

**Minutes of the
FINANCIAL & REGULATORY COMMITTEE MEETING OF THE
BOARD OF CONSERVATORS OF ASHDOWN FOREST**

Monday 3 June 2024

14:00 at the Ashdown Forest Centre

Committee members present: Ms Ffion Thomas (Chair)

Ex-Officio: Mrs R St Pierre and Ms Elizabeth Drury

Also present: Mr M Pearson (CEO) Mr C Ball (Finance Officer) and Ms Z Nichols (Administration Manager)

Minutes taken by the Administration Manager

		Action
11/24	Apologies Mr N Goldie -Scott (vice Chair), Mr R Stogdon, Mr A Reid.	
12/24	Declarations of interest by Members of a Personal or Prejudicial Nature None	
	<p>The Chair raised action points from previous minutes. It was confirmed that the CEO would act as conduit between the Programme and Fin Reg Committees.</p> <p>It was confirmed that the sum due under the ice cream licence was up to date. The Administration Manager was asked for suggestions with regards to how to follow up any rent and rates arrears. Potential options were discussed, including sending a letter explaining that monies paid benefitted the forest. It was noted that those who did not pay would not be able to utilise their Commoner benefits. It was decided that such a letter should not be too strong and encourage payment. Reasons for non-payment including issue of Commoners forgetting or not having time to organise individual payments were discussed.</p> <p>The issue of payment by Direct Debit Is to be looked into before the next meeting. Action: ZN and CB to look into possibility of Commoners setting up direct debits for rents and rates payments.</p> <p>The minutes of the last meeting were agreed.</p>	ZN and CB
13/24	Finance <i>13.01/24 General Finance update- verbal update</i>	
	<p>The Finance Officer reported that cashflow information was provided as background information, but was not a legally required item. He went though the figures from the Statement of Accounts.</p> <p>Year-end cash balances are strong primarily due to the early receipt of Countryside Stewardship monies. A slight increase in cashflow over the year is forecast on the assumption Countryside Stewardship monies will be paid before the end of the financial year. The forecast is that</p> <p>cash balances are likely to fall below the policy reserve of six months for 5 months. Options with regard to dealing with this were discussed, including reducing the number of months or the basis for the calculations being altered to provide a more realistic reserve level, and to act as a “red flag” warning indicator, if cash balances were to go below that level, which at present is not happening. It was agreed that a reserves threshold of £400k would be a meaningful threshold, below which action would be taken.</p>	

	<p>It was agreed that the Finance Manager would look into this further and draft a rationale for future discussion.</p> <p>Action: CB to draft a briefing paper on potential changes to the reserves policy as discussed in the meeting.</p> <p>Balance sheet: Assets are down £9000 on 22/23 levels. There has been a drop in debtors from £96k to £11k, due to sums owed having been paid by Natural England, Wealden District Council and the ice cream vendor. Liabilities have also fall from £416k last year to £224k, this is due to amounts that were outstanding last year, settlement of a legacy estate and an accrual of £86k for Forest contract works.</p> <p>Year end assets are £109.6k, with a surplus of £183k – most of this was on the Core finances where there was a £147k surplus due primarily to the car parking income and without this there would have been a deficit again. However, the Finance Manager voiced a note of caution, that although having a surplus was positive, there were still risks to consider, including potential pension liabilities. The pension scheme was discussed, and the Finance Manager noted the East Sussex County Council scheme was in surplus currently, but that if Forest headcount increases, liabilities increase. It was agreed there was a need to look into the financial risk area of pension liability and the Finance Manager will prepare circulate information on this, and the matter should be reported on annually to ensure the risk does not become higher.</p> <p>Action: CB to circulate information on the pension liability and to ensure it is reported on annually or if the situation alters.</p> <p>The primary driver of core income increase against budget is the car parking, which is income with zero risk for the organisation. Mrs Drury enquired about the £55k liability for car parking, the Finance Manager noted this is in respect to the recognition of car parking income for annual passes only being realised in the accounts for the month it relates to, rather than being accounted for upon receipt.</p> <p>Core income is up £228k on budget at £855k, this is mainly due to car parking income, which is a gross figure of £338k, with expenses of £111k. Overall, car parking is performing well. The other drivers are Wealden District council funding the SAMMS Lead Dog Warden.</p> <p>The Chair asked about potential for other SAMMS funding from WDC. The CEO said that he had had a conversation about this with one of the council officers as there may well be more funding available. It was explained that developers make payments to offset damage to the environment caused by developments and there is no direct route for payments to the Forest. There will be a further meeting with WDC next month to go through the budget for the Lead Dog Warden’s role.</p> <p>Riding permit revenue is up £16k and there has been a 7% reduction in the number of properties that are in arrears of rents and rates and the total number of arrears has dropped, the Committee thanked the Administration Manager for her work on this. Another variance was due to bank interest of £15k which had not been foreseen in the budget. Education work was up £12k on budget due to increased engagement.</p> <p>Adverse factors include no upturn in barn sales which had been projected at £30k, but the project to improve the shop area was postponed last year, and there were the additional costs of contract staff., and a low recharge to CS monies. This is due to core staff not having a lot of spare time to devote to CS related work and CS money is designated for CS issues only.</p> <p>There is a need to look at how to CS monies and recharging is undertaken to ensure that monies can then be used within whole organisation.</p>	<p>CB</p> <p>CB</p>
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CS income is up £75k on budget, this is due to an increase in the per hectare rate being paid. It is challenging clearing the CS surplus, however the CEO noted that plans are now in place for this. Expenditure is down £100k on budget, as there had been plans to spend more, the core staff recharge will help with this, as an 80% overhead charge can be made.

