

Item 3. Development of an independent AONB Partnership structure

Summary

This paper looks further at the transition process to an independent AONB organisation and proposes some next steps.

Background

Requirements of a new organisation

With the principle that 'form should follow function', it may be useful to define what is wanted from an independent AONB structure before going into the detail of possible models. The following points are suggested as a starter for discussion:

- The structure should provide a secure, long term vehicle for delivery of AONB functions, including employment of the staff team.
- The new structure needs to be efficient and cost effective operationally, and have a good ability to fund-raise from a wide variety of sources. Ideally the new structure needs to be capable of borrowing to meet short term cash flow shortfalls.
- The structure must be capable of receiving the AONB funding from Defra (or its successor if Government departments change) and to be directly accountable to Defra for it.
- A relatively simple to understand structure, alongside strong branding, will aid the organisation in public understanding, which is quite a significant issue, and also enhances fundraising ability.
- The structure should be able to attract and involve a high calibre of board members/trustees with relevant skills as well as time and willingness to take on responsibility. These people need to be appointed through robust processes which provide the skills needed but provide checks and balances against possible personal interests or dominance of a small number of individuals.
- The structure must provide links to the two local authorities, but also be seen to be independent from them. The relationship between the organisation and the local authorities' legal duty for the AONB Management Plan needs to be clear, and to not expose the independent organisation to undue risk.
- The structure needs to be able to champion the interests of the AONB, including in planning consultations (both policy and applications).

Current thinking on options

From the work done so far, the Conservation Board option appears clearly to be more robust. The fact that a Board takes on the Management Plan legal duty from the local authorities, and the relative permanence of the Board created by a Statutory Instrument, appear to be critical factors. The local authorities could make a formal agreement with a charity or company to deliver their Management Plan duty, but they could also perhaps terminate this at any future point and potentially seek to receive the Defra funding directly, leaving the independent body vulnerable. In the case of a charity, the Charity Commission would also have to deem this Management Plan duty activity to be 'charitable', which has not yet been tested.

The inherent costs of running a Conservation Board do not appear to be significantly different to any other type of independent body. A charity has some financial advantages (e.g. business rates, VAT, fundraising), though some of these could be gained by working with a charity linked to AONB purposes alongside a Conservation Board.

An informal meeting has been requested with Defra to discuss the possibility of a Conservation Board and indeed other options. Discussions with Defra prior to such a meeting have now been initiated.

Proposed development of governance structures and roles in the transition period

In this period of transition, the decisions required perhaps not surprisingly go beyond what the current groups and individual roles were set up to do. However it is only practical to work from the structure we have, which has legitimacy until it is properly superceded, while adapting it towards where we believe we are heading, to give capacity for the extra decisions which are now needed.

As discussed before, in any scenario of independence, for practicality we are probably looking at making a smaller group (e.g. 10-15 people) into an executive, main governance body for the AONB, and probably with a larger, looser 'forum' type body associated, to involve wider partners. This effectively reverses the current structure where our larger Partnership group is the 'main' governance body and supported by the Management Board (this model works in the current scenario where neither body is truly executive or holding contractual and financial responsibility).

There is a fairly immediate need to develop the responsibility level of our structures to make decisions regarding the formation of the new independent body and to agree delegations e.g. to the Chair and lead officer in relation to negotiation with Shropshire Council and others. The simplest and most effective way to develop the necessary responsibility level is probably to adapt the existing Management Board, but this does need to be done with the agreement of the full Partnership. It is not quite as simple as 'delegation' by the Partnership, since the responsibility of the Shadow Board will be in fact greater and more operational than the Partnership itself, but the Partnership as our current 'highest' structure should agree to this.

It is proposed therefore to recommend to the Partnership in June to develop the Management Board into a 'Shadow Board' (for whichever structure follows), which is properly empowered to make necessary decisions about establishment of an independent body, effectively as 'founding trustees'. The members of this Shadow Board need to be willing to take on the additional responsibility and time commitment of this increased role (which is different to the role they put themselves forward for on the Management Board). Current members should therefore be given the opportunity to step down now if they wish. It also needs to be absolutely clear that in the role of a Shadow Board, members would be, like trustees, acting solely in the interests of the proto-independent AONB body and not 'representing' any other interest or organisation. This too is different from the current Management Board. There is a case also to appoint a few more people - using the Conservation Board categories as a guide, one or two Parish Council members from the Partnership could be appointed, still aiming at a total membership of around 12. There is also a case that officers from both Councils would not need to be 'members' of the Shadow Board – the extra trustee-like role would normally not include officers, though it may be useful for them to attend. Depending on the course of events over the coming months, the Shadow Board may of course need further development or adaptation, but establishing this now does seem necessary.

If the full Partnership are involved through correspondence in this discussion from now, it may be possible to make this decision to progress to a Shadow Board and also make any necessary new appointments in the same June meeting. Detail will be needed in the form of Terms of Reference and possibly role descriptions.

Negotiations with Shropshire Council

It was expected that the main financial terms would need to be settled in order for Shropshire Council to agree to lift the 45 day consultation. In fact, due to the elapsing of time and the reaching of agreement in principle to the Partnership's proposal for an independent body, the notice was lifted before the main financial terms were fully agreed. The negotiations have passed to a new phase, encompassing more fully broader aspects of the transition and new relationship with the Council. From the Partnership's side, this negotiation therefore needs adequate time and involvement of the Shadow Board in supporting the Chair. This is very much informing the thinking above about developing a Shadow Board.

In the immediate timescale, the Management Board's comments are welcomed on the current stage of negotiations, as outlined in emails between George Candler and James Williamson appended.

RECOMMENDATION:

The Management Board is recommended to comment on the proposals presented, in order to take forward recommendations to the AONB Partnership meeting on 14th June, and to inform ongoing discussions with Shropshire Council.

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Appendices

Appendix 1 George Candler email 21 April 2016

Appendix 2 James Williamson email 25 April 2016

Appendix 3 George Candler email 3 May 2016