YORKSHIRE DALES NATIONAL PARK AUTHORITY **ITEM 6**

Committee: **FINANCE AND RESOURCES**

Date: **30 MAY 2023**

Report: **THREE COUNTIES:LUNE VALLEY AREA PARTNERSHIP SCHEME**

Purpose of the report

1. To agree the Yorkshire Dales National Authority's match funding and role as accountable body for the delivery phase of the Three Counties: Lune Valley Area Partnership scheme.

RECOMMENDATION

2. That Members agree to:
    a. the Authority being the accountable body for the delivery phase of the Three Counties: Lune Valley Area Partnership scheme, and
    b. provide in principle, up to £300,000 match funding depending on the final projects within the National Park area, overall intervention rate, and subject to successful development and delivery applications to the National Lottery Heritage Fund (NLHF).

Strategic Planning Framework

3. The information and recommendation contained in this report are consistent with the Authority's statutory purposes and its approved strategic planning framework:

    - ***Corporate Plan objectives***
    Plan and manage the Authority's work so as to make the most effective use of our resources, including generating sufficient income to maintain expenditure at the same level as 2014/15 in real terms across the extended National Park area;

Background

4. In 2016, the south western area of the National Park (the Lune Valley near Kirkby Lonsdale) and the north western area (Westmorland Dales), became part of the Yorkshire Dales National Park. As such, these areas have not received the resources and investment associated with the older National Park area.

5. To help bring more resources, the Friends of the Lake District (FoLD) set up a landscape partnership, in 2015 prior to designation, to cover the Westmorland Dales area with a view to applying for a NHLF grant. The partnership secured a £2.5 million NLHF grant, which has supported a five-year £3.5 million investment programme. The Westmorland Dales scheme has been led by FoLD with the Yorkshire Dales National

Park Authority (the Authority) as the accountable body for the delivery stage. While delayed as a result of the pandemic, the scheme has been very successful and finishes February 2024.

6. The Three Counties: Lune Valley Area scheme (Scheme) was first identified in the Authority's Income Generation strategy in 2019, with a view to replicating the investment into the Westmorland Dales. It then became apparent that the Yorkshire Dales Millennium Trust (YDMT) was looking to develop a landscape partnership scheme with the Forest of Bowland Area of Outstanding Beauty (FoB AONB), in the lower reaches of the River Lune. Given the Authority's close working relationships with YDMT and FoB AONB, the unifying feature of the river Lune and both schemes being in their infancy, it was agreed that the schemes should combine. In addition, NLHF looks to ensure grants are spread around the country, and were unlikely to fund two similar schemes in close proximity.

The application

7. Since the pandemic, NLHF no longer has a funding stream for landscape partnerships. An area-based application must now take its chances with all other applications. Information and guidance on area-based schemes is available here https://www.heritagefund.org.uk/funding/good-practice-guidance/area-based-schemes-guidance. To be successful the Scheme will need to show:

    - how the proposal sits in the wider strategic framework for the area, will it be delivering against specific objectives, and will it complement existing initiatives?
    - how the project delivers NLHF's mandatory outcome to broaden participation in heritage, and specific local audiences that should be targeted and if so, how?
    - how co-creation has been built into the application to ensure that proposals reflect community needs and aspirations?
    - how the benefits of the project will be maintained – what is its legacy?

8. An outline of the Scheme and the Scheme area are shown in **Appendix 1**. There are three separate application stages, each stage is very competitive with a clear timetable for submissions and decisions - it's a slow process. Assuming successful applications at both this initial stage (submission August 2023, decision January 2024), and the development stage (submission Autumn 2024, decision Spring 2025) the delivery phase for the Three Counties scheme would begin probably in Autumn 2025, after 'permission to start' is given.

9. It is proposed, subject to Member's agreement, that the Scheme should use the Westmorland Dales' model with YDMT as the lead partner, and the Authority the Accountable Body for the delivery stage (see below for more details).

10. It is also proposed that the Authority makes a commitment to provide a similar amount of match funding, (up to £300,000 from development through to delivery depending on the final projects within the National Park area, and intervention rate). The individual projects within the Scheme, and financial details are currently being worked through, but the total value is expected to be about £4 million, with £1 million of match funding from a range of sources including possibly Electricity NW, Sustrans, YDMT and FoB

AONB). Other partners delivering projects within the scheme would also make financial or 'in-kind' contributions.

