

**Minutes of the
FINANCE AND GENERAL PURPOSES COMMITTEE MEETING OF THE
BOARD OF CONSERVATORS OF ASHDOWN FOREST
Monday 12th March 2018
14.00 at the Ashdown Forest Centre**

Committee members present: Mr T Reid (Chairman), Mr J Spicer, Mr R Galley, Cllr. S Tidy, Mr C Smith, Cllr F Whetstone and Cllr M Ensor.

Also present: Mrs P Buesnel (Director), Mrs L Meehan (Finance Officer).

Minutes taken by Mr J Clow.

The Chairman opened the meeting. There were no members of the public present.

01/18 Apologies

Apologies received from Cllr. R Stogdon (Vice Chairman), Cllr J Barnes and Mr J Francis.

02/18 Declarations of interest by Members of a Personal or Prejudicial Nature

There were none.

03/18 Matters Arising

Mr Spicer as an elected Commoner Conservator expressed his concern over the harassment of staff by several individuals in relation to the Commoners Meeting and Election. The Chairman agreed, thanked the staff for their patience and offered his assistance.

03.1/18 IT upgrade

The Director explained the on-going IT upgrade had been very disruptive but will be worth it in the end. Software will now be automatically upgraded to the latest version.

03.1/18 Verbal update on resolutions from the previous F&GP meeting

The Finance Officer highlighted resolutions from the previous F&GP meeting on 20th November 2017:

1. Budget approval to scan and copy the Award maps. On the to do list.
2. Dog waste bins have been purchased and are ready to be installed.
3. New tractor purchased and due for delivery on Tuesday 13th March 2018.
4. The non-essential Ranger call out charge has been discussed.
5. Cllr Tidy will be approaching her contact from the Area of Outstanding Natural Beauty for advice on setting up financial processes for a Charity.
6. The previously discussed pay increase will not be discussed further while funds are stretched.

04/18 Financial Reports

04.1/18 Core Finance Report Q3 2017/18 FGP 01/18 with commentary FGP 02/18

The Chairman reviewed the commentary for the Q3 Financial Report. He highlighted that £104,000 from the Countryside Stewardship Staff Uplift represents a fifth of the core income budget. He discussed £166,000 of grant income in restricted funds (including a large donation from the Friends of Ashdown Forest) that has been designated for specific purchases as a condition of the funding.

The Chairman highlighted the forecast surplus of £8,000 from the overall budget.

Cllr Tidy enquired whether the Conservators receive the CS Staff Uplift all in one go. The Finance Officer confirmed that the final figure is calculated and transferred on paper in the year end accounts. The Chairman clarified that CS Staff Uplift figure is made up in equal parts from the CS staff cost multiplier plus the contracted out in-house staff costs.

Action

**KD
PB**

ST

The Finance Officer highlighted that £10,000 is still outstanding from Commoner Rates and Acknowledgement Rent. The Committee discussed options for direct debit and electronic billing.

Cllr Whetstone enquired about the Donations received from groups holding events on the Forest. The Finance Officer confirmed donations of over £5,000 including contributions from road cycling, orienteering and group walks.

The Chairman thanked the office staff for their efforts on improving income generation from permits and licenses. The increase in funds approximately balances out the reduction in grant from East Sussex County Council

The Chairman raised a request by email from Mr Francis (Vice Chairman Conservation Committee) regarding the allocation of meat sales to the Core Budget. The Chairman made a recommendation to keep the funds in the Core Budget, explaining that there is an underspend in the CS Budget and that the Core Budget requires additional income. Mr Smith clarified that if the funds are kept in the Core Budget, there is always the option to transfer them later. Mr Spicer and the Finance Officer discussed the costs taken from the Grazing Budget. Mr Galley, Mr Smith and Cllr Tidy agreed that the funds should be kept in the Core Budget, because Conservation is fully funded by the Countryside Stewardship grant. The Chairman proposed keeping the funds available to the Core Budget on a discretionary basis for review annually. **The Committee agreed.**

LM

The Chairman confirmed the Conservators are now in receipt of 75% of the annual revenue payment of the Countryside Stewardship funding from Natural England for 2017.

