

#### 4. OUTTURN 2009/10

REPORT OF: Head of Finance  
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Wards Affected: All  
Key Decision No

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#### Purpose Of Report

1. The purpose of this report is to inform Cabinet of the outturn position for the 2009/10 revenue and capital budget.

#### Summary

2. This year has proved challenging with the slow recovery from the economic downturn still impacting on our income levels, especially for the first half of 2009/10. However, throughout the year, the drive has been to control costs and manage the effect of the recession. Further, as the year progressed, it became increasingly clear that, following the General Election, severe cuts in public spending were likely and that local government finance was likely to be very adversely affected.
3. Mindful of this and the Council's medium term financial plan, officers have aimed to achieve an under spend without affecting service performance. Evidently, if a significant under spend could be achieved it would enable the financing of the severance costs incurred in 2009/10 on a one-off basis rather than the original proposal to pay back to reserves over 5 years.
4. The under spend achieved enables this to happen and gives the Council more flexibility to address the cuts in local government spending that are likely to be announced in the forthcoming budget.
5. The last reported position to Cabinet 8th February, showed savings totalling £1,774,000 had been found to mitigate budget pressures; but since the start of 2010 the position has continued to improve and the result is a net underspend of £224,000 after the inclusion of unbudgeted retirement costs of £143,000, and the transfer of £10,000 to Specific Reserve under delegated authority.
6. The main component of the under spend is the final level of savings to be extracted from the Alternative Leisure Management contract (£103k) followed by further staff savings, increased income and some reduction in service expenditure. It should be emphasised that these represent a range of more minor savings across the 20 business units and many hundreds of cost centres.
7. Interest income earned during the year exceeded the original estimate of £269,000 by £67,000. Of the total interest received for the year, £7,000 has been utilised (refer paragraph 19), leaving a balance of £329,000.
8. The capital outturn position compared with the latest revised capital programme for 2009/10 shows a total underspend of £837,000. An analysis of the total underspend is shown in table 3. The total net expenditure on the Specific Items financed from Specific Reserve and the General Reserve for 2009/10 is set out in Appendix C of this report.

## Recommendations

9. **Cabinet are asked to note the contents of this report.**
10. **To recommend to Council: -**
  - a) **that the balance of interest of £329,000 is transferred to the General Reserve;**
  - b) **that the 2010/11 capital programme be increased by £727,000 being the slippage of some 2009/10 capital projects and Social Housing Budget underspent, as detailed in table 3.**
  - c) **that the revenue underspending in 2009/10 be transferred to Reserves as follows:**
    - i) **£16,000 be transferred to Specific Reserve and earmarked for Concessionary Fares;**
    - ii) **£189,000 relating to the cost of severances / early retirements set out in the Corporate Plan and Budget 2010/11 report be transferred to Specific Reserve to meet committed expenditure as set out in paragraph 15 below**
    - iii) **£19,000 balance to be transferred to General Reserve**

## Background

11. During 2009/10, Cabinet received four full Budget Management reports at its meetings of 6<sup>th</sup> July 2009, 7<sup>th</sup> September, 9<sup>th</sup> November, and 8<sup>th</sup> February 2010. In addition, Cabinet have received five interim update reports at its meetings on 5<sup>th</sup> October 2009, 7<sup>th</sup> December, 11<sup>th</sup> January 2010, 8<sup>th</sup> March, and 13<sup>th</sup> April. The last full Budget Management report in February highlighted a potential underspending of £26,000 less than the revised budget.
12. Since that time, the budget has continued to be managed in order to ensure that financial targets are met without compromising service performance, and Management Team have achieved this objective. There is now an embedded culture of seeking efficiencies which has helped achieve this year's underspend. In addition, Management Team has been keen and been planning since the start of 2010 to minimize the impact of severance /early retirement costs on future years. Therefore, as the opportunity has now arisen, this can be achieved through use of the 2009/10 underspend. One benefit this generates is to protect the level of General Reserve, as no severance or early retirement payments will be required to be met from reserves. In addition, there will be revenue savings from 2010/11 onwards, as no payback to reserves is needed. This is especially welcome in light of the challenges facing the Council in the Medium Term.
13. Individual service budget outturns have been discussed with the appropriate Members and officers. Members should note that full details of service performance outturn for 2009/10 will be reported to the first meeting of Performance & Scrutiny Committee on 23rd June in the usual way.

## Revenue Spending 2009/10

14. The outturn for 2009/10, after meeting the cost of early retirements (£143,000) and transfer to Specific Reserve under delegated authority (£10,000), is £224,000. This is £198,000 less than the forecast position reported to Cabinet on the 8<sup>th</sup> February 2010. The outturn position is summarised in Table 1 below, and an explanation of

the key reasons for outturn budget variations for each service area is further detailed in Appendix A at the end of this report.

**Table 1: Summary Of Revenue Spending Outturn for 2009/10**

	<i>Original budget 2009/10 £'000</i>	<i>Revised Budget* 2009/10 £'000</i>	<b>Outturn 2009/10 £'000</b>	<i>Outturn Variation from Revised Budget £'000</i>	<i>Notes in Appendix A</i>
Building & Asset Maintenance	(313)	(294)	<b>(319)</b>	<b>(25)</b>	1
Cleansing Services	3,130	3,038	<b>2,836</b>	<b>(202)</b>	2
Community Services & Culture	1,711	1,720	<b>1,548</b>	<b>(172)</b>	3
Leisure operations, Events & Entertainments	2,307	2,383	<b>1,867</b>	<b>(516)</b>	4
Facility Management, Streetscene & Landscapes	2,317	2,257	<b>2,113</b>	<b>(144)</b>	5
Parking Services	(1,515)	(1,511)	<b>(859)</b>	<b>652</b>	6
Customer Services and Comms	0	(23)	<b>(29)</b>	<b>(6)</b>	7
Personnel & Payroll	(19)	(8)	<b>(12)</b>	<b>(4)</b>	8
Corporate Organisational Development	40	40	<b>43</b>	<b>3</b>	9
Legal Services	0	2	<b>(1)</b>	<b>(3)</b>	10
Land Charges	(36)	(35)	<b>(28)</b>	<b>7</b>	11
Property	(982)	(967)	<b>(1,051)</b>	<b>(84)</b>	12
Member Support & Partnerships	1,282	1283	<b>1255</b>	<b>(28)</b>	13
Building Control	114	115	<b>256</b>	<b>141</b>	14
Environmental Health	1,063	1066	<b>980</b>	<b>(86)</b>	15
Housing	805	806	<b>787</b>	<b>(19)</b>	16
Finance Accountancy	(29)	(26)	<b>(74)</b>	<b>(48)</b>	17
Finance Corporate	503	502	<b>517</b>	<b>15</b>	18
ICT	(217)	(211)	<b>(131)</b>	<b>80</b>	19
Revenues & Benefits	1,502	1,497	<b>1,342</b>	<b>(155)</b>	20
Development Control	881	880	<b>840</b>	<b>(40)</b>	21
Planning Policy	932	941	<b>786</b>	<b>(155)</b>	22
Better Mid Sussex	116	30	<b>26</b>	<b>(4)</b>	23
Strategic Core	1,716	1675	<b>1,655</b>	<b>(20)</b>	24
Drainage Levies	13	13	<b>13</b>	<b>0</b>	
Balance Unallocated	31	21	<b>0</b>	<b>(21)</b>	25
Interest Payable on Bins	0	73	<b>73</b>	<b>0</b>	26
Benefits	(224)	(224)	<b>(224)</b>	<b>0</b>	27
<b>Council Net Expenditure</b>	<b>15,128</b>	<b>15,043</b>	<b>14,209</b>	<b>(834)</b>	
Efficiency savings – Alternative Leisure management arrangements	(500)	(500)	<b>0</b>	<b>500</b>	28
Balance of Efficiency savings in support services	(42)	0	<b>0</b>	<b>0</b>	
Capital schemes to be financed from revenue	100	55	<b>0</b>	<b>(55)</b>	29
Provision for pay award 08/09 settlement at 2.75% (only 2.45% built in)	45	0	<b>0</b>	<b>0</b>	
Payback to reserves for Alternative Leisure Management procurement	100	100	<b>95</b>	<b>(5)</b>	30
Better Mid Sussex capitalised salaries	(150)	(17)	<b>0</b>	<b>17</b>	31
<b>Total Revenue Spending</b>	<b>14,681</b>	<b>14,681</b>	<b>14,304</b>	<b>(377)</b>	
Less Finance Corporate - Retirement costs Tough Choices			<b>143</b>	<b>143</b>	<b>32</b>
Less transfer to Specific Reserve requests			<b>10</b>	<b>10</b>	<b>Para 16/17</b>
<b>Total</b>			<b>14,457</b>	<b>(224)</b>	

\* includes approved variations including utilisation of Balance Unallocated

## Application of Revenue Underspend in 2009/10

15. As mentioned in paragraph 12 above, the 2009/10 underspend has given the Council the opportunity to minimize the future year impact of severance and retirement costs, which were agreed as part of the budget process for 2010/11. It is proposed to utilise £143,000 of the underspend to meet costs incurred in the year. In addition, it is proposed to transfer the balance of £189,000 to a Specific Reserve to meet the future commitment relating to severances and early retirements to be incurred in the early part of the 2010/11.
16. There are also two requests to transfer unutilised budgets to Specific Reserve. These proposed transfers are detailed in table 2 below:

	£	Notes
Concessionary Fares	16,000	1
Town based Initiatives -Economic Development	10,000	2
Total	<u>26,000</u>	

Notes:

1. To meet any increase in 2010/11, as yet unknown, due to the delay in finalising the position for quarter 4 for 2009/10, and the completion of the final reconciliation, based on actual usage.
  2. To be utilised on Town based initiatives in 2010/11
17. In relation to the Town based initiative request, the Head of Finance, in accordance with the Council's Financial Procedure rule B5, has taken the decision to authorise a carry forward of budget to 2010/11. However, with regard to Concessionary fares Cabinet is requested to recommend to Council the approval of this transfer.
18. After these items are transferred to Specific Reserve, a revenue underspend of £19,000 results. It is proposed that this remaining revenue underspend is transferred to General Reserve.

## Interest

19. Interest receipts for the year are £336,000, £67,000 more than the original estimate. Of the total, £7,000 has been transferred to the Specific Reserve for employee benefits in accordance with existing practice to part pay employees professional qualification subscriptions. The remaining balance of £329,000 can then be transferred to General Reserve.

### *Treasury Management Interest*

20. The Treasury Management annual report for 2009/10 was reported to Council on 21<sup>st</sup> April 2010. This report detailed the Treasury Management interest earnings for the year to be £313,000 at an average interest rate of 1.92%. This compares with budgeted figure of £250,000 at 2%, being £63,000 more than the original estimate. Further detail is set out in the report to Council.

## **Reserves Position 2009/10**

### *Reserves Policy for 2009/10*

21. Reserves and cash balances are amounts held for future revenue or capital expenditure and are held to ensure the Council has sufficient cash resources for any unforeseen demands. For 2009/10, the Reserves Policy for MSDC was to maintain a target of £1.5million in non-earmarked General Reserve, as detailed in the Reserves Strategy outlined in section 5 of the Corporate Plan and Budget Report 2009/10.
22. The original reported reserves and other balances set out in the Corporate Plan and Budget report 2009/10 stated that the overall balances forecast to be held at 1<sup>st</sup> April 2009 would be £10.476m, with the expectation that £8.144m would be held at 31<sup>st</sup> March 2010. The reserves and cash balances position has since been updated as a result of outturn 2008/09, and the budget setting process for 2010/11, to show a revised balance held at 1<sup>st</sup> April 2009 of £11.873m, decreasing to £10.258m at 31<sup>st</sup> March 2010. The outturn position on Revenue reserves is detailed later in this report. However, the transfers recommended in this report totalling £348,000 will provide a welcome injection into reserves.

## **Specific Items**

23. Specific Items are sums, which are the responsibility of individual Heads of Service and identified for specific purposes. Whilst they do not directly influence Council tax levels, their proposed utilisation is included in the Corporate Plan. The balance on the reserve for each Head of Service at the beginning of the year, together with the increases during the year (i.e. Contributions), how amounts have been applied (i.e. Utilised) and explanations for the changes in year are shown in Appendix C. The total of Specific Items financed from the Specific Reserve and the General Reserve was £2,378,000.

## **Capital Spending**

24. Actual capital spending for the year was £2,971,000. This was £837,000 less than the updated 2009/10 programme of £3,808,000 as reported in the budget report for 2010/11. Details of spending for each service area are shown in Appendix D, together with reasons for variations, project by project. A summary of the reasons for these differences is shown in Table 3 below.
25. The majority of the slippage of £386k relates to delays in Major Capital Renewals (£154k), the Bolnore Leisure Site (£50k), improvements to Burners Close playground (£56k), improvements to path network at Beech Hurst Gardens (£29k), the computerisation of Land Charges (£29k) and a range of smaller schemes that have yet to be completed.

<b>Table 3 : Capital Programme - Analysis of variation</b>		
<i>Category</i>	<i>£'000</i>	<i>£'000</i>
		3,808
	2009/10 Revised Budget*	
A	Accounting adjustment for Town Centre Revitalisation scheme programme	(186)
B	Slippage to 2010/11	(386)
C	Projects completed and underspent	(283)
D	Projects overspent	98
E	Social Housing Budget underspent and rolled forward	(341)
F	Unprogrammed projects	261
	Total difference	(837)
	2009/10 Outturn	2,971

\*The Revised Budget is the latest position for the Programme approved by Council on 24<sup>th</sup> February 2010 (£3,603k) + £205k for financing replacement Gym Equipment as reported to Council 22<sup>nd</sup> July 2009.

Category:

- A. Relates to recoding of costs relating to repayment of Cyprus Road agreement that cannot be categorised as capital expenditure. This has a net nil effect on Reserves.
- B. Some projects, in whole or in part, have not been able to be progressed as originally intended. Unspent monies have therefore been rolled forward in order to ensure the completion of the projects.
- C. The final cost of projects was less than the revised budget.
- D. The final cost of projects was more than the revised budget.
- E. Budget, funded from commuted sums ring fenced for affordable housing, was underspent and the balance rolled forward.
- F. Projects that do not form part of the planned Capital Programme.

### **Policy Context**

26. The outturn for 2009/10 shows actual financial performance against the original budget, which was approved within the context of the Financial Strategy. The 2009/10 budget was also compiled in relation to the priorities that were established taking account of the government and Local Government Association priorities and the consultation that was undertaken with the community of Mid Sussex. This policy context was explained in sections 1 and 2 of the Corporate Plan and Budget 2009/10 that was approved by Council on 4<sup>th</sup> March 2009. The Financial Procedure Rules require Heads of Service to assume operational responsibility for the Budget, and to make recommendations so that corrective action is taken, whilst ensuring changes from original budget are reported in a way that makes sure any variations are both clear and transparent.

### **Financial Implications**

27. This report is concerned in its entirety with the outturn financial position for each Service area for 2009/10.

### **Other Material Implications**

28. None.

### **Background Papers**

Revenue Budget 2009/10

Final Accounts Working Papers for 2009/10.

