YORKSHIRE DALES
National Park Authority

PLEASE NOTE START TIME*

AGENDA

MEETING:	**YORKSHIRE DALES NATIONAL PARK AUTHORITY**
VENUE:	**The National Park Authority Office, Yoredale, Bainbridge**
DATE/TIME:	**Tuesday, 27 March 2018 at 1.00pm***

✧ **Please see the attached "*NOTES FOR MEMBERS OF THE PUBLIC AND AUTHORITY MEMBERS*"** ✧

BUSINESS

	Part One - "Procedural" items	**Indicative Duration**	**Page No**
1.	Minutes of the meeting held on 19 December 2017		***1***
2.	Public Question Time		
3.	Exclusion of the public from the meeting during the consideration of Item No 16 on the agenda on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972		
4.	Apologies for absence		
5.	Declarations of lobbying		

	Part Two – Items/Reports which require a decision from Members		
6.	Health and Harmony: The Future for Food, Farming and the Environment in a Green Brexit	*(20 mins)*	***7***
7.	A Green Future: Our 25 year Plan to improve the Environment	*(20 mins)*	***23***
8.	Treasury Management and the Prudential Code for Capital Finance	*(5 mins)*	***33***
9.	Budget 2018/19	*(10 mins)*	***43***
10.	Scheme of Members' Allowances 2018/19	*(10 mins)*	***63***

		Indicative Duration	Page No
11.	Review of Green Lanes Management Framework	*(10 mins)*	***73***
12.	Conservation Area Reviews and Character Appraisals: Downholme	*(10 mins)*	***85***

Part Three – Items/Reports which are for Members to note

13.	Chairman's report	*(5 mins)*	***91***
14.	Report of the Chief Executive	*(5 mins)*	***93***
15.	Member Feedback on Partnership Representation and Member Champions Activities	*(5 mins)*	***95***

Part Four – Private Business - Items/Reports circulated to Members only

16. National Parks' Partnership *(20 mins)*

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17. Urgent business, where the Chairman has agreed that there are special circumstances

DAVID BUTTERWORTH
CHIEF EXECUTIVE

Yoredale
Bainbridge
Leyburn
North Yorkshire
DL8 3EL

15 March 2018

***REMINDER:** Please remember the PDF at 10.30am on 27th March, prior to the Authority Meeting, at which the National Park Management Plan will be discussed.*

Tea and coffee will be available before and during the meetings. A light lunch will be served at lunch time, following the PDF discussion.

NOTES FOR MEMBERS OF THE PUBLIC AND AUTHORITY MEMBERS

1. Declarations of Interest:

Authority Members should make any declarations of interest at the start of the appropriate item.

2. Public Questions/Statements:

The National Park Authority has allocated up to 15 minutes at the start of meetings to allow members of the public the opportunity to ask questions and/or to make statements that relate to the work of the Authority or the appropriate Committee. Anyone wishing to ask a question or make a statement **must 'register'** that intention with the Chief Executive by 12 noon on the working day before the meeting. More detailed guidance is available from the Authority's Committees Officer. (This procedure is in addition to the opportunity to speak on planning applications at the Planning Committee.)

For anyone registered to speak at today's meeting – the Chairman will call you at the appropriate time – each Speaker will have up to three minutes.

3. Filming/Recording of Meetings:

The National Park Authority routinely records all full Authority and Planning Committee Meetings. Filming/recording of Authority meetings, Committee and sub-committee meetings is permitted provided it does not disrupt the smooth running of the meeting.
The Chairman reserves the absolute right to ask for filming or recording of a meeting to cease if, in his/her opinion, continuing to film/record would be disruptive to, or prejudice, proceedings. Ultimately the Chairman may suspend or adjourn the meeting.
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The Authority cannot accept responsibility for the content of any recording made, once it has been taken away from the Authority's premises.

4. Health & Safety:

All members of the public **and** Authority members should sign the Visitors Book on entering and leaving the building – this is necessary in order that, if the building has to be evacuated, all persons can be accounted for.

In the event of the fire alarms being activated, all those present at the meeting should leave the building by the main entrance (if possible), go straight across the car park (with the central wall on your left) and assemble at the far right-hand side of the lower part of the car park by the Fire Assembly Point. Please go **straight** to the Assembly Point as not doing so may delay checks that everyone is accounted for.

5. Meeting Room(s) Hearing Loop:

As well as using a conference sound system at Authority and Planning Committee meetings, each of the rooms used for formal meetings of the Authority and its Committees has an induction loop system fitted.
If you have a hearing aid with a 'T' setting, please switch it to 'T'.

6. Agenda Papers:

The agenda and all public reports for meetings of the Authority (and each of its Committees) are normally available for public inspection five working days before the meeting. The papers are also posted on the Authority's website and a **limited** number of copies are available for reference at each meeting.

If you have any general enquiries/comments about the above or the way in which the Authority's decision-making processes operate, please contact the Committees Officer by post (to Yoredale, Bainbridge, Leyburn, DL8 3EL); telephone 0300 456 0030; or email: secretariat@yorkshiredales.org.uk.

YORKSHIRE DALES
National Park Authority

Committee Membership and Member Champions
as at 14 March 2018

Member	Appointing body	Planning	Audit & Review	Finance & Resources	Standards
M'ship/Quorum→		*17/7*	*12/6*	*13/6*	*5/3*
Blackie John	NYCC	✓		✓	
Clark Chris	SoS(P)	✓		✓	
Cotton Nick	CCC	S2		✓	
Donovan Judith	SoS		✓		✓
Foster Richard	CDC	S1		✓	✓
Gray Brenda	SLDC	✓		✓	
Heseltine Neil	SoS(P)	S1*	✓		✓
Heseltine Robert	CDC	✓	✓		
Ireton David	NYCC	S1	✓		✓
Kendall Valerie	EDC	✓		✓	
Kirkbride Allen	SoS(P)	✓	✓		S
Lis Carl	CDC	S2		✓	
Macaré Steve	SoS	S1		✓	
Manners-Armstrong Jocelyn	SoS	✓		✓	✓
Martin Julie	SoS	✓		✓	
McPherson Ian	SoS(P)	✓		✓	
Munday Jim	SoS	✓	✓		
Pattison Margaret	LCyC	✓	✓		
Peacock Yvonne	RDC	✓	✓		
Quinn Gillian	NYCC	✓		✓	
Sedgwick Karin	NYCC			✓	
Swain Neil	SoS	✓	✓		
Thornton-Berry Caroline	RDC	✓	✓		
Towneley Cosima	LCC	✓	✓		
Welch Richard	NYCC	✓	✓		

**Neil Heseltine currently ineligible to 'Sub'- Planning training lapsed (Mar 18)*

CDC= Craven District Council; EDC= Eden District Council; LCyC= Lancaster City Council;
RDC=Richmondshire District Council; SLDC=South Lakeland District Council;
CCC=Cumbria County Council; LCC= Lancashire County Council; NYCC= North Yorkshire County Council;
SoS=Secretary of State; SoS(P)=Secretary of State (Parish);

CHAIRMEN AND DEPUTY CHAIRMEN		
Date elected	***Chairman***	***Deputy Chairman***
Authority (27/06/17)	Carl Lis	Ian McPherson
Planning (11/07/17)	Caroline Thornton-Berry	Julie Martin
Audit and Review (11/07/17)	Yvonne Peacock	Jim Munday
Finance and Resource (12/9/17)	Jocelyn Manners-Armstrong	Nick Cotton
Standards (07/11/17)	Jocelyn Manners-Armstrong	-

MEMBER CHAMPIONS		
Area of responsibility	***Member appointed***	***Term of appointment***
Natural Environment	Ian McPherson	Nov15 – Nov18
Cultural Heritage	Julie Martin	Sep17 – Sep20
Recreation Management	Nick Cotton	Dec16 – Dec19
Promoting Understanding	Judith Donovan	June17 – June20
Development Management	Robert Heseltine	June15 – June18
Sustainable Development	Chris Clark	Sept16 – Sept19
Corporate Management	Steve Macaré	June15 – June18

YORKSHIRE DALES NATIONAL PARK AUTHORITY

ITEM 1

Minutes of the meeting held at The National Park Authority Office, Yoredale, Bainbridge, on Tuesday, 19 December 2017.

Present:

John Blackie, Chris Clark, Nick Cotton, Richard Foster, Neil Heseltine, Robert Heseltine, David Ireton, Valerie Kendall, Carl Lis, Steve Macaré, Jocelyn Manners-Armstrong, Ian McPherson, Jim Munday, Yvonne Peacock, Gillian Quinn, Karin Sedgwick, Neil Swain, Caroline Thornton-Berry and Cosima Towneley.

COPIES OF ALL DOCUMENTS CONSIDERED ARE IN THE MINUTE BOOK

65/17 MINUTES

RESOLVED –

That the Minutes of the meeting held on 26 September 2017, having been printed and circulated, be taken as read and be confirmed and signed by the Chairman as a correct record.

66/17 PUBLIC QUESTIONS/STATEMENTS

No notifications of public questions or of the intention to make a statement had been received.

67/17 EXCLUSION OF THE PUBLIC

That pursuant to Section 100(A) (4) of the Local Government Act 1972, the public be excluded from the meeting during the consideration Item No 18 on the agenda on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.

68/17 APOLOGIES FOR ABSENCE

Apologies for absence were received from Julie Martin, Margaret Pattison and Brenda Gray.

69/17 DECLARATIONS OF LOBBYING

All Members had been lobbied on Item 7; some had been lobbied for the Recommendation; some against the Recommendation and some for and against the Recommendation.

70/17 THE FUTURE OF FARMING AND LAND MANAGEMENT IN THE YORKSHIRE DALES NATIONAL PARK

CONSIDERED - the report of the Director of Conservation and Community.

It was suggested that an educational farm site visit be arranged to enable Members to understand current farming issues.

RESOLVED –

1. That
   (a) the work done to date by the task and finish working group to develop proposals for a local approach to supporting farming and land management in the Yorkshire Dales National Park be noted;
   (b) it be agreed that further work needs to be done to refine this local approach but that such work should be dependent on positive feedback from Defra on the original proposals submitted by National Parks England.

71/17 ATTRACTING FAMILIES TO THE YORKSHIRE DALES NATIONAL PARK

Carl Lis, John Blackie, Richard Foster, Robert Heseltine, David Ireton, Yvonne Peacock, Gillian Quinn, Karin Sedgwick, Richard Welch, Caroline Thornton-Berry and Cosima Towneley declared a personal interest in the item as members of appointing District and County Councils.

The Monitoring Officer asked Members whether they had any other interests that they wished to declare. She advised Members who owned holiday cottages/second homes that, since the recommendation was to work alongside District Councils and other relevant authorities to develop a specific proposal, at this initial stage, there is no direct benefit to those with holiday accommodation therefore there was no need to declare. However in the long term there could be potential benefits, so at a later stage when there are detailed proposals, then these may be reasonably regarded as affecting a Member's wellbeing or financial position, and that would amount to a personal interest under the Authority's Member Code of Conduct.

The Monitoring Officer added that if a Member has a second home in the Park, the decision would be for them but this could amount to both a disclosable pecuniary interest and a conflict of interest.

CONSIDERED - the report of the Chief Executive.

Members put forward a range of views both for and against the two recommendations. These included the impact of second homes on communities; and the failure of previous policy initiatives to stem the long term decline of communities. The need to look at attracting people to come and live in the area as well as trying to hold onto working families was also raised.

However some Members expressed opposition to the proposals in that the issue was a national one not a local one. Moreover the Authority should not be involved in what is essentially a County/District Council matter; the proposal smacks of 'social engineering'. Some Members, whilst supporting the principle, did not see the need to distinguish

between holiday lets and second homes – others highlighted the valuable economic significance of holiday lets and the fact that promoting more lets was current Authority policy. The question of fairness (towards second home owners) was also raised.

The Chief Executive clarified that the second recommendation did not include holiday lets. It was agreed to amend the second recommendation to make it clear that was the case.

RESOLVED –

That Members:

a) support putting further time into working with the constituent District and County Councils to try to reach agreement on a joint programme of activity to attract more families and people of working age to move to the National Park; and

b) as part of that programme, approve the Authority working alongside the District Councils and other relevant authorities to develop a specific proposal to submit to Government regarding second homes excluding holiday lets.

[David Ireton and Cosima Towneley requested that their vote against the first part of the resolution be recorded. Allen Kirkbride abstained from voting as he was not present for the whole of the debate. John Blackie, Robert Heseltine and Jocelyn Manners-Armstrong requested that their vote against the second part of the resolution be recorded.]

72/17 OBJECTIVES FOR 2018-19

CONSIDERED - the report of the Deputy Chief Executive

RESOLVED –

That the continuation of the current set of objectives for a further 12 months be approved.

73/17 CUMBRIA MINERALS AND WASTE LOCAL PLAN 2015-2030

CONSIDERED - the report of the Minerals and Waste Planning Officer

RESOLVED –

That the new Cumbria Minerals and Waste Local Plan 2015-2030 be adopted, and it be used to guide decisions on future development in the new areas of the National Park.

74/17 SPONSORSHIP AT CHELSEA FLOWER SHOW MAY 2018

CONSIDERED - the report of the Chief Executive.

A Member felt that there should be further conversations with the designer to ensure a more ‘Dales feel’ was incorporated into the design.

RESOLVED –

That an allocation of £25k from the Authority's Opportunities Fund to fund the sponsorship of the Welcome to Yorkshire 'Yorkshire Dales Garden' at the Chelsea Flower Show in 2018 be approved.

75/17 REVIEW OF CHARGING FOR TOILETS

CONSIDERED – the report of the Director of Park Services

RESOLVED –

That the Authority should continue to charge for use of Grassington toilets only; and to continue with "honesty box" donations at Aysgarth, as well as at the Malham, Hawes and Horton sites.

76/17 MEMBERSHIP OF THE YORKSHIRE DALES ACCESS FORUM

CONSIDERED – the report of the Director of Park Services.

Members supported the recommendation and Mrs Manners-Armstrong offered to stand down from membership of the Forum.

RESOLVED -

That the size of the Yorkshire Dales Access Forum be reduced from 18 to 14 members, the Authority membership to be reduced from 3 to 2.

77/17 NON-ATTENDANCE OF MEMBER AT MEETINGS

CONSIDERED – the report of the Chief Executive.

A Member felt that Standing Orders should be amended to remove the requirement to report non-attendance to the Authority. This matter is to be examined in the forthcoming review of Standing Orders.

RESOLVED –

That:

(a) Mr Blackie's non attendance at the Finance & Resources Committee need not be brought to the attention of North Yorkshire County Council as appointing authority,

and

(b) Mr Blackie's wish to remain a member of the Finance & Resources Committee be accepted.

78/17 EXTENSION OF MEMBER PARISH FORUM PILOT

CONSIDERED – the report of the Chief Executive.

RESOLVED –

That the extension of the Member Parish Forum pilot for a further round of meetings to take place in Spring 2018, be approved.

79/17 CHAIRMAN'S REPORT

CONSIDERED – the report of the Chairman.

RESOLVED –

That the report be noted.

80/17 REPORT OF THE CHIEF EXECUTIVE

CONSIDERED – the report of the Chief Executive.

RESOLVED –

That the report be noted.

81/17 MEMBER FEEDBACK ON PARTNERSHIP REPRESENTATION AND MEMBER CHAMPIONS' REPORTS

CONSIDERED - the report of the Committees Officer.

RESOLVED –

That the report be noted.

The following item was considered in private

82/17 YORE MILL

CONSIDERED – the report of the Planning Policy Officer

RESOLVED –

That the Authority:

a) supports Richmondshire District Council to secure appropriate urgent works to Yore Mill through the use of their legal powers; and

b) makes public the Mill's plight in the hope of securing a change in ownership and new funding possibilities so as to improve the chances of a comprehensive re-use in the future.

YORKSHIRE DALES NATIONAL PARK AUTHORITY **ITEM 6**

Date: **27 March 2018**

Report: **HEALTH AND HARMONY: THE FUTURE FOR FOOD, FARMING AND THE ENVIRONMENT IN A GREEN BREXIT**

Purpose of the report

1. To seek initial views from Members on the Government's Agriculture Command Paper (*Health And Harmony: The Future For Food, Farming And The Environment In A Green Brexit)* to inform a response back to National Parks England; and update Members on the work of the Authority's Future of Farming Working Group.

RECOMMENDATION

2. Members note the publication of the Agriculture Command Paper, and provide initial views on its content, to inform the National Parks England response to Government.

Strategic Planning Framework

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

National Park Management Plan objectives

A1 *Support farmers and landowners to deliver a wide range of environmental benefits by maintaining at least 80% of the National Park in basic 'Environmental Stewardship' agreements and increasing the area covered by enhanced management agreements to at least 55% by 2017.*

E5 *Increase in real-terms the total level of financial support to farmers and landowners through agri-environment and other environmental support schemes to recognise the full range of environmental benefits they provide*.

Background

4. Members will be well aware of the critical role that agriculture – and 'High Nature Value farming' in particular – plays in helping to conserve and enhance many of the special qualities of the Yorkshire Dales National Park.

5. Farming also remains critical to the local economy. It accounts for 10% of employment in the National Park, with around 2,700 people employed directly in

agriculture. However, the value of the food produced is only significant at a local scale and, for many upland sheep farms the core agricultural business is operating at a loss.

6. Brexit provides some very significant financial challenges but also a potential opportunity to re-shape the future for farming, in a way that secures a more robust economic future for high nature value farming in the National Park, whilst also delivering more 'public goods' for society.

7. In recognition of the importance of these issues, National Parks England produced proposals on the Future of UK Farming post-Brexit, which were submitted to Defra in April 2017. It provides a framework for an approach that could be applied across all National Parks in England. The intention was that each National Park Authority would then develop more detailed proposals for how that approach might work in their National Park.

8. Members approved the establishment of a task-and-finish group, chaired by the Deputy Chairman, to develop more detail of how such a scheme might work in this National Park. The group's initial proposals were reported to the Authority in December. Members agreed that further work needed to be done to refine this local approach but that such work should be dependent on positive feedback from Defra on the original proposals submitted by National Parks England.

Recent developments

9. Since the December Authority meeting, there have been a number of significant developments:

    a. The publication of the 25 Year Environment Plan (**Item 7** on this agenda) confirmed the Government's commitment to the principle of 'natural capital', and to "improving how we manage and incentivise land management". More specifically, it included a commitment to "designing and delivering a new environmental land management system".

    b. At a meeting on 22 January, Defra officials confirmed that they were keen to test/pilot ideas for such a scheme, and asked national park authorities to submit any proposals by the end of February. As a result, the Authority's Future of Farming working group met on 22 February to agree a proposal based on the outline approved at the December Authority meeting. The final submitted proposal is at **Annex A**.

    c. Most recently, the Government's Agriculture Command Paper (was launched on 27th February 2018. It sets out in more detail how the Government intends to deliver on its ambitions for farming and the environment. A copy of the Executive Summary is attached at **Annex B**. The full document is at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/684003/future-farming-environment-consult-document.pdf

Consideration

10. The main proposals in the Command Paper include:

- Reducing current direct payments by £150m (from the largest landowners) to support the environment and other public goods, signalling a move from payment by area of land farmed to "public money for public goods";

- The same total cash amount for farm support will be available until the end of Parliament in 2022, with the re-directed funds used to:
  - Enhance the environment and invest in sustainable food production;
  - Invest in technology and skills to improve productivity;
  - Providing public access to farmland and countryside;
  - Enhance welfare standards for livestock;
  - Provide measures to support resilience of rural and upland communities, and;

- Farm payments in 2019 will follow the existing model but with, for example, simplified applications for Countryside Stewardship;

- There will be an "Agricultural transition" lasting a "number of years" beyond the Brexit implementation period during which direct payments would continue.

- As flagged up in the 25 Year Environment Plan, there will then be a new environmental land management system (ELMS), which will aim to secure "substantial environmental improvements…public and business benefits from the farmed environment…animal welfare…agricultural productivity, public access and supporting rural and upland resilience".

11. On the positive side:
    a. The Paper contains numerous references to the benefits, value and challenges of farming in "the most remote, wild and beautiful parts of England"
    b. The proposed scope of the new ELMS reflects much of the content of the National Park England's *Future of Farming* paper, including: multi-annual agreements; simplified systems; enhanced support and advice; incentives for joint-working at a landscape or catchment scale; provision of capital grants; reduced bureaucracy; and, innovative ways of working.
    c. The Paper specifically cites the existing Yorkshire Dales National Park pilot of a 'results-based payment scheme' for upland grassland systems as a case study

12. More worryingly, the Evidence Compendium that accompanies the Paper spells out the stark financial challenges facing upland farmers – with Direct Payments (which will be phased out) currently providing an average of around 60% of Farm Business Income. Even with Direct Payments, 14% of upland grazing livestock farm businesses are currently making a loss, and without it this would have risen to 46%.

