

BIOSPHERE ADAPTATION – BRIEFING NOTE

1. Background

In November 2002 UNESCO, through the Man and Biosphere (MAB) Programme, agreed the designation and extension of the World Biosphere Reserve, centred on Braunton Burrows but covering the entire river basins of the Taw and Torridge in North Devon. A Biosphere has three functions of conservation, sustainable economic and social development and education and research.

Within the designation, the former North Devon Coast and Countryside Service (NDCCS), funded mostly through the local authorities, was named by UNESCO as the managing body due to its broad remit and the future governance structure that was proposed at that time. The designation did not bring funding direct from UNESCO or central government but it did give the area a special status that should have made it attractive to other funding organisations that understand its unique nature.

However, this global accolade required a change in emphasis of traditional countryside services provision that had operated in northern Devon through the NDCCS, to one of strategically co-ordinating and highlighting the functions of the Biosphere Reserve especially related to the less familiar areas of sustainable development, education and research. Therefore, since that time there has been an ongoing debate about how the functions of the Biosphere may best be delivered during a decade of local authority budget restraint.

There has been a seemingly constant need to explore adaptation issues for the Biosphere Team in the light of on-going financial pressures on local authority budgets and the likely future withdrawal of part of the core funding by local authority partners. Various re-organisations of the former NDCCS and then NDABS (now split into the ND AONB Team and the Biosphere Team who work alongside each other) have been attempted over the last few years; however none has succeeded in moving away from a model based on local authority hosting. A short summary of the above history is provided in Appendix 1 and the various options papers produced over the years can be made available on request.

However, it is now likely that the critical threshold in relation to local authority core funding will be reached by April 2014 and therefore it is now essential to proactively consider other operating models. In summary, the objective in considering future models for the Biosphere Partnership and the associated staff team, is to reduce the reliance on local authority funding and hosting, possibly through some form or degree of externalisation and increased reliance on suitable locally-based bodies, such as the Biosphere Foundation or others.

2. Existing Governance

There are a number of organisations currently in place linked to delivering the aims of the Biosphere:

Biosphere Team: comprises four full-time posts – the Manager; a Landscape and Biodiversity Officer and Outreach Co-ordinator who both focus on delivery of the Biosphere Strategy Action Plan including externally funded projects; and a Field Officer (Access and Interpretation) focusing on the management of the Tarka Trail and South West Coast Path National Trail. There is also a 0.6 fte post providing administrative support.

Biosphere Partnership: a range of stakeholders and organisations responsible for co-ordinating and delivering the Biosphere Strategy and Action Plan and advising on policy. The position of Chair is independent and voluntary. A number of Working Groups have been established covering specific topics such as Biodiversity, Marine and Research.

Biosphere Executive: formed of the Partnership Chair and officer representatives of the three funding local authorities and Natural England. It makes decisions related to financial and staffing issues and advises the Partnership on policy issues.

Biosphere Foundation: a not for profit, limited by guarantee, organisation registered with ENTRUST as an environmental body. It currently has four Directors and is dedicated to furthering the aims of the Biosphere Partnership.

Tarka Country Trust: a charitable body established in the 1990's to promote conservation and education across north Devon. It has very limited resources.

3. Budget Considerations

The three local authority partners (Devon County Council, North Devon Council and Torridge District Council) have all indicated that their current contribution to the Biosphere will be maintained and is secure over the current financial year, 2013/14. Additionally, the move from Bideford Station to the Civic Centre has reduced costs for the Team and has provided further reassurance for the 13/14 budget. Thus 13/14 should be a stable year for the Team based on the current staff complement and a suite of existing projects to which the Partnership is committed (NIA, TRIP, etc)

However, recent Government announcements about public finances have indicated that further significant reductions in local authority budgets are now expected through to 2017. In the light of outstanding savings required through the original Comprehensive Spending Review and the resulting DCC's Service Prioritisation exercise and the expectations of further significant budget reductions by all three local authority funding partners, it is important to anticipate the likely implications for the Biosphere Reserve. In particular, the Team is very heavily dependent on the DCC contribution. There is an expectation that significant additional savings will have to be found across DCC's Environment Group which will have direct implications for the Biosphere Team. The two District Councils have indicated similar concerns for 2014/15 onwards.

