

Eryri National Park Authority™

Annual Governance Statement 2023-24



This statement meets the requirement to produce a Statement of Internal Control pursuant to Regulation 4 of the Accounts and Audit (Wales) Regulations 2005 (as amended in 2010)

Mae'r ddogfen yma ar gael yn y Gymraeg / This document is available in Welsh

1. Introduction

Eryri National Park Authority is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

Eryri National Park Authority is subject to the Well-being of Future Generations (Wales) Act 2015. The Act places a duty on the Authority to set Well-being Objectives that directly contribute to achieving the 7 Well-being Goals as set out in the Act, namely:

- A prosperous Wales
- A resilient Wales
- A healthier Wales
- A more equal Wales
- A Wales of cohesive communities
- A Wales of vibrant culture and thriving Welsh language
- A globally responsible Wales

Furthermore, Eryri National Park Authority must meet its duties in accordance with a 'statutory sustainability principle', which means that the Authority must act in a manner which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

In discharging this overall responsibility, Eryri National Park Authority is also responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk and adequate and effective financial management.

Eryri National Park Authority has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/Solace Framework Delivering Good Governance in Local Government. This statement explains how the Authority has complied with the code and also meets the requirements of regulation 5(2) of the Accounts and Audit (Wales) Regulations 2014 in relation to the publication of a statement on internal control.

The Code of Corporate Governance was reviewed and updated, as part of a larger review of the Authority's governance arrangements in 2021/22. The new Code of Corporate Governance was formally adopted by the Authority in April 2022.

2. The Purpose of the Governance Framework

The governance framework comprises the systems and processes, and culture and values, by which the authority is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Eryri National Park Authority's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

3. The Governance Framework

The Governance Framework comprises the seven principles of good governance:

- **Principle 1:** Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
- **Principle 2:** Ensuring openness and comprehensive stakeholder engagement
- **Principle 3:** Defining outcomes in terms of sustainable economic, social and environmental benefits
- **Principle 4:** Determining the interventions necessary to optimise the achievement of the intended outcomes
- **Principle 5:** Developing the entity's capacity, including the capability of its leadership and the individuals within it
- **Principle 6:** Managing risks and performance through robust internal control and strong public financial management
- **Principle 7:** Implementing good practices in transparency, reporting, and audit to deliver effective accountability

Eryri National Park Authority develops and implements its strategic corporate planning through the adoption of:

- Cynllun Eryri (Eryri National Park Management Plan);
- Eryri Local Development Plan;
- Well-being Statement and Well-being Objectives; and
- Corporate Work Programme.

These 4 documents represent the cornerstone for the Authority's work in fulfilling its primary purposes as defined in the Environment Act 1995 and in implementing its vision.

Governance Structure

The Authority's governance structure comprises of 4 main committees:

- Eryri National Park Authority has 18 appointed Members and during 2023/24 had 5 scheduled meetings.
- The Performance and Resources Committee was held 3 times during 2023/24. As part of its remit it undertakes audit committee functions in accordance with CIPFA requirements.
- The Planning and Access Committee was held 8 times during 2023/24. This committee is responsible for carrying out the Authority's statutory planning functions.
- The Authority's Standards Committee was held twice during 2023/24. Membership of the committee, whose remit it is to promote and maintain high standards of conduct by Members, comprises of 3 Authority Members and 3 independent members.

The Authority's Standing Orders (published on the website) gives a detailed account of the arrangements for each committee. For every committee, the agenda, minutes and associated reports and background papers are all published on the Authority's website.

Management Team

The Authority's management structure includes the Chief Executive (who is also the 'National Park Officer' and the Head of Paid Service) and two Directors. The Authority's Management Team meet fortnightly, with the Head of Finance and the Head of Human Resources in attendance.

Standards

The Authority has an established Code of Conduct for Members, which includes a section that specifically refers to interests and a Members' Register of Interest. The Code of Conduct for staff is the national standard code of conduct for public authority employees.

The Authority has adopted the following policies and procedures for maintaining high standards of conduct for both staff and Members, and to ensure accountability to the public:

- Complaints Procedure – based on the best practice model complaints procedure produced by the Public Service Ombudsman for Wales;

- Whistle Blowing Policy – to enable staff to raise serious concerns with the confidence in knowing that they will be thoroughly and fairly investigated, without fear of reprisals;
- Anti-Fraud and Corruption Strategy – contains measures designed to frustrate any attempted fraudulent or corrupt act, and the steps to be taken if such an act occurs; and a
- Scheme of Delegation – outlines how the full Authority’s functions are carried out through delegation to its committees and sub-committees.

Risk Management

A Risk Management Policy and Strategy is in place. The risk identification process is co-ordinated by the Head of Administration and Customer Care, with input from the Management Team and Heads of Service. The Risk Register and mitigation measures is reviewed and updated quarterly.

Internal Audit

The review of the effectiveness of the system of internal control and governance arrangements is informed by the work of the Internal Auditors, undertaken by Cyngor Gwynedd. The Internal Audit service is provided in accordance with CIPFA’s Code of Practice for Internal Audit in Local Government in the UK. The Internal Audit Manager prepares an annual report that summarises the results of internal audit work during the year.

External Audit

Audit Wales act as the Authority’s external auditor, and accordingly report on the Authority’s financial management and performance. In addition, Audit Wales gives an opinion on the adequacy of internal audit work.

Monitoring Officer

The Director of Corporate Services has been nominated as the Monitoring Officer. The Monitoring Officer has the specific duty to ensure that the Authority’s Officers and appointed Members maintain the highest standard of conduct in all they do. The Monitoring Officer advises on constitutional procedure and the legality of the Authority’s actions.

Financial Management

The Authority’s financial management arrangements conform to the governance requirement of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2016). The Chief Finance Officer (who is Cyngor Gwynedd’s Chief Finance Officer) is the officer responsible for the administration of financial affairs as required under Section 151 of the Local Government Act 1972. During the year a new appointment for the Section 151 Officer was formalised by the Authority following a change of personnel at Cyngor Gwynedd due to the retirement of the previous incumbent.

4. Significant Governance Issues and Actions Undertaken During the Year

The Well-being of Future Generations (Wales) Act 2015 sets a core duty on the Authority to set well-being objectives that maximise its contribution to achieving the 7 well-being goals set out in the Act. The Authority's well-being objectives should be objectives for change over the long term.

The Authority's Well-being Statement for 2021-26 sets out Well-being Objectives which describes how they will help the Authority achieve the seven wellbeing goals for Wales.

The Well-being Objectives concentrate on three key areas of work - Resilient Environments, Resilient Communities and Resilient Ways of Working - and have been aligned with five sub themes to provide focus, as set out below.

Resilient Environments

1. Improving recreation management and any negative effects of recreation.
2. Responding to the challenges of Climate Change.
3. Improving the management and understanding of Cultural Heritage.
4. Addressing the challenges and opportunities of post Brexit land management scenarios.
5. Addressing the decline in nature.

