



# Joint request to Defra for formation of a Conservation Board for the Shropshire Hills AONB

## BUSINESS CASE

~~November~~ May 2016~~7~~

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#### 1. Executive Summary

In 2018 the Shropshire Hills AONB designation will be 60 years old. ~~The~~ Its primary purpose of 'conserving and enhancing natural beauty' is as important now as it was in 1958, and delivers a wide range of environmental, economic and social benefits. The Shropshire Hills is unusual as a relatively large AONB falling almost entirely within one unitary authority. It is supported by an active staff team with a good track record of delivery, and has ~~governed by a strong broad and well engaged Partnership (Joint Advisory Committee) structure and supported by an active staff team with a good track record.~~ There is a strong foundation on which to build future development, ~~but the influence of the Partnership as a decision-making governance body has proved now to be inadequate for the scale of operation involved. However, t~~ The context particular circumstances of continued structural change in the host local authority ~~and coupled with change in~~ the broader working environment has led partners to agree that the long term interests of the AONB are now best served by creation of an independent AONB body. In the modern context, the factor of scale of operation is felt in this case to be more important to suitability for a Conservation Board than having a large number of local authorities. We believe A modern, lean application of the Conservation Board model enabled by the Countryside and Rights of Way Act 2000 ~~will~~ provides the only strongest viable independent organisation model possible for the long-term future of the AONB. Our aspirations are for the Conservation Board to be:

##### **An independent partnership**

- **Involving and inspiring people**
- **Working for our special landscapes**
- **Enhancing natural and cultural assets**

##### **Delivering better outcomes for the AONB**

#### **A Conservation Board for the Shropshire Hills AONB would:**

##### **Enhance capacity to deliver AONB objectives in a way that this solution alone could achieve -**

- By establishing a robust and secure governance structure, appropriate to an operation with close to £1m annual turnover, decisions in future would be made in the interests of the AONB as the over-riding priority. This will enable the team to build on performance at a high level in terms of funding, innovation, co-operation and delivery. A linked charitable structure will assist with additional fund-raising but is not suitable as the main governance body of a statutory designation.
- Free of competing priorities of a host authority department, all available resources would be deployed for the best benefit of the AONB, providing better delivery of AONB core functions. More time could be given to work with the most relevant partners and to development of new delivery projects and to collaboration across the AONB Family.
- Greater volunteer capacity could be harnessed at all levels, building on the existing strong engagement of partner organisations and individuals, and energising this through providing greater responsibility and autonomy. The organisation will have necessary critical mass and scale to operate independently.

- Maintaining optimal relationships with both local authorities – with members appointed to act in the interests of the AONB, and ensuring a balance of delivery across both areas.
- The influencing role of the AONB organisation would be strengthened through the status of the Conservation Board, providing greater leverage to both staff and Board members.
- The additional statutory objective of a Board to ‘increase understanding and enjoyment’ would add credibility and influence to our valued work in sustainable tourism.
- The Board’s clear legal responsibility for the AONB Management Plan will strengthen the Plan, and the Board’s status and independent voice will secure greater protection for the AONB and raise its profile.

### **Be financially sustainable, taking into account establishment, ongoing and long-term costs -**

- Secure governance. A Conservation Board would improve financial sustainability in a number of ways, but most fundamentally as significant decisions would then rest with a governance body that has the AONB’s interests as its main concern.
- The AONB Partnership can bring substantial financial reserves of £190k to the creation of a new independent body, to provide it with security and also in the process safeguarding for AONB purposes these otherwise vulnerable funds.
- Support for transition costs. The Partnership is applying for a two year package of HLF Resilient Heritage funding to support the process of transition to a new governance structure.
- Enhanced income generation capacity. A Conservation Board can work alongside the recently established Shropshire Hills AONB Trust charity and the Friends of the Shropshire Hills AONB scheme, and will have better ability to fund-raise.
- A Conservation Board is more likely to receive Council contributions in future than a hosted team.
- Reduced support services costs.
- Since the AONB Partnership is now paying Shropshire Council for ‘support services’ previously provided without charge, moving to an independent Conservation Board will actually reduce overall costs.
- Ongoing costs not significantly changed. Office and IT needs and volunteer expenses will be much the same as now, and modest increases in costs through VAT are more than offset by savings on support services.

As befits arrangements for a national statutory designation, only the government can put in place the necessary mechanism of a Conservation Board. Though we recognise there are many other priorities, the relatively small amount of government time involved will secure a huge long-term benefit for the Shropshire Hills AONB, and partners locally are committed to providing all possible support for a streamlined and efficient process of transition.

*“It’s time to remember the good that government can do. Time for a new approach that says while government does not have all the answers, government can and should be a force for good; that the state exists to provide what individual people, communities and markets cannot; and that we should employ the power of government for the good of the people.”*

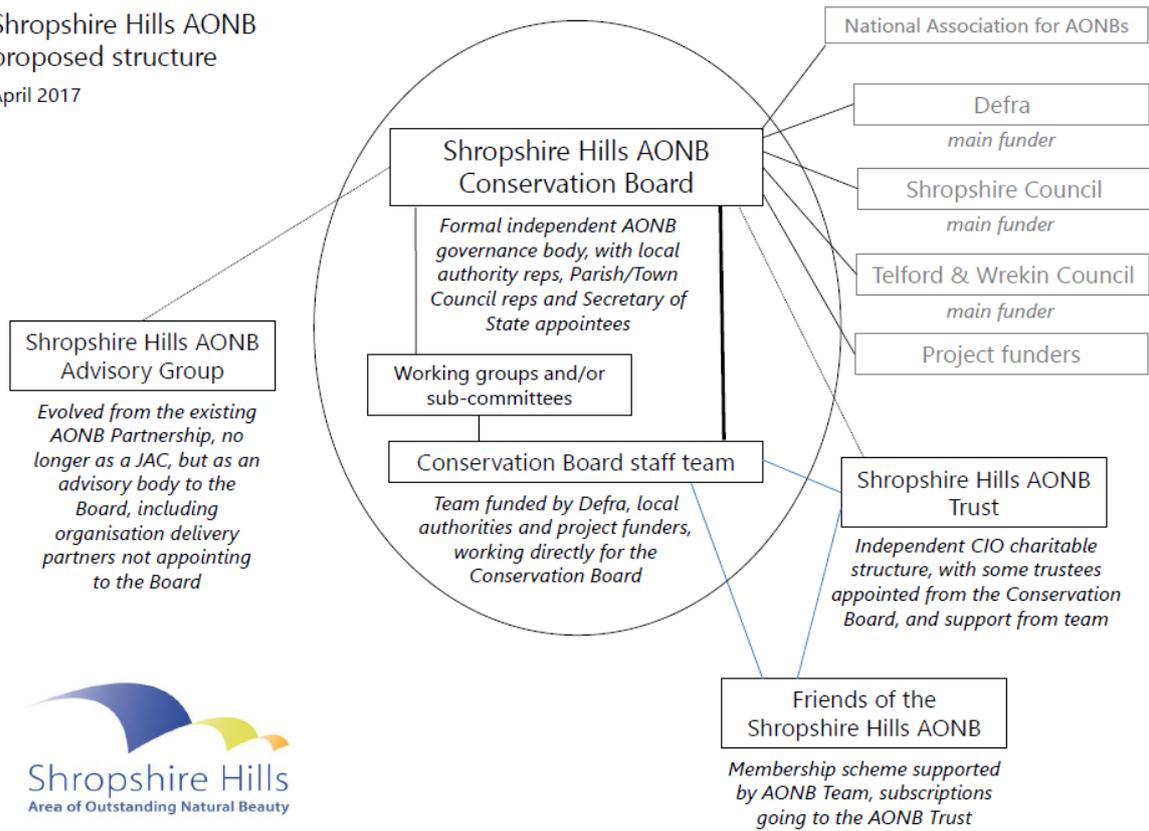
Theresa May, Prime Minister’s speech to Conservative party conference 5 Oct 2016

