

NAME OF COMMITTEE	Executive
DATE	29 January 2015
REPORT TITLE	South Devon and Tamar Valley Areas of Outstanding Natural Beauty (AONBs): Update on Memoranda of Agreement and related matters
REPORT OF	Natural Environment & Recreation Manager
WARDS AFFECTED	For Tamar Valley AONB: Bickleigh & Shaugh; For South Devon AONB: Allington & Loddiswell; Avon & Harbourne; Brixton & Wembury; Charterlands; Dartmouth & Kingswear; East Dart; Erme Valley; Kingsbridge; Newton & Noss; Salcombe & Malborough; Saltstone; Skerries; South Brent; Stokenham; Thurlestone; West Dart; Westville & Alvington; Yealmpton.

Summary of report:

In October 2014 Executive received a report on various matters relating to the South Devon and Tamar Valleys AONBs (Minute E33/14). This item presents an update on those matters. Progress is reported but a range of issues still need to be concluded.

Financial implications:

As reported in October 2014 entering into agreements for 2015/16 would require commitment of budgets for the next financial year under the "Environmental Initiatives" budget head. If SHDC tracked other partners and maintained 15/16 levels at 14/15 levels then this would amount to

- South Devon AONB Core Budget £ 23,200
- South Devon AONB Project Budget £ 9,700
- Tamar Valley AONB Core Budget £ 580

Liabilities in relation to potential redundancy scenarios were reported to the October meeting.

RECOMMENDATIONS:

That the Executive resolves:-

1. To note progress in relation to renewed Memoranda of Agreement for the South Devon AONB and Tamar Valley AONB.
2. To note progress in relation to structured reviews of the future options for delivery of both AONB delivery programmes from 16/17 onwards and to instruct officers to report back to Executive on preferred options
3. To note outcome of the Cornwall Council budget setting in relation to Tamar Valley AONB funding

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1. BACKGROUND

- 1.1 The October 2014 Executive received a detailed report on a variety of matters relating to the management of the South Devon and Tamar Valley AONB's (Minute E33/14). Members are referred to the item and minutes for the background detail. Members requested an update to the January Executive in order that progress could be monitored.
- 1.2 Three matters were reported and are updated below.

2. ISSUES FOR CONSIDERATION

- 2.1 **Memoranda of Agreement (MoAs).** As reported the existing MoAs conclude at the end of March 2015. Defra has indicated that whilst it intends to continue to fund the work of the AONB units in 2015/16 that this would be by way of a grant rather than as a funding partner to any renewed MoA. The implications of this were recognised and Executive agreed to enter local MoAs for both South Devon and Tamar Valley AONBs for 2015/16 with other Local Authorities.

- 2.2 In terms of the Defra position there has been no update to the indicative funding position originally given for 15/16. Whilst there has been other correspondence (e.g. replies from Lord de Mauley to Cornwall Council and to Blackdown Hills AONB), all this has done is repeat what is already known, that there will be some form of announcement on AONB funding at some point after the election which will allow Councils “*the necessary time and security to plan for 2016-17 and beyond*”.
- 2.3 For South Devon AONB the MoA will lie between Devon County Council and SHDC. As a party to 5 MoAs DCC has taken on the redraft of a simplified locally focussed MoA by excluding Defra and converting it to a one year agreement. Work is underway and a proposed agreement is awaited from DCC with the aim of concluding a signed agreement for the start of the next financial year.
- 2.4 For Tamar Valley AONB the MoA will lie between Cornwall County Council, Devon County Council, West Devon Borough Council and SHDC. As for South Devon, DCC has taken on the redraft of a simplified MoA. The proposed agreement is awaited from DCC with the aim of concluding a signed agreement for the start of the next financial year.
- 2.5 **Structured review of the AONB services.** The uncertainties over future funding have led to both AONB Partnerships (supported by the AONB teams) to commence structured reviews of future delivery options. In both cases this has been delegated to Task and Finish Groups.
- 2.6 In respect of the South Devon AONB the Task and Finish (T&F) group will have met three times by the date of the Executive meeting (29th Sept, 3rd Dec and 22nd Jan). The 22nd Jan meeting will look in detail at options and evaluation and a verbal update will be given. As was reported at the previous Executive a nominal 15 – 20 % reduction generated through a T18 Activity Analysis will be used as a benchmark for testing.
- 2.5 The long list of options being considered included the following. Further details are within the Task and Finish Group papers which can be provided.
- *Continue the existing arrangements*
 - *Stop providing an AONB management service*
 - *Move the AONB Unit into the Council’s T18 operating model*
 - *Merge with another Devon AONB Unit*
 - *Externalise the AONB Unit to another organisation*
 - *Establish a parallel trust or community interest company*
 - *Establish a new regional AONB host organisation*
 - *Commission AONB services from an external organisation*

