

Minutes of the

FINANCE AND GENERAL PURPOSES COMMITTEE MEETING OF THE BOARD OF CONSERVATORS OF ASHDOWN FOREST

1430, Monday 4 June 2007
Education Barn, Ashdown Forest Centre

Present: Mr M Cooper; Mr P Glyn, Cllr A Reid; Cllr R Stogdon, Mr R Thornely-Taylor, Cllr F Whetstone (at 14.40) and Dr Hew Prendergast (Clerk)

Also present: Cllr Bob Lacey, Chairman, East Sussex County Council; Cllr Sylvia Martin, Mrs Fiona Temple, Accountant and Mr Ray Parsons. Minutes were taken by Mrs T. Buxton.

1. Apologies

There were no apologies.

2. Election of Chairman

Business began with Mr Glyn acting as pro-tem Chairman in order to facilitate the election of a new Chairman. Mr Parson was no longer a Councillor and had stood down. The Committee thanked Mr Parsons and it was agreed he had been an excellent Chairman and would be greatly missed. Mr Thornely-Taylor was proposed by Cllr Reid and seconded unanimously. Mr Thornely-Taylor was duly elected and took up the Chairmanship with thanks.

3. Declarations of Interest by Members of a Personal or Prejudicial Nature.

No declarations were made other than Mr Thornely-Taylor stating that Mrs Temple was seconded from his own office and was a family member.

4. Finance items

4.i. Signing off of Accounts for 2004/2005 and 2005/2006 under Limited Audit Scheme

The background to the new method of reporting (Audit Commission forms) was briefly discussed and the two documents presented, if approved, would be forwarded to the auditors and then to the Board. Dr Prendergast stated that there were no new figures in the documents just a change of presentation and that this process would be the same in future years. It was agreed to forward the documents to the auditors.

4.ii. Accounts for Year Ending 31 March 2007

Mrs Temple presented the document, explained that the figures were not yet finalised as year end adjustments needed to be made and gave an explanation of each section. Income was described as 'straightforward', however, adjustments needed to be made to the balance sheets and also some expenditure adjustments. It was agreed as a presentation point that figures should be rounded up, rather than showing pence, for ease. An explanation was requested, and given, on some of the larger figures for this year as compared to last year.

Mr Thornely-Taylor stated that it was not permitted, under the Act, to have surplus income. Surplus should be carried forward to ESCC. HLS and its ramifications were discussed in some detail. There were also discussions about using the term 'surplus'. Cllr Whetstone commented that HLS would change the finances and that ESCC could not be expected to continue contributing to the same extent given their other pressing needs. Mr Thornely-Taylor commented that revised accounts had been sent to ESCC but, so far, there had not been a response. Cllr Reid commented that Transport and Environment within the County Council manages the financial process and that the

documents should go back to Mo Hemsley. The Committee should work with her to agree the budget; she may have to attend a meeting in order to do so. It was agreed that the last budget, prior to HLS, was a quite separate process, that HLS should be regarded as 'over and above' rather than instead of ESCC contributions and that a statement to support that may be required.

4.iii. Revised budget(s) for 2007 / 2008

There was a discussion regarding the current budget style. Cllr Reid considered that the style displayed on page three would be sufficient as there was a certain familiarity with the layout. Mr Thornely-Taylor stated that Dr Prendergast should communicate with Mo Hemsley to ensure that the budgets are set out in practical terms before any formal letters are drafted to ESCC. Dr Prendergast commented that the budgets were sent to Mo Hemsley in November, just as HLS was undertaken and before any monies were banked. It was agreed that it would be useful to communicate with Mo Hemsley as things had now moved on. Mr Thornely-Taylor stated that there was no disadvantage to preparing the budget in the way that the Act states. Cllr Whetstone commented that the budget was not aiming to achieve a deficit and that there was no requirement for a sink fund.

Mr Thornely-Taylor commented that the process of reviewing the budget was a formal one rather than there being any change in the figures and Mrs Temple confirmed that all the figures were fully backed up with spread sheets and evidence.