—The Board structure also has the significant advantages of **unequivocal focus on the needs of the AONB, ability to harness volunteer effort** from Board level to on the ground practical work, and **enhanced ability to fund-raise**, working with a newly established AONB charity.

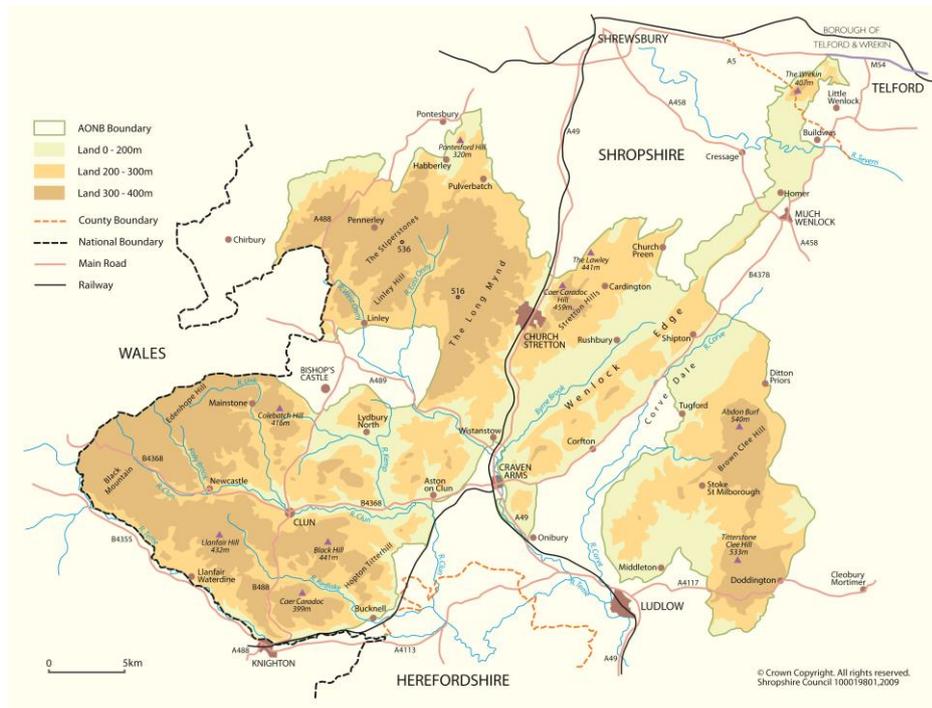
A diagram of the proposed AONB structure is shown [below](#):

Shropshire Hills AONB proposed structure

April 2017



at Appendix 1.



Map of Shropshire Hills AONB and of AONBs nationally



## 2. Introduction and background

This document sets out a business case for the creation of an independent Conservation Board as the future governance and operating structure of the Shropshire Hills Area of Outstanding Natural Beauty (AONB).

Alternative options for governance and operating structures were first considered in detail by the AONB Partnership in 2012, resulting in work towards the establishment of a linked charity, and agreement to remain under Shropshire Council hosting arrangements. However, acute financial pressures led Shropshire Council in spring 2016 to initiate a significant change to manage the AONB team within a new integrated team as part of the Council's Outdoor Partnerships Service. This included loss of the dedicated AONB Manager post and reallocation of AONB budgets towards existing Council services (delivering within the AONB) affected by internal budget cuts seek a substantial reduction in its net annual cash contribution to the AONB Partnership on the back of proposals to manage the AONB team within a new integrated team as part of the Council's Outdoor Partnerships service.

Following a formal consultation with ~~potentially~~ affected staff and significant representations from the AONB Partnership and its members, agreement in principle was reached in April 2016 on an alternative proposal:

- to develop new independent delivery arrangements for the AONB team outside the Council within a new external organisational structure,
- to confirm a savings plan to Shropshire Council within the context of a review of the AONB budget both before and after externalisation.

## 3. History and current governance of the Shropshire Hills AONB

The Shropshire Hills AONB was designated in 1958 and covers 802km<sup>2</sup>. At this time there were ten local authorities, later becoming five. Since 2009, 99.4% of the area is within the unitary Shropshire Council's area, and 0.6% within Telford & Wrekin Council's area (this being the Wrekin hill, with a significance far outweighing its small area). The AONB covers about a quarter of Shropshire and is the largest in the Midlands area. The 9<sup>th</sup> largest of the 38 AONBs in England and Wales, it is next in size after the Chilterns and only marginally smaller.

The current governance arrangement for the AONB is a 'Joint Advisory Committee' to Shropshire and Telford & Wrekin Councils, known as the Shropshire Hills AONB Partnership, which is supported by the AONB Partnership staff team, hosted by Shropshire Council as the accountable body. Funding for the Partnership team and operation is received from Defra and the two local authorities, along with project funding and earned income from many sources. ~~This is the most common governance structure among English AONBs.~~

The Shropshire Hills AONB Partnership has defined its main roles as to:

- Take and co-ordinate action to conserve and enhance natural beauty; promote enjoyment and understanding, and further sustainable development.
- Develop policy and strategy for the area through the AONB Management Plan, and influence the policies and strategies of others.
- Develop the AONB Partnership as an inclusive and effective organisation.

- Support the involvement of the community in the management of the AONB.

The large Partnership of 41 members has an independent Chair and representation of many organisations with remits relevant to the AONB, as well as 6 Parish & Town Council representatives, and 7 individual members. This broad engagement is key to successful delivery. The AONB Partnership Team seeks to concentrate ~~their~~ its work in areas which complement or add value to the work of others, and avoid duplication.

In July 2016 following several years of research and development work by the AONB Partnership, a new Charitable Incorporated Organisation (CIO) for the AONB, the Shropshire Hills AONB Trust, was registered with the Charity Commission. This has a majority of trustees appointed from outside the AONB Partnership and is independent of the Partnership in governance terms. Its charitable objects, however, relate entirely to AONB purposes, and it is intended to provide a complementary structure to the main AONB governance organisation, as an effective mechanism for fundraising to benefit the AONB. It is ~~expected to give~~ ing grants directly to projects in the community, and ~~will work~~ ing collaboratively with the AONB Partnership (or Conservation Board in due course), which it may also benefit or support financially, according to the trustees' discretion and the Trust's charitable objects.

