

The Value of AONB Partnerships

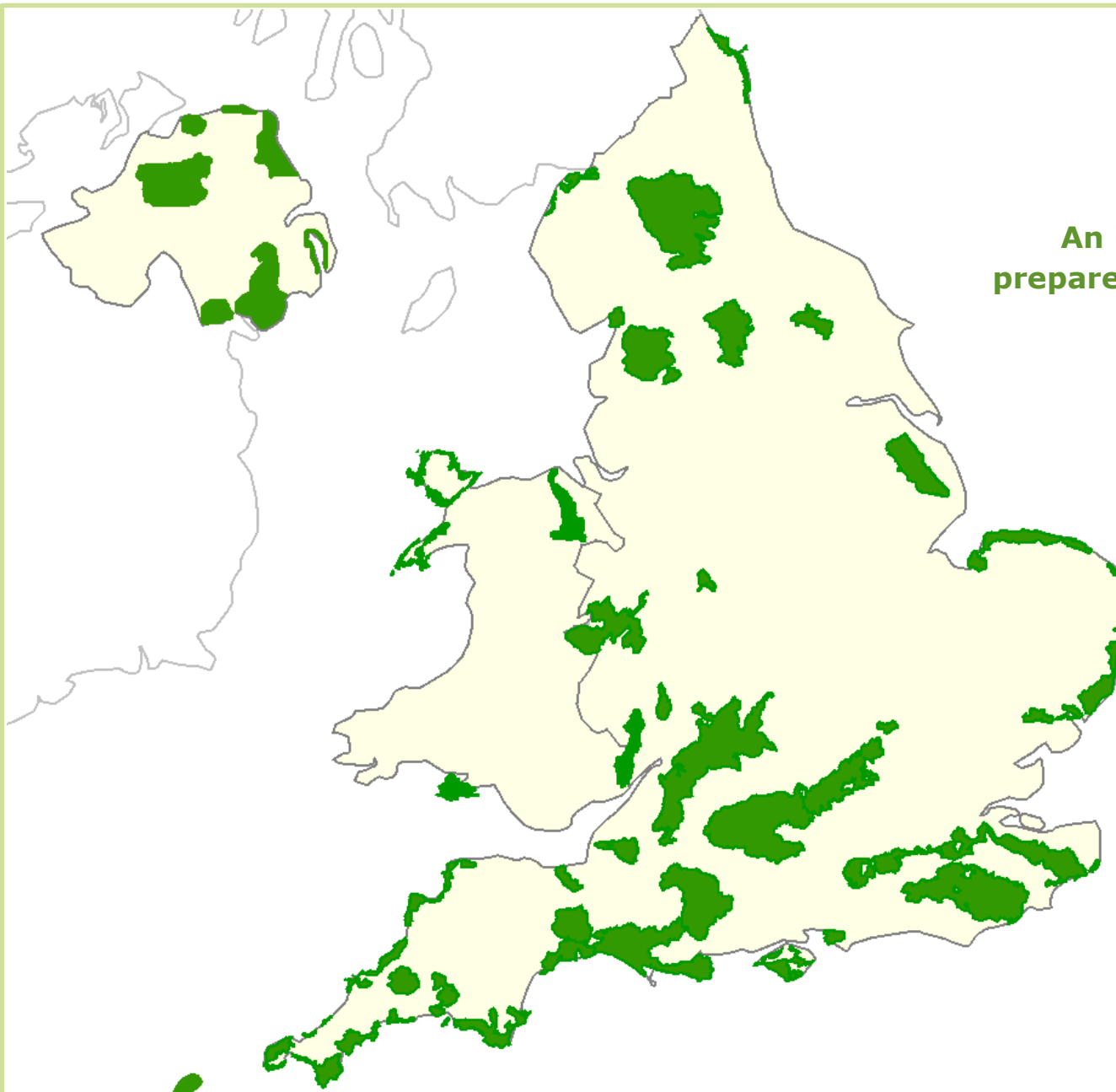
An independent assessment prepared for AONB Partnerships

Final report

July 2013



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The map shows the extent of AONBs in England, Wales and Northern Ireland. There are none in Scotland.

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Introduction

This report has been commissioned by Area of Outstanding Natural Beauty (AONB) Partnerships, under the auspices of the National Association for AONBs (NAAONB), to contribute impartial evidence to the dialogue that is taking place with national and local Governments over the funding and operation of AONB Partnerships.

The report was prepared during a period when the role and work of protected landscapes is coming under scrutiny in the run-up to the UK Government's announcement of its Spending Round 2013 and during the current programme of expenditure reductions across government departments and local authorities.

The work was conducted by LUC during May and June 2013. It has involved analysis of financial data provided by Defra and NRW, a review of recent reports and selected AONB Business Plans, and assessment of responses to a questionnaire sent to AONB lead officers in England and Wales.

The paper is split into four sections, as follows:

- Section 1 briefly introduces AONB Partnerships and their structure
- Section 2 examines how AONB Partnerships are responding to national and local policy priorities and describes their work at both a strategic and delivery level
- Section 3 assesses the way in which AONB Partnerships use the resources they are given and considers the impact of funding cuts on their operation
- Section 4 draws out key conclusions and offers suggestions for future consideration.