Resilient Communities

1. Maintaining and increasing the quality of life of residents.
2. Supporting young people.
3. Promoting sustainable tourism to add value to local communities.
4. Promoting and actively supporting the Welsh language.
5. Developing a local economy which supports both the designation and the management of Eryri as a National Park.

Resilient Ways of Working

1. Developing a skilled workforce.
2. Developing and promoting best practice.
3. Effective partnership working.
4. Modernising governance arrangements.
5. Maintaining and improve the understanding and support of local communities to the work of the National Park.

Any actions that the Authority takes in achieving the well-being objectives will need to be made in a sustainable way. Sustainable development involves five key requirements namely:

1. Long Term – the importance of balancing short term needs with the need to safeguard the ability to meet long term needs, especially where things done to meet short term needs may have detrimental long term effects.

2. Integration – how our well-being objectives may impact upon each of the well-being goals, how the well-being objectives may impact upon each other or upon other public bodies' well-being objectives, in particular where steps taken by us may contribute to meeting one objective but may be detrimental to meeting another.
3. Involvement – the importance of involving other persons with an interest in achieving the well-being goals and of ensuring those persons reflect the diversity of the population of Wales or the geographical area of the Authority.
4. Collaboration – acting in collaboration with any person (or how different parts of the Authority acting together) could assist the Authority to meet its well-being objectives, or assist another body to meet its objectives.
5. Prevention – to take account of how deploying resources to prevent problems occurring, or getting worse may contribute to meeting the Authority's well-being objectives, or another body's objectives.

The Corporate Work Programme for 2023/24 was presented for approval as a working document by the Members at the Authority Annual General Meeting on the 14th of June 2023. The Programme sets out the projects, initiatives and specific actions that will fulfil the Authority's Well-being Objectives and Service Priorities.

Progress against the Programme has been reported to the Performance and Resources Committee on the 29th of November 2023 and on the 20th of March 2024.

5. Effectiveness of the Governance Framework

Eryri National Park Authority has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the senior managers within the Authority, who have responsibility for the development and maintenance of the governance environment, and also by comments made by the external auditors and other review agencies and inspectorates. The review is based on the seven principles from the Code of Corporate Governance.

Principle 1: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

<p>Code of Corporate Governance</p>	<p>Governance was scrutinised in depth during 2021/22 by a Task and Finish Group of Officers and Members which was established especially for this purpose.</p> <p>The Code of Corporate Governance was reviewed in depth and redrafted by the Group, to ensure that it remains a cornerstone of effective governance for the future.</p> <p>The revised Code of Governance was formally adopted by the Authority in its meeting on the 27th of April 2022.</p>
<p>Standards Committee</p>	<p>The Standards Committee met twice during the year.</p> <p>The first meeting held on the 28th of April 2023 considered and agreed the statutory annual report to be presented to the Authority AGM, on how the committee’s functions have been discharged, which included an overview of conduct matters generally within the Authority.</p> <p>The meeting also considered a report from the Monitoring Officer regarding the monitoring that had taken place on the operation of the code of conduct and specifically Declarations of Members’ Interests. The meeting also considered and agreed upon a consultation response for Welsh Government on the Recommendations of the Independent Review of the Ethical Standards Framework.</p> <p>The second meeting of Standards Committee which was held on the 1st of September 2023, considered the Committee’s usual business, which included the nomination of Members for the Single Status Grading Appeals Panel, Grant of Dispensations and the consideration of the Authority’s Annual Complaints Monitoring Report as well as the Public Service Ombudsman for Wales Annual Report.</p> <p>At the same meeting the Chair of the Committee reported on her observations following attendance as an observer of the Authority’s Committees to evaluate their effectiveness and governance arrangements. The Chair was encouraged to note that the committees functioned well, with firm leadership, members had prepared thoroughly, and respect was shown for fellow members.</p>

Whistle Blowing Policy	During 2023/24, no reports or concerns were raised in relation to any Member or Officer of the Authority under the Whistle Blowing Policy.
Anti-Fraud and Corruption Strategy	During 2023/24, no complaints of alleged fraud or corruption were made regarding any Member or Officer of the Authority, and Internal Auditors did not identify any areas of concern through their auditing work.
Model Code of Conduct	During 2023/24, no amendments or revisions were made to the Model Code of Conduct.
Complaints – Officers	<p>During 2023/24, the Authority received a total of 12 formal complaints.</p> <p>One of these complaints was later referred to the Public Service Ombudsman for Wales, who declined to investigate further.</p> <p>The Authority was therefore not subject to a formal investigation of alleged maladministration by the Public Service Ombudsman for Wales during 2023/24.</p>
Complaints - Members	During 2023/24, the Authority’s Monitoring Officer did not receive any formal complaints relating to the Members, and no complaints were submitted directly to the Public Service Ombudsman for Wales.
Standing Orders	<p>The Authority’s Standing Orders were reviewed as part of the remit of the Reviewing Governance Task and Finish Group during 2021/22.</p> <p>The review concluded that the Authority continues with its current committee structure but that the Authority should in future consider an amendment giving the Performance and Resources committee the right to make final decisions on financial and other reports (unless Authority approval is specifically required).</p>

<p>Standing Orders relating to Contracts</p>	<p>A new revised version of the Standing Orders relating to Contracts was presented to the Authority for adoption in its meeting on the 16th of November 2022.</p> <p>The revision incorporates the previously accepted recommendations given by Welsh Government and ensures compliance with all new regulations relating to the withdrawal from the European Union. It also provides a foundation for the Authority to incorporate environmental considerations into its green procurement policy.</p>
<p>Scheme of Delegation</p>	<p>The Scheme of Delegation was reviewed as part of the remit of the Reviewing Governance Task and Finish Group during 2021/22.</p> <p>The Group concluded that the current Officer Scheme of Delegation continued to be fit for purpose, and therefore no recommendation for changes were given.</p>
<p>Members' Register of Interests</p>	<p>The Local Government (Democracy) (Wales) Act 2013 places a requirement on the Authority to publish the current Members' Register of Interests on the Authority's website.</p> <p>It is the responsibility of each Authority Member to keep their record of personal interests up to date and to report on any changes in a timely manner. Nonetheless, the Member Services Officer sends each Member a copy of their current record after each AGM of the Authority, and requests that they be reviewed and updated if required.</p> <p>In its meeting on the 28th of April 2023, the Standards Committee reviewed Members' individual declarations of interest forms completed at Committee meetings for the previous financial year, as part of their work in monitoring the operation of the Code of Conduct. The General Members' Register of Interests was also reviewed. No issues of concern were identified.</p>

