

**Biosphere Executive Group**  
**Tuesday 27<sup>th</sup> August**

**Item 5: Operational Arrangements and Potential Adaptations – Initial Conclusions and Lessons Learnt**

**1. Introduction**

As part of the background work looking at how the management and governance arrangements of North Devon Biosphere might adapt to changing funding scenarios, it was felt prudent to look at how the operational arrangements might be adapted so as to sustain a viable, future co-ordination and delivery of Biosphere related activity. Part of this work is an initial consideration of potential new and externalised models for the Biosphere.

Two papers have been produced, attached as appendices to this report:

- i) The first looks at the varying types of model adopted by other Biospheres internationally and includes:
  - Public funded, hosted in national agency
  - Public funded, hosted in local authority
  - Public funded, hosted in arms-length body
  - Blended funding / social enterprise
  
- ii) The second looks at other models and adaptations being used by some designated sites and environment / countryside services locally in Devon and the south west in the UK and more widely in the UK and covers:
  - World Heritage Sites (Jurassic, Cornish Mining and Hadrian's Wall)
  - AONBs
  - Environment / Countryside Services (Causeway Coast and Glens Heritage Trust, Torbay Coast and Countryside Trust, Somerset Heritage Services, Surrey Countryside Estate)

**2. Summary of Findings**

Resulting from the analysis of the various operational models detailed in the appendices there are a number of key learning points emerging which illustrate positive and negative arguments in considering any adaptation model. These are summarised below grouped under a number of headings:

**a) General**

- i) The ethos of local authorities as operating more as commissioning bodies favours placing the delivery of work with organisations which can be most effective in taking it forward eg Partnerships or Trusts.
  
- ii) Innovative and proactive action outside normal local authority procedures is required together with a willingness to take risks in trialling new and untested ways of delivery.
  
- iii) Transfer of responsibilities to another organisation can have a detrimental effect on a perceived leadership role for a County Council.

- iv) There is not a clear direct link for a successful operation between being embedded in a public body or being an arm's-length body.
- v) A service needs to be in a healthy state at the point it starts to operate as another model; needs to be made 'fit for purpose'.
- vi) A move to external service is complex and requires time and resources from the existing host and will involve one-off financial cost.

**b) Core Funding**

- vii) External organisations need robust and certain funding package, albeit reducing over time, in order to thrive, grow, plan and realise maximum income generation potential.
- viii) There is a clear relationship between investment in the coordinating body and the impact a Biosphere Reserve has.
- ix) Critical importance of core funding for core activity such as administration and plan preparation and for 'seed-corn' funding is widely recognised, without which it is not possible for external organisations / partnerships to operate; resulting in some statutory / obligatory responsibilities needing to revert to being undertaken by local authorities.
- x) Organisations with a number of core funding partners can be effective in turning small individual contributions, which on their own achieve little, into a significant resource eg through ability to match fund.
- xi) Costs of restructuring and redundancies need to be taken into account in any move to new arrangements.
- xii) A devolved model does not require a full procurement process making transfer to a Trust more straightforward and less costly.
- xiii) An independent Trust's financial position can become vulnerable when public sector contributions are cut and general economic climate can weaken demand for income generating activity.
- xiv) Staff costs can be a Trusts main overhead which can result in painful restructuring being made necessary so that charitable work can continue to be delivered. This also leads to a greater reliance on volunteer activity which needs to be developed.

**c) Accountability**

- xv) Devolving responsibilities to a charitable trust or other organisation needs strong and ongoing support from local authorities. Local authority representation on any governing board is essential.
- xvi) A structure that enables accountability and participation from the wider community but leaves decision making in the hands of the major funders is desirable. This reflects the reality that responsibility for the successful

implementation of Strategies / Management Plans generally falls most heavily on the local authorities

- xvii) A mix of locally accountable elected members with officers from national agencies and local interest groups provides an effective structure for deciding local priorities and co-ordinating shared programmes of action.