#### 4. The changing operating environment

AONBs are a statutory designation with a long history, and the organisations associated with them have developed as effective delivery mechanisms over about 25 years. The continued importance of AONBs has been underlined by the relative protection of their funding by Defra in recent years, along with high levels of ministerial support. The ~~typical~~ model of local authority hosting has, however, come ~~increasingly~~ under strain in a number of AONBs ~~as~~ where Councils have had to adopt more radical budget savings and restructuring. In Shropshire a very high proportion of a relatively large AONB sits within the area of one unitary authority, Shropshire Council, making the AONB structure ~~potentially much~~ more vulnerable to decisions taken by one Council, even against the will of the AONB Partnership structure.

Shropshire Council has pursued radical change in service delivery in recent years along with significant budget cuts, including commissioning of services to various external bodies. The details of the hosting arrangement of the AONB Partnership have varied over time with several different departments. While there are very valuable synergies for the AONB team with a broad range of Council departments, a close fit with one particular department is often difficult. While Shropshire Council (and the County Council before it) has provided an effective and valuable hosting role for many years, the scale and speed of its continued organisational changes and funding reductions have become a ~~potential~~ source of future instability for the AONB Partnership.

The Shropshire Hills AONB Partnership is acknowledged nationally as a successful AONB organisation, among the top league in terms of gearing up of Defra and the Councils' funding, with turnover now reaching close to £1million. The team's work also has a good reputation locally, e.g. in river habitat and catchment work, local conservation projects, sustainable tourism, heritage projects, input into planning, etc. A high priority on partnership working has achieved a broad engagement of people willing to give their time in

both governance and practical delivery, though there is undoubtedly a great deal further to go in terms of raising awareness and involving the local population. Successful earning of income and financial management has enabled the securing of a significant financial reserve for the AONB Partnership, currently held 'ring-fenced' within Shropshire Council finances, though likely to be at greater risk in future.

Very strong performance by the team in securing additional funding has helped to retain confidence by achieving excellent gearing for the Councils from their contributions, but from 2009 to 2015 both Councils have in different ways made cuts totalling 27% of their 2009 contributions. From a starting base which had in fact never provided the full 25% local authority funding with which to match government 75% core funding, the Partnership team has increasingly had to rely on earned income to make up the Councils' shortfall. This has in recent years included, with Defra approval, matching with certain project income deemed to be meeting the defined 'core functions'.

The wider context for the AONB also includes factors such as:

- continued pressure on central and local government funding
- the likelihood of farming subsidies diminishing and being more focused on greening
- future lack of access to EU funding programmes such as LEADER
- growing appreciation of the health value of recreation
- increasing local tourism opportunities and pressures
- greater national appreciation of the need to better manage ecosystems, soil and water
- more interest among businesses in staff development and supporting local causes
- more need to work with other AONBs and National Parks, etc.

AONBs are recognised internationally by the International Union for the Conservation of Nature (IUCN) as 'Category V' protected areas. Some level of international and European links will remain important even after the UK leaves the EU. Wider political change and economic pressure creates an increasingly uncertain environment in which AONBs must operate. The ability to continue to diversify income streams while remaining true to the central AONB purposes is important, while not undermining the important principle of core public funding for the many public benefits provided by AONBs and the work of their teams.

The 'need' for services delivered by the AONB team is defined in the statutory AONB Management Plan, which identifies priorities for the area. These are long term issues, and the need to provide continued proactive conservation and management of the AONB landscape is well evidenced. Many other organisations contribute to delivery of the AONB Management Plan, but the team play an important co-ordinating and delivery role.

#### **6.5. Outcome requirements for the AONB organisation**

The following was agreed by the AONB Partnership Management Board on 11<sup>th</sup> May 2016 as the key outcome requirements of a new organisation:

- 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).
- The structure needs to support engagement, collaboration, learning, sharing knowledge etc. with the national AONB family.

## **7.6. Options Appraisal and Confirmation of Approach**

A detailed options appraisal was first carried out in 2012, following earlier exploratory work by the AONB Partnership in 2010. These formed the basis of detailed options papers taken to the AONB Partnership and its Management Board in the spring of 2016 (see para 29 at <http://shropshire.gov.uk/committee-services/ielistDocuments.aspx?CId=265&MId=3339&Ver=4>).

A simplified appraisal in table format of the main options for the future structure of the AONB is provided within **Appendix 2**. The options considered and principal factors are:

### **1. Retain hosting arrangement with Shropshire Council but develop linked charity structure to optimise broader sources of income (this is the status quo)**

*1- This is the status quo option, which was effectively closed by the Council's restructure initiated in spring 2016 and the following agreement in principle to create an independent body.*

### **2. Creation of an independent body for the AONB using a 'generic' model in the form of a Trust, charity or company**

*2- This model is untested in England and Wales under the CROW Act legislation and on detailed consideration appears problematic. An independent body in one of these forms*

would be in a vulnerable and potentially weak position due to the retention by the local authorities of the statutory duty for the AONB, in which it would have no direct role. Even with a good JAC Partnership structure, Defra had proved unwilling to challenge the Council's unfavourable restructure plans, and the risk to the potential charity/trust is to lose the AONB funding if the Council were in future to seek a direct arrangement with Defra. There is perhaps the possibility for Defra to seek detailed legal advice on mechanisms to help make this model secure and workable, but this is likely to be more complicated and time consuming than using an existing mechanism. It would also mark a move for the management of a statutory designation into the third sector, which partners and the AONB family feel could undermine the designation and is not desirable.

### **3. Creation of an AONB Conservation Board**

3. For the reasons set out in detail in this document, this option has been found to be the strongly preferred and only really viable option.

### **4. Transfer hosting to a different organisation**

4. With Telford & Wrekin Council comprising only 0.6% of the AONB and at an extremity geographically, there is no alternative local authority host. While in addition there is no obvious other organisation which could host, such an arrangement would also run into the problems of separation from the local authorities' statutory duty on the AONB Management Plan, and likely distortion of influence from the corporate priorities of another organisation.

~~This work concluded that the creation of a new Conservation Board was the preferred model. Subsequently t~~The AONB Partnership Board at its meeting on the 14<sup>th</sup> June 2016 endorsed the Conservation Board as the preferred model for an independent structure, and supported a formal request to Defra by the two Councils and Partnership to initiate the process of creating a Conservation Board for the Shropshire Hills AONB, subject to confirmation of a business case. Telford and Wrekin Council formally approved the proposal to make a joint request to form a Conservation Board at its Cabinet on 13<sup>th</sup> October 2016, and Shropshire Council did so at its Cabinet on 19<sup>th</sup> October 2016. The AONB Partnership endorsed the formal submission to Defra on 15<sup>th</sup> November 2016.

Following the formal approval by the two Councils in early October of the proposal to make a request for formation of a Conservation Board, the AONB Partnership has initiated a programme of wider stakeholder engagement. Comments have been invited from Parish & Town Councils, organisations and the wider public (see <http://www.shropshirehillsaonb.co.uk/2016/10/19/proposed-formation-of-an-independent-conservation-board-for-the-shropshire-hills-aonb/> and <http://www.shropshirehillsaonb.co.uk/2016/10/21/delivering-a-better-future-for-the-shropshire-hills-aonb/> and <http://www.shropshirehillsaonb.co.uk/wp-content/uploads/2016/10/Conservation-Board-leaflet-web.pdf>

A 'Transition Board' has been established in place of the Management Board, including representatives of both Councils, as well as other members elected from the AONB Partnership, and additional co-opted members. This has met ~~three~~ six times to date.