1. AONB Partnerships today

Location

The UK's 46 AONBs are spread across the landscapes of England, Wales and Northern Ireland, from the remote uplands of the North Pennines to the urban fringes of Cannock Chase and coastal areas such as the Gower and Antrim Coast and Glens.

In England, the 34 AONBs cover 15% of the country and, although the designated landscapes themselves tend to be relatively sparsely populated (with about 2% of the population), over two thirds of England's population live within a half an hour's drive of an AONB¹. Likewise the five AONBs in Wales cover 5% of the country and are home to about 2.5% of the population, with 57% of the population of Wales living within half an hour's drive of the AONBs.

Governance

The designation is of an equal status to that of National Parks² (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 (See **Box 1**).

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 (such as Natural England and Natural Resources Wales) 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.

Box 1. The purpose and core functions of AONBs. The statutory purpose of the AONB designation is to "*conserve and enhance the Natural Beauty of the AONB*", with complementary aims that recognise the importance of public recreation and the economic and social needs of local communities. AONB Partnerships have a set of core functions to deliver this purpose. These core functions are focussed on the preparation and implementation of the statutory Management Plan for the AONB, providing advice to partners on their work in the AONB (such as planning) and providing a mechanism for joint working by partners including local communities.

Staffing

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.

The funding arrangements that sustain AONB Partnerships are described later in this paper.

¹ The population in 2001 living within 15 miles of English AONBs was 34.3 Million people which is 70% of all people in England. Equivalent figures for Wales are 1.6 M people within 15 miles, out of a total population of 2.9 M

² The complementary role of the two designations was clarified in the Countryside and Rights of Way Act 2000. Both designations are Category V landscapes under the IUCN classification of protected landscapes.

2. AONB Partnerships' contribution to key policy outcomes

The purpose of the AONB designation (**Box 1**) anchors AONB Partnerships in the preparation and implementation, with partners, of the statutory Management Plan to conserve and enhance the natural beauty of each AONB. Most Management Plans are now due for their 5-yearly revision and this will be a focus for activity by AONB Units over the coming 12 months.

Through their Management Plans, AONB Partnerships and their staff 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. Examples of key policy areas in which AONB Partnerships are active are described below.

Landscape-scale environmental conservation and restoration

The provision of landscape-related advice to planning authorities has been a core function of AONB Partnerships for many years. The National Planning Policy Framework in England and Planning Policy Wales confirmed the status of AONBs and NPs (which have the same level of protection) and this work continues, with all AONB Partnerships engaging positively with the development of Local Plans and policies, lending their expertise on issues such as landscape sensitivity where required.

Many Partnerships have also run or supported projects giving landscape-related advice to farmers and landowners and this work

continues, often attached to externally funded projects or working in partnership with third sector bodies such as The Wildlife Trusts.

The landscape approach to ecological restoration, signalled in England's Natural Environment White Paper 2011 and given practical application with the launch of Nature Improvement Areas (NIAs) in England later that year, has been adopted by many AONB Partnerships. Many Partnerships were early advocates for the approach prior to the White Paper. Several, such as the Kent Downs, Clwydian Range and Dee Valley, Shropshire Hills and Dedham Vale AONBs, have used the Heritage Lottery Fund's (HLF) Landscape Partnership programme to effect significant investment in land management (**Box 2**). Others, such as the Llŷn AONB Partnership, have used EU structural funds.

Box 2. Valley of Visions Project. This initiative, which is administered by the Kent Downs AONB Partnership, is a landscape-scale project working with communities, landowners and local organisations in the Medway Gap. In 2007, the Valley of Visions Landscape Partnership Scheme received £2.5 million from the Heritage Lottery Fund. This has enabled chalk grassland restoration, an extensive events programme, new community trails, the conservation of important heritage sites and engagement with schools. The AONB Partnership was the only body with the structure and expertise to be able to take on this ambitious project.

A number of AONB Partnerships, such as the Mendip Hills, are supporting Living Landscape Projects run by their local Wildlife Trust. Several AONB Partnerships in England were involved in bids to run NIAs and two were successful. The Dorset AONB Unit manages the Wild Purbeck NIA and the Arnside and Silverdale AONB Partnership is leading several projects in the Morecambe Bay Limestones & Wetlands NIA.

AONB Partnerships are ideally placed to take on this area of work because of the well-developed working relationships they have

with landowners and farmers and with third sector environmental bodies. In addition, their Local Authority base provides an efficient way of taking on new externally-funded project staff, supplementing existing skills within the AONB Unit.

In England, the Natural Environment White Paper heralded another important development in the form of Local Nature Partnerships (LNPs). Almost all of the LNPs that have received recognition from Defra have adopted administrative, rather than natural landscape-related, boundaries and many AONBs have found themselves providing input to several LNPs. A notable exception is the Northern Upland Chain LNP which encompasses the North Pennines and Nidderdale AONBs and the Northumberland and Yorkshire Dales NPs.