**d) Operation**

- xviii) The organisations that have the greatest impact have a team that both coordinates and delivers projects. Teams need to be of a size that allows this.
- xix) Co-operation with neighbouring organisations with similar aims and objectives and with an ability to share resources can be key eg shared offices.
- xx) Organisations not directly serviced by local authorities are able to negotiate cost savings on facilities management eg premises, vehicles, IT.
- xxi) Organisations can expand and diversify their workforce by the use of volunteers, local support groups and students although this requires significant investment in core staff time.
- xxii) It is possible for partnerships to work alongside a charitable organisation or CIC who can undertake commercial activity and support staff in other work.
- xxiii) An external organisation may not have the same level of expertise in asset management and financial monitoring and reporting leading to concerns of best practice and value for money.
- xxiv) A small organisation may find it harder to achieve economies of scale compared to a larger local authority.
- xxv) External management may lead to demonstrable improvements to the habitats and enjoyment of the facility leading to accreditation and awards.
- xxvi) A Business Plan should be structured around business activity to achieve financial stability in each area, linked with need to work more efficiently and holistically.
- xxvii) A not- for- profit Trust has more access to funding opportunities and external grants than are currently available as part of a local authority, assisting with project delivery and making the service more financially stable for the future.
- xxviii) Management of a facility / land through a Trust allows the opportunity for income generation that would not normally be available to a local authority.
- xxix) An independent organisation has greater agility in meeting customer and community needs and has ability to become more innovative and efficient.

**3. Conclusions**

From an examination of these models for other Biospheres and other comparable designations or services, there is, unsurprisingly, no one model that jumps out as being a

perfect fit for the Biosphere. Whichever type of model is examined there appears to be a number of pros and cons.

From the examples examined, for the majority of the externalised models there would still need to be a very heavy reliance on local authority or other public support for core staff and work. These elements are difficult to fund through other, including charitable, funding.

It is unlikely that the small size of the Biosphere team in itself would be a viable entity on its own, it would not have the support services and expertise that come with being hosted and it would not be possible to realise any economies of scale.

As a first step in any externalising process, rather than developing any new model, it would be most beneficial to become part of an existing, and viable, organisation.

## APPENDIX 1

### Biosphere Reserve Coordination Models

#### Summary

This report explores a number of management/governance models used by different Biosphere Reserve across the world. It has been produced by Andy Bell, the coordinator of the Biosphere Reserve.

The information is supplied with a caution that true evaluations of the management effectiveness are not available for Biosphere Reserves and each one is context specific.

Clarification of terms; inevitably this paper is going to move between partnership and management issues; for the sake of clarity and consistency the following terminology will be used.

- Management Unit; the person or persons who carry out the coordination role of the Biosphere Reserve
- Governance; relating to the partnership of the Biosphere Reserve
- Hosting body: the employing organisation of the management unit

The population of Biosphere Reserves

There are over 600 Biosphere Reserve around the world many dating from the original 70's designation and are not effectively managed as the Seville Strategy compliant models. Many of these defunct sites are in developing countries or in the United States. This body of inactive sites is being thinned out via a process agreed at the UNESCO's International Council this year with a view to de-listing the sites. This may half the number of sites in the network.

Examples used in this paper have been derived from ones where activity is known to be high across all of the functions of the Biosphere Reserve and in all of the zones. They have been selected from the author's personal experience and from published information at UNESCO. Even then the amount of information available on finance and impact is limited.

Level of impact and visibility has been judged from published reports and from personal discussion with the coordinators of these reserves.

#### Model types

Publicly funded, hosted in a national agency;

Lower Morava Czech Republic. This Biosphere Reserve has a coordinating team of 2 professional staff and is funded by the state conservation bodies mainly. Project funds come from a variety of sources. Many of the projects are technical and strategic interventions to influence other project deliverers. The funds for coordination are unpredictable according to the deputy director.

Cevennes National Park sits entirely within the Cevennes National Park. It has a separate governing council from the national park, although it is entirely contiguous with it. The Park Authority provides a hosting arrangement for the Biosphere Reserve coordinator. One single coordinator is funded who commissions and directs projects as well as providing a secretariat. It is likely that there are some interchanges of staff between Biosphere Reserve and National Park functions. The visibility and impact of the Biosphere Reserve is limited due to the presence of the national park.

Publicly funded, hosted in a Local Authority Based;

Luberon, France is a newly extended reserve which also sits within the regional national park. Regional parks are funded through the "opt-in" by equivalent of district and parish councils in France. The work by the Biosphere Reserve on branding and produce has raised the profile of the Biosphere Reserve within the regional authorities and the park is co-branded as a Biosphere Reserve.

Ramat Menashe, Israel: is possibly quite unique. In establishing this reserve the leader of the Megiddo local authority declared that the entire authority would be the Biosphere Reserve management body. In doing so he changed the corporate plan for the authority to match the aims of the Biosphere Reserve, having gone through extensive consultation. He also changed the philosophy of the council to one of serving the local people rather than leading in a more didactic fashion; the leader described it as "moving from government to governance." The resources being provided for the reserve are equal to that of the local authority. The Biosphere Reserve is the brand of the authority therefore its promotion is very high. It is too early to state the level of impact from this reserve since it is only 2 years old. There is a fragility in this approach in that a change in leadership within the authority could undermine the Biosphere Reserve.