Moreover, future rental incomes linked to DCC property assets associated with the Tarka Trail, (currently showing at £30k as in 12/13) mean there will be £6k less in 13/14 and from 14/15 income will be reduced by £15k further exacerbating the anticipated reductions in local authority funding for the Biosphere.

While the Biosphere Team is hosted by Devon County Council, some of the unseen costs of hosting are absorbed by the host authority eg legal, HR, financial and IT support. There are also benefits to the staff from local authority hosting in terms of conditions of service, the pension scheme and nationally negotiated pay. These factors will need to be considered in any future operating model.

Certain posts are closely tied to externally funded projects eg NIA and TRIP. There are moral obligations on the Biosphere Team funding partners to support these projects through this "in-kind" staff input until March 2015

4. Description of Task and Objectives for the Adaptation Review

In summary, the task is to develop a structure for future operation to ensure a long term sustainable solution to management of the Biosphere. In undertaking this task, there are a number of objectives and principles that should be taken into account:

- Recognition that the exercise is not just about finding alternative funding sources to carry on business as usual. There needs to be new leadership for the Biosphere from the Foundation and Partnership rather than from a local authority employee.
- Initial transitional arrangements should be put in place for April 2014 but that core funding reductions from the local authorities need to be phased to allow more than 12 months to make the necessary long-term changes to the structure of governance for the Biosphere to avoid risk of losing much of value in the Biosphere work, and also to fulfil the Biosphere obligations to the externally funded projects.
- Recognise that unlikely to come up with a single and simple alternative approach to the current operational model and that potentially there will be a range of split options between different organisations.
- The Biosphere Partnership should remain as a functioning entity and possibly with enhanced responsibilities.
- The new Biosphere Strategy for 2013-2018 should be assuming that there is a different operating model in place to deliver its Action Plan.
- There needs to be an entrepreneurial approach.
- Local authorities are still committed to the Biosphere. Although contributions will reduce, local authority funds could be used for match funding in external funding bids rather than to employ a core team.
- Ensure through UK-MAB that the final recommendation complies with the designation requirements.

5. Methodology

DCC is hoping to provide some funding support during 2013/14 for the process of exploring and moving towards a new operational model for the Biosphere Reserve which will be 'fit for purpose' in the new economic environment. This funding may be used to commission a consultant to provide external advice and support, and feasibility testing of options. There is likely to be a staged approach to this process and the Biosphere Manager is preparing a paper setting this out. A company, Assist Social Capital (www.social-capital.net) has been developing work on social enterprises in the Scottish Biospheres and there may be external funding sources to help the feasibility testing eg European Citizens Programme, Big Lottery.

However, there are a number of immediate tasks with additional external support possibly through a Consultant:

- Define the core tasks that need to be undertaken eg strategy development, external funding bid writing, and which organisation might be best placed to do this. Define current tasks that are not necessary, eg line management and corporate requirements of a host authority, where savings may be made.
- Consider what is of immediate importance for the successful continued operation of the Biosphere Reserve and what new project areas of activity should be pursued (to replace the current suite of externally funded projects) and how these should be funded.