Following meetings with Defra officials in December 2016 and February 2017, and receipt of the Minister's letter of April 2017 setting out the government's view on Conservation Boards,

this document is a refined resubmission to Defra of the request to create a Conservation Board for the Shropshire Hills AONB.

~~An independent charity may be another possible structure, but is unproven for AONB governance in England and likely to be more difficult in relation to arrangements for the statutory duty for the AONB Management Plan, which would remain with the local authorities. The option of an alternative host body is not ruled out altogether, but is not preferred at this stage.~~

## 7. The Aspiration

The following aspiration for a new, progressive Shropshire Hills AONB Conservation Board was developed in a facilitated visioning workshop between the Transition Board and the AONB team, and through further discussion by the AONB Partnership on 8<sup>th</sup> September 2016:

### **An independent partnership**

- **Involving and inspiring people**
- **Working for our special landscapes**
- **Enhancing natural and cultural assets**

### **Delivering better outcomes for the AONB**

Alongside the development of the new aspiration, the most important areas of work currently undertaken by the AONB Partnership for the Conservation Board to build upon, were identified as:

- 'Enabling' role – providing support and coordination, delivering in partnership
- Acting as a 'focus' for the area, and a champion for the Shropshire Hills AONB
- Education, engagement and understanding through the landscape and the work undertaken
- Work in support of 'why nature matters to people' (i.e. ecosystem services)

The visibility of the AONB team and governance structure are seen to be vital to the effectiveness of these roles, and while some smaller AONB teams operate effectively embedded within a host authority structure, for a large team which has had a strong semi-independent profile, this would undoubtedly be a backward step.

## 8. The case for a Conservation Board

With reference to the criteria in Lord Gardiner's letter of 6 April 2017 to AONB Chairs, a Conservation Board for the Shropshire Hills AONB would:

### **Enhance capacity to deliver AONB objectives in a way that this solution alone could achieve -**

- By establishing a robust and secure governance structure, appropriate to an operation with close to £1m annual turnover, decisions in future would be made in the interests of

the AONB as the over-riding priority. The JAC model has ultimately proved not to provide this, other than as an influential voice. Charitable structures are of relevance to additional fund-raising but not for the main governance of a statutory designation – a move in this direction would be seen as weakening the AONB designation and family. The small Board of 10 members we propose is a simple, streamlined and efficient structure. The appointments and administrative processes for this would be simple, while providing strong involvement of the two local authorities and an optimum size for decision making. This new iteration of the proven Conservation Board model would be a relevant, progressive and locally determined solution, strongly supported by both Councils, as well as partner organisations and stakeholders within the AONB, and offering much better long term stability. This will enable the team to continue to perform at a high level in terms of funding, innovation, co-operation and delivery.

- Free of competing priorities of a host authority department, all available resources would be deployed for the best benefit of the AONB, providing better delivery of AONB core functions. More time could be given to work with the most relevant partners, to development of new delivery projects and to collaboration across the AONB Family.
- Greater volunteer capacity could be harnessed at all levels, through a clear separation from the Council, and building on the existing strong engagement of partner organisations and individuals, and energising this through providing greater responsibility and autonomy. As a large AONB with no other protected landscapes nearby, the Shropshire Hills has both the necessary critical mass to become an independent body, and the ability to attract good Board members. The existing Partnership group would be changed into an AONB Advisory Group, to ensure continued strong engagement by partners who may not be involved on the Board itself.
- Maintaining optimal relationships with both local authorities. When the Conservation Board model was devised and written into the CROW Act, large rural unitary local authorities did not exist, and the issues for AONBs resulting from this had not been considered. Within a typical structure with more local authorities, there is inevitably a degree of balance between the different councils, both geographically and in terms of influence. In our unusual circumstances there is a need to ensure strong delivery by the AONB team across the two very uneven local authority areas. The Conservation Board model provides for appointments by both local authorities, to act in the interests of the AONB, and balanced with other interests.
- The influencing role of the AONB organisation would be strengthened through the status of the Conservation Board, providing greater leverage for both officers and Board members. Influencing is an important role for the AONB structure across many fields, as a relatively small structure covering a large area. Planning is only one of these, and this is not a major factor in the proposal to form a Conservation Board. However, as Shropshire is a unitary Council covering the vast majority of the AONB, almost all planning applications are determined by the AONB Partnership's host authority, which has on occasions constrained the effectiveness of the Partnership to act as a champion and advocate for the AONB.
- The additional statutory objective of a Board to increase the 'understanding and enjoyment of the AONB's special qualities' would add credibility and influence to our valued work in sustainable tourism.

- The Board's clear legal responsibility for the AONB Management Plan will strengthen the Plan, and the Board's status and independent voice will secure greater protection for the AONB and raise its profile. The model is tested and well understood. There is no advantage to trying anything different. A Conservation Board brings together the statutory AONB Management Plan duty, the AONB team and the overall governance structure in a single legal entity, in a way that no other available option does. The structure provides for a balance of representation of national importance of the AONB as well as local authorities and other local interests. Though still not a statutory consultee in planning, a Conservation Board ensures avoidance of conflicted positions in relation to a host authority especially regarding involvement in planning consultations.

### **Be financially sustainable, taking into account establishment, ongoing and long-term costs -**

- Secure governance. A Conservation Board would improve financial sustainability in a number of ways, but most fundamentally as significant decisions would then rest with a governance body that has the AONB's interests as its main concern. Increasingly, the AONB Partnership operates within the Council as a financially independent unit, carrying its own risks and costs (e.g. redundancy payments), but it remains very vulnerable to corporate decisions not taken with the interests of the AONB foremost. Allow more secure business planning in terms of fund-raising, project bids, trading and development of strategic work strands, due to undistracted organisational focus solely on the needs of the AONB.
- Significant financial reserves. The AONB Partnership can bring substantial financial reserves of now £190k to the creation of a new independent body, to provide it with security and ability to cash flow. This reserve is equivalent to 70% of our current annual core budget. Under the current hosting arrangement, these reserve funds belong legally to Shropshire Council and only a 'moral obligation' secures their ring-fencing for AONB use. The Council have definitively agreed to pass these reserves over to an independent body when formed, and this is the only way fully to secure these and any future reserves for AONB purposes. The 'obligation' would otherwise be at significant and increasing risk – for example, the Council's most recent budget strategy has been to spend its reserves to address revenue budget deficits. A reserves policy would be established in which the reserves would not be continually run down towards levels which would threaten long-term viability of the organisation. Reserves may be used to match external funding or to a degree to absorb short-term budget shortfalls. However, as in the past for AONB Partnerships and the existing Conservation Boards, if core funding is cut and other options for savings or earning income prove inadequate, staff posts would be cut to make necessary savings.
- Support for transition costs. With the lean Conservation Board structure proposed, transition costs are not expected to be great, and we are still receiving in-kind support from Shropshire Council for this process. In addition, the AONB Partnership has applied for £98k of HLF Resilient Heritage funding over a two year transition period. This would help with transitional costs of creating a Conservation Board which were previously supported by Countryside Agency.
- Enhanced income generation capacity. The Resilient Heritage grant also includes organisational development activity and development of income generation. A