Principle 2: Ensuring openness and comprehensive stakeholder engagement

<p>Strategic Equality Plan</p>	<p>The Annual Report on the Strategic Equality Plan was presented to the Performance and Resources Committee on the 29th of November 2023.</p> <p>The Authority's progress on its action plan for reaching its Equality Objectives was reported, along with the Equality Impact Assessments undertaken during the year, equal pay monitoring data and staff equality data.</p> <p>A new Strategic Equality Plan for the period 2024 – 28 was adopted by the Performance and Resources Committee on the 20th of March 2023, following a comprehensive review and consultation undertaken in partnership with other public bodies across North Wales, as part of the North Wales Public Sector Equality Network.</p>
<p>Direct Consultation</p>	<p>During 2023/24 the Authority continued to engage with local communities and stakeholders through a range of means, from traditional written consultations and online questionnaires to webinars, online meetings as well as face-to-face meetings, workshops and consultation surgeries.</p> <p>Consultation is inbuilt into the wide range of workflows and projects we undertake as an Authority, be that through a formal statutory process, informally with communities and stakeholders or jointly with other public bodies. As a small Authority, it is important that we involve communities and stakeholders and consider their views from the outset, if we are to be successful with our projects.</p> <p>During the year, consultations took place around the review of our Equality Objectives with the North Wales Public Sector Equality Network, the introduction and community sessions for Plastic-Free Yr Wyddfa project, workshops and community sessions for the Conservation Areas Project, followed up by training, and at the end of the year, the start of the Article 4 Directive public consultation, amongst other things.</p> <p>In addition, a trial was established on a different approach to consult with Community and Town Councils on the process of reviewing the Eryri Local Development Plan over the next few years. Community and Town Councils agreed that the best approach was a virtual session to be ran before each stage of the consultation process. In the meantime, this agreed process can be used on the various stages of implementation required with Article 4 Directive over the coming year.</p>

<p>Communication and Engagement Strategy</p>	<p>Communication and engagement is an essential element in everything the Authority does. It is also something that can always be improved upon, and the Authority's Strategy reflects this.</p> <p>Fast paced technological advancements and the continuing growth in social media platforms and participation levels, means that the Authority needs to be fully focused on engaging effectively through the correct channels at the correct time with a wide range of audiences.</p> <p>Following the departure of the Head of Service during the year, the Communication and Engagement Service was reorganised and split into two separate services. The new Head of Communication role was created, and an internal appointment made in the Autumn of 2023. However, this role amalgamates one of the Media Officer roles, which results in no additional staffing resources for the service.</p> <p>Due to this reorganisation, the annual report for 2023, which includes performance indicator results, was not presented to the Performance and Resources Committee in March 2024 as scheduled. However, it is expected that this will now be presented to Members in July 2024.</p>
<p>Freedom of Information and Environmental Information Regulations Requests</p>	<p>The Authority has adopted the Information Commissioner's Model Publication Scheme and has published a guide to information, both of which are available on the website.</p> <p>During 2023, 28 requests were received of which 15 received all the information requested (54%). Of the other 13 requests, 5 were refused or partially refused as the information requested did not exist or the authority did not hold the information, 2 requests were partially refused as the information would have identified members of the public who reported possible breaches of planning control, 2 requests were partially refused as it contained third party personal data, 1 request was refused as its disclosure would have adversely affected the course of justice, 1 request was refused as the information was intended for future publication, 1 request was refused as the information held was for the purpose of criminal proceedings which if released would have been prejudicial, and 1 request was partially refused as it was for the Authority's response to a pre-planning application advice request, which had not resulted in a planning application. It is the Authority's policy to keep these confidential until such time as a planning application is submitted, and accordingly is classed as exempt under</p>

	<p>Regulation 12(5)(f) of the Environment Information Regulations 2004.</p> <p>Of the 28 requests, 1 was not answered within the 20 working day time limit.</p> <p>No complaints were submitted during the year to the Information Commissioner with regard to any information request.</p>
<p>Committee Agendas and Associated Reports</p>	<p>The Authority's Committee agendas and associated reports are published on the website at least 3 clear working days before each meeting, to satisfy the statutory time limit.</p> <p>An archive of past Committee meetings agendas and associated papers is also available on the website for the last 3 years, and older agendas are available on request. Minute Books are also published annually on the website.</p>

Principle 3: Defining outcomes in terms of sustainable economic, social and environmental benefits

<p>Cynllun Yr Wyddfa Partnership Plan</p>	<p>The process of reviewing Yr Wyddfa Partnership Plan has begun, and it is anticipated that the process will take around a year, with the intention of launching a revised plan before the summer of 2025.</p> <p>One of the priorities of Cynllun Yr Wyddfa is to deal with challenges related to parking and transport in the Wyddfa and Ogwen area. The type of improvements that have been implemented so far is the parking and travel system in Ogwen, better parking management on the A5 in Ogwen and in Nant Gwynant, the introduction of the regular T10 service through the Ogwen Valley, improvements to the Sherpa service, and sustainable travel messages on the National Park Authority's social media websites.</p> <p>In addition to the above, an Action Group was established to deal with strategic issues relating to parking and transport which includes the key partners (Cyngor Gwynedd, Conwy County Borough Council and the National Park Authority). This group has met regularly since its establishment during 2022.</p> <p>Leading up to Wales Ambassador Week 2023, the special milestone of having 1000 Eryri Ambassadors was reached.</p>
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	<p>During the week, activities were held throughout Wales to celebrate the work of the Ambassadors.</p> <p>A Plastic Free Zone was defined for Yr Wyddfa project in January 2023, and covers the mountain and its gateway villages (Llanberis, Waunfawr, Beddgelert).</p> <p>The Yr Wyddfa Non-Plastic project is a 'working towards' commitment and the brevity and unique challenges of the project mean that it will include several test campaigns, allowing the Authority to measure the effectiveness of different ideas and new methods. The guiding principles behind the campaigns align with the general principles of the project: maintaining and respecting our environment, sustainable communities, and future generations.</p>
<p>Cynllun Eryri (Eryri National Park Partnership Plan)</p>	<p>Cynllun Eryri was adopted by the National Park Authority as its statutory (Partnership) Management Plan in October 2020 and officially launched in November 2020. The third annual report of progress capturing input from all Partners during 2023 is currently in draft form.</p> <p>Whilst 2023 continued to be challenging for all Partners, in gathering information for this report it is clear that outstanding examples of Cynllun Eryri's goals being progressed continue to develop at apace across the region.</p> <p>In its third year of implementation, significant progress has been made on the Action Plan of Cynllun Eryri. There are currently no Outcomes which have been assessed as <i>Not progressed and/or at risk</i>. It is therefore fair to conclude that progress has been achieved in all areas of the Action Plan of Cynllun Eryri in the year 2023.</p> <p>The draft Annual Report for 2023 will be discussed at the Fforwm Eryri meeting on 7th May 2024 and it is hoped that it will be presented to Authority members in the AGM on 12th June 2024 for adoption.</p>