The Committee then went page by page through the document to discuss and clarify various points:

- It was agreed that, on page one, Committee names should remain in the budget as clearly identified 'cost centres' rather than as 'budget holders'.
- There were no comments made on the content of pages two or three.
- Page four required clarification on the anticipated 'professional fees' as the figure is somewhat higher than in previous years. It was suggested during the discussion that this may cover the legal services being purchased from ESCC, Cats Protection work (decision now due 21 June) and the 3KQ project. Dr Prendergast agreed to investigate this issue further.
- It was agreed that the term 'charities' required further clarification and breaking down into component parts. Confirmation is required that 'charities' includes the Friends, Ashdown Forest Trust and the Ashdown Forest Conservation Trust. Dr Prendergast agreed to investigate this issue further.
- It was agreed that an indication of risk and variance would be included, in future to give a clearer understanding as to how the figures are composed.
- Page five required a typographical change to ensure the entry 'record centre' is made clear.

Dr Prendergast reported that there was now a record of the value of assets, as required by the Audit Commission, a cost figure not reflected in the accounts presented. There was a short discussion about the assumption that the Committee know what funds ESCC were going to be providing this financial year.

Mr Glyn commented on the DEFRA single payment scheme and there was a short discussion regarding the background to the receipt of this funding and its operation by DEFRA. Mrs Temple confirmed that it was difficult to receive this funding without all of the 'boxes being ticked'. The discussion went on to take in management and ownership of land in relation to the DEFRA payments. Cllr Whetstone asked if the DEFRA single payment acted as an entry to HLS funding and Mr Glyn confirmed that

this was not the case. The Committee agreed that they had to assume the payments are correct and to react to correspondence as and when it arrives.

There was a short discussion regarding purchasing of legal services from ESCC and it was acknowledged that legal services were under pressure and will indicate clearly if they are not in a position to assist. Advice has recently been sought on diverse topics such as Bye Law breaches, Standing orders, Golf Club lease, Ashdown Forest Trust and the Act.

Cllr Whetstone commented that the VAT issue, discussed at previous Committee meetings, could be revisited when the grazing trial is underway and Mr Thornely-Taylor agreed that it would be worth having a further discussion with Revenue and Excise as the grazing trial could be considered 'farming'.

Dr Prendergast commented that ESCC Highways Department were now billing the Forest for items such as providing warning signs during a fire on the Forest and that this has not happened before and had an impact on expenditure and budgeting. The Committee made no response to this.

4.iv. Current Cash Flow Statement 24 May 2007

There was a short discussion regarding the 14 days notice account used to keep large amounts of cash secure and ensuring correct authorisation of cheques. Dr Prendergast described how in practice this could be difficult as the account pays less interest than the current account and incurs fees. Dr Prendergast went on to say that the Instant Access account has a higher rate of interest but is less secure. Mr Cooper stated that the office should be allowed to use its discretion in this matter and Cllr Bob Lacey suggested that monies could be placed with the LA as a form of banking and thought that the interest rates could be better than our current arrangements. Mr Thornely-Taylor agreed that account options should be investigated and arrangements reported on at the next meeting. Dr Prendergast asked if Mo Hemsley could be approached on this matter and the Committee thought it was a good idea.

Mr Thornely-Taylor stated that the Committee should embark on a programme of better treasury management and questioned if ESCC could assist with and advise on such a process.

It was agreed that the documents, after the adjustments had been made, could be forwarded to the Board.

The discussion then returned to the topic of the Committee having what was termed a 'surplus' and Dr Prendergast thought that any 'surplus' of finance was transferred to a general reserve fund in order to cover six month worth of salaries. He commented that salaries were increasing and that the current surplus would not, in fact, meet six months salaries. Mr Thornely-Taylor asked how the Committee squared the 'surplus' with Section 25:4 of the Act and could this question be posed to the Legal Department at ESCC? Cllr Reid thought that this question could be put to Andrew Ogden for a response and the Committee agreed.

5. **Stakeholder Engagement**

Dr Prendergast gave some background to this item and informed the Committee that two further meetings were taking place on 4th and 11th June. He confirmed that these meetings were open to everyone. Dr Prendergast stated he had not attended the last two meetings but other staff had. Dr Prendergast reported that the meetings were now becoming question and answer

sessions rather than the originally planned contribution and discussion sessions. This was queried with 3KQ and Mr Glyn, who had been present, considered that this seemed to be the right way forward as concerns were being expressed if not always as constructively as originally hoped. A response document has been compiled and is available to the public in hard copy (at the meetings) and on the website.