Rhön Biosphere Reserve, Germany is one of the best operating BRs in the world. It has developed a wide range of projects (over 300 since 1991) from women based projects, organic produce and labelling, business partners, partnership work in Africa, etc. It hosts the LEADER programme for the area, which enables the expansion of staff. The team includes 4 professional staff that are located in the 3 authorities which make up the Biosphere Reserve. The reserve's impact on the area is very high in all 3 dimensions of sustainability. Biosphere Reserves in Germany are written into National Legislation when they are nominated.

Publicly funded, hosted in an arm's length body;

Lake Vanern Archipelago; has 3 municipalities that fund a coordinating body of 5 people. The reserve was created 4 years ago and has been the driving force behind the Biosphere Reserves in Sweden including 3 recent newly designated sites. The team are formally 50% funded and are required to earn the rest of the funds. This remaining largely comes from more local funding as they deliver contracts for the municipalities on technical issues and delivering projects.

The funding is almost all public sourced through direct municipal funds and EU based funds such as FLAG. The availability of public funds and the less constrained rules of applying funds make this financing much easier than in the UK. The national agencies also buy in to the local coordination. The group also benefit from national funding since they provide national coordination and secretariat function for the Swedish national MaB committee. The visibility of the reserve is very high with the projects being developed and the total buy in from the local authorities to the point of Biosphere Reserve flags at every authority building.

Wienerwald, Austria. The reserve is based on the woodland fringe and suburbs of Vienna. The 9-strong coordinating team are employed in a specially created company that also directs projects. The project portfolio is diverse and the impact is high. As in Germany Biosphere Reserves in Austria are written into legislation and therefore their resourcing becomes statutory. Austria has bought into the MaB programme in a big way with the national committee administering 300K Euros every year for research grants alone.

Dyfi Biosphere Reserve Wales. As a UK reserve, this site moves on with largely community based effort through the EcoDyfi charity as the main coordinating body. The local authorities and national agencies donate time to support coordination. Currently the director of EcoDyfi is funded as the part-time coordinator with a range of projects being funded from different public sources. The projects to date have been quite small and the area suffers from being on the periphery of 2 LEADER regions making it hard to get good area wide projects

Blended Funding/Social Enterprise

Manicouagan Uapishka, Quebec, Canada. This is run by an NGO set up specifically for the reserve. There are 3 people in the team. The reserve has a certain degree of funding from Federal government which was recently cut under the Harper administration but gets grants from Heritage Canada and Environment Canada. It also receives funds from the state government of Quebec and the local municipalities.

Alcan are a large employer in the area who also contribute financially to the reserve from the CSR funds. As in Sweden, the coordinator has also been funded from national and international funds (Canadian International Development Agency) participate in small projects related to Biosphere Reserves in developing countries.

Entelbuch, Switzerland; The Biosphere Reserve was the driving force behind the regional development of this part of Switzerland. Due to the unique laws of Switzerland, there had to be specific consultation with the each of the cantons (parish equivalents) in the reserve to inform its development and action. Hence it has a very high awareness from the start and businesses bought into the vision. The reserve has been very successful in tourism and produce marketing and development and the Biosphere Reserve is now the main Destination management body for the area. Hence most of its funds come from income raised through their tourism and marketing activity.

Western Port/Mornington Peninsula Biosphere Reserve, Australia. These reserves have been largely under-resourced with little connection to the local or national government planning. Like other site in Australia the reserves grew out of "catchment management groups". Largely working from an NGO base they are supported by local shires/municipalities and by private donations and sponsors.

#### Conclusions:

The bottom line for UNESCO, is getting harder to meet. There must be a governance and management system in place. This is required in the Periodic Review and the original nomination form. The International Advisory Committee for Biosphere Reserves needs to be convinced that the management arrangements are adequate for the task. The criteria they look for are stability, representation and resources.

Some key points are

- Continued public funding for the coordination is critical to success.
- The reserves that have the greatest impact have a team that both coordinates and delivers projects. Effective teams are at least 3. The Lower Morava team are known to be seeking funding, but as a state in Eastern Europe, EU funding is easier to find and to match, therefore the leverage is much greater.
- There is a clear relationship between investment in the coordinating body and the impact the reserve has.
- Of the successful reserves, at face value there is no necessary link between being embedded in a public body or being an arm's-length body. But the analysis has not deep enough to correlate the influence on regional planning, strategic investment.
- The level of investment depends very much on the regime, the statutory nature or otherwise of the site and economic situation of the country.