Membership of LNPs covers the same range of interests present on AONB Partnerships, but often with additional representation in areas such as green infrastructure planning. At the moment, LNPs have a primarily strategic focus with neither the desire nor resources to get involved in delivery on the ground, other than by supporting partners' work. The strategic priorities provided by AONB Management Plans and the staff resource present in AONB Units provide LNPs with these resources. Many LNPs are currently going through the process of appointing executive Boards and there are valuable lessons to be learned from the structure and governance of AONB Partnerships. As LNPs 'bed down', it will be important that the potential synergies between the two types of Partnership are developed, avoiding duplication and deadweight.

In Wales, AONB Partnerships have an important role to play in testing and achieving a more sustainable way of living, in particular through their functions in relation to delivering ecosystem services across the three threads (social, economic, and environmental) of sustainable development. In practice, this role is being developed primarily within the policy framework of

their respective Local Authorities, often with less evidence than in England of a distinctive AONB Partnership agenda.

Economic recovery and growth

For over 20 years AONB Partnerships have had a role in fostering the economic and social needs of local communities and businesses³. The practical manifestation of this role has become increasingly evident in the work of the Partnerships. This is probably due to the increasing acceptance in society of the principle of sustainable development (a core tenet of the AONB designation) and also to the growing track record shown by AONB Partnerships in supporting rural enterprise. As described below, Partnerships are now keen to play their full part in the drive for economic recovery in their rural economies.

Most Partnerships have made use of successive Rural Development Programmes (RDP) to implement the relevant parts of their Management Plans. Many (such as the Blackdown Hills, Chilterns, Dorset, High Weald, Surrey Hills and South Devon AONB Partnerships in England) were influential in shaping their local Leader Programme⁴ in the current RDP and are represented on their Local Action Groups. This has enabled AONB Partnerships to actively support key sectors of the rural economy such as tourism.

Many AONB Units have managed RDP-funded projects which encourage high quality tourism and recreation. The Our Land project is a particularly successful case in point (see **Box 3**) which is growing beyond its initial focus on the South East of England to cover projected landscapes in other parts of the UK. Other European funding programmes have been accessed by AONB Partnerships to support their tourism sectors. For instance the

³ This was specified in England in the Countryside Commission's 1991 Policy Statement on AONBs (CCP 356). Equivalent guidance exists in Wales.

⁴ Leader is the fourth of the four Axes of the Rural Development Programme 2007 to 2013.

Suffolk Coast and Heaths AONB Unit is co-ordinating the UK element of an EU transnational (Interreg) project that will help the tourism sector grow in ways that strengthen the environmental quality that is a key draw for visitors.

Box 3. Our Land. This project was launched by the AONB Partnerships and now also involves two National Park Authorities in the South East of England. It is a public/private partnership with responsibletravel.com. It promotes the development of sustainable tourism businesses in the protected landscapes and helps them to celebrate and draw economic benefit from operating in special landscapes. Through an online directory visitors are encouraged to stay and experience the protected landscapes. During 2012/13 the project recruited over 800 tourism businesses and generated over 11,000 overnight stays in the nine protected landscapes. This success has attracted other protected landscapes in the UK, including the Shropshire Hills and Ring of Gullion AONBs, to join the initiative.

Viable woodland economies are important to many AONBs, especially those with high woodland cover, such as the Quantock Hills, East Devon, High Weald, Surrey Hills and the Kent Downs. The Kent Downs AONB Partnership has used EU and Forestry Commission funding to support the woodfuel industry and the uptake of biomass heating. Through the NAAONB, eight AONB Partnerships are involved in a Defra and EU funded pilot supporting woodland social enterprises that seek to integrate woodland management, job creation and addressing fuel poverty.

Investment in broadband speed to assist rural businesses has been identified as a priority by many Partnerships, such as the Cranborne Chase and West Wiltshire Downs AONB Partnership, who have led or strongly supported local initiatives to improve IT infrastructure.

The Sustainable Development Fund (SDF) operated by AONBs (**Box 4**) has provided AONB Partnerships with significant resources

to engage proactively in support of key business sectors. An evaluation of the first three years of the fund in England⁵ showed that a third of supported projects delivered economic objectives (almost all of them also delivering environmental and/or social benefits) in sectors such as tourism, food and rural crafts.

Box 4. Sustainable Development Funds. The use of a dedicated grant fund to further the purposes of AONBs was started in Wales in 2001 and extended to England in 2005. Each AONB Partnership was given flexibility over how to administer and target its Sustainable Development Fund (SDF), within the overall objective of supporting *“the achievement of AONB purposes by encouraging individuals, community groups and businesses to co-operate together to develop practical and sustainable solutions”*. In England during the period to March 2009, a total of £10.7 M was allocated to local community groups, environmental bodies and businesses, with the annual amount declining from £3.5 M in the first year to £2.1 M in the fourth. During this period, it is estimated that the scheme drew in around £32 Million in matched funding. Although many Partnerships retain SDF schemes, the value of these schemes is expected to fall to just over £1 M in 2013/14.

The evaluation of English SDF schemes found that grants to businesses were usually relatively small (around £5,500) and contributed around 40% of project costs. The SDF was successful in forging stronger connections between many local businesses and the AONB designation. The reduction in funding of the SDF now risks reducing the scope for AONB Partnerships to positively influence the small business sector in their areas.