Conservation Board can work alongside the recently established Shropshire Hills AONB Trust charity and the Friends of the Shropshire Hills AONB scheme, and will have better ability to fund-raise. The income generation model for a Conservation Board is not hugely different from the Council-hosted AONB Partnership, however, where the Council's hosting commitment or capacity is reduced due to other pressures, the team's ability to undertake business in these ways becomes hampered. Funding bids for large-scale delivery projects can be made and income gained to a degree from fee-earning and trading. Conservation Board status will ensure that freedom, and that earned income is secure for the AONB organisation and not at risk of being used elsewhere. The projections on income generation are in scale with past performance of the team. The size of the team is however large enough that if some contraction were unfortunately to prove necessary, this could be done with losses only to some areas of work rather than threatening overall viability. As a further advantage, an independent Conservation Board operating solely for the benefit of the AONB will higher profile, and be perceived much more positively as a worthy recipient of funds from a linked AONB charity (and its donors), or potentially from commercial sponsors, than a Council department.

- Retaining Councils funding. A Conservation Board is more likely to receive Council contributions in future than a hosted team. No option can guarantee continued Council funding long-term. However the Council funding pledged for a Conservation Board up to 2019-20 is well above the net level of funding in their restructure proposals of March 2016, where Shropshire Council's savings target exceeded their total contribution. This improvement has been negotiated in relation to the creation of an independent AONB body. The level of Council funding is lower than for many AONBs and already much reduced, so that we are accustomed to having to source match income elsewhere, and the reliance on Council funding is therefore lower. However, as a visible external body with strong Council representation, it would much harder politically for the Councils to provide no funding to a Conservation Board, than towards an AONB team which was hidden deep within their own services.
- Reduced support services costs. Since the Partnership is now paying Shropshire Council £31,290 pa for support services, the ongoing costs of a Conservation Board will actually be lower overall than at the current time, as we estimate these services can be procured on the open market for around £17,500. Conservation Boards do have to pay VAT on relevant expenditure, though this is a relatively small proportion of the overall budget. The modest increase in costs through VAT (estimated at £10,500 pa) would not prevent an overall net saving in the budget. In situations where VAT will be incurred on project delivery costs where currently this is reclaimable, this can be included in project bids to funders, as with the existing two Boards.
- Ongoing costs not significantly changed. The Partnership does not currently in practice pay volunteer expenses for Board type roles, and would prefer to continue this arrangement with a Conservation Board. Most people currently involved do not wish to claim them and we imagine this would continue. A modest increase in volunteer expenses even if it did occur would not significantly affect the overall budget. The basic office and IT needs are no different with the Conservation Board model. Our research indicates that IT services can be procured on the open market for considerably less than the Council currently charges, and for a small team these are not very high relative to the overall budget. The reserves would enable cash-flowing of any spikes in spend, and these are sometimes experienced in any case under the current arrangement. In our current premises there may be a small additional service charge (£1,500) payable to the Council

by a Conservation Board which is not currently incurred. Longer term however, a Conservation Board would have choices as to the space it occupies, and the potential also to own property (asset transfer of the current office buildings has not been ruled out longer term by the Council).

New governance arrangements independent of Shropshire Council in the form of a Conservation Board for the Shropshire Hills AONB would:

- ~~Be a **relevant, progressive and locally determined model**, strongly supported by both Councils, as well as partner organisations and stakeholders within the AONB, and offering much **better long term stability**.~~
- ~~Provide a **strong, independent structure with an unequivocal focus on the AONB**. A Conservation Board exists solely to support AONB purposes and is not vulnerable to other priorities of a larger organisation.~~
- ~~**Build on the existing strong engagement** of partner organisations and individuals, and indeed energise this through providing greater responsibility and autonomy, and therefore **more reason for people to get involved** on a voluntary basis.~~
- ~~**Reduce costs overall**, through the ability to procure support services more cheaply outside the Council.~~
- ~~Be a **simple, streamlined and efficient structure** with a small Board of 10 members. The appointments and administrative processes for this would be simple, while providing strong involvement of the two local authorities and an optimum size for decision making.~~
- ~~Allow **more secure business planning** in terms of fund-raising, project bids, trading and development of strategic work strands, due to undistracted organisational focus solely on the needs of the AONB.~~
- ~~Considerably **raise the profile of the AONB** and public perception of its importance, also with the benefits of being easier to understand, **enhancing the ability to raise funds** for the AONB and providing a **stronger voice** for its interests in decision making, especially planning.~~
- ~~Provide a **long term, secure and appropriate governance solution** for an AONB which is the landscape 'jewel in the crown' for Shropshire and the region, and enable the team to continue to perform at a high level in terms of funding, innovation, co-operation and delivery.~~
- ~~**Work effectively alongside the recently established charity** for the Shropshire Hills AONB charitable structure, which has the main purpose of fundraising for the benefit of the AONB.~~
- ~~Be better able to **collaborate across the AONB Family**, due to lack of competing demands from a host organisation with its main priorities outside the AONB area and remit.~~

The Conservation Board model is designed specifically for AONBs, and is a **proven model** for the application of Defra AONB funding. A Conservation Board brings together the statutory AONB Management Plan duty, the AONB team and the overall governance structure in a single legal entity, in a way that no other available option does. The structure provides for a balance of representation of national importance of the AONB as well as local authorities and other local interests. Though still not a statutory consultee in planning, a

Conservation Board ensures avoidance of conflicted positions in relation to a host authority especially regarding involvement in planning consultations.

As with any independent structure, support functions such as HR and payroll, IT, etc would have to be bought in. However, since Shropshire Council is now charging in full for these functions, **an independent body is likely to be able to achieve an overall cost saving by procuring these services more economically.** Conservation Boards do have to pay VAT on relevant expenditure, though this is a relatively small proportion of the overall budget. Defra may be able to raise their funding contribution in respect of this as for the existing two Boards. However, even if this is not the case, an increase in costs through VAT would not prevent an overall net saving in the budget.

The overall lead in time for the establishment of a Conservation Board is considerable, and may be under additional pressure given the additional current work for government following the referendum vote to leave the EU. The creation of a Conservation Board is however a step for the long term future of the AONB, and **the time taken is felt to be worth the long term benefits.**

**The Shropshire Hills is a large AONB with multiple local authorities.** The 9<sup>th</sup> largest of the 38 AONBs in England and Wales, it is next in size after the Chilterns and only marginally smaller. In 2009, the number of local authorities covering the Shropshire Hills AONB reduced from five to two, through the creation of the unitary Shropshire Council, covering 99.4% of the AONB. Telford & Wrekin Council covers only a small part of the AONB, but this is The Wrekin, Shropshire's most well-known and iconic hill, and AONB work in this area is very important. The Shropshire Hills has the second largest area of any AONB within a host unitary authority, but the AONB Partnership remains very firmly a structure with two local authorities. **An important issue therefore is ensuring strong delivery by the AONB team across the two very uneven local authority areas.** Within a structure with more local authorities, there is inevitably a more even geographical spread and balancing between the different councils.

