

## Joint Report of the Head of Finance & Fundraising & Audit Wales

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### **Subject: Audit of Accounts Report**

A presentation will be made on the Audit of Accounts report by Audit Wales, attached.

The Authority's Final Annual Narrative Report and Statement of Accounts 2023-24 will also be presented for confirmation and signature.

A summary of the amendments made to the draft accounts as a result of the audit is noted in appendix 1 attached:

### **RECOMMENDATIONS:**

- a) **Members are invited to consider and accept the Audit of Accounts report (Appendix 2) and approve the representation letter to auditors.**
- b) **The Authority approve the Annual Narrative Report, Statement of Accounts 2023-24 and AGS (Appendix 3)**

### **Background documents:**

- Audit of Accounts Report – 2023-24 Audit
- Annual Narrative report and Statement of Accounts 2023-24 and Annual Governance Statement 23-24.

*For further information on this report, please contact Mrs Catrin Evans (Head of Finance & Fundraising) or Mr Adrian Crompton (Auditor General, Audit Wales).*

## Appendix 1

Summary of amendments made to the draft accounts following audit which have impacted on results:

	MIRS/CIES	Balance Sheet
<b>Original</b>	<b>-4,728,000</b>	<b>-33,293,000</b>
Trade creditors - machines not received		201,618
Vat - machines not received		-33,603
Prepayments - machines not received		-148,015
Trade debtors - machines/part ex not received		-24,000
Vat - machines/part ex not received		4,000
Fixed assets L&B - gross up for loss on revaluation	0	-12,389
Revaluation reserve - gross up for loss on revaluation	-12,389	0
Derecognise pension asset		7,649,000
Derecognise pension asset	7,649,000	
Transfer grant to unapplied grants as assets above not received	152,469	
Transfer grant to unapplied grants as assets above not received	-152,469	0
Wage accrual reversed	-100,000	
Wage accrual reversed		-100,000
EMR adjustment on write back of wage accrual	100,000	
Transfer to EMR on write back of wage accrual	-100,000	0
<b>Final</b>	<b>2,808,611</b>	<b>-25,756,389</b>

The above schedule does not include other adjustments which have been made to the accounts which do not impact on the results for the year e.g. movement of grants or disclosure enhancements & corrections.

# Audit of Accounts Report – Pembrokeshire Coast National Park Authority

Audit year: 2023-24

Date issued: October 2024

Document reference: 4519A2024



This document has been prepared as part of work performed in accordance with statutory functions. Further information can be found in our [Statement of Responsibilities](#).

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We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

Mae'r ddogfen hon hefyd ar gael yn Gymraeg. This document is also available in Welsh.

# About Audit Wales

## Our aims and ambitions

### Assure



the people of  
Wales that public  
money is well  
managed

### Explain



how public  
money is being  
used to meet  
people's needs

### Inspire



and empower  
the Welsh  
public sector to  
improve



Fully exploit  
our unique  
perspective,  
expertise and  
depth of insight



Strengthen our  
position as an  
authoritative,  
trusted and  
independent  
voice



Increase our  
visibility,  
influence and  
relevance



Be a model  
organisation for  
the public sector  
in Wales and  
beyond

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# Introduction

I have now largely completed my audit in line with my Audit Plan 2024 dated May 2024.

This Audit of Accounts Report summarises the main findings from my audit of your 2023-24 accounts. My team have already discussed these with the Authority's Finance Manager.

I am very grateful to your officers for their support in undertaking this audit.



**Adrian Crompton**

Auditor General for  
Wales

# Your audit at a glance



## Audit opinions

We are proposing to give an unqualified opinion on the accounts.

We have nothing to report under the other sections of my report, ie those relating to going concern; other information; other matters; or matters I report by exception.



## Significant issues

There are some misstatements and significant issues to report.



## Materiality

Materiality	£199,990
Reporting threshold ('trivial')	£9,995
Areas of specific interest:	
• Senior Staff Remuneration	£1,000
• Related party disclosures (transactions relating to individuals)	£5,000



# Financial statements' materiality



## Materiality £199,990

My aim is to identify and correct material misstatements, ie those that might otherwise cause the user of the accounts to be misled.

Materiality is calculated using:

- 2023-24 gross expenditure of £9,995,000
- Materiality percentage of 2%

I apply the materiality percentage to gross expenditure to calculate materiality.

I will report to you any misstatements above £9,995 calculated as 5% of materiality (called the 'trivial level').



## Areas of specific interest

There are some areas of the accounts that may be of more importance to the user of the accounts. We set lower materiality levels for these as follows:

- Senior Staff Remuneration £1,000
- Related party disclosures (transactions relating to individuals) £5,000

# Ethical compliance



## Compliance with ethical standards

We believe that:

- we have complied with the ethical standards we are required to follow in carrying out our work;
- we have remained independent of yourselves;
- our objectivity has not been comprised; and
- we have no relationships that could undermine our independence or objectivity.

# Proposed audit opinion



## Audit opinion

We intend to issue an unqualified audit opinion on this year's accounts once you have provided us with a Letter of Representation (see below).

Our proposed audit report is set out in **Appendix 1**.



## Letter of representation

A Letter of Representation is a formal letter in which you confirm to us the accuracy and completeness of information provided to us during the audit. Some of this information is specified as being necessary by auditing standards; other information may relate specifically to your audit.

The letter we are requesting you to sign is included in **Appendix 2**.

# Issues arising during the audit



## Misstatements

A misstatement arises where information in the accounts is not in accordance with accounting standards.

### Uncorrected misstatements

There are no misstatements identified in the accounts, which remain uncorrected.

### Corrected misstatements

During our audit, we identified misstatements that have been corrected by management, but which we consider should be drawn to your attention.

These are set out in **Appendix 3**.



## Other significant issues

In the course of the audit, we consider a number of matters relating to the accounts and report any significant issues arising to you. There is one issue that we need to bring to your attention.

Officer engagement with auditors throughout the audit process has been helpful and constructive and allowed us to work to resolve any audit queries and issues arising.

Pembrokeshire Coast National Park Authority is a small organisation with limited capacity within the finance department and completion of the year end accounts and audit largely falls on one team member, who in addition was new to the role this year.

However, our audit work did identify a larger number of errors than we would usually expect from similar sized organisations and these errors either led to amendments to the accounts and/or a need for us to undertake additional audit work and extended sample testing.

A review of the quality assurance checks that are currently in place would help ensure that some of these issues and errors are identified internally prior to submission of the draft accounts and not when audit are engaged.

We reported a similar issue as part of last year's audit.

# Recommendations

We have made a recommendation during the course of the audit, which is set out in **Appendix 4** along with management's response to the recommendation.

We will monitor progress against the recommendation during next year's audit. Where any recommendations are not fully implemented, we will report to you as part of next year's Audit of Accounts Report.

# Appendix 1

## Proposed audit report

### The independent auditor's report of the Auditor General for Wales to the members of Pembrokeshire Coast National Park Authority

#### Opinion on financial statements

I have audited the financial statements of Pembrokeshire Coast National Park Authority for the year ended 31 March 2024 under the Public Audit (Wales) Act 2004.

Pembrokeshire Coast National Park Authority's financial statements comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement, and the related notes, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2023-24.

In my opinion, in all material respects, the financial statements:

- give a true and fair view of the financial position of Pembrokeshire Coast National Park Authority as at 31 March 2024 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2023-24.

#### Basis of opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report.

My staff and I are independent of Pembrokeshire Coast National Park Authority in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## **Conclusions relating to going concern**

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Authority's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the responsible financial officer with respect to going concern are described in the relevant sections of this report.

## **Other information**

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The Responsible Financial Officer is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

## **Opinion on other matters**

In my opinion, based on the work undertaken in the course of my audit:

- the information contained in the Narrative Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Narrative Report has been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2023-24; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and the Annual Governance Statement has been prepared in accordance with guidance.

## **Matters on which I report by exception**

In the light of the knowledge and understanding of the Authority and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report or the Annual Governance Statement.



# Appendix 1

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- I have not received all the information and explanations I require for my audit;
- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team; or
- the financial statements are not in agreement with the accounting records and returns.

## **Responsibilities of the responsible financial officer for the financial statements**

As explained more fully in the Statement of Responsibilities for the Statement of Accounts set out on page 13, the responsible financial officer is responsible for:

- the preparation of the statement of accounts which give a true and fair view and comply with proper practices;
- maintaining proper accounting records;
- internal controls as the responsible financial officer determines is necessary to enable the preparation of statements of accounts that are free from material misstatement, whether due to fraud or error;
- assessing the Authority's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible financial officer anticipates that the services provided by the Authority will not continue to be provided in the future.

## **Auditor's responsibilities for the audit of the financial statements**

My responsibility is to audit the financial statements in accordance with the Public Audit (Wales) Act 2004.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- enquiring of management, the authority's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to Pembrokeshire Coast National Park Authority's policies and procedures concerned with:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the posting of unusual journals.
- obtaining an understanding of Pembrokeshire Coast National Park Authority's framework of authority as well as other legal and regulatory frameworks that Pembrokeshire Coast National Park Authority operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of Pembrokeshire Coast National Park Authority.
- Obtaining an understanding of related party relationships.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Audit Committee and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of the Authority as those charged with governance and its committees; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of

# Appendix 1

Pembrokeshire Coast National Park Authority's controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

## **Other auditor's responsibilities**

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

## **Certificate of completion of audit**

I certify that I have completed the audit of the accounts of Pembrokeshire Coast National Park Authority in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Auditor General for Wales' Code of Audit Practice.

Adrian Crompton  
Auditor General for Wales  
25 October 2024

1 Capital Quarter  
Tyndall Street  
Cardiff,  
CF10 4BZ

# Appendix 2

## Final letter of representation

[Audited body's letterhead]

Auditor General for Wales  
Wales Audit Office  
1 Capital Quarter  
Tyndall Street  
Cardiff  
CF10 4BZ

23 October 2024

### Representations regarding the 2023-24 financial statements

This letter is provided in connection with your audit of the financial statements of Pembrokeshire Coast National Park Authority for the year ended 31 March 2024 for the purpose of expressing an opinion on their truth and fairness and their proper preparation. We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

### Management representations

#### Responsibilities

We have fulfilled our responsibilities for:

- the preparation of the financial statements in accordance with legislative requirements and CIPFA's Code of Practice on Local Authority Accounting in the United Kingdom UK 2023-24; in particular the financial statements give a true and fair view in accordance therewith; and
- the design, implementation, maintenance and review of internal control to prevent and detect fraud and error.

### Information provided

We have provided you with:

- full access to:
  - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;

- additional information that you have requested from us for the purpose of the audit; and
- unrestricted access to staff from whom you determined it necessary to obtain audit evidence.
- the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- our knowledge of fraud or suspected fraud that we are aware of and that affects Pembrokeshire Coast National Park Authority and involves:
  - management;
  - employees who have significant roles in internal control; or
  - others where the fraud could have a material effect on the financial statements.
- our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others;
- our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements; and
- the identity of all related parties and all the related party relationships and transactions of which we are aware.

## **Financial statement representations**

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

Significant assumptions used in making accounting estimates, including those measured at fair value, are reasonable.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. There are no uncorrected misstatements in the financial statements.

## Representations by those charged with governance

We acknowledge that the representations made by management, above, have been discussed with us.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the National Park Authority on 23 October 2024.

We confirm that we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant audit information of which you are unaware.

Signed by:

Section 151 Officer

Date: 23 October 2024

Signed by:

Chair of the National Park Authority

Date: 23 October 2024

# Appendix 3

## Summary of corrections made

During our audit, we identified the following misstatements that have been corrected by management, but which we consider should be drawn to your attention.

Value of correction	Accounts areas	Explanation
<p>£7,649,000</p> <p>There is no net impact on the General Fund or cash backed reserves held by the Authority</p>	<p><b>Balance Sheet, Movements in Reserves Statement, Pensions Reserve (Note 28), Defined Benefit Pension (Note 32)</b></p> <p>Guidance was received after the approval of the draft accounts which clarified the calculation of the 'asset ceiling' to be used in assessing the figure to be recognised in the accounts.</p> <p>International Accounting Standard 19 limits the amount of pension surplus that can be recognised, taking into consideration future contributions and costs. This 'asset ceiling' is calculated in accordance with the International Financial Reporting Standards.</p> <p>As a result of the guidance, the Net Scheme Assets was reduced from £7,649,000 to Nil.</p>	<p>To ensure compliance with the Local Government Code.</p>
<p>£4,641,000</p> <p>(No overall effect on the primary statements)</p>	<p><b>Balance Sheet, Short Term Investments and Cash &amp; Cash Equivalents (Note 24) and Accounting Policies</b></p> <p>Our audit testing that £4,641,000 of balances were held in a bank account that required 95 days for withdrawal. In line with CIPFA Code guidance, this should be classified as Short Term Investments within the accounts rather than Cash Equivalents due to the investments maturing in greater than 90 days.</p> <p>Accounting Policies were also updated to include a policy for Investments and Cash and Cash Equivalents.</p> <p>The accounts were amended to reflect this.</p>	<p>To ensure the accuracy of the financial statements</p>

Value of correction	Accounts areas	Explanation
	There was no overall effect on the primary statements.	
Various  (No overall effect on the primary statements)	<p><b>Leases and lease type arrangements (Note 22)</b></p> <p>Testing of a sample of 6 leases receivable and 3 leases payable identified the following material errors:-</p> <ul style="list-style-type: none"> <li>• operating lease receivable was overstated by £316,000</li> <li>• operating lease payable was understated by £404,000</li> </ul> <p>There was no overall effect on the primary statements.</p>	To ensure the accuracy of the financial statements
£202,000	<p><b>Comprehensive Income and Expenditure Statement (CIES), Taxation and non specific grant income (Note 11), Balance Sheet, Debtors (Note 25), Creditors (Note 26) and Useable Reserves (Note 27)</b></p> <p>Testing identified 2 items of equipment (totalling £202,000) that had been received and paid for after the year end but had been included in creditors and prepayments at year end. As a result, debtors and creditors were overstated at year end.</p> <p>The accounts were amended to remove the £202,000 from debtors and creditors. There was also an adjustment to move the grant from the CIES (and Note 11) to Capital Grants Unapplied Reserve (Note 27).</p>	To ensure the accuracy of the financial statements
£100,000	<b>Balance Sheet, Creditors (Note 26) and Contingent Liabilities (Note 35)</b>	To ensure the accuracy of the financial



Value of correction	Accounts areas	Explanation
	<p>Creditors included a £100,000 Pay and Grading Accrual. Discussions regarding the Pay and Regrading are still ongoing and so the amount to be paid is still uncertain and cannot be reliably estimated. As such, it doesn't meet the criteria for inclusion as a creditors or provision in the accounts.</p> <p>The accounts were amended to remove the £100k from Creditors and to include a disclosure in Note 35 Contingent Liabilities.</p>	statements
Various	<p><b>Movement in Reserves Statement and Adjustments between the funding and accounting basis under Regulation Note 7)</b></p> <p>Testing of Note 7 identified the following errors:-</p> <ul style="list-style-type: none"> <li>the 'Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement' figure in Note 7 of the draft accounts was £(436)k and the 'Employers Pension contributions and direct payments to pensioners payable in the year' figure was £541k. These balances should have been shown the other way around. The financial statements were amended to reflect this;</li> <li>the totals per Note 7 for both 2023/24 and 2022/23 figures didn't agree to the Movement in Reserves Statement. The financial statements were amended to correct this.</li> </ul>	To ensure the accuracy of the financial statements

Value of correction	Accounts areas	Explanation
<p>Various (No overall effect on the primary statements)</p>	<p><b>Earmarked Reserves (Note 8) and Useable Reserves (Note 27)</b></p> <p>Testing of Note 8 identified the following errors:-</p> <ul style="list-style-type: none"> <li>• the Transfer from Revenue column in Note 8 included a number of positive (debit) figures which should have been included in the Transfers to Revenue column. The note was amended to reflect this;</li> <li>• the totals per Note 8 and Note 27 didn't agree. The financial statements were amended to correct this.</li> </ul> <p>There was no overall effect on the primary statements.</p>	<p>To ensure the accuracy of the financial statements.</p>
<p>£1,117,000 (No overall effect on the primary statements)</p>	<p><b>Expenditure &amp; Income analysed by nature (Note 6)</b></p> <p>Audit testing identified that:-</p> <ul style="list-style-type: none"> <li>• expenditure within Note 6 was overstated by £61,000 and Income understated by £61,000 and as a result the totals did not agree to the totals within the Comprehensive Income and Expenditure Statement;</li> <li>• £1,178,000 of income within Note 6 had been included within the 'Fees, charges and services income line' rather than the 'Government grants and contributions' line.</li> </ul> <p>Note 6 was amended to correct these errors.</p> <p>There was no overall effect on the primary statements.</p>	<p>To ensure accuracy of the financial statements.</p>
<p>£33,000</p>	<p><b>Property, plant &amp; equipment (Note 17)</b></p>	<p>To ensure accuracy of the financial statements.</p>

Value of correction	Accounts areas	Explanation
(No overall effect on the primary statements)	<p>The additions and depreciation figures for Plant &amp; Equipment were incorrect as they included adjustments relating to the removal of assets no longer held by the Authority but which were still included within the Fixed Asset Register.</p> <p>Additions were adjusted by £16,000 and depreciation by £17,000 with derecognition lines being added within Note 17 for these amounts.</p> <p>There was no overall effect on the primary statements.</p>	
Various (No overall effect on the primary statements)	<p><b>Expenditure and Funding Analysis (Note 4) and Adjustments between the funding and accounting basis (Note 5)</b></p> <p>The Net Cost of Services and Other Income &amp; Expenditure lines didn't agree between the two notes. Note 4 was amended to correct this.</p> <p>There was no overall effect on the primary statements.</p>	To ensure accuracy of the financial statements
£49,000 (No overall effect on the primary statements)	<p><b>Related Party transactions (Note 34)</b></p> <p>Note 34 was amended as it included Audit Wales expenditure (£49,000) and Creditor (£8,000) within the Welsh Government totals.</p> <p>There was no overall effect on the primary statements.</p>	To ensure accuracy of the financial statements.
£1,023,000 (No overall effect on the primary statements)	<p><b>Grant Income Analysis (Note 12)</b></p> <p>The Other Grant Income (Welsh Government) line was understated by £1,023,000. The accounts were amended to</p>	To ensure accuracy of the financial statements.

Value of correction	Accounts areas	Explanation
	<p>correct for this and to ensure that this then agreed to the figures in Note 11.</p> <p>In addition, the prior year figure for NPA Grant (Welsh Government) was amended from £3,561k to £3,437k to ensure that it agreed to Note 11.</p> <p>As this is a disclosure note, there was no overall effect on the primary statements.</p>	
<p>£288,000 (No overall effect on the primary statements)</p>	<p><b>Revaluation Reserve (Note 28)</b></p> <p>Audit testing identified that £288k had been incorrectly netted off the 'Difference between fair value depreciation and historical cost depreciation line' rather than included within the 'Increase in value of assets' line.</p> <p>The 'Difference between fair value depreciation and historical cost depreciation line' was amended to £(86,000) and the 'Increase in value of assets' line was amended to £849,000.</p> <p>There was no overall effect on the primary statements.</p>	<p>To ensure accuracy of the financial statements.</p>
<p>£24,000</p>	<p><b>Debtors (Note 25)</b></p> <p>Audit testing identified the following errors:-</p> <ul style="list-style-type: none"> <li>• £24,000 was included within Trade Receivables for the sale of an asset, however the asset wasn't sold until after the year end. The accounts were amended to remove this amount from Debtors.</li> <li>• £202k of debtors had been incorrectly included within Trade Receivables rather than Other Debtors. The accounts were amended to correct this with no net effect of the amendment.</li> </ul>	<p>To ensure accuracy of the financial statements.</p>

Value of correction	Accounts areas	Explanation
<p>£155,000 (No overall effect on the primary statements)</p>	<p><b>Comprehensive Income and Expenditure Statement (CIES) and Taxation and non-specific grant income (Note 11)</b></p> <p>£155,000 of income had been incorrectly included within Taxation and non specific grant income rather than within Net Cost of Services income (where had been include in prior years). The accounts were amended to correct this.</p> <p>There was no overall effect on the primary statements.</p>	<p>To ensure accuracy of the financial statements</p>
<p>Various (No overall effect on the primary statements)</p>	<p><b>Taxation and Non-specific Grant Income (Note 11)</b></p> <p>To ensure consistency between the current and prior year accounts, the following amendments were made to Note 11:-</p> <ul style="list-style-type: none"> <li>• £97k capital grant income was amended to be included within 'Capital Grants and Contributions' (from National Park Grant-Welsh Government);</li> <li>• £62k service project income was amended to be included within 'National Park Grant – Welsh Government' (from Net Cost of Services Income)</li> </ul> <p>There was no overall effect on the primary statements.</p>	<p>To ensure accuracy of the financial statements.</p>
<p>Various (No overall effect on the primary statements)</p>	<p>A number of other minor amendments were made to the financial statements relating to either revisions to disclosures of information, casting, agreement of prior year comparatives to prior year audited accounts, narrative changes or typing errors.</p>	<p>To ensure accuracy of the financial statements.</p>



# Appendix 4

## Recommendations

We set out below recommendations from our audit along with your management's response to them.