<p>Eryri Local Development Plan 2016-2031</p>	<p>The revised Eryri Local Development Plan 2016-2031 (LDP) was adopted on the 6th of February 2019.</p> <p>The Annual Monitoring Report for 2022-23 was approved by the Planning and Access Committee on the 18th of October 2023, and subsequently presented to the Welsh Government.</p> <p>Prior to this, a Review Report was approved by the Planning and Access Committee on the 28th of June 2023, following a stakeholder consultation period which ran between the 7th of April and 12th of May 2023. The Report was then presented to the Welsh Government.</p> <p>The review highlighted that significant national and local contextual changes had taken place, which now need to be taken into consideration. The LDP's Sustainability Appraisal, including Strategic Environmental Assessment, and Habitat Regulations Assessment, together with other impact assessments, also needed to be reviewed. In addition, housing requirement figures were not being met. The housing requirement will need to be reconsidered to reflect the future needs of the Plan area. The distribution of the housing requirement through the Spatial Development Strategy will, therefore, also need to be reconsidered.</p> <p>The review concluded that the Full Revision procedure is the most appropriate form of revision for the Eryri LDP. However, the Authority's subsequent decision to Introduce the Article 4 Direction (see below), and the associated resource requirements that this would entail, led to Members agreeing to defer the review of the Eryri Local Development Plan for the time being, at the Planning and Access Committee meeting on the 6th of December 2023.</p>
<p>Article 4 Direction</p>	<p>Following previous discussions and consideration by Members, a report was presented to the Planning and Access Committee seeking formal approval for the Introduction of the Article 4 Direction.</p> <p>Following the publication of planning secondary legislation in the Autumn 2022, 3 new Planning Use Classes were introduced (Dwelling House, Dwelling House not used as a sole or principal residence, and Short-Term Let Accommodation), and changes between these classes would now be considered 'development'. However, at the same time, the General Permitted Development Order was amended to allow permissible changes between the new use classes i.e. planning permission would not be required.</p>

	<p>These permitted development rights may be withdrawn within a particular area by an Article 4 Direction made by a local planning authority on the basis of sound local evidence. The removal of the development rights granted by Article 4 Direction would then make it necessary to submit a planning application for changes between the 3 new Use Classes.</p> <p>Most community councils within the National Park have over 10% holiday lets and second homes, with almost half having 15%. 12 communities have over 20%. Due to this, there is an increasing significant concern regarding the accessibility of homes for local people, and the associated issues regarding viability of local communities this can lead to.</p> <p>The committee therefore approved the report justifying the Introduction of the Article 4 Direction and also approved engagement on the proposed introduction, in its meeting on the 6th of March 2024. The Article 4 Direction will not come into force until 12 months later i.e. the Spring of 2025.</p>
<p>Strategic Plan for a Sustainable Visitor Economy</p>	<p>Since the adoption of the Strategic Plan for a Sustainable Visitor Economy in Gwynedd and Eryri (2035) by the National Park Authority on the 8th of February 2023, officers from the NPA and Cyngor Gwynedd have been formalising operating structures.</p> <p>On the 17th of April 2024, the first meeting of the Gwynedd and Eryri Sustainable Visitor Economy Partnership was held, which for the first time brought together representatives from the tourism sector and community to formally discuss the visitor economy in the area for the forthcoming year. An Action Plan has been drafted, and is aimed to be adopted in the next month. The Partnership have elected Co-Chairs to represent both the business and community sectors, and Vice-Chairs in the same model.</p> <p>There is furthermore a Strategic Board which meets twice a year and a Partnership Delivery group as well as Task and Finish groups which will be established to lead on specific projects.</p> <p>At present Conwy County Borough Council have not formally adopted the Plan, but are taking it through their democratic processes with the intention of signing an MoU during 2024.</p>

<p>Corporate Work Programme</p>	<p>As the Authority now has an adopted Well-being Statement which includes its Well-being Objectives for a five-year period from 2021-26; there will therefore be no need for an annual review.</p> <p>The agreed actions in the Corporate Work Programme will now be sufficient to enable the Authority to assess its progress in attaining the Well-being Objectives and there will accordingly be no need for a separate report on Performance Indicators. The final report on the Corporate Work Programme for 2022/23 was considered by the Performance and Resources Committee on the 12th of July 2023.</p> <p>The Corporate Work Programme for 2023/24 was formally adopted by the Authority on the 14th of June 2023.</p> <p>Members were provided with updates on the progress made in meeting the Well-being Objectives, outlined in the Corporate Work Programme for 2023/24.</p> <p>Progress on the first two quarters of the financial year was reported to the Performance and Resources Committee on the 29th of November 2023. The third and (where available) fourth quarter progress report was reported to the same committee on the 20th of March 2024. A final report is expected to be presented to the Performance and Resources Committee in its meeting in July 2024.</p>
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Principle 4: Determining the interventions necessary to optimise the achievement of the intended outcomes

<p>Budget Strategy 2023-24</p>	<p>The Authority's revenue budget for 2023/24 was confirmed in the Chief Finance Officer's report to the Authority on the 8th of February 2023. The report also confirmed the levy on constituent authorities.</p> <p>An update on the Budget was presented to the Authority on the 13^h of September 2023 and to the Performance and Resources Committee on the 29th of November 2023 and the 20th of March 2024.</p> <p>The Base Revenue Budget for 2024/25 which was presented to Members in the November meeting, confirmed that the budget deficit represented was projected to be approximately 10% of the Authority's total budget.</p>
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	<p>The March report outlined the projected year-end revenue and capital position. The report also confirmed the additional £2 million revenue and capital grant allocation by Welsh Government to meet the challenges faced by the Authority's current budgetary pressures. This allows the Authority to both reduce the operating deficit in the budget as well as to ease existing capital pressures.</p> <p>The report confirmed that the situation in terms of net spending on services continued to compare favourably with net spending from the same period in 2022/23, however inflationary pressures continued to be challenging.</p> <p>Expenditure remains higher on elements affected by inflation, particularly on energy, however confirmation was received that the budget for 2023/24 was sufficient. As the inflation level had not fallen as sharply as predicted, interest rates remained high. This continues to lead to significant interest income for the Authority. The interest income budget/target was increased to £120k to reflect this and this target had already been exceeded with over £190k of income received to date in 2023/24.</p>
<p>Mid Term Financial Plan 2024/25 – 2027/28</p>	<p>It was reported in last year's Statement that in its meeting on the 26th of April 2023, the Chief Executive and the Head of Finance presented the revised Medium Term Financial Plan for 2023/24 – 2026/27 to the Authority, which outlines a range of financial situations that could face the Authority over the next four years. The Plan outlines a model of the financial resources required by the Authority for the service levels it hopes to provide in the mid term.</p> <p>Further to this, the Chief Executive presented an overview of the Authority's financial challenges for the next 2 financial years (2025 – 2027) at a Members' Working Group meeting on the 17th of April 2024.</p> <p>The report outlined the anticipated inflationary pressures (based on Bank of England assumptions) on the Authority over the next 3 financial years to be £903,000.</p> <p>Wage inflation was also identified as an unknown. It may reduce the challenge or increase the financial pressure on the Authority, which needs to be assessed as and when such is known. The Chief Executive concluded that</p>