## Summary and explanation of Key Variances set out in Table 1 in main report

Table 1, set out in the body of the main report, shows the full year variance for each Business Unit. Explanation of variances identified to the end of December 2009 has been reported to Cabinet on 8<sup>th</sup> February 2009, or detailed in previous budget management reports received by Cabinet during 2009/10. During the last quarter of the year, further variations have arisen. Explanations for these fourth quarter variances, are detailed in the paragraphs below.

### *Building & Asset Maintenance*

1. The last reported year-end position for Building and Asset Maintenance, anticipated an £18k under spend. However, further minor savings totalling £7k have been achieved in the last quarter, resulting in a final outturn saving of £25k.

### *Cleansing Services*

2. The last reported year-end forecast for Cleansing services detailed a £191k underspend. Since then, a betterment of £11k has been achieved, due to the lower than anticipated cost of additional refuse collections resulting from the bad weather experienced in January.

### *Community Services & Culture*

3. At the end of December 2009, Community Services and Culture was showing a forecast year-end underspend of £101k. In the last quarter, additional savings of £71k were achieved comprising of staff vacancies (£13k), concessionary fares (£21k), Facility and Community grants (£16k) and various minor savings (£21k), therefore resulting in a final outturn saving of £172k.

### *Leisure operations, Events & Entertainments*

4. Members will recall that for Leisure Operations, an additional saving of £60k was reported which was over and above the targeted savings of £500k already built into the budget. By year-end, total savings of £516k have been achieved. When the efficiency saving target of £500k is taken into account, the final outturn saving showing under Leisure operations is £16k.

In addition to the above, further savings were achieved in respect of Insurance (£62k) and supports costs (£25k) which are detailed separately within the notes for Finance Corporate (note 18) and Strategic Core (note 24). Thus, total savings relating to the change in management arrangements for the Leisure centres and Civic Halls amounted to £603k, being £103k over and above the £500k efficiency target for the year.

### *Facility Management, Streetscene & Landscapes*

5. The last reported forecast position for Facilities Management and Streetscene was an anticipated year-end underspend totalling £69k. Since then, further savings of £75k have been achieved, resulting in a revised outturn saving of £144k. The additional savings include £12k for Environmental Initiatives; £28k relating to Public conveniences premises savings; £10k additional staff savings and additional Facilities income of £25k relating mainly to Pavilions.



#### *Parking Services*

6. The last reported year-end forecast unfortunately was an adverse variance of £708k. Since then, there has been an upturn in Off Street Parking income of £56k, reducing the outturn pressure to £652k. In addition to this, WSCC has not a contribution towards the forecast On Street Enforcement deficit as anticipated, leading to a further saving of £50k. This saving is offset by corresponding pressures, including £32k arising from a change in accounting treatment for Enforcement income and an additional £18k for car park resurfacing costs as a result of the bad weather in January.

#### *Customer Services and Communications*

7. At the end of December 2009, Customer Services and Communications was showing a forecast year-end underspend of £11k. In the last quarter, net savings were reduced by £5k. This was mainly as a result of reception office move costs totalling £10k which were only partly mitigated by an additional £5k savings arising from minor variations. The final outturn saving is therefore £6k.

#### *Personnel & Payroll*

8. Personnel & Payroll outturn is in line with the last forecast under spend of £4k.

#### *Corporate Organisational Development*

9. The last reported year-end position for Corporate Organisational Development was an adverse variance of £1k. Since January this has increased by £2k. This was mainly due to the unbudgeted cost of additional emergency planning partnership fees totalling £16k which were required as a result of staff sickness, and which were only partly offset by an additional £14k savings arising from several minor variations. Thus, the outturn position has resulted in a £3k overspend.

#### *Legal Services*

10. At the end of December 2009, Legal Services was showing a forecast year-end underspend of £3k. In the last quarter there has been a slight increase on consultants fees. This pressure has been mitigated by an underspend on the Standards Committee budget, with the outturn position remaining unchanged at £3k.

#### *Land Charges*

11. An adverse variance of £24k was last reported, which had resulted from the introduction of Hips, a depressed property market and competition from private search companies that all had a considerable impact on income. In the last three months of the year this has decreased by £17k as a result of improving fee income, thus resulting in a revised outturn shortfall of £7k. It has also helped that towards the end of this year Government addressed the long overdue increase in the Personal search fee from £11 to £22.

#### *Property*

12. Projected year-end savings totalling £77k were reported at the end of December 2009. In the remainder of 2009/10 there has been a further £7k savings achieved from minor variations, resulting in an overall final saving of £84k for the year.

#### *Member Support & Partnerships*

13. Members Support and Partnerships was showing a forecast year-end underspend of £20k. In the last quarter further savings totalling £8K have been achieved from minor variations, resulting in a revised outturn saving of £28k.

#### *Building Control*

14. A betterment of £6k has been achieved since the last forecast position showed a budget pressure of £147k. This is mainly due to a small upturn in Building Control income, and results in a revised outturn pressure totalling £141k.

#### *Environmental Health*

15. The last reported year-end forecast was a £44k saving. Since then further savings of £42k have been achieved, resulting in an overall final saving of £86k for the year. The additional savings include £22k additional salary savings and £20K additional licencing income.

#### *Housing*

16. At the end of December 2009, Housing was showing a forecast under spend of £31k. Since then there has been a £12k reduction in actual savings achieved, which is made up of minor variations, resulting in a revised outturn saving of £19k.

#### *Finance Accountancy*

17. Year-end savings totalling £43k were reported at the end of December 2009. In the remainder of 2009/10 there has been a further £5k savings achieved from minor variations, resulting in an overall final saving of £48k for the year.

#### *Finance Corporate*

18. The last reported year-end position was an adverse variance of £2k. Since January this has increased by £13k, resulting from several minor variations. Thus, the outturn position has resulted in a £15k overspend. This total variation includes insurance savings totalling £62k, which have resulted from the changes in the management arrangements at the Leisure Centres and Civic Halls, and are referred to in note 4 above.

#### *ICT*

19. At the end of December 2009, ICT was showing a forecast year-end overspend of £25k. This has increased by £55k in the last quarter, primarily due to planned Census capital costs being recoded to revenue and additional audit costs for Census totalling £6k. Thus, the outturn position has resulted in a £80k overspend.

#### *Revenues & Benefits*

20. The last reported year-end forecast for Revenues and Benefits was a £176k saving. There has been a reduction in savings achieved by £21K, resulting in an overall final saving of £155k for the year. The reduction in savings were due to some additional census partnership costs materialising at year end, including audit fees and a requirement to include a provision for bad debt on Summon cost income.

#### *Development Control*

21. Development Control was below target at the end of December with year-end projections anticipating a £9k overspend. Since then a betterment of £49k has been achieved, resulting in a revised outturn saving of £40k. This improvement is mainly due to an upturn in Development Control income of £29K; £11k savings arising from lower than expected Software Maintenance costs as the first years costs of a new software contract were included in the installation package; and further savings totalling £9k that were achieved from minor variations.

#### *Planning Policy*

22. The last reported year-end forecast for Planning Policy was a £134k saving. Since then further savings of £21k have been achieved, resulting overall final saving of £155k for the year. The additional savings include Economic Development Initiative savings totalling £16k of which 10k is to be transferred to a Specific Reserve for planned spending on Town based initiatives in 2010/11. Remaining savings include various minor variations under £10k.

*Better Mid Sussex*

23. Better Mid Sussex was showing a forecast year-end under spend of £1k. In the last quarter this has increased by £3k due to minor variations, resulting in an overall final saving of £4k for the year.

*Strategic Core*

24. The last reported year-end position was an adverse variance of £2k. Since then an additional £25k savings have been achieved in respect of supports costs relating to the change in management arrangements for the Leisure centres and Civic Halls (refer note 4 above), and additional pressures totalling £3k have arisen from minor variations. The resulting overall final saving therefore totals £20k for the year.

*Balance Unallocated*

25. The total remaining in Balance Unallocated has reduced from the last reported position of £26,000 to £21,000, as £5,000 has been utilised on an enhancement to the car parking income management system.

*Interest Payable on Bins*

26. Annual interest payable on the outstanding capital sum borrowed from the Public works Loan Board (PWLB) on 4 March 2008.

*Benefits*

27. The Benefits outturn position for 2009/10 is in line with budget.

*Efficiency savings – Alternative Leisure management arrangements*

28. Budgeted efficiency savings that were achieved as explained in notes 4, 18 and 24 above.

*Capital schemes to be financed from revenue*

29. This relates to £50k not required for small projects in year as well as a £5k underspend on patch and repair expenditure in 2009/10.

*Payback to reserves for Alternative Leisure Management procurement*

30. Actual procurement costs amounted to £95k resulting in a £5k underspend which is no longer needed to payback to Reserves. The corresponding balance remaining in Specific Reserve can be transferred back to General Reserve.

*Better Mid Sussex capitalised salaries*

31. This shortfall of £17k reflects the reduced level of officer time spent on the Better Mid Sussex project in 2009/10, as a result of the holding “parent” company of Thornfield Properties going into administration on 5<sup>th</sup> January 2010. Since January 2010, no further work was undertaken on taking forward the council’s Better Mid Sussex projects pending a decision on the future of the companies by the administrator .

*Retirement costs Tough Choices*

32. Refer paragraphs 12 and 15 of the main body of the report.

<b>Benefits Outturn 2009/10</b>			
(using Academy subsidy claim figures)			
	2009/10 Original Budget	2009/10 Projected Outturn	Variation from Budget
<b>Non HRA rent rebates</b>			
	£	£	£
<i>gross expenditure</i>	89,000	96,659	7,659
net expenditure at standard subsidy	0	0	0
effect of reduced subsidy	4,000	2,453	(1,547)
effect of overpayments	(5,000)	(2,944)	2,056
<b>Total Rent Rebates</b>	<b>(1,000)</b>	<b>(491)</b>	<b>509</b>
<b>Rent Allowances</b>			
	£	£	£
<i>gross expenditure</i>	20,374,000	26,836,615	6,462,615
net expenditure at standard subsidy	0	0	0
effect of reduced subsidy	314,000	548,153	234,153
effect of overpayments	(367,000)	(609,973)	(242,973)
<b>Total Rent Allowances</b>	<b>(53,000)</b>	<b>(61,820)</b>	<b>(8,820)</b>
<b>Council Tax Benefit</b>			
	£	£	£
<i>gross expenditure</i>	5,848,000	7,056,947	1,208,947
net expenditure at standard subsidy	0	0	0
effect of reduced subsidy	0	0	0
effect of overpayments	(85,000)	(96,882)	(11,882)
<b>Total Council Tax Benefit</b>	<b>(85,000)</b>	<b>(96,882)</b>	<b>(11,882)</b>
<b>Discretionary Local Scheme</b>			
Council Tax Benefit	0	0	0
Rent Allowances	76,000	46,667	(29,333)
Subsidy 75%	(57,000)	(35,000)	22,000
<b>Total Discretionary scheme</b>	<b>19,000</b>	<b>11,667</b>	<b>(7,333)</b>
<b>Total Support</b>	<b>(120,000)</b>	<b>(147,526)</b>	<b>(27,526)</b>
Less: LA Error Subsidy	(30,000)	(69,842)	(39,842)
Add : Adjustment to 2008/09 claim	0	(16,624)	(16,624)
Less 07/08 Qualified claim recovery		71,841	71,841
Less: Funding from Benefits Equalisation Reserve	(74,000)	(61,849)	12,151
<b>Cost to MSDC</b>	<b>(224,000)</b>	<b>(224,000)</b>	<b>0</b>
<b>Reasons for variation:</b>			

(1) The budget was based on Academy activity in 2008/09. Volumes of expenditure in cells attracting a reduced subsidy was higher than budgeted.

(2) This is due to a higher volume of Rent Allowance overpayments than budgeted.

(3) This is due to a higher volume of Council Tax benefit overpayments than budgeted.

(4) Volumes of LA error are higher than budgeted. As long as volume does not exceed the lower performance threshold, full LA error subsidy can be claimed. This is a benefits toMSDC as we can also reclaim the overpayment.

(5) This is due to an adjustment between 2008/09 Outturn and the Final Audited Subsidy Claim.

(6) This is due to the late notification of a reclaim of subsidy by Department of Works and Pensions relating to 2007/08 qualified subsidy claim.

(7) An amount had been budgeted to be drawn from the Benefits Equalisation Reserve to bring the final figure back to the original budget. The Benefits Equalisation reserve was set up from the previous years surplus. For 09/10 only £61,849 was needed rather than the budgeted total of £74,000, with the balance remaining in the Benefits Equalisation reserve for future years.

(8) In summary, the net deficit on Benefits for 2009/10 is mainly due to a reclaim of subsidy relating to 2007/08 qualified subsidy claim.

## SPECIFIC ITEMS OUTTURN 2009/10

<b>Specific Items</b>					
<b>Use of Specific Reserve in 2009/10</b>					
Description	Balance at 1/4/09 £'000	Contributions In Year £'000	Utilised in Year £'000	Balance at 31/3/10 £'000	Notes
<b>Member Support &amp; Partnerships</b>					
District Elections	0	40	0	40	1
Civic Dinner	3	0	0	3	2
<b>Development Control</b>					
Planning Delivery Grant	125	0	0	125	3
<b>Planning Policy</b>					
Local Development Framework reserves (studies and EIP costs)	249	50	0	299	4
Town based Initiatives - Economic Development**	0	10	0	10	5
<b>Finance</b>					
Insurance Reserve	79	0	(1)	78	6
Internal Audit on IT	8	0	(8)	0	7
Severance costs –tough choices**	0	189	0	189	8
<b>Revenues &amp; Benefits</b>					
NDR Credits	70	0	0	70	9
Census Pension Deficit	0	7	0	7	10
Benefits Equalisation	168	0	(62)	106	11
Admin Subsidy	0	45	0	45	12
<b>Housing</b>					
Housing Needs Survey	1	0	0	1	13
Repossession and Eviction prevention Fund	0	47	0	47	14
<b>Environmental Health</b>					
Smoke Free Legislation	1	0	0	1	15
<b>Community Services &amp; Culture</b>					
Culture reserve	21	0	0	21	16
Leisure Strategy	9	0	(9)	0	17
Capital Grants	163	0	(30)	133	18
Facility Grants	0	43	0	43	19
Concessionary Fares**	0	16	0	16	20
<b>Leisure Operations</b>					
R & R Reserve Olympos –H Heath Leisure Centre Equipment	49	0	(49)	0	21
Alternative Leisure Management (advice)	5	0	0	5	22
Inca Equipment leased	0	11	(11)	0	23
Dolphin Refurbishment	100	0	0	100	24

## SPECIFIC ITEMS OUTTURN 2009/10 continued

<b>Specific Items</b>					
<b>Use of Specific Reserve in 2009/10</b>					
Description	Balance at 1/4/09 £'000	Contributions In Year £'000	Utilised in Year £'000	Balance at 31/3/10 £'000	Notes
<b>Leisure Operations</b>					
<b>Client</b>					
Planned Maintenance	0	50	(23)	27	25
Outstanding Insurance claims	0	17	0	17	26
<b>Personnel &amp; Payroll</b>					
Car Mileage & Expenses Module	6	0	(6)	0	27
<b>Corporate Organisational Development</b>					
Employee Benefits	0	7	(5)	2	28
Finance Training	3	0	0	3	29
<b>Better Mid Sussex</b>					
Thornfield BMS Contribution	81	50	(2)	129	30
	1,141	582	(206)	1,517	
	1,141	582	(206)	1,517	

\*Figures are subject to roundings to nearest £'000

\*\*Subject to approval by Council as set out in recommendations of this report

## Notes:

1. This reserve represents the annual contribution made from revenue to meet the future costs of District Elections.
2. This reserve was created when the 2007/08 Civic Dinner did not take place until April 08 (2008/09 financial year). It was anticipated that this reserve would have been utilised by now however it has now been decided that this is no longer required therefore this will be returned to general reserve.
3. This reserve shows the remaining balance of Planning Delivery Grant received in 2007/08. This reserve was not required this year as all costs could be met from existing budgets. The balance of this reserve is expected to be used for undertaking additional studies over the next few years.
4. A £50,000 contribution from revenue has been paid into this reserve to pay for future years EIP costs.
5. As set out in recommendations of this report, and further detailed in paragraph 16 and 17 of this report.
6. This reserve has been used to cover consultant costs of undertaking a revaluation of our Fire insurance cover.