13. The Government's consultation seeks views on, amongst other things:
    - How to gradually phase out direct payments (starting with largest landowners) and develop the new Environmental Land Management Scheme (ELMS);

- The range of qualifying public goods under new schemes – e.g. high animal welfare standards, wildlife protection, public access and new technology etc;
- New business models and incentives for industry to invest in innovation, new technology, and increase profitability.

14. It is intended that National Park Authorities continue to respond collectively on these critical issues through National Parks England.

Next steps

15. Subject to Members views today, officers will submit comments to National Parks England. These will then be used to formulate a collective response, which will be approved by the NPE Board in April.

16. In addition, the Member Working Group will continue to refine the proposals for a pilot scheme in the National Park, in discussion with Defra. Members should note that, while Defra is looking for new pilots to develop and then test in 2021, the Authority's proposal is based on continuing and expanding the current RBAPS pilot – which will otherwise end in September this year. That means that funding would need to be found much earlier than envisaged in the Command Paper. Subject to the outcome of the discussions with Defra, a further paper on this will be brought to the Authority in June.

17. As well as these 'internal' processes, the Authority will continue to engage with and support the Dales Farming and Land Management Forum and the Northern Hill Farming Panel to ensure that the voice of hill farmers is heard in the current debate.

Conclusion

18. The future of farming is absolutely fundamental to the achievement of the statutory purposes for which the Yorkshire Dales National Park was designated. Many of the Park's most important wildlife habitats (e.g. haymeadows) and iconic heritage features (drystone walls and traditional fieldbarns) are the result of generations of management. Farming also remains critical to the local economy – not only because of the direct employment it provides but because it manages the landscape on which a multi-million pound tourism industry depends.

19. The Command Paper recognises this value. The Authority now has a vital role to play in continuing to lobby for — and demonstrate practical ways to incentivise — the production of locally-distinctive, high-quality food in a way that delivers an outstanding range of public benefits, so as to help secure the long-term economic viability of High Nature Value farming in the National Park.

Gary Smith
Director of Conservation and Community

14 March 2018

Executive summary

1. Farmers and land managers grow our food and shape our natural environment. They protect the beauty of our countryside, the majesty of our forests and the richness of our wildlife. Agriculture employs nearly 500,000 people and is a key part of the food and drink industry, which contributes £112 billion to the economy. Agriculture accounts for over 70% of land use in the UK, and has a major influence on our environment.

2. This paper consults on a new, post-CAP domestic settlement for agriculture designed for our own circumstances, with greater freedom for all parts of the United Kingdom. Farming and the countryside affects us all in our daily lives, and we welcome the views of **all** readers on the policy ideas set out in this paper. This consultation marks the first step on the road to a new agricultural policy outside of the EU so that together, we make the right decisions to secure a bright future for farming and the environment.

Leaving the Common Agricultural Policy

3. Approaches to farming have been shaped by the Common Agricultural Policy (CAP). The CAP introduced some of the world's first agri-environment schemes, making progress towards improving our environment. Significant reforms have helped to shift the CAP away from the 'butter mountains' and 'wine lakes' of the 1980s. Decoupling Direct Payments from production has reduced some of the incentives to produce in an environmentally-harmful way.

4. Despite this, the CAP remains flawed. Even though we have some of the most innovative farmers in the world, land-based subsidies can undermine incentives for widespread productivity improvement and are bad value for taxpayers. Efforts to enhance our environment have also been limited by the bureaucratic structure of the CAP. It has imposed unnecessary regulatory burdens and failed to reward some public goods adequately, such as measures to improve water quality and soil health.

Our ambition for farming and the environment

5. Leaving the European Union and the CAP will give us the opportunity for fundamental reform. We want a more dynamic, more self-reliant agriculture industry as we continue to compete internationally, supplying products of the highest standards to the domestic market and increasing exports. But, alongside this, we want a reformed agricultural and land management policy to deliver a better and richer environment in England.

6. We will incentivise methods of farming that create new habitats for wildlife, increase biodiversity, reduce flood risk, better mitigate climate change and improve air quality by reducing agricultural emissions. We will achieve this by ensuring that public money is spent on public goods, such as restoring peat bog and measures which sequester carbon from the atmosphere; protecting dry stone walls and other iconic aspects of our heritage; and reducing disease through new initiatives that better monitor animal health and welfare.

7. We believe this is a vision that could work for the whole of the UK but we recognise that devolution provides each administration with the powers to decide its own priorities. In line

with the principles underpinning the creation of common frameworks agreed by the Joint Ministerial Committee (EU Negotiations), frameworks will be established where they are necessary in order to enable a well-functioning internal market across the United Kingdom, compliance with international obligations and protection of our common resources. Together, we are confident that we can determine frameworks with the right mix of commonality **and** flexibility. It is the government's expectation that the process will lead to an increase in decision-making powers for each of the devolved administrations.

An 'agricultural transition'

8. We will maintain the same cash total funding for the sector until the end of this parliament: this includes all EU and Exchequer funding provided for farm support under both Pillar 1 and Pillar 2 of the current CAP. This commitment applies to each part of the UK.

9. We will formally leave the European Union in March 2019. The government anticipates that we will agree an implementation period for the whole country with the EU lasting for around another two years. Once we have the freedom to move away from the CAP, there will be an 'agricultural transition' period in England. This will give farmers time to prepare for new trading relationships and an environmental land management system.

Our proposals for England

10. In England, Direct Payments will continue during the 'agricultural transition'. So that we can support farmers to prepare for change, we will need to free up funds. To do this, we propose to apply reductions to Direct Payments, starting with those receiving the highest payments, to fund pilots of environmental land management schemes and to help farmers unlock their full potential for sustainable production. The devolved administrations will have the same flexibility to target support in a way that best suits their circumstances.

11. There is a huge opportunity for UK agriculture to improve its competitiveness – developing the next generation of food and farming technology, adopting the latest agronomic techniques, reducing the impact of pests and diseases, investing in skills and equipment and collaborating with other farmers and processors. We want our future policy to provide an enabling environment for farmers to improve their productivity and add value to their products, so they can become more profitable and competitive. We therefore propose to further reduce and phase out Direct Payments in England completely by the end of the 'agricultural transition' period, which will last a number of years beyond the implementation period.

12. We recognise that some sectors may find it more difficult than others to adapt – for example, those located in the most remote, wild and beautiful parts of England. We recognise the environmental and cultural value of our rural landscapes and traditional ways of life, including areas such as the uplands. The uplands have the potential to benefit from new environmental land management schemes, given the nature of their landscapes and the many public goods that they deliver, such as biodiversity, flood risk mitigation and carbon sequestration. We will explore possible options on how we can best support such areas.

13. We will also look to simplify existing schemes during the 'agricultural transition' period. We will seek to simplify Countryside Stewardship schemes, cross compliance and remove or reduce current ineffective greening requirements, before we move to a new regulatory

regime.

– **A new environmental land management system**

14. We propose for our new agricultural policy to be underpinned by payment of public money for the provision of public goods. While environmental enhancement and protection are of key importance, better animal and plant health, animal welfare, improved public access, rural resilience and productivity are also areas where government could play a role in supporting farmers and land managers in the future.

15. From the end of the 'agricultural transition', a new environmental land management system will be the cornerstone of our agricultural policy in England. The system will help us to deliver our manifesto commitment to be the first generation to leave the environment in a better state than we inherited it. Farming is crucial to achieving the goals set out in our recently published 25 Year Environment Plan. A new environmental land management system will help us to preserve the investment in our countryside that has already been made and delivered by farmers. It will consist of a new scheme that pays providers for delivering environmentally beneficial outcomes; and will provide support for farmers and land managers as we move towards a more effective application of the 'polluter pays' principle.

16. Our new environmental land management system will be underpinned by natural capital principles, so that the benefits the natural environment provides for people and wildlife are properly valued and used to inform decisions on future land management. The new system aims to deliver benefits such as improved air, water and soil quality; increased biodiversity; climate change mitigation and adaptation; and cultural benefits that improve our mental and physical well-being, while protecting our historic environment.

17. We will learn from the implementation of past schemes, consult with stakeholders on the design of new and ambitious schemes and pilot them in preparation for the introduction of the system.

– **High animal welfare**

18. The public has an expectation of high animal welfare standards and consumers want to know what they are buying. We want to safeguard the welfare of our livestock, building on our existing reputation for world leading standards. Rather than significantly raising the UK legislative baseline, we could pilot schemes that offer targeted payments to farmers who deliver higher welfare outcomes in sectors where animal welfare largely remains at the legislative minimum.

– **Excellent plant and animal health standards**

19. Productive and resilient forestry, horticulture and agriculture industries depend on good tree, plant and animal health. Preventing and tackling pests and disease in trees, plants and animals also has wider benefits for productivity, the environment, tackling climate change and public health. In line with our commitment in the 25 Year Environment Plan, we want to see a substantial reduction in endemic disease.

– **Smarter regulation and enforcement**

20. Our high environmental and animal health and welfare standards are underpinned by robust domestic legislation. Parts of the current enforcement system impose disproportionate penalties or provide insufficient scope for farmers to remedy

underperformance. We would want to design a new, fairer enforcement system whilst maintaining a robust approach that delivers value for money for taxpayers. Further to this, Dame Glenys Stacey will be conducting a thorough and comprehensive review of the inspections regime, seeing how inspections can be removed, reduced or improved to lessen the burden on farmers while maintaining and enhancing our animal, environmental and plant health standards.

21. During the 'agricultural transition' period, we want to seize the opportunity that leaving the EU offers to change the regulatory culture and provide a more integrated, appropriate and targeted enforcement system. With greater regulatory simplification at its heart, our new system will achieve environmental, animal health and welfare objectives and support farmers to uphold standards.

22. As well as maintaining high standards through appropriate regulation, we also propose to support industry initiatives to improve animal and plant health, including through better information-sharing. We will also consider funding innovative approaches to improving farm animal welfare.

– **Managing risk and volatility**

23. Farmers are exposed to year-on-year price volatility and other risks, which can negatively affect planning and investment for the future. Farm businesses can already manage their risks through diversification of income, financial planning and the use of tax smoothing. The best way of improving resilience in the farming sector is to support increases in farm productivity, promote better animal and plant health, and make sure farmers have access to the tools they need to effectively manage their risk. We are consulting on the barriers to wider development of insurance, futures contracts and other risk management tools, and how government can encourage their adoption. We are also considering how to improve the government response to major crises.

– **Helping rural communities prosper**

24. Agriculture exists within broader rural communities and economies. We recognise that businesses in rural areas (including farms) face particular challenges, which include reduced physical and digital connectivity; and we will be working closely with the Department for Digital, Culture, Media and Sport on improving rural broadband and 4G. Those who live and work in the countryside should have the same opportunities as those in urban areas. We will work with the Ministry of Housing, Communities and Local Government on the design of the UK Shared Prosperity Fund, as part of delivering the government's Industrial Strategy, to support rural businesses.

International trade

25. Accessing new markets can allow our farmers to export more British produce and increase their profits, as well as to spread risk. While competition helps to drive down prices, consumers also benefit from increased choice. We know that consumers buy certain products for a range of reasons which also include provenance and sustainability. Building on the GREAT Britain campaign, we want to help develop a British brand that can help inform those choices. The government is fully committed to maintaining high standards of consumer, worker and environmental protection in trade agreements. We will adopt a trade approach which promotes industry innovation and lower prices for consumers. But we also

need to adopt a trade approach that allows sufficient time for the industry to prepare.

A skilled workforce

26. Making sure that our agriculture, horticulture, forestry and food supply chain industries have access to sufficient and suitably-skilled labour is essential to industry growth and competitiveness. We will take the opportunity to stimulate a forward-thinking agricultural industry that invests in the future through innovative practice and automation. We want to help attract more of our graduates and domestic workforce into this vibrant industry.

A new statutory framework

27. The farming industry needs a new statutory framework to allow us to deliver many of the reforms set out in this paper. We will introduce an Agriculture Bill that breaks from the CAP, providing us with the ability to set out a domestic policy that will stand the test of time.

Your views

28. We should all have an interest in the landscape around us: it must sustain us now and be held in trust for future generations. **We welcome all views on our policy proposals.** By working together we can maintain a safe, high-quality supply of food, produced in a way that enhances the environment and our precious countryside.

All of the cases studies in this paper are based on real farms, farmers and businesses. We are grateful to all those who have agreed to have their details included. That agreement does not amount to an endorsement of the proposals outlined in the paper.

Proposal to pilot key aspects of a National Park FARM (Farming and Rural Management) scheme in the Yorkshire Dales National Park

Rationale

1. The Government's 25 Year Environment Plan makes clear its commitment to develop a new environmental land management system, where the principal public good is environmental enhancement

2. The English National Park Authorities have published a framework for a new collaborative, locally-led agri-environment scheme ('FARM Plus'), focused on enhanced levels of environmental management to deliver public goods.

3. The Yorkshire Dales National Park Authority and Natural England are already running an innovative and hugely positive pilot scheme to test out elements of a new upland agri-environment scheme where farmers are incentivised through payment by results rather than for following detailed management prescriptions.

The opportunity

There is an outstanding opportunity to build on the existing pilot (which will otherwise end in September 2018) to test out many of the key elements of any future scheme to incentivise and reward land managers to restore and improve our natural capital and rural heritage. Our **ask** is to:

a) extend the existing pilot by up to 3 years to allow time to secure unequivocal evidence of the improved environmental productivity from a results-based approach;

b) double the number of farms involved in the pilot (to 40) so as to create a more statistically robust sample of upland farms;

c) introduce a 'whole-farm' assessment approach – incorporating professional business advice – to identify and maximise the environmental and economic benefits.

d) expand the range of 'payment by results' options available so as to cover different types of public benefit, focusing on the key elements of natural capital and ecosystem services in the Yorkshire Dales National Park;

e) quantify and evaluate the ongoing 'transactional costs' associated with the implementation of this approach, beyond the initial set-up costs; and,

f) provide valuable learning, evidence and technical expertise to inform the development of a second phase of pilots that will run from 2020.

A more detailed summary of the main elements of the proposal is set out in the **Annex**.

The pilot has the support of the Northern Hill Farming Panel; Northern Upland Chain Local Nature Partnership; Natural England; and, the York, North Yorkshire and East Riding Local Enterprise Partnership.

Consideration

The existing pilot of a results-based agri-environment scheme for the uplands has been running for 18 months (following a 1-year development phase). The scheme is being trialled on 19 farms in Wensleydale in the heart of the Yorkshire Dales National Park. At the heart of the scheme are two broad principles:

- a more collaborative approach to the design and delivery of agri-environment schemes, which uses the skills and knowledge of the farmers;
- a more flexible approach, based on payments for environmental results rather than for following detailed management prescriptions.

There is a significant foundation to build on:

Collaboration. At every stage, the pilot has been developed in collaboration with the local farming community. This partnership began with the Northern Upland Chain Local Nature Partnership (NUCLNP), working with 5 groups of farmers in the northern Pennines to identify ways to secure a more robust economic future for the low intensity, upland farming systems that are particularly valuable for wildlife, the environment and people[1]. The study led to a 'Call for Action' to support HNV farmers, including for a more collaborative and flexible approach to agri-environment schemes where environmental outcomes can be delivered in a way that allows the whole farm to work as a system. To give a voice to upland farmers in the northern Pennines, the Northern Hill Farming Panel was established, and has been actively engaged in developing the existing pilot. Each of the specific options created for the pilot were developed with the farmers in the scheme, and the methodologies have also been tested on a selection of other farms across the NUCLNP.

Established payment mechanisms. The existing pilot has established new payment mechanisms, all of which are compatible with WTO rules, and have been reviewed by the Rural Payments Agency. At the same time, the National Park Authority has also been providing technical expertise to support the development by the National Trust of a Payment for Outcomes' scheme for a number of their local tenants. The National Trust's support has enabled the development of additional 'payment by results' options, including for pollinators; soil health, calcareous grassland and other habitats. These could now be rolled out as an extension to the existing pilot.

Fully-engaged farmers. There is now a cohort of 19 willing and able farmers who are keen to carry on developing this approach. They have invested time and effort into developing the skills necessary to implement a results-based approach, and switch to a system based on farmer self-assessment. The farmers are not only well placed now to implement a wider range of measures but could also provide the means to help roll-out the scheme to their peers on neighbouring farms.

[1] *High Nature Value farming in the Northern Upland Chain* - European Forum on Nature Conservation and Pastoralism (2014)

An administrative framework. Through Natural England's involvement, a suite of technical and legal documentation has been developed, including application forms, selection criteria, and a scheme handbook.

An integrated model. In 2015, the *Dales and Moors Farm Innovation Project* established a model to enable the participating farmers to produce integrated 'Whole Farm Plans'. These enable farmers to analyse their own farm businesses and identify future needs and actions to improve the profitability of their businesses and the environment in which they operate. Using the lessons learned from that project, a similar approach could be implemented here as the 'baseline' for each agreement. The York, North Yorkshire and East Riding LEP, which funded the original farm project, has indicated that it would look to support such an approach as part of an extension the pilot.

Wider application. The engagement and support of the Northern Upland Chain Local Nature Partnership and the Northern Hill Farming Panel, means there is already wider engagement with the concept. In the longer term, this could allow any future pilot to expand to incorporate different habitats and farming types in other parts of the northern Pennines. Similarly, the local partnership with the National Trust has developed alternative approaches, using different payment mechanisms, to support farmers in a different part of the National Park. Again, there is considerable enthusiasm and scope to continue this collaboration – testing different approaches, with blended finance, and creating local economies of scale.

The proposal

The existing agreements under the EU-funded pilot finish in mid-September 2018. Given the investment to date, and the foundation established, it would make obvious sense to continue the momentum, expertise and opportunity to further refine the results-based approach.

The proposal (at **Annex B**) offers a pragmatic solution, which would maximise the time available to test out and refine elements of a post-Brexit scheme. It takes as its starting point the National Park FARM scheme framework, which was submitted to Defra in April 2017, and then:

- identifies the critical elements of the 'FARM plus', higher-level scheme that could practically be implemented in a short time-frame; and,
- for each of those elements, identifies the specific local priorities, options, and means of delivery within the pilot area.

One of the strengths of this proposal is the level of flexibility over both the scale and extent of implementation. Detailed costings have not, therefore, been included in advance of a discussion with Defra officials. However, it is worth noting that continuing the current pilot *in its current form* for a further year would cost around £60,000, including advisor time.

With the right support, it would be possible to 'launch' an enhanced pilot project involving the existing 19 farms from January 2019. Subject to funding, we would then propose to enrol the second cohort (of 21 farms) in time for a second round of agreements in January 2020.

Initial proposals for the operation of a National Park FARM (Farming and Rural Management) Scheme pilot in the Yorkshire Dales National Park

Note: elements shown in **green** are already in place.