04.2/18 Countryside Stewardship budget update Q4 2017 for information FGP 03/18

The Chairman discussed the Countryside Stewardship underspend, explaining the cashflow difficulties following the delayed payment by Natural England. Mr Smith enquired about efforts to raise awareness in Natural England of the consequences of not making payment. The Director confirmed the payment appeared without any communication from Natural England's Technical Services team. The Chairman highlighted that the issues are still relevant for the next financial year. Cllr Tidy suggested a follow-up letter.

04.3/18 To review the core budget reserve profile for 2017/18 FGP 04/18

The Chairman highlighted end-of-year forecast Unrestricted Reserves of £90,000. Although this is a healthy figure there will be considerable demands on these funds, including £30,000 allocated to support next year's budget. In effect, there will be £60,000 available for discretionary allocation.

04.4/18 To note approval of the bank reconciliation to 31 December 2017

The Chairman confirmed that he had seen and approved the bank reconciliation against the cash book to 31 December 2017.

04.5/18 Confirmation of 2018/19 budget approval from ESCC Cabinet Meeting

Cllr Ensor (Conservator representing the Lord of the Manor) confirmed that the Forest budget had been approved by the ESCC Cabinet as part of the approval of the total County Council Budget. Cllr Whetstone highlighted the generous settlement from ESCC over the last few years considering the pressures they face to make budget cuts. Cllr Tidy thanked Cllr Stogdon for his efforts in providing a clear picture to ESCC of the separation between the Countryside Stewardship project and Core Budget. The Chairman confirmed that the ESCC grant represents 14% of the Core Forest 2017/18 Budget. Mr Spicer highlighted the on-going problem of explaining that the Countryside Stewardship funds are independent and are not part of the running of the Forest.

Cllr Tidy raised a number of issues regarding the perception of the deer programme following the BBC's Inside Out television programme. **The Director agreed to raise the points with the Deer Programme Co-ordinator.**

PB

05/18	To consider proposals for funding unbudgeted items in 2017/18 or 2018/19	LM
	<i>05.1/18 CCTV FGP 05/18</i>	
	The Chairman reviewed the report and recommended the purchase a CCTV system. The Committee agreed an additional £2,000 to fund surveillance cameras. The Committee discussed the proposal for a fogging system for the machinery workshop and deer chiller. The Director agreed to gather more evidence about running and servicing costs.	PB
	<i>05.2/18 Telephone system FGP 06/18</i>	
	The Chairman reviewed the report and recommended upgrading the Voicecom telephone system. The Committee agreed an additional £3,385 to fund the upgrade of the Telephone System with ongoing costs of £900pa.	LM
	<i>05.3/18 Photocopier FGP 07/18</i>	
	The Chairman reviewed the report and recommended the rental of a new photocopier on a 3-year rental contract. The Committee agreed an additional £2,000 to add the rental of a new Sharp MX-4050N photocopier from KCS for Education as an additional expenditure for the 2018/19 budget.	LM
	<i>05.3/18 Rangers' vehicle</i>	
	The Chairman highlighted the need to replace a vehicle soon and recommended we start allocating funds from Unrestricted Reserves to replace a vehicle in the coming financial year. The Director confirmed that the Ranger' vehicles cost approximately £22,000. The Committee discussed the decision by the Friends of Ashdown Forest to focus their funding toward other areas. The Director explained their funds had been depleted by the recent land purchase but that there might be scope for the Friend's to match fund a vehicle sometime in the future. Cllr Tidy agreed that we need to look to the future, so that funding is in place internally to replace vehicles as required. The Committee agreed.	TR/LM
06/18	Appointment of Internal Auditor for 2017/18 Year End Audit	
	The Finance Officer proposed appointing DMC Accountants again for coming financial year. She proposed going to tender with the view of changing the Auditor for the following year. The Committee agreed.	LM
07/18	Contingency Plan – Countryside Stewardship payments and the core budget: Verbal discussion	
	<i>07.1/18 Funding update</i>	
	The Chairman raised the need to curtail operations to avoid a cashflow crisis, should the Countryside Stewardship payment be delayed or withdrawn in the future. Natural England recently sent a reminder about a break clause after 5 years. The provision can be exercised from 31 st December 2020, which is only 2 budget years away. The Chairman asked the Committee to consider the impact of the Countryside Stewardship budget being withdrawn, along with £100K of the £500K Core Budget.	
	<i>07.2/18 Planning for Core Budget shortfall if funding is delayed or withdrawn in the future</i>	
	The Chairman proposed asking staff to prepare a contingency plan over the next 12 months. Mr Smith suggested the plan should develop options and actions to mitigate two operational risks:	
	<ol style="list-style-type: none"> 1. How is the work plan effected, if Natural England persist with payment delays? 2. Prioritising core/statutory activities and staffing should Natural England or the Conservators give notice and terminate the contract after 5 years. 	
	Mr Smith requested a list of tasks from the Conservation Officer and Mr Spicer proposed raising the issue at the Conservation Committee. Cllr Tidy emphasised how a reduction in £100k to the Core Budget will affect staffing and that there will be a need to contain activities whilst maintaining the basic management of the Forest. The Director agreed, but thought it was too early and there was not enough information available to raise the item at next week's Board meeting.	PB