#### References

[http://www.biosphere-research.ca/Files/Reports/Parker\\_2006\\_Benefits\\_and\\_costs.pdf](http://www.biosphere-research.ca/Files/Reports/Parker_2006_Benefits_and_costs.pdf)  
[http://www.megido.org.il/cgi-webxxy/sal/sal.pl?lang=he&ID=277496&act=show&dbid=pages&dataid=aaaaa\\_about.htm](http://www.megido.org.il/cgi-webxxy/sal/sal.pl?lang=he&ID=277496&act=show&dbid=pages&dataid=aaaaa_about.htm)  
[http://www.parcduluberon.fr/content/download/13711/179413/file/examen\\_periodoqe\\_sept\\_2009.pdf](http://www.parcduluberon.fr/content/download/13711/179413/file/examen_periodoqe_sept_2009.pdf)  
<http://biosphere.org.au/index.html>  
<http://www.rmbmu.com/fr>  
[http://www.vanerkulle.org/vk/index.php?option=com\\_content&view=article&id=75&Itemid=119](http://www.vanerkulle.org/vk/index.php?option=com_content&view=article&id=75&Itemid=119)

## APPENDIX 2

### Biosphere Executive Group: Adaptation Work Programme

#### Operational Arrangements and Adaptation Work for Comparable Designations

##### 1. World Heritage Sites (WHSs)

The UK has 28 WHSs plus 'Tentative List' sites all of which are recognised for their universal significance and are resourced to ensure their protection, conservation and presentation. It is also recognised that inscription can bring additional benefits and opportunities such as for lifelong learning, economic regeneration and wider community benefits.

The UK WHSs all have varying governance arrangements although over the past 10 to 15 years, local authorities have played an increasingly significant role in World Heritage matters in the UK. Indeed the promotion and management of most of the Sites inscribed by UNESCO since 1997 have been led by local authorities e.g. Blaenavon, Saltaire, Derwent Valley, Dorset and East Devon Coast, Pontcysyllte Aqueduct, Cornwall and West Devon, and Liverpool.

Notwithstanding this increasing role for local authorities, it is also the case that the range of organisations closely involved in the management of UK World Heritage Sites is becoming more diverse. These include national organisations (e.g. National Trust), local trusts (e.g. Ironbridge Gorge Museum Trust), and Non departmental public bodies (NDPB), such as Kew. Some sites are in private ownership and management such as Blenheim.

Local authorities are major partners in both the Devon WHSs:

##### 1a) Cornwall and West Devon Mining Landscape (Cornish Mining) WHS

The site covers a vast area – close to 20,000 hectares – spread between 10 distinct mining districts, the majority being in Cornwall but one, Tamar Valley and Tavistock, straddling the border with Devon. The landscapes within the ten areas contain authentic and significant components of mining activity and its ancillary industry, and the settlements which supported them from 1700 to 1914.

Following Inscription in 2006, a revised Governance structure was put in place formed of a Partnership Board which is the ultimate accountable body, and includes nominees from the major stakeholders involved in the Site including the three local authorities who play the major role. It is supported by a Technical Panel to provide the Board with the necessary expertise to fulfil its responsibilities. This consists of people nominated by the key organisations together with the observer bodies, able to bring relevant expertise and skills to issues particularly relating both to the implementation and review of the Management Plan and to the spatial planning requirements. This core team can be reinforced, through co-options, depending on the immediate requirements of the Management Plan. A Consultative Forum has also been formed to include all the participants in the former Bid Partnership, and any other bodies that have a legitimate interest in the mission of the World Heritage Site. It provides the Partnership Board with a conduit for scrutiny and accountability, as well as a means of engaging with the Site's supporters.

This structure enables accountability and participation from the wider community but leaves decision making in the hands of the major funders. This reflects the reality that

responsibility for the successful implementation of the Management Plan falls most heavily on the local authorities.

The WHS Office, funded and hosted by Cornwall County Council, has a core staff of four, the Co-ordinator, Research Officer, Projects Development Officer and Administrative Officer which is supported through other staff within Cornwall and Devon County Councils. This was originally part of the Historic Environment Service but currently sits as part of the Economic Development Team. The three local authorities contribute to a projects budget of around £100k per annum. Further significant funding has been in place over the last three years for delivery of the RDPE Sustainable Tourism project.