Matter arising 1 – Quality of the draft accounts and working papers	
Findings	<p>Pembrokeshire Coast National Park Authority is a small organisation with limited capacity within the finance department and completion of the year end accounts and audit largely falls on one team member, who in addition was new to the role this year.</p> <p>However, our audit work did identify a larger number of errors than we would usually expect from similar sized organisations and these errors either led to amendments to the accounts and/or a need for us to undertake additional audit work and extended sample testing.</p> <p>A review of the quality assurance checks that are currently in place would help ensure that some of these issues and errors are identified internally prior to submission of the draft accounts and not when audit are engaged.</p> <p>We reported a similar issue as part of last year's audit.</p>
Priority	High
Recommendation	The Authority should review and strengthen the arrangements for quality assurance of the accounts and supporting working papers.
Benefits of implementing the recommendation	Improved controls to ensure improved quality of the draft accounts and working papers.
Accepted in full by management	Yes

<p>Management response</p>	<p>The finance team has recently employed a part qualified accountant/employee which should assist with improving QA as well as supporting the year end accounts and audit process moving forward.</p> <p>In addition, the audit report refers to errors when in fact they relate to a difference in interpretation given the information available, public-sector accounting &amp; Audit Wales interpretation, particularly around the treatment of grants.</p> <p>The accounts were completely redrafted this year to improve layout and the basis of preparation used spreadsheet rather than word typed documents. This has led to small changes in comparatives and rounding differences which are referred to in the narrative report.</p> <p>The combination of finance system down time resulting in delays in reporting, part time staff and staff on leave has led to a difficult and inefficient year end process. There has equally been a learning &amp; discovery process around procedures, obtaining accurate data &amp; identifying training needs which should lead to a higher standard in the future.</p> <p>Notably, there is a generally a lack of technical support available for a small team despite reaching out.</p>
<p>Implementation date</p>	<p>In progress</p>



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The first line of assurance is formed by our staff and management who are individually and collectively responsible for achieving the standards of audit quality to which we aspire.

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- Use of specialists
- Supervisions and review



## Arrangements for achieving audit quality

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- Ethics
- Guidance
- Culture
- Learning and development
- Leadership
- Technical support



## Independent assurance

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- EQCRs
- Themed reviews
- Cold reviews
- Root cause analysis
- Peer review
- Audit Quality Committee
- External monitoring

\* QAD is the quality monitoring arm of ICAEW.

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We welcome correspondence and telephone calls in Welsh and English.  
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.



**Parc Cenedlaethol  
Arfordir Penfro**  

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**Pembrokeshire Coast  
National Park**

**ANNUAL NARRATIVE REPORT  
AND ACCOUNTS FOR THE  
YEAR ENDING 31 MARCH 2024**

**Pembrokeshire Coast National Park Authority**  
**Annual Narrative Report and Accounts for the year ended 31 March 2024**

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## **Annual Narrative Report**

### **Introduction**

The purpose of the narrative report is to provide information on the authority, its main objectives and strategies and the principal risks it faces. The report provides a brief explanation of the more significant matters reported in the accounts and aims to add to and assist the interpretation of the accounting statements which are set out on pages 18 to 60 which consist of: -

- The Comprehensive Income and Expenditure Statement which consolidates all the gains and losses of the Authority during the financial year. These gains and losses reconcile to the overall movement in net worth.
- The Balance Sheet which sets out the financial position of the Authority as at 31st March 2024.
- The Movement in Reserves Statement which summarises the changes in the balance sheet over the financial year.
- The Cash Flow Statement which summarises the inflows and outflows of cash arising from transactions for revenue and capital.
- The Statement of Accounting Policies and explanatory notes which form the basis for the preparation of the accounts.

The Authority's accounts for the year ending 31 March 2024 are presented in the format laid down in the Code of Practice on Local Authority Accounting in the United Kingdom 2023-24 (the Code). This format incorporates the requirements of International Financial Reporting Standards (IFRS) wherever this is possible.

### **Organisational review and external environment**

The Pembrokeshire Coast National Park as a public body, was designated in 1952 following the implementation of the National Parks and Access to the Countryside Act 1949. The National Parks and Access to the Countryside Act 1949, subsequently amended by the Environment Act 1995, saw the creation of the Pembrokeshire Coast National Park Authority ("the Authority") in 1996 to protect areas of the Pembrokeshire coastline, inland waterways and other designated inland areas.

The Authority has two statutory purposes:

- to conserve and enhance the natural beauty, wildlife and cultural heritage of the National Park, and
- to promote opportunities for public enjoyment and understanding of its special qualities.

In pursuing these two purposes, the Authority also has a duty to foster the economic and social well-being of communities living within the Park.

The strategic aim of the National Park is detailed in its Management Plan 2020-2024 which sets out actions and responsibilities to meet the National Park purposes of conservation,

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enjoyment and understanding. Developed in partnership with stakeholders, the delivery of the management plan is monitored through the Authority's performance monitoring framework and focuses on five key themes:



One of the Authority's key responsibilities to its communities is to act as the Planning Authority for the geographical area of the National Park. Other principal services include work in areas such as conservation, recreation management and transport, promoting understanding, rangers and volunteers, forward planning and communities.

### **Business performance and operational model**

The Authority's Management Plan sets out the priorities, objectives and key actions for a five-year period. The 2020-2024 Plan came into effect on 1 April 2020 and during 2023-24 the Authority began the process of reviewing the current National Park Management Plan including holding workshops with Members and initiating a public consultation on the Park's Special Qualities. A quarterly performance monitoring system is in place to enable effective performance reporting to the Operational Review Committee and the Audit and Corporate Services Review Committee. Annual performance is reported in our annual report on 'Meeting Well-Being Objectives' which is available on our website. The Authority also produces an Assurance Monitoring Report covering compliance, public and statutory duties including corporate improvement. This is one element of our risk management and assurance approach which supports officers and Members in monitoring, assessing and responding to compliance and corporate improvement areas of work.



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## Overall Service Performance

The Authority classifies its services based on delivery criteria and is noted below. Overall, our service areas performed well against budget due to a process of good cost control and monitoring. Cost pressures, however, underpin performance with continued underlying increasing costs of staffing, materials, energy and professional fees. Increased investment income and additional revenue funding has contributed to a positive out turn for the year of £74k despite an expected budgeted deficit of £496k:

<b>Service Areas:</b>	<b>Net Exp</b>	<b>Budget</b>	<b>Variance</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Conservation of the Natural Environment	413	435	(22)	442
Conservation of the Cultural Heritage	114	118	(4)	106
Development Control	457	457	0	382
Forward Planning & Communities	290	295	(5)	148
Promoting Understanding	1,118	1,141	(23)	1,225
Recreation & Transport	(107)	(198)	91	117
Rangers, Estates & Volunteers	1,374	1,385	(11)	1,233
Democratic Representation & Management	505	482	23	548
Support Service Costs	1,735	1,870	(135)	1,562
Past Service / Curtailment Cost	-	-	-	8
<b>Cost of Services</b>	<b>5,899</b>	<b>5,985</b>	<b>(86)</b>	<b>5,771</b>
Financing & Investment Income & Expenditure	(627)	(78)	(549)	14
Other Operating Expenditure	13	-	13	17
Taxation & Non -specific Grant Income	(5,341)	<b>(5,123)</b>	(218)	(4,518)
Capital grants	(1,116)	-	(1,116)	(124)
<b>(Surplus)/Deficit on Provision of Services</b>	<b>(1,172)</b>	<b>784</b>	<b>(1,956)</b>	<b>1,160</b>
Other items allocated to Authority reserves	1,098	(288)	1,386	(1,161)
<b>(Increase)/Decrease in Total Comprehensive Income and Expenditure</b>	<b>(74)</b>	<b>496</b>	<b>(570)</b>	<b>(1)</b>

Conservation of the Natural Environment relates to the conservation work carried out by the Authority. This showed a positive out turn for the year due to successful grant funding. Conservation of Cultural Heritage includes our conservation work on historic buildings and archaeology. Development Control refers to our planning team and despite a reduced income in the year, these were offset by savings in salary costs, travel fees and advertising costs. Forward Planning and Communities represent our strategic development planning and enforcement activities and performed within budget. Promoting and Understanding relates to our regenerative tourism activities and includes our visitor centres, marketing, educational and wellbeing activities in the community. Additional funding in the year, underspends in certain projects and improved performance in our visitor centres resulted in a net saving of £23k in the year. Recreation and Transport includes our car park facilities and national trail work which saw a decline in car park revenue, principally from annual passes, together with increased costs of

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payment services in the year. Rangers, Estates and Volunteers includes our countryside management team who manage our paths and trails as well as our nature recovery work. This service area saw increases in staffing and maintenance costs in the year. Democratic Representation and Management relates to our corporate management activities and corporate governance e.g. audit costs. This area saw a marked increase in governance costs particularly professional fees. Service Management and Support Services refer to the administrative support costs of the Authority including IT, finance, HR, legal, administrative, fundraising and performance monitoring as well as general buildings maintenance. This shows a net underspend due to recovery of costs from revenue grant funding.

**Financial Performance and significant matters in the Accounts**

The year ending 31 March 2024 has been a challenging year with the Authority operating in a sustained and unsettled external environment, together with internal challenges including the implementation of a staffing restructure and changes in senior management. There has been continued impact of steep price rises experienced since the pandemic. This has increased the Authority’s underlying running costs, with particular pressures around fuel and wages. At the same time, the general public have been experiencing increases to their cost of living, which indirectly impacts the Authority’s ability to increase income from sale of its goods and services. Despite this and poor weather over the main summer season of 2023, our visitor services saw an increase in its income generation by 16%, principally due to a sustained level of event activities and value for money entry.

A summary of total income and expenditure is illustrated below:

<b>TOTAL INCOME</b>	<b>2024</b>		<b>2023</b>	
	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
National Park Grant - Welsh Government	4,258	40%	3,437	37%
National Park Levy - Pembrokeshire County Council	1,083	10%	1,083	12%
Authority Generated Income	2,429	23%	2,333	25%
Service/Project Specific Revenue Grants	1,847	17%	2,211	24%
Capital grants	1,116	10%	124	1%
<b>Total funding</b>	<b>10,733</b>	<b>100%</b>	<b>9,188</b>	<b>100%</b>

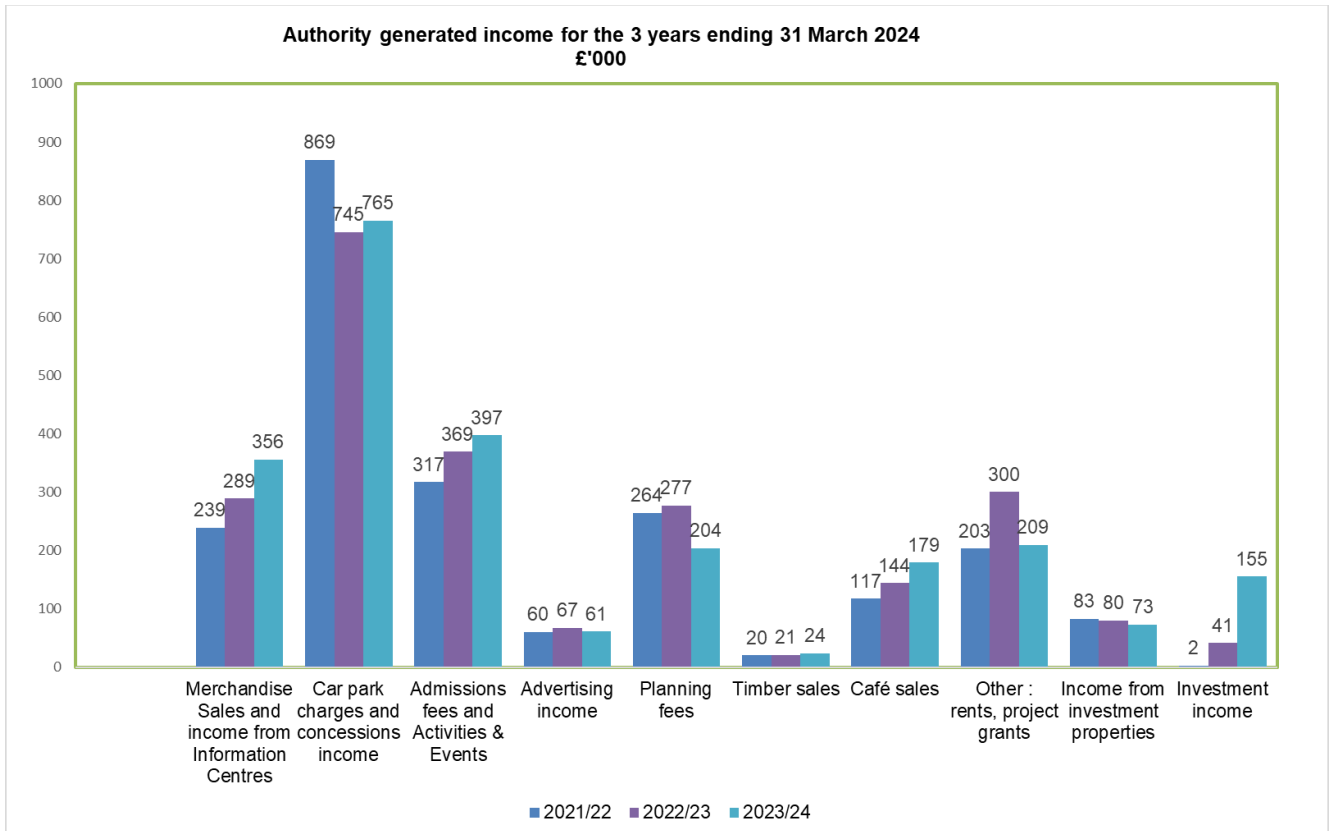
The Welsh Government sets the level of Government funding for the National Park Authority on an annual basis through National Park Grant. For 2023/24, the level of core funding allocated resulted in a flat-cash settlement at the same level since 2020/21 at £3,249k. However, during the year the Authority received a revenue top up of £1,009k for 23-24 and capital allocation of £865k (2023: Top up of £312k) which ensured the budgeted deficit was prevented and enabled the delivery of projects and additional capital expenditure.

In setting the amount of National Park Grant, the Welsh Government also determines, in accordance with statutory powers, the minimum amount that can be raised by the National Park Authority as a Levy against Pembrokeshire County Council. The National Park Grant represents 75% of the Authority’s core grant funding, with the remaining 25% represented by the Levy. This has remained the same at £1.083m since 21-22. The Authority however,

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generates 23% (2023: 25%) of its income locally, for example through car park charges, planning fees and 17% from other service and project specific grants such as the maintenance of the Coast Path (National Trail). Any deficit or surplus is managed via the Authority’s revenue reserves.

An analysis of total authority generated income over the last three years is noted below:



Despite the poor summer weather of 2023 and cost of living crisis, our visitor services have shown great reliance with growth in all areas of merchandising, admissions and café sales. Our admission prices to our heritage centres remain competitive and offer families good value for money. The team have followed a strategy of continual improvement, linking products to exhibitions, extending and adapting their offer with great success. Car parking income declined following a marked increase in annual car park pass prices and general return to post pandemic visitor levels. Income from investment properties has also seen a decline due to the visitor trend. Some of the rents we receive are either wholly or partially turnover based. The short-lived spike in UK ‘staycation’ activity as an immediate consequence of Covid saw those turnover based rental incomes perform well in 2021-22 as a result but have since declined over the last two years. As an example, our turnover rent from Marloes Sands car park was £24K in 2021-22, £16K in 2022-23 and down to £12K in 2023-24. Our investment income on the other hand improved due to the higher interest rates.

The fall in planning income is attributed to wider economic challenges and cost of living increases which have meant a general decrease in householder type planning applications

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in 2023-24. Across Wales there was an increase in smaller householder type applications in 2020-21 and 2021-22 as an immediate post Covid lockdown reaction. However, planning fees are set by Welsh Government and there has been no fee increase since August 2020. WG have assured Planning Authorities that there will be a planning fee income rise in 2024-25 which should see this figure improve in the next two financial years.

A summary of costs for the year are detailed below:

<b>TOTAL REVENUE EXPENDITURE</b>	<b>2024</b>		<b>2023</b>	
	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
Employees	5,204	54%	4,696	46%
Pension actuarial adjustments	105	1%	1,268	12%
Premises related	1,170	12%	975	10%
Transport & Travel	205	2%	220	2%
Supplies, Services and Grants	2,305	24%	2,467	24%
Depreciation, amortisation & revaluations	572	6%	558	5%
<b>Total revenue expenditure</b>	<b>9,561</b>	<b>100%</b>	<b>10,184</b>	<b>100%</b>

Employee costs increased in the year due to a 6% increase in full time equivalent staff numbers and high wage settlements of almost 11%. Premises saw supply and material costs increase with electricity charges increasing by as much as 180%.

Cash flows during the year were managed within existing resources and there was no need for temporary borrowing. Both revenue and capital funds were monitored and re-projected on a regular basis. Cash flows were well managed during 2023-24, with a resultant marked increase in investment income of 278% due to increased interest rates and change in deposit arrangements. No cash flow difficulties are forecast within existing planning horizons, with a good level of cash backed reserves held in liquid bank deposits. Useable reserve balances have increased, in particular earmarked reserves. These have been set aside to meet forecast future deficits, infrastructure improvement works and delivery of committed projects.

The Authority had no material provisions as at 31 March 2024 and during 2023-24 there were no significant debt write offs. There were no material events after the reporting date.

The General Fund overall closed at £1.2m (2023: £1.14m), an increase of 6.5%, which is an improvement to the assumptions in the Mid Term Financial Strategy (Budget Reports).

Overall, Net Assets held by the Authority decreased by £2.8m from £28,565k in 2022-23 to £25,756k in 2023-24. This largely relates to movements in non-current assets, principally the pension fund which, due to changes in recognition guidance, was reduced to nil with a negative adjustment of £7.6m. Whilst the defined benefit pension fund has seen an increase in value of £2.7m to £7.6m, the amount of £7.6m has been derecognised. The now zero balance on the Balance Sheet reflects a surplus in the benefits earned by employees and the resources the Park has set aside to meet them, which has been limited by IAS 19 and IFRIC 14 to nil. The defined benefit pension asset is valued by actuaries and impacts the Authority's unusable reserves.

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Investment and cash balances increased by £1.3m due to funding received in advance which is reflected in earmarked reserves and unapplied capital grants.

Total capital expenditure for 2023-24 amounted to £529k (2023: £465k). Details are noted in Note 17-22 of the accounts. The capital expenditure was funded by capital receipts of £319k, capital grants of £130k and earmarked reserves of £80k (note 21). This saw the completion of the EV installation project at £61k and investment in new machinery with a focus on meeting health and safety, decarbonisation and work efficiencies amounting to £241k. Remaining expenditure, such as new car park facilities at Newport Sands, aim to improve facilities in the longer term. These unspent budgets relate to ongoing schemes where the budget will be added to a revised capital programme for 2024-25. There is £1.3m of useable capital resources as well as earmarked reserves remaining as at 31 March 2024 which will be used to fund the Authority's future capital programme. Further grant funding is also expected for 24-25 to enable completion of the Traeth Mawr, Newport beach facility. A summary of the movement in the capital investment programme is noted below:

<b>Capital Programme 2023-24</b>	<b>Original Approved Budget</b>	<b>Revised Working Budget £</b>	<b>Total Actual Expenditure 31-03- 2024 £</b>	<b>Budget remainin g £</b>
Plant & Equipment	-	195,000	176,925	18,075
Carew Causeway Repairs	80,000	80,000	8,628	71,372
Castell Henllys Improvement Programme	90,000	90,000	975	89,025
Castell Henllys Wood Pellet Silo	25,000	25,000	-	25,000
Green Room Redevelopment Project	495,000	495,000	3,367	491,633
Oriel Y Parc Resurface Yard	-	51,035	51,035	-
Traeth Mawr, Newport Development	-	124,000	128,405	-
Fleet Upgrade	50,000	50,000	27,154	22,846
Decarbonisation / Net Zero feasibility for our Buildings	100,000	100,000	3,227	96,773
Carew Castle Enhancement & Interpretation	47,500	47,500	-	47,500
Carew Castle Visitor Access improvements	32,000	32,000	-	32,000
EV Charging points	-	61,000	60,338	-
PV projects	50,000	50,000	6,353	43,647
Improvements to Works Depots	25,000	25,000	-	25,000
Oriel Y Parc Gallery Humidity system replacement	-	35,000	34,985	-
IT equipment	-	-	26,993	-
<b>TOTAL</b>	<b>994,500</b>	<b>1,460,535</b>	<b>528,385</b>	<b>932,150</b>

The capital programme was not fully achieved due to limited staff resource, increasing demands on staff time, demanding complex work often requiring lengthy specialist heritage and technical consultation, increasing cost of materials and difficulty in obtaining suitable suppliers through the tendering and procurement process.

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## **Governance**

The governance arrangements of the Authority are addressed in the Annual Governance Statement for 2023-2024. There have been no significant changes in the governance arrangements in the year. Areas identified for improvement are addressed in our Annual Governance Report.

## **Risks and opportunities**

The Park operates a risk management framework and documents its key risks in the Corporate Risk Register. This is reviewed by the Audit and Corporate Services Review Committee annually. The Annual Governance Statement includes an assessment of current key weaknesses of the Authority's governance arrangements together with planned actions to address these.

During 2023-24, the Authority reviewed its appetite for risk and produced a risk appetite statement to address how the Authority deals with risks while working to achieve its objectives. This has been incorporated into the Risk Management framework and is being embedded into our approach to managing risks.

## **Basis of preparation**

The 2023-24 CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom ('the Code') did not introduce any significant changes which require a change to our accounting policies. The statements are structured to comply with the disclosure requirements of the Code and in an order judged to provide the most logical sequence, with reference to the significance of the main statements and supporting notes. The accounting policies used in the preparation of the accounts are listed on pages 23 to 29.

Assets costing more than £10k with an economic useful life of over one year are capitalised. Assets under this value are treated as a revenue cost.

The Authority's accounts have been prepared on the basis that the Authority continues to operate as a going concern for the foreseeable future. This is judged to be reasonable mainly based on the Medium-Term Financial Strategy (MTFS/Budget) which was approved in March 2024. This projected a balanced budget position for 2024/25 of £4.4m of useable reserves. Key controls including regular budget monitoring will continue to keep the MTFS updated to ensure that if budget assumptions are not met, corrective action can be taken in a timely manner.

The Authority uses rounding to the nearest thousand pounds in the accounts. The accounting policies allow for small rounding differences, but these do not impact on the overall reporting of the Authority's financial performance.

Some comparatives have been restated to reflect changes in disclosure and calculations e.g. cash and cash equivalents have been reanalysed between investments and cash resources and the comparative figures restated.