## Appendix C

7. This reserve was created from savings in 2008/09 to cover audit work in IT being deferred to 2009/10. This work has now been undertaken therefore the reserve has been fully utilised as planned
8. As set out in recommendations of this report, and further detailed in paragraph 12 and 15 of this report.
9. Earmarked amount of NNDR credits transferred from General Reserve to Specific Reserve as a contingency sum to cover possible future repayments. There had been no changes to this contingency in 2009/10.
10. This reserve has been created from the savings generated in revenue following the reduction in pension contribution rate to 19.4 from 22.6%. This reduction commenced on the 1<sup>st</sup> February 2010 following the creation of the "ghost body", which has an admitted body status in the LGPS pension fund, for all CenSus Revenues & Benefits staff following the TUPE transfer of staff from Horsham and Adur district councils
11. This reserve is available to smooth out any variations year on year, in the Benefits outturn position, reducing the impact on the Council of any possible adverse effects after the final Benefits claim for the year is audited. £62k was required to be utilised in 2009/10.
12. This reserve was created from additional Administration Subsidy grant received in 2009/10 for future caseload pressures occurring in 2010/11 as agreed in the April to December Budget management report which went to Cabinet on the 8<sup>th</sup> February 2010.
13. This reserve was created from commuted sums made available to assist in the delivery of affordable housing. This reserve was not used this year however it will be used on further housing needs surveys in future years.
14. This reserve was created from additional funding from the Department for Communities and Local Government towards a Repossessions Prevention Fund to provide small interest free loans to families to prevent homelessness as agreed in the April to May Budget management report which went to Cabinet on the 6<sup>th</sup> July 2009.
15. This reserve was created from additional grant income received in 2006/07 for the implementation of Smoke Free Legislation. The remaining balance will be spent in 2010/11.
16. The Corporate Cultural reserve is for specific projects which meet the Council's corporate priorities towards the improvement in quality of life through Cultural activities. The reserve has been set up in the event of loss of sponsorship or external funding for projects. There was no call on the reserve during 2009/10.
17. A one off budget was provided in 08/09 for the production of the Leisure Strategy. This work has now been undertaken therefore the reserve has been fully utilised as planned.
18. This reserve was created following approval in the 2008/09 Outturn report which went to Cabinet on the 8<sup>th</sup> June 2009. This reserve represents the Capital grants which were approved by the Cabinet Grants Panel in 2008/09 but not yet paid over. In 2009/10 £30,416 of these have now been paid. The remaining balance will be paid over as and when applicants fulfil all of the grant conditions.
19. This reserve equals the value of Facility grants awarded in 2009/10 by the Cabinet Grants Panel but not yet paid over.
20. As set out in recommendations of this report, and further detailed in paragraph 16 of this report.
21. Following the contract award for the management of the Leisure centres to Freedom/GLL this reserve was no longer required therefore as agreed at Cabinet on the 9<sup>th</sup> November this reserve has been transferred to General Reserve.
22. This reserve was created to cover the procurement costs of the Alternative Leisure management Project. The balance remaining is no longer required therefore it will be returned to General reserve.
23. Final payment made of leasing gym equipment at the Olympos Burgess Hill.
24. This reserve is for the repayment back to reserve for Olympos - H Heath Refurbishment capital scheme therefore following the contract award for the management of the Leisure centres to Freedom/GLL this reserve is no longer required.

## Appendix C

25. This reserve was created following the contract award for the management of the Leisure centres to Freedom/GLL to cover future liability for compensation (under the terms of the contract) from planned maintenance closures.
26. This reserve was created following the contract award for the management of the Leisure centres to Freedom/GLL to cover a few outstanding insurance claims which have not yet been settled by our insurers.
27. A reserve was created in 2008/09 for outstanding work on the Mileage and Expenses Module. This has now been completed therefore the reserve has been fully utilised as planned.
28. The utilisation in 2009/10 is to fund employee benefit proposals including professional qualification subscriptions. The contribution made represents the difference between the average interest rates and the interest rate charged on personal loans being transferred to this reserve as a result of the 2009/10 final accounts exercise
29. This reserve is to meet the cost of professional accountancy qualifications for Finance staff. There has been no call on this reserve in 2009/10 however this reserve will be used in future years
30. The balance of £129,000 relates to the remaining balance of contributions received from Thornfield for Better Mid Sussex sponsorship. The future of this reserve is set out in a separate report on this agenda.

<b>Use of General Reserve in 2009/10</b>					
Description	Balance at 1/4/09 £'000	Contributions In Year £'000	Utilised in Year £'000	Balance at 31/3/10 £'000	Notes
Redundancy		128			1
LABGI 09/10		64	(20)		2
Housing & Planning Delivery Grant		146			3
Olympos–B H Spinning Bikes		4			4
Olympos–H H Easy Line Equip		4			4
R & R Reserve Olympos –H Heath		49			5
Reduction in provision for Cyprus Road		162	(302)		6
Payback for Alternative Leisure Mgt		95			7
Inca equipment Lease rentals			(11)		8
Historic Building Loans		4	(4)		9
Interest		336	(7)		10
Thornfield provision no longer required		200			11
Payment to GR to finance EDRMS		62			12
Retrospective VAT claim		1,128			13
Transfer to Specific Reserves			(564)		14
Capital Financing			(1,045)		15
Other			(219)		
		<u>2,382</u>	<u>(2,172)</u>		

### Notes:

1. Payback to Reserves from revenue budget following savings made from redundancies in previous years. Also includes redundancy costs incurred in 2008/09 and previous years.
2. Relates to grant determination for 2009/10 totalling £64,000 and the utilisation of £20,000 for the Car Parking Strategy (as approved by Cabinet 9<sup>th</sup> November 2009)



## Appendix C

3. Relates to grant determination for 2009/10 totalling £146,425
4. Final payback to reserve in relation to 2006/07 capital project.
5. Refer note 21 (Specific reserve) above
6. Provision of £162k no longer required following repayment of the license fee for Cyprus Road Car Park in September 2009. The utilised amount shown here, represents the actual cost incurred of £302k for accrued interest (£219k) and fees (£83k). The balance of the Cyprus Road licence agreement repayment (i.e. £740k) formed part of the capital expenditure in 2009/10 (refer Appendix D note 7) and was financed from General Reserve as part of the capital financing total (refer note 15)
7. Refer note 22 (Specific reserve) above
8. Cost of leasing gym equipment at Olympos - Burgess Hill (see note 23 – specific reserve table).
9. Relates to transfer to/from General Reserve relating to repayment of Historic building loans.
10. Total interest received in 2009/10 of £336,000, less £7,000 for financing employee benefits ( see note 28 specific reserve).
11. Provision for legal costs no longer required following the termination of the Framework agreement.
12. Contribution from revenue for approved capital project
13. This represents the windfall income relating to retrospective VAT claims reported to Cabinet during 2009/10
14. These mainly relate to planned revenue contributions to General Reserve, and then earmarked in specific reserve, as well as application of the 09/10 revenue underspend as set out in recommendations of this report,
15. Being the amount utilised to finance the capital programme.

## CAPITAL PROGRAMME OUTTURN 2009/10

Capital Programme Outturn 2009/10						
Description	Original 2009/10 Budget £'000	Revised 2009/10 Budget £'000	Outturn 2009/10 £'000	Variation on Revised Budget £'000	Category	Notes
<b>Housing, Env Health &amp; Building Control</b>						
Choice Based Lettings	23	23	19	(4)	C	
<b>Economic Promotion and Planning</b>						
Unallocated PDG funding (08/09)	0	6	0	(6)	B	
Purchase of Local View Software (08/09)	0	6	4	(2)	B	
Upgrade to DC Public Access	16	16	12	(4)	B	
<b>Leisure &amp; Sustainability</b>						
Hollands Way Playground (08/09)	0	8	8	0		
Sidney West Site (08/09)	0	17	(4)	(21)	C	1
Mobile Working Solution (08/09)	0	3	4	1	D	
Replacement of Parking Machines (EG)	0	1	1	0		
Ashplatts Wood Adventure Playground	50	50	50	0		
Informal youth facility – Lingfield Rd Rec Gnd (EG) (08/09)	0	29	0	(29)	B	2
Bolnore Woodland S106	0	23	14	(9)	F	
Imps to Victoria Park Skatepark	32	32	22	(10)	B	3
Imps to HH Rec Ground Playground	75	75	66	(9)	B	
Bolnore Leisure Site	50	50	0	(50)	B	4
Imps to Burners Close Playground	56	56	0	(56)	B	5
Imps to Denham Road Playground	15	15	15	0		
Further Path & Access Works Green Crescent	30	30	8	(22)	B	6
Imps to path network at Beech Hurst Gdns	13	13	13	0		
<b>Finance (and CenSus Services)</b>						
Town Centre Revitalisation	1,050	1,059	873	(186)	B	7
EDRMS (Census Revs and Bens)	0	63	62	(1)	C	
PC Replacement	25	25	22	(3)	C	
Census ICT strategy	175	175	22	(153)	B/C	8
<b>Legal, Property and Land Charges</b>						
Computerisation of Land Charges (08//09)	0	42	13	(29)	B	9
Replacement of Corporate Geographical information system (GIS)	0	8	0	(8)	C	
<b>Organisational Development</b>						
Sussex e-recruitment portal (08/09)	0	5	0	(5)	C	
Oaklands Office Accommodation phase 2	0	66	11	(55)	C	10

## CAPITAL PROGRAMME OUTTURN 2009/10 continued

Capital Programme Outturn 2009/10						
Description	Original 2009/10 Budget £'000	Revised 2009/10 Budget £'000	Outturn 2009/10 £'000	Variation on Revised Budget £'000	Category	Notes
<b>Major Capital Renewals (MCR)</b>						
Car park Ticket Machines (HH&BH)	0	41	39	(2)	C	
Olympos EG	17	6	0	(6)	C	
Olympos BH	192	153	158	5	D	
Oaklands Campus –roof works & Boilers	30	62	20	(42)	B	11
Streams & Watercourses Culvert						
Hurstpierpoint	30	36	0	(36)	B	12
Moat pond East Grinstead (08/09)	0	6	5	(1)	C	
Olympos HH	120	82	35	(47)	B	13
Whitemans Green Pavilion	38	38	9	(29)	B	14
Car Park Resurfacing	35	35	35	0		
East Court Pavilion East Grinstead	0	28	0	(28)	C	15
Clair Hall	8	0	0	0		
Martlets Hall	8	0	0	0		
Beech Hurst Yard	15	0	0	0		
Triangle flumes & Refurbishment	0	0	(2)	(2)	C	
Energy Efficiency	30	0	0	0		
<b>Housing</b>						
Disabled Facility Grants (DFG)	650	650	742	92	D	16
Affordable Housing	500	570	229	(341)	E	17
<b>Non Programmed Capital</b>						
Skate Park Haven Field, Crawley Down	0	0	1	1	F	
Previous years approved Capital grants	0	0	51	51	F	18
Speed indicating Device WSCC	0	0	6	6	F	
St Wilfrids Church Clock repairs HHTC	0	0	(1)	(1)	F	
Boiler Replacement Age Concern BH	0	0	7	7	F	
Imps to handcross Rec PCs Slaugham PC	0	0	5	5	F	
Works to junction/hurst roundabout WSCC	0	0	40	40	F	19
Bus shelter Pilgrim Gardens junction HHTC	0	0	4	4	F	
Speed Activating Signs Copthorne Village	0	0	18	18	F	20
Cuckfield Village Highway projects WSCC	0	0	53	53	F	21
Hemsleys Nursery Community bus	0	0	5	5	F	
Haywards Heath Football Club Pitch	0	0	20	20	F	22
Drainage						
Worth Parish Council – Play Equipment			26	26		23
Replacement Gym Equipment at Leisure Centres		205	205	0		
Warm Front Top Up Grants	0	0	26	26	F	24
	3,283	3,808	2,971	(837)		

### Notes:

1. Scheme completed and underspent.
2. Works delayed due to agreement being reached on master plan for whole site. Works to be undertaken in 2010/11.
3. Works delayed as requirement to seek planning permission before installing floodlights. Works to be completed in 2010/11 subject to planning permission.
4. Works not undertaken due to delays in the developer transferring the land and wider community facilities have delayed the work to 2010/11.
5. Contract for works has now been signed so works should be completed by early Summer 2010.
6. This scheme was on track to complete in 2009/10 but was a casualty of the harsh winter conditions we experienced therefore works will now be completed by end of June 2010.
7. This variation has arisen due to the accounting treatment relating to the interest and fees element of the repayment of the Cyprus Rd transaction and a £17k reduction in the total value of salaries which could be capitalised this year.
8. As previously identified in the regular 2009/10 budget management reports to Cabinet works have been delayed in part due to the uncertainty around the Adur/Worthing partnership and also technical problems which have needed to be resolved. Of the total (£153k) variation £6k needs to be slipped into 2010/11, £100k is now no longer required and the balance of £47k is a saving as the costs have now been recoded to revenue.
9. This scheme has been a complex project that has taken longer to undertake, primarily due to the huge amount of data that has needed to be captured. The project team has now commenced the final stage of data capture. This is expected to be completed in July 2010.
10. There will be no more spend on this project following Thornfield Properties going into administration. Any future options will come forward as a new scheme as part of the budget management process.
11. Essential roof works were delayed whilst a temporary repair was undertaken however this was not successful so major roof works need to be undertaken. These will now take place in July/August 2010.
12. Scheme has been delayed due to the complexities of the project. This is now planned to commence during the school holidays this summer.
13. Teaching pool works originally planned for 2009/10 were actually carried out in April 2010 in order to minimise the impact on customers.
14. Delays occurred on this scheme as a review of the work that was required was undertaken which meant the ideal time slot was missed last summer therefore these essential roof works are now due to be completed in July/August 2010.
15. This scheme is no longer required as minor patch repairs have been undertaken instead.
16. This variation is wholly due to a provision being made for all awarded grants where work has been completed but grant not paid as at 31<sup>st</sup> March 2010.
17. Of this remaining balance £169k has been committed for various sites with the balance for schemes as yet to be determined.