2.6 The T & F group has also looked in detail at how best to evaluate the outcomes of the work of the AONB teams and to seek to prioritise these. The group has sought detailed review of the legislation and government guidance as part of this work. For each option, the emerging evaluation criteria being presented to the 22nd Jan T & F group include

- *Compliance with statutory duties*
- *Compliance with Defra funding requirements*
- *Compliance with AONB Management Plan policies*
- *Effectiveness of delivery*
- *Ease of implementation*
- *Scale of legal, financial and contractual complexity*
- *Added value and value for money*
- *Durability*

2.6 The intention is to conclude the options review by the end of the financial year. This will give preferred travel of direction for consideration by the AONB Partnership and the funding partners (including SHDC thus generating a detailed recommendation back to Executive in due course). It will then need to be concluded whether a particular route is commenced at that time (for example an external trust model) or whether the work be held awaiting further feedback from Defra under the new administration post May. Conclusion of the review, and an understanding of the strengths and weaknesses of various options will allow an informed and agile response to future funding announcements from Defra.

2.7 The situation for the Tamar Valley AONB is similar. Cornwall Council is the host authority and has been considering future AONB arrangements in detail as part of its recent budget setting (see para 2.9 below). Given the similarity to the future options for South Devon AONB the Tamar Valley AONBs T&F group is awaiting the outcome of the emerging South Devon work before progressing.

2.8 Devon AONB Managers' met before Christmas to share experience of the process of review and examination of future options. One suggestion was to investigate the potential for Heritage Lottery Fund Transition Funding to scope, identify and provide some resource for establishing mechanisms to help AONBs become more resilient in the future. Initial discussions have indicated that an application of this nature may be considered favourably

2.9 **Cornwall Council Funding.** As reported previously CC were considering a withdrawal of funding after 2015/16. This was a matter of concern – and raised a substantial number of responses to the consultation. CC has reviewed its position and is now holding over any future decision on funding pending further information from Defra for 2016/17 and beyond. It is assumed the promised Defra clarification (see para 2.2) will assist CC in planning appropriately. Clearly the Review of delivery options needs to be well advanced so the partners can respond rapidly and positively for 2016/17 and beyond.

3. LEGAL IMPLICATIONS

- 3.1 The Countryside and Rights of Way Act 2000 gives local authorities an explicit statutory duty to prepare and publish a management plan for each of their AONBs, and to review it every five years. The Act also requires local authorities to have regard for the purposes of the AONBs in conducting their functions.
- 3.2 The Council has the ability to undertake activity in relation to AONBs under General Powers of Competence within the Localism Act 2011.
- 3.3 The terms of the existing MoA are generally acceptable and it is anticipated DCC will be formulating an interim 15/16 version for consideration by funding partners. Subject to this being acceptable to the Council it will be reviewed by Support Services for suitability prior to signing.

4. FINANCIAL IMPLICATIONS

- 4.1 As already agreed it is proposed that new one year MoAs be entered into for both South Devon and Tamar Valleys AONBs for the year 15/16. At this stage it is assumed this will be based on the 14/15 level of funding.

5. RISK MANAGEMENT

- 5.1 The strategic risk management implications are set out below:

Corporate priorities engaged:	Economy, Environment
Statutory powers:	Countryside and Rights of Way Act 2000. Section 111 of the Local Government Act 1972. Section 2 of the Local Government Act 2000 (the well-being power).
Considerations of equality and human rights:	N/A
Biodiversity considerations:	The AONB Management Plan takes these matters into consideration.
Sustainability considerations:	The AONB Management Plan takes these matters into consideration.
Crime and disorder implications:	N/A
Background papers:	Tamar Valley AONB: <ul style="list-style-type: none">• Management Plan 2014 - 2019.• 2011 - 2015 Memorandum of Agreement.• Annual report 2013-2014.

	South Devon AONB: <ul style="list-style-type: none">• Management Plan 2014 - 2019.• 2011 – 2015 Memorandum of Agreement.• Annual report 2013 -2014.
Appendices attached:	None

STRATEGIC RISKS TEMPLATE

No	Risk Title	Risk/Opportunity Description	Inherent risk status				Mitigating & Management actions	Ownership
			Impact of negative outcome	Chance of negative outcome	Risk score and direction of travel			
1	Financial	Council is exposed to financial liabilities for staff and redundancy costs	3	3	9	↔	<p>Seek equitable arrangements for 15/16</p> <p>Seek stable long term funding and operational position through review</p>	Ross Kennerley
2	Legal	Need to adhere to current MoA and seek secure position for 15/16 onwards	3	3	9	↔	<p>Ensure any actions don't breach current MoA and expose Council to legal (and potentially financial) liability</p>	Ross Kennerley
3	Reputational	Impact on AONB delivery programme, team and partnership	3	2	6	↔	<p>Participate in managed and structured review of future options</p> <p>Seek external validation of process</p>	Ross Kennerley

Direction of travel symbols ↓ ↑