Accountable body status

11. The accountable body for a scheme is accountable to the NLHF and responsible for delivery and takes on all legal, finance, procurement, checking of grant claims and auditing requirements. Partner organisations involved in a scheme have a legal agreement with the accountable body, not NLHF. Partners submit invoices and claims for funding to the accountable body, so the accountable body takes on the 'risk' of NLHF not paying out later, and have to manage any cash flow issues around timing of grant payments. The advantages and disadvantage of being the accountable body, are described below:

Positive

- The Authority's role in facilitating the Scheme is obvious and more than a partner, with the scheme grant (circa £3 million) going through its books;
- Oversight of the Scheme's financial management:
    - Clear understanding of how our match funding is being used.
    - More influence over how the money can be distributed, and what can be included in each claim.
    - Ability to influence the contingency figures and what they can be used for.
    - Less confusion and admin on claims (based on our experience of the Tees Swale project about what we can and can't claim).

Negative

- The Authority carries most of the financial 'risk' and would have to cover the shortfall If:
    - Match funding expected isn't secured for the scheme
    - NLHF decides not to pay out on a grant claim
    - Despite receipt of invoices, these are queried by auditors or NLHF.
- The amount of additional work involved, in particular for legal and finance teams, and 'behind the scenes' Scheme management. (The Scheme is expected to pay some of these costs, as has the Westmorland Dales scheme).
- Separation of lead partner role from the accountable body role means:
    - The project manager, employed by the lead partner, can have different priorities and does not complete financial matters on time or to the Authority's satisfaction. (NB it is expected the project manager will be employed by YDMT).

Conclusion

12. The Authority has worked closely with YDMT on NLHF schemes over many years. Given the Authority's recent positive experience of the Westmorland Dales scheme,

there is merit in taking on the accountable body status for the delivery stage of the Three Counties Lune Valley Scheme, with YDMT acting as lead partner.

Kathryn Beardmore
Director of Park Services

10 May 2023

Background papers
None

Appendix 1

Three Counties, Lune Valley Scheme

The area

Kirkby Lonsdale, situated on the middle reaches of the River Lune, is the south western gateway to the Yorkshire Dales National Park. It is a historic market town with its skyline line dominated by Middleton and Barbon Fells. Nearby on Leck Fell the three counties of Lancashire, North Yorkshire and Cumbria meet at the county stone. In this area are the highest peaks of Lancashire (Great Coum near Gragareth) and North Yorkshire (Whernside). Beneath is the largest cave system in the UK – the Three Counties Cave System. It has fantastic opportunities for recreation, but much of the access is fragmented, and in poor condition.

This area is very much on the 'periphery'. It is on the periphery of four National Landscape Character Areas, four administrative areas, and two designated landscapes (**Figure 1**). In landscape terms it is varied: from agricultural land with arable crops and intensive dairy farming, through to open moorland managed for grouse shooting, and in the valley bottoms picturesque villages alongside rivers and streams.

About the scheme

It will heighten the identity and sense of place for the middle and lower reaches of the River Lune, despite the unifying feature of the river, this is diluted by this area being on the periphery of many administrative boundaries. Additionally, administrative centrifugal forces result in a lack of policy coherence along this 'edge' impacting the heritage, people and the area's economy. Our project will work with these communities to counter the 'edge effect' and make the most of the opportunities it presents, building connections across these boundaries to re-establish a coherent and resilient landscape.

Our proposals have three main themes, and individual projects are grouped under these (**Figure 2**):

- Connecting People to the Landscape
- Connecting Nature
- Connecting People to their Heritage

Vision

> *"From the high fells of Barbon and Leck to the city of Lancaster, the communities by the lower and middle reaches of the River Lune will have a stronger sense of identity and increased prosperity based on their shared heritage. The unique natural and cultural heritage will be restored and made more resilient and accessible, creating a place for reflection, rejuvenation and recreation."*

Aims

1. Connecting People to the Landscape
    - To improve and increase access along, and throughout, the river corridor.
    - To promote and enhance sustainable access opportunities from Lancaster, Morecambe and other neighbouring communities.

2. Connecting Nature
    - To build habitat connectivity.

3. Connecting People to their Heritage
    - To enhance wellbeing for communities.
    - To assist businesses to promote the Lune valley as a sustainable tourism destination.
    - To connect people with their heritage, sharing common stories and enhancing the area's sense of place.

The outcomes include:

Improving physical access to, and through, the Lune Valley connecting adjacent communities with each other and with the wider landscape through new multi-user routes and improvements linking quiet lanes away from busy A roads. Physical improvements will be strengthened by better access to, and promotion of, active travel options, of the A683 and A65, including promotion of the Bentham Railway Line.

Creating a coherent and connected habitat network radiating outwards from the river's lowland floodplain to the surrounding upland moors and fells. Reducing fragmentation and strengthening the resilience of the area's natural heritage. At the same time rejuvenating and expanding existing community engagement opportunities with wildlife.