## Appendix D

18. This represents the cost of capital grants paid in 2009/10 which were originally approved in 2008/09 and earlier years. Funding for these grants are met from a specific reserve for this purpose and S106s.
- 19 S106 monies paid over as agreed under delegated authority by Cabinet member for Planning & Environment July 2009
- 20 S106 monies paid over as agreed under delegated authority by Cabinet member for Planning & Environment September 2009.
- 21 S106 monies paid over as agreed under delegated authority by Cabinet member for Planning & Environment November 2009.
- 22 S106 monies was given to Haywards Heath football club for pitch drainage works as approved by the Cabinet Grants panel 11th February 2009
- 23 S106 monies was given to Worth parish council for new play equipment at Copthorne Bank playspace as approved by Cabinet Grants panel 6th October 2009.
- 24 This is a memorandum item to record expenditure incurred on our behalf by Arun District Council under the West Sussex Partnership. Additional funding totalling £26,483 for warmfront top up grants, which provides the full package of energy efficiency measures to vulnerable households to tackle fuel poverty and reduce carbon emissions. This expenditure is funded by a grant from the South East Regional Housing Board, which was received by Arun District Council for the whole West Sussex Partnership. Our accounts have also recorded the matched funding for this expenditure

## 5. BLUEBELL RAILWAY

REPORT OF: HEAD OF LEISURE & SUSTAINABILITY  
Contact Officer Simon Hardy  
Email: [simonh@midsussex.gov.uk](mailto:simonh@midsussex.gov.uk) Tel: 01444 477454  
Wards Affected: All  
Key Decision No

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### Purpose Of Report

1. The purpose of this report is to present a request from the Bluebell Railway (BR) for a contribution towards the costs of the last phase of their work to the northern extension (NEP) of the Bluebell railway line.

### Summary

2. The Bluebell Railway is nearing completion of its northern extension line, which will provide a mainline station link to the historic railway.
3. The Council has been requested to provide a grant to 'kickstart' the final fundraising target of approximately £3m to finish clearing the 1,000 yards through the cutting at the Imberhorne Tip site.
4. There are some significant benefits to the areas not only from this additional kudos to this district from this heritage site but also factors such as increased tourism for the town of East Grinstead and also the potential to reduce carbon emissions from the many visitors to the railway by diverting them from cars to the railway mainline.
5. The applicants have identified a target of £500,000 from local and county Councils however recognise the current financial pressures, which are faced by this Council.
6. Officers have considered a number of funding streams including Facilities Grants, Sustainable transport S106 contributions. However much of these are not for purpose, oversubscribed or create extreme pressure.
7. In the circumstances, officers have identified that any agreed contribution could be made from the LAGBI allocations within the Council's General Reserve.

### Recommendations

#### 8. ***Cabinet are requested to***

- (a) ***agree a contribution of £50,000 to the Bluebell Railway towards the cost of clearing the final length of the northern extension to the Bluebell railway. Such contribution to be paid subject to the applicant evidencing that two thirds of the target has been reached and;***
  - (b) ***recommend to Full Council, the release £50,000 from the General reserve to fund the contribution***
-

## **Background**

1. The ambitious project to link the northern end of the railway has been continuing for three decades and will eventually provide an unimpeded rail journey from East Grinstead and Sheffield Park and therefore a direct access to a mainline station serving London and the South-East.
2. There has been a considerable amount of clearance and renovation work from the existing terminus at Kingscote towards East Grinstead. However the organisation has been faced with a challenge of clearing the cutting to the south west of East Grinstead which has been used as a landfill site in the 1970's in the days of the former East Grinstead UDC, the collection and disposal authority at the time.
3. The clearance of the cutting will involve the removal of this waste to a landfill site in Buckinghamshire and will involve the use of the railway to achieve this.
4. The overall cost of the project is some £3m, being £2.7m for the clearance of the cutting and a further £300,000 for the provision of new platform facilities, a few metres to the south of the East Grinstead railway station, which is due to be completed this summer.
5. The project was now time critical due to conditions relating to the Viaduct, which will revert back to Network Rail's ownership in five years if the project does not come to fruition and also there is the issue of expiry of the Planning Permission.
6. In addition, the waiver on taxes relating to Imberhorne Tip is also due to expire in the near future. As a result the funding needs to be obtained with the next twelve months and the project completed by the end of 2012. This timescale is achievable as all the land needed for the project is in the ownership of applicant.

## **Benefits to the Area**

7. The Bluebell Railway is recognised as a heritage project of national importance, and has already received Heritage lottery funding for aspects of their ambitious plans, to be associated with such a project would provide a visible enhancement of the Council's reputation and meet a number of objectives within the Council corporate priorities as well as individual strategies and the East Grinstead master plan.
8. The linking of the NEP to a mainline station has a number of tangible benefits in terms of tourism and sustainability.

## **Carbon emissions reduction**

9. The railway current attracts overall 156,000 visitor by car per annum and BR have surveyed visitors on options for travel in the future. It transpires that approximately 20% of the existing client base would travel by rail via new rail link at East Grinstead, as they visit from the north via the A22 / M23/A23 corridor. It is therefore expected that on the strength of the survey sample the NEP will prevent 21,000 discreet car journeys on either the A22 or A23, which will reduce carbon emissions in the district by approximately 10,500 tonnes.
10. In the longer term, the opening of the line may provide further links to the mainline utilising existing branch lines, which are broadly intact.

## **Tourism**

11. The link to the main line East Grinstead to London Victoria will provide the opportunity to not only increase numbers of visitors to the BR due to more ease of travel (i.e. limited market of people with cars and avoidance of traffic) but also it provide an increase in the potential visitor footfall into the town of East Grinstead.
12. Where in the past those who have travelled by car would bypass the Centre of the town via the A22 or A23, the point of arrival will be within a very short walk of the town centre. It therefore would be possible through marketing at the point of arrival in East Grinstead to enhance the visitor experience both from a retail hospitality and heritage offer. BR has undertaken an investment appraisal, which indicates that this footfall could be at least 78,000 visitors per annum.

## **The Request**

13. BR have identified that there is a high cost for the removal of the tip spoil from the cutting and if no significant external funding is forthcoming then the completion of the project will be significantly delayed.
14. BR have presented a case which not only identifies tangible benefits to tourism, and the environment, social advantages from their operations i.e. volunteering but also includes a calculation of gross business benefit to East Grinstead of some £22m over a 40 year period.
15. Whilst BR are exploring other funding options including SEEDA, they have identified a target of £500,000 from the County and District Councils – although a figure of £250,000 would enable BR to indicate substantial commitment to approach other funders. In addition BR are confident that they could raise £1m through their own membership.

## **Conclusion**

16. The Bluebell Railway is probably one of the most ambitious 'private' civil engineering projects, which have taken place since the inception of Mid Sussex – and a significant amount of work in the past 20 years has brought tourists and external investment into the district.
17. The NEP brings a real economic opportunity for East Grinstead and potentially other areas of the district in future times. To be associated with this project will in the longer term enhance the Council's reputation albeit somewhat 'tinged' by the current economic climate.
18. The level of investment on both the last 1000 yards of the tip site and the viaduct of £150,000 is a very small percentage of the total overall cost of this major cultural attraction that runs like a spine along the length of the district however the benefits can be proven as significant both in the shorter and longer term.
19. This is a considerable sum of money to find particularly in the current economic climate both nationally and locally.
20. To quantify the level of support the Council should consider is not an easy task – there is no precedent of past awards and the considerable cost of the project does not lend itself to applying standard grants percentage precedent.



21. The level of grant is therefore more around what the Council can afford and justify rather than based on precedent.
22. The funding sources which have been considered are as follows:
  - Business Development – LABGI Grant
  - Culture & Heritage – Facility Grants
  - Sustainability – Sustainable Transport (S106)
  - Environment - Town Centre revitalisation (Better Mid Sussex fund)
23. Clearly there are differing pressures and calls on these funding sources, particularly the Facility Grants and the Better Mid Sussex fund. Advice has been received to indicate there may also be an issue given the unusual nature of the justification to apply Sustainable Transport S106 contributions.
24. In this regard the only real possibility would be to source any contribution from the LABGI allocation, which is currently held in the general reserve. It is therefore proposed that a sum of £50,000 is pledged to this project, to be paid subject to the applicants demonstrating that they have achieved two thirds of their target for the project – namely £2m.

### **Policy Context**

25. The project contributes to a number of Council priorities particularly improvement in the quality of life, reduction in carbon emissions and economic vitality within the East Grinstead Town Centre.
26. The Council is not obliged to provide grant funding, but by virtue of S.2 of the Local Government Act 2000, it is able to do anything which it considers is likely to achieve the promotion of the economic, social or environmental well being of its area. This includes the incurring of expenditure, giving financial assistance to any person (or organisation) and entering into arrangements or agreements with any person.

### **Financial Implications**

27. The contribution can be made without significantly affecting the un-earmarked general reserve which has been increased by Local Authority Business Growth Incentives (LABGI) grant in 2009/10 and previous years.

### **Background documents**

Leisure & Sustainability Service file – Bluebell Railway

## 6. BETTER MID SUSSEX PROJECT

REPORT OF: Tim Barkley Better Mid Sussex Planning Leader  
Email: [Timb@midsussex.gov.uk](mailto:Timb@midsussex.gov.uk) Tel: 01444 477336  
Wards Affected: All  
Key Decision Yes

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### Purpose of Report

1. The purpose of this report is to propose the steps to be taken to implement the Corporate Plan for the Better Mid Sussex (BMS) project. The focus of this paper is on the town centre revitalisation elements of the BMS project.

### Summary

2. This report sets out proposals to take forward the BMS project, including new governance arrangements and steps to determine outstanding BMS fund applications, together with a proposal for the use of any outstanding BMS funds.

### Recommendations

#### 3. Cabinet is recommended to:-

- 3.1 Agree that the outstanding BMS fund applications be determined by a special meeting of the Cabinet Grants Panel with decisions based on the criteria adopted for the BMS Fund;
- 3.2 Agree that the BMS fund is closed;
- 3.3 Agree any remaining funds in the BMS contribution account is applied to a new specific reserve to support economic and business related activity in the district, within the criteria set out in this report;
- 3.4 Agree that member engagement to discuss the next steps for the project is undertaken via workshop(s), followed by engagement with key partners;
- 3.5 Agree that Cabinet request Council to form a politically balanced group of 12 Members for the Council year 2010-2011, which will meet in public, to oversee the town centre revitalisation project, and advise Cabinet as appropriate. The objectives of the group would be to progress the master plan for each town centre including seeking to achieve the following outcomes:-
  - the development of strong and successful town centres
  - the development of new retail and commercial floor space, including residential development, where this is possible;
  - where relevant, in the particular town centre, the provision of new / replacement / refurbished community buildings and improved public realm,
  - The enhancement of the accessibility of each centre, including car parking and public transport,
  - The improvement to the environment in each town centre;
- 3.6 To agree the Council does not pursue a Framework Agreement with a new development partner;

- 3.7 To confirm the Council should work with a range of interested parties to progress the project; and
  - 3.8 To note EU procurement rules will apply where the proposed revitalisation scheme involves the provision of public assets.
- 

## **Background**

4. The Council's policy framework for its town centres is set out in the Corporate Plan and in the adopted Master Plans for each town centre. Progress on the town centre schemes and the Haywards Heath station scheme stopped in January 2010 as a result of our development partner's holding company being placed in administration. Since that event the private sector has expressed interest in aspects of our schemes but most of this is based on a piecemeal approach, which is unlikely to deliver sufficient revitalisation of the town centres.
5. Officers have started to work on the new brief for the area at and around Burgess Hill station, due to be reported to the Member Property Working Group later this year but this might be overtaken by events as Network Rail have confirmed their interest to prepare a scheme for the site and surroundings in partnership with the Council. A further meeting with Network Rail is planned for mid June.
6. The Council has resolved to terminate the Framework Agreement and this is now being progressed with the administrators and meeting was held with them on 17<sup>th</sup> May. Although the East Grinstead Development Agreement remains in place, the indications from the administrators are that they are considering whether to dissolve all the Thornfield Mid Sussex companies. One of the effects of this would be the termination of the agreement.
7. Town Centre revitalisation has been identified as a strategic risk for 2010/11 with the risk described as "Inability to get agreement on way forward to revitalise the town centres". Action needs to be taken over the next few months to address this risk and this report suggests the steps to be taken to address the strategic risk.
8. There had always been some private sector interest throughout the period of our partnership with Thornfield; however the Framework Agreement prevented the Council from pursuing most of these. Since the start of the year, interest has increased and importantly, this includes some key existing town centre stakeholders who already hold significant investments in our town centres. In addition, the interest from Network Rail is a boost to achieving improvements to our key railway stations.

### **What does the Corporate Plan 2010/11 say?**

9. The adopted Corporate Plan for 2010/11 sets out a town centre revitalisation work plan based on the continuation of the schemes we had been working on with our development partner and these are listed below:-
  - a) Haywards Heath town centre concept scheme;
  - b) Haywards Heath station quarter;
  - c) East Grinstead town centre scheme;
  - d) Landowner brief Burgess Hill station area;
  - e) Burgess Hill town centre scheme.

These schemes cannot now be delivered in the way envisaged by the Corporate Plan and consideration needs to be given on how to take the project forward.

### **How do we deliver the objective of revitalisation / Council Policy?**

10. The termination of the Framework Agreement provides the opportunity for the Council to strategically assess how to achieve its objective. It is important to involve all Members in this assessment and this is one of the reasons why a workshop(s) is proposed as a first step. Town centre revitalisation is an objective that is now embedded in a number of Council strategies / policy documents. It was the vehicle to ensure the delivery of significant public benefit which supported other Council objectives such as new / replacement public toilets, replacement community buildings, improved town centre car parking, within a mixed use approach to encourage residential units and new public spaces.
11. The approaches made to the Council over the last few months confirms there is some interest of the private sector and has highlighted the need for the Council to be clear on how it now wishes to proceed to implement the project. Without an agreed way to take the project forward, the opportunities to maximise the benefits for our communities and deliver on key parts of Council policy will be lost. At present, the private sector interest presents an ad-hoc or piecemeal development approach to our town centres.
12. To secure the objective of revitalisation, and the implementation of other Council policies / strategies, there are a number of options that the Council could consider. The key ones are set out below: -
  - a) To let the private sector negotiate with the Council as Local Planning Authority to bring forward individual schemes; [the piecemeal approach]. Historically, this planning based approach has not proved very successful. Most major previous town centre improvements have been a result of action by the Council. The private sector is usually unwilling to invest in projects without a contractual commitment from the Council.
  - b) The Council confirms key requirements in each town centre and procures, where legally required, a specific developer for an individual scheme; [new briefs prepared, competition between interested developers via a procurement process responding to a specific individual brief]. The Council has built up experience during the period of the partnership with Thornfield Properties and is now in a stronger position to prepare specific briefs and take this process forward.
  - c) The Council works in partnership with existing stakeholders, such as Network Rail, to bring forward schemes; [This is the preferred approach for Network Rail]. This is a possibility with some schemes, or elements of them, where EU procurement rules do not apply.
  - d) A single, new framework agreement covering all three town centres is not considered an appropriate way forward to take the project forward.
  - e) The Council leads on the delivery and funding of the community assets it wishes to have included in its town centre schemes – for example the replacement of Martlets Hall, new public toilets or additional town centre car parking. [Substantial funding would have to be found for this approach]
13. The opportunity to work with new parties, specific to each town, will allow the Council to revisit its own landowner requirements. In addition, working with new parties will

give the Council the chance to revisit income and community opportunities with developers.