Some AONB Partnerships have invested time in becoming well networked with local businesses. For instance, the North Pennines AONB is a member of the North East Chamber of Commerce and

⁵ LUC (2009). Three year evaluation of the Sustainable Development Fund for AONBs in England. Report to Natural England.

employs a Corporate Relationships Officer to build links between business sectors and the Partnership. The Blackdown Hills AONB Partnership helped set up and has supported a local business association, which now has over 200 member and supporter businesses. The Forest of Bowland AONB Partnership has developed a Sustainable Tourism Network of 120 members which has led to the formation of Bowland Experience Ltd which provides business-to-business support for tourism development. In Wales, the Clwydian Range and Dee Valley AONB Partnership has established a Sustainable Tourism Business Group.

All AONB Partnerships are keen to use their influence to support the current drive for economic recovery and growth. The high landscape quality of AONBs, articulated in terms of their natural beauty, is now recognised as a key economic driver (**Box 5**) and the greatest opportunities for AONB Partnerships are likely to lie in those sectors that manage or derive their business from this natural beauty such as food, drink, forestry and tourism. In England, Defra's recent commitment in the Rural Economy Growth Review to use AONB Partnerships to support sustainable rural tourism will provide a boost to this area of work, as will the joint accord between AONBs, Visit England and Defra, to be launched in July 2013.

Many Partnerships in England are keen to engage with their Local Enterprise Partnerships (LEP). For instance, Dorset AONB Partnership is represented on the Food and Drink group of the Dorset LEP and the North Pennines AONB Partnership is preparing a prospectus for the North East LEP on future joint working. Other Partnerships report that dialogue is at an early stage with LEPs now turning more of their attention to the rural economy after an initial focus on urban areas and issues.

Box 5. The economic value of the AONB designation. A number of studies have looked at the contribution that protected landscape designations make to local economies. A large proportion of the added value is derived from raised levels of inward investment that occur from the recognition of the area as a desirable place to live, work and visit. Coming up with a meaningful figure is notoriously difficult. A study for the Countryside Council of Wales in 2009 into the proposal to extend the Clwydian Range AONB estimated that the value of the socio-economic impact on GDP of the designation and all that is associated with it could be around £10 million to £20 million per annum for an area of 48,584 ha with a population in 2001 of 33,883.

Community development and social health and well-being

The long standing role of AONB Partnerships in addressing the social needs of local communities has already been referred to. For many years, work in this area focussed on supporting outdoor recreation and promoting understanding of the qualities of the AONB to local communities and visitors, both of which are objectives in most AONB Management Plans.

However, in recent years, the same funding opportunities that have enabled AONB Partnerships and their Units to deliver projects with economic benefits have been used to deliver direct engagement with communities on a wide range of initiatives.

The reliance of their rural communities on car transport and the opportunity to promote more sustainable modes of travel for residents and visitors is a common theme in many AONB Management Plans. In the Gower AONB, the BayTrans Gower Explorer Bus Public Transport Partnership supports a year round service benefiting locals and visitors, with use having grown by 40% since its inception in 2004. The Dorset AONB Partnership has developed a joint project with the Jurassic Coast Partnership to promote coastal waterborne passenger transport and the Forest of

Bowland AONB Partnership has used funding from the Local Transport Plan to develop long distance recreational routes.

The training and skills opportunities arising from countryside and recreation management are being addressed by many AONB Partnerships. For instance the Clwydian Range and Dee Valley AONB Partnership works with Llysfasi Agricultural College to provide apprenticeships for rural skills such as dry stone walling. The High Weald AONB Partnership works with forestry skills training providers to network and share wood working skills and has used its SDF to offer short term apprenticeships in the coppice industry.

AONB Partnerships are keen to emphasise the improved health outcomes that have been shown to arise from access to a high quality natural environment, with the Cotswolds Conservation Board promoting the AONB as the 'Natural Health Service'. Partnerships such as the Lincolnshire Wolds AONB, which has many years' experience of supporting the Lincolnshire Wolds Walking Festival, have opened a dialogue with their local NHS on extending these opportunities to improve health outcomes. The Isle of Anglesey AONB Partnership helps provide walks for mothers with prams and toddlers. Other Partnerships such as the Quantock Hills and Wye Valley AONBs have used their SDF schemes to connect people who have mental health issues with the creative outdoors environment. To date there has been little contact between AONB Partnerships and the newly formed Health and Wellbeing Boards in England or Health Boards in Wales but, with many of these Boards recognising the natural environment as a key determinant of health, there is an opportunity for fruitful joint working.

3. AONB Partnerships' use of resources

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. The following section examines how AONB Partnerships are funded and how they use their money. It describes the steps being taken by AONB Partnerships to respond to falling budgets and considers what the impact of future cuts might be.