When the Conservation Board model was devised and written into the Countryside & Rights of Way Act 2000, large rural unitary local authorities did not exist, and the issues for AONBs resulting from this had not been considered. The pooling of 94% of the Shropshire Hills AONB's total local authority contributions into one Council in 2009 very obviously brought potential vulnerability to the AONB Partnership funding from decisions by a single Council. Very strong performance by the team in securing additional funding has helped to retain confidence by achieving excellent gearing for the Councils from their contributions, but from 2009 to 2015 both Councils have in different ways made cuts totalling 27% of their 2009 contributions. From a starting base which had in fact never provided the full 25% local authority funding with which to match government 75% core funding, the Partnership team has increasingly had to rely on earned income to make up the Councils' shortfall. This has in recent years included, with Defra approval, matching with certain project income deemed to be meeting the defined 'core functions'. Due to the acute continued and growing pressure on local authority budgets, Shropshire Council in spring 2016 sought a more radical solution, which the AONB's Partnership governance structure did not support. Continued pressure on the established AONB funding model had reached a critical point. It has now been agreed that **the Conservation Board proposal represents the best likelihood of retaining Council funding into the future.**

As Shropshire is a unitary Council covering the vast majority of the AONB, almost all planning applications are determined by the AONB Partnership's host authority. This has on occasions made the submission of comments by the AONB Partnership Manager as an employee of the Council sensitive, and as a result has constrained the effectiveness of the Partnership to act as a champion and advocate for the AONB. This is not a situation which arises nearly as often in any structure with more local authorities (especially with a County Council host), **and a strong voice for the AONB in planning is most effectively achieved through a fully independent structure.** There are of course some smaller AONBs wholly within a single local authority who manage to find a way around this issue, usually by working more integrally as part of the authority itself. For reasons of the scale of the Shropshire Hills AONB and the fact that it has two authorities, this model of working would not address the other factors described here.

In the modern context, the factor of **scale in general is felt in this case to be more important to suitability for a Conservation Board than having a large number of local authorities.** As a large AONB with no other protected landscapes nearby, the Shropshire Hills has both the necessary critical mass to become an independent body, and the ability to attract good Board members. In addition, the operational success of the relatively large AONB team has also resulted in the accumulation of a substantial financial reserve, without which a move to independence would be hard to imagine.

Following the formal approval by the two Councils in early October of the proposal to make a request for formation of a Conservation Board, the AONB Partnership has initiated a programme of **wider stakeholder engagement**. Comments have been invited from Parish & Town Councils, organisations and the wider public (see <http://www.shropshirehillsaonb.co.uk/2016/10/19/proposed-formation-of-an-independent-conservation-board-for-the-shropshire-hills-aonb/> and <http://www.shropshirehillsaonb.co.uk/2016/10/21/delivering-a-better-future-for-the-shropshire-hills-aonb/> and <http://www.shropshirehillsaonb.co.uk/wp-content/uploads/2016/10/Conservation-Board-leaflet-web.pdf>).

## 9. Risk Assessment

The relative strengths and weaknesses of the Conservation Board model are summarised within the SWOT analysis below:

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• Statutory status of AONB designation and Conservation Board</li> <li>• Part of a strong national AONB family through the National Association for AONBs</li> <li>• Strong local support for an independent body solely focussed on the needs of the AONB</li> </ul>	<ul style="list-style-type: none"> <li>• Conservation Boards pay VAT on some expenditure</li> <li>• Inability to reclaim 'full cost recovery' from some project funders (as currently local authority hosting)</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• Tapping into capacity and skills of Board members</li> <li>• Working alongside the new 'Shropshire Hills AONB Trust' charity (CIO)</li> <li>• Potential for enhanced commercial activity</li> <li>• Ability to survive at a range of scales of operation, depending on levels of funding</li> <li>• Possibility of holding property as an asset, e.g. offices</li> </ul>	<ul style="list-style-type: none"> <li>• Process to create Conservation Board is dependent on Defra agreement and capacity</li> <li>• Need to manage cash flow and reserves effectively</li> </ul>

Potential risks associated with pursuing the Conservation Board model, and actions to mitigate these, are described in more detail in **Appendix 3**.

## 10. Summary of projected budget position

Detailed projections of AONB income and expenditure for 2016-17 through to 2019-20 and cash flow for 2018-20 are included within **Appendix 4**, and are accompanied by the notes below.

### a) Background

For the purpose of the Income and Expenditure forecast, the financial position for the AONB is shown for 2016-17 and 2017-18 operating as hosted within Shropshire Council, and for 2018-19 and 2019-20 as an independent body. The Income and Expenditure forecast

includes the costs and income relating to all AONB activities, including the project activity that is carried out, as described below.

There are three main funding contracts in place:

- Annual contract with Defra for AONB funding, currently £186,416 pa (four year grant offer, to 2019-20).
- Five year £2.1m contract 2013-18 with Heritage Lottery Fund (HLF) for the Stiperstones and Corndon Hill Country Landscape Partnership Scheme (LPS).
- Four year £216k contract with WREN (a Landfill Tax fund) for the River Clun Recovery Project, ending March 2019.

The DEFRA grant part funds core operations of the AONB (the Defra grant is a single pot, which can be used for projects, but currently is all required to fund the core costs), whereas the HLF and WREN grants fund the Stiperstones and Corndon Hill Landscape Partnership Scheme (expenditure of approximately £600k per annum) and River Clun Recovery Project (expenditure of approximately £80k per annum) respectively. Although the full income and expenditure of these projects is included within the forecast Income and Expenditure statement within **appendix 4**, these projects operate with more or less stand-alone budgets, with their own funders and project timescales.

Other minor projects include Shuttle Buses (expenditure of approximately £22k per annum), and the Sustainable Business Network (expenditure of approximately £1k per annum).

Some of the hosted projects require small amounts of cash match from the overall AONB budget, and some also make a small contribution towards overall funds.

#### b) Current Staff Numbers & Costs

The current costs of staff are:

Main AONB team (5.3 FTE) £204k

Stiperstones and Corndon LPS and River Clun Recovery Project (5 FTE) £185k

Total £389k

#### c) Councils' funding

Both Shropshire and Telford & Wrekin Councils have reduced their budget contributions since 2009. Currently Shropshire Council's annual base budget contribution to the AONB Partnership's budget is £40,830. A reduced annual contribution of £25,000 has been agreed for 2018-19 and 2019-20 as the expected first two years of operation of an independent body. Telford & Wrekin Council contributes £2,694 annually.

#### d) 4 Year Income and Expenditure

The projected budget assumes that Conservation Board status will be achieved at April 2018. The budgets will be re-profiled if this timescale is not achieved.