14. It is considered the best way forward for the project is to work with a wider range of partners / developers. This should offer the best local approach to revitalisation in each of our town centres. It would provide the opportunity to demonstrate best value is being achieved, as a competitive process would be one of the outcomes.

### **Better Mid Sussex Fund**

15. As part of the partnership agreement with Thornfield, the Better Mid Sussex Fund was created to support community projects and initiatives within the district, and improve the physical environment. Thornfield provided all of the funding.

The fund was designed to fully fund a wide range of modest community projects, including by way of example:-

- Projects concerning works and improvements to buildings or facilities which benefit the community. This may be, for example, the adaption of a community hall to improve accessibility.
  - Projects that relate to community support initiatives including, for example, the staging of a community led event or an activity to bring the community together.
16. Decisions to make an award were taken by the Better Mid Sussex Board. This body no longer exists and a way forward to determine the outstanding applications needs to be found. The suggestion is that a special meeting of the Cabinet Grants Panel is held to consider and determine the outstanding applications. On completion of this process there will be some remaining funds in the specific reserve. The proposal is to utilise the remaining funds to support economic and business related activity in the district, including supporting Town Days and similar events. The suggested criteria is to make awards to initiatives / events which support the Council's economic strategy with decisions being taken by the Portfolio Holder and reported to Members via the member information service. This fund will decline overtime as it is not expected the Council will receive funding from the private sector in the future.

### **Financial Implications**

17. The project remains crosscutting and can be accommodated within the BMS structure the Council has already established and these costs are included in the budget for 2010/11. However the BMS costs are currently capitalised and this approach needs to be changed. This issue will be covered in the budget management report to Cabinet in July. Should new schemes come forward which involve the Council as a partner there would an improvement to the financial appraisal, as the schemes would not be burdened with the master planning costs associated with our previous partnership schemes.

### **Governance**

18. The opportunity arises for the governance arrangements of the project to be enhanced, particularly around member involvement and engagement. The suggestion is that Cabinet request Council to form a politically balanced group of 12 Members, which will meet in public, to oversee the town centre revitalisation Project and advise Cabinet / the Portfolio Holder as appropriate. It is envisaged that three

members should come from the three towns, 2 from the larger villages and one rural member. The group itself will elect the chairman and vice-chairman but there will be no additional allowances paid.

19. There are alternative governance arrangements for the project, including those listed below but each of them potentially lacks the strategic lead required when pursuing substantial inward investment, together with the delivery of key new / replacement community facilities: -
- Rely on our planning function to deliver revitalisation by implementation of the master plans by employing development management principles;
  - Rely on our Property Team to promote the town centre schemes, including replacement / new community facilities as part of their asset management role, reporting to Cabinet via the Member Property Working Group;
  - Place our town centre work within our economic development work plan as part of our wider strategy to achieve significant inward investment and support for our existing business community.
20. Engagement with Members and key partners has always been an important aspect of the project and the current status of the project provides an excellent opportunity to make improvements in this area. To help develop thinking on the future content of Council led schemes and discussions have been held with the Portfolio Holder about convening a Member workshop[s]. Similar events with business and local councils in each town would provide opportunities to reflect on the requirements of schemes and seek to develop consensus on a way forward for the project in each town centre overseen by the Advisory Group. It is anticipated these events will take place over the next few months with the aim of securing agreement on the next steps for the project.

### **Other material Implications**

21. The Council has put a significant effort into revitalising its town centres and the recession has clearly impacted on all of our schemes to date. The opportunity now arises to take forward schemes with new partners that should have a good chance of being implemented. Whilst the Council's ambitions should not be diminished, it is clear there is a need to be more sensitive to what is achievable working with private sector partners. The Council's reputation and its relationship with its residents and business communities is very important and the risk of not proceeding with the project might result in an undermining of both.

### **Background Papers**

None

## 7. MEMORANDUM OF AGREEMENT FOR PARTNERSHIP WORKING AND SUPPORT TO HIGH WEALD AREA OF OUTSTANDING NATURAL BEAUTY

REPORT OF: Claire Tester, Head of Economic Promotion and Planning  
Contact Alma Howell, Senior Planning Officer, Planning Policy  
Email: [AlmaH@midsussex.gov.uk](mailto:AlmaH@midsussex.gov.uk) Tel: 01444 477385  
Wards Affected: Ansty and Staplefield, Ardingly, Ashurst Wood, Balcombe, Bolney, Cuckfield, East Grinstead, Horsted Keynes, Lindfield Rural, Slaugham, Turners Hill, West Hoathly, Worth.  
Key Decision No

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### Purpose of Report

1. This report explains the purposes of the High Weald AONB Memorandum of Agreement (MoA). It seeks Cabinet approval for the Head of Legal Services to sign the document.

### Summary

2. The MoA has been prepared by Natural England. It is an agreement for partnership working between Natural England, the local authorities which cover the High Weald AONB, and the High Weald AONB Unit. It sets out a shared vision for commitment to AONB management and provides a framework for the delivery of duties and obligations arising from the Countryside and Rights of Way (CROW) Act 2000. A key duty of this Act is the publishing, reviewing and monitoring of AONB Management Plans.
3. The previous agreement, a six year Memorandum of Understanding (MoU), expired in April 2008. The partnership has been working on the basis of an annual informal extension since that date awaiting a national agreement and a long term financial settlement from Natural England. The new MoA is for a 3 year funding agreement recently agreed at a national level, with wording amended to reflect the local arrangements. It covers the period from 2008 - 2011.
4. The signing of the document gives a commitment to maintain current levels of funding for the period until March 2011. This Council's contribution to the High Weald AONB is split between Leisure and Sustainability and Planning Policy budgets.

### Recommendation

- 5.0 **Cabinet is requested to note the contents of this report and give agreement for the Head of Legal Services to sign the Memorandum of Agreement.**
- 

### Background

6. The High Weald AONB covers over 49% of the District of Mid Sussex. It is an outstanding landscape of dispersed settlement; ancient routeways; ancient woods, gills and shaws and small irregularly shaped fields. These are all draped over a deeply incised and ridged landform of clays and sandstones. The Council is a member of the High Weald AONB Joint Advisory Committee (JAC), an advisory body comprising the 15 local authorities which cover the area. Cllr Chris Hersey is the Council's representative on the JAC. He is also a member of the High Weald Management Board, which is a small executive committee. The High Weald AONB

Unit, a team of officers, provides advice and guidance to the JAC for the care of the area.

7. The Council signed a six year High Weald Memorandum of Understanding (MoU) in March 2002 which has given a commitment of our support to the management of the High Weald over the last few years. This expired in March 2008 and since that time, the partnership has been operating on an annual informal extension on the understanding that there was to be a new three year fixed financial grant from Natural England, known as a new 'single pot.' During this time Natural England has also been working with the National Association of AONB's on a national framework agreement for use by all AONB authorities.
8. In January of this year, Cabinet Member approval was given to sign a new Memorandum of Understanding to cover the period up to March 2011. Subsequent to this, Natural England then decided, based on its work with the National Associations of AONB's, that it wished for a national agreement across all AONB's and issued a Memorandum of Agreement that has new financial and legal implications for the Council.

### **High Weald AONB Memorandum of Agreement**

9. The proposed MoA is attached as Appendix A. It is a three year funding agreement based on the model recently agreed at national level with wording amended to reflect the local arrangements at the High Weald and covers the period from 2008 – 2011. The purpose of this particular Agreement, with its time period covering up to March 2011, is to establish a number of new principles and to set all AONB Agreement partnerships in England on the same time frame. The Council will be asked to sign a new Agreement, on the same basis early next year, which will cover the 3 year period from April 2011 to March 2014. The MoA is supported by the following annexes. It is also supported by Schedule 1 which is attached as Appendix B.

Annex 1: The National Agreement between Natural England and the National Associations for AONB's.

Annex 2: Advice on the single pot guidance from Natural England.

Schedule 1: Revised constitution for the Joint Advisory Committee for the High Weald AONB.

10. Taken together these represent a comprehensive set of documents to govern the workings of the JAC and the Council's roles and responsibilities as member of the partnership. The final version of the MoA has two significant changes from the last MoU. Firstly, it is now a legal agreement bound by law. However there is a termination clause within the agreement where local authorities are required to give 1 years notice. Secondly, it contains a clause to cover possible staff redundancies. The implications of the staff redundancies payments are set out in the section below on funding (paragraphs 11-13).

### **Funding**

11. Natural England provides 75% of the core funding to the High Weald and the remaining 25% is split proportionally between the local authorities in relation to the amount of land they have within the AONB. The Council currently provides £5,400 each year in core funding to the High Weald JAC. These contributions are divided equally between Leisure and Sustainability and Planning Policy budgets. The signing of the MoA will give a commitment in principle to continue this core funding plus inflation until March 2011. In 2010/11, this core contribution will be £5,600. The



contribution from Mid Sussex represents around 1.2% of the overall JAC budget (local authorities £81,500 and Natural England £347,000). The Council also contributes £2000 towards the implementation of the Management Plan and the delivery of projects. Considering this in relation to the area of the District that is covered by the AONB (49%), this indicates that the partnership arrangement provides an excellent mechanism for bringing in external funding into the area. This is illustrated in the number of successful projects delivered in Mid Sussex referred to in paragraphs 14-16 of this report.

12. Within the MoA is a clause relating to redundancy compensation payments. Currently the High Weald AONB Unit comprises a team 5.7 FTE staff who are employed by East Sussex County Council. The employment costs of this team are met from core contributions by the partnership. If, for whatever reason, the High Weald AONB Unit were no longer able to continue or core staff were made redundant, the High Weald JAC would be responsible for any redundancy compensation payments. Natural England would be responsible for the majority of these payments, as the main partner funding. The individual local authorities' contribution would be calculated in a similar way to the way their core contribution is calculated, based on the percentage of local authority area within the AONB. The likely redundancy compensation contribution for each local authority has been calculated by the High Weald AONB Unit. For Mid Sussex the worst case scenario would be £1,420 and best case £31.
13. The MoA contains a termination clause within it. If there were overriding circumstances that meant that Mid Sussex could no longer provide core funding at the current level, the Council would need to give one years notice of it's intent to terminate the agreement.

### **Project and Partnership Working in the High Weald AONB**

14. Each local authority with AONBs has a duty under the CROW Act to prepare an AONB management plan for their area. The local authorities across the High Weald delegated this responsibility to the High Weald JAC. The High Weald AONB Management Plan was published in March 2004 and a revised edition produced in March 2009. The plan formulates policy for the management of the AONB.
15. The High Weald JAC has been very successful in delivering projects in the AONB and attracting funding from outside organisations such as the Heritage Lottery Fund. Some of the projects include the Sustainable Development Fund funded by Natural England, which provides grants to projects that bring social, environmental and economic benefits to the AONB. The Hoathly Hill Community Heating project in West Hoathly received 25,000 from this fund. The Weald Forest Ridge Partnership Scheme, which covers the sandstone ridge between Horsham and Tonbridge, running across Mid Sussex, has managed to secure £2 million Heritage Lottery funding. The Council contributed to developing projects to set up this scheme. In Mid Sussex, this partnership scheme has funded the restoration of the Highbrook Smokery, retaining this local landmark and enabling people on the High Weald landscape trail to rest and interpret the building and the landscape. It will also fund heritage trails, access enhancements at Gravetye on the edge of East Grinstead, restoration and improved access to Tilgate Wood in Worth, schools projects across the Forest Ridge and working with woodland owners.
16. The High Weald JAC also contributed funding to the Mid Sussex Ancient Woodland Survey. It has developed and funded the High Weald Heroes education programme involving a number of schools in Mid Sussex, the Weald Meadows initiative at Wakehurst Place, Historic Farmstead characterisation and the appointment of a new

Cultural Landscape Advisor who will provide free visits to landowners to inspire them about the special features of their land and to help them understand the historical development of the High Weald landscape.

### **Conclusion**

17. The preparation and signing of MoAs is now accepted practice by Natural England to ensure commitment to the management of AONB's by local authorities, as required by the CROW Act. Natural England will only continue to fund AONBs at their current level if they are assured that local authority partners are committed to the long term protection and enhancement of these designated landscapes. They are of the view that important projects and successful management of the landscape can only be delivered if continuity and stability of current arrangements and funding are achieved. The MoA will also allow AONB partnerships greater flexibility and freedom in deciding their priorities for delivery of their business plans and management plans.

### **Other Options Considered**

18. If Mid Sussex does not sign the MoA this could jeopardise future funding by Natural England to the High Weald, affect relationships with other local authority partners and result in non delivery of High Weald projects in Mid Sussex. It could also affect this Council's ability to execute its legal obligation to prepare, review and monitor a management plan for its AONB area.

### **Financial Implications**

19. The contributions plus inflation to the High Weald JAC will be met from existing budgets.

### **Background Papers**

The High Weald Area of Outstanding Natural Beauty Management Plan 2004 – a 20-year strategy – March 2009.