### **1b) Dorset and East Devon Coast (Jurassic Coast) WHS**

The WHS itself is a long narrow strip from the top of the cliffs to the mean low water mark, the area in which the cliffs and hence the geology is exposed. These rocks show a record of 185 million years of Earth's history along 95 miles of coastline and represent an outstanding example of the sequence of rock and landscape formation from the Triassic through Jurassic to Cretaceous periods, together with a wide range of vertebrate and invertebrate fossil remains (both marine and terrestrial).

A WH Steering Group was established prior to nomination of the WHS in order to focus the range of interests into a strategic body; the role and composition was reviewed in 2009 and a formal Partnership Agreement drawn up. The Steering Group comprises local authorities, statutory bodies and key groups who have a Jurassic Coast wide interest.

The WHS Management Plan for a five year period is adopted by the constituent local authorities; it is currently undergoing its third review.

A Team was established in 2002 to lead and coordinate the WH work programme along the Jurassic Coast. Currently, the team of six receives the majority of its core support from Dorset and Devon County Councils with some funding from Natural England and the Environment Agency. Other funding relates to externally funded project delivery. The work programme also benefits from the contributions of officers in both County Councils together with other partner organisations. In recent years the support through the County Councils has decreased so that it now mainly supports the core team rather than any project funding.

A Charitable Trust, known as the Jurassic Coast Trust was established in 2003. The purpose of the Trust is to support education and conservation projects along the coast. Over recent years the Trust has become stronger with income provided through publications and merchandising, business partnerships, ownership of the Jurassic Coast brand and hosting externally funded projects. The two County Councils are represented on the Trust.

### **1c) Hadrians Wall WHS**

This WHS is interesting in that it is a large linear site and, like the Biosphere, also has responsibility for managing a National Trail along Hadrian's Wall. Hadrian's Wall is an iconic symbol of the UK while remaining a special place for the people who live and work close to it. Maintaining the archaeology, the National Trail and the landscape and coordinating the management of access, interpretation, transport and the environment are key roles.

Originally the WHS was managed through the Hadrians Wall WHS Management Plan Committee with a membership of 45 drawn from a wide variety of public and private sector bodies including 12 local authorities. In 2006 it was replaced by Hadrian's Wall Heritage Ltd which received significant funding from the Regional Development Agencies. This body also took on responsibility for the National Trail so received further funding from the then Countryside Agency, now Natural England and the Hadrian's Wall Tourism Partnership with representatives of 18 organisations, which carried out work on the promotion and development of sustainable tourism, arts and community initiatives.

With funding from the RDAs no longer being available, the Hadrian's Wall Trust was formed as a registered charity in February 2012 as the successor organisation to Hadrian's Wall Heritage Limited. Working with a variety of stakeholders, partners and the public, it seeks to:

- improve the infrastructure of Hadrian's Wall and its interpretation and learning centres;
- showcase the Wall as a global model of best practice in managing a World Heritage Site;
- educate, inform and inspire people;
- advance knowledge through innovative archaeological research of the Wall and its many still undiscovered sites;
- improve the environment of Hadrian's Wall and the surrounding region thus improving opportunities for local communities;
- conserve, protect and maintain the Wall and its landscapes for future generations;
- promote environmental sustainability through care for the environment, prudent use of resources and sustainable means of achieving economic growth and regeneration.

A Wall-wide, holistic, interdisciplinary, partnership based approach is central to this role

The Hadrian's Wall Trust is funded by English Heritage and Natural England and several major grant programmes such as the Rural Development Programme for England (RDPE) project to develop eco-tourism, as well as local businesses. It also has the support of several local authorities across the World Heritage Site.

The Trust has a staff team of 14 including a Chief Executive and roles relating to marketing and communications, sustainable development, National Trail and access, WH Management Plan and project development.

## **2. Areas of Outstanding Natural Beauty From (from Value of AONB Partnerships (July 2013) report)**

The National Association for Areas of Outstanding Natural Beauty (NAAONB) has recently published a report detailing the findings of an independent assessment entitled "The Value of AONB partnerships" prepared by Land Use Consultants (LUC).

The UK has 46 AONBs, 34 of which are in England where they cover 15% of the country. The designation is of an equal status to that of National Parks (NP) although the governance arrangements are very different. With the exception of the two Conservation Boards (for the Chilterns and Cotswolds AONBs) which were established under the powers introduced in Section 86 of the Countryside and Rights of Way Act 2000, it is for the constituent Local

Authorities to agree how they collectively, and with other partners, should deliver the statutory purpose of the AONB designation.

Although there is considerable variation in the detailed composition of AONB Partnerships, the most common governance model is one of Local Authority appointed members providing a majority, supplemented by staff from the national countryside agencies and local representatives of environmental, cultural, amenity, land management and other business organisations. This structure has been shown to offer the dual benefits of local accountability through elected members and access to specialist expertise from officers and local interest groups.

