial constraints
- c. The CCB's employer's pension contribution will be reviewed at the end of 2023 and, as the stock market has dropped by 30%, the CCB contributions could be considerably higher
- d. Assuming the CCB's income remains the same, and only small inflationary increases are made to expenditure, the CCB's projected deficits over the next three years will totally deplete the Boards Budget equalisation reserve of £123,500
- e. The Finance Officer wishes to bring to the attention of the Board the ongoing financial uncertainty brought about by Covid-19.

Recommendations

- 1. To note the changes made to the 2020/21 Budget and the financial effects based on the assumptions for 2021/22 and 2022/23.**

Chilterns Conservation Board Budget 2020-21				
	Draft Actual 2019-20	2020-21 Annual Budget	2021-22 Annual Budget	2022-23 Annual Budget
	£	£	£	£
Income				
Public Sector	548713	552000	552000	552000
External income	29509	14800	14800	14800
Core Income	578222	566800	566800	566800
Expenditure				
Employment and staff costs	411369	406128	416216	426844
Members' Allowances	9363	9500	9785	10079
Premises	33090	35000	36050	37132
Office Costs	14830	15000	15450	15914
IT	14129	14150	14575	15012
Finance	12278	13000	13390	13792
Engagement budget	3328	5000	5000	5150
Farm Projects	0	5000	5150	5305
Planning Consultancy	9000	12000	12000	12360
Monitoring and Evidence	10000	7000	7000	7210
Outstanding Chilterns mag.	7026	7250	7468	7692
Website	4800	5000	5150	5305
Insurance	5877	4900	5047	5198
Travel	4357	4000	4200	4326
Personnel	3087	3500	3500	3605
National AONB	2619	3000	3090	3183
Other costs centres < £2500 budget	15413	19400	19956	20554
Core Expenditure	560565	568828	583026	598658
Core Net income / (expenditure)	17657	-2028	-16226	-31858
Project Net income / (expenditure)	-16563	-24025	-23750	-25000
Total Net Income (Expenditure)	1094	-26053	-39976	-56858

Item 9 **Long Term Establishment and Governance Policy**

Author: Ray Payne, Vice Chairman

Summary: To recommend to members that the Board takes the opportunity to start a review of the Board's establishment order Statutory Instrument 2004 No 1778 and its Code of Governance (June 2019) to take account of the opportunity resulting from the Landscapes Review proposals and current government thinking.

Purpose of Report: To recommend to members that the review described in this paper should be undertaken.

Background

1. The Board was established in 2004. Between then and the beginning of 2019 there were three changes which impacted on the work of the Board and its administration. First, the commercial environment in which the Board operated became very different, a trend which gained momentum in 2017/18. Second, the management of the Board and its structure had to change to match this. Last, the notion of good governance by 2017 no longer reflected these trends and the Board's Code of Governance (the Code) was recast to bring it into line with corporate best practice at the time. The result was a set of strategically focussed rules, and any attempt to direct the executive function was removed. This was the position reached at the end of the first 14 years of the Board.
2. Since then the trading position of the Board has strengthened. Its scope, scale, competence, and outreach to the public and private sectors, has increased to match.
3. Some aspects of the Code are inextricably linked to the Board's establishment order: Statutory Instrument 2004 No 1778 (SI 1778). Subsequent revisions to the Code have indicated that SI 1778 may have been a fair reflection of how the Board was intended to operate and discharge its obligations in 2003 when it was drafted. 17 Years later a lot has changed both within government and elsewhere.
4. There is a sense that government was aware by 2017 that change to the regulation and administration of designated landscapes had to change. The commissioning by government of the Landscapes Review, chaired by Julian Glover, was the result. The final report was published in September 2019 and the chapter New Ways of Working contains the following proposals:
 - a) Proposal 23: Stronger purposes in law for our national landscapes;

- b) Proposal 24: AONBs strengthened with new purposes, powers and resources, renamed as National Landscapes;
 - c) Proposal 25: A new National Landscapes Service bringing our 44 national landscapes together to achieve more than the sum of their parts;
 - d) Proposal 26: Reformed governance to inspire and secure ambition in our national landscapes and better reflect society; and
 - e) Proposal 27: A new financial model – more money, more secure, more enterprising
5. For our Board this represents a remarkable opportunity, for others this may be regarded as a threat. It is an opportunity because the Board has gradually repositioned itself by strengthening its communications network with central government, the National Association of AONBs, the local farming community, national funding agencies, and many others. It has also strengthened its technical competence, commercial acumen, and financial structure and accounting. In particular the Chief Executive and her staff are to be commended by seizing this opportunity recently by a positive engagement with the new Buckinghamshire Council Unitary Authority. This can be regarded as an initial exemplar of implementing the Glover proposals.
6. If this opportunity is to be turned into reality in the fullest sense then the requirements, obligations and protocols in SI 1778 will have to be re-visited. The result will be that the Code is unlikely to be appropriate in its current form and with its current content.
7. It is acknowledged that this may require primary legislation. In addition to this requirement, it is likely that enacting many of the Glover proposals will require a Bill to be laid before the House in any case.
8. If this opportunity is taken to engage with government and others in a review of SI 1778 and the Code, then the impact on the Board will be significant and help secure its future - but as a rather different organisation. It will enable the Board to embrace the ability to deliver the Glover proposals and do much more. The aim is to make the result of this review an exemplar in this field in conjunction with government. If government is minded to roll out the result nationally then the impact on other organisations may be substantial.

Recommendation

1. **To recommend a review of the Statutory Instrument and the Board's Code of Governance.**