Dr Prendergast reported that there appeared to be a low level of understanding regarding the Forest in the local communities, i.e., the public not understanding where the Forest begins and ends. He also commented that basic local concerns are being linked, in the public's mind, with global issues and went on to say that the public needs to be educated in the broader sense on the history, management and raison d'être of the Conservators. It was agreed that the HLF monies had arrived at an opportune moment and Dr Prendergast gave a short explanation of the background to the receipt of this funding. Cllr Whetstone stated that it was for the Board to learn what the public are thinking and that the public have difficulties that they want to put across to us. He went on to say that the process was two way and the Board had to address those concerns rather than attempt to educate.

Mr Cooper commented that he had attended one of the meetings (Forest Row) and described how the mood, initially adversarial and emotive, became calmer as the meeting progressed. Mr Cooper went on to comment that some of the questions raised were, in his opinion, ludicrous. He also stated that Mr Glyn's performance was cool, coherent and constructive and that this went a long way to altering the public's mood. Mr Glyn commented that the meeting allowed the public to 'get things off their chests' and the aggressive mood slowly dissipated.

Cllr Martin, who had also been in attendance at the meeting under discussion, commented that she thought it would have been helpful to have a large scale map available at the meeting, that it was as confusing as to who was leading the meeting as the Chair did not appear appropriately dressed and there was no paperwork or agenda. Mr Glyn replied that there was a map at the introduction to the meeting. Dr Prendergast commented that the paperwork was not available due to an oversight and that the Chair's outfit may have been designed to foster a more relaxed approach. Mr Thornely-Taylor suggested that wearing jeans may have been an attempt not to appear as a 'suit'. Mr Glyn commented that the Chair could have been stronger and that some bullying had been allowed, however, the intention was to be non-adversarial, to get people to speak up, draw out the quieter attendees and this had been successful. Mr Thornely-Taylor queried who would be attending the next meetings and Mr Glyn responded that he was with Chris Marrable.

Cllr Whetstone commented that the next meeting should be much less emotional but more aggressive in tone. A short discussion about the Crowborough meeting followed and Dr Prendergast outlined what had taken place. Dr Prendergast reported that a response document to the meetings held so far would be available on the website and in hard copy for the public and that updates would be presented to the Board. Mr Cooper commented that there had been criticism regarding delays in advertising. Dr Prendergast responded that there had been a delay and that that the meeting were now clearly advertised in the local press, via Parish Clerks, notice boards, website and word of mouth. Cllr Whetstone commented that the Forest Row meeting was not presented as part of a pattern and that many people from Hartfield had attended.

6. Standing orders

Copies of the document had been pre-circulated and incorporated comments made by Andrew Ogden. It was agreed that this document would be finalised at this meeting and then forwarded to the Board for their agreement. The document was scrutinised page by page and Dr Prendergast annotated a copy the document for amendment:

- There was a short discussion regarding the sentence on sending documents via e-mail and it was agreed this line would remain.
- Time scales for forwarding material was discussed and it was agreed that the Local Government standard should be used.
- Yearly elections of Chairpersons were discussed and it was agreed that this should remain in the document.
- It was agreed that point 3.1 should remain.
- It was agreed that point 5.2, 5.3 and 5.6 should be removed.
- It was agreed that point 5.8 be removed as this information was recorded on the bottom of each Committee entry and reference to sub-committee should also be removed and reference to ‘three working days’ be added.
- It was agreed that point 8.5 should be deleted as it was superfluous to requirements.
- It was agreed after a short discussion that Committee titles should remain as they are.
- It was agreed that Andrew Ogden’s advice be taken over point 5.11.
- It was agreed that any decision regarding point 5.12 be left to the Board.
- It was agreed that point 6.6 was good and should be adopted.
- There was a short discussion regarding the composition of working parties and it was agreed that Dr Prendergast as the Clerk had a right to attend and other members of staff could be utilised, therefore the text should now read “others”. The term ‘ex-officio’ could also be removed.

There was a lengthy discussion regarding item 8.0 on Code of Conduct. There were during the course of this discussion concerns voiced about procedures required for Committee members who decline to sign the Code of Conduct and Non-County Council Committee members such as Commoners who were Conservators. It was recognised that County Council members sign a formal ‘Code of Conduct’. Dr Prendergast asked what sanctions could be put in place and if the Board has the power to ask a member to resign? Cllr Whetstone commented that refusal to sign would give a strong message and it would be foolish not to do so. Cllr Lacey suggested that too much was being made of this point and special committees could be formed to exclude persons not complying with the Code of Conduct.