Projected levels of income and expenditure are similar in 2017-18 to those in 2016-17; however, there is a forecast reduction of more than £100k in both income and expenditure in 2017-18 as the Stiperstones and Corndon Landscape Partnership Scheme reaches its conclusion. The closure of this project reduces projected turnover from the current level of approximately £1m to £344k in 2018-19, and the closure of the current WREN River Clun

Recovery Project reduces it further to £284k in 2019-2020. This will increase if new projects come on stream as expected.

Forecast expenditure allows for annual 1% inflationary increases on salaries. Costings also allow for two known opportunities to reduce staff hours slightly. Budgets allow for the new independent body to cover costs of support services procured from April 2018 costed at £17,500 pa. The expected cost of the Conservation Board buying in support services externally is considerably lower than the amount currently paid to Shropshire Council for support services, resulting in a net saving to the core budget, and therefore enabling a higher proportion of Defra and Council funding to be spent on delivery.

Planned and currently known income and expenditure results at this stage in a remaining income/savings target, as has been the case for the AONB Partnership budget in recent years. Income from projects cannot be accurately predicted several years ahead. The strategy as in recent years will be to aim to earn income where possible e.g. through projects, fee earning activity and trading, alongside any savings which can be identified. Opportunities to restructure and make savings will be taken in the event of staff vacancies which may arise. This strategy is reflected in the plans A, B and C in the budget tables in Appendix 4 (which are likely to be used in combination) in order to balance the budget. It should be noted that the team has a good track record in securing additional income, and additional opportunities are now available through the formation of the AONB Trust charity.

The budget may rely upon some contributions from reserves in 2016-17 and 2017-18 in order to obtain a balanced position as new income is established or savings are made, and as one-off set up costs for the independent body are incurred. The contribution required from reserves will however be less if income-earning plans are achieved as is expected. From 2018-19, forecast contributions to/from reserves are minimal (less than £10k per annum) as income and expenditure become more sustainable.

Achieving a sustainable budget in the medium term that does not rely on ongoing contributions from reserves is crucial for the independent body to remain viable, and therefore decisions to reduce expenditure will be taken as soon as required, should further income fail to materialise as assumed.

#### e) Cash Flow and use of reserves

The projected cash flow forecasts assume that Conservation Board status will be achieved at April 2018. Any change to this would result in re-profiling of the cash flow.

The cash flow assumes that the Defra contribution will be paid quarterly in advance (as per standard practice with the existing Conservation Boards) rather than being claimed and paid in arrears as at present.

The cash flow modelling exercise has been carried out based on actual spend within 2015-16, as well as assumptions on future payments and receipts following independence. The cash flow has been modelled based on Plans A, B and C, as above. A maximum temporary cash flow deficit of approximately £50k is predicted in the first year of independence, which would need to be covered temporarily by working capital from the AONB reserves. As the independent body becomes more established, the cash flow position is projected to improve, with minimal deficits (£5k) forecast during the second year of independence.

The transfer in full of financial reserves earned over recent years by the AONB Partnership and currently held by Shropshire Council (currently £177,174) has been agreed in order for the independent body to be viable. The reserve is needed:

- To bankroll cash flow as above
- To cover potential redundancy and pension strain liabilities, which total £116k for the core staff as at Summer 2016, although the liability will reduce by 2018-19 as the pension strain liability reduces
- As a source of match funding for new project bids, which will remain a crucial part of the business model.

#### f) Commercial Opportunities

There are a number of commercial opportunities which have been used to some extent to date, and which the team is in a good position to develop further:

- Fee-earning project delivery – this may be within the AONB (preferably), or to a lesser extent outside the AONB. Many projects are developed in partnership with other organisations – team activity can be fee earning either when projects are led by the AONB team itself or sometimes when led by other organisations.
- Consultancy – the team have considerable technical skills and some history of paid work, hitherto on a largely reactive basis rather than promoted.
- Trading – Some income is derived from sale of books, branded merchandise, etc and hire of meeting room facilities.
- Fee earning services – there is a possibility of charging for services such as pre-application planning advice, but this has not been done so far due to capacity issues.

#### g) HLF Resilient Heritage application

The AONB Partnership ~~has made is-developing~~ an application to the Heritage Lottery Fund's 'Resilient Heritage' programme, working jointly with the new AONB Trust. This programme includes support for organisations in transition, and has the potential to provide funding for organisational development, fundraising (including development of work strands in section f above) and for promotion. ~~After initial discussion of project ideas with HLF, we have been invited to submit a full application. A working group has been formed of Transition Board, trustees and team members to develop the application over the coming weeks. Due to high competition and partly to uncertainty around the Defra decision, this application has initially been rejected by HLF, though we have been asked to reapply.~~ If ultimately successful, this funding will help considerably with the transition process.

## 11. Legal considerations

### a) Legal implications of new structure

The main legal implication of the proposed structure change is that a Conservation Board, under detailed provisions in the Countryside and Rights of Way Act 2000, takes on fully the statutory responsibility of the two Councils to prepare and review an AONB Management Plan. The two Councils would however still be closely involved in the preparation of the Plan and should be consulted by the Conservation Board during the preparation of the Plan.

Within the Conservation Board model, the Councils would still retain the legal duty applicable to all public bodies to 'have regard to the purposes of AONBs in carrying out their functions' (Section 85, Countryside & Rights of Way Act 2000). This includes, for example, the consideration of the AONB in planning decisions by the Councils as a material consideration in planning applications affecting the AONB. A Conservation Board is not a statutory consultee with regard to planning matters, but would expect to be consulted on policy and significant applications affecting the AONB, in an arrangement similar to that currently in place with the AONB Partnership. Good practice would include renewing and updating the Planning Protocol which is in place with the AONB Partnership.

A Conservation Board, while retaining the main purpose to conserve and enhance natural beauty, takes on a second statutory purpose to increase the understanding and enjoyment by the public of the AONB's special qualities. In pursuing its purposes, a Board is also required to seek to foster the economic and social wellbeing of the AONB's local communities. In so doing, a Board should co-operate with constituent local authorities and public bodies whose functions include the promotion of economic or social development within the AONB. Given the AONB Partnership's strong track record in sustainable tourism and the local economy, this additional purpose is seen as a valuable benefit of the new structure, and has the strong support of partners.

There is provision in the legislation for Conservation Boards to take on additional powers or responsibilities from the local authorities (e.g. countryside management functions). The Establishment Orders for the two existing Conservation Boards included a range of powers from various countryside-related legislation to become 'concurrent functions', i.e. exercisable by the local authorities and by the Board. It is not expected that any additional functions would be wholly delegated to the Board by the two local authorities. However it seems preferable to include the list of concurrent functions as in the previous Establishment Orders (subject to any updating necessary from changes to legislation), in case there may be a wish in the longer term for the Board to exercise any of these.

A memorandum of agreement covering all appropriate considerations should be drawn up between the relevant local authorities and the Board covering funding arrangements. Shropshire Council as the current host authority is expecting to take a further Cabinet report to confirm any matters upon the completion of due diligence processes relating to the transfer of staff and assets to the Conservation Board.