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## **Strategy and resource allocation**

Our financial plan is set out in our Medium-Term Financial Strategy (Budget Reports). The strategy formalises the Authority's key revenue and capital plans in relation to the management of its finances, given the prevailing and future financial environment. It sets out projections for future years' budgets over a five-year period to inform understanding of the likely availability of financial resources, which will be used in the provision of services. The full MTFs and Park Management Plan documents can be found on the Authority's website.

The Authority's future financial outlook will continue to be challenging over the next few years as the impact of cumulative reductions in core funding is felt and costs remain high.

Over the past two years higher inflation has led to higher-than-expected pay awards. This increased cost, combined with flat line settlements from the Welsh Government and the levy has contributed towards the Authority facing a deficit position. The Park Authority now needs to consider options such as reducing the scale of the business, as well as potential strategies for growing the business and mitigating even further financial risk and impact.

The Authority aims to develop greater agility to respond to economic and funding challenges and achieve long term financial resilience.

## **Outlook**

The Authority's MTFs for 2024-25 assumes a flat cash level of funding without uplift over subsequent years of the strategy. This indicates significant deficits for the years 2024-25 to 2027-28 which will require either significant additional income generation from either existing or new sources combined with either cost reductions or service curtailment to balance the budget. The Authority, in the past, has grown its income from non-core grant sources which has helped sustain service levels.

Late 2023 and 2024 has seen an easing in inflation rates (CPI) with a reduction from over 11% in October 2022 to 2% in May 2024. The October 2022 rate was the highest in over 40 years (the CPIH National Statistic series begins in January 2006).

The Bank of England expects inflation to rise slightly in the second half of 2024 but stabilise around 2% into 2025. Inflationary pressures, however, remain in the economy influenced by unsettled conditions in the Middle East, high NMW settlements, potential major redundancies in South Wales and a summer general election leading to government uncertainty. More unexpected global shocks could destabilise inflation and a period of uncertainty remains. As a result, interest rates are likely to be held at 5.25% in the short term but with the advantage of receiving good returns on cash balances.

Meeting the financial pressures, however, requires a rigorous approach to identifying efficiencies, maximise non-core funding streams opportunities and the reprioritisation of spending within services. Accordingly, the Authority plans to adopt a strategy which will involve:

- I. Maintaining a balanced budget position.

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- II. Strong financial management: The Authority controls and monitors the actual position of the Authority on a regular basis setting out actions to correct any emerging issues.
- III. Asset maintenance: the Capital Programme should ensure adequate programmes of maintenance to sustain values of key assets, especially income-generating assets.
- IV. Maximise resource base: the Authority will ensure the best use of physical and other assets including staff time.
- V. Value for money: continuous review of budgets to ensure resources are targeted on key objectives and deliver value for money.
- VI. Maximise income streams while at the same time minimising the financial risks to the Authority.

Like many other public sector and third sector organisations, the Authority continues to face increases in costs due to inflationary pressures combined with reduced core income. These two factors have put the Authority in the difficult position of setting an operating budget deficit for 2024-25.

However, the Authority's cash reserve position provides a cushion to address this deficit in the short term. It is also worth noting that the revenue forecasts beyond 2024/25 are equally as challenging. The financial situation will therefore be managed by:

- where appropriate, discontinuing certain activities,
- improved efficiencies,
- cost savings,
- reviewing opportunities to generate income
- seeking sources of grant aid.

The Authority has also identified several investment projects that may contribute to a balanced and robust long term financial strategy. These include the expansion and improvement of current areas of service such as Oriell Y Parc, Carew Castle and Mill and Castell Henllys. Whilst these developments are reliant on future grant funding, some earmarked reserves exist to support investment in these and potential new income generation projects.



## **Statement of Responsibilities for the Financial Statements**

**The Authority's responsibilities for the accounts under local government legislation and other requirements are:**

- to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this Authority, that officer is the Chief Financial Officer.
- to manage its affairs to secure economic, efficient and effective use of resources and to safeguard its assets.
- to approve the statement of accounts.

**Chair.....Councillor D Clements**

Date.....

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### **The Chief Financial Officer's legal and professional responsibility for the accounts:**

The Chief Financial Officer is responsible for the preparation of the Authority's statement of accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom ('the Code'). In preparing this statement of accounts, the Chief Financial Officer has:

- selected suitable accounting policies and then applied them consistently.
- made judgments and estimates that were reasonable and prudent.
- complied with the local authority code.

The Chief Financial Officer has also:

- kept proper accounting records which were up to date.
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

### **Chief Financial Officer's Certificate**

I hereby certify that the Statement of Accounts presents a true and fair view of the financial position of the Authority as at 31<sup>st</sup> March 2024 and its expenditure and income for the year ended 31<sup>st</sup> March 2024.

.....  
**Chief Financial Officer – Richard Griffiths (S151 Officer)**

**Date .....**

**The independent auditor's report of the Auditor General for  
Wales to the members of Pembrokeshire Coast National Park  
Authority**

**Opinion on the financial statements**

I have audited the financial statements of Pembrokeshire Coast National Park Authority for the year ended 31 March 2024 under the Public Audit (Wales) Act 2004. Pembrokeshire Coast National Park Authority's financial statements comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement, and the related notes, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2023-24.

In my opinion, in all material respects, the financial statements:  
give a true and fair view of the financial position of Pembrokeshire Coast National Park Authority as at 31 March 2024 and of its income and expenditure for the year then ended; and

have been properly prepared in accordance with legislative requirements and international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2023-24.

**Basis of opinion**

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report.

My staff and I are independent of Pembrokeshire Coast National Park Authority in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Conclusions relating to going concern**

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Authority's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the responsible financial officer with respect to going concern are described in the relevant sections of this report.

## **Other information**

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The Responsible Financial Officer is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

## **Opinion on other matters**

In my opinion, based on the work undertaken in the course of my audit: the information contained in the Narrative Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Narrative Report has been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2023-24; and the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and the Annual Governance Statement has been prepared in accordance with guidance.

## **Matters on which I report by exception**

In the light of the knowledge and understanding of the Authority and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report or the Annual Governance Statement.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

I have not received all the information and explanations I require for my audit, adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team; or the financial statements are not in agreement with the accounting records and returns.

### **Responsibilities of the responsible financial officer for the financial statements**

As explained more fully in the Statement of Responsibilities for the Statement of Accounts set out on page 13, the responsible financial officer is responsible for:

- the preparation of the statement of accounts which give a true and fair view and comply with proper practices;
- maintaining proper accounting records;
- internal controls as the responsible financial officer determines is necessary to enable the preparation of statements of accounts that are free from material misstatement, whether due to fraud or error;
- assessing the Authority's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible financial officer anticipates that the services provided by the Authority will not continue to be provided in the future.

### **Auditor's responsibilities for the audit of the financial statements**

My responsibility is to audit the financial statements in accordance with the Public Audit (Wales) Act 2004.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

enquiring of management, the authority's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to Pembrokeshire Coast National Park Authority's policies and procedures concerned with:

identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;

detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and

the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the posting of unusual journals.

obtaining an understanding of Pembrokeshire Coast National Park Authority's framework of authority as well as other legal and regulatory frameworks that Pembrokeshire Coast National Park Authority operates in, focusing on those laws and

**Pembrokeshire Coast National Park Authority**  
**Annual Narrative Report and Accounts for the year ended 31 March 2024**

regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of Pembrokeshire Coast National Park Authority. Obtaining an understanding of related party relationships.

In addition to the above, my procedures to respond to identified risks included the following:

reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;

enquiring of management, the Audit Committee and legal advisors about actual and potential litigation and claims;

reading minutes of meetings of the Authority as those charged with governance and its committees; and

in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of Pembrokeshire Coast National Park Authority's controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

### **Other auditor's responsibilities**

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

### **Certificate of completion of audit**

I certify that I have completed the audit of the accounts of Pembrokeshire Coast National Park Authority in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Auditor General for Wales' Code of Audit Practice.

**Adrian Crompton**  
**Auditor General for Wales**  
**1 Capital Quarter**  
**Tyndall Street**  
**Cardiff**  
**CF10 4BZ**

**25 October 2024**

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## Comprehensive Income and Expenditure Statement

	Notes	2024			2023		
		Gross expenditure	Gross Income	Net expenditure	Gross expenditure	Gross Income	Net expenditure
		£'000	£'000	£'000	£'000	£'000	£'000
Conservation of the Natural Environment		1,120	(706)	413	1,110	(668)	442
Conservation of the Cultural Heritage		116	(2)	114	115	(9)	106
Development Control		674	(216)	457	668	(286)	382
Forward Planning & Communities		390	(100)	290	342	(194)	148
Promoting Understanding		2,734	(1,617)	1,118	2,847	(1,622)	1,225
Recreation & Transport		866	(973)	(107)	1,107	(990)	117
Rangers, Estates & Volunteers		1,462	(88)	1,374	1,542	(309)	1,233
Democratic Representation & Management		646	(140)	505	630	(82)	548
Support Service Costs		1,939	(204)	1,735	1,661	(99)	1,562
Past Service / Curtailment Cost	32	-	-	-	8	-	8
<b>Cost of Services</b>	<b>6</b>	<b>9,946</b>	<b>(4,047)</b>	<b>5,899</b>	<b>10,030</b>	<b>(4,259)</b>	<b>5,771</b>
Financing & Investment Income & Expenditure	9			(627)			14
Other Operating Expenditure	10			13			17
Taxation & Non -specific Grant Income	11			(6,457)			(4,642)
<b>(Surplus)/Deficit on Provision of Services</b>				<b>(1,172)</b>			<b>1,160</b>
(Surplus)/deficit on revaluation of fixed assets	17			(836)			(1,518)
Actuarial (gains)/losses on pension assets/liabilities	32			4,817			(13,200)
Other Comprehensive Income and Expenditure				3,981			(14,718)
<b>Total Comprehensive Income and Expenditure</b>	<b>4-5</b>			<b>2,809</b>			<b>(13,558)</b>

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## Balance Sheet

	Notes	2024		Restated 2023	
		£'000	£'000	£'000	£'000
<b>Fixed Assets</b>					
Property, Plant & equipment	17	15,788		15,122	
Heritage Assets	18	646		646	
Intangible Assets	19	-		25	
Investment property	20	1,317		1,165	
Pension Fund Asset	32	-		4,923	
<b>Long term assets</b>		-	17,751	-	21,881
<b>Current assets</b>					
Investments	24	4,641		3,537	
Inventories	23	157		154	
Debtors	26	672		533	
Cash & cash equivalents	25	3,443		3,218	
			8,913		7,442
<b>Current liabilities</b>					
Creditors due within one year	27		(908)		(758)
<b>Net assets</b>			<b>25,756</b>		<b>28,565</b>
<b>Reserves</b>					
Useable reserves	28	8,071		6,787	
Unusable reserves	29	17,685		21,778	
<b>Total reserves</b>			<b>25,756</b>		<b>28,565</b>





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**Movement in Reserves Statement for the year ending 31 March 2024**

	General Funds	Earmarked Reserves	Capital Receipts Reserve	Capital Grants Unapplied Reserve	Total Useable Reserve	Revaluation Reserve	Capital Adjustment Account	Pension Reserve	Accumulated Absences Reserve	Total Unusable Reserves	Total Authority Reserves	
Notes	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
<b>Balance as at 1 April 2023</b>	1,142	4,937	389	319	6,787	5,771	11,162	4,922	(77)	21,778	28,565	
Total Comprehensive Income and Expenditure	1,172	-	-	-	1,172	836	-	(4,817)	-	(3,981)	(2,809)	
Adjustments between accounting basis & funding basis under regulations	(1,098)	638	(61)	633	112	(86)	75	(105)	4	(112)	-	
<b>Increase/(Decrease)</b>	74	638	(61)	633	1,284	750	75	(4,922)	4	(4,093)	(2,809)	
<b>Balance as at 31 March 2024</b>	<b>28/29</b>	<b>1,216</b>	<b>5,575</b>	<b>328</b>	<b>952</b>	<b>8,071</b>	<b>6,521</b>	<b>11,237</b>	<b>-</b>	<b>(73)</b>	<b>17,685</b>	<b>25,756</b>

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**Movement in Reserves Statement for the year ending 31 March 2023**

	General Funds	Earmarked Reserves	Capital Receipts Reserve	Capital Grants Unapplied Reserve	Total Useable Reserve	Revaluation Reserve	Capital Adjustment Account	Pension Reserve	Accumulated Absences Reserve	Total Unusable Reserves	Total Authority Reserves
Notes	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Balance as at 1 April 2022</b>	<b>1,141</b>	<b>5,056</b>	<b>389</b>	<b>-</b>	<b>6,586</b>	<b>4,316</b>	<b>11,192</b>	<b>(7,010)</b>	<b>(77)</b>	<b>8,421</b>	<b>15,007</b>
Total Comprehensive Income and Expenditure	(1,160)	-	-	-	(1,160)	1,518	-	13,200	-	14,718	13,558
Adjustments between accounting basis & funding basis under regulations	7 1,161	(119)	-	319	1,361	(63)	(30)	(1,268)	-	(1,361)	-
<b>Increase/(Decrease)</b>	<b>1</b>	<b>(119)</b>	<b>-</b>	<b>319</b>	<b>201</b>	<b>1,455</b>	<b>(30)</b>	<b>11,932</b>	<b>-</b>	<b>13,357</b>	<b>13,558</b>
<b>Balance as at 31 March 2023</b>	<b>28/ 29 1,142</b>	<b>4,937</b>	<b>389</b>	<b>319</b>	<b>6,787</b>	<b>5,771</b>	<b>11,162</b>	<b>4,922</b>	<b>(77)</b>	<b>21,778</b>	<b>28,565</b>

## Cashflow Statement

		2024	Restated 2023
	Notes	£'000	£'000
<b>Net (surplus)/deficit on the provision of services</b>		(1,172)	1,160
<b>Net cash flows from operating activities</b>			
Adjust net (surplus)/deficit on the provision of services for non-cash movements	30	419	(1,944)
Adjust for items included in the net (surplus)/deficit on the provision of services that are investing and financing activities	20	<u>74</u>	<u>80</u>
<b>Net cash flows from investment activities</b>		(679)	(704)
Investing Activities	31	<u>454</u>	<u>470</u>
<b>Net (increase)/decrease in cash and cash equivalents</b>		(225)	(234)
Cash and cash equivalents at the beginning of the reporting period		<u>(3,218)</u>	<u>(2,984)</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	25	<u><b>(3,443)</b></u>	<u><b>(3,218)</b></u>

## **Statement of Accounting Policies**

### **a) General Principles**

The purpose of the Statement of Accounting Policies is to explain the calculation bases of the figures in the accounts.

The accounts have been prepared in accordance with:

- The Code of Practice on Local Authority Accounting in the United Kingdom – which interprets International Financial Reporting Standard (I.F.R.S) guidelines. This document, prepared by CIPFA, pulls together legislative requirements and other guidance notes applicable to the preparation and publication of local authority accounts.
- Service Reporting Code of Practice for Local Authorities (SeRCOP)
- The accounting convention adopted is historic cost with current value for some classes of fixed assets.

### **b) Accounting Concepts**

The accounts have been prepared in accordance with the following fundamental and pervasive accounting principles and concepts:

- Relevance
- Reliability
- Comparability
- Understandability
- Materiality
- Faithful representation
- Timeliness
- Accruals
- Going concern
- Primacy of legislative requirements

These principles and concepts have been used in the selection and application of accounting policies and estimation techniques and in the exercise of professional judgement.

### **c) Accruals of Income and Expenditure**

- Customer and other receipts in the form of sales, fees, charges, rents and grant aid are accrued and accounted for in the period to which they relate. All known uncollectable debts are written off at the time they become uncollectable.
- The full cost of employees is charged to the accounts for the period in which the employee worked.
- Reimbursed travel expenses are not accrued for the 12<sup>th</sup> month of each year.
- Interest payable on external borrowings and interest income is accrued and accounted for in the accounts for the period to which it relates, in so far as the amounts are material.
- The costs of supplies and services are accrued and accounted for in the period during which they were consumed or received.

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**d) Contingent Assets and Contingent Liabilities**

Contingent Assets and Liabilities are not recognised within the Financial Statements but are disclosed by way of a note to the Balance Sheet. The note, where necessary, will identify the nature of the asset or liability and an estimate of its potential financial impact and timing.

**e) Events after the reporting period**

Where an event after the Balance Sheet provides evidence of conditions existing at the Balance Sheet date occurs, the amounts recognised in the accounts will be adjusted. Where an event occurs after the Balance Sheet date and is indicative of conditions that arose after the Balance Sheet date, amounts recognised in the accounts will not be adjusted and the event will be disclosed by way of a note to the statements if material. However, during the year there have been no such events.

**f) Grants Received**

Grants received are matched with the expenditure to which they relate. The National Park Grant from the Welsh Government and the Levy from Pembrokeshire County Council, which finance the general activities of the Authority, are credited to the revenue account for the period in respect of which they are payable. Revenue grants for specific services are presented against those services in the Comprehensive Income and Expenditure Account. Where the acquisition of a fixed asset is financed either wholly or in part by a grant from another organisation, the amount of grant is credited to the Capital Adjustment Account. Changes in regulations require that unless any conditions have not been met, grants and contributions for revenue purposes must be fully recognised in the Comprehensive Income and Expenditure Account in the period of receipt. Previously, income would not be taken to the Comprehensive Income and Expenditure Account until the period of matching expenditure. However, authorities may consider earmarking such revenue grant income until it is applied. Transfers from the General Fund to earmarked reserves are accounted for in the Movement in Reserves Statement (MiRS) within the transfers to or from earmarked reserves line.

**g) Group Accounts**

Group Accounts are not applicable to the Authority's accounts, as no relationships exist with any subsidiaries, associates or joint ventures as defined for reporting purposes.

**h) Investments and Capital Instruments**

The Authority does not hold any investments in listed and unlisted companies. Surplus cash deposited in short term notice money market accounts accessible over 90 days, are treated as investments. The Authority does not issue or hold any capital instruments listed or publicly traded on a stock exchange or market.

**i) Leases**

Lease payments are charged in full according to the date payable on a straight-line basis, ensuring an equal annual charge to service revenue accounts throughout the life of the lease.

The Authority rents several properties in support of its services, and rental costs are accounted for on a straight-line basis in the relevant rental periods. The Authority also rents out a number of owned properties that are not required for direct service provision. The

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properties are held as fixed assets in the balance sheet, and income relating to these properties is accounted for on a straight-line basis in the relevant rental periods.

No Finance Leases exist.

**j) Employee Benefits**

Short term employee benefits include wages and salaries, paid annual leave, paid sick, paternity, and maternity leave and are recognised as an expense for services in the year in which employees render service to the Authority. An accrual is made for the cost of holiday entitlements, including flexitime, earned by employees but not taken before the year end which employees can carry forward into the next financial year. The accrual is charged to Surplus or Deficit on the Provision of Services and then reversed out through the Movement in Reserves Statement.

Termination benefits are amounts payable as a result of a decision by the Authority to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy and are charged on an accruals basis to the appropriate service in the Comprehensive Income and Expenditure Statement. Where termination benefits involve the enhancement of pensions, statutory provisions require the General Reserve balance to be charged with the amount payable by the Authority to the pension fund or pensioner in the year. The Statement of Accounts includes a statement to disclose information in relation to exit packages.

The Authority's employees have access to the Dyfed Pension Fund, a defined benefit scheme, which is administered by Carmarthenshire County Council. The cost of providing pensions for employees is funded in accordance with the statutory requirements governing the scheme in which the Authority participates. However, accounting for these pensions is to be done in accordance with generally accepted accounting practice as interpreted by the Code. Where the payments made for the year in accordance with the scheme requirements do not match the change in the Authority's recognised asset or liability for the same period, the recognised cost of pensions will not match the amount to be met through approved net funding. This is represented by an appropriation to or from the pension's reserve which equals the net change in the pension's liability recognised in the Comprehensive Income and Expenditure Statement.

The assets of the fund are measured at their fair value at the balance sheet date and any liabilities, such as accrued expenses, are deducted. The attributable scheme liabilities are measured on an actuarial basis using the projected unit method. The scheme liabilities comprise:

- Any benefits promised under the formal terms of the scheme; and
- Any constructive obligations for further benefits where a public statement or past practice by the employer has created a valid expectation in the employees those benefits will be granted.

The surplus/deficit in the scheme is the excess/shortfall of the value of the assets in the scheme over/below the present value of the scheme liabilities. The Authority should recognise an asset to the extent that it is able to recover a surplus either through reduced contributions in the future or through refunds from the scheme. The Authority should

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recognise a liability to the extent that it reflects its legal or constructive obligation. Any changes in the defined benefit asset or liability is analysed into its component parts.

**k) Provisions**

Provisions are made and charged to the appropriate revenue account when the Authority has a present obligation based on a past event, where it is probable that a transfer of economic benefit will occur and where a reliable estimate can be made of the value of the benefit. Provisions are charged to the Comprehensive Income and Expenditure Statement, but when expenditure is incurred it is charged direct to the provision. Provisions are reviewed at the end of each period and exclude future operation losses and items where it is no longer probable that a transfer of economic benefit will take place. A provision for bad and doubtful debts is included in the accounts and the carrying amount for debtors has been adjusted accordingly.

**l) Reserves**

Earmarked reserves are amounts set-aside from revenue, with prior approval, for a specific purpose, falling outside the definition of provisions. Transfers to and from Earmarked Reserves are disclosed in the Movement of the Authority's Reserves Statement Balance as Net Transfer to or from Earmarked Reserves.

General reserves are balances held for contingency and cash-flow purposes and are not earmarked for other specific purposes. Recognition is given to LAAP Bulletin 77 – Guidance Note on Local Authority Reserves and Balances in reviewing and monitoring the levels of reserves.

Capital reserves are not available for revenue purposes. The Capital Adjustment Account is non-distributable and held for balance sheet purposes only. The usable capital receipts reserve and unapplied capital grants reserve can only be used for capital expenditure purposes, the latter reflecting capital grants received but not yet applied to capital projects.

**m) Inventories and Long-term Contracts**

Stocks of merchandise, timber, and stamps are included in the accounts at cost. Other immaterial stock, for example stationery, is treated as current expenditure and charged directly to revenue.