- Consider how transitional funding might best be used to support process and, if appropriate write brief for consultant to advise on the optimum structure for managing the Biosphere consistent with the UNESCO requirements and viability of alternative sources of funding.
- Prepare update reports on adaptation progress for the Partnership meetings programmed for June, October and February (Executive members are represented on Working Group).
- Examination, possibly through a SWOT analysis, of the existing structure / operation of the Biosphere Reserve and its Partnership including governance, funding, branding and identity.
- Update previous work undertaken in 2008 looking at the pros and cons of different externalised operation models including social enterprises (see Appendix 2).
- Review of how other UK Biospheres operate and liaise with UK-MAB.
- Scoping-out and collating background information relating to potential future adaptation models, consistent with UNESCO requirements and involving discussion with various groups and individuals.
- Investigate whether the Universities (Exeter and Plymouth) use the Biosphere as a test bed for research with a potential income stream.

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APPENDIX 1 : Summary of the History of Biosphere Adaptation Discussions

The North Devon Coast and Countryside Service was first established in 1998, when it brought together six, previously independent, functions: the Tarka Project, the AONB, Heritage Coast, Tarka Trail, Northam Burrows and South West Coast Path. Governance arrangements were provided through a Joint Advisory Committee. With changes in the nature of these projects and new duties stemming from the Countryside and Rights of Way Act, a formal review of the service was undertaken in 2002. This addressed a range of issues relating to operational and governance arrangements which have close parallels to those being considered now. The main difference was a growth in resources at the time, particularly relating to the management of AONBs. The review concluded that the best option was to retain an integrated service led by a Countryside Manager overseeing two branches of the service, dealing with the AONB and broader countryside issues respectively. Although there have been various changes since then, the broad structure of the joint service has persisted, although it has reduced in size.

A further review was undertaken during 2007 and 2008, prompted largely by budgetary pressures. There were no fundamental alterations to the structure of the service as a result of this, but a wish for more closely integrated working was clearly identified and management systems agreed in an effort to achieve this. In addition, the review confirmed the four primary functions of the service, these being to:

- I. Prepare the Management Plan and co-ordinate the delivery of the Action Plan for the North Devon's Biosphere Reserve.
- II. Prepare the Management Plan and co-ordinate the delivery of the Action Plan for the North Devon Coast AONB.
- III. Provide visitor and vegetation management on the Tarka Trail between Braunton and Meeth.
- IV. Provide vegetation management and maintenance of the North Devon and Torridge sections of the South West Coast Path.

At this time the Service name was changed to NDABS.

However, with continuing budgetary pressures, the Review work continued and as well as looking at funding reduction, more work on mitigation measures was recommended including:

- Seed funding to help Foundation deliver contributions towards core funding
- Assets of Tarka Trail need to be maximised eg parking charges
- Possibility of tie-up with County Farm Estates
- Maximise relationship with Petroc (ND College)
- Delivery of education programme for Christy Estates
- Draw-down of developer contributions / help with mitigation measures eg Atlantic Array, Knapp Marina, Fullabrook
- Green Infrastructure Strategy work
- Visitor Investment Programme focus on projects not core support
- Externalisation through the ND Biosphere Foundation, but ND+, Leisure Services, Theatres Trust also offer possibilities. ND+ might be a model that could be adopted as it is gradually moving away from local authority support.

Before any changes were implemented, the restraint on public spending with the incoming Coalition Government, together with re-structuring at DCC with the Countryside Team moving to PT&E, there was an attempt to save money through the appointment of one manager for both parts of the Service. However, the result of this proposal was the

opposite of that intended, and the Biosphere and AONB started to operate separately, although still closely. Whereas the AONB Core Team is funded 75% by central government, the Biosphere Team relies on local funding for its core team.

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Appendix 2: Externalised Operating Models (adapted from Review Paper 2007)

Option 1: Parallel Company or Trust to access public and non-public sector funds supporting a LA based Unit

The option involves setting up a parallel organisation to the service. This can raise funds guided on key policy areas on behalf of the service and then contract the service to carry out functions. To increase the capacity of the resources, the staff can be seconded to the company to fulfil a range of contracted services; with the proviso the core services for the local authorities are met. This would bring maximum leverage from the service. The whole Biosphere Reserve team and Area of Outstanding Natural Beauty team would continue as now but have access to a trust or company to either be seconded to or work in partnership with on funding bids.