1. Base level support

National Park 'FARM Plus' scheme	Implementation in a Yorkshire Dales National Park pilot
1. Farm business advice to produce an integrated farm plan (linking environment and business) and to act as a baseline for the scheme	Each holding to have an integrated farm plan, to identify the best options to deliver public benefits in a way that allows the whole farm to work and make sense as a system. Key elements of this approach would be: • based on the successful 'Dales and Moors Farm Innovation Scheme' pilot in 2015; • business advice based on margins and profitability (rather than production and turnover); • co-funded by York, North Yorkshire and East Riding Local Enterprise Partnership
2. Develop the National Park brand	**All farms in the pilot to be able to use the National Park Ram's Head 'locator' logo ("Made in the Yorkshire Dales") to demonstrate their contribution to the management of the National Park's landscape.** Develop a higher level endorsement for 'high nature value' farming that is delivering significant public benefits in the National Park.
3. Promotion to the public	Promote wider understanding of the role that the farming community plays in managing the National Parks for the benefit of all through: • Displays and interpretation at the Hawes National Park Centre and Dales Countryside Museum; • ***The Visitor*** **and** ***Dales*** **newspapers;** • **YDNPA website** • Development of simple system for annual public reporting of outcomes achieved on each farm holding

2. Delivering multiple public benefits

National Park 'FARM plus' scheme	Local priorities for a Yorkshire Dales National Park pilot
Landscape	Boundary features (drystone walls and hedgerows); Field barns.
Biodiversity	**Upland hay meadow**; **Breeding Waders (curlew, lapwing etc)**; Native woodland; Calcareous Grassland; Upland Flushes, Fens & Swamps; Upland heathland; Pollinators.
Geodiversity	Glacial landscape features
Carbon management	New native woodland creation Sustainable soil management
Water management	Natural flood management (woodland; wetlands; leaky dams; soil compaction)
Woodland management	Gill, valley side and riparian native woodlands; Scrub;
Historical environment	Heritage features, including e.g. lynchets; ridge and furrow; earthworks; prehistoric and Medieval field systems and settlements.
Access and education	Open farm events

3. Maximising delivery of public benefits

National Park 'Farm plus' scheme	Means of implementation through a Yorkshire Dales pilot
Encourage collaboration between farmers or within farm clusters to deliver sustainable improvements at a landscape scale	**Scheme targeted on Wensleydale and tributary catchments[2];** **Sharing of training, expertise and peer learning;** **Link to 5 farm clusters in CS 'Facilitation Fund' project in mid-Wensleydale, Bishopdale and Coverdale**
Outcome focused – engaging with farmers to involve them in agreeing environmental outcomes that they will deliver mechanisms and take part in the monitoring of outcomes	**Scheme principles based on recommendations from research with 4 groups of farmers[3]** **Overall scheme developed in association with Yorkshire Dales Farming and Land Management**

[2] Tributary Dales are: Coverdale; Bishopdale; Waldendale; Raydale; Cotterdale; Widdale; and, Sleddale

[3] *High Nature Value farming in the Northern Upland Chain* - European Forum on Nature Conservation and Pastoralism (2014)

	Forum and Northern Hill Farming Panel; **Each detailed scheme option developed with local farmers;** **Annual monitoring of environmental outcomes done through farmer self-assessment.** Develop a 'farmer panel' to oversee and advise on detailed implementation.
Evidence-based – ensuring that monitoring results are understood and used by the farming community to inform management in a virtuous circle of innovation and learning and offering reassurance to the public that they are delivering the agreed outcomes or identifying actions to address any concerns	**Baseline assessment**; **Farm clusters**; **Training for farmers**. **Attitudinal surveys** Benchmarking; On-farm events, led by farmers; Public reporting of results; Monitoring of effectiveness of further options and whole farm approach.
Proportionate – as far as possible light touch, easy to understand and to sign up to, with common sense flexibility on measurement and reporting.	**Simple application form** **Advisor available to deal with questions** **Payments based on farmer self-assessment**
Include the potential for capital as well as revenue payments.	Small-scale capital grants for: • Tree planting; • Field boundary (walls/hedge) restoration; • Habitat restoration or creation; • Natural flood management measures; • Water quality enhancement measures; • Invasive species control.
Integrate with other environmental and rural support programmes to multiply benefits and avoid perverse incentives	**Local 'hub' delivering range of programmes, including:** • **Catchment Sensitive Farming;** • **CS Facilitation Fund for Natural Flood Management** • **Environment Agency NFM project in Bishopdale;** • **YDNPA's Sustainable Development Fund.**
Greater 'ownership' of schemes by the farmers delivering them with agreed progress reviews to ensure that targets are delivered and less risk of failing agreements	**Annual self-assessment by farmers.** **Annual review of progress** Training events and peer review
Potentially lower administration costs	**Accurate monitoring of start-up costs** Develop further farmer self-assessment and a 'risk-based' approach to external validation Simplify and rationalise application process and forms Simplify/rationalise administration of existing options Accurate monitoring of ongoing running costs etc

YORKSHIRE DALES NATIONAL PARK AUTHORITY **ITEM 7**

Date: **27 March 2018**

Report: **A GREEN FUTURE: OUR 25 YEAR PLAN TO IMPROVE THE ENVIRONMENT**

Purpose of the report

1. To inform Members about the recently published 25-year Environment Plan its aspirations and proposals, and to seek Members views on the content as part of developing a formal National Parks England (NPA) response back to Government.

RECOMMENDATION

2. That Members consider the Environment Plan and provide their initial views on its content, to form part of a NPE response to Government.

Strategic Planning Framework

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

Background

4. The idea of a 25-year environment plan to maintain and improve 'natural capital' was first proposed by the Natural Capital Committee (an independent advisory committee to the Government) in March 2014. A commitment to a 25-year Environment Plan was later made by Defra in their departmental plan (2015-2020), published in February 2016. The Natural Capital Committee published advice and recommendations on what the Government should consider in developing the plan in September 2017.

5. The final plan, **A Green Future: Our 25 Year Plan to Improve the Environment** was published in January 2018. The Plan is a lengthy document (over 150 pages) and can be viewed via this link: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/673203/25-year-environment-plan.pdf.

   Launching the Plan, the Prime Minister identified the protection and enhancement of the natural environment as a "central priority" for the Government as part of delivering its manifesto pledge to "*be the first generation to leave the environment in a better state than we inherited it".*

6. NPE invested significant time to feeding into the development of the plan throughout 2017. This included facilitating a 'Roundtable Discussion' with the Secretary of State (attended by the Chairman Carl Lis) making written submissions; commenting on drafts and meeting Officials and Ministers during the drafting process.

7. The Plan is based on the Natural Capital concept. This categorises the environment into a number of 'assets' (stocks) which combine in varying ways to provide a suite of services and benefits from which we derive wellbeing. Many of these relationships are mediated, and the benefits we receive enhanced, through human activities described as 'other capital inputs' (i.e. financial, manufactured, social and human). In relation to the 25 Year Plan, the primary interest is in how to manage natural assets in order to provide the greatest net benefits to society: a strong economy, improved wellbeing, and sustainably.

Aims of the Plan

8. The executive summary commits the Government to championing sustainable development and further elaborates the broad aims of the Plan:

> *"...to deliver cleaner air and water in our cities and rural landscapes, protect threatened species and provide richer wildlife habitats. It calls for an approach to agriculture, forestry, land use and fishing that puts the environment first. The Plan looks forward to delivering a Green Brexit – seizing this once-in-a lifetime chance to reform our agriculture and fisheries management, how we restore nature, and how we care for our land, our rivers and our seas."*

9. The Plan sets out the following 25-year goals which the Government aims to achieve:

    1. Clean air
    2. Clean and plentiful water
    3. Thriving plants and wildlife
    4. A reduced risk of harm from environmental hazards such as drought and flooding
    5. Using resources from nature more sustainably and efficiently
    6. Enhanced beauty, heritage and engagement with the natural environment

10. To this end the plan seeks to undertake actions and join-up policies in a way that maximises benefit and value for money around six key policy areas. The first three are highly relevant to our work:

    1. Using and managing land sustainably (chapter 1).
    2. Recovering nature and enhancing the beauty of landscapes (chapter 2).
    3. Connecting people with the environment to improve health and wellbeing (chapter 3).
    4. Increasing resource efficiency, and reducing pollution and waste (chapter 4).
    5. Securing clean, productive and biologically diverse seas and oceans (chapter 5).
    6. Protecting and improving the global environment (chapter 6).

    The Government also commits to managing pressures on the environment by:

7. Mitigating and adapting to climate change.
8. Minimising waste.
9. Managing exposure to chemicals.
10. Enhancing biosecurity.

11. The plan is framed in the context of Brexit and the Government's previous commitments to uphold EU environmental provisions on a UK legal basis, and its intention to uphold its obligations under international environmental treaties. The Plan reiterates the Government's intention to consult on a new, independent statutory body that would hold Government to account for upholding environmental standards in England; and to consult on the scope and content of a new policy statement to ensure environmental principles underpin policy making.

Policy areas and measuring progress

12. The Plan sets out a number of goals and contains a combination of new and existing strategies, targets, mechanisms and commitments in order to meet its goals. Some of the key policy areas and announcements in the plan include:

- Using a "natural capital" approach to protecting and enhancing the environment, by recognising its tangible and non-tangible economic benefits;
- The establishment of a green business council to advise government on "environmental entrepreneurialism". A natural environment impact fund is being mooted to support this which would use natural capital valuations;
- Introducing a principle of "environmental net gain" into planning decisions where wider natural capital benefits will be assessed as part of the planning process;
- Achieving zero avoidable plastic waste by the end of 2042 through initiatives;
- A commitment to reducing the risk of harm to people, the environment and the economy from natural hazards including flooding, drought and coastal erosion;
- A new commitment to publishing an overarching chemicals strategy to set out the UK's approach as it leaves the EU;
- Initial proposals for a new environmental land management system (based on paying public money for public 'goods' such as environmental enhancement), which will be set out in a Command Paper later this spring - a pre-cursor to the Agriculture Bill which will set out post-Brexit support arrangements for farmers;
- A target of ensuring the sustainable management of soil by 2030 and establishing sufficient data to understand the current state of soil health;
- An aim to increase woodland in England in line with the aspiration of achieving 12% cover by 2060: this would involve planting 180,000 hectares by the end of 2042;
- A goal to mitigate and adapt to climate change by doing "what is necessary to adapt to the effects of a changing climate".

13. The Government proposes to update the Plan at least every 5 years, and to report annually on progress to Parliament, with a set of indicators to be developed to monitor progress. However it is not clear how momentum will be maintained. Whilst prioritisation is mentioned, the Plan does not prioritise or set out a clear work programme. There is little new funding to implement the Plan, and links to other Government Departments are not strong, with the role of local government ill-defined.

What does it mean for National Parks and National Park Authorities?

14. This is a very wide ranging document. It is said to contain 6 policy areas, 7 new strategies, 44 success criteria and around 200 actions. **Appendix 1** highlights key actions identified for 2018, which are relevant to all National Parks, while **Appendix 2** highlights areas which could involve National Park Authorities in the future.

15. One of the major areas of the plan that impacts on NPAs is the intention to commissioning a 21St Century review of National Parks and AONBs, which will consider (p66) coverage of designations, how designated areas deliver their responsibilities, how designated areas are financed, and whether there is scope for expansion. It will also consider opportunities to enhance the environment in existing designations.

16. Other actions where National Parks are mentioned specifically are:

    'Working with National Park Authorities to continue to deliver the 8-Point Plan for National Parks 2016-2020. National Park Authorities have already met the target to engage directly with over 60,000 young people a year in schools' visits, and will double this figure'. (p66)

    'Working with National Park Authorities and AONB Partnerships and Conservation Boards to deliver environmental enhancement, including through demonstrator projects, and engaging with communities through their statutory management plans'. (p66)

    'In 2019 a wide range of engagement activities will be planned to co-incide with the 70th anniversary of National Parks and the centenary of the Forestry Commission…We expect 2019 to be the foundation of a five-year programme that will help turn the commitments in this 25 Year Environment Plan into action'. (p82)

    'Over the next 25 years we want to make sure they [NPs and AONBs] are not only conserved but enhanced'.

17. And where they are included:

    'Identifying opportunities for environmental enhancement in all of England's 159 National Character Areas and monitoring indicators of our landscape's character and quality to improve landscapes for people, places and nature'. (p66)

18. Based on our current work programmes, the top three priorities for this National Park are:

    - Designing and delivering a new environmental land management system
    - Developing proposal to extend/widen pilot based on NP FARM scheme proposals
    - Working with National Park Authorities to continue to deliver the 8 point plan for National Parks

Conclusion

19. Overall reaction to the Plan has been mixed. Many have welcomed its ambition and promises on some specific areas like plastics pollution and sustainable land management. On the other hand, the Plan has been criticised for making no solid commitments to new legislation and lacking in urgency and resources. It remains to be seen what it will actually mean for National Parks and National Park Authorities.

Next Steps

20. In the next few months all NPAs will be considering how best to respond to the Plan. The NPE Board will meet in April this year to formulate a joint response to the implementation of those elements of the Plan that can best be delivered by NPAs. The Chairman of the YDNPA is expected to provide the views of the Authority at that meeting in order to influence the final document.

David Butterworth
Chief Executive

8 March 2018

Appendix 1

Environment Plan commitments, for 2018, relevant to National Parks

- Natural capital metrics to be developed
- Consultation on new independent statutory body for the environment
- Publication of Tree Health Resilience Plan later in 2018
- Announcement of successful bids for the peatland grant scheme in February 2018, with funding made available in April
- Publication of an England Peat Strategy in late 2018
- Publication of environmental land management system Command Paper and consultation in spring 2018
- Developing and consulting in 2018/19 on a code and best practice guidance for assessing the merits and risks of species reintroduction projects
- Working with NPAs to continue to deliver the 8 Point Plan for National Parks, including the doubling the number of young people NPAs directly engage with
- Consultation on a National Policy Statement for water
- Developing a Nature Friendly Schools programme for schools in our most disadvantaged areas with input from stakeholders that can be opened to schools from autumn 2018
- Continuing our ground-breaking work with Exeter University to update the world-leading Outdoor Recreation Valuation Tool (Orval) in 2018
- Making 2019 a year of action for the environment (will require preparation during 2018)
- Publication of Clean Air Strategy
- Completing in 2018 a major assessment of how far our seas have moved towards good environmental status since 2012
- Consulting on the third tranche of Marine Conservation Zones in the first half of 2018, with designations within 12 months of that date
- The RSPB and Oliver Wyman will shortly publish a discussion paper on large-scale domestic conservation finance

Appendix 2

List of things which could involve National Park Authorities in the future

These are activity where National Parks / NPAs are directly implicated, or which have considerable potential to impact directly on National Parks:

- Undertaking a 'Hobhouse' Review for the 21st Century (p 65-66)
- Delivering against the 8 Point Plan (p 66) including on the expanded number of direct contacts to National Park Authorities.
- Working with NPAs and AONBs to deliver environmental enhancement
- Publishing a strategy for nature (p 58)
- Developing a nature recovery network (p 58)
- Designing and delivering a new environmental land management system – where the principle public good is environmental enhancement (p 36)
- Restoring vulnerable peatlands through a new ambitious framework for peat restoration in England (p 45) with peatland grant scheme and an England Peat Strategy 2018
- Embedding environmental net gain – including its extension to other areas beyond biodiversity (p 33) and how MHCLG tariff proposals would impact on NPs (p 34)
- Determining appropriate locations to pilot a revolving land bank for housing in rural areas (p 34)
- Expanding the use of natural flood management solutions – from the £15m Natural Flood Management funding already agreed (p 52) though the funding is very limited
- Considering how environmental therapies could be delivered through mental health services (p 74) and sharing lessons learned from social prescribing programmes so others can adopt best practice
- Promoting health and wellbeing through the natural environment – with a 3 year ‘Natural Environment for Health and Well-Being’ programme (p 74)
- Supporting the 2019 Year of Green Action where a “wide range of engagement activities” are promised (p 80)
- Consulting on a new independent environmental watchdog and environmental principles (p 128)
- Monitoring indicators of our landscape’s character and quality to improve landscapes for people, places and nature (p 66) and agree metrics to measure progress against their ambitions for landscape and beauty

- Working with landowners, farmers etc. to identify and target areas most suitable to encourage and likely to benefit most from woodland creation (p 48)
- Plans to strengthen domestic carbon offset mechanisms (p 48)
- Designing a new woodland creation grant scheme (p 49)
- Establishing up to 25 new catchment or landscape scale nature recovery areas (p 59) with a focus on peatland restoration, natural flood management and woodland planting – all of which link to priorities for different NPAs
- The co-design and delivery of 14 natural capital plans – based on the Area Integrated Plans already in development by EA/NE/FC (p 140)
- Working with partners to develop post-EU exit arrangements and scope the potential for novel funding streams and incentives, including levies and charges" (p 144) – important given EU funding sources will cease over time.

These are activity that are still relevant to National Parks / NPAs but where we are less implicated and/ or the scale of potential impact is lower:

- Enforcing new farming rules for water and reviewing them in 2021
- Regulating all significant water abstractions by 2022, and updating 10 abstraction licencing strategies by 2021 and all remaining strategies by 2027
- Consulting on a National Policy Statement for Water Resources in 2018
- Feeding into Water Price Reviews for industry (p 70)
- Delivering the Government's recently published Heritage Statement 2017 (p 17)
- Supporting larger scale woodland creation
- Providing opportunities for reintroduction of native species
- Exploring how to give individuals the chance to deliver lasting conservation
- Improving biosecurity to protect and enhance nature
- Making sure all policies/ programmes and investment decisions take into account the possible extent of climate change
- Implementing a sustainable and effective second National Adaptation Programme
- Producing stronger new standards for Green Infrastructure (p34)
- The development of soil health metrics by Defra
- Grown in Britain to increase home grown timber used in England in construction (p49)

- Consultation on a Code and best practice guidance on species reintroduction projects
- Taking forward Law Commission proposals on conservation covenants (p 62)
- Developing a Tree Health Resilience Plan in 2018 (p 64)
- Raising awareness of invasive non-native species (p 64)
- Developing standardised tools for service providers to support roll out of social prescribing (p 74)
- Relaunching the Orval tool to assist people's access to the natural environment in 2018
- Helping children and young people from all backgrounds to engage with nature and improve the environment – with a £10m fund, and also a pupil referral programme linked to nature (p 76)
- Scoping out an evidence based behaviour change strategy (p 82)
- Completing a full set of Marine Plans by 2021 and a 3rd tranche of Marine Management Zones to be held with designation by mid 2019
- Establishing, with ONS a full set of natural capital accounts (p 133)
- Updating the UK National Ecosystem Assessment in 2022
- Establishing a Natural Environment Impact Fund (p 149)

YORKSHIRE DALES NATIONAL PARK AUTHORITY **ITEM 8**

Date: **27 March 2018**

Report: **TREASURY MANAGEMENT AND THE PRUDENTIAL CODE FOR CAPITAL FINANCE**

Purpose of the Report

1. To seek approval for the Annual Treasury Management Strategy for 2018/19.

Recommendations

2. That Members approve the Annual Treasury Management Strategy for 2018/19 as set out in the **Appendix**.

Strategic Planning Framework

3. The information and recommendations contained in this report are consistent with Corporate Action Plan objective 24, 'Plan and manage all aspects of the Authority's business to make the most effective use of our resources'.

Background

4. This Report is a statutory requirement linked to the independent financial status of the Authority. It contains two substantive matters: the obligation to create the opportunity to borrow to fund capital spending, and setting our (cash) investment strategy. However, Members should note that – as in previous years - we have no plans for any borrowing, and our investment activity is delivered under a straightforward contract with North Yorkshire County Council (NYCC).

5. The Authority's contract with NYCC is limited to the interest-earning investment of cash reserves and working capital balances. Our money is pooled with that of other bodies for which NYCC also undertakes this service (including two other National Park Authorities), with investment activity aimed at underwriting the security of capital and liquidity of investments, whilst seeking the highest return on its investments.

6. As at March 2018, the Authority has no loans in place. Nonetheless, the possibility of borrowing is an option available to the Authority when making decisions on the optimum way to finance capital spending. The indicators proposed in this Strategy meet the ground rules that would allow a decision to be taken to borrow funds if that proves to be the optimum solution. Nothing in this report commits the Authority to a decision to borrow funds.

The Treasury Management Strategy for 2018/19

7. CIPFA regulations and guidance require that this Strategy covers a number of related areas:

    - **Prudential Indicators**, setting the context for any future borrowing the Authority might wish to undertake; these include the affordable borrowing limit, set at £350k for 2018/19.

    - The **Minimum Revenue Provision Policy.** This sets out the Authority's approach to repaying any capital borrowing over time.

    - **Treasury Management Practices** (TMPs) describe the manner in which the Authority will seek to control Treasury Management. As all the investment activities of the Authority are carried out by NYCC, it is necessary to adopt the TMPs used by NYCC to govern its own Treasury Management activities in so far as these relate to investment. A copy of the NYCC TMPs is available on request.

    - The adoption of NYCC's **Annual Investment Strategy** and **Approved Lending list**

8. In addition to the Strategy, the Authority is also required to have a **Treasury Management Policy Statement**. This is set out below, unchanged from previous years.

> The Authority defines the policies and objectives of its treasury management activities as follows:
>
> - Treasury management is the management of the Authority's investments and cash flows, its banking, money market and capital market transactions, the effective control of the risks associated with these activities, and the pursuit of optimum performance consistent with these risks.
> - The successful identification, monitoring and control of risk will be the prime criteria by which the effectiveness of the treasury management activities will be measured. Accordingly the analysis and reporting of treasury management activities will focus on their risk implications for the Authority.
> - Effective treasury management will support the achievement of the business and service objectives of the Authority. The Authority is therefore committed to the principles of achieving best value in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management.

9. CIPFA's Code of Practice on Treasury Management emphasises that the responsibility for risk management and control of Treasury Management activities lies wholly with the Authority and its officers.