**n) Non-Current Assets**

Fixed assets comprise capital expenditure on:

- All land and buildings purchases.
- Land and buildings enhancement exceeding £10,000.
- All items (such as vehicles and equipment) with a useful life in excess of one year and costing or valued at over £10,000 either individually or collectively. Repairs and general maintenance expenditure is charged directly to revenue and not capitalised.

Fixed assets are initially measured at cost but are then generally revalued on a rolling 5-year revaluation programme to ensure that their value is accurately reflected in the Authority's balance sheet. If market or other situations dictate, then assets outside of the rolling programme can be revalued where appropriate. Revaluations are undertaken by the Authority's qualified Estates Officer, Carmarthenshire County Council and by qualified surveyors employed by R.K. Lucas and Son, in accordance with the RICS Appraisal and Valuation Manual and CIPFA guidelines as they relate to Asset Valuations.

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When assets are revalued, any difference between the stated values and historic cost is represented in the Revaluation Reserve.

Non-current assets are carried in the Balance Sheet as follows:

- Operational property, plant and equipment assets are carried at their current value to the authority in their existing use.
- Non-operational property, plant and equipment – surplus assets are carried at fair value.
- Non-operational assets in the course of construction/development are recorded at cost.
- Infrastructure – depreciated historical cost.
- Community assets – depreciated historical cost or valuation rather than current or fair value.
- Assets held for sale – measured at the lower of their carrying amount and fair value less costs to sell. These non-current assets are taken outside the scope of capital accounting pending sale although they remain subject to capital financing arrangements under the Prudential Framework.

Assets subject to positive revaluation have been reflected in the Revaluation Reserve and assets with negative revaluation, without a prior revaluations reserve balance, have been charged to the Comprehensive Income and Expenditure statement. Asset values are not altered when the Authority is not aware of any material change in an asset's value.

Proceeds from the sale of individual assets of £10,000 or less are not treated as capital receipts and are, instead, credited directly to the revenue account. Proceeds above this de-minimus are credited to the Usable Capital Receipts Reserve, on an accruals basis.

Upon disposal of an asset, the net book value of the asset is written off against the Capital Adjustment Account. Where a fixed asset is disposed of for other than a cash consideration, or payment is deferred, an equivalent asset is recognised and included in the balance sheet at its appropriate value.

Depreciation is charged on all fixed assets with a finite useful life, accounting for estimated residual values. Depreciation rates, on a straight-line basis, are as follows:

<b>Asset:</b>	<b>Depreciation rate:</b>
Freehold land	Nil
Freehold buildings	25 years or useful life
Car parks	Reduced to 50% of cost/valuation over 25 years
Intangible assets	4 years
Plant and machinery	10 years
IT equipment	4 years
Vehicles and equipment	5 years
Assets in the course of construction	Nil



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Fully depreciated assets are reviewed to ascertain whether their value in the balance sheet and their potential future lifespan are appropriately represented. Where necessary, asset depreciable lives are extended, or assets are revalued to achieve the appropriate representation.

Under IFRS 13 Fair Value Measurement standard, any surplus assets (assets that are not being used to deliver services, but which do not meet the criteria to be classified as either investment properties or non-current assets held for sale) held by the Authority are revalued at market value rather than value in existing use. Operational property, plant and equipment assets are outside the scope of IFRS 13.

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Gains in fair value are recognised only up to the amount of any previous losses recognised in the Surplus or Deficit on Provision of Services. Depreciation is not charged on assets held for sale.

If assets no longer meet the criteria to be classified as Assets Held for Sale, they are reclassified back to non-current assets and valued at the lower of their carrying amount before they were classified as held for sale; adjusted for depreciation, amortisation or revaluations that would have been recognised had they not been classified as Held for Sale, and their recoverable amount at the date of the decision not to sell. Assets that are to be abandoned or scrapped are not reclassified as Assets Held for Sale.

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal. Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account. The written-off value of disposals is not a revenue charge as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement

**o) Capital Charges and Revenue Expenditure Funded From Capital Under Statute**

The cost of services in the Comprehensive Income and Expenditure Account includes a capital charge for all fixed assets used by each service, as recorded in the Balance Sheet at 31<sup>st</sup> March 2024. These charges equate to the sum of depreciation. The General Fund Balance is adjusted so the overall result is of no financial impact on the amounts raised from the National Park Grant and Local Authority Levy – that is, the adjustments are self-balancing. All expenditure on repairs and maintenance relating to fixed assets is charged to the appropriate service revenue account. Payments that, under legislation, are funded from capital resources but where no fixed assets are created, are charged to the appropriate service in the Comprehensive Income and Expenditure Statement. These charges are subsequently reversed out in the Movement in Reserves Statement with an equal charge to the Capital Adjustment Account.

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**p) Interest Charges and Receipts**

Surplus funds are invested in short term liquid deposits. The interest is credited to the Comprehensive Income and Expenditure Account.

**q) Value Added Tax**

The accounts have been prepared exclusive of VAT as the Authority recovers VAT on its activities.

**r) Investment Properties.**

The Authority holds Investment properties which are a separate class of property (land or a building, or part of a building, or both) which is held solely to earn rentals or for capital appreciation, or both, and are carried at their market value. Income from rental of Investment properties and impairments in the value of Investment Properties are shown in the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement. Investment properties are carried at fair value and following the specifications in IFRS 13 at highest and best use.

**s) Heritage Assets**

The Authority is required to separately record Heritage Assets from other assets. Heritage Assets are assets preserved in trust for future generations because of their cultural, environmental or historic associations. The review of the impairment, acquisition and disposal of heritage assets is reviewed by the Authority's Asset Management Group. Heritage Assets are subject to the Authority's normal revolving five yearly assets revaluations program and are valued on an historical cost basis. Depreciation of Heritage Assets, where appropriate, is in line with the general policy on depreciation.

**t) Cash and cash equivalents**

Cash is defined as cash in hand, deposits held with financial institutions repayable without penalty on notice of not more than 24 hours and bank overdrafts. Cash equivalents are short-term, highly liquid investments, with original maturities of three months or less, which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Authority's cash management.

## **Notes to the Accounts**

### **1. Accounting standards that have been issued but not yet adopted**

The Code of Practice on Local Authority Accounting in the United Kingdom (the Code) requires the disclosure of information relating to the expected impact of an accounting change that will be required by a new standard that has been issued but not yet adopted. As at the balance sheet date, the following new standard and amendments to existing standards have been published but not yet adopted by the Code of Practice of Local Authority Accounting in the United Kingdom:

- IFRS 16 Leases will require that lessees recognise most leases on their balance sheets as right-of-use assets with corresponding lease liabilities (there is recognition for low-value and short-term leases). CIPFA/LASAAC have deferred implementation of IFRS16 for local government to 1 April 2024 and the impact of this is unknown at this stage.

### **2. Critical judgements in applying accounting policies**

Other than those disclosed elsewhere in these notes the Authority has not had to make any critical judgements about complex transactions or those involving uncertainty about future events. However, with the uncertainty regarding the future level of funding for the National Park Authority beyond 2024, there is the assumption the authority will be able to conduct its primary functions post 2024 and be a going concern.

### **3. Assumptions made about the future and other major sources of estimation uncertainty**

The Statement of Accounts contains estimated figures that are based on assumptions made by the Authority about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

- In the Authority's Balance Sheet on 31 March 2024, there is a risk of material adjustment in the forthcoming financial year in the size of the pension asset. Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Authority with expert advice about the assumptions to be applied. Whereas this was assessed to be valued at £7.649m at the year end, this asset and reserve was derecognised in the balance sheet following recent guidance.
- The Statement of Accounts contains accruals for income and expenditure known as at the balance sheet date. This includes the accumulative absence accrual which represents the value of staff leave due, but not taken, as at the end of the financial year.

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- Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate makes it uncertain that the Authority will be able to sustain its current spending on repairs and maintenance bringing into doubt the useful lives assigned to assets. If the useful life of assets is reduced, depreciation increases and the carrying amount of the assets falls. It is estimated that the annual depreciation charge for buildings would increase in these circumstances.

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#### 4. Expenditure and Funding Analysis

The objective of the Expenditure and Funding Analysis is to demonstrate how the funding available to the Authority (i.e. government grants, rents, fees and charges etc.,) has been used in providing services in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. The expenditure and funding analysis also shows how this expenditure is allocated for decision making purposes between the service areas. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

	Net expenditure chargeable to the General Reserve	Adjustment between funding & accounting basis	Net comprehensive Income & Expenditure Statement	Net expenditure chargeable to the General Reserve	Adjustment between funding & accounting basis	Net comprehensive Income & Expenditure Statement
	31-Mar-24			31-Mar-23		
	£'000	£'000	£'000	£'000	£'000	£'000
Conservation of the Natural Environment	323	90	413	314	128	442
Conservation of the Cultural Heritage	107	7	114	89	17	106
Development Control	421	36	457	283	99	382
Forward Planning & Communities	274	16	290	108	40	148
Promoting Understanding	884	234	1,118	789	436	1,225
Recreation & Transport	(290)	183	(107)	(147)	264	117
Rangers, Estates & Volunteers	1,193	181	1,374	906	327	1,233
Democratic Representation & Management	489	16	505	499	49	548
Support Service Costs	1,445	290	1,735	1,255	307	1,562
Past Service Gain / Pension Curtailment	-	-	-	-	8	8
<b>Net Cost of Services</b>	<b>4,846</b>	<b>1,053</b>	<b>5,899</b>	<b>4,096</b>	<b>1,675</b>	<b>5,771</b>
Other Income & Expenditure	(4,920)	(5,898)	(10,818)	(4,097)	(15,232)	(19,329)
<b>(Surplus)/Deficit for year</b>	<b>(74)</b>	<b>(4,845)</b>	<b>2,809</b>	<b>(1)</b>	<b>(13,557)</b>	<b>(13,558)</b>
Opening balance of General Reserve	(1,142)			(1,141)		
<b>Closing Balance of General Reserve</b>	<b>(1,216)</b>			<b>(1,142)</b>		

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**5. Adjustments between the funding and accounting basis**

	Capital	Other	Pension	Total	Capital	Other	Pension	Total
	31-Mar-24				31-Mar-23			
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Conservation of the Natural Environment	18	44	28	90	11	37	80	128
Conservation of the Cultural Heritage	-	1	6	7	-	(3)	20	17
Development Control	-	(1)	36	36	-	-	99	99
Forward Planning & Communities	-	-	16	16	-	(1)	41	40
Promoting Understanding	149	-	85	234	133	-	303	436
Recreation & Transport	188	(15)	11	183	239	(17)	41	263
Rangers, Estates & Volunteers	135	(29)	75	181	99	(14)	242	327
Democratic Representation & Management	-	1	15	16	-	(1)	50	49
Support Service Costs	234	(5)	62	290	132	(1)	177	308
Past Service Gain / Pension Curtailment	-	-	-	-	-	-	8	8
<b>Net Cost of Services</b>	<b>724</b>	<b>(4)</b>	<b>334</b>	<b>1,053</b>	<b>614</b>	<b>-</b>	<b>1,061</b>	<b>1,675</b>
Other Income & Expenditure	(976)	(1,861)	(3,061)	(5,898)	(1,574)	(664)	(12,994)	(15,232)
<b>(Surplus)/Deficit for year</b>	<b>(252)</b>	<b>(1,865)</b>	<b>(2,727)</b>	<b>(4,845)</b>	<b>(960)</b>	<b>(664)</b>	<b>(11,933)</b>	<b>(13,557)</b>

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**6. Expenditure and income analysed by activity**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
<b>Expenditure</b>		
Employee benefits	5,309	5,964
Other services	3,680	3,662
Depreciation, amortisation & revaluations	572	558
<b>Total expenditure</b>	<b><u>9,561</u></b>	<b><u>10,184</u></b>
<b>Income</b>		
Fees, charges & services income	(4,047)	(4,259)
Interest & investment income	(229)	(121)
Government grants and contributions	(6,457)	(4,644)
<b>Total Income</b>	<b><u>(10,733)</u></b>	<b><u>(9,024)</u></b>
<b>(Surplus)/Deficit on provision of services</b>	<b><u>(1,172)</u></b>	<b><u>1,160</u></b>

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**7. Adjustments between the funding and accounting basis under Regulation**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
<b>Adjustments primarily involving the capital adjustment account:</b>		
<b>Reversal of items debited or credited to the comprehensive income and expenditure statement:</b>		
Charges for depreciation & impairment of non-current assets	724	545
Losses on revaluation of property, plant & equipment	12	69
Movement in fair value of investment properties	(152)	(56)
Non current assets written out	16	-
Revenue Expenditure funded from capital under statute	-	(164)
Revenue Expenditure funded from capital grants	-	164
<b>Insertion of items not debited or credited to the comprehensive income and expenditure statement:</b>	-	
Capital expenditure charged against the General Fund	(528)	(465)
<b>Adjustment primarily involving the capital receipts reserve:</b>		
Capital receipts used	(61)	-
<b>Adjustments primarily involving the pension reserve:</b>		
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement	541	1,663
Employers Pension contributions and direct payments to pensioners payable in the year.	(436)	(395)
<b>Adjustment primarily involving the accumulated absences account:</b>		
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	(4)	-
<b>Total adjustments between accounting basis &amp; funding basis under regulation</b>	<b>112</b>	<b>1,361</b>



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**8. Earmarked reserves**

This note sets out the amounts set aside from the General Fund to Earmarked Reserves to provide financing for future expenditure. The amounts transferred from Earmarked Reserves are required to meet earmarked general fund expenditure incurred in the year.

	Opening balance as at 1 April 2023	Transfers to revenue	Transfers from revenue	Balance as at 31 March 2024
	£'000	£'000	£'000	£'000
Receipts In Advance*	(2,176)	605	(1,261)	(2,832)
Ringfenced project funds	(234)	49	(19)	(204)
Asset management & replacement fund	(67)	-	(100)	(167)
Planning (LDP) fund	(49)	-	(38)	(87)
Staff Restructuring	(760)	760	-	-
National Park Wales	(28)	-	-	(28)
Gate refurbishment fund	(38)	11	(8)	(35)
Sustainable development fund	(29)	-	(109)	(138)
Planning Enforcement fund	(98)	20	-	(78)
Invasive Species fund	(22)	-	-	(22)
Carew Causeway maintenance fund	(154)	-	-	(154)
Digital transformation & IT infrastructure fund	(109)	22	(150)	(237)
Green Room redevelopment fund	(113)	3	(640)	(750)
Job regrading review fund	(800)	350	-	(450)
Decarbonisation fund	(250)	-	-	(250)
Porthgain redevelopment plan	(10)	10	-	-
Investment & delivery fund	-	-	(143)	(143)
<b>Total</b>	<b>(4,937)</b>	<b>1,830</b>	<b>(2,468)</b>	<b>(5,575)</b>

\*Contains grants for specific projects funded in advance of expenditure

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**9. Financing and investment income**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
	<b>£</b>	<b>£</b>
(Gain)/Deficit in fair value of investment properties	(152)	(56)
Income from Investment properties	(74)	(80)
Pensions Net Interest Cost	(246)	191
Interest receivable and similar income	(155)	(41)
	<u><b>(627)</b></u>	<u><b>14</b></u>

**10. Other operating expenditure**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
	<b>£</b>	<b>£</b>
Movement on Bad Debt Provision	(3)	3
Pension Administration Expenses	16	14
	<u><b>13</b></u>	<u><b>17</b></u>

**11. Taxation and non-specific grant income**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
	<b>£</b>	<b>£</b>
<b>Credited to Taxation and Non-Specific Grant Income:</b>		
National Park Revenue Grant - Welsh Government	(4,258)	(3,437)
Levy on Pembrokeshire County Council	(1,083)	(1,083)
Capital grants and contributions	(1,116)	(124)
	<u><b>(6,457)</b></u>	<u><b>(4,644)</b></u>

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## 12. Grant income analysis

The Authority credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement:

	<b>£</b>	<b>£</b>
<b>Credited to Taxation and Non-Specific Grant Income:</b>		
National Park Revenue Grant - Welsh Government	(4,258)	(3,437)
Levy on Pembrokeshire County Council	(1,083)	(1,083)
Capital grants	(1,116)	(124)
	<b>(6,457)</b>	<b>(4,644)</b>
<b>Credited to Services:</b>		
Welsh Government: Sustainable Landscapes Sustainable Places projects, Invasive Species, Designated landscapes projects	(1,041)	(1,131)
Natural Resources Wales: National Trail/Coast Path; woodland schemes, National Parks Wales, Castlemartin Ranger	(286)	(225)
Pembrokeshire Coast National Park Trust projects	(36)	(49)
Pembrokeshire County Council: Local Places for Nature/ Biodiversity grants/Shared Prosperity Fund	(190)	(159)
AIG	(29)	-
Dept Works and Pensions Kickstart Scheme	-	(1)
Ministry of Defence - Castlemartin Ranger.	(21)	(20)
Sport Wales: West Wales Walking for Wellbeing project	-	(72)
Community Fund Roots to Recovery	(104)	(101)
National Lottery Heritage Fund	(77)	-
WEFO Funded projects: Rediscovering Ancient Connections & Celtic Routes	-	(67)
Gwynedd County Council Dawnsio Y Dibyn & Pollinators	(38)	(27)
Other grants	(25)	-
	<b>(1,847)</b>	<b>(1,852)</b>
<b>Total grants</b>	<b>(8,304)</b>	<b>(6,496)</b>

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**13. Senior officer remuneration**

Staff with remuneration in excess of £60,000 (or pro rata) – earnings subject to pay as you earn taxation and pension contributions - was as follows:

	Chief Executive Officer		Director (Placemaking & Engagement)			Director (Nature Recovery & Tourism)		Monitoring Officer	
	2024	2023	2024	2023*	2023*	2024	2023	2024	2023
	£'000	£'000	£'000	Employee 1 £'000	Employee 2 £'000	£'000	£'000	£'000	£'000
Gross Pay	89	87	67	25	25	70	67	17	17
P11D values	1	1	1	-	-	1	1	-	-
Employer Pension Contributions	10	9	7	3	3	7	7	2	2
<b>Total</b>	<b>100</b>	<b>97</b>	<b>75</b>	<b>28</b>	<b>28</b>	<b>78</b>	<b>75</b>	<b>19</b>	<b>19</b>

\*The position of Director of Placemaking and Engagement was held by two officers during the year, Employee 1 left the Authority in August 22 and Employee 2 started in November 2022. The Monitoring Officer is employed 25% of normal contractual hours.

The median remuneration of the Authority was £25,979 (2023: £24,054) with the ratio of the Chief Executive Officer to the median remuneration of 3.45:1 (2023: 3.60).

**14. Members allowances and expenses**

Total members' allowances paid during the year amounted to £107,479 (2023: £100,213) plus, reimbursement of travelling, subsistence and other expense payments amounting to £3,637 (2023: £4,938).

**15. Termination benefits**

There were no compulsory redundancies in 2023-24, (2023: None). The numbers of all exit packages, including pension payments and agreed severances, with total cost per band and total cost are set out in the table below:

	NUMBER OF SETTLEMENTS			COST
	to £20,000	£20,001 to £40,000	£40,001 to £60,000	£'000
2023-24	-	1	-	9
2022-23	2	1	-	35

During the year, the Authority paid £9k in termination benefits, (£35k in 2022-23).

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**16. Audit fees**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
	<b>£</b>	<b>£</b>
Fees payable to the Wales Audit Office with regard to external audit services carried out by the appointed auditor.	31	30
Fees payable to the Auditor General for Wales in respect of statutory inspections and the LG Measure 2011.	19	18
	<b>50</b>	<b>48</b>

**17. Property, plant and equipment**

The following is a summary of capital expenditure during the reporting period, including assets acquired under finance leases, analysed for each category of fixed assets together with the sources of finance and capital financing requirement. The movements consist of additions arising from the capital programme, assets made operational during the year, asset revaluations, depreciation charges where applicable, disposals, impairments and reclassifications of held assets.

	<b>Operational L&amp;B</b>	<b>Non operational assets</b>	<b>Plant &amp; Equipment</b>	<b>TOTAL</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>2023-24 Fixed asset schedule</b>				
<b>Cost/Valuation</b>				
Opening balance 1-4-23	<b>14,223</b>	52	<b>3,395</b>	17,670
Additions	176	26	326	528
Disposals	-	(16)	-	(16)
Assets derecognised	-	-	16	16
Revaluations	549	-	-	549
Balance @ 31-3-24	<b>14,948</b>	<b>62</b>	<b>3,737</b>	<b>18,747</b>
<b>Accumulated depreciation</b>				
Opening balance 1-4-23	829	-	1,719	2,548
Charge for year	261	-	421	682
Assets derecognised	-	-	17	17
Revaluations	(288)	-	-	(288)
Balance @ 31-3-24	<b>802</b>	-	<b>2,157</b>	<b>2,959</b>
<b>Net book value @ 31-3-24</b>	<b>14,146</b>	<b>62</b>	<b>1,580</b>	<b>15,788</b>
<b>Net book value @ 31-3-23</b>	<b>13,394</b>	<b>52</b>	<b>1,676</b>	<b>15,122</b>

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<b>2022-23 Fixed asset schedule</b>	<b>Operational L&amp;B £'000</b>	<b>Non operational assets £'000</b>	<b>Plant &amp; Equipment £'000</b>	<b>TOTAL £'000</b>
<b>Cost/Valuation</b>				
Opening balance 1-4-22	12,838	18	3,016	15,872
Additions	51	35	379	465
Assets made operational in year	1	(1)	-	-
Revaluations	1,333	-	-	1,333
Balance @ 31-3-23	<b>14,223</b>	<b>52</b>	<b>3,395</b>	<b>17,670</b>
<b>Accumulated depreciation</b>				
Opening balance 1-4-22	705	-	1,438	2,143
Charge for year	240	-	281	521
Revaluations	(116)	-	-	(116)
Balance @ 31-3-23	<b>829</b>	<b>-</b>	<b>1,719</b>	<b>2,548</b>
<b>Net book value @ 31-3-23</b>	<b>13,394</b>	<b>52</b>	<b>1,676</b>	<b>15,122</b>
<b>Net book value @ 31-3-22</b>	<b>12,133</b>	<b>18</b>	<b>1,578</b>	<b>13,729</b>

No assets were made operational during the year (2023: £51,000).