Sources of funding and income generated by Partnerships

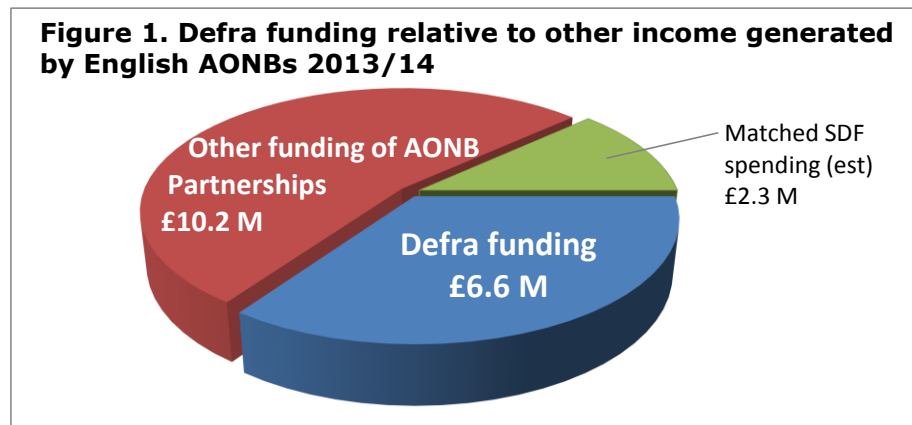
AONBs are reliant for their core funding on direct grants from Defra (in England), Natural Resources Wales, and with similar in Northern Ireland, to match contributions from their constituent Local Authorities (**Box 6**). In England in the current year, the 34 AONB Partnerships will receive £6.6 M as core funding from Defra which is used to underpin the employment of staff and other core operational costs (**Figures 1 and 2**).

Box 6. Funding mechanisms for AONBs in England: Financial assistance to AONB Partnerships is made under S.98 of the NERC Act 2006 (or, for Conservation Boards, S.91 of the CRoW Act 2000) and is discretionary. The level of funding available for each individual AONB is dependent on the needs of the area and the actual costs incurred. Since 2008, funding has been distributed as a 'single pot' leaving Partnerships free to move funding between core, project and SDF budgets. Defra has funded AONBs directly since 2011/12 (previously via Natural England). Defra funding is intended to provide 75% of funding for core functions, matched 25% by Local Authorities.

This level of funding is dramatically smaller than that received by National Park Authorities (for instance the South Downs National

Park Authority alone will receive a National Park grant of over £10 Million this year).

Defra’s core grant to English AONBs equates to an annual contribution from central government of 19 pence per person for the 34.9 M people who live within half and hours travel of AONBs in England, or 14 pence for England’s population as a whole. Equivalent figures for Wales are 20 pence per person for the 1.6 M people in Wales who live within half and hours travel of AONBs, or 11 pence for all of Wales’ population.



Data collected by Defra’s protected landscapes team shows that Defra’s direct grant to AONB Partnerships in England of £6.6 M is used to generate a further £10.2 M of income to the Partnerships from other sources. This figure includes the matched funding from constituent Local Authorities and other non-exchequer funding such as the HLF, EU programmes and business sponsorship.

The work of the AONB partnerships also generates further income to the AONB in the form of economic activity generated by supported projects. The additional income generated from the SDF scheme can be estimated from the findings of the independent evaluation of the first three years of the SDF in

England⁶ and from similar analysis in Wales⁷. This suggests that the SDF grant funding in the current year is likely to generate an additional £2.3 M of spending by supported projects.

Taking these figures together (illustrated in Figure 1), this suggests that the direct grant by Defra has a gearing ratio of 2.88 (or put another way, every £1 of Defra funding generates nearly £1.88 of additional income to the AONB). It is understood that this level of gearing compares favourably with other public bodies including NPAs.

These figures do not include the value generated from other sources such as the use of volunteers and grants administered by other bodies but secured by the AONB unit. A detailed assessment by the Cotswolds Conservation Board showed that in 2012/13, the Board converted core grants from Defra of £490,000 and from Local Authorities of £155,000 into a total income to the AONB from Board activity of £2.8 Million (a gearing of Defra and LA funding of 4.3 times). In Wales in 2012/13, the Clwydian Range and Dee Valley AONB Partnership used its £110,000 of core funding from the Countryside Council for Wales and £80,000 SDF from Welsh Government to acquire a total budget spend of £1.12 million, providing a gearing of central government funding of 5.9 times.

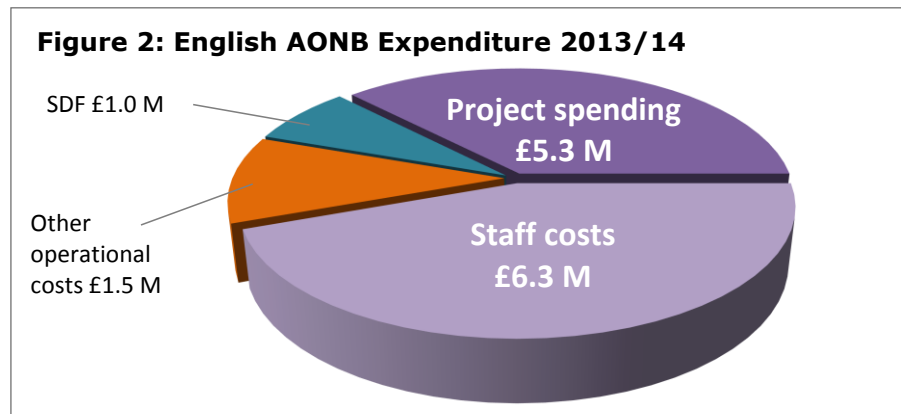
This shows that AONB Partnerships are highly successful at using the core funding they receive from central government and constituent Local Authorities to lever other income. The diversity of AONB Partnerships’ membership gives them the ability to turn small individual contributions, which would on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

⁶ LUC (2009) as previous footnote. This found a gearing ratio of 1:3.