Local Authority Investments and Annual Investment Strategy

10. Under Section 15 (1) (a) of the Local Government Act 2003, the Authority is required to have regard to Investment Guidance issued by the Secretary of State in respect of the investment of cash funds. This Guidance on Local Government Investments (1 April 2012) requires an **Annual Investment Strategy (AIS)** to be approved by Members.

11. Because investment activity is undertaken on behalf of the Authority by NYCC, the practical result of this is that we are required to adopt NYCC's AIS. A copy is available on request.

Treasury Management Reporting and Scrutiny Arrangements

12. The CIPFA Code of Practice on Treasury Management requires that each authority must receive reports on its Treasury Management policies, practices and activities, including as a minimum an annual strategy and plan in advance of the year, a mid year review and an annual outturn report after the end of the year. These requirements are included in the Authority's Financial Regulations (13.4) and are fulfilled by the current report, and by subsequent reports to the Audit & Review Committee.

13. Treasury Management performance and policy setting should also be subject to ongoing scrutiny: each Authority must delegate the role of scrutiny of treasury management strategy and policy to a specific named body. For YDNPA, this is the Audit & Review Committee.

Richard Burnett
Treasurer
5 March 2018

APPENDIX

TREASURY MANAGEMENT STRATEGY & STATEMENT 2018/19

INTRODUCTION

1. The production and submission to Members of this Treasury Management Strategy is a requirement of the Local Government Act 2003, as codified in the CIPFA Treasury Management Code of Practice in the Public Sector & Prudential Code. The Strategy covers:

- the Treasury Limits in force which will limit the treasury risk and activities of the Authority (paragraphs 2-3)
- Prudential Indicators (paragraph 4)
- the current treasury position (paragraph 5)
- the Borrowing Requirement and Borrowing Limits (paragraphs 6-8)
- Borrowing Policy (paragraph 9-13)
- prospects for interest rates (paragraph 14)
- the Borrowing Strategy (paragraphs 15-17)
- Minimum Revenue Provision Policy (paragraphs 18 -20)
- Annual Investment Strategy (paragraphs 21-23)

TREASURY LIMITS FOR 2018/19 TO 2020/21

2. It is a statutory duty under Section 3 of the Local Government Act 2003 for the Authority to determine and keep under review how much it can afford to borrow. The amount so determined is termed the **Affordable Borrowing Limit** (ABL); this covers loans and other forms of liability, such as credit arrangements. The ABL has to be set on a rolling basis for the forthcoming financial year and two successive financial years.

3. The Authority must have regard to the Prudential Code when setting the Affordable Borrowing Limit, which requires it to ensure that total capital investment remains within sustainable limits. In practice, it is equivalent to the Authorised Limit as defined for the Prudential Indicators (see paragraph 4 iv).

PRUDENTIAL INDICATORS FOR 2018/19 TO 2020/21

4. The Prudential Indicators are as follows.

(i) **Estimated Ratio of Capital Financing Costs to the Net Revenue Budget (Affordability)**

This indicator identifies the percentage cost of borrowing to the Authority (i.e. interest payments), net of interest earned on cash balances.

The estimated ratios for the current and future years and the actual figure for 2016/17 and probable figure for 2017/18 are set out in the table below. Where the expected earned interest on working capital is predicted to exceed that of the

interest payable on possible borrowing as set out in the later indicators, the effective percentage is NIL. This is now the case for the years to 2020/21, as we are projecting working capital levels that would be likely to generate more interest income than the interest payments that would result from borrowing were we to fund capital spending from loans.

Year	Basis	%
2016/17	actual	0.00%
2017/18	probable	0.00%
2018/19	estimate	0.00%
2019/20	estimate	0.00%
2020/21	estimate	0.00%

(ii) **Capital Expenditure Plans (Actual and Estimated)**

This table shows total capital spending plans for the Authority. All the prudential indicators that follow are based upon the **possible** borrowing requirement were the Authority to fund all of this spending through loans.

Year	Basis	£k
2016/17	actual	13
2017/18	probable	100
2018/19	estimate	100
2019/20	estimate	80
2020/21	estimate	80

(iii) **Capital Financing Requirement and Forecast**

The Capital Financing Requirement defines the underlying need to borrow to pay for capital spending.

Date	Basis	£k
31 March 2017	actual	13
31 March 2018	probable	100
31 March 2019	estimate	100
31 March 2020	estimate	80
31 March 2021	estimate	80

The above figures provide the option for the Authority to consider funding capital purchases (including vehicle leases) by borrowing. However the level of debt outstanding needs to be adjusted for the Minimum Revenue Provision (MRP). Details of the make-up of this provision are included in paragraphs 18-20. This MRP applies to debt outstanding at the end of each financial year and therefore the MRP charge would be applicable from 2018/19 onwards and the capital financing requirement will be reduced accordingly. Note that there is no current outstanding debt, and so no current value to our MRP.

(iv) **Authorised Limit for External Debt**

This sets the limit beyond which borrowing by the Authority is prohibited, and is based upon the best estimate of increases in debt arising from the capital financing requirement plus a margin (£250k; unchanged from previous years) to allow some flexibility for unforeseen cash movements.

The limit is analysed between borrowing and other long term liabilities (such as finance leases) to show the actual debt owed by the Authority. The Treasurer has delegated authority to make changes between the separately agreed limits for borrowing and other long term liabilities, in accordance with option appraisal, value for money and other relevant factors.

The recommended Authorised limits for external debt are as follows:

Year	Borrowing Limit, £k	Other Long Term Liabilities, £k	Total £k
2018/19	350	0.0	350
2019/20	330	0.0	330
2020/21	330	0.0	330

The Authorised Limit is consistent with the Authority's current commitments and budget process.

Under **Section 3(1) of the Local Government Act 2003** the Authority must set an **affordable borrowing limit** for the coming year. The Authorised limit of £350k will act as this limit for 2018/19.

(v) **Operational Boundary for External Debt**

This is based on the probable external debt position during the year. It is not a limit and actual borrowing could vary around this boundary during the year. The difference between this indicator and the Authorised Limit is the £250k which provides headroom for unusual cash movements.

The operational boundary is analysed between borrowing and other long term liabilities separately. The Treasurer has delegated authority to make in-year changes to the operational boundary and its sub-categories.

Year	Borrowing Limit £k	Other Long Term Liabilities, £k	Total £k
2018/19	100	0	100
2019/20	80	0	80
2020/21	80	0	80

(vi) **Actual External Debt**

This Authority had no external debt at 5 March 2018, and this position is unlikely to change by 31 March 2018.

(vii) **CIPFA Code Compliance**

The CIPFA Code of Practice on Treasury Management in the Public Services was updated in November 2011 and adopted by the Authority on 27 March 2012.

(viii) **Interest Rate Exposures**

If the Authority were to borrow during 2018/19, it would follow the Borrowing Strategy as set out in paragraphs 15 – 17 of this document. Loans could be obtained from the Public Works Loan Board (PWLB), from the money market, or from internal surplus cash balances. Any borrowing could be either at a fixed or variable interest rate, depending on the circumstances prevailing when any loan was taken out.

To allow flexibility this indicator sets an upper limit on fixed interest rate exposures for 2018/19, 2019/20 and 2020/21 of up to **100%** of the Authority's net outstanding principal sums. The upper limit for variable interest rate exposure is set at **40%** of net outstanding principal sums; this reflects the riskier nature of these types of loan. A maximum of 20% of cash balances can be invested for periods of longer than 364 days.

If the Authority does decide to borrow the Treasurer will manage fixed and variable interest rate exposures within the ranges below.

Borrowing	**% of outstanding principal sums**
Limits on fixed interest rate exposures	60 to 100
Limits on variable interest rate exposures	0 to 40
Investing	
Limits on fixed interest rate exposures	0 to 30
Limits on variable interest rate exposures	70 to 100

(ix) **Gross Debt and the Capital Financing Requirement**

Over the medium term, debt should only be used for a capital purposes. Therefore the Authority must ensure that debt does not, except in the short term, exceed the total of the capital financing requirement in the preceding year, plus the estimate of any additional capital financing requirement for the current and next two financial years. The Authority has met this requirement up to the present date; with no borrowing planned, no difficulties are anticipated for the period covered by this report up to and including 2020/21.

(x) **Maturity Structure of Borrowing**

Upper and lower limits for the maturity structure of borrowings are set to allow maximum flexibility:

Period	**Lower Limit**	**Upper Limit**
Under 12 months	0%	100%
12 months and within 24 months	0%	100%
24 months and within 5 years	0%	100%
5 years and within 10 years	0%	100%
10 years and above	0%	100%

(xi) **Total Principal Sums Invested for Periods longer than 364 days**

A maximum of 20% of funds available for investment will be held in aggregate in "Non-Specified investments" over 364 days.

THE CURRENT TREASURY POSITION

5. As at 31 December 2017, the Authority's Treasury position was as below

Item	Principal as at 31 Dec 2017 £k	Average return in 2017/18 to 31 Dec 2017 %
Debt Outstanding		
None	0	
Investments		
Managed by NYCC	3,400*	0.47

*This figure reflects the principal held as at 31 December 2017. The average daily balance from 1 April 2017 to 31 December 2017 was £3.873m.

THE BORROWING REQUIREMENT AND BORROWING LIMITS

6. The **Operational Boundary** is an estimate of the most likely, prudent scenario for external debt during 2018/19. The **Authorised Limit** is based on the same estimate as the **Operational Boundary** but includes sufficient headroom over this figure to allow for unusual cash movements.

7. The **Authorised Limit** is therefore the maximum amount of external debt which the Authority agrees can be incurred at any time during the financial year and includes both capital and revenue requirements. It is not, however, expected that the Authority will have to borrow up to the limit agreed.

8. The agreed **Operational Boundaries** and **Authorised Limits** for external debt up to 2020/21 are as follows:

	Item	2018/19 estimate £k	2019/20 estimate £k	2020/21 estimate £k
	Debt Outstanding at the start of the Year	0	100	80
+	Internal or External borrowing requirements	100	80	80
-	MRP + charged to revenue	-0	-100	-80
=	**Operational Boundary for year**	100	80	80
+	**Provision to cover unusual cash movements**	250	250	250
=	**Authorised Limit for year**	**350**	**330**	**330**

BORROWING POLICY

9. The policy of the Authority is that if external borrowing is required to finance capital expenditure, then loans will be sought from the PWLB or the money markets, over

periods of up to 70 years which reflect the best possible value to the Authority and/or the life of the Authority's assets. Individual loans will be chosen depending on the perceived value of interest rates at the time of borrowing.

10. If borrowing were to be undertaken from the money markets then such loans should be limited to 30% of the total debt portfolio.

11. The Authority will look to borrow from the PWLB and money markets at the most advantageous rate.

12. The Prudential Code allows external 'borrowing for capital proposes' in advance of need within the constraints of relevant approved Prudential Indicators. There are risks, however, in such borrowing and the Authority has not taken any such borrowing to date and has no current plans to do so. The Authority will not borrow more than or in advance of need purely in order to profit from the investment of the extra sums borrowed. Any such borrowing in advance of need will only be considered where there is a clear business case for doing so.

13. The merits of internal capital borrowing from the Authority's surplus cash balances will be considered very carefully, should borrowing ever be anticipated.

PROSPECTS FOR INTEREST RATES

14. The current expectation is that bank interest base rates will remain at current levels for the next two years, increasing to 1.25% by 2020/21.This assumption has been built into future budgets (in terms of investment receipts), but interest rate prospects would be reviewed in much more detail if a decision to borrow externally were to be made.

THE BORROWING STRATEGY

15. New borrowing activity will take advantage of the lowest borrowing rates available from the PWLB. The choice of the loan period will depend not just on the required duration of any loan but also on the Authority's attitude to risk. Longer term loans with fixed interest rates provide certainty over repayments, but have higher interest rates attached to them because of that insurance. A series of shorter term loans could be cheaper, but would lose that certainty.

External versus internal borrowing

16. The Authority has its own cash balances. In 2017/18 to December 2017 there was a current daily average of £3.9m. This sum is made up of 'cash' items (including creditors), reserves, balances and provisions.

17. This borrowing policy provides for shorter term borrowing from the Authority's revenue cash balances, if that option is preferable to other alternatives. Over the next three years investment rates are likely to be below long term borrowing rates, so using internal cash balances to finance new capital expenditure could be cost efficient.

MINIMUM REVENUE PROVISION POLICY

18. The Authority is required to set a prudent Minimum Revenue Provision (MRP) for the coming year, to enable it to redeem any debt liability over a period equivalent to the useful life of the capital asset being financed. An annual review of MRP policy is required, and forms part of this report (see below).

19. The policy for 2018/19 takes into account the fact that the Authority has no outstanding debt. The proposed policy is unaltered from last year, as follows.

> For locally agreed Prudential Borrowing on capital expenditure incurred, MRP will be calculated based on equal annual instalments over the estimated useful life of the asset for which the borrowing is undertaken. For finance leases, MRP will be equivalent to the annual rental payable under the lease agreement

20. The estimated life of relevant assets will be assessed each year based on types of capital expenditure incurred but in general will be 50 years for buildings (excluding DCM, for which 30 years is the estimated life), perpetuity for land, 5 to 20 years for vehicles, plant and equipment, and 5 years for IT equipment. This policy has been used, in respect of the requirement for capital expenditure, to calculate the provisions within the Prudential Indicators set out in paragraph 4 of this statement.

ANNUAL INVESTMENT STRATEGY (AIS)

21. The Authority's investment management arrangement with NYCC covers its investment requirements. The net return achieved will be closely monitored by the Treasurer, allowing the position relative to budget assumptions to be reviewed. NYCC continues to make all investments in accordance with the Local Government Act 2003, which requires an Annual Investment Strategy to be approved. The Authority has, therefore, adopted the Annual Investment Strategy approved by NYCC. A copy of the document is available for members on request. The information below outlines the strategy for investments.

22. The Authority's investment priorities are:

(i) To have regard to the Government Guidance on Local Government Investments and the CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes.

(ii) To ensure the security of capital (protecting the capital sum from loss); and to maintain liquidity (keeping the money readily available for expenditure when needed).

(iii) To seek the highest return (yield) on its investments provided that proper levels of security and liquidity are achieved.

23. The Authority's surplus funds are invested with NYCC's funds and therefore the investment interest earned by the Authority will be from a combination of different investments over differing periods. The current edition of NYCC's Approved Lending (= investing) List is available on request.

YORKSHIRE DALES NATIONAL PARK AUTHORITY **ITEM 9**

Date: **27 March 2018**

Report: **BUDGET 2018/19**

Purpose of the Report

1. To seek approval for the 2018/19 budget; the budget as presented here was tabled at the Finance & Resources (F&R) Committee meeting on 13 February 2018, at which meeting Members agreed to recommend it for approval by the Authority.

Recommendation

2. That Members approve the 2018/19 budget as presented in the Annex.

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, and in particular Corporate Plan Action 24.7, 'Prepare the Medium Term Financial Strategy / Three Year Budget for 2018/19 to 2020/21'. The requirement that the annual budget be approved by the full Authority is set out in Financial Regulation 3.1.2.

2018/19 Budget

4. The F&R Committee met on 13 February 2018 to discuss the proposed budget for 2018/19 and indicative budgets for 2019/20 and 2020/21; a copy of the paper is attached as an **Annex**, excluding Appendix 4, which contains the detailed programme budgets; this is available on request as a background document. Appendix 1 within the Annex summarises the proposed budget for 2018/19, which is accompanied by the Reserves Strategy at Appendix 5.

Richard Burnett
Director of Corporate Services

5 March 2018

ANNEX

YORKSHIRE DALES NATIONAL PARK AUTHORITY **ITEM X**

Committee: **FINANCE AND RESOURCES**
Date: **13 February 2018**

Report: **DRAFT BUDGET 2018/19**

Purpose of report

1. To present the draft 2018/19 Budget, accompanied by projections for the following two years (2019/20 and 2020/21) and the Reserves Strategy.

Recommendation

2. That Members approve the draft budget for 2018/19 and indicative budgets for 2019/20 and 2020/21 (**Appendix 1**) and the accompanying Reserves Strategy (**Appendix 5**) for submission to the Authority meeting on 27 March 2018 for final approval.

Strategic Planning Framework

3. The information and recommendations contained in this report are consistent with the Authority's strategic planning framework, and in particular with 2017/18 Corporate Action Plan 24.7, to prepare the Medium Term Financial Strategy / Three Year Budget for 2018/19 to 2020/21.

The Draft Budget

4. The budget set out in these papers has been drafted to deliver the objectives and aspirations of the National Park Authority. Total gross expenditure is projected to be just over £7 million, an increase of £1.2 million (21%) compared to 2014-15. This reflects the increase in Defra grant as a result of the boundary extension and the success of efforts to increase other sources of funding. The latter is a significant achievement and has allowed the Authority to continue to deliver high quality programmes and develop some bold new projects. However, Members should not lose sight of the fact that the total increase in funding is matched by the increase in the size of the Park.

For 2018-19, the budget will enable delivery of the Authority's four priority programmes, as follows:

- Continue to deliver a high-quality development management service across the whole of the National Park, including more proactive monitoring and enforcement.

- Deliver a high-quality rights of way network, focusing on improving the condition of footpaths in the new area of the Park to the same standard as the rest of the Park.
- Expanding/increasing our work to make the National Park more accessible to a wider range of visitors.
- Continuing to lead the development and delivery of new, externally-funded, approaches to supporting high-nature value farming, including projects to support natural flood management; 'payment by results', and new woodlands.

5. Detailed information is contained within the appendices listed below.

- **Appendix 1**: Draft Budget (Medium Term Financial Strategy 2018-2021).

  This shows the detailed budget for 2018/19 and projections for the following two years. Although not included here, income and expenditure has also been modelled for a further two years (to 2022/23) to ensure that our current plans remain affordable in the longer term.

  Programmes are grouped according to their priority for 2018/19. Each program includes the cost of employing the staff directly involved in its delivery. However, we've been pragmatic when it came to allocating overhead costs; although all our expenditure helps us to deliver our programmes, a significant proportion (including Member and Management costs, premises, finance, insurance and IT) is shared across programmes. Rather than attempting to apportion fractions of these shared costs (and fractions of officers), they are shown under the heading 'Corporate Employment and Central Costs'. Detailed programme descriptions are included at Appendix 4.

- **Appendix 2**: Budget assumptions.

- **Appendix 3**: Significant budget changes.

- **Appendix 4**: A full set of budget proposals, one for each programme.

- **Appendix 5**: Reserves.

- **Appendix 6**: Risks.

Staff Costs

6. For many years, the Authority has had a target level for spending on staff costs, based on 70% of the Defra core grant. The intention behind this target was to ensure that, as well as paying staff salaries (and related employer costs), there would be sufficient remaining money for those staff to actually undertake the work for which they were employed, whether that be by providing them with materials, vehicles, premises, insurance, IT facilities, contractor budgets and so on.

7. Within the 2018/19 budget presented here, the ratio (staff costs: Defra grant) has risen to 76%, and is projected to rise a further 0.6%, to 76.6%, over the three years of this

Medium Term Financial Strategy. **Appendix 2** provides further explanation as to how these changes have arisen.

8. The proposed budget (at **Appendix 1**) shows that the increase (to 76% and beyond) is affordable within our predicted resources. However, this also increases financial risk in two ways:

- It increases the proportion of our Defra income which is locked up in staff costs, and which can't therefore be adjusted quickly or cheaply, should that need arise. This means that, should the Authority face a further cut to its Defra grant, it would be very difficult to deal with that in the short term by suspending variable spending from programme budgets: depending on the size of any cuts, such budget components are likely to be too small to deal with the immediate problem. Laying off staff in an organised and fair manner is not a quick or cheap process.

- It further reduces the amount of Defra grant available to support programmes (i.e. to pay for work for officers to do), and increases reliance on income from other sources.

9. If Members wished to retain the 70% ratio it would require the removal of around nine full-time posts (a figure based on the average pay of all employees) from the Authority's staff establishment.

10. Clearly such a reduction would have significant negative implications across a range of current objectives. Instead, it is considered that both financial risks can be managed:

- If further significant cuts were to be made to our Defra core grant, job losses are very likely. Employment costs cannot normally be reduced immediately, and a significant financial buffer is therefore required to facilitate the transition to a smaller organisation. This is provided by the Contingency Reserve (**see Appendix 5**). Note that there is no current indication of an impending cut to our Defra grant, but prudence dictates that we recognise this as a possible scenario, and plan accordingly.

- The Authority is now less reliant on Defra core grant. This follows the success in accessing more income from a wide range of existing and new sources: for the three years to 2017/18, the proportion of our total income earned from such sources has risen to an average of 33% a year, up from an average of 25% for each of the three years to March 2015[1]. It is therefore concluded that there is sufficient money in the Authority's budget (from Defra and non-Defra sources) to pay for the activity which officers are employed to deliver.