Preliminary expenditure at the year end, held under non-operational (under construction) group is made up of:

	<b>2024 £'000 £</b>	<b>2023 £'000 £</b>
Green room redevelopment	40	36
Green bridge	-	16
Newport development	3	-
Carew causeway	9	-
PV installations	9	-
Castell Henllys improvements	1	-
	<b>62</b>	<b>52</b>

During the year the Green Bridge costs were written off (2023: £Nil). No assets were made operational in the year (2023: £51k).

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**Revaluations and impairment**

Land and buildings are revalued on a five-year rolling programme in accordance with the statement of accounting policy. Assets revalued during the year were:

Brewery Meadow Car Park, Saundersfoot  
 Manorbier Car Park  
 St. Davids Car Park & Overflow  
 St. Davids Visitor Centre  
 Llanion South Building & Chapel  
 Milton Dept, Milton  
 Castell Henllys - Roundhouses  
 St. Brides Scouts Cottages & Walled Garden  
 Freshwater East Caravan Site

A summary of the financial impact (excluding depreciation) of asset revaluations and impairment over the past five years is presented below:

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
	<b>£</b>	<b>£</b>
Revaluation of fixed assets included in (surplus)/deficit on the provision of services	(13)	(69)
Upward/(Downward) revaluation of assets and impairment losses not charged to the surplus/deficit on the provision of services	849	1,518
<b>Sub total</b>	<b>836</b>	<b>1,449</b>
Revaluation and Impairment of investment properties	152	56
<b>Total</b>	<b>988</b>	<b>1,505</b>

**18. Heritage assets**

The Authority's classification of heritage assets relates to specific buildings, monuments, cliffs, sand dunes, woodlands and other types of property. The total valuation as at the balance sheet date was £646k (2023: £646k).

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**19. Intangible assets**

Intangible assets are assets such as software licences that do not have a physical substance but provide future economic benefits to the Authority.

	<b>2,024</b>	<b>2,023</b>
	<b>£'000</b>	<b>£'000</b>
	<b>£</b>	<b>£</b>
Balance as at 1 April	25	50
Amortisation for year	(25)	(25)
Balance as at 31 March	-	25

**20. Investment properties**

The following items of income has been accounted for in the financing and investment Income and expenditure line in the Comprehensive Income and Expenditure Statement:

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
	<b>£</b>	<b>£</b>
Rental income from investment property	74	80

There are no restrictions on the Authority's ability to realise the value inherent in its investment property or on the Authority's right to the remittance of income and the proceeds of disposal. The Authority has no contractual obligations to purchase, construct or develop investment property or repairs, maintenance or enhancement. The following table summarises the movement in the fair value of investment properties in the year:

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
	<b>£</b>	<b>£</b>
Balance as at 1 April	1,165	1,109
Net gain from fair value adjustments	152	56
Balance as at 31 March	1,317	1,165



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## 21. Capital expenditure and commitments

The following projects were funded as part of the capital programme for the year:

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
	<b>£</b>	<b>£</b>
<b>Promoting Understanding and Enjoyment:</b>		
- Castell Henllys	1	-
- St. David's Visitor Centre	35	-
- Carew Causeway	9	-
<b>Recreation and Park Management:</b>		
- E.V. Charging Points	61	71
- Carparks	51	-
- Traeth Mawr, Newport development	128	-
<b>Conservation of Natural Environment</b>	-	50
<b>Corporate and Support Services:</b>		
- Vehicles and Equipment	204	309
- Green Room Development	3	35
- IT equipment	27	-
- PV installations	9	-
<b>Total capital spend in year</b>	<b><u>528</u></b>	<b><u>465</u></b>

## Financing of fixed assets and intangibles

The net cash additions to fixed assets and intangibles of £528k (2023: £465k) (additions less transfers from non-operational assets) were financed as follows:

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
	<b>£</b>	<b>£</b>
Capital receipts	319	-
Capital grants	129	380
Earmarked reserves (revenue)	80	85
	<b><u>528</u></b>	<b><u>465</u></b>

## Capital commitments

As at 31<sup>st</sup> March 2024, the Authority had £168k of capital commitments, (2023: £79k) and held no assets for resale (2023: £Nil).

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## 22. Leases and lease type arrangements

### Finance Leases

The Authority had no finance leases as at 31<sup>st</sup> March 2024, (2023: £Nil).

### Operating Leases

The Authority leases some of its vehicles under contract hire agreements, and photocopiers under long-term rental agreements. The gross cost of these arrangements was £27,140, (2023: £34,984). The Authority rents 13 properties to support its purposes, which includes for example, Carew Castle and Tidal Mill. The rental costs of these properties for the year was £31,222 (2023: £26,217).

An analysis of the Authority's minimum lease expenditure in future years are:

	2024			Restated 2023		
	Land & buildings	Vehicles & equipment	Total	Land & buildings	Vehicles & equipment	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Falling due within one year	25	16	41	26	22	48
Between one year and five years	96	4	100	96	21	117
After five years	524	-	524	589	-	589
	<b>645</b>	<b>20</b>	<b>665</b>	<b>711</b>	<b>43</b>	<b>754</b>

The Authority acts as Lessor on 24 properties, generating an income of £73,302 (2023: £80,241). Examples of these properties are the lease of land at Freshwater East to the Caravan Club, and the lease of Llanion Park North Block. Some of these property leases exceed 20 years and are valued on a long-leasehold basis. They have a combined net asset value of £1.3m with nil cumulative depreciation.

The future minimum lease payments receivable under non-cancellable leases in future years are:

	Restated	
	2024	2023
	£'000	£'000
	£	£
Falling due within one year	120	121
Between one year and five years	426	429
After five years	2,325	2,872
	<b>2,871</b>	<b>3,422</b>

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**23. Inventories**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
	<b>£</b>	<b>£</b>
Balance as at 1 April 2023	154	134
Purchases	234	262
Recognised as an expense in the year	(234)	(246)
Written off	3	4
Balance as at 31 March 2024	<b>157</b>	<b>154</b>

**24. Investments**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
	<b>£</b>	<b>£</b>
Bank deposits accessible after 90 days	4,641	3,537
	<b>4,641</b>	<b>3,537</b>

**25. Cash and cash equivalents**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
	<b>£</b>	<b>£</b>
Bank accounts & deposits	3,439	3,215
Cash	4	3
	<b>3,443</b>	<b>3,218</b>

**26. Debtors**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
	<b>£</b>	<b>£</b>
Trade receivables	34	226
Prepayments	157	88
Grants receivable	427	152
Other debtors	54	67
	<b>672</b>	<b>533</b>

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**27. Creditors: amounts due within one year**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
	<b>£</b>	<b>£</b>
Trade payables	313	552
Other creditors	595	206
	<u><b>908</b></u>	<u><b>758</b></u>

**28. Useable Reserves**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
	<b>£</b>	<b>£</b>
General fund	1,216	1,142
Earmarked reserves	5,575	4,937
Capital receipts	328	389
Capital grants unapplied	952	319
	<u><b>8,071</b></u>	<u><b>6,787</b></u>

Movements in the Authority's usable reserves are detailed in the Movement in Reserves Statement.

**29. Unusable reserves**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
	<b>£</b>	<b>£</b>
Revaluation reserve	6,521	5,771
Capital Adjustment Account	11,237	11,162
Pensions reserve	-	4,922
Accumulated absences account	(73)	(77)
	<u><b>17,685</b></u>	<u><b>21,778</b></u>

These are analysed below:

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**a. Revaluation reserve**

The Revaluation Reserve contains the gains made by the Authority arising from increases in the value of its Property, Plant and Equipment. The balance is reduced when assets with accumulated gains are:

- revalued downwards or impaired and the gains are lost
- used in the provision of services and the gains are consumed through depreciation, or
- disposed of and the gains are realised.

The Reserve contains only revaluation gains accumulated since 1 April 2007, the date that the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
	<b>£</b>	<b>£</b>
Balance as at 1 April	5,771	4,316
Increase in value of assets	849	1,624
Decrease in value of assets and impairment losses not charged to the surplus/deficit	(13)	(106)
Difference between fair value depreciation and historical cost depreciation	<u>(86)</u>	<u>(63)</u>
Balance as at 31 March	<u><b>6,521</b></u>	<u><b>5,771</b></u>

**b. Capital Adjustment Account**

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The Account is credited with the amounts set aside by the Authority as finance for the costs of acquisition, construction and enhancement. The Account contains accumulated gains and losses on Investment Properties and gains recognised on donated assets that have yet to be consumed by the Authority. The Account also contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains. The analysis below provides details of the source of all the transactions posted to the account, apart from those involving the Revaluation Reserve.

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	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
	<b>£</b>	<b>£</b>
Balance as at 1 April	11,162	11,192
Charges for depreciation and impairment of non current assets	(724)	(545)
Revenue expenditure funded from capital under statute	-	(164)
Revenue grant funded from capital under statute grant	-	164
Depreciation adjusting amounts written out of the Revaluation Reserve	86	63
Use of capital receipts to finance new capital expenditure	61	-
Application of grants to capital financing from the capital grants unapplied reserve	319	-
Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	128	380
Capital expenditure charged against the General Fund balances	80	85
Non current assets written out on disposal	(15)	-
Revaluation on Property, Plant & Equipment	140	(13)
	<b><u>11,237</u></b>	<b><u>11,162</u></b>

**c. Pensions reserve**

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Authority accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Authority makes employer's contributions to pension funds or eventually pay any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Authority has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

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	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
<b>Balance at 1 April</b>	<b>4,922</b>	<b>(7,010)</b>
Actuarial gains or losses on pensions assets and liabilities	2,832	13,200
Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	(525)	(1,649)
Employer's pensions contributions and direct payments to pensioners payable in the year	436	395
Administration Expenses	(16)	(14)
Effect of IAS19/IFRIC 14	(7,649)	-
<b>Balance at 31 March</b>	<b>-</b>	<b>4,922</b>

**d. Accumulated absences account**

The Accumulated Absences Account absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year, e.g. annual leave entitlement carried forward as at 31 March. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
	<b>£</b>	<b>£</b>
Balance at 1 April	(77)	(77)
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	4	-
Amounts accrued as at 31 March	<b>(73)</b>	<b>(77)</b>

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**30. Cashflow statement – net cashflows from operating activities**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Depreciation & amortisation	(724)	(546)
Revaluations & impairments	152	(13)
Increase in investments	1,104	32
Increase/(Decrease) in inventories	3	(20)
Increase/(Decrease) in debtors	139	(1)
Increase in creditors	(150)	(130)
Provision of services costs for post-employment benefits	(105)	(1,268)
Other non cash items charged to the CIES	-	2
	<b>419</b>	<b>(1,944)</b>

**31. Cashflow statement – net cashflows from investing activities**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Purchase of property, plant and equipment, investment property and intangible assets	528	550
Other receipts from investing activities	(74)	(80)
<b>Net cash flows from investing activities</b>	<b>454</b>	<b>470</b>

**32. Defined Benefit Pension**

The Authority offers defined retirement benefits to staff, relating to pay and service, under the Dyfed Pension Fund (Local Government Pension Scheme), being a funded scheme administered by Carmarthenshire County Council. Although these benefits will not actually be payable until employees retire, the Authority has a current commitment to make the benefits payments that needs to be disclosed at the time that employees earn their future entitlement. The Authority's contribution rates are determined by the Fund's professionally qualified actuaries based on triennial valuations of the Fund, the most recent of which was as at 31<sup>st</sup> March 2022, and are set with the aim of ensuring that the overall liabilities of the fund can be met when matched with employee contributions. The principal risks to the Authority of the scheme are the longevity assumptions, statutory changes to the scheme, structural changes to the scheme (i.e. large-scale withdrawals from the scheme), changes to inflation, bond yields and the performance of the equity investments held by the scheme.

Local authorities are required to recognise the costs of retirement in the Net Cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, this conflicts with the charge the Authority is required to make in the



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Comprehensive Income and Expenditure Account based on the cash payable in the year to the pension fund, so the real cost of retirement benefits is then reversed out of the accounts in the statement of movement on the general fund balance. Under International Accounting Standards 19 (IAS 19) the accounting for pension's schemes has been revised for all fiscal years beginning on or after 1<sup>st</sup> January 2013 and these changes reflected in the financial statements includes interest on Assets. The expected return on assets is replaced with the "interest on assets". This is the interest on assets held at the start of the period and cash flows occurring during the period, calculated using the discount rate at the start of the year. The pension cost under the revised IAS 19 will see the interest cost and expected return on assets replaced with the "net interest cost". This will be calculated as interest on pension liabilities less the interest on assets. The revised IAS 19 guidance requires that all actuarial gains and losses be recognised in the year of occurrence via Other Comprehensive Income and Expenditure and can no longer be deferred. Actuarial gains and losses on liabilities due to changes in actuarial assumptions will need to be split between the effect of changes in financial assumptions and changes in demographic assumptions. Administration expenses are recognised as a separate item within the pension cost.

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**Transactions Relating to Post-employment Benefits.**

We recognise the cost of retirement benefits in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge we are required to make is based on the cash payable in the year, so the real cost of post-employment/retirement benefits is reversed out of the General Fund via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance via the Movement in Reserves Statement during the year:

<b>Total post-employment benefit charged to Comprehensive Income and Expenditure</b>	<b>2024</b>		<b>2023</b>	
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Service Costs:</b>				
Current service cost		771		1,450
Effects of curtailment		-		-
Past Service Cost*		-		8
<b>Financing &amp; Investment Income &amp; Expenditure:</b>				
Interest cost on Liabilities	1,419		1,203	
Interest on Plan Assets	<u>(1,665)</u>		<u>(1,012)</u>	
<b>Net Interest On Pension</b>		<b><u>(246)</u></b>		<b><u>191</u></b>
<b>Other Operating Income &amp; Expenditure</b>				
Administration Costs		<u>16</u>		<u>14</u>
<b>Total Post-Employment Benefits charged to Surplus/Deficit on Provision of Services</b>		<b><u>541</u></b>		<b><u>1,663</u></b>
<b>Other Post Employment Benefits charged to Comprehensive Income &amp; Expenditure:</b>				
Return on plan assets (excluding the amount included in the net interest expense)		(2,109)		2,046
Actuary Experience (gain)/loss		148		3,097
Actuary (Gain) / Loss on financial assumptions		(474)		(17,141)
Actuary (Gain) / Loss on demographic assumptions		(397)		(1,202)
Effect of IAS 19/ IFRIC 14		<u>7,649</u>		<u>-</u>
<b>Total Post-employment Benefits charged / (credited) to the Comprehensive Income and Expenditure Statement</b>		<b><u>4,817</u></b>		<b><u>(13,200)</u></b>
<b>Reversal of charges made to surplus/deficit on provision of services in the Movement in Reserves Statement</b>				
Current service cost		(771)		(1,450)
Past service gain / loss		-		(8)
Interest cost on Liabilities		(1,419)		(1,203)
Interest on Plan Assets		1,665		1,012
Administration Costs		<u>(16)</u>		<u>(14)</u>
<b>Actual Amount charged against General Fund</b>		<b><u>(541)</u></b>		<b><u>(1,663)</u></b>
<b>Employer Contributions</b>		<b><u>436</u></b>		<b><u>395</u></b>

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	<b>Funded liabilities: Local Government Pension</b>	
	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Benefit Obligations at beginning of Year	<b>30,062</b>	<b>43,275</b>
Current Service Cost	771	1,450
Interest On Pension Liabilities	1,419	1,203
Member Contributions	255	227
Past Service Cost*	-	8
Actuarial (Gains)/Losses on Liabilities	-	-
Remeasurement of Liabilities:		
Experience (gain)/loss	148	3,097
(Gain) / Loss on financial assumptions	(474)	(17,141)
(Gain) / Loss on demographic assumptions	(396)	(1,202)
Curtailments	-	-
Benefits Paid	(1,275)	(855)
Benefit Obligations at End of Year	<u><b>30,510</b></u>	<u><b>30,062</b></u>

**Reconciliation of Present value Scheme Assets:**

	<b>Local Government Pension Scheme</b>	
	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
<b>Fair Value at beginning of Year</b>	<b>34,984</b>	<b>36,265</b>
Interest on / Expected Return on Plan Assets	1,665	1,012
Remeasurement / Actuarial Gains/(Losses) on Assets	2,109	(2,046)
Administration Expenses	(16)	(14)
Employer Contributions	436	395
Member Contributions	255	227
Benefits/transfers paid	(1,274)	(855)
Roundings	-	-
<b>Fair Value at End of Year</b>	<u><b>38,159</b></u>	<u><b>34,984</b></u>
<b>Net Surplus</b>	<u><b>(7,649)</b></u>	<u><b>(4,922)</b></u>

	<b>2024</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Actuarial (Gains)/Losses recognised in the Movement in Reserve Statement	<u>4,817</u>	<u>(13,200)</u>	<u>(2,699)</u>

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The *current service costs* reflect the liabilities expected to arise from employee service in the current period. The *past service costs* reflect the increase in liabilities related to employee service in prior periods arising from the improvement of retirement benefits in the current period. The *curtailment/settlement costs* reflect changes in liabilities relating respectively to actions that relieve the employer of primary responsibility for a pension obligation (e.g. a group of employees being transferred to another scheme) or events that reduce the expected years of future service of employees or reduce the accrual of defined benefits over their future service for some employees (e.g. closing a business unit). The *return on assets* reflects the average rate of return expected on the actual assets held in the pension scheme. Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels etc. These assumptions are made by the Fund's actuaries, Mercer Ltd, and are based on the actuarial valuation report at 31<sup>st</sup> March 2022. *Interest on pension liabilities* reflects the expected increase during the year in the present value of liabilities because the benefits are one year closer to settlement. The underlying assets and liabilities for retirement benefits attributable to the Authority as at 31<sup>st</sup> March 2024 are as follows:

	<b>2024</b> <b>£'000</b>
Present Value of Funded Benefits Obligations	30,473
Present Value of Unfunded benefit obligations	37
Total present value of Benefit Obligations	30,510
Fair Value of Plan Assets	(38,159)
Effect of IAS 19/ IFRIC 14	7,649
Unrecognised Past Service	-
<b>Deficit/(Surplus)</b>	<b>-</b>

The zero balance on the Balance Sheet reflects a surplus in the benefits earned by employees and the resources the Park has set aside to meet them, which has been limited by IAS 19 and IFRIC 14.

In June 2023, the High Court found in the Virgin Media case that changes to member benefits in contracted out defined benefit pension schemes between 1996 and 2016 required an actuarial certificate in line with section 37 of the Pension Schemes Act 1993 and that changes without this certification are to be considered void. This requirement applies to past service rights and future service rights, and to changes to the detriment or benefit of scheme members. The judgement was appealed in June 2024 but the appeal was dismissed. For the Local Government Pension Scheme, GAD do not believe that there are any absent actuarial confirmations. Therefore, they do not expect any liability changes to arise following this judgement. GAD will confirm that actuarial confirmations are available in due course.

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**Prior year scheme values:**

<b>Scheme Year</b>	<b>Present value Scheme Liabilities £000</b>	<b>Fair Value of Scheme Assets £000</b>
31st March 2023	30,062	34,984
31st March 2022	43,275	36,265
31st March 2021	42,566	34,087
31st March 2020	35,690	27,117
31st March 2019	35,708	30,103

	<b>2024</b>		<b>2023</b>	
	<b>Beginning of period</b>	<b>End of period</b>	<b>Beginning of period</b>	<b>End of period</b>
<b>Financial assumptions:</b>				
Rate of CPI inflation / CARE benefits	2.70%	2.70%	3.30%	2.70%
Rate of increase in salaries	4.20%	4.20%	4.80%	4.20%
Rate of increase in pensions in payment / deferment	2.80%	2.80%	3.40%	2.80%
Discount rate	4.80%	4.90%	2.80%	4.80%

	<b>2024</b>		<b>2023</b>	
	<b>Beginning of period</b>	<b>End of period</b>	<b>Beginning of period</b>	<b>End of period</b>
<b>Mortality assumptions:</b>				
Longevity at 65 for current pensioners:				
Men	21.5	21.9	24.4	23.3
Women	23.8	24.1	23	21.9

**Post retirement mortality assumptions (normal health)**

	<b>2024</b>	<b>2023</b>
<b>Non-retired members</b>		
<b>M/F:</b>		
- Mortality table	SAPS 3 / SAPS 3 middle	SAPS 3 / SAPS 3 middle
- Improvements	CMI 22 1.5% / CMI 22 1.5%	CMI 21 1.5% / CMI 21 1.5%
- Weightings	105% / 97%	110% / 100%
- Additional parameters	S=7, A=0, W20=W21=0, W22=25%	S=7.5, A=0, W20=W21=0

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**Retired members M/F:**

- Mortality table	SAPS 3 / SAPS 3 middle	SAPS 3 / SAPS 3 middle
- Improvements	CMI 22 1.5% / CMI 22 1.5%	CMI 21 1.5% / CMI 21 1.5%
- Weightings	102% / 97%	107% / 101%
- Additional parameters	S=7, A=0, W20=W21=0, W22=25%	S=7.5, A=0, W20=W21=0

**Sensitivity analysis as at 31 March 2024**

Disclosure item	Central	Sensitivity 1	Sensitivity 2	Sensitivity 3	Sensitivity 4	Sensitivity 5	
		+ 0.5% p.a. discount	+ 0.25% p.a. inflation	+ 0.25% p.a. pay growth	1 year increase in life expectancy	+/-1% change in 2023/24 investment returns	
	£000s	£000s	£000s	£000s	£000s	£000s	
						1%	-1%
<b>Liabilities</b>	30,510	28,308	31,674	30,760	31,264	30,510	30,510
<b>Assets</b>	(38,158)	(38,158)	(38,158)	(38,158)	(38,158)	(38,537)	(37,779)
<b>Deficit/(Surplus) (exc ceiling impact)</b>	(7,648)	(9,850)	(6,484)	(7,398)	(6,894)	(8,027)	(7,269)
<b>Projected Service Cost for next year</b>	740	646	792	740	759	740	740
<b>Projected Net Interest Cost for next year (exc ceiling impact)</b>	(385)	(544)	(328)	(373)	(348)	(404)	(367)

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**Scheme assets are analysed as follows:**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
<b>Equities:</b>		
UK quoted	4,678	6,675
Global quoted	18,533	14,291
Japan	1,530	1,235
Emerging Markets	2,179	2,820
European ex UK	842	1,004
<b>Bonds:</b>		
UK Government indexed	-	189
WPP Global Fund	3,590	2,477
<b>Property:</b>		
Property Funds	4,700	4,705
<b>Alternatives</b>		
Black Rock UK SAIF	1,458	1,336
Infrastruture WPP GCM Grosvenor	265	-
Infrastructure WPP Capital Dynamics	30	-
WPP Global Provate Credit	162	-
<b>Cash:</b>		
Cash accounts	191	252
<b>Total</b>	<b>38,158</b>	<b>34,984</b>

The end of year figures for the market value of the assets and the split between investments categories have been calculated as at 28/2/24. The corresponding split of assets at the start of the year has been calculated as at 31/3/23. The actuarial assumptions used in the calculation of the end of year balance sheet liabilities are based on the 2024 actuarial valuation assumptions, other than the financial assumptions which are shown above. A deduction of £16k (2023: £14k) in respect of expenses was made for the year. The forecasted employer's contribution for 2024/25 is £428k; implied service cost including net interest cost £740k and administration cost of £16k.