⁷ In the Isle of Anglesey AONB every £1 of SDF grants draws in £4 of matched funding.

Expenditure by AONB Partnerships

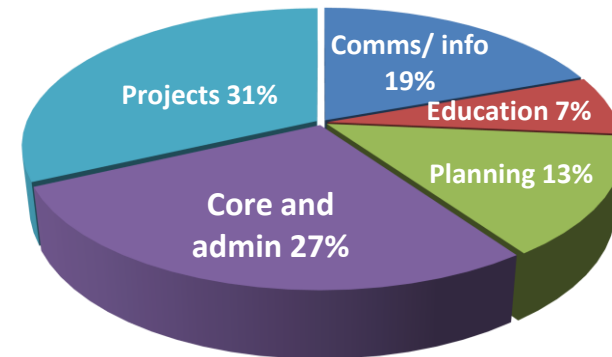
The largest category of expenditure by AONB Partnerships is on the staff in the AONB Unit (**Figure 2**). As noted earlier, AONB Units typically involve five full time equivalent posts covering the roles of the AONB manager or lead officer, an administration assistant, a communications and information post and a partnership support / external funding post. Some Units employ a planning officer and some support countryside rangers or wardens.



The acquisition and management of external funding, principally acquired from non-exchequer sources, has been a significant achievement for many of the AONB Units, providing large amounts of project funding relative to the core operational costs (or 37% of total expenditure – **Figure 2**), and accounting for around 31% of staff resources (**Figure 3**).

As noted earlier, the HLF and EU funding streams have been significant in recent years. In the current year, a number of AONB Partnerships in England, such as Arnside and Silverdale, Dedham Vale and Dorset are running projects which are significantly larger than the value of their core work.

Figure 3. Staff resources of English AONBs 2012

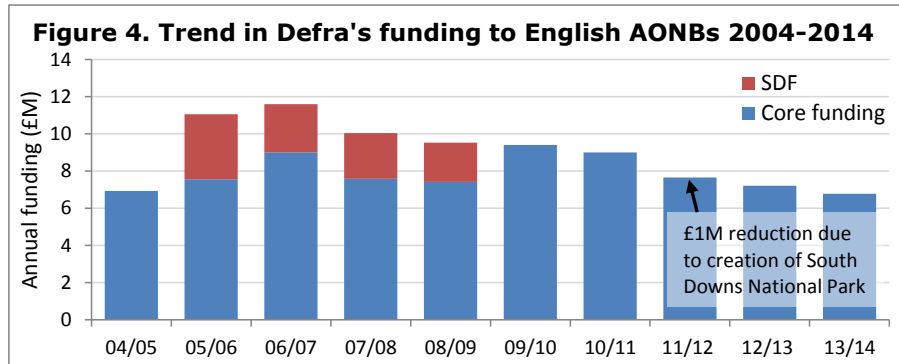


Recent responses to tightening budgets

Like all publicly funded bodies, AONB Partnerships have faced cuts in their funding in recent years. Following significant rises in central government funding of English AONBs in the three years from 2004/05 to 2006/07 (which included the introduction of the SDF), the value of this funding has been falling (**Figure 4**), matched by equivalent falls in the contributions from Local Authorities⁸.

In Wales, AONB Partnerships have benefited in the last five years from the maintenance of similar levels of core funding from the Countryside Council for Wales (now Natural Resources Wales) but have been affected by reductions in Local Authority spending.

⁸ Part of the reduction since 2011/12 has been due to the creation of the South Downs National Park which replaced the Sussex Downs and East Hampshire AONBs, resulting in a loss of £1M funding from AONBs.



During this period, AONB Partnerships 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.

Co-operation with neighbouring protected landscapes, and sharing their resources, has been a route followed by several AONB Partnerships in England.

- The Dedham Vale and Suffolk Coast and Heaths AONB Units effectively combined forces in 2011, creating two shared posts and are now considering moving to a single AONB Unit and lead officer in anticipation of further reductions in funding. This is concern from some partners who fear a loss of the distinctive local identities of the two AONBs.
- The Malvern Hills and Wye Valley AONB Units have a shared arrangement to acquire planning advice from a consultant on a call-off basis.
- AONB Units in the North of England have developed close working with their neighbouring NPAs. The Howardian Hills

AONB has a shared woodland officer post and a joint SDF Panel with the North York Moors NPA; and staff from the North Pennines and Nidderdale AONBs work with the Yorkshire Dales and Northumberland NPAs on a peatland restoration project.

During the last year, The NAAONB has played a valuable role in facilitating networks of self-organising and decentralised AONB teams through the Future Landscapes Programme (**Box 7**).

Box 7. The Future Landscapes Programme. In January 2013, a programme of 'action learning' for AONB lead staff in England and Wales was launched with support from Defra and the Welsh Government. During the period to mid-May, 10 days of workshops were delivered to 36 members of AONB staff. The workshops covered topics including the key leadership behaviours which are critical to the future success of the AONB Family; the ways in which these can be applied collaboratively; and improving the effectiveness of team working and maximising performance across the AONB Family. Five Action Learning Sets have been established covering Funding AONBs and understanding our Assets; Staff working in AONBs; Understanding the Relevance of AONBs to Society; Making the most of AONB Partnerships; and Identity & Profile.