11. The recommendation to approve the draft budget at Appendix 1 therefore assumes that Members accept that the 'Staff Costs: Defra Grant' ratio has moved beyond the 70%

[1] Although the increase in the proportion of non-Defra income reported above might not at first glance seem too significant (from 25% to 33%), it has to be seen against the significant increase in Defra grant that accompanied the Boundary Extension and which therefore reduced the proportionate impact of additional non-Defra funding compared to Defra grant. In real terms, non-Defra income for the three years to 2017/18 has risen to an average of £2.2m a year, up from an average of £1.5m for each of the three years to March 2015; an increase of 47%.

target which had been in place for some years. This is not intended to imply complacency on this matter, and staff costs will continue to be kept under review and reconsidered as part of the annual budget-setting exercise each year. The change recognises the stronger performance of income generation.

Our Income Generation Objective for 2018/19

12. The Authority's Income Generation Strategy was last revised in September 2016, at which time the objective was set at bringing in sufficient income to support expenditure of at least **£6.62m** in 2017/18. This Strategy is currently under review, so as a preliminary measure, the comparative target for 2018/19, based solely on adjusting the 2017/18 figure for annual Consumer Price Inflation (2.8%, at December 2017), would become **£6.81m**. Planned gross expenditure within the 2018/19 budget (including the Opportunities Fund allocation) is projected to be **£7.16m**, which would see this target achieved comfortably. This doesn't preclude the target being revised further as a result of the review of the Strategy, but the figures are reasonably indicative at this stage.

13. The budget cannot include income and expenditure for additional projects for which grant funding may be identified during 2018/19 until such time as that funding is confirmed. As in previous years, it is very likely that such new opportunities will arise during the year (thereby increasing income generation performance), and it is also likely that they will require some element of match funding. As a source of match funding, the budget includes Opportunities Fund allocations for each of the next three years, of £84k (2018/19), £117k (2019/20) and £96k (2020/21); these sums are the 'bottom line' balancing figures within the budgets for those three years, income and expenditure then netting down to zero.

14. If larger-scale grant bid opportunities arise, requiring higher levels of match funding than can be supported by the Opportunities Fund allocations, Members will be asked to consider making an allocation from the General Reserve (see **Appendix 5**).

Equalities Impact Assessment

15. An Equalities Impact Assessment has been completed for this report and the proposals it describes, with specific reference to the protected characteristics prescribed by the Equalities Act 2010. This assessment concluded that the proposals have no adverse impact with respect to equalities.

Richard Burnett
Director of Corporate Services

29 January 2018

Medium Term Financial Strategy 2018-2021

	2017/18 BUDGET NET £000's (at Dec 2016)	2018/19 BUDGET NET £000's	2019/20 BUDGET NET £000's	2020/21 BUDGET NET £000's
PROGRAMME BIDS:				
PRIORITY PROGRAMMES				
Staff Cost	584.5	668.1	655.6	656.0
Programme Cost	44.1	95.7	53.9	54.1
Income	(229.0)	(269.0)	(269.0)	(269.0)
Development Management Total	**399.6**	**494.8**	**440.5**	**441.0**
Staff Cost	515.3	542.3	550.5	494.1
Staff income	(75.0)	(83.6)	(68.6)	(20.0)
Programme Cost	177.5	213.7	174.9	151.5
Income	(46.5)	(78.7)	(41.9)	(13.0)
Land Management & Biodiversity Total	**571.3**	**593.7**	**614.9**	**612.7**
Staff Cost	362.2	406.4	405.4	415.3
Staff Income	(74.1)	(74.4)	(64.2)	(65.8)
Programme Cost	680.8	607.9	597.1	597.7
Income	(388.5)	(338.5)	(338.5)	(338.5)
Rights of Way Total	**580.4**	**601.4**	**599.7**	**608.7**
Staff Cost	126.0	131.5	135.9	115.3
Staff Income	(24.2)	(24.5)	(26.0)	(2.2)
Programme Cost	50.0	65.0	42.7	56.5
Income	(11.9)	(10.9)	(9.6)	(22.3)
Access for All Total	**139.9**	**161.1**	**143.0**	**147.4**
Total Priority Gross Cost	**2,540.40**	**2,730.6**	**2,616.0**	**2,540.5**
Total Priority Income	**(849.2)**	**(879.6)**	**(817.8)**	**(730.7)**
Total Priority Net Cost	**1,691.2**	**1,851.0**	**1,798.1**	**1,809.8**

	2017/18 BUDGET NET £000's	2018/19 BUDGET NET £000's	2019/20 BUDGET NET £000's	2020/21 BUDGET NET £000's
ADEQUATE PROGRAMMES				
Staff Cost	81.3	85.3	87.2	88.9
Programme Cost	120.5	112.4	115.7	106.3
Income	(70.9)	(70.9)	(70.9)	(70.9)
Dales Countryside Museum Total	**130.9**	**126.8**	**132.0**	**124.3**
Staff Cost	142.8	133.9	129.7	134.0
Programme Cost	56.9	54.6	54.7	54.8
Income	(18.9)	(26.5)	(26.5)	(16.5)
Historic Environment Total	**180.8**	**162.0**	**157.9**	**172.2**
Staff Cost	79.5	85.4	88.0	90.9
Programme Cost	29.0	37.0	29.0	29.0
Income	0.0	(30.0)	(15.0)	0.0
Development Planning Total	**108.5**	**92.4**	**102.0**	**119.9**
Staff Cost	0.0	0.0	0.0	0.0
Programme Cost	101.2	25.2	45.2	96.7
Income	(45.0)	(20.0)	0.0	0.0
Landscape Features Total	**56.2**	**5.2**	**45.2**	**96.7**
Staff Cost	206.3	224.7	220.5	240.5
Staff Income	0.0	0.0	0.0	0.0
Programme Cost	154.6	140.0	134.1	87.6
Income	(49.9)	(46.4)	(44.9)	(3.4)
Volunteers and Apprentices Total	**311.0**	**318.3**	**309.7**	**324.7**
Staff Cost	82.0	129.2	101.2	104.4
Staff Income		(9.6)		
Programme Cost	74.0	75.5	40.0	50.0
Income	(44.0)	(40.5)	0.0	0.0
Tourism Total	**112.0**	**154.6**	**141.2**	**154.4**
Total Adequate Gross Cost	**1,128.1**	**1,103.2**	**1,045.2**	**1,083.0**
Total Adequate Income	**(228.7)**	**(243.8)**	**(157.3)**	**(90.8)**

Total Adequate Net Cost	**899.4**	**859.3**	**887.9**	**992.2**

	2017/18 BUDGET NET £000's	2018/19 BUDGET NET £000's	2019/20 BUDGET NET £000's	2020/21 BUDGET NET £000's
LIMITED PROGRAMMES				
Staff Cost	236.8	252.3	268.8	281.2
Programme Cost	299.1	297.8	303.6	307.9
Income	(227.1)	(261.5)	(261.5)	(261.5)
National Park Centres & Retail Total	**308.8**	**288.6**	**310.9**	**327.7**
Staff Cost	69.2	69.6	72.7	75.5
Programme Cost	406.2	291.3	275.7	280.9
Income	(544.5)	(568.8)	(568.8)	(568.8)
Car Parks & Toilets Total	**(69.1)**	**(207.9)**	**(220.3)**	**(212.4)**
Staff Cost	34.7	36.5	37.2	37.9
Programme Cost	187.0	175.0	175.0	175.0
Income	(12.0)	0.0	0.0	0.0
Sustainable Development Total	**209.7**	**211.5**	**212.2**	**212.9**
Staff Cost	94.4	105.7	110.3	113.7
Programme Cost	18.8	17.0	17.0	17.0
Income	0.0	0.0	0.0	0.0
Visitor Management Total	**113.2**	**122.7**	**127.3**	**130.7**
Total Limited Gross Cost	**1,346.2**	**1,245.1**	**1,260.3**	**1,289.2**
Total Limited Income	**(783.6)**	**(830.3)**	**(830.3)**	**(830.3)**
Total Limited Net Cost	**562.6**	**414.9**	**430.1**	**458.9**
PROGRAMME SUMMARY				
TOTAL GROSS PROGRAMME COSTS	**5,014.7**	**5,078.9**	**4,921.4**	**4,912.7**
TOTAL PROGRAMME INCOME	**(1,861.5)**	**(1,953.7)**	**(1,805.3)**	**(1,651.7)**
TOTAL PROGRAMME SPEND	**3,153.2**	**3,125.2**	**3,116.1**	**3,260.9**
CORPORATE EMPLOYMENT & CENTRAL COSTS				
Conservation of the Natural Environment	108.2	107.4	112.1	116.9
Promoting Understanding and Enjoyment	94.6	101.8	107.1	112.5
Communications and Interpretation	153.4	162.2	166.3	170.8
Communications & Corporate - Ranger Services	64.4	67.3	68.6	69.9

	2017/18 BUDGET NET £000's	2018/19 BUDGET NET £000's	2019/20 BUDGET NET £000's	2020/21 BUDGET NET £000's
Development Planning	27.3	28.3	28.3	29.5
Corporate Services	784.4	852.1	883.5	910.3
Vacancy Factor	(34.3)	(36.9)	(37.8)	(37.8)
Pension Deficit - Lump Sum	138.5	0.0	0.0	0.0
Other Employee Costs – Corporate Management	13.6	9.5	14.7	9.8
Total Corporate Employment Costs	**1,350.2**	**1,291.6**	**1,343.5**	**1,381.9**
Support Services	182.3	210.1	220.9	192.3
Support Services Income	(7.0)	(25.0)	(25.0)	(45.0)
CEO Support	3.6	3.6	3.9	3.7
CEO Support Income	0.0	0.0	0.0	0.0
Legal Services	14.4	16.1	14.5	14.6
Legal Services Income	(9.2)	(20.0)	(20.0)	(20.0)
Office Accommodation	105.3	102.7	105.4	108.2
Office Accommodation Income	(12.1)	(9.7)	(9.7)	(9.7)
Health & Safety	5.1	5.1	5.2	5.2
Member Costs	112.5	115.3	118.1	119.0
IT Licences, Consumables and Support	311.6	111.6	144.1	117.4
Communications & Web Services	54.1	71.4	56.4	57.2
Communications Income	(0.9)	(0.9)	(0.9)	(0.9)
Contracts	120.7	36.1	16.1	14.5
Contracts Income	(6.5)	(5.8)	(5.8)	(5.8)
Training	26.0	30.1	30.1	30.1
Total Central Costs	**899.9**	**640.8**	**653.2**	**581.1**
BUDGET SUMMARY				
DEFRA National Park Grant Income	**(5,054.4)**	**(5,141.4)**	**(5,229.8)**	**(5,319.8)**
Other Income	**(1,897.1)**	**(2,015.0)**	**(1,866.7)**	**(1,733.1)**
Total Income	**(6,951.6)**	**(7,156.4)**	**(7,096.5)**	**(7,052.9)**
Gross Expenditure	**7,300.5**	**7,072.7**	**6,979.5**	**6,957.0**
In-Year Deficit/(Surplus)	**348.9**	**(83.7)**	**(117.0)**	**(95.9)**
Opportunities Fund	**140.0**	**83.7**	**117.0**	**95.9**

Budget assumptions about costs and income

(1) Defra Grant

Defra announced a four year grant settlement for National Park Authorities on 21 January 2016. The final two years of this settlement are for a grant of £5,141,369 for 2018/19 and £5,229,801 for 2019/20.

For 2020/21 and beyond, it has been assumed that our Defra grant would increase at the same underlying rate of inflation as applied within the 2016 settlement (1.72%). The long-term inflation position may be higher (which could increase the grant further), but on the other hand Defra may choose to allocate future grants on a different basis. We will take account of any changes in this assumed rate of inflationary increase once they are clear.

(2) Staff Costs

Staff costs have been modelled in detail across the three years of this Medium Term Financial Strategy. The projections include expected pay-band progression and employer Pension and National Insurance contributions. The staff 'vacancy factor' has been set at 1% (as last year); this anticipates a saving against staff costs of £38k, to be generated by temporary vacancies and other minor adjustments which arise naturally during the year.

The impact of a series of changes has been to increase the overall staff budget and this in turn has increased the ratio of staff costs to core Defra grant income; the current projections for this ratio are:

2018/19	76.0 %
2019/20	76.3 %
2020/21	76.6 %
2021/22	78.3 %
2022/23	79.5 %

For 2018/19, the ratio is projected to be 76.0%, up considerably from the 70.8% that had been projected in December 2016 for the same year. The causes of this are:

(i) An increase in employer's pension contributions rates; following the most recent triennial valuation of the pension scheme, rates increased during 2017/18 from 15.4% to 18.6%.

Members should note that this increase in rates was accompanied by the ending of deficit recovery payments (which had been projected at £144k for 2018/19), and that the net effect is actually a saving of just over £50k a year.

(ii) An increase annual national pay award settlements. The expectation in December 2016 was for a continuance of the 1% award made for the past five years. The assumption now is that this figure will – in general – be 2% a year.

(iii) The impact of:

(a) The addition of a small number of new posts following the Review of the Staff Establishment as a result of the Boundary extension: an Access Ranger, a part-time (0.4 Full Time Equivalent) HR Administrative Officer, and a part-time (0.5 Full Time Equivalent) Tourism Support Officer. The budget makes permanent two posts which until now had been modelled as temporary (Education & Events Manager; Principal Planning Officer - Enforcement), and also includes a temporary 'Dark Skies Officer' full-time post (for six months). More details of these additional posts are included in **Appendix 3**.

(b) A number of benchmarking-related adjustments; this issue is dealt with in more detail within a separate item on the agenda of this meeting.

Members should note that the pay award for 2018/19 is likely to be more complicated than a straightforward 2% for all posts. The current offer from the Local Government Association proposes restructuring the national pay increments scale to take into account the introduction of the Government's living wage. This would see significantly higher rates of increase at the lowest pay increments (9% per annum for the lowest current increment, at Scale Point 6), gradually reducing to 3.7% per annum for Scale Point 19, then to 2% per annum for all Scale Points above 19. These more detailed nuances have been included in the budget model, but they also have implications for the way in which the Authority's pay bands (each of which is made up of series of increments) are constructed; this issue will be considered during 2018/19.

The pay offer excludes the Chief Executive, whose pay award is subject to a separate process; however, as that process mirrored the general pay increase last year, we have budgeted for an increase of 2% each year. The same rate has been applied to Member Allowances, in line with existing policy.

(3) Overheads

Inflation on corporate overheads has been applied at variable rates depending on the particular item, with the intention of projecting as accurate a figure as possible for each area of expenditure.

(4) Earned Income

The current expectation is that bank interest base rates will remain at current levels for the next two years, increasing to 1.25% by 2020/21.

Other sources of 'earned' income (planning fees, net retail profits, car parking income, pre-application advice fees, renewables, DCM admissions) have been projected in line with the history of actual receipts during the current year. Planning income has also been adjusted in line with the 20% national increase in fee rates, introduced in January 2018

Significant Budget Changes

The changes described here explain differences of £10k or more between the component lines of the 2018/19 and 2017/18 budgets (see **Appendix 1**). A number of these differences had already been identified for 2018/19 within the three-year projection which formed part of the 2017/18 budget agreed back in December 2016.

Development Management

Staff Cost. The post of Principal Planning Officer (Enforcement), which had been included as a temporary contract ending in November 2018, has been made permanent.

One Senior Planning Officer post has been temporarily replaced by two Career-Grade Planners; this arrangement is in place until part-way through 2019/20; it is anticipated that, longer term, one of the occupant of the latter posts will take on the Senior Planner role.

Programme Cost. Includes a provisional one-off £42k for a new Planning IT System2

Income. That part of the programme income relating to Planning Application Fees has been increased by 20%, in line with changes to national rates for such fees.

Land Management & Biodiversity

The net change for this programme is an increase of £22k; a significant part of which (£10k) is the result of the cross-Authority pay award of 2%. The remaining £12k increase is the net result of several new natural flood management and woodland projects for which significant external funding was also secured in 2017, plus the Authority's contribution to the 'Our Common Cause' project (£5k).

Rights of Way

Staff Cost. An additional Access Ranger post has been added. This will increase the number of Access Rangers working in the west and south of the National Park to a level comparable with that before the 2016 reorganisation, and is in response to a review which identified particular pressures in bringing up to standard the Rights of Way across the Park.

Programme Cost. Compared to 2017/18, the programme cost has reduced by £73k. £50k of this change relates to one-off expenditure in 2017/18 for flood repairs to bridges, funded by £50k from our income-generating efforts; the remaining £23k relates to one-off costs incurred in 2017/18 associated with developing accommodation in Orton, and to lower-than-originally projected ongoing costs linked to that accommodation.

Access For All

Programme Cost. This has increased by a net £16k compared to the previous year. The projection as at December 2016 was that it would actually show a net decrease of £10k,

so the ‘true’ difference compared with the original projection is £26k. The main components of this are sums allocated work required to obtain Dark Skies Reserve status (£10k), the purchase of People Counters (£11k) and for Dalesbus Public Transport support grants (£5k).

Dales Countryside Museum

Programme Cost. £8k lower than in 2017/18. Components are £6k of temporary taper relief for Business Rates, and a £2k difference on maintenance (such costs are profiled across 5 years, varying year on year, so this £2k difference does not represent a change to earlier plans).

Historic Environment

Staff Cost. The reduction of £9k relates to changes in personnel: two officers who were previously at the top of their pay bands have left and been replaced by officers who are currently lower down those pay bands.

Income. A net increase of £8k, for specialist advice on Countryside Stewardship applications.

Development Planning

Programme Cost: the net increase of £8k results from an increase in spending on implementation of the new Local Plan (£5k pa for the Craven/South Lakeland ‘Great Place’ project, and £10k pa to support the ‘Attracting Families’ initiative). This is partially offset by a reduction of £7k on the National Park Management Plan (costs for the preparation of which peaked last year).

Income: the increase of £30k comprises new income form Government for preparation and maintenance of the Self Build Register.

Landscape Features

The significant reduction (£54k) to the programme budget reflects the ending of the Swaledale Barns project in 2017/18 and a one-off £20k of additional consultancy income from Defra’s Traditional Farm Buildings project.

Longer term, this budget is expected to increase, assuming that the next HLF Landscape Partnership bid is successful (Westmorland Dales); the Authority’s match-funding contribution to this project has been included but not the significant likely income (and matching expenditure).

Volunteering & Apprentices

Staff Cost. The increase of £13k is partly due to the projected staff pay award (~£4k), but mainly the result of an adjustment to the projected budget for the four ‘in house’ apprentices, to take into account the minimum wage.

Programme Cost and **Income** have both reduced, following the ending in March 2018 of the Parish Wildlife project.

Tourism

Staff cost has increased by £47k. The main components of this change are the addition of (i) a 2-year part-time Destination Co-Ordinator (this post is funded by grant income, and was created in April 2017; however, it was not part of the 2016/17 budget, so accounts for part of the difference); (ii) a temporary 6 month full-time Dark Skies Officer (the intention is that this post will work on the application for Dark Skies Reserve status, and provide a 'bridging' job for the Westmorland Dales Project Officer, covering the gap between submission and the hoped-for approval of that bid); (iii) a part-time (but permanent) Tourism Support Officer, to free up the Head of Visitor Services and the Tourism Officer's time for working on projects and with businesses.

National Park Centres

Staff Cost. The increase of £16k is due to (i) the re-inclusion of a 0.4 FTE Information Advisor post; this post is part of the establishment, but had been unfilled in 2017/18; and (ii) the higher rate of pay award affecting Information Advisor posts, on top of the increased rate of employer pension contributions.

Programme Cost. The figures are similar to those in 2017/18, and – longer term - assume that our financial contribution to our partnership centres in Cumbria (Sedbergh, Kirkby Lonsdale and Kirkby Stephen) continues beyond the current agreements, which ends in March 2020, and also that the agreement with Hudson House extends for the same period.

Income. The increase of £34k is additional net Retail income, projected from the actual results achieved in 2016/17 and 2017/18 to date.

Car Parks & Toilets

Programme Cost. The difference compared to 2017/18 (an apparent reduction in expenditure of £115k) relates to the one-off cost of installing new car park ticket machines (£85k) and new signage (£25k) last year. Other expenditure lines have increased or decreased, based on projections now being matched more closely to 'actuals', and although these changes net off against each other, they do include £10k as our contribution towards refurbishment of Dent toilets (subject to Members' agreement).

Income. This has been increased by £24k, projected in line with actual results achieved in 2016/17 and 2017/18 to date.