Further information on the Dyfed Pension Fund, such as the annual report, is available from the Fund administrators at Carmarthenshire County Council, or on-line at [www.dyfedpensionfund.org.uk](http://www.dyfedpensionfund.org.uk)

### **33. Financial Instruments**

Other than investments, cash, trade receivables and trade payables there are no financial instruments carried on the Balance Sheet.

### **34. Related party transactions**

The National Park Authority is made up of 18 members, 12 appointed by Pembrokeshire County Council and 6 directly by the Welsh Government. Members of the Authority have direct control over the Authority's financial and operating policies. The Authority maintains registers of Members' Interests and Gifts and Hospitality, with register of Members' Interest available for inspection on the Authority's website. There are no issues to report arising from

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the entries in these registers, and the Authority's ability to control or influence another party as result of the recorded interests is considered highly unlikely.

Disclosure notes 12 and 21 show the amount and sources of significant revenue and capital funding which the Authority received during the year. In addition to the receipt of a Levy from Pembrokeshire County Council the Authority also contracts with them for the supplies of goods and services including the provisions of refuse management, vehicle maintenance, and specialist planning advice. The Welsh Government has significant influence over the general operations of the Authority; it is responsible for providing the statutory framework within which the Authority operates, provides the majority of its funding in the form of grants, provides a Term of Government Remit Letter and prescribes the terms of many of the transactions that the Authority has with other parties. The aggregate level of income and expenditure and end of year balances on the following third parties are:

Organisation			31-Mar-24	31-Mar-24
	Income	Expenditure	Creditor	Debtor
	£'000	£'000	£'000	£'000
Welsh Government	6,164	-	-	-
Pembrokeshire County Council	1,273	341	5	209

During the year the Authority contributed £6k (2023: £4k) to support the running of Pembrokeshire Coast National Park Trust. The trust is registered with the charity commission with the status of a charitable incorporated organisation and the only voting members are the charity trustees. The Authority also provides other non-cash services to the Trust, including officer time, advice and office space. The Trust has eight current trustees, two of whom are members of the National Park Authority.

The Authority also paid a subscription of £10k (2023: £10k) to the National Park Partnership, a limited liability partnership between the 15 U.K. National Park Authorities.

### **35. Provisions, contingent liabilities and assets**

The Authority is undergoing a pay and grading review, the impact of which is effective from 1<sup>st</sup> April 2023. As at the year end, the Authority had a contingent liability to backdate potential pay increases to this date. However, the amount of the backdated pay could not be reliably measured as at 31 March 2024.

In line with a change in guidelines the Authority has not recognised the pensions asset of £7,649k. The pension asset has therefore been discounted to nil. Where a surplus is identified, paragraph 64 of IAS19 limits the measurement of a net defined benefit asset to the lower of the surplus in the defined benefit plan and the 'asset ceiling'. Paragraph 8 of IAS19 defines the asset ceiling as *'the present value of any economic benefits available in the form of refunds from the plan or reductions in the future contributions to the plan'*. For 23-24, this resulted in a negative assets position, therefore an adjustment has been made to reduce the pension net assets to zero.

The Authority had no other material contingent liabilities or assets as at 31 March 2024, 2023: £Nil).



### **36. Statement reporting review of internal controls**

The Authority has published its Annual Governance Statement for 2023-24 in which it reviews its internal controls and documents its governance arrangements. The Statement includes a specific note confirming that the Authority's financial management arrangements conform to the governance requirements of the CIPFA/Solace code 'Delivering Good Governance in Local Government'.

### **37. Events after the reporting period**

There were no events after the year end and the date of this report that require the financial statements to be adjusted or disclosed by way of note. (2023: None).

### **38. Amounts reported for resource allocation decisions**

The analysis of income and expenditure by service on the face of the Comprehensive Income and Expenditure Statement is that specified by CIPFA's Service Reporting Code of Practice. Similarly, the information used by the Authority for decision making is also prepared under the Best Value Accounting Code of Practice. Accordingly, there is no requirement under this note for reconciliation between the Comprehensive Income and Expenditure Statement and amounts reported for resource allocation decisions.



Newgale



Whitesands Beach



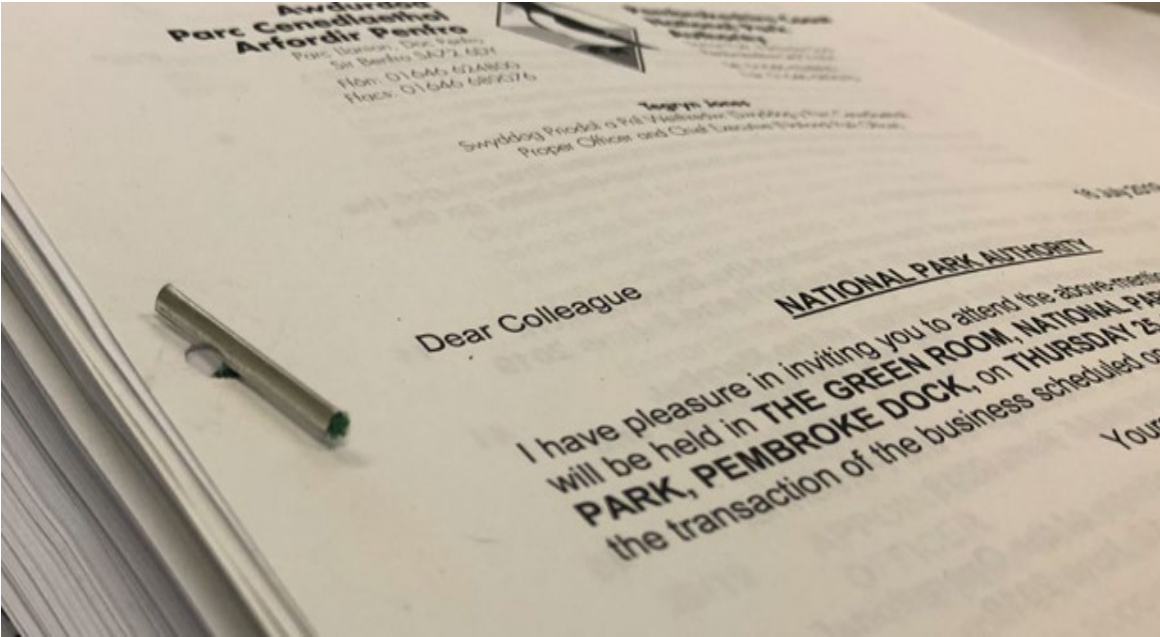
Parc Cenedlaethol  
Arfordir Penfro  
Pembrokeshire Coast  
National Park

# PEMBROKESHIRE COAST NATIONAL PARK AUTHORITY

## ANNUAL GOVERNANCE STATEMENT 2023-2024

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# 1 Introduction

1.1 The Pembrokeshire Coast National Park as a public body, was designated in 1952 following the implementation of the National Parks and Access to the Countryside Act 1949. The beautiful area of Pembrokeshire was identified as needing special care to conserve it for future generations and, as a result of the Environment Act 1995, the Pembrokeshire Coast National Park Authority (“the Authority”) was created in 1996.

1.2 In managing the National Park, the Authority has two statutory purposes:

- to conserve and enhance the natural beauty, wildlife and cultural heritage of the National Park, and
- to promote opportunities for public enjoyment and understanding of its special qualities.

In pursuing these two purposes, the Authority also has a duty to foster the economic and social well-being of communities living within the Park.

1.3 This statement provides an overview of how the Authority’s governance arrangements operate, including how they are reviewed annually to ensure they remain effective. A summary of significant governance challenges which the Authority faces is also given, alongside an explanation of what actions have been taken to bring about required improvements, and what work is still to be done. This provides transparency and gives assurance that the Authority is committed to continuously improve the way in which it functions. More detail on topics can be accessed by clicking on the hyperlinks, which are highlighted and underlined throughout the document.

1.4 In addition, the Authority as a public body, is subject to the Wellbeing of Future Generations (Wales) Act 2015. Under this Act, as part of its governance arrangements, the Authority is required to set and publish well-being objectives, take all reasonable steps to meet those objectives and act in accordance with the sustainable development principles. The Well-being of Future Generations Act requires public bodies in Wales to think about the long-term impact of their decisions, to work better with people, communities and each other, and to prevent persistent problems such as poverty, health inequalities and climate change.

1.5 The Authority’s Well-being Objectives are as follows and align with the Authority’s high-level priorities:

High Level Priorities	Impact	Authority's Well-being Objectives
Conservation: Boosting biodiversity and halting its decline	Nature is Flourishing	Conservation: To deliver nature recovery and connectivity at scale, so nature is flourishing in the Park, contributing to the protection of 30% of our land and seas for nature by 2030
Climate: Destination Net Zero	We're an Authority aiming for net zero and a carbon neutral National Park	Climate: To achieve a carbon neutral Authority by 2030 and support the Park to achieve carbon neutrality and adapt to the impact of climate change.
Connection: Natural Health Service	People are healthier, happier and more connected to nature and heritage	Connection: To create a Park that is a natural health service that supports people to be healthier, happier and more connected to the landscape, nature and heritage.
Communities: Vibrant Communities	Places people can live, work and enjoy	Communities: To create vibrant, sustainable and prosperous communities in the Park that are placed people can live, work and enjoy.

## 2 Scope of Responsibility

2.1 Pembrokeshire Coast National Park Authority ("the Authority") is responsible for ensuring that its business is conducted in accordance with the law and proper standards. It is also responsible for ensuring that public money is safeguarded, properly accounted for and used economically, efficiently, and effectively. The Authority has a duty to make arrangements to secure continuous improvement in the way in which its functions are exercised.

2.2 In discharging these responsibilities, the Authority must put in place proper arrangements for the governance of its affairs and effective exercise of its functions, which includes arrangements for the management of risk and adequate, effective financial management. The Authority has a Code of Corporate Governance which follows the principles of the Chartered Institute of Public Finance and Accounting (CIPFA)/Society of Local Authority Chief Executives and Senior Managers (UK) (SOLACE) Framework 'Delivering Good Governance in Local Government: Guidance



for Welsh Authorities 2016'. The Code sets out how the Authority operates, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent and accountable.

2.3 The Code of Corporate Governance is reviewed every three years to ensure it remains consistent with the principles of the Chartered Institute of Public Finance and Accountancy and the Society of Local Authority Chief Executives and Senior Managers (CIPFA/SOLACE) joint framework for delivering good governance in local government.

2.4 This statement explains how the Authority has complied with the code and meets the requirements of regulation 4(2) of the Accounts and Audit (Wales) Regulations 2005 in relation to the publication of a statement on internal control and the issue of an Annual Governance Statement. In preparation of the Statement, the Authority reviews and adopts any additional guidance as issued, this includes CIPFA's Financial Management Code (2019) and the Financial Management Standards.

2.5 The core principles underpinning the CIPFA/SOLACE Framework are set out below and the following pages detail how the Authority is meeting these principles and governance arrangements.



### 3. What are the Authority’s Key Governance Arrangements

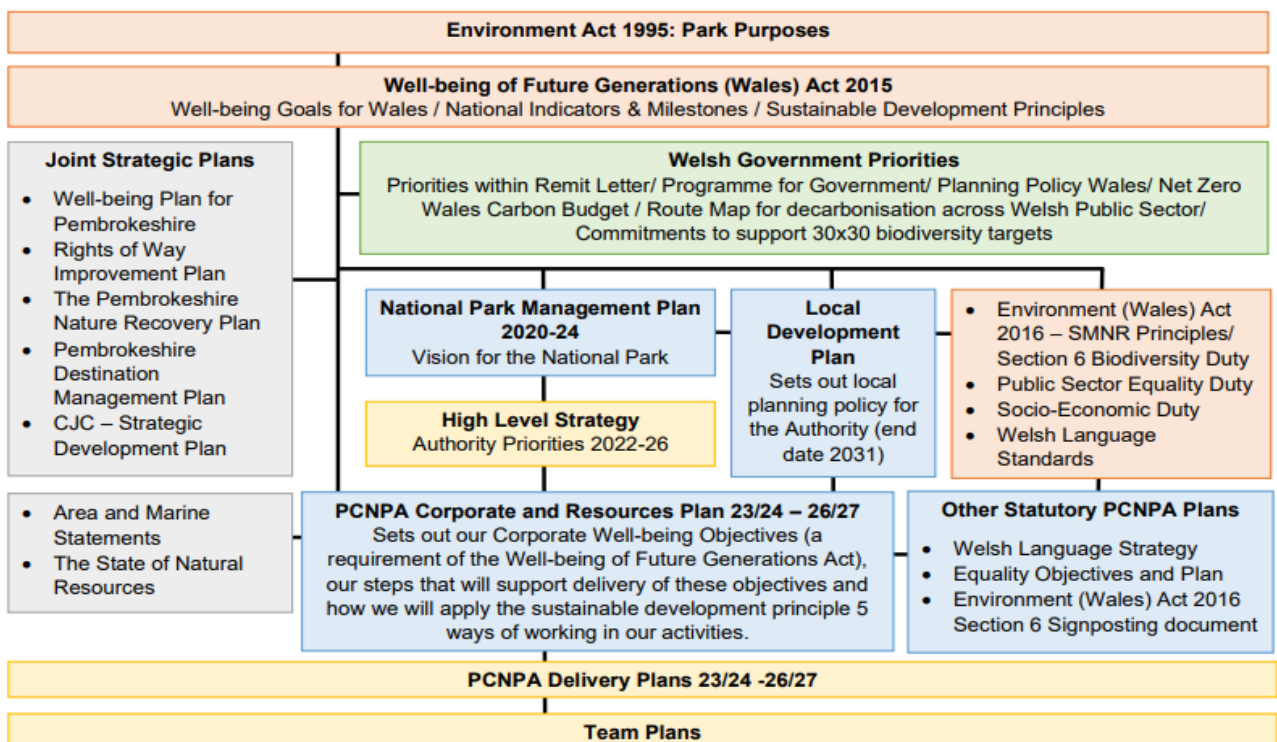
3.1 The governance framework comprises the systems and processes, culture and values by which the Authority is directed and controlled, and through which it is accountable to, engages with and leads the community. It enables the Authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services. The Authority’s strategic objectives are set out in the following:

- a. National Park Management Plan
- b. Local Development Plan 2
- c. Wellbeing objectives
- d. Corporate & Resources Plan
- e. Strategic Equality Plan and Objectives
- f. Welsh Language Promotion Strategy

The objectives in the Plans are underpinned by our vision of:

**A National Park where nature, culture and communities thrive.**

**Diagram of our Plans and Statutory Duties**

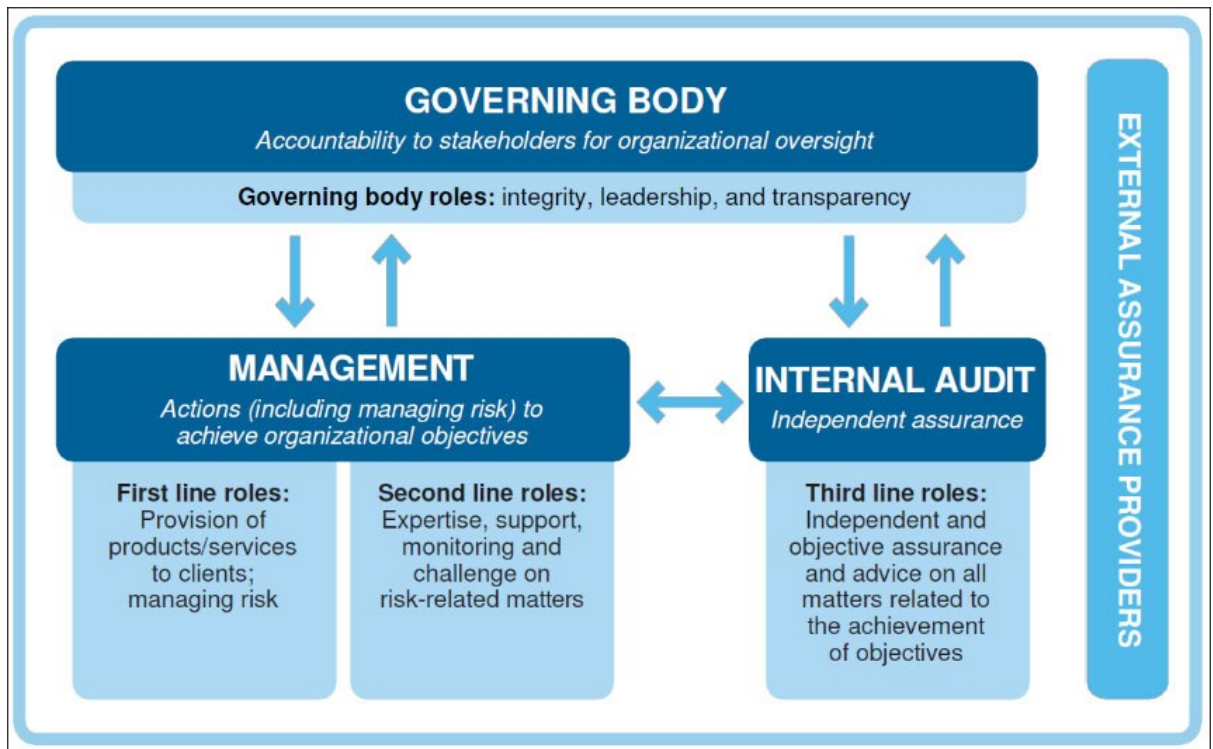


3.2 The system of internal control is a significant part of the framework and is designed to manage risk to an agreed levels of risk appetite. It cannot eliminate all risk of failure to achieve the Authority’s aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control identifies and prioritises risks; evaluates the likelihood of those risks being realised and the impact should they be realised; and aims to manage them efficiently, effectively and economically.



3.3 The Authority's governance structure comprises:

- a. The National Park Authority, together with a committee structure of 10 committees which monitor the effectiveness of risk management arrangements, review governance arrangements, review internal and external audit strategies, plans and reports and annual statement of accounts. The Audit and Corporate Services Review Committee has a key role to play.
- b. A senior leadership team, headed by the CEO, provides leadership on governance and provides clear direction to the staff and management team.
- c. A management team made up of senior managers and heads of services who provide governance, strategic management and decision-making on relevant issues within delegated powers.
- d. Information from various sources to inform governance arrangements.
- e. The Authority has adopted through its risk management policy a Three Lines Models of Assurance.



Line One – Risk Management and Controls

Line Two – Management reports, expert advice, compliance, performance against KPIs

Line Three – Internal and External Audit Reports.

The Risk Register will reference the three lines.

These are discussed in more detail below:

## Committee structure

### 1. National Park Authority (NPA)

- Provides the strategic leadership, political interface and governance framework. Responsible for strategic plans and policies and monitors achievement of those plans and arrangements.

### 2. Standards Committee

- Promotes high standards of ethical conduct, advising on the Code of Corporate Conduct and Conduct for Members.

### 3. Audit & Corporate Services Review Committee

- Provides review of effectiveness of the governance, risk management and internal control framework and oversees financial reporting.

### 4. Operational Review Committee

- Monitors the performance of the Authority and makes recommendations on its key policies and plans including strategic plans, development management, countryside & community vision.

### 5. Development Management Committee

- Responsible for the statutory planning functions, determination of applications, appeals and enforcement matters including safeguarding the landscape.

### 6. People Services Committee

- Reviews and makes recommendations on HR policies. Overview of staff recruitment, remuneration and development. Oversees the support and development of Authority members including induction, training and making recommendations to the NPA.

### 7. Grants Committee

- Responsible for advising and approving grant awards relating to sustainable development and other Grants awarded by the Authority which require the agreement of Members.

### 8. Investigating & Disciplinary Committee

- This considers and determines matters relating to the investigation and disciplinary of senior officers.

### 9. Grievance Committee

- Considers and determines matters raised from grievances by staff.

### 10. Appeals Committee

- Considers and determines matters relating to dismissals.

### 11. Continuous Improvement Group

- This group meets as and when required to review any aspects of the work programme and make recommendations.

## Senior Leadership Team

Responsibility for governance and internal control lies with the Chief Executive and Directors who meet fortnightly to steer the organisation's activities. The SLT provide leadership on governance and provide direction to the management team and staff. The performance of the Chief Executive is reviewed by Members through a Performance Review Panel.

## Management Team

A Management Team made up of senior managers and heads of service meet fortnightly supporting the Authority to work efficiently and effectively. It ensures resources are allocated in line with corporate objectives and delivery plans. Discusses performance issues, risk management and governance matters.