#### b) Size of Board and Representation

Options for the size of the Conservation Board have been considered, and the Councils and the AONB Partnership have a preference for a Board of 10 members. This would achieve an efficient structure without need for a smaller Management group as an additional tier. It would also meet the ideal 40:20:40 ratio, with 4 local authority appointees, 2 Parish /Town Council appointees and 4 Secretary of State appointees. Shropshire Council would appoint three seats and Telford and Wrekin Council one, similar to the current AONB Partnership.

It is proposed that the 60 current Parish and Town Councils and Parish Meetings would be grouped geographically for appointment of these two seats, on an east-west split, as listed in **Appendix 5**. The division is based on Parish Councils lying either side of the A49. This trunk road bisects the AONB along a major fault-line valley, and is a real and well understood

physical dividing line, and is also felt to be a more meaningful cultural division than a north-south one. The western 'half' is slightly larger geographically in terms of proportion of area of the AONB, but has fewer Parish Councils. This is because the west side tends to have larger parishes, and lying along the county boundary means that there are fewer parishes spanning the AONB boundary than in the east. Overall, this division is felt to be appropriate.

c) Equalities considerations

The proposals are not considered to have any negative implications with respect to the Councils' statutory duties under the Equality Act 2010 and section 149 of the Public Sector Equality Duty. An Equality and Social Inclusion Impact Assessment will be prepared as part of subsequent due diligence work.

d) Legal obligations with contracts

The HLF Landscape Partnership Scheme contract is due to end in March 2018 before the Conservation Board would come into existence. Currently only the River Clun Recovery Project may require to be novated or transferred to the Conservation Board if the Board is formed before March 2019. Any new externally funded projects that are developed in the interim period will require novating, and this possibility will have to be discussed with prospective funders.

## 12. Staff and other contractual implications

a) Staff

The staff team currently comprises 13 people (10.3FTE), with seven (6.1 FTE) based at Craven Arms, and six (4.2 FTE) based at Chirbury in a semi-independent team for the Stiperstones and Corndon Hill Country Landscape Partnership Scheme (HLF funded to March 2018).

The proposed transition would transfer the employees of the AONB team and its services to the new Conservation Board structure. The Stiperstones and Corndon LPS will terminate at or before the new body comes into operation, so there will be no requirement to transfer these staff. It is possible however that extensions to contracts on some of the LPS staff may be achievable through new funding or projects.

Staff are fully aware of the proposal to create a Conservation Board and have been involved in discussion of options and the development of the proposal. Formal TUPE consultations with staff will follow once detailed proposals are confirmed.

Pensions: An AONB Conservation Board is a 'Scheduled Body' in relation to the Local Government Pension Scheme (LGPS), meaning that its staff are entitled to join the LGPS. The transfer of staff to the Conservation Board as a new employer within the Shropshire Pension Scheme would be undertaken as 'fully funded', so that the Board bears no burden for past pension deficits. A discussion has been held with the Shropshire Pension Scheme, and agreement reached with Shropshire Council that all existing staff would be transferred to the Conservation Board as a new employer within the scheme on a 'fully funded' basis. i.e. with no deficits from past service.

## b) Assets

## i) Summary of Assets &amp; IT systems

The main office at Craven Arms and the LPS office at Chirbury are both rented, and equipped with hard-wired network connected to the Shropshire Council IT system via broadband. All staff now have laptops, and a rented printer/copier is in place at each office.

The offices are furnished and equipped, and there are small amounts of display equipment and tools held, along with a considerable quantity of archive files. A detailed inventory will be prepared.

Intellectual property rights in the AONB logos will also be transferred to the Conservation Board, along with all digital data and paper files relating to the AONB currently held by the AONB team.

## ii) Potential Asset Transfer

The main AONB Partnership office at Craven Arms comprises four units in the Shropshire Council owned property Drovers House, which includes a small number of other rented offices and retail units. The possibility has been discussed with the Council about a possible asset transfer involving Drovers House to an independent AONB organisation, as a means of providing it with some ongoing income as well as an asset and security of tenure. The Council does not wish to do this at present, but has not ruled it out as a possibility in the future.

**13. Partners**

The main stakeholders are:

- The two Councils – Shropshire and Telford & Wrekin.
- Funders – especially Defra, and to a lesser extent WREN.
- AONB Partnership members – The Partnership is the formal governance structure for the AONB and will remain so until a new structure replaces it.
- Delivery partner organisations – e.g. Natural England, National Trust, Shropshire Wildlife Trust. Most of these organisations would not be represented directly on the Conservation Board, so future relationships will be important. Natural England also have a national advisory role to government in relation to AONBs.
- The National Association for AONBs and the AONB family – our change of structure is of interest to other AONBs, and there is much that we can continue to learn from them, including the two existing Conservation Boards and two AONB trusts/charitable companies in Northern Ireland.
- AONB membership schemes – including the Friends of the Shropshire Hills AONB and the Shropshire Hills Sustainable Business Network.
- Local landscape focused partnerships supported by the AONB Partnership including the Wrekin Forest, Clun Catchment, Clee Hill and Stiperstones – Corndon.
- Local businesses that depend on the qualities of the AONB.
- Community organisations – including Parish and Town Councils and voluntary organisations.

### Engagement and consultation

The existing AONB Partnership structures for both meetings (of various groups) and communications (publications, websites, e-newsletter and social media) will provide effective mechanisms to continue to engage with the relevant stakeholders. The AONB Partnership processes are very broad in terms of membership and much information has been made publicly available. So far it is apparent that there is considerable support for the proposal. Further local engagement and consultation is being carried out, as described in section 8 above.

## **14. Timescales and milestones**

~~The key milestones and indicative potential timescales in the process of creating a Conservation Board are as below. Likely timescales for these will need to be agreed with Defra if the decision is made to go ahead.~~

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### Drafting of legal order, i

- ~~• Informal consultation and formal consultation with local authorities and agencies~~
- ~~• Due Diligence, e.g. regarding staff, funding, etc, and report to Shropshire Council Cabinet on detailed proposals for transfers~~
- ~~• Establishment Order undergoes parliamentary process including passage through Houses of Commons and Lords~~
- ~~• Confirmation of Establishment Order by Secretary of State and appointments to Board by Defra~~
- ~~• Establishment of banking and finance arrangements~~
- ~~• 'Establishment Day' of Conservation Board and 'Operative Day' for completion of all transfer arrangements~~

~~Business Case approved by Telford & Wrekin Council Cabinet~~

~~Business Case approved by Shropshire Council Cabinet~~

~~Stakeholder engagement by AONB Partnership~~

~~Joint formal request by Councils with the AONB Partnership to Defra to initiate creation of Conservation Board~~

~~Informal consultation and decision by Defra whether to proceed~~

~~Drafting of legal order by Defra and formal consultation with local authorities and agencies~~

~~Due Diligence, e.g. regarding staff, funding, etc.~~

~~Report to Shropshire Council Cabinet on detailed proposals~~

~~Establishment Order undergoes parliamentary process including passage through Houses of Commons and Lords~~

~~Confirmation of Establishment Order by Secretary of State and appointments to Board (Defra)~~

~~Establishment of banking and finance arrangements~~

~~'Establishment Day' of Conservation Board and 'Operative Day' for completion of all transfer arrangements~~