The AONB Units that provide the staff resource to deliver the AONB purpose are generally small at around five full-time equivalent posts (but are as few as one in a few Units), of which two are frequently employed to run fixed-term projects.

Through their statutory Management Plans, AONB Partnerships are actively involved in a range of delivery projects, often taking responsibility for leading projects where there are gaps in the capacity of partners to do so. This is seen as a key strength of the AONB Partnership approach and is increasingly relevant to the way most Local Authorities are operating more as commissioning bodies, placing the delivery of work with organisations which can be most effective in taking it forward.

In the current economic climate, it is essential that publicly funded bodies are able to demonstrate that they are using their resources wisely, achieving the highest levels of benefit to their local area and the country as a whole. In England in 2013/14, the 34 AONB Partnerships will receive £6.6m as core funding from Defra which is used to underpin the employment of staff and other core operational costs. This is used to generate match and external funding, including that through SDF, leading to a gearing ratio of 2.88.

AONB Partnerships are highly successful at using the core funding they receive from central government and constituent Local Authorities to lever other income. The diversity of AONB Partnerships' membership gives them the ability to turn small individual contributions, which would on their own achieve little, into significant shared endeavours.

Like all publicly funded bodies, AONB Partnerships have faced cuts in their funding in recent years. They have looked hard at how they can increase their operational efficiency and many have had to focus their activities, dropping non-priority work. For many AONB Units this has meant that officer posts have been shed in areas such as planning advice and education, involving redundancies or reductions in employed hours. Several AONBs in England report that their staff resources have fallen by around a fifth in the last two years. Some adaptation measures have included:

- Co-operation with neighbouring protected landscapes, and sharing their resources.
- Units that are not directly serviced by Local Authorities have been able to negotiate costs savings on facilities management (such as premises, vehicles and IT equipment) and to share offices with other partners.
- Diversified their workforce by involving volunteers, local support groups and students; however, this requires significant investment in core staff time.
- Explored the effectiveness of new charitable and commercial structures for delivering different aspects of the AONB purpose eg establishment of a trust with a trading subsidiary in order to raise funds.

These actions require innovative and proactive action by staff which is normally outside the normal procedures of Local Authorities and other public sector bodies.

The critical importance of core funding is widely recognised, without which AONB Partnerships would be unable to acquire money and in-kind support from other sources. Preparation of the Management Plan and administering the Partnership are not activities likely to attract external (non-exchequer) funding. Applying for project funding and managing volunteers require a core investment of 'seed corn' funding.

There is a suggestion of a minimum 'critical mass' of staffing below which it will be unviable to operate an effective AONB Unit resulting in the loss of the Unit. There is no precedent for the way in which, without an AONB Unit, Local Authorities would fulfil the core purposes of the AONB designation and their statutory requirements to prepare Management Plans.

The AONB model is well-suited to the way in which the delivery of national policy, and the development and delivery of local strategic priorities, are now undertaken. The mix of locally accountable elected members with officers from national agencies and local interest groups provides an effective structure for deciding local priorities and co-ordinating shared programmes of action.

### **3. Environment / Heritage Services**

#### **3a) Causeway Coast and Glens Heritage Trust**

The Causeway Coast & Glens Heritage Trust was established in May 2002 as a Company Limited by Guarantee with the responsibility of promoting and enhancing the unique qualities of area to meet an identified need for locally based strategic management. It is working towards achieving charitable status. The model of a Trust based partnership was agreed by Environment & Heritage Service (now, Northern Ireland Environment Agency - the government Environment Department), Northern Ireland Tourist Board in conjunction with the Department of Agriculture and Rural Development, and the eight local authorities.

The Trust delivers an effective and coordinated management of the 3 Areas of Outstanding Natural Beauty (Antrim Coast and Glens, Binevenagh and Causeway Coast) and the Giants Causeway World Heritage Site. It's overall aim is to raise the profile of the unique landscapes and heritage through education and raising awareness programmes and to promote sustainable development principles both in the tourism sector and other economic sectors for the benefit of all and future generations. It will be investigating and developing a series of major landscape and heritage projects such as Geopark Status or Biosphere Reserve and the £1.8mill Heart of the Glens Landscape Partnership scheme between 2013 and 2018.

The Trust consists of a Board of 14 Directors, 6 Council officers with tourism and countryside management expertise and 4 observers from the tourism and environment sectors. It employs 7 people, a Chief Executive and AONB, WHS and Landscape Partnership and support staff.