## Evidence sources to monitor effectiveness.

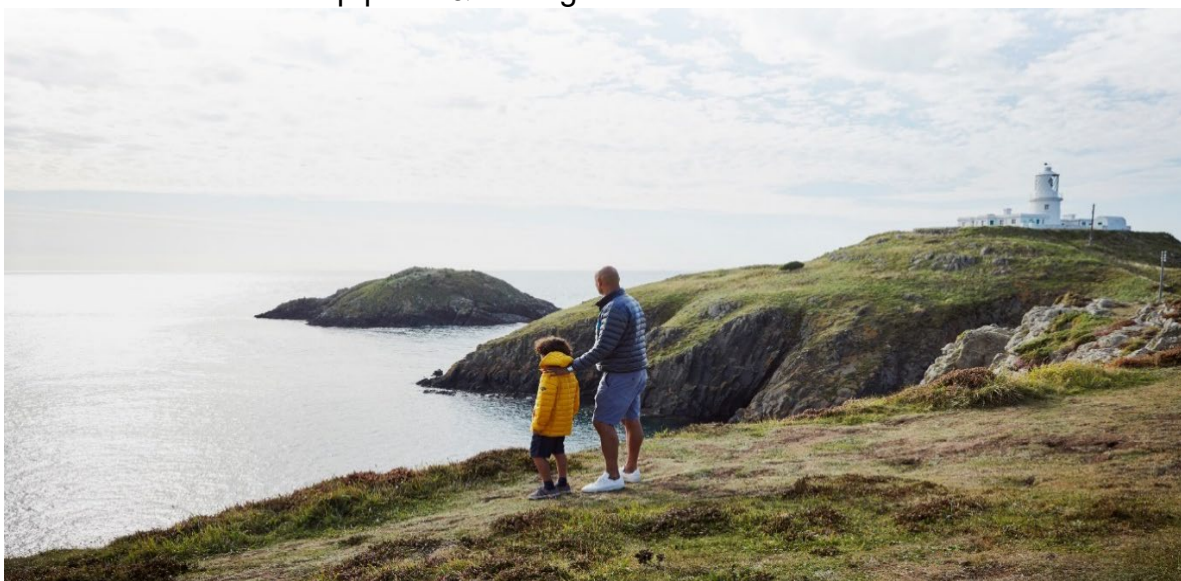
To monitor its effectiveness, the Authority considers evidence from the following sources. These include reports on performance monitoring, risk management, financial and operational matters and informs governance arrangements:

<b>Function:</b>	
<b>Internal audit</b>	The review of the effectiveness of the system of internal control and governance arrangements is informed by the work of the Internal Auditors and their reporting to the Authority. This work is undertaken by an external body. The terms of reference for internal audit require that work is conducted in accordance with standards as set out in the CIPFA Code of Practice for Internal Audit in Local Government. The internal auditors provide an audit opinion which is reported to the Authority.
<b>National Park Officer</b>	The Authority appoints a National Park Officer in accordance with the requirements of the Environment Act (1995) Schedule 7 clause 14 <a href="http://legislation.gov.uk">_Environment Act 1995 (legislation.gov.uk)</a>
<b>Section 151 Officer</b>	The Authority engages an external Section 151 Officer. The role and responsibilities of the Section 151 Officer are detailed in the <a href="http://legislation.gov.uk">Local Government Act 1972 (legislation.gov.uk)</a> . The Authority also complies with the CIPFA “Statement on the Role of the Chief Financial Officer in Local Government”.
<b>Monitoring Officer</b>	The Authority employs an independent Monitoring Officer under Section 5 of the Local Government and Housing Act 1989 to report on the Authority's conduct and standards function.

<b>Data Protection Officer</b>	The Authority engages an external Data Protection Officer, a requirement for Public Bodies under the UK GDPR. The Data Protection Officer assists the Authority to monitor internal compliance, inform and advise on data protection obligations, support completion of Data Protection Impact Assessments and act as a contact point for data subjects and the Information Commissioner’s Office.
<b>External Auditors</b>	Audit Wales act as the Authority’s external auditors and comment on the financial accounts and performance in the annual audit letter. The Auditor General for Wales also carries out examinations to assess the extent to which the Authority has acted in accordance with the sustainable development principle under the Well-being of Future Generations (Wales) Act.
<b>External Regulators</b>	The Authority can be subject to review and investigation by external regulators which include the Well-being of Future Generations Commissioner, Welsh Language Commissioner, Information Commissioner, Health and Safety Executive, Equality and Human Rights Commission and Public Services Ombudsman Wales.

The Authority also considers the following evidence sources to monitor effectiveness and recommend improvements:

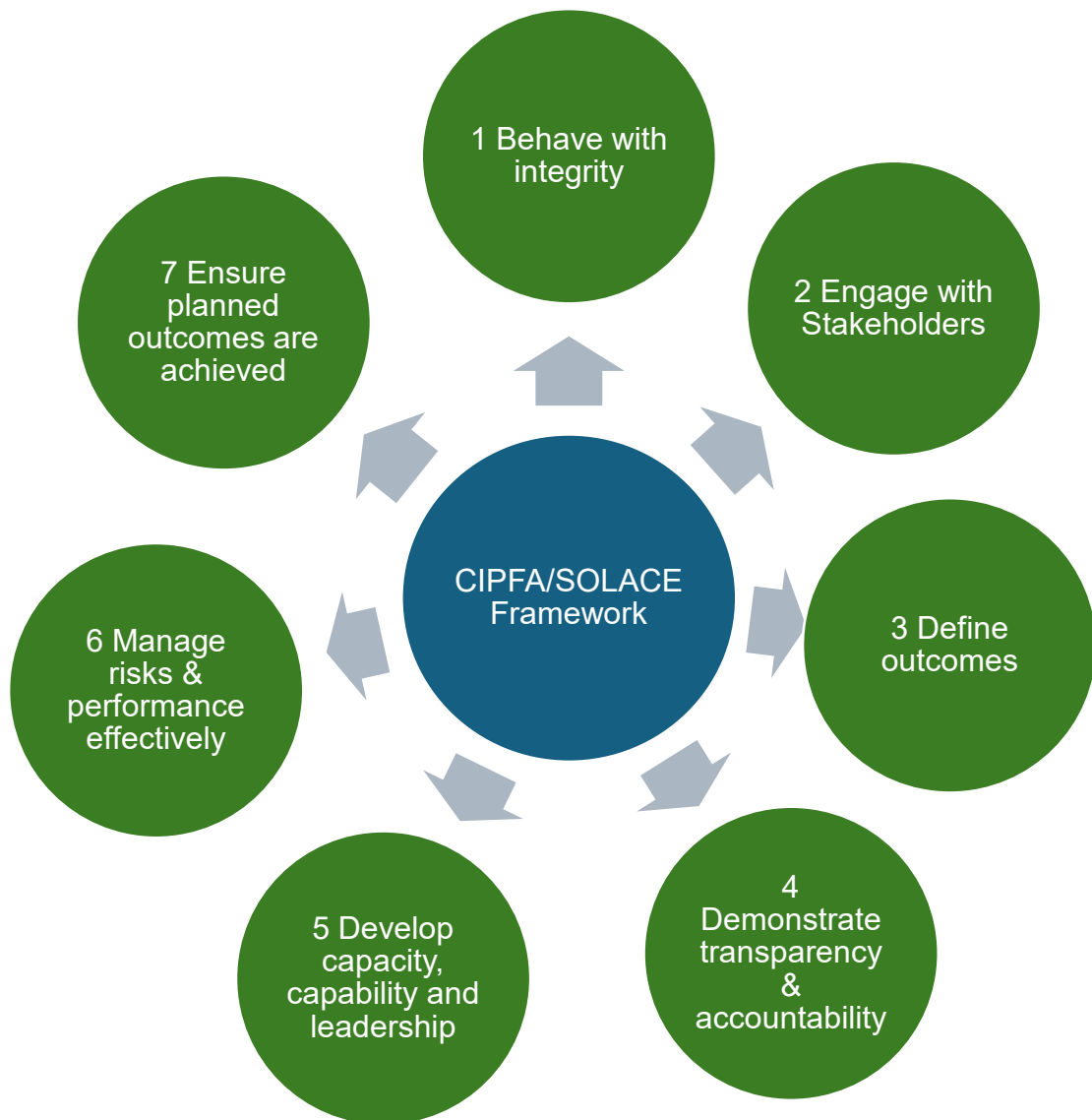
- Employee & Youth forums
- Customer feedback & complaints
- Consultations & project evaluations
- Anti-Fraud & Corruption, Whistleblowing & Safeguarding
- Expert advice & guidance
- Partnership plans & strategies



*Strumble Head*

## 4. What are the Authority's Core Principles of Good Governance

The review of the effectiveness of the Authority systems of governance is undertaken in accordance with the following 7 CIPFA principles. The Authority is committed to delivering these principles and aims to demonstrate robust governance across reporting, monitoring, scrutiny and decision making across the organisation:





## 5. How the Authority Demonstrates its Core Principles of Good Governance

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

The Park's Commitment to Good Governance	How the Park demonstrates these principles
Behaving with Integrity	<p>The Authority has in place statutory plans and objectives that provide a framework to inform and guide its work:</p> <ul style="list-style-type: none"> <li>• The <a href="#">National Park Management Plan 2020-24</a>. During 2023/24 the Authority began the process of reviewing the current National Park Management Plan including holding workshops with Members and initiating a public consultation on the Park's Special Qualities.</li> <li>• <a href="#">Local Development Plan 2</a></li> <li>• <a href="#">Corporate and Resources Plan and Well-being Objectives</a></li> <li>• <a href="#">Equality Plan and Objectives</a>. During 2023/24 the Authority initiated work to review its Plan and Objectives.</li> <li>• <a href="#">Welsh Language Promotion Strategy</a>. During 2023/24 the Authority approved a new Welsh Language Strategy.</li> <li>• <a href="#">Section 6 Biodiversity Signposting document</a></li> </ul> <p>The Authority has in place the following documents that provide a framework to guide decision making and Officer and Member behaviour:</p> <ul style="list-style-type: none"> <li>• <a href="#">Standing Orders</a></li> <li>• <a href="#">Members Code of Conduct</a></li> <li>• <a href="#">Members Planning Code of Conduct</a></li> <li>• <a href="#">Code of Corporate Governance</a></li> <li>• Financial Standards</li> <li>• Standing Orders relating to Contracting Procedures</li> </ul>



	<ul style="list-style-type: none"> <li>• <a href="#">Anti-Fraud and Bribery Policy</a></li> <li>• Employee Code of Conduct</li> </ul> <p>The Authority is committed to providing a high standard of service however recognises that at times things go wrong and that lessons are learnt from mistakes. It has in place the following to support the public and staff to raise any concerns or complaints:</p> <ul style="list-style-type: none"> <li>• <a href="#">Complaints Handling Policy</a>. A revised policy was approved by the National Park Authority on the 20/9/23.</li> <li>• Whistleblowing Policy</li> </ul>
<p>Demonstrating Strong Commitment to Ethical Values</p>	<p>The <a href="#">Standards Committee</a> champion high standards of ethical governance from elected members and the Authority as a whole.</p> <p>The Authority has the Advanced Charter for Member Support and Development. A programme of training and workshop sessions are delivered during the year to Members. In 2023/24 Members also participated in training sessions delivered by Welsh Government on Nature and Climate Emergency, Governance and Diversity and Inclusion.</p> <p>The Authority hosts the Inclusion, Diversity and Governance Excellence Strategic Lead for Welsh National Parks and Areas of Outstanding National Beauty. The Strategic Advisor has an action plan and implementation of this plan will have a positive impact on Authority’s governance, diversity and inclusion activities (including implementation of the Public Sector Equality Duties and Welsh Specific Duties.)</p> <p>The Authority has in place Equal Opportunities, Welsh Language, Environmental, Sustainable Procurement and Safeguarding policies to help promote and implement ethical values in its work:</p> <p>The Authority has developed mechanisms to support it to embed a range of public sector related duties in practice:</p> <ul style="list-style-type: none"> <li>• Each of the Authority’s Delivery Plans set out how they will be implemented to support cross cutting outcomes.</li> <li>• Integrated Assessment Process which informs both plan development and decision making</li> <li>• Staff are required to complete safeguarding and equality training.</li> </ul>



	<ul style="list-style-type: none"> <li>• The <a href="#">Section 6 Biodiversity</a> duty has informed priority action within our Nature Recovery Delivery Plan – “Nature Recovery informing how we operate: Embedding nature recovery in how we operate with focus on access and heritage.”</li> <li>• Initiating work on development of Socially Responsible Procurement Strategy</li> </ul>
Respecting the Rule of Law	<p>The Authority employs a monitoring officer to ensure that Authority decisions are taken in a lawful and fair manner, that correct procedures are followed and that all applicable laws and regulations are complied with. Where necessary, legal advice is sought to inform decision making.</p> <p>The Authority engages a S151 officer who has statutory reporting duties in respect of unlawful and financially imprudent decision making.</p> <p>The Authority ensures that it complies with CIPFA’s Statement on the Role of the Chief Finance Officer in Local Government (2016).</p> <p>Key policies are in place to prevent and minimise the risk of fraud and include Whistleblowing, Anti-Fraud &amp; Bribery and Money Laundering Policies.</p> <p>The Authority has financial regulations and contract procedure rules in place to help prevent and investigate any irregularity.</p> <p>Key policies are in place to minimise risks in compliance areas such as health and safety, safeguarding, cyber security, data protection, equality, sustainability and Welsh language standards. Staff are also required to complete training across compliance areas.</p>



*Puffins - Skomer Island*

**Principle 2: Ensuring openness and comprehensive stakeholder engagement.**

The Park's Commitment to Good Governance	How the Park demonstrates these principles
Ensuring openness	<p>Authority and Committee meetings are held in public and <a href="#">live-streamed online</a> (other than in limited circumstances where consideration of confidential or exempt information means that the public are excluded), <a href="#">with agenda, reports and confirmed minutes</a> available on the Authority's website. This includes performance reports that are provided to the Operational Review Committee and Audit and Corporate Services Review Committee. Annual Reports are published on the Authority's website. Members of the public are able to speak at Development Management Committee.</p> <p>The Authority provides responses to <a href="#">Freedom of Information</a>, Environmental Information and Subject Access requests and has in place a publication scheme.</p> <p>The Authority's <a href="#">website</a> provides information about the Authority's plans, activities and meetings. The Authority issues regular press releases raising awareness of activities and their impact, with information shared across social media. The Authority distributes Coast to Coast to support wider engagement and understanding of the Park. Officers regularly attend community events and carry out outreach activities.</p> <p>The Authority submits quarterly planning performance statistics to the Welsh Government for benchmarking purposes against other Local Authorities. This information is published on the <a href="#">Welsh Government's website</a>.</p> <p>The Authority conducts evaluation activities for externally funded projects.</p> <p>The commitment to openness is also shown through staff and volunteer engagement and information sharing:</p> <ul style="list-style-type: none"> <li>• Staff Representative Forum</li> <li>• Internal communications such as the monthly staff newsletter</li> </ul>

	<ul style="list-style-type: none"> <li>• Staff Meetings, where staff are given an opportunity to engage with and ask questions to senior managers.</li> <li>• Minutes from Management Team meetings, Health and Safety Group and Asset Management Group are published on the staff intranet.</li> </ul>
<p>Comprehensive Stakeholder &amp; Community Engagement</p>	<p>The Authority seeks to engage with local people and stakeholders through a range of consultations. Stakeholders are invited contribute views prior to developing and implementing key changes. Examples from 2023/24 include:</p> <ul style="list-style-type: none"> <li>• The Authority has begun a consultation with residents, visitors, organisations and other stakeholders on a new National Park Plan for 2025.</li> <li>• Between 23/10/2023 and 20/11/2023, the Authority also ran an online public consultation regarding the <a href="#">future of Traeth Mawr</a>.</li> <li>• Between February 2023 and May 2023 the Authority consulted on the following supplementary planning guidance: <a href="#">Seascapes (joint guidance with Pembrokeshire County Council), Trees and Woodland and Loss of Hotels and Guest Houses</a>.</li> <li>• Beach Wheelchair Survey</li> </ul> <p>The Authority has in place a volunteer forum and <a href="#">Youth Committee</a>. The Youth Committee have developed the <a href="#">Pembrokeshire Coast National Park Next Generation Youth Manifesto</a>. Through their mural project young people involved in Youth Committee and wider next generation activities have been engaging with wider young people about the National Park and challenges it faces, including <a href="#">climate change</a>.</p> <p>The Authority's <a href="#">Roots to Recovery project with MIND Pembrokeshire</a> which focuses on the restorative powers of Pembrokeshire's amazing outdoors is an example of a participant led project, where beneficiaries of the project play a central role in shaping what the project delivers.</p> <p>The Authority works with a number of third parties and external bodies to develop plans and deliver cohesive services. These include and not limited to:</p> <ul style="list-style-type: none"> <li>• Welsh Government</li> <li>• Pembrokeshire County Council</li> <li>• Carmarthenshire County Council</li> </ul>

- UK National Parks & National Parks Wales
- Local Access Forum
- Tirweddau Cymru/ Landscape Wales
- Pembrokeshire Public Service Board
- Visit Pembrokeshire
- Corporate Joint Committee for South West Wales
- Pembrokeshire Coast National Park Trust
- Town & Community Councils
- Third sector organisations such as Pembrokeshire Coastal Forum

The Authority enters into partnership agreements to deliver projects and outcomes and works cooperatively to deliver those outcomes.



*Volunteers & staff*

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

The Park's Commitment to Good Governance	How the Park demonstrates these principles
Defining outcomes	<p>Authority outcomes are defined by the following strategic plans:</p> <ul style="list-style-type: none"> <li>• The <a href="#">National Park Management Plan 2020-24</a>. During 2023/24 the Authority began the process of reviewing the current National Park Management Plan including holding workshops with Members and initiating a public consultation on the Park's Special Qualities.</li> <li>• <a href="#">Local Development Plan 2</a></li> <li>• Authority high level strategy</li> <li>• <a href="#">Corporate and Resources Plan and Well-being Objectives</a></li> <li>• <a href="#">Equality Plan and Objectives</a>. During 2023/24 the Authority initiated work to review its Plan and Objectives.</li> <li>• <a href="#">Welsh Language Promotion Strategy</a>. During 2023/24 the Authority approved a new Welsh Language Strategy.</li> <li>• <a href="#">Section 6 Biodiversity Signposting document</a></li> </ul> <p>These outcomes are informed by:</p> <ul style="list-style-type: none"> <li>• Partnership Plans such as the Pembrokeshire Well-being Plan, <a href="#">Pembrokeshire Nature Recovery Plan</a>, <a href="#">Rights of Way Improvement Plan</a> and <a href="#">Pembrokeshire Destination Management Plan</a></li> <li>• <a href="#">Welsh Government term of government remit letter for the National Park Authorities</a></li> <li>• Welsh Government <a href="#">Biodiversity Deep Dive</a> and decarbonisation related strategies</li> <li>• Welsh Government related <a href="#">Equality Plans</a></li> <li>• <a href="#">National Milestones and Indicators for Wales</a></li> <li>• <a href="#">Planning Policy Wales</a></li> <li>• <a href="#">South West Wales Area Statement</a>, <a href="#">Marine Area Statement</a> and <a href="#">State of Natural Resources for Wales report</a></li> </ul>



	<ul style="list-style-type: none"> <li>• Introduction of new duties – Socio Economic Duty under Equality Act, Socially Responsible Procurement Duty</li> </ul> <p>Progress against Outcomes are measured through annual reports, impact case studies, performance reports and other supplementary reports provided to relevant Committees.</p>
Sustainable economic, social & environmental benefits	<p>Both the <a href="#">National Park Management Plan</a> and <a href="#">Local Development Plan 2</a> were subject to sustainability appraisals.</p> <p>The Authority uses integrated assessments, a multi-purpose tool to identify and inform decision making.</p> <p>The Authority’s operational activities are informed by its Well-being Objectives set out in the <a href="#">Corporate and Resources Plan</a>. The Well-being Objectives and steps to implement them support the Authority to meet the sustainable development principles under the Well-being of Future Generations (Wales) Act:</p> <ul style="list-style-type: none"> <li>• <b>Long Term:</b> The world is facing a nature and climate emergency, lack of action now will have long term consequences for future generations and the Park. Supporting action to address these challenges is at the heart of our Well-being Objectives.</li> <li>• <b>Prevention:</b> All our Well-being Objectives are focused on delivering interventions that will look to prevent problems occurring or getting worse across the National Park Area.</li> <li>• <b>Integration:</b> Our Well-being Objectives can only be achieved by taking a strategic and integrated approach with partners. Our delivery plans support an integrated approach maximising cross cutting impacts across our Well-being Objectives.</li> <li>• <b>Collaboration:</b> We have placed collaboration at the heart of all our Well-being Objectives and delivery plans. From experience we know that positive change can only be achieved through working together with others.</li> <li>• <b>Involvement:</b> Our Well-being Objectives can only be achieved by proactively involving and listening to people. Engagement will be used to ensure we develop the right interventions to break down barriers to support a more diverse range of people to take action for nature or experience the outdoors and wonders of the Park.</li> </ul>

Authority has in place an Equality Plan and Objective, Welsh Language Strategy and a Section 6 Biodiversity Signposting document.

The Authority through its annual budget process ensures that financial resources are directed to the Authorities priorities and help develop a 3–5-year medium term plan.

The Authority has Member representation on the [Corporate Joint Committee for South West Wales](#). The Committee will improve the regional planning, co-ordination and delivery of transport, land use planning, economic development and energy.