## APPENDIX A

**THIS AGREEMENT** is made the ..... 2010

### **BETWEEN**

- (1) **NATURAL ENGLAND** of 1 East Parade, Sheffield S1 2ET (“**Natural England**”)
- (2) **East Sussex County Council** of County Hall, St Annes Crescent, Lewes, East Sussex, BN7 1SW (“**East Sussex**”).
- (3) **West Sussex County Council** of Edes House, County Hall, Chichester, West Sussex, PO19 1RQ (“**West Sussex County Council**”)
- (4) **Kent County Council** of Invicta House, County Hall, Maidstone, Kent, ME14 1XX (“**Kent County Council**”)
- (5) **Surrey County Council** of County Hall, Penrhyn Road, Kingston upon Thames, Surrey, KT1 2DY (“**Surrey County Council**”)
- (6) **Wealden District Council** of Council Offices, Pine Grove, Crowborough, East Sussex, TN6 1DH (“**Wealden District Council**”)
- (7) **Rother District Council** of Town Hall, Bexhill on Sea, East Sussex, TN39 3JX (“**Rother District Council**”)
- (8) **Hastings Borough Council** of Town Hall, Queens Road, Hastings, East Sussex, TN34 1QR (“**Hastings Borough Council**”)
- (9) **Mid Sussex District Council** of Oaklands Road, Haywards Heath, West Sussex, RH16 1SS (“**Mid Sussex District Council**”)
- (10) **Horsham District Council** of Park North, North Street, Horsham, West Sussex RH12 1RL (“**Horsham District Council**”)
- (11) **Crawley Borough Council** of Town Hall, The Boulevard, Crawley, West Sussex, RH10 1UZ (“**Crawley Borough Council**”)

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- (12) **Tunbridge Wells Borough Council** of Town Hall, Tunbridge Wells, Kent, TN1 1RS (“Tunbridge Wells Borough Council”)
  - (13) **Sevenoaks District Council of Council Offices**, Argyle Road, Sevenoaks, Kent, TN13 1HG (“Sevenoaks District Council”)
  - (14) **Ashford Borough Council** of Ashford Borough Council Offices, Civic Centre, Tannery Lane, Ashford, Kent TN23 1PL (“Ashford Borough Council”)
  - (15) **Tonbridge & Malling District Council** of Gibson Building, Gibson Drive, Kings Hill, West Malling, Kent M19 4LZ (“Tonbridge & Malling District Council”)
  - (16) **Tandridge District Council** of Council Offices, Station Road East, Oxted, Surrey RH8 0BT (“Tandridge District Council”)
- (“the Parties”)

**IT IS AGREED** as follows:

### **WHEREAS**

- (A) This Agreement provides a framework for the delivery of duties and obligations arising from Part IV of the Countryside and Rights of Way Act 2000 including the operation and management of an AONB Partnership (“the Partnership”), a Staff Unit to act on behalf of the Partnership and the publishing, reviewing and monitoring of the AONB Management Plan.
- (B) This Agreement also sets out a shared vision for and commitment to AONB management by all Parties to the Agreement. It outlines the expectations on all Parties to achieve this vision, including a local reflection of the national agreement between Natural England and the National Association for Areas of Outstanding Natural Beauty (“NAAONB”)

## APPENDIX A

### NOW IT IS AGREED as follows

#### 1. Definitions and Interpretation

1.1 In this Agreement the following words and expressions shall have the following meanings unless the context requires otherwise:

<b>“AONB”</b>	means an Area of Outstanding Natural Beauty
<b>“the Partnership”</b>	means High Weald AONB Partnership comprising of the organisations listed in Schedule 1
<b>“Funding Partners”</b>	means the following Local Authority Funding Partners namely East Sussex County Council, West Sussex County Council, Kent County Council, Surrey County Council, Weald District Council, Rother District Council, Hastings Borough Council, Mid Sussex District Council, Horsham District Council, Crawley Borough Council, Tunbridge Wells Borough Council, Sevenoaks District council, Ashford Borough Council, Tonbridge & Malling District Council, Tandridge District Council, referred to in this Agreement as the “Local Authority Funding Partners” and Natural England
<b>“Non-Funding Partners”</b>	means the organisations listed in Schedule 3
<b>“the Term”</b>	means the period of three years to include years 2008/09, 2009/10 and 2010/11
<b>“Eligible Costs”</b>	means those costs listed in clause 8
<b>“Management Plan”</b>	means the AONB management plan that the local authorities have a statutory duty under the

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Countryside and Rights of Way Act 2000 to produce and review in relation to any AONBs in their area

### **“Annual Business Plan”**

means the Partnership business plan which sets out the work to be undertaken in line with the Management Plan for the financial year(s) in question

### **“the Host Authority”**

means the local authority responsible for the Partnership’s finances and employment of AONB staff

### **“the Parties”**

means any party to this Agreement individually and **“Parties”** refers to all of the parties to this Agreement collectively. A Party shall include all permitted assigns of the Party in question;

### **“Staff Unit”**

means the unit established by the Host Authority employing all and any staff engaged in the work of the Partnership, including the Core Staff;

### **“Core Staff”**

means the staff funded by the budget detailed in clause 7 for the purposes of the core functions listed in Schedule 2 but does not include or cover new posts established through externally funded projects.

### **“Sustainable Development Fund”**

means a funding programme to aid the achievement of AONB purposes by encouraging individuals, community groups and businesses to co-operate together to develop practical and sustainable solutions to the management of their activities

## APPENDIX A

- 1.2 In this Agreement where the context requires:
- 1.2.1 the masculine gender includes the feminine and the neuter and the singular includes the plural and vice versa;
  - 1.2.2 references to any statute, enactment, order, regulation or other legislative instrument include any amendment to the same by any subsequent statute, enactment, order, regulation or instrument or as contained in any subsequent re-enactment thereof;
  - 1.2.3 a reference to a person shall include a reference to any individual, company, or other legal entity;
  - 1.2.4 references to clauses and Schedules are, unless otherwise stated, references to clauses in and Schedules to this Agreement;
  - 1.2.5 headings are provided for ease of reference only and shall not be taken into account in the interpretation or construction of this Agreement;
- 1.3 Subject to clause 1.4 the Schedules form an integral part of this Agreement.
- 1.4 In the event of any conflict between the provisions of this Agreement and the provisions in the Schedules the provisions of this Agreement shall prevail and for the purposes of this clause 1.4 only the term “Agreement” shall not include the Schedules.

## 2. Shared Vision

- 2.1 The Parties to this Agreement believe that:
- 2.1.1 AONB management structures should be strongly supported by partners and relevant authorities.<sup>1</sup>
  - 2.1.2 the statutory requirement to produce AONB Management Plans provides an important opportunity to strengthen partnerships and achieve better outcomes.
  - 2.1.3 security of funding and flexibility of funding for AONBs will deliver better outcomes.
  - 2.1.4 there should be a “can do” culture which is not risk-averse but where lessons from novel approaches are encouraged and learnt from, in both success and failure.
  - 2.1.5 monitoring of environmental outcomes is essential and needs to be undertaken to develop a sound, spatially-relevant evidence base.

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<sup>1</sup> As defined by S85 of CRoW Act - relevant authority includes government departments, Natural England included, and public sector as well as statutory undertakers

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2.1.6 opportunities should be taken to maximise the synergies between the outcomes of the AONB's Management Plan with Natural England's Strategic Objectives and the plans of other Parties.

### **3. Duration**

This Agreement will run for the Term unless terminated earlier in accordance with the provisions of clause 11 or alternatively at the end of the Term the Agreement may be extended for a further three years with the written agreement of the Parties.

### **4. Partnership Roles, Responsibilities and Structure**

#### **4.1 The Partnership**

4.1.1 The Partnership was formed in March 1996

4.1.2 The Partnership membership, terms of reference, structure and operation is set out in Schedule 1

#### **4.2 The Staff Unit**

4.2.1 The purpose and objectives of the Partnership will be assisted by the employment of a Staff Unit to act on its behalf. Part 1 of Schedule 2 shows Core Staff and non-Core staff. The Staff Unit will coordinate, champion, act as a focus and bring bodies together for action, and bid for funds. The Staff Unit will carry out the core functions set out in part 2, schedule 2.

4.2.2 The Staff Unit will work for the whole Partnership and have its own identity. Activities will be delivered under the identity of the Partnership, rather than that of the Host Authority or individual Parties.

4.2.3 A degree of independence for the Partnership from the Host Authority will be necessary, particularly when the Partnership is consulted by or is required to make comments and provide advice on schemes and activities of its constituent Local Authorities.

#### **4.3 The Host Authority**

The Host Authority will be responsible for line managing the AONB Manager, acting as employer of the staff employed as part of the Staff Unit, providing human resources and IT



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support and exercising responsibility for the financial management of the Partnership in accordance with clause 8.

### **4.4 Funding Partners**

The Local Authority Funding Partners will be responsible for:

- 4.4.1 contributing to the costs of the Partnership in accordance with clause 10
- 4.4.2 working with the Host Authority and Natural England in relation to the management of the AONB.
- 4.4.3 providing a recognised lead officer and contact who will be involved in the management of the Staff Unit, the Management Plan process and Partnership activity; and
- 4.4.4 working with local government members to promote the role and value of AONBs to society and our natural environment

### **4.5 Non-Funding Partners**

The Non-Funding Partners will be requested to assist the Host Authority, Natural England and the Funding Partners in managing the AONB by providing advice and guidance in their specific areas of expertise.

### **4.6 Natural England**

Natural England will be responsible for

- 4.6.1 contributing to the costs of the Partnership in accordance with clause 9;
- 4.6.2 working with the Host Authority in relation to the management of the AONB including the recruitment of the AONB Manager.
- 4.6.3 Working to the principles set out in the National Agreement between Natural England and the NAAONBs, a copy of which is annexed to this Agreement
- 4.6.4 Providing a recognised lead officer and contact who will be involved in the management of the Staff Unit, the Management Plan process and Partnership activity.
- 4.6.5 Supporting the work of the Partnership
- 4.6.6 Working across Government and with national organisations to promote the role and value of AONBs to society and our natural environment

## **5. Employment of a Staff Unit**

5.1 An AONB Staff Unit will be established by the Host Authority. Details of the Staff Unit are more particularly described in Schedule 2, part 1.

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### **5.2. AONB Manager**

- 5.2.1 An AONB Manager will be employed at a senior level to act as a respected advocate for, and champion of the AONB. The AONB Manager will be given authority to work with key partners at a senior level, for example Chief Executives, Regional Directors, lead Planning Officers, key committees and Local Authority members
- 5.1.2 Natural England will be involved with the recruitment of the AONB Manager to include drafting of the job specification and being represented on the interview panel.
- 5.1.3 The line management of the AONB Manager for day to day purposes will be through the Host Authority.

### **5.2 Other AONB Staff**

- 5.2.1 Other AONB staff, forming part of the Staff Unit, will be employed on behalf of the Partnership to take forward the AONB Annual Business Plan and Management Plan.
- 5.2.2 AONB staff will report to the AONB Manager and will work to a programme agreed by the Partnership against which progress will be monitored.

## **6. Redundancy**

- 6.1 Any redundancy payments legally due to AONB Core Staff under Part XI of the Employment Rights Act 1996 or other relevant legislation on termination of employment will be met by the Parties according to the following principles:
  - 6.1.1 Subject to sub-clauses 6.1.2 – 6.1.5 below, Natural England shall indemnify and keep indemnified the Host Authority against any redundancy payments that the Host Authority makes to AONB Core Staff provided:
    - (i) the post holder's entitlement to the said payment arises as a result of termination or cessation of this Agreement and the withdrawal of funding by Natural England, except where the termination or cessation is as a result of the Host Authority's default under this Agreement; and
    - (ii) that the Host Authority has used its best endeavours to redeploy the post holder internally and to the extent that is legally able to do so with other Local Authority funding partners prior to making them redundant;
  - 6.1.2 If a redundancy is caused by a Party other than Natural England withdrawing from this Agreement, that Party will be liable for the full costs of redundancy.
  - 6.1.3 If a redundancy is a consequence of a unanimous decision by the Parties then all Parties will be liable for the redundancy costs with the costs being split pro rata each Parties contribution.

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- 6.1.4 For the avoidance of doubt the Parties acknowledge that a reduction in funds is not the equivalent of, and does not amount to, a withdrawal of funds for the purposes of this Agreement.
- 6.1.5 Provided Always that Natural England's liabilities in respect of redundancy costs shall be limited as follows to an overall cap which will be no more than the total grant monies paid to the Host Authority in the previous grant year.

### **7. Financial and Administrative arrangements.**

- 7.1 The income and expenditure of the Partnership will be met in the first instance by the Host Authority which will be responsible for the exercise of proper financial control and for collecting contributions from Natural England and the Local Authority Funding Partners as detailed in clauses 9 and 10.
- 7.2 The details of the budget will be agreed annually by the Partnership's Funding Partners and an appropriate grant application submitted to Natural England.
- 7.3 The Host Authority will be responsible for submitting the annual AONB financial contribution application to Natural England in accordance with any guidance issued by NE by 31<sup>st</sup> December in any year.
- 7.4 Natural England's contribution shall be paid in arrears to the Host Authority on receipt of an agreed claim and in accordance with guidance issued by Natural England.
- 7.5 The Local Authority Funding Partners will:
  - 7.5.1 make annual contributions in accordance with the provisions of clause 10
  - 7.5.2 Commit to providing 3 year funding as set out in clause 10
- 7.6 Natural England will:
  - 7.6.1 Make annual financial contributions to support the work of the Partnership to be made in line with the single pot contribution set out in clause 9
  - 7.6.2 Commit to providing 3 year funding as set out in clause 9
- 8. **Eligible Costs** for core functions
  - 8.1 Eligible Costs shall include:

## APPENDIX A

- i) staff salaries, employers' national insurance, superannuation contributions and payments in respect of absence through sickness in accordance with Host Authority conditions of service;
- ii) accommodation (office rents and rates), IT, office equipment, insurance, health and safety;
- iii) office support services to include but not limited to financial and legal support, IT support and property services;
- iv) pay awards and inflationary increases;
- v) maternity pay;
- vi) training;
- vii) travel and subsistence expenses;
- (viii) any redundancy payment due to a post holder employed by the Host Authority exclusively for the purposes of the Partnership and where the post holder's entitlement to the said payment arises in circumstances envisaged in clause 6.
- (ix) a partnership budget to be used for external costs, for example, for specialist advice, research, public relations, publications, events;
- (x) costs of establishing and running the AONB partnership;
- (xi) costs associated with the production of the AONB management plan;
- (xii) advertising for vacant posts and travel and subsistence costs incurred by interview candidates and other recruitment costs
- (xiii) other project and activities necessary to deliver the core functions listed in part 2 of Schedule 2

### **9. Natural England Funding**

- 9.1 Natural England will make a contribution to the Partnership as set out in sub-clauses 9.2, 9.3 and 9.4
- 9.2 The total grant allocation for the first year of the Term from NE was £347,067
- 9.3 The total grant allocation for the second year of the Term from NE is £347,067
- 9.4 In year three of the Term NE will contribute a total grant of £347,067.
- 9.5 This grant will be used towards Eligible Costs listed in sub clause 8.1, the provision of a Sustainable Development Fund and project activity in the context of a single pot (Annex 2) to achieve the outcomes set out in the Management Plan and the Annual Business Plan.

### **10 The Local Authority Funding Partners' Funding**

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10.1 The Local Authority Funding Partners will contribute to the Eligible Costs as set in the table below:

<u>Organisation</u>	<u>FY 2008/09</u>	<u>FY 2009/10</u>	<u>FY 2010/11</u>
East Sussex County Council	£21,500 +£13,200	£22,100 + £13,700	£22,400+£13,900
West Sussex County Council	£9,300	£9,300	£9,300
Kent County Council	£13,300	£13,300	£13,300
Surrey County Council	£2,800	£2,900	£2,900
Wealden District Council	£6,900	£7,100	£7,200
Rother District Council	£6,900	£7,100	£7,200
Hastings Borough Council	£1,400	£1,400	£1,500
Mid Sussex District Council	£5,400	£5,600	£5,600
Horsham District Council	£4,500	£4,600	£4,700
Crawley Borough Council	£300	£300	£300
Tunbridge Wells Borough Council	£6,400	£6,600	£6,700
Sevenoaks District Council	£3,500	£3,600	£3,600
Ashford Borough Council	£800	£800	£0
Tonbridge&Malling District Council	£300	£300	£300
Tandridge District Council	£2,100	£2,200	£2,200

10.2 The Local Authority Funding Partners contribution (including Host Authority) will equal at least 25% of Eligible Costs for core functions listed in sub clause 8.1 in any

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one year. The contribution will be paid to the Host Authority on the [insert date] in each year.

