

COTSWOLDS NATIONAL LANDSCAPE FINANCE AND GOVERNANCE COMMITTEE			
<b>Date</b>	Thursday 16 November 2023	<b>Time</b>	10:00am – 12:30pm
<b>Location</b>	Summerfield Space, Robinswood Hill Country Park, Gloucester GL4 6SX		
<b>Members</b>	<u>Board Members</u> David Powell (DP) – Chair Alistair Adams (AA) Sue Crawford (SC) Brendan McCarthy (BM)	<b>Officers Presenting</b>	Andy Parsons (AP) Magda Glanowska (MG)

No.	Item	Details
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STANDING ITEMS		
1.	Introductory Matters	<ul style="list-style-type: none"> <li>• Apologies – none.</li> <li>• Introductions – the Chair welcomed everyone to the meeting.</li> <li>• Declarations of Interest – none.</li> </ul>
2.	Finance and Governance Meeting 25 August 2023	<ul style="list-style-type: none"> <li>• The Minutes of the Meeting of the Committee of 25 August 2023 were approved as a correct record.</li> <li>• Matters arising – actions were all completed or are current agenda items. The liaison with DEFRA re timing of FiPL payments for 2024/25 is ongoing.</li> </ul>
3.	Q2 Management Accounts 2023/24	<ul style="list-style-type: none"> <li>• MG introduced the item and gave a detailed overview of the financial results for the second quarter.</li> <li>• There are no areas of significant concern, and discussion focused on pay awards, vehicle costs (inc. mileage), and property rent and rates.</li> <li>• DP stated that profiling may need to be reviewed, but understands that timings are always an issue. He said that this was a relatively minor point.</li> <li>• All noted the Q2 accounts.</li> </ul>
4.	Reforecast (2) 2023/24	<ul style="list-style-type: none"> <li>• MG introduced the item, and apologised for the lateness of the papers.</li> <li>• There was a good discussion on the National Highways ‘Biodiversity Net Gain’ Designated Funds programme, as it is now likely that it won’t achieve the original targets/aspirations.</li> <li>• DP stated that the downturn in future projections for the BNG programme should be considered an ‘opportunity risk’ and it doesn’t currently negatively impact on the core operations of the organisation. He also said that any risk to reputation will also need to be carefully managed.</li> <li>• SC said that it was important to bear in mind our core purposes v. taking a full commercial view on this activity. AA added to that by saying that BNG is going to be a highly competitive market.</li> <li>• DP is keen to see mid-long term financial planning being introduced at some point, but understands the short-term nature of funding agreements.</li> </ul>

DISCUSSION ITEMS		
5.	External Audit	<ul style="list-style-type: none"> <li>• The report from PKF was very positive, the one area that they mentioned should be reviewed is the length of appointment of the current Internal Auditor.</li> <li>• All noted the report.</li> </ul>
6.	Internal Audit	<ul style="list-style-type: none"> <li>• All agreed with the opinion of the External Auditor and, due to the current Internal Auditor resigning from his position, the decision to retender the IA contract is now confirmed. The F&amp;G Committee approved the timetable that MG had prepared.</li> </ul>

		<ul style="list-style-type: none"> <li>• The Committee noted that the internal auditor had only recently informed the Board he is resigning. To date none of the 2023/24 programme has been carried out. Committee voiced their concern at the position and DP outlined the potential impact on the 23/24 accounts should a programme not be conducted.</li> <li>• To complete the Internal Audit for 2023/24 MG has approached the Gloucestershire Association for Parish and Town Councils (who completed the IA for the Board in 2019/20). Confirmation hasn't yet been received but indications are looking positive.</li> <li>• DP asked if the programme for 2023/24 covers the main risks and MG replied that she was confident that they did.</li> <li>• DP suggested that MG contact the External Auditors to explain the current situation and what steps we are taking as a matter of urgency about this year's IA programme and our plans for retendering.</li> <li>• AP will write to David Shelmerdine to thank him for his support to the Board over the past few years.</li> </ul>
7.	Treasury Management Strategy	<ul style="list-style-type: none"> <li>• DP noted that the work currently being put into this is closely connected to the BNG programme and a potential increase in long-term cash holdings.</li> <li>• Suppliers currently being considered include: Rathbone Greenbank; CCLA; Eden Tree and Triodos.</li> <li>• SC flagged that the Board needs to give serious consideration to the balance of ethical investments v. financial returns, both are very important.</li> <li>• On review, BM felt that CCLA may provide the best fit for the Board's requirements.</li> <li>• AA said that the most important factor is to keep the original investment safe, and therefore the Board should accept slightly lower levels of return.</li> <li>• AP will reassess the potential level of investment and inform the F&amp;G Committee when this has been done.</li> <li>• DP and MG are informally meeting a finance and investment expert with the primary purpose of clarifying whether the process that the F&amp;G Committee is going through is sound and proper. All agreed that this was a good idea.</li> </ul>
8.	Reserves Policy	<ul style="list-style-type: none"> <li>• AP introduced the item, commenting that a review of the existing policy was now due (especially considering the growth of the organisation).</li> <li>• All felt that the proposal was logical, but encouraged MG and MP to refine the definition of the 'target', e.g. by giving a min/max range or suggesting that reserves shouldn't fall below an agreed % of the optimum level.</li> <li>• DP also requested that the new Reserves Policy be appended to the budget paper when it is presented to the Board in February.</li> </ul>
9.	Budget Assumptions	<ul style="list-style-type: none"> <li>• All noted the budget assumptions and felt that these were a good basis for budget setting, laid out clearly and well thought through.</li> <li>• AP noted that there has been some recent successes with three local authorities agreeing to increasing their contributions in 2024/25. The Committee thanked AP for the steps being taken to raise this issue with the local authorities.</li> </ul>

OTHER MATTERS		
10.	Next Steps	<ul style="list-style-type: none"> <li>• The action points from the meeting were agreed and will be recorded in the Action List paper.</li> </ul>
11.	Forward Planning	<ul style="list-style-type: none"> <li>• The draft agenda for the February meeting was agreed.</li> </ul>
12.	Other Business	<ul style="list-style-type: none"> <li>• None.</li> </ul>
13.	Date and location of Next Meeting	<ul style="list-style-type: none"> <li>• Friday 2 February 2024, 10:00am-12:00pm, Robinswood Hill Country Park, Reservoir Road, Gloucester GL4 6SX.</li> </ul>