	<p>no significant adjustments (except for Plas Tan Y Bwlch) need to be considered in this financial year, but preparatory work needs to be undertaken for future consideration.</p> <p>Members requested officers to undertake further work on income generation, capital and revenue spend including staff retention and recruitment in key areas; and to consider further the financial position of the Authority before the end of this financial year and consider potential actions to be implemented during 2025/26 and 2026/27.</p> <p>Due to the above report and the actions approved, the Mid Term Financial Plan for 2024/25 – 2027/28 was not required to be presented formally to the Authority in April 2024, as in previous years. This will now be presented to the Performance and Resources Committee in July 2024.</p>
<p>Performance Management</p>	<p>The mechanism for reviewing performance in relation to the Authority’s Well-being Statement and the Corporate Work Programme was set out formally in 2021/22.</p> <p>The Performance and Resources Committee will scrutinise performance on the actions contained in the Corporate Work Programme which gives an insight into progress on a quarterly basis.</p> <p>The Annual Report for 2022/23 which was approved for adoption and publication by the Authority in its meeting on the 13th of September 2023, reported on Year 2 progress in achieving the Authority’s Well-being Objectives.</p>

Principle 5: Developing the entity’s capacity, including the capability of its leadership and the individuals within it

<p>Members’ Role Descriptions</p>	<p>Revised role descriptions for Members and for the Chair and Vice Chair were adopted by the Authority on the 27th of April 2022.</p> <p>Changes were made to strengthen the emphasis of the role of members in setting a strategic direction and ambition for the Authority, providing an overarching introduction including the purpose of National Parks and the role of the Authority in delivering on these purposes, and strengthening the section on personal and role development.</p>
<p>Members’ Attendance</p>	<p>The online platform Zoom for holding committee and other meetings is now going into its fourth year of operation. The new technological investment for conducting hybrid meetings has embedded well, and is now well established.</p> <p>Members of the public can observe the committees in person at Plas Tan y Bwlch or can register in advance for access via Zoom. Recordings of committees can also be accessed at a later date through the Authority’s YouTube channel.</p> <p>Members’ attendance at meetings during 2023/24 was 85%, compared to 81 and 82% in the two preceding years of 2022/23 and 2021/22.</p>
<p>Member Training</p>	<p>In 2023/24, member attendance at training events was 53.5% (70% in 2022/23).</p> <p>In addition to the Authority’s Member training programme, this year Welsh Government provided funding for Members training sessions on the following:</p> <ul style="list-style-type: none"> ➤ Governance; ➤ Landscapes for Everyone (Introduction to Diversity and Inclusion; and ➤ Nature and Climate Emergencies. <p>Course materials have been made available on the Landscapes Wales website, which allows Members who were unable to attend to access the information.</p>

	<p>Further governance related training will be provided in 2024-25 following confirmation that funding has been made available by Welsh Government for this. Scheduled for June 2024 are sessions on:</p> <ul style="list-style-type: none"> ➤ The NPA governance system – differences and similarities with other local government bodies; ➤ An introduction to good governance; and ➤ Practicing good governance.
<p>Staff Performance Appraisals and Training</p>	<p>Learning and development needs are identified in annual performance appraisal reviews, which outlines training priorities for the year ahead.</p> <p>Although not all staff received an appraisal during the period, as a result of a directive brought about by both Directors to encourage managers to appraise their staff there was a 32% increase in staff being appraised during 2023/24.</p> <p>Further focus will continue to be applied to ensure that as many staff as possible are annually appraised.</p>
<p>Human Resources Strategy</p>	<p>In 2022/23 average staff sickness absence was 6.95 days. During 2023/24 the average staff sickness absence was 9.1 days.</p> <p>This increase has prompted a review to be undertaken by the HR team in relation to how the Authority manages absence in general. The review will look at reasons for absence, length of absences, recurring absences and the overall financial impact of absence on the Authority.</p> <p>In the continued absence of a House Manager at Plas Tan Y Bwlch, the head of HR has continued to oversee staff there daily, impacting her ability to fully focus on HR functions.</p> <p>Further, the H.R. Team experienced significant changes during this reporting period due to the retirement of an experienced HR officer and the maternity leave absence of the HR Administrator. During January 2024 a review of the HR Team structure and amendments put forward were approved by the management team.</p> <p>One of the key changes was the decision to replace the previous HR Administrator role with a HR Advisor traineeship position spanning two years. The revised structure with all positions filled will increase efficiencies</p>

	<p>within the team and allow more focus on revising policies and procedures, staff wellbeing, and updating the HR strategy.</p> <p>Despite the temporary reduction in team members, significant progress was still made in relation to the creation of several new policies, including 'Menopause,' 'Hybrid Working,' and 'Super-Flexi,'.</p> <p>Furthermore, the team implemented a new Employee Assistance Programme and launched the Staff Engagement and Wellbeing Forum.</p>
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Principle 6: Managing risks and performance through robust internal control and strong public financial management

<p>Financial Statements</p>	<p>It was reported in last year's Governance Statement that the Statement of Accounts for 2021/22 had yet to be formally certified and approved. This was due to difficulties that had arisen because of the need to re-evaluate the Authority's assets every 5 years.</p> <p>The Final Statement of Accounts for both 2021/22 and 2022/23 have yet to be formally presented and approved; and therefore the Final Letter of Representation by the Appointed Auditor from Audit Wales in accordance with The Accounts and Audit (Wales) (Amendment) Regulations 2018 is yet to be received.</p> <p>At the time of reporting, it is anticipated that the Final Statement of Accounts for 2021/22 will be presented to the Authority AGM on the 12th of June 2024.</p> <p>Following this, the presentation of the Final Accounts for 2022/23 and 2023/24 will be dependent on the audit timetable set out by Audit Wales.</p>
<p>Risk Management</p>	<p>The Risk Register is reviewed and updated quarterly by the Heads of Service and Management Team.</p> <p>Identified risks as noted in the Risk Register are allocated as a responsibility to named officers and target dates are set for mitigation. The Risk Register is reviewed by Members at each Performance and Resources Committee and any removal of risks from the Register is ratified annually at an Authority meeting.</p>