Unearthing the secrets of its underground treasures, and telling the stories of this people and place, inhabited across the millennia.

Building a stronger local identity and sense of place focusing on the tangible and intangible heritage of the Lune Valley, finding commonalties across boundaries to create a landscape with which people feel emotionally connected and which offers opportunities to local businesses for promotion and branding.

Working beyond administrative boundaries, our Partnership brings together statutory and third sector organisations from across the project area, collectively benefiting the Lune Valley the place and its people. Its vision and aims are below:

Figure 1 The Proposed Scheme area with adminstive boundaries

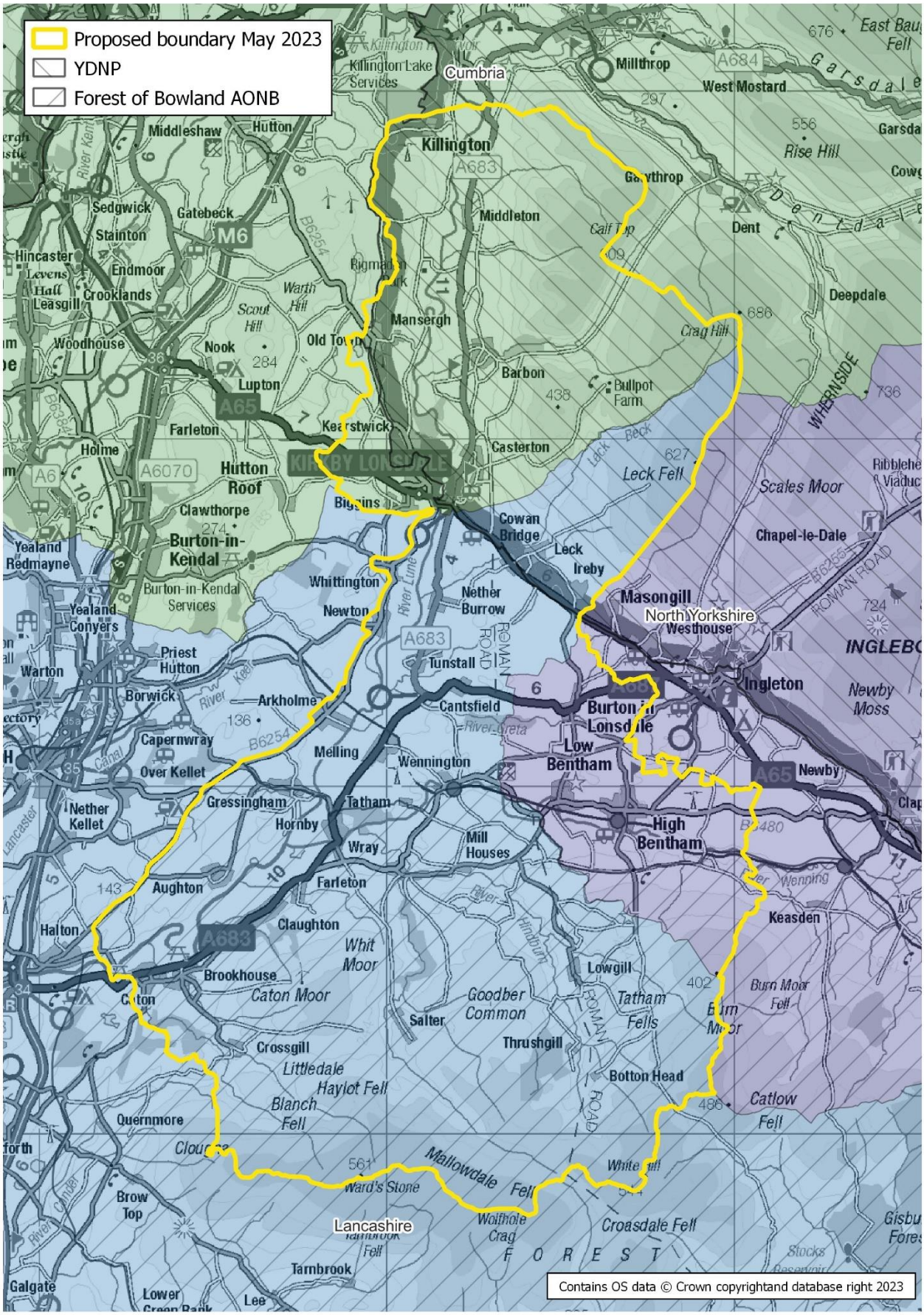


Figure 2 The Proposed Scheme area with location specific projects highlighted