Year Ending documentation – March 2024

13.02/24 To receive a copy of the Asset Register as at 31 March 2024

The Chair noted that there were a small number of items in poor condition, and whether there were plans to replace them. The Finance Officer stated that there is a need to reinvestigate the fixed asset register to check the status of items and what needs replacing.

The Chair asked if a programme with an annual review schedule can be looked at so that it would be possible to plan how much money would be needed to renew/replace items. The CEO explained that many of the items were beyond their planned life, but were kept going.

Ms St Pierre noted the cost of repairing may be above the cost of a new item, and stated that there was often staff time lost on repairs. The Finance Officer said that was the case with regards to the vehicles and large plant. A replacement program would show how long assets last. The Chair advised that TAFF would be providing £14k this year for an All-Terrain Vehicle.

The Finance Officer noted that the increase in asset value to £3 million from last year is driven by insurance replacement values for the Forest Centre and Whitehouse Barn.

Action: The Finance Officer to revisit the Asset Register and replacement plan and the CEO to review the priority list of items.

13.03/24 To recommend the Statement of Accounts 2023/24 for Board Approval.

The Committee unanimously recommended that the statement of accounts go to the Board for approval.

13.04/24 To receive the Internal Auditor's Report

The report suggests reviewing aged debtors monthly. This was discussed, the Finance Officer suggested a quarterly aged debtor listing with notes for each debt was more appropriate given the low levels of debtors, and that creating a monthly report was not currently feasible until a new accounting IT system was in place. The Chair acknowledged that a quarterly review is appropriate at the moment and that there should be a move towards monthly reports when the new system is in place.

Action: The Finance Officer to do a full review of aged debtors each quarter.

13.05/24 To recommend the Annual Governance and Accounting Return 2023/24 for Board approval

The Finance Officer explained that this is presented on the Ashdown Forest website as part of the exercise of public rights after the next Board meeting. It is displayed for 42 days online, and the public can raise questions with the Finance Officer.

Section 1 is required to be approved by the Board. Section 2 has been signed by the Finance Officer.

	<p>The Chair recommended a four eye check of the document prior to it being submitted..</p> <p>The Committee unanimously recommended that the AGAR go to the Board for approval</p>	
14/24	<p>Policy and Procedure and Statutory Documents</p> <p><i>14.01/24 Tree Safety Policy</i></p> <p>The Chair noted the new policy was appropriate and well drafted. She asked if the policy could be used as a template for other such outdoor and land-based risk related policies, particularly in respect to the Forest’s duty of care towards the public on its land.</p> <p>The Chair highlighted certain aspects of the risk assessment which specified certain actions by the Forest in respect to amber weather warnings, and whether there was monitoring in place for such notifications, and whether the actions described were feasible, such as closing the visitor centre. She recommended a thorough review of the document to identify any such actions as part of the implementation process.</p> <p>The CEO agreed that there was a need to check the feasibility of the actions recommended in the report and to keep a record of what has been done. It was agreed that his needs to be investigated before the risk assessment is taken further and will go to the Health and Safety Committee for review.</p> <p>Action: The CEO to review the Tree Safety Policy, and bring its implementation to the Health and Safety Committee for discussion and agreement.</p> <p><i>14.02/24 Health and Safety Committee Constitution</i></p> <p>The Committee unanimously supported the proposal to recommend the Health and Safety Committee Constitution to the Board for approval.</p> <p><i>14.03/24 Health and Safety Policy and Arrangements</i></p> <p>The CEO went through the document and noted that there was a need to increase the emphasis on public safety and the Forest’s duty of care to the public, as it was very much focused on workplace based risks currently. The document is provided by Peninsula, and links into a number of other documents, so he was liaising with them to make the changes. Once amended it will need to go to Board for approval</p> <p>The Chair agreed that there was a need for more emphasis on the health and safety of the Public to be included in the document.</p> <p>Action: The CEO to liaise with Peninsula to make the required changes to the Health and Safety policy to include sufficient emphasis on public safety on the Forest’s land.</p> <p>The Committee unanimously supported the proposal to recommend the revised health and Safety Policy and Arrangements to the Board for approval, once required amendedments are made by Peninsula.</p>	<p>MP</p> <p>MP</p>
15/24	<p>Employment and Staffing Arrangements</p> <p>Interviews were taking place that day for the Assistant Grazing position.</p>	
16/24	<p>Health and Safety and Insurance claims (standing item)</p> <p>The CEO reported that there had been an insurance claim made in respect of one of the trucks due to a deer strike.</p> <p>There had also been a report of an accident on the A22 earlier in the year, which was being investigated, as it did not seem likely it was something Ashdown Forest were involved with.</p>	