In 2011/12 Income was £300k made up of £164k for core staff (£47k from 5 local authorities and £117k from NI government and £136k for projects (£85k from NI government, £25k from NI Tourist Board and £26k from other sources. Expenditure was £255k on core work and £93k on projects. Thus there was an operating loss of £48k balanced through Equity Reserves, which would appear to be an unsustainable situation.

### **3b) Torbay Coast and Countryside Trust (TCCT)**

The Trust was established in 1999 to promote the conservation of the natural and built environment of Torbay and the surrounding area, the provision of recreational facilities and environmental education, having been devolved this role from Torbay Council. It manages around 1800 acres of land including Berry Head NNR, Cockington, Occombe Farm, Goodrington Seashore Centre, the South West Coast Path through Torbay, and the English Riviera Geopark. It is estimated that around 750,000 people use these places each year.

The Trust activities are wide-ranging but link to a clear goal of environmental, social and economic regeneration. It works with many different partners on programmes in conservation, education, tourism, public access, farming, land-based enterprise and low-carbon technologies. It has two trading arms, Torbay Coast and Countryside Enterprises Ltd and South Devon Biomass Company

In 2011/12 the Trust worked to a budget of around £2million; only 12% of income is in the form of a Management Fee from Torbay Council; 35% from grants for delivery of projects and 21% from trading activities. During the year it became clear that the Trust's financial position was becoming increasingly vulnerable. The cashflow forecast and management accounts showed gradual declines and forecasts of future income showed that the position would continue to weaken unless rapid and strong action was taken. The public sector funding cuts were a major factor, as was the continuation of the recession which threatened to weaken demand for many of the Trust's income-generating businesses. The need to reduce losses and work towards a balanced budget was paramount.

It became clear that, in the current climate, rapid increases in income were unlikely to be realised and so costs would have to be reduced. Staff costs, as the Trust's main overhead, were the main focus and a restructure of the Trust resulted so that the charitable work of the Trust could continue to be delivered, so far as possible, in the most efficient manner. The impact of these changes on the organisation was considerable but due to the commitment of staff, the Trust manages to continue to deliver its activities and even to develop some new initiatives.

Alongside the staff restructure the Trust restructured its Business Plan and financial reporting for 2012-13. Where previously the Trust's activities had been analysed on a site by site basis, with a number of activities occurring at each site, the new plan focused on activities, wherever they are delivered. This reflects the Trust's new centralised delivery of activities and is expected to enable more efficient working across the Trust and a greater reliance on volunteers, membership support and commercial activity.

### **3c) Somerset Heritage Service Review**

In Somerset, the Heritage Service was recently reviewed to identify options for delivering it more effectively and efficiently. The Somerset Heritage Service preserves, protects, makes available and celebrates Somerset's rich heritage, developing key partnerships and providing leadership to enable Somerset's heritage to flourish. It contributes to the economic prosperity of the county, helping to make Somerset an attractive place for residents and visitors alike. Currently this covers the responsibilities related to archives, museums and historic environment, but there are suggestions that this might be widened to include other areas of work such as the AONB Partnerships.

The preferred option was to develop a Business Case considering the costs, benefits, risks and opportunities for setting up a charitable trust or similar organisation. This has been the subject of public consultation during summer 2013. This work has been undertaken as part of SCC's change programme and its move towards a new operating model as a commissioning authority. It is also set in the context of severe financial constraints and the need for services to become more efficient, cost-effective and affordable.

The benefits of this approach include:

- More access to funding opportunities than are currently available as part of the County Council, making the service more financially stable for the future.
- A greater agility in meeting customer and community needs, together with the ability to become more innovative and efficient.

The report concludes that a not-for-profit trust established via a devolved model would:

- Minimise set-up costs
- Ensure a close relationship between the County Council and the trust
- Protect heritage assets
- Best ensure the achievement of County Council objectives
- Deliver ongoing financial savings

In this model, service delivery would move once and for all to a separate organisation, with which the County Council would have an ongoing relationship. A transfer agreement would set out the terms of the relationship and a separate time-limited funding agreement linked to clear outcomes would be required. It is suggested that the funding agreement should be for a renewable period of 5 years.

The devolved model does not require a full procurement process, making transfer to a trust more straightforward and less costly. The County Council would discharge its statutory and legal responsibilities in relation to heritage through the agreement established with the trust. The delivery model would be a not-for-profit company limited by guarantee and with charitable status. The aim would be to keep existing legal agreements and partnership arrangements as far as possible. Heritage collections and assets would continue to be held by the County Council, which would delegate management responsibility to the trust's board of trustees.