Sustainable Development Fund

The **Programme Cost** and **Income** have been reduced by £12k, this being the contribution previously received from Craven District Council in recognition of the Authority's contribution towards the former's New Homes Bonus income. This arrangement ended in 2017/18.

Visitor Management

Staff Costs have increased by £11k. This is a combination of pay awards, and increased pension contributions and other costs; the actual staffing level allocated remains unchanged.

Corporate Employment Costs

Most lines have increased in line with changes to expected pay awards and employer pension contributions. The notable exceptions are:

- Corporate Services, an increase of £68k. This is a composite of increased pay award and pension contribution costs (£39k), the impact of bench-marking (£6k), the addition of a 0.4 FTE HR Administrator post (£10k), and incremental salary progression (£11k).

  This increase seems high because Corporate Services has the entire Directorate staff cost is classified under Corporate Employment Costs, whereas for the other two Directorates, the majority of staff costs are distributed amongst the Programmes (see preceding section); overall, a similar pattern of cost increase is apparent across all three Directorates.

- Pension Deficit – Lump Sum. A decrease of £139k. This payment ended in 2017/18.

Central Costs

Support services. The main component of the £28k increase is an additional £20k allocated to cover costs associated with the National parks Conference, which this Authority will be hosting on 2019/20; a further £30k has been allocated for that year. We plan to recover part of this outlay through sponsorship and contributions from other NPAs, so the full £50k is by way of a contingency budget at this stage.

Support Services Income and **Legal Services Income**. Increases are for bank interest (which had originally been projected at £0k back in December 2016) and Legal Fees, re-projected based on recent income levels.

IT Licenses, Consumables and Support. The decrease of £200k is in line with spending plans set out in the five year IT Strategy. Significant extra one-off costs budgeted for in 2017/18 related to hardware replacements.

Communications & Web Services. £15k has been added the Residents Survey, which is undertaken every five years and is next due in 2018/19.

Contracts. The decrease of £85k is in line with spending plans set out in the five year Property Strategy. Significant extra one-off costs were budgeted for in 2017/18, including work at Aysgarth, the Dales Countryside Museum, and (postponed) the Cottage building at Colvend.

Reserves Strategy

This Strategy has two objectives:

- To help to manage budget risk, by providing:
    - financial 'insurance': having enough in the bank to cover contingencies such as a major legal cost or the interim funding needed to cope with a reduction in revenue support grant;
    - a buffer in case we get budget estimates wrong.
- To support delivery by:
    - funding investment requirements;
    - enabling us to take advantage of unexpected opportunities.

The Strategy covers the Authority's **Usable** Reserves. These are Reserves which are backed by cash and are therefore available to spend on the purposes for which they have been established. In December 2016, Members agreed a structure for our Usable Reserves which it is proposed should remain unmodified with the exception of the addition of two temporary reserves (Capital Receipts; Accessibility).

The current value of the Authority's Usable Reserves is **£2,124k.** This figure is likely to change, dependant as it is on the residual position of the Opportunities Fund allocation made available from Reserves for spending during 2017/18, and on the overall year-end financial position for 2017/18.

The Strategy

It is proposed that the Authority's Reserves be allocated in line with the following table.

	£'000
Component Reserves	
Earmarked Reserves	
Contingency	715
Property	190
IT	46
Broadband	105
Capital Receipts	96
Accessibility Reserve	50
General Reserve	901
Total Current Useable Reserves	**2103**

Further details concerning each of these Reserves are as follows:

(i) **Contingency Reserve**. As for 2017/18, this is calculated at 10% of gross budgeted expenditure. Whilst this is a comparatively high level for such a Reserve, it is not out of line with practice at other NPAs, and is a response both to the increased reliance the Authority now places on sourcing additional external funding (and the increase risk associated with that) and the potential impact of any downturn in core income, specifically in terms of our Defra grant.

As explained elsewhere in this report, the proportion of net income being spent on staff costs continues to grow. In turn, this means that the immediate impact of (for example) a cut to our Defra grant would now be more challenging than when a higher proportion of our income was allocated to discretionary non-staff budgets. This requires us to maintain financial 'self-insurance' at a higher level than would otherwise be necessary.

Longer term, it may be practicable to move to a Contingency Reserve set at a lower level; as at January 2018, however, the economic outlook, and particularly that for public spending, does not look encouraging. Nonetheless, retaining this Reserve is unlikely to cause any operational problems, as there are sufficient unallocated monies (see General Reserve) available to support match funding bids for grants and other as-yet unidentified projects.

(ii) **Property Reserve**. This Reserve was agreed in December 2016, to cover additional expenditure identified by the five year Property Strategy (to March 2022). Of the sum allocated, £32k was anticipated to have been spent in 2017/18 in relation to Colvend Cottage; the relevant action has been postponed until 2018/19 due to workload pressures.

(iii) **IT Reserve**. This contains residual sum allocated to the IT Strategy (agreed December 2016), after the planned spending of part of that Reserve in 2017/18.

(iv) **Broadband Reserve**. We have used the Sustainable Development Fund (SDF) to support a number of broadband schemes across the National Park, via a series of interest-bearing loans currently totalling £100k, staged repayment of which is due to start in 2021.The total value of this Reserve includes income accrued to date, which will become payable at the end of the term of each loan. Once these loan are repaid, this sums concerned will be available for future SDF spending.

(v) **Capital Receipts Reserve.** This contains receipts from the sales of property at Threshfield, Crookrise Crag and Hawes. Such receipts can only be used for capital expenditure, so this Reserve will be used either to replace planned revenue spending on capital items (for example, IT infrastructure) or for major works to our premises.

(vi) **Accessibility Reserve.** This contains a private donation made towards the Authority's work on making Public Rights of Way more accessible. The donation was received in December 2017, and has been ring-fenced pending the development of suitable projects.

(vii) **General Reserve**. This is a balancing figure, being that amount of our Reserves for which we currently have no detailed spending plans.

However, there are a number of projects in the pipeline which will require significant match funding (for example, the Tees Swale Landscape project, for which our contribution would be £250k) but for which no allowance has yet been made in the budget. This requirement for match funding is likely to be a continuing feature, assuming the Authority maintains its success rate in accessing grants, and the General Reserve will allow us to participate in such projects on into the future.

The General Reserve may also be required to cover any major additional capital costs, including those that may be identified in future editions of the Authority's IT and Property Strategies; these are five year strategies, the current versions of which have four years to run, after which period any further significant developments are as yet unfunded (because they haven't been identified).

These Reserves don't include the contribution from Cumbria County Council towards upgrading the Rights of Way network in the Cumbria part of the National Park. The sum received was £150k, to be expended over five years (so £30k a year) starting in 2017/18. This money has been classified within the Balance Sheet as Income in Advance.

APPENDIX 6

Risks associated with the Draft Budget

Risk	Impact	Likelihood	Control / Mitigation
1. Staff costs in excess of budget	Moderate	Low	Staff turnover may not generate the saving from vacancies built into the budget, at £37k. However, a similar target for 2017/18 will be achieved, and the current experience of staff turnover rates supports the continuation of this approach. Beyond 2019/20, annual inflation-related pay awards are assumed to continue at the rate of 2%. This assumption may change due to macro-economic factors, but appears reasonable at this time. However, it should be noted that as 29 January 2018, the pay offer to which this 2% relates had been rejected by Unite, one of the main public sector unions (though not by Unison, the union recognised by the Authority, which has chosen to ballot its members). There is some (unquantifiable) risk that rates of pay inflation may change. Longer term, with higher rates of annual pay inflation, there may be a knock-on effect on employer pension contributions (relating to older liabilities). Any such effect is unlikely to be known until Autumn 2020 when the results of the next triennial valuation of the pension scheme are due.
2. Inflation greater than projected	Low	Low	Specific rates of inflation, appropriate to each overhead, have been used to prepare the budget. The situation will be monitored, with the potential for more substantial increases in inflation (particularly relating to energy costs) a possibility. The effects of the progressive introduction of the National Living wage have now been adjusted for within significant service contracts (cleaning, cash collection) for 2018/19.
3. Unidentified costs missing from budget.	Low	Low	Thorough budget process. Any significant problems could be managed through a call on General Reserves.
4. Failure to achieve earned income projections.	Moderate	Low	Achievement of targets is under continuous SMT review. Projections have been based on income levels achieved in 2017/18. Some anticipated grant income may not be achieved, in which case the related expenditure will not take place (so no net impact).
5. Failure to deliver objectives within Corporate Plan	High	Low	Closely managed process, with regular in-year review. Resources can be made available from the General Reserve where additional spending is required to achieve delivery.

YORKSHIRE DALES NATIONAL PARK AUTHORITY **ITEM 10**

Date: **27 March 2018**

Report: **SCHEME OF MEMBERS' ALLOWANCES 2018/19**

Purpose of the report

1. To recommend the adoption of the Scheme of Members' Allowances for 2018/19.

RECOMMENDATION

2. That the attached Scheme of Members Allowances be adopted for 2018/19.

Strategic Planning Framework

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

    - ***Objective 24:*** *Plan and manage all aspects of the Authority's business to make the most effective use of our resources.*

Background

4. The current version of the Scheme of Members' Allowances (which forms Section G of the Members' Handbook) was adopted by the Authority in 2011. The Scheme has been re-adopted annually and was last adopted at the Authority meeting on 28th March 2017, for 2017/18.

5. Before the beginning of each year, the Authority must 'make a scheme' for the payment of Basic Allowance (BA) for that year. The scheme must also make provision for other allowances, if the Authority intends to pay them - Special Responsibility Allowance (SRA), travelling and subsistence allowance.

6. Before a National Park Authority makes or amends a scheme, it must have regard to the recommendations made by any independent remuneration panels of any District or County Councils which nominate members to the Authority. The eight constituent authorities have all been consulted and none have made any such recommendations. Responses are detailed below:

    - **Craven DC** — No change to scheme, increase to BA in line with Local Government increase, when agreed
    - **Cumbria CC** — No change to scheme, 1% increase to BA in 2018/19
    - **Eden DC** — No change to scheme, increase to BA in line with Local Government increase, when agreed

- **Lancaster CyC** No change to scheme; review due in 2019
- **Lancs CC** No change to scheme
- **North Yorkshire CC** No change to scheme
- **Richmondshire DC** No change to scheme, review due April 2018
- **South Lakeland DC** No change to scheme; 1% increase to BA in 2018/19

7. In 2011, Members adopted a policy tying any increases in their allowances to staff pay increases. This is detailed in the Scheme of Members' Allowances; paragraph 8.4: *'Rates of BA and SRA will be updated annually, in line with the percentage change applicable to SCP 34 of the National Local Government pay spine.'*

8. At the time of writing this report, the National Local Government Pay Settlement has not yet been agreed. Members' Allowances will therefore be increased by the same percentage change applicable to SCP 34 of the National Local Government Pay Spine for Officers, once this has been agreed, and backdated, if necessary.

9. Members will recall that travel and subsistence rates are also the same as those paid to staff (and change to match any changes which might be made to staff rates). Members should also note that travel claims for journeys using public transport should be supported by the appropriate receipts. See Members' Allowances Scheme, para 8.1, appended to this report.

10. The table below therefore, shows the current BA and SRAs available to members. As noted above, these figures will be automatically adjusted in line with the National Local Government Pay Settlement once this has been confirmed, in line with our current practice.

	Current Annual allowance
Basic Allowance (available to all members)	**£3,058**
Special Responsibility Allowance [SRA]	
♦ Chairman of the Authority (BA x 2)	**£6,116**
♦ Deputy Chairman of the Authority (BA x 0.5)	**£1,529**
♦ Chairman of the Planning Committee (BA x 0.75)	**£2,293**
♦ Deputy Chairman of the Planning Committee (BA x 0.4)	**£1,224**

11. The recommendation is that the current scheme be adopted for 2018/19. A copy of the scheme is **attached** to this report.

12. Finally, Members should also note that, in January, the Authority received correspondence from HM Revenue & Customs (HMRC) asserting that Members' travel allowances (mileage payments) for journeys to and from committee meetings should have been treated as taxable income. We have entered into a correspondence with HMRC, disputing this interpretation, on the basis that such allowances are not

taxable in relation to attendance at meetings of other local authorities by members of those authorities, and that the problem lies in the wording of the 'exemption' guidance HMRC are seeking to apply, which fails to include NPAs. The outcome of this issue is unlikely to be concluded for some time, but it may eventually result in some additional historic and ongoing tax liabilities for Members.

Julie Payne
Committees Officer
1 March 2018

Background document:
The Local Authorities (Members' Allowances) (England) Regulations 2003

YORKSHIRE DALES
National Park Authority

SCHEME OF MEMBERS' ALLOWANCES

Approved March 2018 for the financial year 2018/19

1. INTRODUCTION

1.1 As required by the Environment Act 1995 and the Local Authorities (Members' Allowances) (England) Regulations 2003, the National Park Authority, makes a scheme for the payment of allowances to Members. The scheme provides for payment of the following allowances:-

- **Basic Allowance** - payable to each Member
- **Special Responsibility Allowance** - for certain members in recompense for additional duties undertaken as a result of their holding of various positions within the Authority
- **Travel and Subsistence** - payable for attendance at an 'Approved Duty' [see **Appendix A**], as agreed by the National Park Authority (NPA).

1.2 Details of the current rates for the various allowances referred to above are set out in **Appendix B**.

2. GENERAL POINTS

2.1 **A Member may choose to forego *all or* any part of their entitlement to an allowance by giving written notice to the Chief Executive (National Park Officer).**

2.2 All enquiries relating to Members' allowances should be made to the Committees Officer, on:

- telephone no. 01969 652364, or
- email: Secretariat@yorkshiredales.org.uk .

3. BASIC ALLOWANCE (BA)

3.1 **BA** is:-

- payable to all Members, unless they elect to not receive the payment.
- payable in monthly instalments, in arrears and apportioned for part year entitlements, where the term of office of a member begins or ends otherwise than at the beginning or end of a year. [As it is paid automatically, direct into a bank account, Members do not need to claim it.]
- subject to the deduction of Income Tax and National Insurance if necessary [see Paragraph 8.3].

3.2 **Definition of BA**

BA is payable in recognition of the time and resource devoted by Members to their work, including: dealing with correspondence; attendance at meetings; training, conferences and workshops, and incidental costs such as IT consumables, postage and private telephone use.

4. SPECIAL RESPONSIBILITY ALLOWANCE (SRA)

4.1 **SRA is:-**

- paid to Members who have specified special responsibilities, unless they elect not to receive payment.
- allocated on the basis of degree of responsibility and on the expected call on Members' time.
- paid monthly in arrears and apportioned for part year entitlements, where a member does not have throughout the whole of a year any such special responsibilities as entitle him / her to an SRA.
- if necessary, is subject to the deduction of Income Tax and National Insurance.

4.2 A full list of the posts that receive **SRA** and the current rates payable is set out in **Appendix B.**

4.3 **SRA** is in recognition of the duties over and above those of a "normal" member that relate to certain positions within the Authority, including: meetings with officers; dealing with correspondence; visits; meeting official Visitors to the National Park; official openings and familiarisation/fact finding visits.

4.4 **SRA** does **not** include an element for travel or subsistence. Claims for travel and subsistence **can**, therefore, be claimed for any duty that is covered by the payment of an **SRA.**

5. TRAVEL ALLOWANCE (TA)

5.1 **TA** is:-

- claimable for any **approved duty,** and for any duty covered by a **special responsibility payment**
- claimed monthly on the Members' claim form.
- payable at the rates set out in **Appendix B**.

5.2 **Notes**

- **Train Fares** are reimbursed at **standard rate**
  [NB - Members who regularly use the train for Authority business, and who are of State Retirement Age, may reclaim the cost of an appropriate Railcard.]
- If practicable, Members should use public transport and claim the fare(s) rather than the mileage allowance.
- Members should, wherever possible, share transport - an additional payment is payable for each passenger carried.
- Reimbursement of **Taxi Fares** may be made in exceptional circumstances.
- Reimbursement may be claimed for expenditure on **tolls, ferries, parking fees** etc.
- Any member who submits mileage claims for reimbursement must ask for and retain sufficient Value Added Tax (VAT) receipts for the purchase of fuel to support their claim. These receipts **must be retained by the member** for six years. These procedures are necessary to enable the Authority to recover VAT from HM Revenue and Customs (HMRC) on reimbursement of mileage claims.

6. SUBSISTENCE ALLOWANCE (SA)

6.1 **SA is:-**

- claimable for any approved duty or **SRA** duty exceeding 4 hours which spans the agreed meal time periods.
- claimable for the actual cost of the meal (*) or the overnight expense up to the maximum allowed.
- claimable monthly via the Members' claim form; receipts should be submitted whenever possible, to support expenditure (*).
- **NOT** claimable when the Authority provides food for Members at meetings.
- reimbursed at the rates set out in **Appendix B** (*)**.**

6.2 **Note:**

* - all claims for subsistence must be supported by receipts.

7. NON CLAIMABLE DUTIES

7.1 For the avoidance of doubt, the following duties are **not** approved for the purpose of claiming Travel Allowances and Subsistence Allowances:-

- single Member duties (unless sanctioned by Yorkshire Dales National Park Authority)
- Parish Council meetings
- attendance at a meeting of a committee, sub-committee, panel or working group on which you are **not** a Member, unless you have been specifically invited in advance by the Chairman
- outside bodies who pay expenses to Members
- duties relating to outside bodies that are not committee, sub-committee or working group meetings (please see "Approved Duties" – Appendix A.)

8. CLAIMS

8.1 **How to Claim**

- BA and SRA are paid automatically; monthly in arrears, direct into a bank account, after completion of initial details, and assuming a Member chooses to receive them.
- TA and SA must be claimed on the Members' Claim Form for allowances.
- In order to assist with the monitoring of the budget, members are requested to submit claims monthly, no matter how small. In order to try to ensure payment at the end of the following month, claims should be received by the Committees Officer (at the Bainbridge Office) at the latest by the 4th of the month following that claimed for. This allows all claims to be paid together on the last working day of that month.
- Claims should be submitted as soon as possible after the month end. If that is not possible, then they should be submitted within three months of a duty having been performed.
- A supply of claim forms can be obtained from the Committees Officer, or claims may be submitted electronically (in which case receipts obtained by members for subsistence or other expenses should be retained by the member for six years).
- Allowances must **not** be claimed where the Member is entitled to receive payment from another body.

8.2 **Partial Year Entitlement**

- A Member, who begins or ends a term of office or a SRA post during the course of the financial year, is entitled to an appropriate proportion of the BA or SRA for that year.

8.3 **Tax and National Insurance**

- BA and SRA are all taxable and are subject to national insurance.
- Members can request a PAYE code from HMRC for the taxing of payments. If no other tax code is supplied, Members will be taxed at basic rate.
- Some Members may be able to obtain an exemption card for national insurance from the Department of Social Security if they are over State Retirement Age.
- Some female members may be able to obtain a reduced rate certificate (married women or widows).

8.4 ***Other provisions***

- Rates of BA and SRA will be updated annually, in line with the percentage change applicable to SCP 34 of the National Local Government pay spine.
- Where payment of any allowance has already been made in respect of any period during which the member is not a member of the Authority, or for any other reason not entitled to receive the allowance in respect of that period, the Authority may require repayment of such part of the allowance.

APPENDIX A

YORKSHIRE DALES NATIONAL PARK AUTHORITY

APPROVED DUTIES

1. Attendance at any of the following is specified as an **approved duty**:

   (a) Any meeting of the Authority, or any of the Authority's Committees, Sub-Committees, Working Parties, Panels or other bodies of which they are a member specified in a list approved from time to time by the Authority.

   (b) Any other meeting the holding of which is authorised by the Authority, or a Committee or Sub-Committee, Working Party or Panel of the Authority, provided that attendance at the meeting is specified as an approved duty by a resolution of the body authorising it.

   (c) Any meeting or event (non-social) attended by a Member Champion (MC) in the performance of his/her duties as a MC and which is authorised by the Lead officer for that area of the Authority's work.

   (d) Any formal training event, conference or outside body at which the Member has been formally authorised to attend as a representative of the Authority.

   (e) Any formal meetings of the Local Government Association or the Association of National Park Authorities or the English National Park Authorities Association by the Chairman and/or Deputy Chairman of the Authority.

   (f) Any meetings or events (non-social), not covered elsewhere in the Scheme, on the official invitation of the Chief Executive

2. Allowances must **not** be claimed where the Member is entitled to receive payment from another body.

3. Attendance by the Chairmen and/or Deputy Chairmen at Authority/Committee/Sub-Committee briefings shall be deemed 'approved duty' for the purposes of the payment of Travelling and Subsistence Allowances.