17 /24	Data Breaches (Standing Item) None	
18/24	Banking change Document for consideration The Finance Officer reported problems he had been experiencing in updating names on the HSBC banking mandate. There is a requirement for such changes to be stated in Board minutes. The Chair suggested that a document goes to Board to be approved so that this can be actioned. Finance Officer to prepare a bank mandate document for the Chair of the Board to sign and for this to be included in the Board minutes at the next meeting. The Finance Officer noted there had been a number of problems with the banking provider which had not been satisfactorily addressed. As discussed at previous Committee meetings, he provided an overview of alternative providers, however none of the banks that he has looked into will offer banking facilities to a statutory organisation such as Ashdown Forest, although one potential provider, Nationwide may be in a position to offer business banking shortly. The Chair stated that any change of bank needed to be to one that is more aligned to the Forest. It was discussed whether the Forest should have an ethics and environmental policy to set out the Forest’s requirements for contract and service providers. It was agreed this would be considered in the light of the schedule of policy updates currently being undertaken. Action: CEO to consider whether having an Environmental and Ethics policy for the selection of service providers would be helpful, as part of the programme of policy review.	CB MP
19/24	Forest Amenity -verbal Update 18.01/24 <i>Planning Application. Local plan/Gatwick</i> The Administration Manager confirmed that she was checking planning applications, and had noted a number that were rejected in line with policy. The Chair stated that previously a letter had been sent out for all applications relevant to the Forest. The challenges of identifying relevant planning applications were discussed, and it was agreed by the Committee members that it was important that the Forest responded to planning applications that impacted on the Forest, even if the planning application was refused, given the possibility that applications may be challenged at a later stage, when having input from Ashdown Forest may be highly relevant. The Response to the local plan was sent out by the CEO and prepared with the assistance of the Landscape Recovery Manager. The CEO noted the Forest had put in a response to the Gatwick expansion plans, and that there will be public meetings in a couple of weeks focusing on environmental aspects of the application. 18.02/24 <i>Bye- law Breaches</i> There have been some but these have been dealt with immediately. For example camping on the Forest was dealt with by the Rangers. 18.03/24 <i>Encroachments</i> There is a historic encroachment which has been partly removed , and previous legal advice taken was not to take the matter further. There has been encroachment on Bank View with a vehicle parked on Forest Land in front of the property and the Administration Manager is addressing this. Ms St. Pierre noted	

	<p>that in the past details of the parties encroaching on the Forest were included in the minutes, this would act as a deterrent. She requested that such information be provided to future Committees.</p> <p>Action: Administration Manager to provide specific details of encroachments at future Financial and Regulatory Committee meetings.</p> <p>18.04/24 <i>Licences, permits, rates and wayleaves</i></p> <p>There have been a number of bespoke licences recently. A lot of work is being undertaken with regards to dog walking licences. Rates have already been addressed and will go out after Seal approval . Wayleaves are being paid.</p>	ZN
19/24	AOB There was none	

The meeting closed at 4.35.

Action log

1. CB to look into the possibility of setting up direct debit for rent and rates.
2. CB to draft a briefing paper on potential changes to the reserves policy as discussed in the meeting.
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4. CB to look into the financial risk of pension liability and to ensure this is reported on annually, or if the situation alters
5. The Finance Officer to revisit the Asset Register and replacement plan and the CEO to review the priority list of items.
6. CB to do quarterly review of aged debtors each quarter.
7. The CEO to review the Tree Safety Policy, and bring its implementation to the Health and Safety Committee for discussion and agreement. Banking mandate to be updated by CB after Board meeting.
8. CEO to consider whether having an Environmental and Ethics policy for the selection of service providers would be helpful, as part of the programme of policy review.
9. Administration Manager to provide details of Forest encroachments at future Financial and Regulatory Committee meetings.