- 10.3 The details of the budget will be agreed annually by the Partnership and appropriate grant bids / claims submitted to NE.

### 11 Termination

- 11.1 Without prejudice to the obligations of the other Parties to each other under this Agreement, which unless otherwise agreed continue, a Party may, by giving not less than one year's written notice, terminate its participation in this Agreement setting out the reasons for termination. A review of the viability of the continuation of the Partnership will be carried out by the remaining Parties.

- 11.2 If a Party withdraws from the Agreement in accordance with clause 11.1 the remaining Parties will not be required to take on the responsibility or financial liability of the withdrawing Party. However should the remaining Parties choose to increase their contribution, financial or otherwise, then this will be reflected in an addendum to the Agreement, signed by all the remaining Parties.

For the avoidance of doubt, the withdrawing Party will not be entitled to a return of any contribution made in accordance with clause 9 or 10 for the financial year in which they serve notice of their withdrawal.

- 11.3 The Local Authority Funding Partners and Natural England will pay contributions in respect of inescapable contractual commitments (apart from redundancy payments that are subject to clause 6 above) entered into in good faith prior to any party giving notice of termination whether or not such commitments involve expenditure after the date of termination. However, for the avoidance of doubt, the said contractual commitments shall not include contract(s) of employment or an agreement(s) to retain the services of a worker or consultant in relation to the Partnership.

- 11.4 On termination of the Agreement, a statement shall be drawn up of the remaining funds held by the Host Authority pursuant to this Agreement, together with any outstanding liability and once such statement has been agreed between the Parties, the Host Authority shall reimburse the remaining monies to the contributing Parties, pro rata to their initial contributions.

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### **12. Communication**

12.1 For the purposes of this Agreement the following are lead contacts for each of the Parties contactable at the address given:

- 12.1.1 Natural England: Joanne Spickett, High Weald AONB Account Manager
- 12.1.2 Host Authority: Andy Roberston, East Sussex CC Assistant Director Transport & Environment
- 12.1.3 West Sussex County Council: Jackie Lewis
- 12.1.4 Surrey County Council: Mike Dawson
- 12.1.5 Wealden District Council: David Phillips
- 12.1.6 Rother District Council: Tim Hickling
- 12.1.7 Hastings Borough Council: Tim Cookson
- 12.1.8 Mid Sussex District Council: Alma Howell
- 12.1.9 Horsham District Council: Catherine Howe
- 12.1.10 Crawley Borough Council: Tom Nutt
- 12.1.11 Tunbridge Wells Borough Council: David Scully
- 12.1.12 Sevenoaks District Council: Sarah Lloyd
- 12.1.14 Ashford Borough Council: Danielle Brough
- 12.1.15 Tonbridge and Malling Borough Council: Jenny Knowles
- 12.1.16 Tandridge District Council: Paul Newdick

### **13. Jurisdiction**

13.1 All disputes or claims arising out of or in connection with the activities of the parties under this Agreement shall be governed by and construed in accordance with the law of England.

### **14. Reconciliation of Disagreement**

14.1 Any disagreements will normally be resolved amicably at working level. In the event of failure to reach consensus between the Parties then such failure shall be handled in the following manner:

14.1.1 The dispute shall in the first instance be referred to the relevant parties' Project Executive officer or manager in the organisation of similar standing for resolution at a meeting to be arranged as soon as practicable after the failure to reach consensus arises, but in any event within ten business days;

14.2 If the dispute cannot be resolved in accordance with 14.1.1 above within ten business days after such referral, or within any other period agreed between the Parties then the dispute shall be referred to the relevant Parties' Legal Advisors for

## **APPENDIX A**

resolution at a meeting to be arranged as soon as practicable after such referral, but in any event within ten business days;

- 14.3 If the dispute has not been resolved following a referral in accordance with 14.1.2 the Parties shall settle the dispute by mediation in accordance with the Centre for Dispute Resolution (CEDR) Model Mediation Procedure. Unless otherwise agreed between the Parties, the mediator will be nominated by CEDR.

### **15. Information**

- 15.1 The Parties are subject to the requirements of the Freedom of Information Act 2000 ("FOIA") and the Environmental Information Regulations 2004 ("EIR") and they shall assist and co-operate with the other Parties as necessary to comply with these requirements.
- 15.2 In responding to a request for information, including information in connection with the Partnership, a Party will use reasonable endeavours to consult with the other Parties. Notwithstanding this the Parties acknowledge that they may be required to disclose information without consultation, or following consultation with the Parties having taken their views into account.
- 15.3 The Parties shall ensure that all information produced in the course of the Partnership or relating to the Agreement is retained for disclosure and shall provide all necessary assistance as reasonably requested to enable a Party to respond to a request for information within the time for compliance and shall permit the Parties to inspect such records as requested from time to time
- 15.4 All Parties acknowledge that any statutory and other constraints on the exchange of information will be fully respected, including the requirements of the Data Protection Act 1998 and the Human Rights Act 1998.

### **16. Variation and Waiver**

- 16.1 Any variation of this Agreement shall be in writing and signed by or on behalf of each of the Parties.
- 16.2 No delay by any Party in exercising any provision of this Agreement constitutes a waiver of such provision or shall prevent any future exercise in whole or in part.

### **17. Contracts (Rights of Third Parties) Act 1999**



## **APPENDIX A**

- 17.1 The Parties do not intend that any term of this Agreement shall be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person that is not a party to it.

**APPENDIX A**

NATURAL ENGLAND

Signed .....

Date .....

Position ..... on behalf of the

EAST SUSSEX COUNTY COUNCIL - HOST AUTHORITY

Signed .....

Date .....

Position ..... on behalf of

WEST SUSSEX COUNTY COUNCIL

Signed .....

Date .....

Position ..... on behalf of

KENT COUNTY COUNCIL

Signed .....

Date .....

Position ..... on behalf of

SURREY COUNTY COUNCIL

Signed .....

Date .....

Position ..... on behalf of

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**WEALDEN DISTRICT COUNCIL**

Signed .....

Date .....

Position ..... on behalf of

**ROTHER DISTRICT COUNCIL**

Signed .....

Date .....

Position ..... on behalf of

**HASTINGS BOROUGH COUNCIL**

Signed .....

Date .....

Position ..... on behalf of

**MID SUSSEX DISTRICT COUNCIL**

Signed .....

Date .....

Position ..... on behalf of

**HORSHAM DISTRICT COUNCIL**

Signed .....

Date .....

Position ..... on behalf of

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**CRAWLEY BOROUGH COUNCIL**

Signed .....

Date .....

Position ..... on behalf of

**TUNBRIDGE WELLS BOROUGH COUNCIL**

Signed .....

Date .....

Position ..... on behalf of

**SEVENOAKS DISTRICT COUNCIL**

Signed .....

Date .....

Position ..... on behalf of

**ASHFORD BOROUGH COUNCIL**

Signed .....

Date .....

Position ..... on behalf of

**TONBRIDGE & MALLING BOROUGH COUNCIL**

Signed .....

Date .....

Position ..... on behalf of

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TANDRIDGE DISTRICT COUNCIL

Signed .....

Date .....

Position ..... on behalf of

**SCHEDULE 1**

**REVISED CONSTITUTION FOR THE JOINT ADVISORY COMMITTEE FOR THE  
HIGH WEALD AREA OF OUTSTANDING NATURAL BEAUTY  
(Attached)**

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**SCHEDULE 2**

**PART 1 - STAFF UNIT STRUCTURE**

**CORE STAFF**

**Director (1.2 FTE)**

**Business Manager (0.8 FTE)**

**Policy and Research Manager**

**Research Officer**

**Administrator (0.5 FTE)**

**Team Support Officer (0.8 FTE)**

**NON-CORE STAFF**

**Forestry and Woodland Restoration Officer (0.8 FTE)**

**Ancient Woodland and Survey Mapping Officer**

**Education Officer**

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**Cultural Landscape Officer**  
**Weald Forest Ridge Manager**  
**Weald Forest Ridge Project Officer**  
**GIS Access and Habitat Mapping Officer (0.4 FTE)**  
**Weald Forest Ridge Partnership Administrator (0.8 FTE)**

### PART 2 - STAFF UNIT CORE FUNCTIONS

#### 1. **MANAGEMENT PLAN**

- 1.1 Developing reviewing, preparing and publishing the AONB vision and the CRoW Act AONB Management Plan
- 1.2 Promoting the AONB vision and management plan to help distinguish the AONB from adjacent countryside
- 1.3 Advising upon, facilitating and co-ordinating implementation by others of the Management Plan
- 1.4 Accessing resources for management activities
- 1.5 Developing an involvement by the community in the management of the AONB
- 1.6 Providing a management role to co-ordinate AONB protection through the actions of the AONB unit, the AONB Partnership and other partners at a local and strategic level
- 1.7 problem solving with the unit acting as co-ordinator and facilitators

#### 2. **ADVISORY / ADVOCACY**

- 2.1 Advising Local Authorities and other partners on their activities within AONBs, to encourage them to attain the highest possible standards in AONBs
- 2.2 Working with and contributing to the NAAONB activities, sharing advice and best practice nationally and regionally.
- 2.3 Providing landscape related planning advice (to local planning authorities and in conjunction with Natural England as appropriate in line with, and underpinned by protocols)
- 2.4 Financial support for NAAONB
- 2.5 Contribution and support to regional activity between AONBs and protected landscapes to strengthen status of the AONBs individually and collectively.

#### 3. **MONITORING**

- 3.1 To monitor and report on progress against AONB Management Plans and annual business plans to the Partnership.

## APPENDIX A

- 3.2 To provide monitoring and reporting information to Natural England in accordance with issued guidance.
- 

### SCHEDULE 3 NON-FUNDING PARTNERS

Forestry Commission representative for recreation and leisure;  
Action In Rural Sussex representative for community and economy;  
Country Land and Business Association representative for landowners;  
National Farming Union representative for farming.

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## ANNEX 1

### NATIONAL AGREEMENT BETWEEN NE AND THE NATIONAL ASSOCIATION FOR AONBS

*15% of England is designated as Areas of Outstanding Natural Beauty (AONBs). The purpose of designation is to conserve and enhance the natural beauty of the area. Of equivalent status to National Parks for their outstanding landscape qualities, AONBs bring great benefits to the nation, from conserving and enhancing the landscape and biodiversity and providing opportunities for public enjoyment, to supporting the rural economy and delivering environmental goods and services.*

*36 separate AONBs have been designated, each with their own governance and management structures, tailored to local circumstances. The majority of AONBs are managed as AONB Partnerships within a local government context. Two (Chilterns and Cotswolds) are managed through Conservation Boards established as independent organisations. The Boards have two purposes: to conserve and enhance the natural beauty of the area, and to increase the understanding and enjoyment of the AONB. They also have a duty to seek to foster the economic and social well-being of the local communities within the AONB. There are a few other variations in AONB governance and purposes.<sup>2</sup>*

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<sup>2</sup> For example, the South Downs Joint Committee also has in its objectives

1. Raising awareness and promoting quiet informal enjoyment and
2. Promoting sustainable forms of economic and social development

## APPENDIX A

*Natural England is a key player and principal funder of AONB Partnerships and Conservation Boards in England. The National Association for AONBs (NAAONB) is an independent organisation that represents the interests of the AONBs. Both organisations are committed to working in partnership with organisations representing the national and international family of IUCN Category V protected landscapes.*

*This agreement confirms the commitment of Natural England and the NAAONB to support the vital work of AONB Partnerships and Conservation Boards. It sets out a vision of greater independence, security and clarity of delivery priorities.. It represents a new stage in the relationship between Natural England, the NAAONB and AONB Partnerships and Conservation Boards.*

### **Purpose of this Agreement**

This agreement:

- presents a shared vision for and commitment to AONB management;
- outlines the contributions of Natural England and the NAAONB to achieve this vision; and
- establishes the basis for locally determined individual Local AONB Memoranda of Understanding.

### **A shared vision**

Natural England and the NAAONB are striving to achieve:

- Greater clarity about, and collaboration in, the achievement of shared objectives
- More independence and autonomy for AONB Partnerships and Conservation Boards (see Annex A)
- Increased security and flexibility of funding
- Greater support for AONBs from others, particularly government agencies and public authorities at all levels
- A better evidence base for future planning, monitoring, reporting, and funding
- Appropriate governance arrangements
- Influential and deliverable Management Plans and Business Plans
- Innovation and the sharing of knowledge and experience, between AONBs and also between countries
- Greater effectiveness and transparency in delivering outcomes
- A Natural England Protected Landscapes Policy Position which reflects a vision for AONBs

### **Shared beliefs for joint working and governance**

Natural England and the NAAONB believe:

- The relationship between Natural England and AONB Partnerships and Conservation Boards should be one of interdependency, based on trust (see Annex A)
- AONB Partnerships and Conservation Boards should be strongly supported by partners and relevant authorities.<sup>3</sup>
- Security of funding and flexibility of funding for AONBs will deliver better outcomes.
- We should maximise the synergies between Natural England's Strategic Objectives and the outcomes of AONB Management Plans
- We need a "can do" culture which is not risk-averse but where lessons from novel approaches are encouraged and learnt from, in both success and failure.

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<sup>3</sup> As defined by S85 of CRoW Act - relevant authority includes government departments, Natural England included, and public sector as well as statutory undertakers



## APPENDIX A

- Monitoring of environmental outcomes is essential and needs to be undertaken to develop a sound, spatially-relevant evidence base<sup>4</sup>,
- Natural England should move to a more strategic, hands off management approach based upon outcomes
- There is a need for diversity and flexibility at the local level, as each AONB's circumstances and development needs vary.
- The statutory requirement to produce AONB Management Plans provides an important opportunity to strengthen partnerships and achieve better outcomes.

We will strive to develop and reflect these principles through our day to day working relationships.

### **What Natural England will do**

Natural England has statutory powers and duties to :

- Provide funding
- Comment on AONB Management Plans
- Act as statutory advisor to Government on monitoring performance/outcomes in AONBs
- Oversee the Duty of Regard to AONB purposes (S85 CRoW Act)
- Provide policy advice on planning matters in AONBs
- Recommend new AONB designations and make recommendations for amendments to existing boundaries

In this context Natural England will:

- Advocate the value of AONBs and their governance structures nationally, regionally and locally to stakeholders
- Provide annual grant funding within a 3 year financial agreement, with the aspiration of developing this into a 3 year rolling programme of funding
- Adopt a single pot funding approach
- Input positively and promptly to AONB Management Plans to maximise their effectiveness
- Provide support and advice to DEFRA on the appointment of Secretary of State appointees to Conservation Boards
- Undertake performance monitoring of AONBs, using objective indicators of success developed jointly with AONB Partnerships and Conservation Boards and the NAAONB.
- Work with AONB Partnerships and Conservation Boards to develop their evidence base, noting the broad interpretation in statutory guidance of "natural environment" (see Annex B for definition of terms) and improve Natural England systems to help with sharing knowledge.
- Capture good practice through case studies and annual reports to promote successful outcomes and shared objectives
- Provide expert advice on the development of AONB Management Plans and business plans
- Work with AONB Partnerships and Conservation Boards as key delivery partners across Natural England's remit; from Environmental Stewardship, to protected sites and species, to National Trails.