<p>External Audit</p>	<p>It is usual for Audit Wales to present an Audit Plan to the Authority every year. The report sets out the audit risks and proposed audit response to be undertaken during the year, along with confirmation of performance audit areas and the audit fees payable. An Audit Plan has not been received by Audit Wales for 2023.</p> <p>At the start of 2023, Audit Wales commenced a review on governance within National Park Authorities in Wales, which included effective scrutiny, partnerships, supporting recovery and resilience, the appointment of members and maximising their contribution through balancing national and local issues. The report was published on the 25th of April 2024, and will be formally presented to Members and Officers at the Authority AGM on the 12th of June 2024.</p> <p>In the summer of 2023 Audit Wales issued a brief on their proposed forthcoming audit on ‘Promoting Equality and Diversity of Access’, and Officers duly submitted the evidence requested. To date, further progress on the audit is unknown.</p> <p>Following a study undertaken on Income Diversification across the three Welsh National Park Authorities, Audit Wales presented their findings to Members at the Performance and Resources Committee on the 12th of July 2023. Audit Wales followed the individual reports with a joint three National Park report which was published in September 2023.</p> <p>The Chief Executive reported progress to Members on the report’s recommendations at the Performance and Resources Committee on the 29th of November 2023, and also in a report to the Members Working Group on the 17th of April 2024, as part of the overview given on the Authority’s Financial Challenge for the next two financial years. Full details of the findings and recommendations are set out under Section 6 (Significant Governance Issues) in this Statement.</p>

<p>Internal Audit</p>	<p>The Internal Audit Manager reports on the previous financial year’s work to the Performance and Resources Committee. This year, this was reported on the 29th of November 2023.</p> <p>There were three internal audits scheduled to be undertaken during 2023/24, namely Planning Service Operational Arrangements, The Carneddau Landscapes Partnership, and Support for Members.</p> <p>The Carneddau Landscapes Partnership audit did not take place, and instead an audit on the LIFE Celtic Rainforest Project was undertaken.</p> <p>Both audits on Planning Service Operational Arrangements and the LIFE Celtic Rainforest Project were given a “Satisfactory” rating – there are controls in place to achieve the objectives but there are aspects where the arrangements can be tightened to further mitigate the risks.</p> <p>As a result of this, recommendations for improvement were given as part of the reports. Internal Audit will request an update on the progress of implementing these recommendations in due course.</p> <p>The Support for Members audit was rated as “High” - assurance of propriety can be expressed as the internal controls in place can be relied upon to achieve objectives.</p>
<p>Health and Safety</p>	<p>The Annual Health and Safety Report was presented to the Performance and Resources Committee on the 29th of November 2023 by the Head of HR, detailing incidents / accidents that were recorded including reportable incidents to the Health and Safety Executive under the ‘Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR)’.</p> <p>On the 23rd of January 2024 the Authority appointed a full-time Health and Safety Officer who will be the competent person for all matters relating to Health and Safety moving forward.</p>

<p>Information Centres</p>	<p>The Authority has 3 Information Centres in Betws y Coed, Beddgelert and Aberdyfi, which are managed by the Sustainable Tourism Manager, whose main objective is to ensure that the Centres are commercially viable / self-financing.</p> <p>The Information Centres Annual Report was presented to the Performance and Resources Committee on the 29th of November 2023. The report provided an overview of the 2023/24 year to date, and concluded that the Centres would end the financial year within their set operating budget.</p> <p>The main issues of note was the increased turnover seen in all 3 Centres, which was due to amongst other things better recruitment and retention, expansion of suppliers, and a favourable exchange rate for overseas visitors. It was also reported that higher than average incidents of shoplifting had taken place during the main season, but that upgraded and new CCTV systems installed had been valuable in aiding reporting.</p>
<p>Borrowing and Investment Strategies / Treasury Management</p>	<p>The Annual Report providing the actual Treasury Management (borrowing and investment) of the Authority during 2022/23, was presented to the Authority meeting on the 13th of September 2023.</p> <p>During 2022/23, the Authority's activity remained within the limits that were originally set. There has been no borrowing.</p> <p>In 2022/23, the total interest received from investments was £135,616. Interest received from car loans of £331 increases the total to £135,947 against a budget of £8,000.</p> <p>The bank and building society interest sum of £135,616 for 2022/23 is a significant increase on the amount of £10,902 received in 2021/22. The increase is a direct result of inflation and the effect on interest rates which have increased several times during the year and continue to increase.</p> <p>The Chief Finance Officer presented the Capital Strategy for 2024/25 at the Authority meeting on the 7th of February 2024.</p> <p>The report gives a high-level overview of how capital expenditure, capital financing and treasury management</p>

	<p>activity contribute to the provision of National Park services along with an overview of how associated risk is managed and the implications for future financial sustainability.</p> <p>The report confirms that the Authority commences 2024/25 debt free. Members approved no change in the authorised borrowing limit and the operational boundary, and approved both the Capital Borrowing Strategy and Investment Strategy for 2024/25, and noted the content with regard to the Prudential Code.</p> <p>Furthermore, the Chief Finance Officer advised that in future, the Authority may have to borrow in the short-term to deliver the LIFE Project due to possible cash flow demands. This was due to an 18-month extension to the project which may need funding in the short-term.</p>
<p>Plas Tan y Bwlch Study Centre</p>	<p>In his report to the Authority on the 7th of February 2024, the Chief Executive reported that the Plas Tan y Bwlch Board had come to the conclusion that a viable business linked to delivery of the Authority's statutory purposes cannot be developed within the current resources available.</p> <p>In addition, the Audit Wales report on Income Diversification had recommended that within 12 months, the Authority review its operating model at Plas Tan y Bwlch to undertake a cost benefit appraisal of the facility to determine its future strategy for the site.</p> <p>The report outlined in detail the Authority's financial position and the accompanying resource implications. The report concluded that the Authority needs to reduce the revenue and capital costs resulting from operational management of Plas Tan Y Bwlch and the Authority needs to consider alternative models which includes forming partnerships or open market disposal, preferably as a going concern.</p>
<p>Yr Ysgwrn</p>	<p>Yr Ysgwrn's Annual Report for 2022/23 was presented to the Authority on the 14th of June 2023.</p> <p>The report advised that Yr Ysgwrn managed to attract financial support for a programme of activities and events from the Welsh Federation of Museums and Galleries and the Welsh Government via the Summer of Fun</p>

	<p>programme. Income data shows that the income is higher on the days when activities and events are held and maintaining a quality programme is essential in order to maintain this level of activity. Grants were also received from other sources.</p> <p>The increase in running cost at Yr Ysgwrn during the year was a challenge, reflecting the wider cost of living crisis. The increase in costs has affected all aspects of the business and in particular, heating costs. The problem was more evident in 2022/23 due to the effect of increased cost of wood pellets and gas prices and a higher dependence on gas when completing maintenance work on the biomass boiler.</p> <p>This combination of factors led to a gap of approximately £50,000 in the budget. Yr Ysgwrn's reserve fund was established in order to meet such a gap.</p>
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Principle 7: Implementing good practices in transparency, reporting, and audit to deliver effective accountability