- It was agreed that point 8.7 be amended to remove the comment that County Councillors sign a formal code of conduct and that this be added to an introduction stating that the majority of the Board have signed up to an agreement to behave in a certain way, i.e., “Notwithstanding the fact that Conservators appointed by the Local Authority have signed a current standard Code of Conduct, the following also apply”.
- Appendix One was discussed and a small change was agreed in the title.
- In 1.4 the word “the” should be capitalized.
- The word “revenue” should be used rather than “surplus”.
- The term, “avoid a deficit” should be used rather than “achieve a surplus”.

Cllr Whetstone commented that the Act is now out of date and does not reflect current practice. It was noted that Andrew Ogden had not made any comments or voiced any concern regarding item 2.1. It was noted that “revenue account” needed to be replaced at the end of the line. There followed a further discussion regarding income, revenue, HLS and ESCC contributions.

Cllr Reid suggested that the paragraph should be sent to Mr Richard Hemsley, Deputy Director of Corporate Resources, to assist with the wording on item 2.1 that would satisfy and to also look at Appendix One in its entirety. Cllr Reid commented that Andrew Ogden would have

looked at the item from a legal perspective rather than from an accounting perspective. It was agreed that this item should be carefully assessed on its return.

- It was agreed that items 4.1 and 4.3 were updates reflecting the latest requirements.
- It was agreed that item 5.1 would be overtaken in a similar way to item 7.1.
- It was agreed that the new Chairman of the Committee and the new Chairman of the Board should become cheque signatories.
- It was agreed that the value of cheques in 6.1 should be amended to read “up to a limit that shall be set by the Finance and General Purposes Committee.
- It was agreed that in point 7.1 the name of the bank should be omitted and the wording, “made in accordance with the payroll records” be added.
- It was agreed that in item 10.1 an insert should be added that allows internal control of purchasing “up to a limit as shall be set by the Finance and General Purposes Committee”.
- It was agreed that the wording in regards to tendering be, “not too exceed a limit as set by the Finance and General Purposes Committee”.

There was a discussion regarding the lack of processes to deal with single tenders. Cllr Reid agreed to find out what the Local Authority process for dealing with single tenders is. The Chairman asked that this information come through speedily.

Mr Glyn commented that as members of the public are allowed to attend meetings that the Standing Orders (in section 2.1) and meeting agendas should reflect this. It was agreed that a pre-ambule should be made stating that the first 10 minutes were open to the public, that the public comments are minutes but do not form part of the meeting and this should be specified for each Board and committee meeting.

It was agreed that after these amendments are made the document be forwarded to the Board

7. Staffing

Tracy Buxton introduced herself to the Committee. Dr Prendergast gave a short background on Louise Amos who has recently joined the team.

8. Any urgent item of which the Clerk has notice in order to pass to the elected Chairman

8.1 Cats Protection

Expert decision due 31 May is now delayed as stated above. A letter and a supporting map from the expert valuer were tabled as further clarification is required prior to a written response being made. Dr Prendergast explained each of the points and there followed a lengthy discussion after which it the Committee agreed to the proposals laid out in the tabled letter.

There was a further discussion regarding the alleged breach of confidentiality in relation to correspondence with the residents of Laundry Lane and Dr Prendergast gave a short resume of the background to this. The Committee requested that their dismay in regards to the alleged breach of confidentiality should be conveyed to the expert and it should be clarified that the statement made was not the opinion of the Board.

8.2 Broadwater Warren and R.SPB

Mr Cooper commented on the RSPB restoring heathland at Broadwater warren as recently highlighted in their publicity. It was felt by the Committee that this would be useful to point this out in our public meetings. Dr Prendergast commented that the RSPB were experts at heathland restoration and that they too had taken some ‘flak’ at tree felling activities in Dorset.

8.3 *Bye-Laws officer*

This post has been advertised in a copy of the police magazine 'Patrol' and on the Ashdown Forest website. There was discussion over the length of employment with some Committee members recalling three years had been agreed. Dr Prendergast confirmed the Board had requested a one year contract.

The meeting finished at 1720.