AONB 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 some have found it beneficial to share offices with other partners such as Natural England or the RSPB.

Several AONB Partnerships have sought to diversify their workforce by involving volunteers, local support groups and students. This is an activity that requires significant investment in core staff time but can pay dividends. Examples of this work include the following:

- The Chilterns Conservation Board works closely with The Chiltern Society, an independent charity with over 7,000 members that supports the AONB designation.
- The Cotswolds Conservation Board estimates that the value of work undertaken by its volunteer force in 2012/13 amounted to £300,000.
- The Surrey Hills AONB Partnership has recently established a Surrey Hills Society which undertakes public-facing promotional and educational work, including the publication and distribution of the Surrey Hills newsletter.
- The Blackdown Hills AONB Partnership has provided a work placement to an MSc student from Plymouth University's environmental consultancy course.

A few AONB Partnerships are exploring the effectiveness of new charitable and commercial structures for delivering different aspects of the AONB purpose.

- The Forest of Bowland AONB Partnership has established a charity, Champion Bowland, as a way of raising funds and other support for the AONB. A trading subsidiary of the charity, Bowland Experience Ltd, has been created to undertake commercial activities in support of the charity and AONB.
- The Surrey Hills AONB Partnership has established a Community Interest Company, Surrey Hills Enterprises and a Surrey Hills Trust Fund, to support staff work on marketing and communications.

It is significant that most of these steps that AONB Partnerships have taken to mitigate the impact of funding cuts and better deliver their purpose have required innovative and proactive action which is outside the normal procedures of Local Authorities and other public sector bodies. AONBs Partnerships, and particularly

the staff who have been instrumental in leading these initiatives, have been willing to take risks in trialling new and untested ways of delivering the AONB purpose.

The likely impacts of further budget cuts

As noted above, AONB Partnerships, particularly those in England, have several years' experience of restructuring their Units, cutting costs and developing new ways of working. All AONB Partnerships are aware of the pressure on their core grant from central governments and the matched funding from their Local Authorities. Many Partnerships have made forward projections of their operating costs based on different funding scenarios. For instance the four AONBs in Devon have prepared an Adaptation Report examining future options for new income generation, evaluation of other delivery mechanisms, procurement of services and sharing of staff and services.

A common conclusion from AONB Partnerships' forward projections is that any reduction in central governments' funding would be matched by equivalent reductions from Local Authorities. So far, most Local Authorities in England have met their commitment to the 75:25 core funding formula (Box 6) and it is likely that most would seek to continue this.

For the majority of AONB Partnerships that have maintained their SDF scheme, this is an obvious choice for further reductions in costs. However, ending their SDF would remove a mechanism that partners and local communities have come to value as a dedicated means for delivering the AONB purpose and the objectives of their Management Plan, drawing down a high level of matched funding (see Box 5).

All the AONB lead officers who provided information to this review emphasised the critical importance of their core funding, without which they would be unable to acquire money and in-kind support

from other sources. Preparation of the AONB Management Plan and administering the Partnership are not activities likely to attract external (non-exchequer) funding. Applying for project funding, such as from HLF or EU programmes, and managing volunteers require a core investment of 'seed corn' funding.

AONB lead officers also reported that there is a minimum 'critical mass' of staffing below which it will be unviable to operate an effective AONB Unit. If this 'tipping point' is reached, the necessary restructuring incurs further costs (such as compulsory redundancy or office relocations). At this point it is likely that the dedicated AONB Unit would be dissolved and the core functions of delivering the AONB purpose (principally the preparation of the Management Plan – see Box 1) would be absorbed within Local Authority structures. It should be noted that this is not an option that is immediately open to Conservation Boards.

There is no precedent for this having taken place so it is difficult to predict what the outcomes would be. The ongoing restructuring and reduction in size of Local Authorities' countryside and environment departments, which in many cases has involved deeper cuts than those experienced by AONB Units, would be an important factor in the way they would react to this change. The authors of this report consider the following outcomes for the AONB designation to be likely:

- With a reduced administrative resource, engagement between AONB partners would probably be less frequent and less effective. Local Nature Partnerships (where they exist) might take on some of this responsibility in England, but without a dedicated focus on the AONB area or purpose.
- There would probably be a reduction in externally funded project work, for three reasons. Firstly a weaker partnership would be less attractive to funders such as HLF,

secondly there would be less core staff time to bid for funding and thirdly there might (arguably) be less of a culture of innovation and risk taking within Local Authority structures.

- The combination of these two factors would almost certainly result in a reduced focus on delivery of the AONB Management Plan (the priorities of which would be competing with other Council priorities). It is likely that many of the wider activities described in Section 2 of this report would be scaled back or stopped.

The level at which this tipping point in the critical mass of AONB Units would be reached varies between AONBs. Lead officers of some of the larger AONBs, that have secured higher central government funding and have a number of constituent Local Authorities, report that they could continue to deliver their core functions (but little else) on a declining budget for several years.