<p>Pay Policy Statement</p>	<p>Section 38 (1) of the Localism Act 2011 places a requirement on Local Authorities to prepare pay policy statements. Whilst National Park Authorities are exempt from this requirement, it has been considered good practice to adopt such a statement, and accordingly this is done annually by the Head of Human Resources.</p> <p>The Authority's Pay Policy Annual Report for 2022/23 and Pay Policy Statement for 2023/24 was presented to the Performance and Resources Committee on the 12th of July 2023, ensuring transparency in staff remuneration at the Authority.</p>
<p>Annual Report 2022/23</p>	<p>The Annual Report for 2022/23 was presented to the Authority meeting on the 13th of September 2023, before being published on the website and distributed to the Authority's main centres, public libraries etc., within the National Park.</p> <p>It contains the Chairman's Annual Report for the year, which sets out what was achieved, not achieved and any problems that were encountered.</p>

	<p>It also contains details of the Authority's Service Priorities and the Authority's Objectives set on an annual basis that feed into and show how it is intended to take the National Park forward in order to attain the Authority's vision; a summary evaluation of progress made in attaining the Authority's Objectives, the key work activities for 2022/23, and performance management.</p>
<p>Hybrid Committees and Broadcasting</p>	<p>Hybrid meetings are now well established in the Authority following investment in the technology needed to facilitate the meetings. Members and Officers have the choice to attend in-person at Plas Tan y Bwlch or join online through Zoom.</p> <p>The Authority meetings and the Planning and Access Committee are also webcast live on to the Authority's YouTube channel, as well as a recording of the meeting being able to be viewed at any time. Members of the public therefore can either attend the Committee meetings in-person or can access remotely.</p> <p>This not only improves access for Members and Officers but also access, transparency and reporting of the Authority's business for members of the public.</p>
<p>Grant Funding</p>	<p>Most project based work in the Authority is funded through external grant funding.</p> <p>Grant Funding updates, including any reprofiling and amendments to end dates where relevant, are given to Members through the Performance and Resources Committee every six months. Detailed information is given on capital funded projects as well as live projects.</p> <p>The Authority reviews its priorities annually, ensuring consideration is given to the timescales involved with some grant obligations, and as a result confirms the priority areas for future bids.</p> <p>Members have previously confirmed that their approval is required for projects under the following situations:</p> <ul style="list-style-type: none"> • Any multi-year projects. • Any proposal that does not fit within agreed strategic priorities. • Any proposal referred to members by the Chair or CEO. • Any in-year proposal above an agreed financial limit (agreed at £150,000).

	During the year updates were given to the Performance and Resources Committee on the 12 th of July 2023 and on the 20 th of March 2024.

6. Significant Governance Issues and Actions Proposed for 2024/25

Audit Wales: Income Diversification

During the period between November 2022 and March 2023, Audit Wales conducted a review which sought to assess whether the Authority has the right vision and systems in place to diversify its income streams, ensuring decisions are planned, managed and delivered effectively without compromising its ability to fulfil its statutory purposes and duties. The review was carried out in all three of the Welsh National Park Authorities.

Reporting on the outcome specifically for this Authority in July 2023, Audit Wales noted in its report that “National Park Authorities need greater financial resilience to effectively deliver against the ambitious agenda set out by the Welsh Government’s Minister for Climate Change. Doing this requires Authority Members and officers to have the right vision, skills and expertise to set out a strategy for income diversification. In parallel, robust governance arrangements must provide appropriate and effective scrutiny to help appraise the risks and rewards of any proposed new activity”.

The review concluded that “In Eryri, we found that the Authority has a strong track record in raising funding and managing resources. Addressing future budget shortfalls to ensure the continued delivery of its statutory purposes and management of key assets requires the Authority to set a clear vision”.

A follow up report ‘Income Diversification for National Park Authorities in Wales’ published in September 2023, was considered in detail by the Performance and Resources Committee on the 29th of November 2023. The report identified 6 key building blocks, each of which is essential for National Park Authorities when they are diversifying their income streams. The report concluded with recommendations for the Welsh Government:

“It is also clear that there are common and important issues that need to be addressed if National Park Authorities are to successfully deliver new income. With this in mind, we believe that the Welsh Government should use this report to understand the current challenges and barriers facing National Park Authorities seeking to diversify their income streams. Based on these findings, the Welsh Government should consider and clearly define:

- its vision and ambition for income generation by National Park Authorities in Wales at a national level;
- the level of risk it is comfortable with National Park Authorities in Wales taking on, and other parameters for pursuing new income streams;
- the support it will provide to National Park Authorities with respect to the skills required to pursue, and provide scrutiny of, income diversification; and
- how it will facilitate collaboration between National Park Authorities in Wales to be able to pursue joint income generation initiatives.”

Proposals for Improvement

The table below sets out the proposals for improvement for this Authority, identified by Audit Wales whilst undertaking the review and the Authority’s response.

Recommendation	
R1	<p>A strategic approach to income diversification</p> <p>Undertaking income diversification requires National Park Authorities to have enough capacity, the right skills and robust but agile systems to be in place. We recommend that the Authority:</p> <ul style="list-style-type: none"> ➤ use our self-evaluation tools to identify its existing strengths and weaknesses, and develop a strategy for income diversification; and ➤ as part of its strategy for income diversification set SMART performance measures and appropriate governance systems to ensure adequate monitoring and scrutiny of delivery of the agreed action plan resulting from its self-evaluation.
Response 12.07.23	
	<p>The Authority agrees to use the self-evaluation tool to develop a strategy for income diversification.</p> <p>Income diversification can be resource intensive with limited opportunities, and any strategy will need to ensure that our scarce resources are utilised in the most effective way possible.</p> <p>With the caveat as set out above, it is agreed that the strategy will measure performance and assess whether changes are required to our governance model.</p>
Updated Response 29.11.23	
	<p>The follow-up report itself highlights the six building blocks for diversifying income generation along with the self-evaluation tool. Officers have considered these but progress on further work is restricted due to the recommendations made in the joint report which challenged Welsh Government to understand and consider the specific matters facing National Park Authorities in terms of income diversification and for Welsh Government to provide guidance on such matters.</p>

	<p>Audit Wales report also identified the need for a single corporate strategy on income diversification, the Authority does not produce such a single document but rather provides more detail in areas of delivery which provide commercial opportunities e.g., business plans and income targets for areas such as Plas Tan y Bwlch, Yr Ysgwrn, Car Parks and Information Centres. Performance of activity with commercial opportunities are monitored at an officer level, specific officer/member boards and periodic reporting to either the Authority or the Performance and Resource Committee.</p>
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Updated Response 17.04.24