APPENDIX B

SUMMARY OF RATES OF ALLOWANCES FOR MEMBERS

[Allowances and subsistence rates 2018/19]

CATEGORY OF ALLOWANCE	RATES PAYABLE Current Annual
Basic Allowance [BA] (available to all Members)	**£3,058**
Special Responsibility Allowance [SRA] ♦ Chairman of the Authority (BA x 2) ♦ Deputy Chairman of the Authority (BA x 0.5) ♦ Chairman of the Planning Committee (BA x 0.75) ♦ Deputy Chairman of the Planning Committee (BA x 0.4)	 **£6,116** **£1,529** **£2,293** **£1,224**
Travelling Allowance [TA] ♦ Up to 10,000 miles (HMRC rate) ♦ 10,000 miles and above ♦ Passenger supplement – (maximum 4 passengers)	**Per mile** **45p** **25p** **5p per passenger**
A single claim by a member for a duty shall be limited to a maximum of 150 miles (that figure to be increased by 150 miles for each passenger up to a maximum of 600 miles)	
Subsistence Allowances [SA] ♦ Breakfast allowance – more than 4 hours absence before 11am ♦ Lunch allowance – more than 4 hours and between 12 noon and 2pm ♦ Tea allowance – more than 4 hours including between 3pm and 6pm ♦ Evening meal – more than 4 hours ending after 7pm	 **£7.00** **£10.00** **£5.00** **£12.00**
Meals on trains ♦ If breakfast, lunch or dinner need to be taken on the train, the reasonable cost of the meals may be reimbursed in full, subject to the provision of appropriate receipts.	
Travel and Subsistence rates are the same as those payable to staff.	

If you have any queries about the Scheme of Allowances, please contact the Committees Officer on 01969 652364 or by email: **Secretariat@yorkshiredales.org.uk**

YORKSHIRE DALES NATIONAL PARK AUTHORITY **ITEM 11**

Date: **27 March 2018**

Report: **REVIEW OF THE FRAMEWORK DOCUMENT 'MANAGEMENT OF THE USE OF GREEN LANES (UNSEALED ROUTES) IN THE YORKSHIRE DALES NATIONAL PARK'**

Purpose of the report

1. To inform Members about the results of the consultation on the framework document 'Management of the use of green lanes (unsealed routes) in the Yorkshire Dales National Park'. To agree the suggested changes and adopt a revised version following this five year review.

RECOMMENDATION

2. That Members approve the revised version of 'Management of the use of green lanes (unsealed routes) in the Yorkshire Dales National Park'**.**

Strategic Planning Framework

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

Corporate Plan objective:
Review the Framework for the Management of the use of green lanes in the Yorkshire Dales National Park

Background

4. Since the Natural Environment and Rural Communities Act 2006 (NERC Act), the Yorkshire Dales National Park Authority has taken a proactive approach to the management of 'green lanes'. This Act clarified which unsealed routes (also called 'green lanes') could be used legally by recreational motor vehicles. It also gave powers to National Park Authorities, allowing them to make traffic regulation orders on unsealed routes.

5. In 2006 the Authority produced its first green lanes framework. The purpose of the document was to provide a policy and explain the legislation, to set the context if the Authority were to use its new powers responsibly. Fundamentally, it emphasised the importance of assessing each route in detail and, on the basis of the evidence, deciding the best management option.

6. When it was first produced, the Framework went through an extensive consultation, with over 30 organisations responding. Most were broadly supportive of the approach taken. In 2012, after five years, the document was reviewed. The 2012 revision took account of relevant case law and the progress made on the management of individual 'sensitive' routes. The next 5 year revision was undertaken in 2017; this has proved timely because the document only covered the old National Park area.

The review

7. The major change since the framework was last revised is the increase in the size of the National Park. It is very important that the Authority, where possible, moves to having a 'whole National Park approach' rather than different regimes operating in the 'old and 'new' areas.

8. Given the extensive consultation in the past, this revision has involved a targeted consultation. This has involved Cumbria County Council and those parishes and user groups in the new area, along with the Authority's own statutory advisor on open-air recreation - the Yorkshire Dales Local Access Forum.

9. A presentation on the management of green lanes was made at the Western Parish Forum in September 2017, which was attended by 19 people representing 14 parishes in the Cumbria part of the National Park. This item was on the agenda at the request of a number of these parishes.

Consultation

10. The consultation on the revised Framework ran from 3 October 2017 to 8 December 2017. Responses were received from the Yorkshire Dales Access Forum, Cumbria County Council, Yorkshire Dales Green Lanes Alliance and Land Access & Recreation Association (on behalf of a number of motor vehicle user group organisations).

11. The consultation invited comments on the Framework document and posed three key questions:
    i. Do you agree that there should be a consistent approach to the management of byways and unsurfaced unclassified roads across the whole National Park?
    ii. Is the any additional legislation or guidance in the last five years which should be included?
    iii. Anything else you would like to add?

12. The respondents did feel that a consistent approach across the whole National Park was inevitable and were unaware of any recent legislation or guidance that needed to be included. There was a wide range of additional comments related to the detail in the document. Where appropriate these comments and suggestions have been incorporated into the revised Framework (see the Members' Extranet). The comments made, and the Authority response to them, are shown in **Appendix 1**.

13. The full Framework document with suggested changes incorporated and the equality impact assessment completed, are available on request.

Conclusion

14. The original green lanes framework brought together legislation and options for the management of green lanes based on good practice. It suggested how this would be applied to the management of green lanes in the Yorkshire Dales National Park. The green lanes framework has served the Authority well and guided our approach for the past ten years. The framework has now been updated and extended to cover the new National Park area.

Mark Allum
Head of Access and Engagement

8 March 2018

Background Papers

Access Committee 10th August 2006 management of the use of 'green lanes' in the Yorkshire Dales National Park – response to the consultation.

Consultation responses

We received four responses:

Cumbria County Council
Yorkshire Dales Access Forum,
Yorkshire Dales Green Lanes Alliance and
Land Access & Recreation Association.

The Land Access & Recreation Association was a joint response from:

- Land Access & Recreation Association
- Cumbria Group Trail Riders' Fellowship
- Countryside Access for the Less Mobile (CALM)
- Lake District Land Rover Meet (Green Lane Association affiliated).
- North Yorkshire Green Lane Association.
- Auto-Cycle Union Northern Centre.

For clarity in the tables below this is listed as Land Access & Recreation Association.

Consultation Questions

Question	Organisation / Individual	Consultee response	YDNPA response
1) Do you agree that there should be a consistent approach to the management of byways and unsurfaced unclassified roads across the whole National Park?	Cumbria County Council	Yes, a consistent approach to management makes sense for both the National Park and users.	
	Land Access & Recreation Association	It seems unavoidable that anything other than a consistent approach should be applied across the whole National Park, however, we think that there are elements of route management that were applied by CCC in the transferred 'extension area' which should be incorporated into the YDNPA's framework document.	Examples of these elements were not given, and known management options are covered in the framework document
	Yorkshire Dales Green Lanes Alliance	Yes, there should be a consistent approach right across the NP.	
2) Is the any additional legislation or guidance in the last five years which should be included?	Cumbria County Council	No	
	Land Access & Recreation Association	We are not aware of any legislation or guidance introduced in the last 5 years which impacts on unsealed route use management; but we are aware that a number of highway authorities have applied well researched 'intelligent' and more focussed / discriminating traffic regulation orders ... which we commend.	
	Yorkshire Dales Green Lanes Alliance	The NERC act, and the subsequent DEFRA advice seem to have bedded in, and YDNPA makes the best of them. Greater use of the principle of the Park's special qualities as a reason for imposing TROs might be considered, but the structure of the present consultative arrangements is probably as balanced as can reasonably be expected.	
3) Anything else you would like to add?	Cumbria County Council	The Council's Countryside Access Strategy recognises the need for fair management of recreational motor vehicles on appropriate routes, the council has successfully worked in partnership with trail users to manage usage on the whole to sustainable levels through voluntary restraint. CCC preference is for voluntary agreement with the users first and recourse to enforcement of TROs as a last option, which fits with your overall approach to the "Management of the use of green lanes (unsealed routes) in the YDNP" framework.	
	Land Access & Recreation Association	For other comments see attached document.	

	Yorkshire Dales Green Lanes Alliance	YDGLA's position, from the outset, has always been that the Park's special qualities (eg tranquillity), together with the 2 fundamental statutory reasons for the Park's very existence, raise a presumption that non-essential motor vehicles can have no place on the Park's green lanes. We appreciate that the Authority would have great difficulty if it tried to impose a blanket ban, but we consider that there are lanes (eg Dawson's Close) that might reasonably be considered for permanent TROs. Maybe the traffic light system needs adjustment so as to bring lanes like Dawson's Close unequivocally into the category of lanes that require immediate closure.	

Specific comments received relating to the revised draft Framework

Paragraph	Organisation / Individual	Comments made	Proposed amendment
Overall comments			
	Land Access & Recreation Association	It isn't easy to respond to consultation documents that feature no paragraph numbers	Agree. Added.
	Land Access & Recreation Association	Although you say that the consultation document 'is not a new document - it was first produced in 2006 etc.', the document as drafted contains material that is newer than 2006 of course (and newer than 2012 of course). Also, some of the pictures are new I think. So the document before us IS a sometimes confusing mix of 'old' and 'new' material.	This is a standard five year review of one of our policy documents. It does contain updated material but it is not a new policy document.
	Yorkshire Dales Access Forum	The consolidated view of YDAF members in respect of this initial consultation is to support the proposals, subject to further review by the Green Lanes Advisory Group who will report back to members in due course.	Noted
	Yorkshire Dales Access Forum	The 2026 cut-off. No mention is made of this. Whether or not it will be enforced in 2026 is still unclear, so it may be wise to make no reference to it. But one possibility is that BOATs will continue to be added to the Definitive Map. This may not, in itself, make much difference, for the techniques for managing UUCRs and BOATs are similar, but 2026 might be mentioned.	No change. This would add extra complication to the document, and is a Definitive Map issue. As stated it does not alter the management of the routes.
Executive summary			
	Yorkshire Dales Green Lanes Association	Executive Summary, 4th para: "The NERC Act....removes any possible public rights for recreational motor vehicles on footpaths, bridleways and restricted byways	Agree
Introduction			
Para 3	Land Access & Recreation Association	Replace 'records only the Highway Authority's maintenance responsibility and says nothing about the extent of the public rights that may exist over the route' with 'is a record of public liability to maintain; the status of any highway therein is a matter of inference rather than conclusive.' Replace 'incorrectly' with 'inaccurately'	No change. Existing text is clear Agree
Para 4	Land Access & Recreation Association	Delete 'whatsoever' Insert 'restricted byway' Last sentence contradictory – if a route is recorded on the Definitive Map then the rights are clear.	Agree Agree Agree. Sentence revised as it should only apply to UURs

Para 5	Land Access & Recreation Association	Split figure for restricted byways and byways	Agree
Para 6	Land Access & Recreation Association	Show change due to National Park extension	No change. The bulleted list shows the current situation in the National Park. The increase due to the extension of the National Park is shown in para 17.
National Park Management Plan	Land Access & Recreation Association	The review of traffic regulation orders is mentioned but no reference made to whether it took place or the outcome.	Agree. Inserted as para 112 The report is available here.
Para 12	Yorkshire Dales Access Forum	After 'The uses of the route' add another bullet point 'The frequency of use by motor vehicles and the effect of such use'	Text revised to expand on 'uses of the route'
Relevant legislation and guidance			
Para 18	Yorkshire Dales Access Forum	'the relevant county council'	Agree, inserted
2.2 heading	Land Access & Recreation Association	Much of the relevant legislation is no longer 'recent'. Why not remove 'Recent'?	Agree. Deleted
2.3 key points	Yorkshire Dales Access Forum	Footpaths, bridleways and restricted byways have had any possible motor vehicular rights extinguished	Agree, inserted
Para 29	Land Access & Recreation Association	Why say 'only'? It's rather pejorative.	Agree. Deleted
Para 32	Land Access & Recreation Association	These highlighted sentences need more explanation please. (1) Reference is retained to the 4 BOAT cases that were started by the NPA, but text stating what happened to them has been removed. Either remove the reference to them, or complete the conclusion. (2) Explain why the processing of the other applications is now with the County Councils (NYCC & CCC I presume).	Text revised
Para 34	Land Access & Recreation Association	That word 'only' again. Why not just say 'It will remain possible to claim byway open to all traffic status for routes listed on the List of Streets and not recorded on the Def Map etc...	Text revised
Factors to be considered in evaluating the impact of recreational motor vehicle use on unsealed routes			
Para 65	Land Access & Recreation Association	Two of the route surface illustration photos that follow are of routes are subject to TRO against MPV use. It may be useful to say so in the captions.	Agree text revised
Para 72	Land Access & Recreation	Contrast these with 2011 figures for each category.	No change. The purpose of this section is to give an illustration rather

	Association		than show change over time for a particular route.
Para 73	Land Access & Recreation Association	Contrast these with 2011 figures for each category.	No change. The purpose of this section is to give an illustration rather than show change over time for a particular route.
Para 77	Land Access & Recreation Association	This final sentence needs expanding to be more inclusive of those users who may not be able to employ trampers or trikes and whose mobility limitations may be better served using more standard 4WD vehicles. As stated in the first paragraph of the disabilities section 3.9, disability often encompasses other than physical limitation and access solutions for hidden disabilities are often less obvious than suggested here. There is also the all weather aspect of using 4WD vehicles."	Agree. Sentence expanded. An Equality Impact Assessment has been completed
Management options			
Para 80	Land Access & Recreation Association	'Ten years on ...' from where? The NERC Act I guess. But wouldn't it be better to retain reference to the BVP Plan and say 'Ten years on, due to Best Value Performance Plan work undertaken in 2006/7 to 'clearly sign all BWs that do not have MPV rights' it should be clear to users where they can and cannot go. Some users say that total clarity has not yet been achieved, and consequently where a FP, BW, or RBV is found to be used illegally on a regular basis .. etc.'.	Agree. Text revised
	Yorkshire Dales Green Lanes Association	Where a footpath, bridleway or restricted byway is found to be used illegally on a regular basis signage will be maintained to make the situation clear	Agree. Text revised
Para 81	Land Access & Recreation Association	What does 'existing and new' mean in this context? It wasn't clear what it meant in the 2012 edition, and it's still not clear in this 2017 edition.	Agree. Text revised
Para 84	Land Access & Recreation Association	We support this, and hope to be consulted on any proposed revisions.	Noted.
Para 92	Land Access & Recreation Association	WE think that it would be more effective if this para. was inserted directly following the extracts from Making the Best of Byways. The extracts come over as rather contradictory, but YDNPA more recent experience adds some sense to the extracts. HOWEVER, we would like this para. to be stated in more positive terms. Just shift the words around a bit to say (on the lines of) 'Through agreement and cooperation with MPV user groups voluntary restraint has been sought in a number of places in the National Park	Agree. Paragraph moved Text revised.

	Yorkshire Dales Green Lanes Alliance	with mixed success. The NPA will continue to work with users to apply VR where appropriate.' This potential management tool *(voluntary restraint)* is mentioned on p24, p29 and p30, but no evidence of its effectiveness is supplied. There is plenty of anecdotal evidence that indicates that voluntary restraint makes no difference to the volume of recreational motor traffic on routes where it has been tried. If YDNP is convinced that voluntary restraint has a part to play, it should present data that measures traffic flows before and after the implementation of voluntary restraint agreements, and which shows a significant reduction that can be attributed only to the agreement.	Voluntary restraint remains one possible management option. Evidence of use is presented in individual route reports and in the annual reports.
Para 97	Land Access & Recreation Association	Can some text be added here which refers to reviews of TROs? Page 2 of this document refers to the NP Management Plan and to a 2014 review of TROs. It is appropriate that some existing full-time TROs should now be considered for more 'intelligent' TROs which may return some routes to managed use.	Covered in para 108
Gatesgarth Pass case study	Land Access & Recreation Association	Insert 'a limited number of' Delete 'it is closed' and replace with 'No permits are issued to' Add ', and each permit day is stewarded by MPV user-group representatives acting as NP Volunteers. This gives users some ownership of the process.'	Agree Agree Text revised
Mastiles Lane case study	Land Access & Recreation Association	This seems a rather odd way of saying that the TRO is possibly as effective as it could ever be hoped to be. And maybe the other 10% is legitimate agri-traffic. And doesn't para. 11 of the 2016/17Annual Report on the Management of Green Lanes ...' indicate that compliance is running at over 95% (actually 98%)? Why not feature a more current photo showing how it is in 2017.	No change. The text is clear. 98% refers to the reduction in recreational motor vehicles rather than the reduction in total motor vehicles. The actual reduction varies across different routes. Image changed.
Para 104	Yorkshire Dales Green Lanes Alliance	Temporary traffic regulation orders. The final sentence on p28 says that TTROs may last only for limited periods unless extended by the Secretary of State. Could this sentence be expanded to specify for how long a TTRO may be imposed, and how many extensions may be granted by the Sec of State? We understand that regulations governing UUCRs are different from those governing BOATs, both in the permitted length of the initial order, and in the number and length of possible extensions granted by the Secretary of State. Could this be clarified, please?	Outside the scope of this document.

Para 105	Land Access & Recreation Association	Say if / how this will be updated?	Agree. Added
Para 108	Land Access & Recreation Association	Add 'and consequences'. Needs to be some recognition that closing of some routes results in displacement and increase of use on other routes. Where possible MPV users will be invited to become involved in route surveys and monitoring	No change – text already mentions 'undesirable effects' which would include displacement. Aware that MPV users are involved in this type of work in Cumbria. In the National Park this work is carried out by YDNPA staff with MPV users involved through the Green Lanes Advisory Group.
Para 111	Land Access & Recreation Association	Once again, this seems a rather odd way of saying that the TRO is possibly as effective as it could ever be hoped to be. And maybe the other 10% is legitimate agri-traffic. Why not just say ... 'Vehicle logger data shows that compliance with TROs by recreational motor vehicle users is good. Compared with pre-TRO levels 10% MPV use continues, some or all of which may be lawful agri-traffic.' And doesn't para. 11 of the 2016/17Annual Report on the Management of Green Lanes ...' indicate that compliance is running at over 95% (actually 98%)?	Text clarified. 98% is overall reduction in recreational motor vehicles across the eight TROs. Each individual route has greater than 90% compliance.
Para 114	Yorkshire Dales Green Lanes Alliance	The last paragraph on page 30 says the desktop sensitivity assessment has identified five routes in the new National Park area as being of moderate or high sensitivity to recreational motor vehicle uses, and that condition survey and vehicle logging information is now being compiled for these routes. But YDNPA's Annual Report on the management of green lanes, compiled in May 2017, identifies six routes in the new area as potentially sensitive, five with high sensitivity and one with moderate sensitivity, and says that information will be compiled on all six during 2017. Could the NPA explain this discrepancy?	Two of the routes are short and close together and so have been treated as one for assessment purposes. However, text has been changed to clarify.
After Para 114	Land Access & Recreation Association	Add some text from the 2016/17 Annual Report on Management of Green Lanes' which introduces (1) the joint YDNPA / NY Police / Cumbria Police enforcement days, and (2) the Sighting and Complaint Register with outcomes.	Text added as para 109
The decision making process for management options			
Flow chart after para 119	Yorkshire Dales Access Forum	Footpath/bridleway/restricted byway with no mechanically propelled vehicular rights	Agree

YORKSHIRE DALES NATIONAL PARK AUTHORITY **ITEM 12**

Date: **27 March 2018**

Report: **CONSERVATION AREA REVIEWS AND CHARACTER APPRAISALS: DOWNHOLME**

Purpose of the report

1. To extend the boundary of the Downholme Conservation Area into the National Park.

RECOMMENDATION

That the Authority:

a) notes that the revised character appraisal for Downholme Conservation Area supports the extension of its boundary to include an area inside the National Park; and,

b) designates the area within the National Park (shown on the map in the Annex) as part of the Downholme Conservation Area.

Strategic Planning Framework

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

National Park Management Plan 2013-18:
Objective A8 – *'Use the Historic Environment record to research, record and promote the stories of the National Park area, and carry out and co-ordinate regular surveys of important historic structures and landscapes.'*

Legal Background

3. Section 69(1) of the Planning (Listed Buildings and Conservation Areas) Act 1990 requires that:

a. 'Every Local Planning Authority shall, from time to time, determine which parts of their area are areas of special architectural or historic interest, the character or appearance of which it is desirable to preserve or enhance, and

b. Shall designate such areas as conservation areas'.