The trust would need a robust and certain funding package in order to thrive, grow, plan and realise maximum income generation potential.

Financial modelling indicates that savings levels in a trust scenario reach 27% by year 5, with a cumulative saving over that period of £2m. Achieving those savings crucially depends, however, on a corporate solution being reached with respect to central apportioned costs.

The devolved model proposed provides a long-term solution to heritage provision for Somerset, not a short-term fix. It enables the County Council to have an ongoing relationship with the service through a partnership delivery plan, but with a reduced level of financial commitment over time.

Following consultation, if the principle is agreed, further detailed work and financial modelling would be undertaken to validate and stress test the financial model. Agreement would need to be reached on a funding package, and a programme of implementation would be required. The aim would be to establish the trust during 2014.

### **3d) Surrey Countryside Estate**

Historically Surrey County Council had been acquiring land for many years in order to preserve from development areas of Surrey countryside that were of high amenity and wildlife value. By 2002 it owned more than 2,300 hectares (6,500 acres) of countryside available for quiet enjoyment and additionally it had also entered into access agreements with private landowners, thus providing public access to a total of over 3,500 hectares (10,000 acres) of Surrey's beautiful countryside.

The County Council has a legal duty to maintain the nature conservation value of its holdings, coupled with a desire to ensure the long term viability of the Estate for recreation and a requirement to make long term financial savings. For these reasons the County Council made the decision to outsource the management of the Countryside Estate.

In May 2002, the County Council entered into a legal Surrey Countryside Partnership Agreement with the Surrey Wildlife Trust (SWT) for the management of this Countryside Estate. Under this agreement land owned by the Council is leased to the Trust for 50 years and SWT manages the land and property. SWT also manages access agreements with private landowners on behalf of the Council. At the time this was seen as a ground breaking arrangement. The underlying principle was to give the SWT the responsibility for managing the Estate to deliver the service in accordance with the contract allowing a reasonable amount of freedom to enable the SWT to generate income that would not normally be available to the County Council.

The financial basis of the contract was a payment by the County Council to SWT, reducing on a sliding scale between 2006/07 until 2012/13 and then subject to Review. In 2012/13 this figure was £954k, a reduction of £300k as set out in the financial formula. There was also no inflationary increase that year making an additional saving for the County Council. Built property on the Estate generates an income of around £80k which is used to support the management of the wider Estate. There was a total budget expenditure by the Partnership of £1.8million with 31.2 FTE staff employed.

The governance arrangements include a Partnership Committee that meets twice a year to oversee the way the contract is working and to look at strategic issues. The Committee comprises 11 representatives from SCC, SWT and a rep from the Access Agreement Owners.

Following the submission of reports to the Environment & Transport Select Committee detailing the work of SWT, Members decided to form a Task Group in 2012 with the aim of making a series of recommendations that would help to ensure that the management of Surrey's countryside estate can be conducted in a financially sustainable manner. This Task Group recognised the contract with SWT had achieved some of the anticipated benefits of outsourcing countryside management in particular:

- that due to its charitable status, SWT had successfully obtained a number of external grants amounting to £766k for specific projects that the County was ineligible to apply for.
- the successes of SWT in relation to wildlife and habitat management which has resulted in demonstrable improvements to the countryside and enjoyment by residents as well as accreditation and awards.

However, despite these successes, some concerns were noted:

- there was provision in the contract for regular reviews to ensure best practice and value for money and that this should include the Trusts expertise and effectiveness in property management and the development of an asset management plan as well as financial reporting and information.
- the small number of properties within the portfolio presented management issues for SWT as it was difficult to achieve economies of scale.
- the grants for which SWT was eligible to apply could not be used to fund staff management costs associated with the properties.
- Some properties should not have been included in the contract.

It was also felt that these arrangements had contributed to the perceived diminishing leadership role of the County Council as countryside was not seen to be as high on the Council's agenda as other strategic issues.

The County Council has an important role to play in the management of Surrey's Countryside, in collaboration with many other organisations and individuals. It is in a position to demonstrate good countryside management on its own Estate eg improving access to the Countryside, providing training in rural skills, raising awareness and encouraging more physical activity. In order to ensure this is achieved, it will need to be part of the review of the agreement with SWT. The Task Group recommended that the contract should be reviewed with more measurable outputs ensuring value for money, a review of governance and reporting arrangements and development of a communication strategy to promote the benefits of the arrangements. Additionally it recommended that a culture of partnership (rather than direction) is encouraged and fostered within the County. The Review work commenced in summer 2013.