	<p>The Chief Executive gave an overview of the financial challenge that faces the Authority over the next two financial years, in his report to the Members Working Group on the 17th of April 2024.</p> <p>The report noted that further input is awaited from Welsh Government regarding income diversification. Notwithstanding this, confirmation was given that Officers can progress on the following areas in preparation, to advise and provide options to Members on any course of action that may be required for the 2025/26 and 2026/27 financial years:</p> <ul style="list-style-type: none"> ➤ Car park income ➤ Planning fees ➤ Information Centres ➤ Yr Ysgwrn ➤ Commercial sponsorship
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Recommendation

R2	<p>Plas Tan y Bwlch</p> <p>We recommend that, within the next 12 months, the Authority review its operating model at Plas Tan y Bwlch to undertake a cost benefit appraisal of the facility to determine its future strategy for the site.</p>
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Response 12.07.23

	<p>This review has already commenced, and we are in the process of collating the information.</p>
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Updated Response 07.02.24

	<p>The Board had considered the operational rationale for Plas Tan y Bwlch, scoping of potential business models and how such supports the delivery of National Park purposes, and concluded that the Authority needs to reduce the revenue and capital costs resulting from operational management of Plas Tan Y Bwlch and the Authority needs to consider alternative models for Plas Tan Y Bwlch which includes forming partnerships or open market disposal, preferably as a going concern.</p>
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	<p>The Authority resolved:</p> <ol style="list-style-type: none"> 1. To continue with the current business model for a period until the Authority can formally consider its options on future management of Plas Tan Y Bwlch. 2. To invite interest from potential partners for the operational management/development of Plas Tan Y Bwlch. 3. To offer Plas Tan Y Bwlch on the open market to prospective buyers. 4. To actively promote Plas Tan Y Bwlch as a going concern to any prospective partner/buyer. 5. To allow a period of up to 6 months for seeking partner or open market disposal. 6. The Management Team and Plas Board to monitor progress and report back to members as required but no later than September 2024 with long term recommendations based on outcome of any negotiations. 7. To utilise the identified reserve to bridge any financial pressures/needs.
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The Authority's Risk Profile

The two highest risks to the Authority as reported formally in March 2024, is as follows:

Risk	Result	Action Identified / Progress to date
Insufficient core budget funding.	Cut in Services.	<p>The Budget for 2024/25 was approved by the Authority in its meeting on 7 February 2024, and was established on the basis of no change to the Welsh Government Grant for 2024/25. This continued zero increases in the level of Welsh Government funding for the National Park Grant, despite the Authority experiencing levels of inflation not seen since the 1980s.</p> <p>At the time of setting the budget it was anticipated that the 2024/25 budget will include a net contribution of £1,061,760 from the Authority's reserves, comprising of £731,330 of Revenue funding and £330,430 of Capital. This is an unprecedented level of reserve use, and whilst some of this is directly related to the use of grant received in previous years, the use of other funds is not sustainable in the long term.</p>

		<p>In previous years, SNPA has been able to retain reserve flexibility and has kept a prudent level of funds to be able to balance the budget without implementing emergency cuts. However, savings have been considered for 2024/25 and this will have to continue in future years, with a detrimental effect on services, unless the Government increases the grant.</p> <p>Following an Audit Wales report, a number of recommendations have been presented to Welsh Government to identify options for raising income – and explaining the related risks – but this work has been put on hold until guidance has been received from WG.</p> <p>Risk Rating: Effect 4 x Likelihood 4 = 16 (High)</p>
<p>Income Generating Target (Plas Tan y Bwlch).</p>	<p>Failure to keep within the Authority's budget.</p>	<p>Following the pandemic and the numerous lockdowns Plas Tan y Bwlch has been operating a hybrid business model that consists of attempting to make the most of the tourist trade by offering a B&B package to visitors, undertaking special events such as conferences and weddings whilst welcoming back some of what could be described as the previous core users of Plas Tan y Bwlch.</p> <p>Overall, this has met with mixed results. Whilst income has increased from year to year so unfortunately has the overall costs, particularly when one considers the inflationary pressures facing Plas Tan y Bwlch. With the financial pressures facing the Authority in general there is a growing need to address the deficit. The Plas Tan y Bwlch Board undertakes regular meetings to discuss the deficit and consider future options.</p> <p>Audit Wales have recommended that a Business Plan be presented to the Authority within 12 months. The Plas Tan y Bwlch Board have been tasked with formulating options on the future direction</p>

		<p>of Plas Tan y Bwlch. The Chief Executive presented a paper to the Members Working Group in January 2024 and the Authority considered the matter formally at its meeting in February 2024, when it agreed to adopt a twin track approach so as to minimize future risk to the Authority. The Authority will consider the matter next in September 2024.</p> <p>Risk Rating: Effect 4 x Likelihood 5 = 20 (High)</p>
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In addition, the second risk regarding Plas Tan y Bwlch was updated in March as outlined in the table below. Members requested and agreed in the Performance and Resources Committee meeting dated 20th of March 2024, that both risks be combined to reflect the current situation, and to include more detail with regard to the reputational risk to the Authority, the financial risks, risks to the building itself etc.

Risk	Result	Action Identified / Progress to date
Securing the long-term future of Plas Tan y Bwlch.	Reputational risk to the Authority in managing Plas Tan y Bwlch. The Plas having to close with staff losing their livelihoods. An adverse effect on the local economy with the Authority's good name suffering.	<p>As reported previously although income is increasing year on year there is a substantial deficit that needs addressing.</p> <p>Audit Wales have recommended that a Business Plan be presented to the Authority within 12 months. The Plas Tan y Bwlch Board have been tasked with formulating options on the future direction of Plas Tan y Bwlch. The Chief Executive presented a paper to the Members Working Group in January 2024 and the Authority considered the matter formally at its meeting in February 2024, when it agreed to adopt a twin track approach so as to minimize future risk to the Authority. The Authority will consider the matter next in September 2024.</p> <p>It has also become clear that there are a number of issues with the building itself resulting in excessive damp penetration and the loss of letting rooms. We are currently investigating the situation and have a Condition Survey of the building.</p>

		<p>This report has been discussed at the Board and we have asked for details on what requires urgent work, with a view to researching the possibility of submitting an application for grant funding for the remainder of the work. A decision can then be made on if and how to invest further in the Plas with the money already to hand. In the meantime listed building consent has been obtained to undertake urgent works and works that can be implemented in conjunction with other works that will alleviate the problem of water ingress causing damp penetration.</p> <p>Risk Rating: Effect 3 x Likelihood 4 = 12 (Medium)</p>
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In view of the above requests, the Risk Register will be formally reviewed and presented for approval at the next Performance & Resources Committee in July 2024.

7. Opinion

We propose over the coming year to take steps to address the matters referred to in part 6 to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.



EMYR WILLIAMS

**CHIEF EXECUTIVE
ERYRI NATIONAL
PARK AUTHORITY**

DATE: 12.06.2024



EDGAR WYN OWEN

**CHAIR
ERYRI NATIONAL
PARK AUTHORITY**

DATE : 12.06.2024