If such a system was to be set up, details such as fair competitive tendering against private business should be explored in more detail such that unfair competition was not established, and issues such as pensions and service were not adversely affected by people moving off and on secondment to the sister organisation. This sister organisation would be a trading arm of the service in effect, owned by the partner authorities. If it is a charitable trust, it can not be owned or be controlled by the LA's. To ensure this the board must be less than 40% Local Authority membership.

The Tarka Trust was set up to be such a vehicle, but the objects of the charity are not wide enough to cover the functions of the Biosphere Reserve, though it does cover some functions and small scale bids have been developed recently with the trust. However its total autonomy and lack of core support from LA's has meant that the trust has withered greatly and not been part of the regional delivery team in recent years.

Pros

- Structure permits keeping the current range of skills and breadth of experience and allows flexibility.
- Offers a reasonable halfway house for the staff to span the private, NGO and authority sector.
- The model is as yet untested in the market.

Cons

- Uncertain financial future relying on contracts being won to meet the costs difference of the service and cannot be used reliably to sustain established posts.
- Previous experience has shown that such a body is often not sustainable without more direct funding and can fail to adhere to policy.

Option 2: The integrated service is hosted in a wholly separate organisation

Under this option the organisation is made entirely external. The staff would be transferred to a company limited by guarantee with the local authorities making up the significant part of the board. The company would be providing a range of services for the joint authorities agreed as a contract for a fixed term as in an SLA in return for a guaranteed income. It will then be a matter for the company board to decide how it might seek other work to either make up a shortfall or reduce staff hours accordingly.

To take this a step further, the company limited by guarantee could become a charity that would enable it to access a range of funds from a greater range of sources than a straight company or local authority. The governance of the charity would be directed by company and charitable law where a maximum of 40% of the board can be core funding local authority. The exact charitable structure would need further definition, with each having its

own strengths. The objects of the trust can be simply for sustainable development which is the raison d'être of the Biosphere Reserve and cover the objectives of an Area of Outstanding Natural Beauty. It can be applied to not only this area but also other areas to give the organisation scope to maintain a good based income stream whilst delivering core functions for the local area, as well as increasing the finance coming to the area by contributing to the Knowledge Base economy.

It is understood that Dorset and Tamar Valley as UNESCO sites and AONBs are also considering the merits of a trust body to integrate all of the functions.

Pros

- A degree of autonomy for the organisation to raise other funds and work
- A wider range of possible income sources especially for the charitable based organisation.

Cons

- Risk of lower level of local authority ownership
- Complications of competitive tendering for the core services
- Transfer of staff issues regarding pensions etc
- Real costs of the logistic support currently provided by the host authority
- Most successful trust need some asset base to work from, there are no obvious assets to offer the trust at this moment.

If one were to explore the Trust angle further, there is the possibility of setting one up with the ability to move the team over to that as time progresses. This was one possibility that was considered in the establishment of the Tarka Trust. However it did not have assets with which to work. Now after 9 years of operation the Trust is about to enter dormancy while the new arrangements for the Biosphere Reserve are considered. The Tarka Trust does not have objects broad enough to meet the needs of the Biosphere Reserve but has overlapping functions. There is merit in having a working trust either as parallel organisation or as the main body.

Its assets could be:

- the potential new visitor centre at Braunton and its proposed field study centre,
- a county farm as Torbay Countryside Trust have done in South Devon,
- the land associated with the Tarka Trail
- local authority access/ conservation land such as Northam Burrows, Hillsbrough
- Or office buildings that are about to be released from Devon County Council ownership.

Further to the above, it is feasible to include urban parks etc. However this might be too much in one step for such an organisation.

Given these assets and where appropriate the resources to manage them under agreements etc, they can be used to reduce core costs and or generate revenues as well as borrow finances against the assets with appropriate protection and covenants.