4. Paragraph 127 of the National Planning Policy Framework (NPPF) (2012) states that *'when considering the designation of conservation areas, local planning authorities should ensure that an area justifies such status because of its special architectural or historic interest, and that the concept of conservation is not devalued through the designation of areas that lack special interest.'* Paragraphs 137 and 138 mention opportunities for new development and enhancement inside conservation areas.

5. Further guidance is offered in Historic England's Advice Note 1 (2016): *Conservation Area Designation, Appraisal and Management*.

6. In exercising any planning functions affecting land or buildings within a conservation area, the local planning authority has a general duty to pay special attention to the desirability of preserving or enhancing the character and appearance of that area. Moreover, designation automatically brings additional safeguards, such as the need for planning permission when demolishing unlisted buildings and walls, or felling trees. However, within the National Park conservation area status only has a very limited effect on 'permitted development'; this is because the National Park designation already restricts permitted development rights. Finally, neither the designation of a conservation area or the preparation of a character appraisal is an end in itself. The local planning authority is also required, in consultation with the public, to formulate management plans to help preserve and enhance those areas.

Background to the Conservation Area Review

7. There are 46 conservation areas in the Yorkshire Dales National Park.

8. Downholme is currently not a conservation area inside the National Park; only the part of the village to the south of the main road/National-Park boundary was designated by Richmondshire District Council in December 1995.

9. In November 2015, the Authority was approached by Hudswell & District Parish Council who said that they *'are trying to protect Downholme Village for future generations. As we understand it at the moment the RDC side of the village is already a Conservation Area; we'd like to make the YDNPA side of the village the same!'*

The Review Process

10. The joint review of the Downholme Conservation Area started in April 2017. It was agreed with Richmondshire District Council that the Authority would carry out the assessment, as the potential extension area (mainly) concerned areas inside the National Park. Nevertheless, the review equally considered the existing conservation area and its wider setting.

11. On 21 September 2017, a pre-public consultation session was incorporated into the meeting of Hudswell & District Parish Council held at the Village Hall in Hudswell. Prior to the meeting, a draft Conservation Area Appraisal had been circulated to members/officers of the Parish and District Councils, and this was discussed at the

meeting. Overall, the draft document was very well received. It was then made available for formal public consultation from 29 September to 10 November 2017.

12. In addition to the standard web-based consultation, each household in the village was notified, and provided with a feedback form to be completed. Paper copies of the document and feedback forms were available at the Bolton Arms in Downholme and at the National Park Offices. The county, district and parish councils were approached directly; as were other groups or organisations likely to have a special interest in the Downholme Conservation Area, such as the Ministry of Defence (MoD) at Catterick Garrison and the Richmond and District Civic Society.

13. Again, the document was overall positively received. There were no objections to the proposed boundary extensions. The Ministry of Defence (MoD) did have initial concerns about potential obligations for remedial or other works on their land following designation. However, as there is no such requirement, the MoD was put at ease.

14. Richmondshire District Council has indicated its intention to support the boundary extension, which will affect minor inclusions in their area.

Designation

15. The full (revised) character appraisal for the conservation area is available to view on the Members extranet: http://www.yorkshiredales.org.uk/extranet/members-extranet/conservation-and-community-documents/2018-01-29_gir-Downholme-CAA-AUTHORITY-reduced-size.pdf

16. Following detailed review, the appraisal proposes to include the following areas inside the National Park that warrant conservation areas designation:
    - The north side of the main street inside the village which has important historic buildings like the Bolton Arms, Downholme Hall ruins and the former smithy between Nos. 5 and 6, as well as features within the public realm, such as the central village green, the pin fold and a churn stand
    - The area at the northern edge of the village which includes the remains of former mining industries and fine views into Swaledale, to How Hill and Downholme Hall ruins, as well as distance views to the church
    - The triangular green which provides a significant entrance into the village from the west, with the Vicarage and surrounding mature trees/hedges making a notable contribution
    - The large open fields to the north with medieval lynchets, the quarry with lime kiln, quarry-foreman office building and explosive magazines, and Church of St Michael & All Angels beyond, which visually links back to the Vicarage and the village, and the significant contribution that trees make

Further Action

17. The conservation area appraisal will be considered formally by members of Richmondshire District Council on 04 April 2018.

18. Subject to Members agreeing the extension of the boundary within the National Park,, the management proposals set out within the appraisal will be the basis for the Authority [and Richmond District Council] to seek to agree a management plan with the Parish Council. If such a plan can be agreed, it will form the basis for future funding support from the Authority.

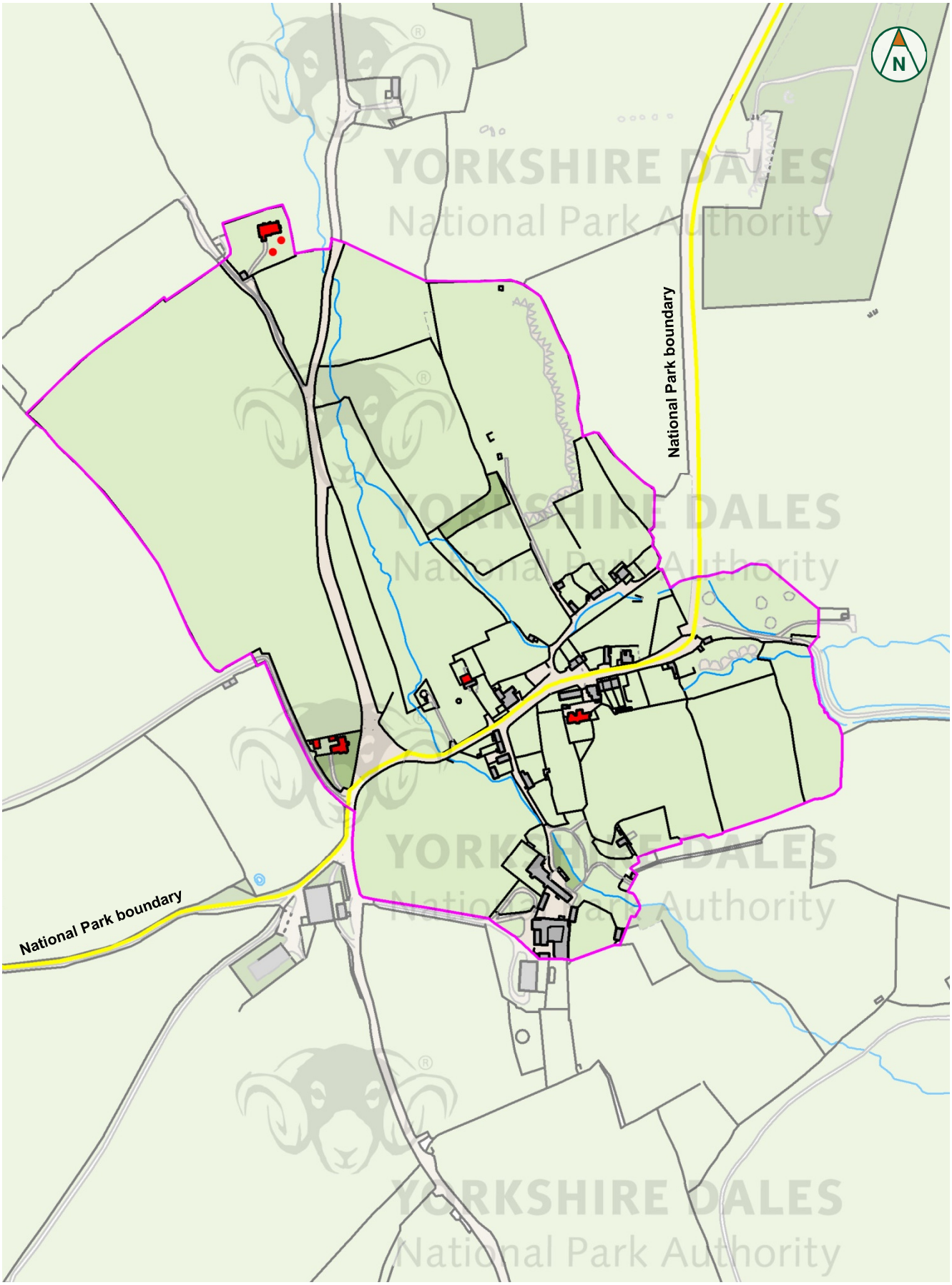
Conclusion

19. The assessment of Downholme Conservation Area's historical and architectural character, and its wider setting, gives support to the quality of the historic environment and, therefore, confirms that it meets the necessary criteria for conservation area status.

Gaby Rose
Senior Listed Buildings Officer

06 March 2018

PROPOSED DOWNHOLME CONSERVATION AREA



YORKSHIRE DALES NATIONAL PARK AUTHORITY **ITEM 13**

Date: **27 March 2018**

Report: **CHAIRMAN'S REPORT**

ENGAGEMENTS

Since the last meeting of the Authority, the Chairman has been involved in the following:-

Events

- South Lakeland Partners' Network Dinner, held at The Villa, Levens, near Kendal
- Along with the CEO, Y18: Yorkshire on Show (Welcome to Yorkshire's annual showcase of tourism news), held at the Alhambra Theatre in Bradford.
- The Lake District National Park Partnership's unveiling of the official UNESCO Plaque in Keswick, designating the Lake District as a World Heritage Site.
- Along with the CEO, attended the funeral of Jerry Pearlman, member of the Yorkshire Dales Access Forum and former member of the National Park Authority.

Meetings

- Attended two meetings of the Parish Forum Review Group.
- Attended Orton Parish Council meeting, where I also took the opportunity to formally present the 'National Park Hero Award' to Kyle Blue for his unstinting support for the extension of the Yorkshire Dales National Park and for being a "critical friend" of the Park Authority.
- Along with the CEO, and the Leaders of Craven & Richmondshire District Councils, a meeting with the Executive Board of NYCC to discuss the proposal to instigate discussions with Government on options for increasing council tax on second homes.
- Along with the CEO, a NPE Board meeting in London.
- Along with the CEO, a meeting with representatives of Cumbria County Council to discuss the Borderlands initiative and the proposal to instigate discussions with Government on options for increasing council tax on second homes.
- Along with the CEO, a National Parks UK Executive Meeting in York.
- A National Park Management Plan Steering Group.
- A preliminary meeting with the CEO to discuss the 2019 NPUK Conference, which is being hosted by the YDNPA.
- Along with the CEO, a meeting of Local Government North Yorkshire & York in Scarborough.
- A meeting with NYCC's Corporate Director for Business & Environmental Services to discuss quarrying in the dales.

Carl Lis OBE
Chairman

Background documents: None 6 March 2018

YORKSHIRE DALES NATIONAL PARK AUTHORITY **ITEM 14**

Date: **27 March 2018**

Report: **REPORT OF THE CHIEF EXECUTIVE**

ENGAGEMENTS

1. Since the last meeting of the Authority, the Chief Executive has been involved in the following:-

Media

- A series of interviews on the Authority's involvement in the 'Attracting Families' joint Initiative; focussing primarily on the proposal to instigate discussions with Government on options for increasing council tax on second homes.
- Interview with Yorkshire Post on the challenges facing the Dales in the next five years.

Events

- Along with Mr Cotton and Mr McPherson attended the opening ceremony of the reconstruction of Fisherman's' Bridge, the footbridge crossing the River Lune, near Hole House Farm, Sedbergh.
- Hosted a wildlife crime training / awareness day for representatives from North Yorkshire, Cumbria and Lancashire Police forces.
- Along with the Chairman, Y18: Yorkshire on Show (Welcome to Yorkshire's annual showcase of tourism news), held at the Alhambra Theatre in Bradford.
- Along with the Chairman, attended the funeral of Jerry Pearlman, member of the Yorkshire Dales Access Forum and former member of the National Park Authority.

Meetings

- Two meetings of the Member Group reviewing the Parish Forums.
- A meeting with representatives from The Forbidden Corner to discuss future working.
- A meeting with a trustee of the Winston Churchill memorial Trust to see what might be suitable as a study issue for the Trust. It was suggested that a study of the disparity between rural and urban economies and how these are managed in other nations, might be suitable.
- National Parks UK Chief Executive discussion on the future of National Park Partnership.
- Along with the Chairman and the Leaders of Craven & Richmondshire District Councils, a meeting with the Executive Board of NYCC to discuss the proposal to instigate discussions with Government on options for increasing council tax on second homes.

- Along with the Director of Park Services, a meeting with the CEO and Principal Culture, Arts & Events Officer of South Lakeland District Council, to explore initiatives for closer working.
- A meeting with the Chief Executive of Campaign for National Parks to discuss a potential 70th Anniversary project.
- Along with the Chairman, a meeting with representatives of Cumbria County Council to discuss the Borderlands initiative and the proposal to instigate discussions with Government on options for increasing council tax on second homes.
- Along with the Chairman, a NPE Board meeting in London where the following were discussed: Lead NPO report and Business Plan Update; Political and Policy Analysis (Reshuffle; 25 Year Environment Plan); Engagement with MPs / Peers; Farming and Rural Development Policy. Lord Gardiner also attended the meeting to discuss: 25 Year Environment Plan (including Brexit); Farming; Affordable housing; and Secretary of State Member Appointments
- A meeting with representatives of Natural England to discuss the organisational changes in that organisation.
- A meeting of the Farming and Land Management Task and Finish group to discuss a proposed pilot scheme to be submitted to Government.
- Along with the Chairman, a meeting of the National Park Management Plan Steering Group.
- Along with the Chairman a meeting of National Parks UK in York where the following were discussed: Finance/HR Matters (including 2017/18 forecast & 2018/19 Budget; Communications & Marketing Manager Post extension); and Growing Income/Charitable Foundation.
- A meeting with the Welcome to Yorkshire Chelsea flower show designer.
- Along with the Chairman, a meeting of Local Government North Yorkshire & York in Scarborough where the following were discussed: Waste Collection and Disposal; Devolution; and York, North Yorkshire and East Riding Local Enterprise Partnership Update.

ISSUES FOR MEMBERS TO NOTE

Funding Bid

Members of the F&R Committee will be aware that – acting on behalf of all the constituent district/city councils and, at very short notice – the Authority submitted a bid in January to the Government's Planning Delivery Grant for £200,000. The bid was to fund joint-working between authorities across the National Park area in 2018/19 to kick start efforts to boost new housing provision and deliver the housing target set out in the Local Plan (one part of the wider 'Attracting Families' initiative). Unfortunately, we heard on 23 February that the bid had not been successful. The district councils and the Authority will now be discussing other options for funding some of the actions that will be needed to deliver the shared objective on housing that is set out in the draft National Park Management Plan.

David Butterworth
Chief Executive

Background documents: None
6 March 2018

YORKSHIRE DALES NATIONAL PARK AUTHORITY **ITEM 15**

Date: **27 March 2018**

Report: **MEMBER FEEDBACK ON PARTNERSHIP REPRESENTATION AND MEMBER CHAMPIONS REPORTS**

Purpose

1. For Members to report back from meetings attended as representatives of the National Park Authority since the last Authority meeting.

RECOMMENDATION

2. That Members consider and note the reports from the Authority's representatives.

Background

3. Members represent the Authority on a wide variety of Partnerships and, in order to keep Members and Officers updated on this representation, formal reports are brought to each full Authority meeting.

4. This provides the opportunity to update members on the work of the various partnerships we are involved, a chance to question member representatives and a means by which we can continually assess the value of these partnerships.

5. Reports from Partnership meetings attended by Members this quarter are included in the **Appendix.**

Julie Payne
Committees Officer

5 March 2018

Appendix

List of Partnership Meetings Jan - Mar 2018

Title	Member	Date	Attended	Report
Destination Dales Group	M/C for Promoting Understanding	08/03/18	Yes	Attached
LGNYY Leaders' Board	Chairman	09/03/18	Yes	See Chairman's report
National Park Management Plan Steering Group	Chairman	23/02/18	Yes	See Chairman's report
Yorkshire Dales Access Forum	N Heseltine & M/C for Recreational Management	30/01/18	Yes	Attached
Yorkshire Dales Green Lanes Advisory Group	M/C for Recreational Management	08/02/18	Yes	Attached
Yorkshire Dales LEADER Local Action Group	M/c for Sustainable Development	06/03/18	Meeting cancelled	Update attached

Member Champion Promoting Understanding –
Destination Dales Group update for National Park Authority – March 2018

Since the update in November 2017 Destination Dales Group has held the Annual Forum for Tourism Businesses.

The forum took place on Thursday 8 March 2018 at Dales Countryside Museum, Hawes. Delegates from 72 businesses from the Dales and Nidderdale booked places. Unfortunately there were approximately 35 non attendances which were thought to be as a result of the unexpected disruptions caused by snow around the county.

The programme "*How to get more … more visitors, more often, more out of season, more for longer"* included a range of excellent speakers from the private sector who shared their experiences with the businesses. The programme was organised to provide a presentation from a larger organisation followed by a smaller business case study to provide a local dimension.

The key speakers were:

Gordon Seabright, Chief Executive, Eden project and Visit Cornwall Board
Ross Calladine, Head of Business Support Visit England

With case studies from:
Dr Susan Miller, Chair Swaledale Festival
Diane Howarth, Cottage in the Dales

And quick business updates from:

Jervaulx Abbey
Church Mouse Cheese

As a result of both afternoon speakers being taken ill at very short notice the Destination Dales Group members Jonathan Smith (where to walk) and Susan Briggs (the Dales Tourism Network) together with Mark Corner (Friends of the Yorkshire Dales) stepped in to deliver presentations to the businesses.

Lunch was provided by the Firebox café at Dales Countryside Museum.

Anecdotal feedback was positive however the feedback questionnaires will be analysed and reported to the Destination Dales Group.

The next Destination Dales Group meeting will take place on 28 March 2018

Judith Donovan

Yorkshire Dales Access Forum

The Annual General Meeting of the Yorkshire Dales Access Forum (YDAF) took place on 30 January 2018.

The first two items saw Peter Charlesworth elected as Chair and Malcolm Petyt as Vice Chair. Membership of the various advisory groups was then decided upon (Access on Foot, Access for All, Bridleways and Restricted Byways, Air Sports, Water Sports, Cave and Crag and Green Lanes).

Heather Proctor, Pennine National Trails Manager, gave a very informative presentation on the work of the Pennine National Trails Partnership which generated some questions and debate.

Malcolm Petyt, YDAF member, presented a paper on waymarking in the National Park. The group discussed the paper at length and a range of opinions on the necessity for, suitability, size and location of way markers was expressed. There was a lack of overall consensus on the proposals in the paper, but there was agreement on:

- extending specially signed and promoted routes from Authority car parks;
- better waymarking close to buildings and in farmsteads where users take great care to avoid going wrong and the right of way can be difficult to find,
- better signage where rights of way are temporarily diverted.

YDAF comments and further consultation will form part of the review of the strategic document – 'Special Qualities, Special Experiences' later in the year.

The growing problem of dogs off leads on farmland and in public places was discussed. Members suggested using the Authority's social media channels to highlight the problem and emphasise all aspects of the Countryside Code.

Nick Cotton
Member Champion for Recreation Management
Jan 2018

Green Lanes Advisory Group

The annual meeting of the Green Lanes Advisory Group was on 8 February. The two main items on the agenda were the five year review of the Green Lanes Management Framework and the initial assessments of key 'green lanes' in the extension area. The review of the Management Framework is now before Authority members for approval. In regard to 'green lanes' in the extension area, two routes were considered to need on-going monitoring and management.

Nick Cotton
Member Champion for Recreation Management
Feb 2018

Yorkshire Dales LEADER Local Action Group

The Leader meeting that was due to be held in Kettlewell Village Hall on March 6th was cancelled due to the 'inclement' weather. The Members of the LAG Executive were asked to remotely assess each project and to comment and approve/disapprove each one.
Six projects were considered by the Exec. Members, all were approved. They included:

4 Farm productivity
1 Recreation & play improvements
1 Farm shop extension

The current general situation with the Yorkshire Dales Leader Programme is:
- Further expressions of interest are now closed;
- The value of the projects that have so far been approved by the Executive Group are:

Farm productivity	£492,160
SME / Farm diversification	£504,782
Tourism	£157,301
Forestry	£76,704
Rural Services	£47,988
TOTAL	**£1,278,935**

- There is a further £3m+ of grant requested in the form of an expression of interest, and who may or may not be working on a Full Application;
- It is likely that there will not be enough funds to support all the Full Applications;
- The RPA are still working on some exchange rate agreements so even the known Leader budget is not definitive.

Chris Clark

Member Champion for Sustainable Development

Members' Induction Course

13-15 March 2018

Attended by Jim Munday and Karin Sedgwick

Report to be tabled at the meeting