A few AONBs have built up capital reserves⁹ or have assets such as property that can be sold, providing them with a small cushion. As noted above, most AONBs still operate SDF schemes which are discretionary rather than core spending.

A number of AONB lead officers, particularly those from smaller AONBs have stated to this review that any further reductions in central government funding (greater than around 5%) would put them beyond the tipping point referred to above, incurring additional costs of restructuring that would make the operation of the Unit unviable. As noted above, 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 the AONB Management.

⁹ Conservation Boards are able to hold their own funds whereas other AONB Partnerships must rely on Local Authorities being willing to carry forward to annual budgets.

4. Overall conclusions

The following findings from this review are offered as a contribution to the debate on the future role and funding of AONB Partnerships in the UK.

A. The effectiveness of the AONB Partnership structure

The partnership structure that has evolved in AONBs, particularly those in England, can be said to have come of age. Notwithstanding the variation in detailed arrangements between AONBs, the overall 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.

AONB Partnerships provide good models for the executive boards now being formed by many Local Nature Partnerships in England. There are also opportunities for LNPs and AONB Partnerships to develop stronger synergies that avoid duplication and use AONB Partnerships to deliver LNP objectives in AONBs.

In Wales, AONB Partnerships are more firmly rooted within their Local Authority structures. There may be merit in Welsh AONB Partnerships adopting the higher levels of partnership working and more independent approaches being used in English AONBs.

B. The relevance of AONB Partnerships' work

The work being undertaken by AONB Partnerships is of growing relevance to national and local policy objectives. Concepts such as sustainable development, the ecosystems approach and the environment as an economic driver and determinant of health and

wellbeing, all of which are core tenets of the AONB purpose, now have widespread acceptance in national and local policy. This has meant that the work of AONB Partnerships is of mainstream interest to many partners in a way that would not have been the case ten years ago.

The acquisition of external project funding and use of the SDF has meant that AONB Partnerships are involved in activities that, ten years ago might have been considered beyond their remit, but where partners clearly believe that AONBs now have a role. Examples of this are the work that the Partnerships are doing to support sustainable tourism, healthy communities and take forward landscape scale ecological restoration in the light of pressures such as climate change.

The localism agenda, now given force in England through the Localism Act 2011, is also of great relevance to AONB Partnerships, particularly in relation to their engagement with local communities and their recognition of the special qualities of their AONBs.

AONBs have long been recognised by Government as potential 'test beds' for new ways of working that can subsequently be applied outside AONBs. Based on their previous experience, there may be new 'test bedding' opportunities for AONB Partnerships in the next round of Rural Development Programmes and in the integrated planning of natural resources and ecosystem delivery.

Several AONBs are exploring the effectiveness of new ways of working with the private and voluntary sectors (such as through community interest companies, charitable trusts and friends groups), taking advantage of the different mix of skills and resources that these institutional models can offer. The long term effectiveness of these as vehicles for local policy delivery has yet to be proved, but they appear to offer great potential to move into the spaces left by a smaller public sector.

In England, the National Policy Statement on AONBs (published by the Countryside Commission in 1991) now looks out of touch with current priorities. The Welsh Government is consulting on a new Policy Statement for Protected Landscapes that will refresh and re-energise the work of AONB Partnerships and NPAs in Wales¹⁰. There is an opportunity for Defra to lead a similar debate in England that more fully recognises (compared to the 1991 Statement) the contribution that AONB Partnerships can make to the delivery of national and local policy, and looks to extend their role as innovators of new ways of working.

C. The role of AONB Units

Dedicated Units of AONB staff have proved to be an effective means of achieving the purpose of the AONB designation and contributing to broader policy priorities. These Units, whether based within Local Authority structures or in Conservation Boards, give AONB Partnerships long term credibility and local expertise. They give Partnerships the means to react quickly to opportunities and fill gaps in the capacity of other organisations. AONB Units are well suited to applying for and managing large externally funded projects, allowing Partnerships to 'punch well above their weight'.

There is a strong risk that further reductions in core funding to AONB Partnerships will result in the closure of some AONB Units. There is no precedent for this and the impact on these AONB's designations and purposes is unclear. If this change proves unavoidable, it will be important that the relevant Government departments or their agencies guide transitional arrangements with the Local Authorities concerned.

D. The benefits of collaboration

This review has shown the range of experience and different approaches that are available from amongst AONB Partnerships. The potential for sharing best practice and using a collaborative 'action learning' approach to build the institutional capacity of AONB Units has been shown through the Future Landscapes Programme (Box 7) and the 36 Lead Officers that participated in the Programme continue to work together at a national level to address key issues facing AONBs.

If, as seems likely, the resources available to individual Partnerships are set to decline further, there will be even more benefit from continued collaborative and collective working at a senior staff level. Smaller AONB Units will mean that staff time will be an even more precious commodity. Taking time away from local AONB business to exchange experience, share skills and develop smarter ways of working must not be seen as an unnecessary luxury. On the contrary, pulling back from this work will lead to the much greater risk that AONB Partnerships will become more isolated from each other and miss out on the benefits of collaboration and cross-fertilisation.

LUC

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¹⁰ <http://wales.gov.uk/consultations/cultureandsport/landscape/?lang=en>