Cllr Ensor added that the Contingency Plan will be about learning the significance of the Countryside Stewardship budget.

08/18 Income Stream Working Party Update

*08.1/18 To receive notes from last Working Party meeting – for information **FGP 08/18***

The Committee reviewed the notes from the Income Stream Working Group on 23rd October 2017. The date for the next meeting has yet to be confirmed.

PB

*08.2/18 Parish Councils update **FGP 09/18***

The Director confirmed the meeting with Crowborough Town Council had been unsuccessful and they had turned down the application. The Town Council had numerous applicants for funding and the Conservators' application would have amounted to a quarter of their total grant budget. Mr Galley commented on the lack of funding agreed by the Parishes with residents that use the Forest the most.

09/18 Policy and Procedures

*09.1/18 Environmental Policy – Draft **FGP 10/18***

The Director raised the need for an Environmental Policy. She explained it is an essential requirement when applying for grants and funding. The new policy would have to be recommended to be adopted by the Board. Mr Smith enquired how we address each of the points in the policy regarding accountability. **The Committee agreed to recommend adoption to the Board.**

PB

09.2/18 IT Security Policy

The Director confirmed Knibbs are providing a template for us to use. This will be circulated by email for comment and agreement. The Clerk will be reviewing the personal data kept on file and seeking approval for us to hold the information.

PB

KD

10/18 Governance review and financial reporting

The Director confirmed there was no update to the Governance review.

The Chairman discussed the need for training to restructure our financial reporting and other processes before we become a charity. Cllr Tidy expressed her concern having heard nothing from the Charity Commission and suggested the Committee prepares for both eventualities. Mr Spicer proposed asking the Board for approval to create a Board of Directors in waiting. **The Director confirmed that the Chairman of the Board will give a verbal update at the Board meeting including the Charity Commission registration process.**

KD/PB

11/18 Strategic Plan (standing item): Verbal update

There was no update to the Strategic Plan.

12/18 Management Information (standing item): Verbal update

The latest management information will be reviewed at the Board meeting.

13/18 Health and Safety (standing item): Verbal update

The Director confirmed there was nothing to report.

14/18 Staffing matters (Standing item) – CONFIDENTIAL SESSION: Verbal update

The Committee entered Confidential Session

The Committee left Confidential Session

15/18 Any Urgent Item of which the Clerk has notice in order to pass to the elected Chairman

There were none.

The meeting closed: 3:47pm