*Community Beach clean*



**Principle 4: Determining the interventions necessary to optimise the achievement of the intended outcomes.**

The Park's Commitment to Good Governance	How the Park demonstrates these principles
Determining & planning interventions	<p>The Authority's strategies are informed by consultations and a range of assessments.</p> <p>The Authority has in place an integrated assessment process, which helps identify positive and negative impacts and where mitigating actions are needed.</p> <p>A performance reporting management system to monitor performance is in place which highlights progress and achievement against deliverables. The system has a dashboard function to provide quick visual overview of performance in different areas. Performance information is reported to Audit and Corporate Services Review Committee and Operational Review Committee for Members to consider.</p> <p>The Authority's Risk Management Policy sets out the process to identify and control areas of uncertainty which may impact on the achievement of outcomes. This includes the recent development of a risk appetite policy.</p> <p>Budget workshops are held with Members to discuss annual and medium-term financial planning. The budget planning process ensures budgets are prepared in accordance with objectives and strategies. Financial performance is reported regularly to the Audit and Corporate Services Review Committee.</p> <p>The Authority completes Data Protection Impact Assessments to help identify and minimise the data protection risks of projects and activities.</p> <p>Monitoring of incidents, workforce and budgets through the governance structures ensures that issues are identified and appropriate interventions agreed.</p>

	<p>The Authority carries out surveys of the effectiveness of its service delivery through customer satisfaction surveys, performance against quality standards and by monitoring formal complaints.</p> <p>The Senior Leadership Team provides governance, strategic management and decision-making on relevant issues and within delegated powers. It receives minutes and decides upon recommendations/ issues referred to it by Health and Safety Group, Asset Management Group, Staff Representative Group, Retail Group and Safeguarding Group.</p>
<p>Optimising achievement of intended outcomes</p>	<p>The Authority integrates and balances priorities, affordability and other resource constraints through the budget setting process. This helps identify the full cost of operations over the medium and longer term, including both revenue and capital spend budgets and the resources needed. This includes a medium-term financial plan.</p> <p>The Authority has in place delivery plans 2023/24-26/27 which set out priority actions and deliverables, guided by its high-level strategy, Well-being Objectives and budgetary constraints. These plans are reviewed annually to assess whether any changes are needed to the deliverables in advance of the new financial year.</p>



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

Commitment to Good Governance	
Developing the organisation’s capacity	<p>During 2022-23 the Authority undertook a process of restructuring to increase leadership capacity and identify clear lines of accountability. The Authority has been working on embedding this new structure during the year.</p> <p>The Authority has a Health and Safety Project Officer to help develop and strengthen the Authority’s approach to Health and Safety.</p> <p>The Authority hosts the Inclusion, Diversity and Governance Excellence Strategic Lead for Welsh National Parks and Areas of Outstanding National Beauty. This role provides additional support to the Authority in areas of inclusion and governance.</p>
Developing the capability of the Organisation’s leadership & other individuals	<p>Members receive a full programme of induction to introduce the remit of the National Park Authorities and how they operate within the Governance of Wales.</p> <p>The HR Committee meet on a quarterly basis. The Authority ensures that all barriers to training are removed to encourage inclusivity. The committee reviews progress against the training plan which is updated annually. The Authority has the Advanced Charter for Member Support and Development. A programme of training and workshop sessions are delivered during the year to Members. In 2023/24 Members also participated in training sessions delivered by Welsh Government on Nature and Climate Emergency, Governance and Diversity and Inclusion.</p> <p>Mandatory online training in in place for staff on data protection, health &amp; safety, cyber security, equality and safeguarding. During 2023/24 a programme of IOSH Managing Safely courses has been delivered to staff.</p>

Other learning and development needs are identified through the annual performance review cycle. This informs the organisational development plan and individual training needs.

Professional Development Programmes are utilised through Pembrokeshire County Council and Academy Wales.

Staff who are members of professional bodies are required to undertake relevant continual professional development.

The Authority is committed to promoting the physical, mental health and wellbeing of the workforce. This is achieved through an employee assistance programme, HR policies, availability of flexible and hybrid working as well as referral to occupational health and other health benefits. During the year the Authority hosted a Well-being-day for staff.



**Principle 6: Managing risks and performance through robust internal control and strong public financial management.**

Governance	
Managing risk	<p>The Authority operates a risk management framework that aids decision making in pursuit of the organisation’s strategic objectives, protects the Authority’s reputation and other assets and is compliant with statutory and regulatory obligations. The Corporate Risk Register is part of this framework and summarises the key risks. It is used to inform decision making, provide assurance over actions being taken to manage key risks and to inform management planning and mitigation activities. Named risk managers are identified in the Register for its key strategic risks.</p> <p>During the year the Authority reviewed its approach to risk with the development of a new risk management policy, this will inform the development of a new risk register template for future monitoring. Officers are working with Members to set the Authority’s risk register. The Authority also reviewed its appetite for risk and produced a risk appetite statement to address how the Authority deals with risks while working to achieve its objectives. This has been incorporated into the Risk Management framework and is being embedded into our approach to managing risks.</p> <p>Key registers are in place to record members’ and officer’s personal and business interests as well as a register of gifts and hospitality. These aim to avoid issues of conflict of interests in conducting Authority affairs.</p> <p>Business continuity arrangements are in place to ensure services can continue to be delivered in the event of interruption. An updated business continuity plan and disaster recovery plan was developed in 2023/24 and presented to Audit and Corporate Services Review Committee.</p> <p>The Authority has a Health and Safety Officer to help embed health and safety practices and has health and safety risk assessments in place to help mitigate risks.</p> <p>Data Protection Impact Assessments are completed as required to minimise data protection risks.</p>

<p>Managing performance</p>	<p>The Authority has a performance reporting management system in place to ensure that a robust system of performance information is produced to highlight the impact of the work undertaken by the Authority. The system has a dashboard function to provide quick visual overview of performance in different areas.</p> <p>The Authority has developed a new performance framework during 2023/24 with a new set of performance reports for Committees, some of these reports were piloted in 2023/24 with relevant Committees:</p> <ul style="list-style-type: none"> <li>• <a href="#">Well-being Objectives Performance Report – Progress against Priority Indicators/ Projects/ Work Programmes</a></li> <li>• <a href="#">Assurance Monitoring Report – Compliance, Public and Statutory Duties and Corporate Improvement (including Planning Performance)</a></li> <li>• Partnership Framework Monitoring Report</li> </ul> <p>Staff routinely submit case impact studies that provide wider insight into the impact of the Authority’s work.</p> <p>Annual reports are published on the Authority’s website, including:</p> <ul style="list-style-type: none"> <li>• <a href="#">Annual Report on Meeting Well-being Objectives</a></li> <li>• <a href="#">Welsh Language Standards Annual Report</a></li> <li>• <a href="#">Local Development Plan 2 Annual Monitoring Report</a></li> </ul> <p>The Authority submits quarterly planning performance statistics to Welsh Government, this enables the Authority’s performance to be benchmarked against other planning Authority’s.</p> <p>The Authority submits its annual carbon emissions to Welsh Government as part of Public Sector Net Zero reporting requirements.</p> <p>The Authority takes into account recommendations from both local and national performance of Audit Wales.</p>
<p>Robust internal control</p>	<p>The Authority has robust internal control processes in place, which support the achievement of its objectives while managing risks. The Authority’s approach is set in the risk management policy, register and internal audit plan.</p>



	<p>The Authority has an Audit and Corporate Services Review Committee which provides an independent and high-level resource to support good governance and strong public financial management. The Committee provides a mechanism for effective assurance regarding risk management and the internal control environment.</p> <p>Recommendations for improvement made by the Internal Auditors are agreed and monitored.</p> <p>The Authority maintains clear policies and arrangements in respect of counter fraud and anti-corruption. These are the Anti-Fraud and Bribery Policy, Whistleblowing Policy &amp; Anti Money Laundering Policy.</p> <p>The Monitoring Officer ensures compliance with established policies, procedures laws and regulations.</p> <p>The Data Protection Officer provides governance and oversight activities in terms of Data Protection.</p> <p>Staff are required to complete mandatory training on data protection, cyber security, health and safety, safeguarding and equality.</p> <p>Internal groups are in operation for Health and Safety and Safeguarding. The Chief Executive sits on both groups.</p> <p>The Authority has in place a scheme of delegation for planning matters.</p>
Strong public financial management	<p>The Authority's approach to Financial Management ensures that public money is always safeguarded, ensuring value for money. Its approach supports both long-term achievement of objectives, and shorter term financial and operational performance. The Head of Finance ensures that appropriate advice is given on all financial matters, proper financial records and accounts are kept, and oversees an effective system of internal financial control. The Authority has financial regulations and contract standing orders in place which underpin the financial arrangements. The Financial Management Code (FM Code) sets out the standards of financial management and is adopted by the Authority.</p> <p>The S151 officer has statutory reporting duties in respect of unlawful and financially imprudent decision making.</p>

	<p>Senior managers and budget holders are provided with monthly reports on financial and budget performance. This supports financial management, the delivery of services and promotes good stewardship.</p> <p>Budget workshops are held for Members to discuss annual and medium-term financial planning. A <a href="#">draft Budget Planning report</a> is presented to the National Park Authority every February.</p> <p>Budget Performance Reports are provided to the Audit and Corporate Services Review Committee.</p> <p>The Annual Statements of Accounts and its performance against key areas of risk are subject to scrutiny by external auditors. Audit Wales passes an opinion on its review of the Authority’s performance and Statements of Accounts which is recorded in the AWO Improvement Assessment Letter and the ISA 260 report.</p> <p><a href="#">National Park Authority approved</a> the setting up of Members and Officers group on income diversification.</p>
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**Principle 7: Implementing good practices in transparency, reporting, and audit to deliver effective accountability.**

The Park’s Commitment to Good Governance	How the Park demonstrates these principles
Implementing good practice in transparency & reporting	<p>Strategic plans are subject to consultation, National Park Authority approval and are published on the Authority’s Website.</p> <p>All Authority and Committee meetings, agendas and papers are available to the public via the <a href="#">Authority’s website</a> and <a href="#">live streamed online</a>, unless explicit resolution not to do so for reasons of overriding commercial or other personal confidentiality.</p>



	<p>Annual Reports are presented to the National Park Authority for approval and are published on the Authority's website. Where appropriate, Annual Reports are shared with Welsh Government, Audit Wales and the Office of Future Generations Commissioner for Wales.</p> <p>The Annual Governance Statement provides transparency on governance arrangements and its effectiveness and identifies planned improvements.</p> <p>The Authority permits the public with the right to speak at meetings of the Authority's Development Management Committee.</p> <p>The Authority's performance reporting management system ensures that a robust system of performance monitoring is in place and enables effective performance reporting to the Operational review committee and Audit and Corporate Services Review Committee.</p>
<p>Assurance to deliver effective accountability.</p>	<p>Member scrutiny via <a href="#">Committees</a> is key in delivering effective accountability.</p> <p>Internal audit arrangements provide assurance that key risks are managed and that a sound system of internal control is in place.</p> <p>External audit (Audit Wales) provides assurance that performance is managed and that the use of public money is safeguarded. The Auditors opinion on the Statement of Accounts is published on the Authority website as well as Audit Wales. The Authority acts on recommendations and, where necessary, takes corrective action.</p> <p>Recommendations from inspection &amp; regulatory bodies, where relevant, including good practice and any lessons learned are implemented and monitored.</p> <p>Members are required to declare and record all relevant interests in accordance with the Code of Conduct. These are noted in committee minutes on each occasion. Any related transactions and conflict of interest can thereby be identified and appropriately managed.</p>



## 6. Governance Improvement Actions from 2023-2024

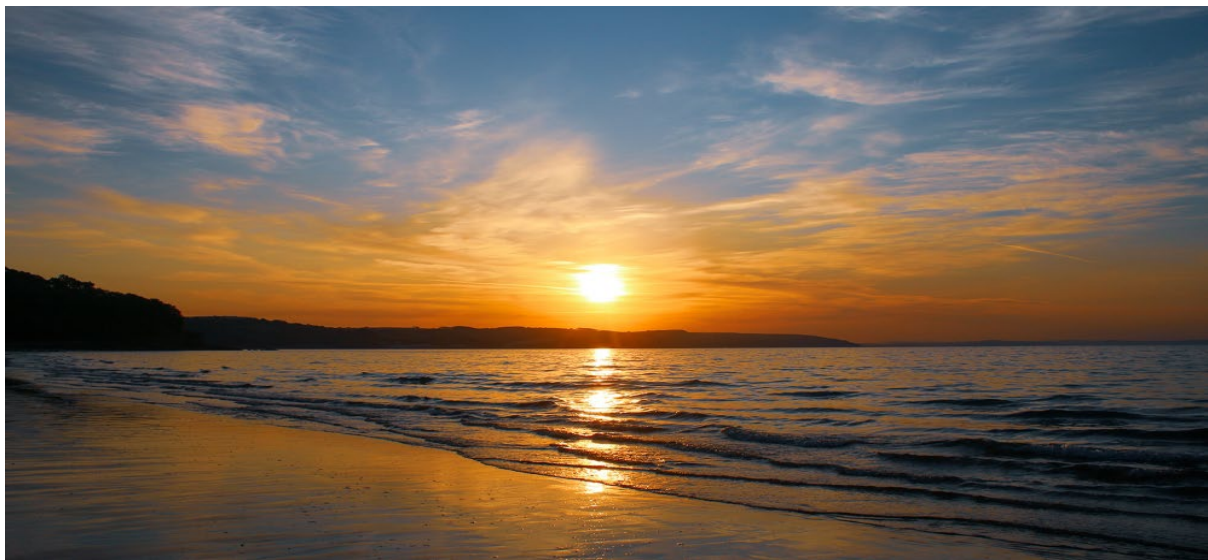
The Authority has a legal responsibility to conduct an annual review of the effectiveness of its governance framework, including the systems of internal control. After conducting this review, the Authority has assurance that its governance arrangements and systems of control are robust and reflect the principles of the Code of Corporate Governance.

The Annual Governance and improvement assessment 2022-23 contained the following improvement actions. This is how they have been addressed during 2023-24:

Improvement Area	Planned Action	Responsibility	Progress
Health and Safety	Undertake a review of management of health and safety	Health and Safety Project Officer	<p>Health and Safety Policy and associated policies reviewed.</p> <p>A programme of IOSH Managing Safely courses has been delivered to staff.</p> <p>Staff Safety Culture Survey carried out to inform future priorities.</p> <p>New risk assessment template has been developed and adopted. A one-day risk assessment course has been developed and delivered. Work is ongoing to update and move risk assessments into new risk assessment template with implementation of new document storage and control process.</p>
Improve record management processes and practices	Continue implementation of Microsoft 365 across the organisation, including exploring functionality opportunities for	Record Management Group. Management Team.	A record management group with key officers has been put in place to support this work. Work has been initiated to restructure the F Drive to reflect new organisational structure. This has involved data movement

	Sharepoint alongside implementing improved record management processes and practices		sessions with officers which also provided an opportunity to engage with them about how Teams could be best used by their departments. This work is ongoing. New staff intranet has been developed, including creation of corporate document hub.
Mid-term financial planning and cost pressures	Continue to work with Members and Welsh Government to manage mid-term financial challenges and pressures.	CEO, Head of Finance and Fundraising, Management Team.	Budget workshop held during December 2023. Plans to present a deficit budget in February 2024 and work identified with Management team to develop options for reducing the deficit. Members Income Diversification group set up.
Review of Corporate Policies	Undertake activities to support delivery of Corporate Improvement Project on management and communication of Corporate Policies and Standards	Performance and Compliance Officer.	New template in place. Corporate Policy section developed for new staff intranet. Existing policies have all been moved to central location in terms of Corporate Policy Review Microsoft Team to help address document control and management issues. Ongoing work of reviewing and moving policies to new template
Pay and Grading Review	Complete and review outcome of Pay and Grading Review	Head of People Services	The review, following some delays because of changes in staffing, is now making good progress with an estimated implementation date of September 2024.
ICT Disaster Recovery	Implement recommendation of internal auditors	Head of Decarbonisation	Disaster Recovery Plan completed and has been shared with Audit and Corporate Services Review Committee. The review of the ICT user policy and Data and Information security policy

			has considered the DR plan
Welsh Language Strategy	Completion and publication of Welsh Language Strategy.	Democratic Services Manager	Welsh Language Strategy approved by National Park Authority and published on Authority website.
Review of Governance	Implement agreed recommendations from Audit Wales review of Governance	Chief Executive	Draft report received during the year; however final report was not published until June 2024.



*Saundersfoot at sunrise*



*Carew Castle*

## 7. Governance Improvement Action Plan 2024-2025

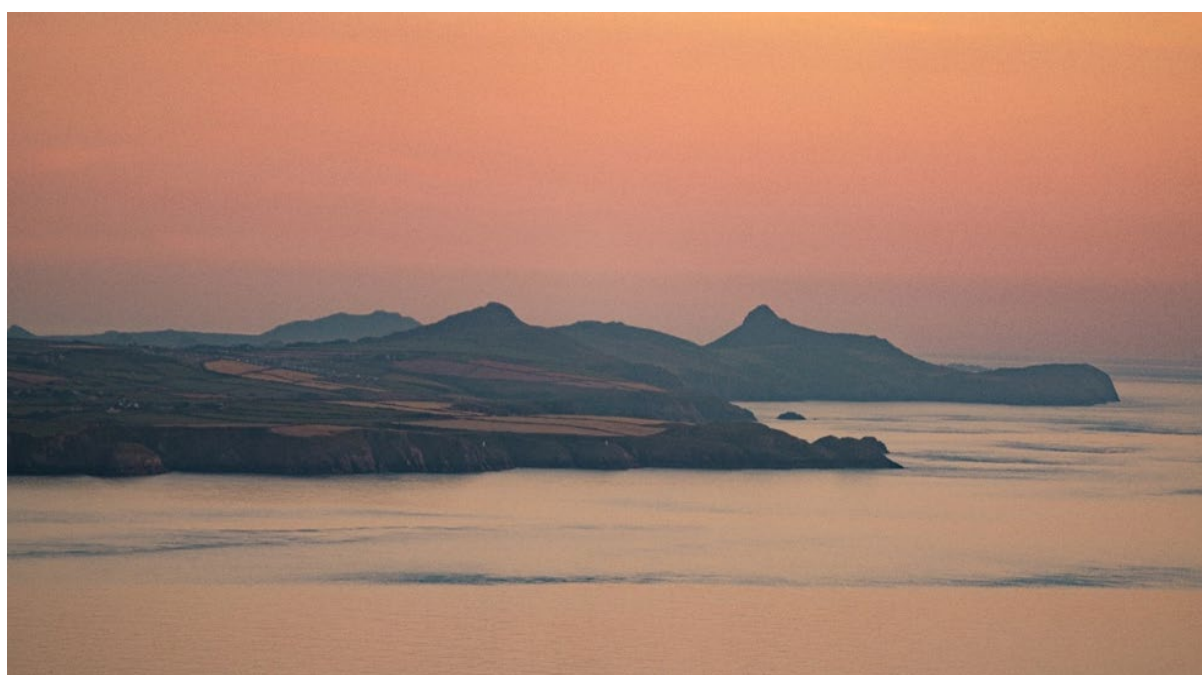
The actions planned for 2024-25 are summarised in the table below and identify the current key weaknesses of the Authority's governance arrangements which have been highlighted through its annual review. Progress will be reported to the Audit & Corporate Services Review Committee as illustrated above and monitored by the Senior Leadership Team. Progress against actions is monitored on the Authority's Performance Reporting System.

<b>Improvement Area</b>	<b>Planned Action</b>	<b>Forum/ Committee</b>	<b>Responsibility</b>	<b>Target date</b>
Procurement processes / Socially Responsible Procurement	Review of procurement approach and processes to take account of legal changes at Welsh and UK Government level and challenges of decarbonisation.	National Park Authority	Chief Executive, Monitoring Officer, Head of Finance and Fundraising and Head of Decarbonisation.	March 2025
Budgetary Planning	Strengthen the budgetary planning process through departmental consultation. Encourage financial resilience and develop greater agility to respond to economic and funding challenges.	National Park Authority	Chief Executive and Head Finance and Fundraising	January 2025
Equality, diversity and inclusion	Approval and publication of revised Equality Plan and Objectives.	National Park Authority.	Performance and Compliance Officer. Head of People Services. Head of Engagement and Inclusion.	December 2024
Staff development	Continue to develop the capability of our workforce to support the delivery of our corporate plan including	HR Committee	Chief Executive and Head of People Services	March 2025



	updating and reviewing our HR policies and embedding the Authority's new organisational structure as implemented in 2022-23. A detailed assessment of its operational training is planned.			
Pay and Grading Review	Complete and review outcome of Pay and Grading Review	HR Committee	Head of People Services	September 2024
Health and Safety – Risk Assessments	Review and update of Risk Assessments to new template following recommendation from Internal Audit	Audit and Corporate Services Review Committee	Management Team. Team Leaders. Health and Safety Project Officer.	March 2025
Improve record management processes and practices	Continue implementation of Microsoft 365 across the organisation, including exploring functionality opportunities for Sharepoint alongside implementing improved record management processes and practices. Implement agreed actions following internal audit review of Information, Cyber Security and Data Protection.	Audit and Corporate Services Review Committee	Record Management Group. Management Team. Team Leaders.	March 2027 (Long Term Project)

Review of Corporate Policies	Continue activities to support delivery of Corporate Improvement Project on management and communication of Corporate Policies and Standards	Audit and Corporate Services Review	Policy area leads within Management Team. Performance and Compliance Officer.	March 2025
ICT Policies	Approval of new ICT User Policy and Information and Data Security Policy	National Park Authority	Head of Decarbonisation.	September 2024.
Review of Governance	Implement agreed recommendations from Audit Wales review of Governance. Review of committee terms of reference and review of committee structures.	National Park Authority /Audit and Corporate Services Review Committee	CEO. Head of People Services. Democratic Services Manager.	March 2025



Garn Fawr



## 8. Governance Opinion & Conclusion

The Authority recognises that good governance provides the foundation for the delivery of good quality services that meets the needs of stakeholders and ensures that public money is well spent.

The Authority is satisfied that appropriate governance arrangements are in place and is committed to:

- Continual improvement through the implementation of the action plan for 2024-2025.
- Continual review and monitoring of its governance effectiveness.
- Commitment to adhering to the CIPFA/SOLACE code of corporate governance in local government.

Signed: ..... **Councillor D Clements, Chair**

Signed: ..... **Tegryn Jones, Chief Executive**



*Preseli - Foel Drygarn*