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<sup>4</sup> This will be established by a joint working group

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Natural England will develop and agree individual Memoranda of Understanding, with local authorities and other funding partners, and with Conservation Boards, to support the implementation of this national agreement at a local level. These will replace previous Memoranda of Agreement. A template for these agreements, based on this framework, will be produced although it is anticipated that they will be tailored to local circumstances.

### What the NAAONB will do

The NAAONB represents the interests of AONBs in England, Wales and Northern Ireland and is an independent body.

The NAAONB will:

- Advocate the case for AONBs nationally to Government and relevant authorities and agencies
- Work with government departments and agencies to strengthen public policy and practice in pursuit of AONB purposes
- Actively encourage innovation amongst AONBs and the collation and sharing of best practice
- Provide technical information and expertise on all matters relating to AONBs
- Encourage AONB delivery of shared objectives
- Seek, and share, experience and expertise from overseas from other IUCN Category V protected landscapes

### Monitoring and review

This agreement will be monitored and reviewed in the light of an evolving and developing relationship.

### Annex A: Defining an interdependent relationship

We envisage the following being characteristic of an interdependent relationship.

NAAONB and Natural England:

- accept we are still in the development stage with our aspirations
- believe that 3 year funding arrangements and security of funding is a clear manifestation of an interdependent relationship
- recognise the flexibility of funding offered by a single pot contribution is helpful in taking forwards the relationship by developing a balanced work programme
- agree that AONB Partnerships and Conservation Boards more independent of Natural England are a sign of success – and that these might involve more autonomy of management and self reliance
- recognise that diversity of partnership requires diversity of approach
- recognise that development needs within each AONB will be variable; some partnerships may need greater support from Natural England; others need a far lighter touch but possibly high impact when required,
- recognise that Natural England inputs are more strategic and less concerned with detailed process
- recognise speed of travel is variable and there is variable success but success will be supported and rewarded
- see the AONB Management Plan as a key foundation in the relationship, whatever the status and the success of the AONB and its governance structure

## APPENDIX A

- look towards agreed indicators of success and monitored outcomes as a way of measuring performance objectively<sup>5</sup>

*All this could be achieved by active and self-sustaining governance structures to which Natural England contributes and trusts to deliver their objectives via the AONB Management Plan.*

### **Annex B Explanation of terms from the Natural Environment and Rural Communities Act 2006 (the NERC Act)**

*Subsection (1) of the NERC Act*. The terms “**natural environment**” and “benefit” are not defined but are meant to be broad and encompassing, going wider than the specific purposes listed in subsection (2), so that the natural environment could be found in towns in open spaces as well as in the countryside.

Subsection (2)(a) provides that the **general purpose** includes promoting nature conservation and protecting biodiversity.

“**Nature conservation**” is defined in section 30 as the conservation of flora, fauna or geological or physiographical features.

Subsection (2)(b) sets out a purpose of conserving and enhancing the landscape. This includes, but goes wider than, conserving the **natural beauty of the landscape**. It could for example cover conserving field boundaries (such as hedgerows and dry stone walls), and monuments, buildings and sub-surface archaeological features which contribute to the landscape. Natural England will be able to conserve and enhance the English landscape for aesthetic, cultural and historic purposes as well as those carried out for the purposes of habitat protection.

Subsection (2)(c) and (d) provides that Natural England’s **general purpose** includes securing the provision and improvement of facilities for the study, understanding and enjoyment of the natural environment, as well as encouraging open-air recreation and promoting access to the countryside and open spaces. These purposes are similar to the purposes of the former Countryside Agency and the former English Nature under the National Parks and Access to the Countryside Act 1949 (“the 1949 Act”), the Countryside Act 1968 (“the 1968 Act”) and the Wildlife and Countryside Act 1981 (“the 1981 Act”).

Subsection (2)(e) provides that Natural England’s general purpose includes contributing to social and economic well-being through management of the natural environment.

## ANNEX 2

### **Advice on Natural England funding to AONBs through a single pot arrangement: for 2009/10 and 2010/2011 under 3 year funding arrangement**

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### Background

The National Agreement between Natural England and the National Association for AONBs (NAAONB) sets out the basis for a new funding arrangement between Natural England and AONB Partnerships and Conservation Boards.

The agreement recognises that increased security and flexibility of funding for AONB Partnerships and Conservation Boards should deliver improved outcomes for the natural environment, including people's enjoyment and understanding. Natural England has therefore moved to a three year funding agreement for AONBs, provided through a single pot approach. This new single pot approach comes into effect for 2009/10 and is designed to complement medium term planning and budgeting .

To help with the implementation of management plans, AONBs can bid for other elements of Natural England funding or become involved in piloting projects. This will not count as an opportunity cost against the unit for single pot funding.

### Purpose of the Single Pot

The single pot gives AONBs the flexibility to use their funding from Natural England to best effect, to meet local circumstances. It brings together the three strands of Natural England's funding:

- core functions
- projects
- the Sustainable Development Fund

into one funding stream. Natural England will no longer predetermine how much each AONB partnership or Conservation Board can receive for each strand. It will not predetermine fixed rates / percentage terms for different strands, nor ceilings or thresholds. A single pot "contribution" rather than a "grant" may provide additional flexibility when seeking external funding.

Instead, AONB partnerships and Conservation Boards will need to decide how they wish to allocate the funding contribution they receive from Natural England across these three strands, and at what percentage. Natural England will expect AONBs to address core functions, project work and SDF activity, making best use of all available funding sources in producing a programme of work. Guidance on how to do this is set out below:

#### 1. Core Functions

It is hoped and expected that Local Authority partner contributions to all Core Functions continue at a minimum of 25%, or at least at the same levels that have previously been invested<sup>6</sup>. If Local Authority partners contribute more than 25% or then the "surplus" Natural England money may be used for other AONB work. Similarly non local authority partners may be able to contribute. If external funding can be used to support core functions then this could also release money for other activity.

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<sup>6</sup> This guidance is written primarily with AONB partnerships in mind. We recognise that Conservation Boards will retain their own separate systems such as direct local agreement with Natural England, advance payment and payment of core costs up to 80% to cover additional costs incurred by VAT.

## **APPENDIX A**

Core Functions are critical to the successful operation of AONB partnerships and Conservation Boards. Within core functions it is to be expected that staffing and associated overheads merit particular protection. The flexible single pot affords such protection particularly at times of financial constraints and allows Local Authority contributions to be safeguarded .

There may be core function items which merit special funding arrangements. In such circumstances, Natural England funding could be applied to these core functions at 100%.

### **2. Project Funding**

AONB partnerships are free to determine how they use resources to deliver projects. If 100% AONB project funding is the only way to achieve the desired outcome, this is for the partnerships and Conservation Boards to decide in developing their programme.

Natural England believes that delivery of AONB Management Plan objectives is generally greater and more sustainable if undertaken in partnership, particularly for large scale or landscape scale projects. It therefore encourages AONB partnerships and Conservation Boards to use their project funding to help lever in additional resources.

The ability and willingness of partners to contribute to projects will be variable from partner to partner and from year to year. It is recognised staffing costs can be met by project funding.

### **3. Sustainable Development Fund (SDF)**

The SDF was established as a Ministerial initiative and has political support. Natural England believes the previous success of SDF will ensure its continuation in a meaningful way without the need to impose minimum levels of spending, which would go against the ethos of an interdependent and trusting relationship with AONB partnerships.

Individual SDF initiatives will be identified as part of an AONB's programme of work. SDF will remain as a visible funding stream in the AONB family and should continue to be recorded and good practice registered to inform Defra and key partners. Natural England will closely monitor the balance of funding for the next two years and report back to Defra annually.

There are opportunities to use SDF to add value by encouraging greater uptake of innovative, often community-based, projects. The SDF programme has associated guidance which steers the kinds of projects to be developed. This guidance will be reviewed for 09/10, to place greater emphasis on encouraging innovation and risk-taking, as well as meeting AONB Management Plan objectives. This risk and innovation elements help clarify the distinction between SDF and other funding streams. Innovative SDF projects should be assessed from local, regional and national perspectives.

Where LEADER funding is available, the potential for match funding with SDF should be examined. LEADER and SDF programmes should be mutually supportive.

### **Operation of the Single Pot**

## **APPENDIX A**

Natural England will inform AONB Partnerships and Conservation Boards of their annual individual settlement.

AONB Partnerships and Conservation Boards will then propose how they wish allocate funds, by application form (and associated Business Plans / Management Plan delivery) between the three broad but nominal strands of core, project and SDF funding programme. Subject to agreement, Natural England will then provide its funding as a single amount through a contribution letter.

Mid year changes in the budget and programme are to be expected. Providing these are approved by the Partnerships and Conservation Boards, or are insignificant, there is no need for additional formal approval, in year, by Natural England.

## **APPENDIX B**

### **REVISED CONSTITUTION FOR THE JOINT ADVISORY COMMITTEE FOR THE HIGH WEALD AREA OF OUTSTANDING NATURAL BEAUTY**

**Adopted by the High Weald AONB Joint Advisory Committee on 13<sup>th</sup> July 2005 (amended 2008)**

#### **INTRODUCTION**

- 1 The aim of this document (“the Constitution”) is to set out roles and responsibilities for the work of the Joint Advisory Committee (“the JAC”) for the High Weald Area of Outstanding Natural Beauty.
- 2 Each member organisation of the JAC will be expected to commit itself to the aims of the JAC as set out in the constitution and to achieving the objectives for the High Weald Area of Outstanding Natural Beauty (“the AONB”) as set out in the AONB Management Plan.
- 3 The Countryside and Rights of Way Act 2000 has established a statutory duty on local authorities with AONBs to prepare an AONB management plan. In the High Weald the JAC ‘core’ members have agreed that the JAC prepares the AONB management plan. The AONB management plan provides a common framework for action whilst the Constitution provides the complimentary framework to determine how the JAC and its members should operate to maximum effect as a body dedicated to enabling the objectives of the management plan to be achieved.
- 4 The Countryside and Rights of Way Act 2000 has also established a duty on any Minister of the Crown, public body, statutory undertaker or person holding public office, to have regard to the purpose of conserving and enhancing the natural beauty of the AONB in exercising or performing any functions in relation to or affecting land in the area.

#### **PURPOSE OF THE JOINT ADVISORY COMMITTEE FOR THE HIGH WEALD AONB**

- 6 In general terms the JAC will be guided by national policies set out for Areas of Outstanding Natural Beauty, primarily by Natural England (Landscape, Access and Recreation) for England or any successor body.
- 7 The primary purpose of the JAC is to
  - a) conserve and enhance the natural beauty of the AONB.

## APPENDIX B

The JAC will also:

- b) increase understanding and enjoyment by the public of the special qualities of the AONB
- c) seek to foster the economic and social well-being of local communities within the AONB.

### ROLE OF THE JAC

- 8 The JAC is primarily an advisory body (not a planning authority or an executive body) acting as a catalyst and facilitator in making recommendations to its constituent bodies and other organisations on policies and the allocation of resources in relation to the protection and enhancement of the AONB. The constituent bodies are those listed in paragraph 21 . These bodies shall be referred to in the Constitution as “the Constituent Bodies”. The JAC prepares the AONB management plan, for adoption by the local authorities, and oversees its implementation. The JAC also plays a significant part in developing an image and sense of identity for the AONB and developing and supporting initiatives for conservation within it.
- 9 The JAC will recognise the following principles:
  - a) the long term protection of the AONB can only occur if those who live and work in or close to the area, or visit it for recreational purposes, recognise its values and support efforts to conserve them.
  - b) public and political support depends on identifiable achievements leading to a recognition that the JAC and the activities which it generates add value to the conservation of natural beauty in the area.
  - c) the resources it can deploy directly itself will be relatively limited, but can, if well directed, be of great value in raising awareness, catalysing action by others and attracting support from sponsors such as Natural England (Landscape, Access and Recreation) or successor body.
  - d) that long-standing social, economic and environmental interrelationships are integral to the High Weald’s character and vitality.



## APPENDIX B

- 10 The JAC will provide advice relevant to its purposes (paragraph 7 above) and terms of reference (paragraph 11 below).

### TERMS OF REFERENCE

11 The terms of reference of the JAC will be as follows:

- a) To co-ordinate and assist the work of the Constituent Bodies in the implementation of the AONB management plan, and in particular, to develop practical measures to:
- conserve and enhance the natural beauty of the AONB;
  - promote understanding of the unique identity of the AONB recognising and respecting locally distinctive landscape character and habitats in the implementation of planning and management policies;
  - encourage, where appropriate, quiet enjoyment of the AONB;
  - enable sustainable development which supports the economies and social well-being of the area and its communities provided that it does not conflict with the aim of conserving and enhancing natural beauty, which includes biodiversity, landscape quality and cultural heritage
- b) To promote the objectives of the designation of the AONB and to act as a forum for the discussion of major issues affecting the character of the AONB.
- c) To seek to secure sufficient funding to meet its overall aims and objectives for effective management of the AONB, and to manage its own devolved budget.
- d) To encourage the Constituent Bodies and other organisations to adopt complementary policies which help achieve the Constituent Bodies AONB policies as set out in the adopted AONB management plan.
- e) Promote awareness and support for the AONB both locally and nationally.

## **APPENDIX B**

- f) To advise and inform relevant bodies of the activities of the JAC in order to raise the profile of the AONB locally and to support national efforts to enhance the profile of Areas of Outstanding Natural Beauty.
- g) To provide a source of expertise and information on the AONB, its conservation and enhancement.
- 12 Any changes in its terms of reference shall be considered formally by the JAC and agreed by all of the local authorities amongst the Constituent Bodies.
- 13 The JAC shall set up, and decide on the terms of reference, of any panels or working groups it considers necessary or appropriate for the performance of its functions.
- 14 The JAC may recommend and approve the appointment of such staff as it considers appropriate to carry out its work, the funding of such posts to be agreed by those members described in paragraph 21a.
- 15 The JAC will produce an annual report of its activities to be distributed to all members and other interested parties.

## **PRESIDENT AND PATRONS**

- 16 Distinguished local people with an interest in the High Weald may be invited to be president or patrons of the High Weald AONB, to act as a figurehead for the area, representing the High Weald locally, regionally and nationally to the general public, politicians, businesses and to the media.
- 17 A President and patrons will be appointed for a term of 2 years with an option of renewal by mutual agreement. The President becomes a co-opted member of the JAC on appointment.
- 18 Recruitment of President and patrons will be through advertisement with selection undertaken by the Management Board.
- 19 Reasonable expenses incurred by the President or patrons in carrying out their duties will be reimbursed by the JAC.

## **MEMBERSHIP**

## APPENDIX B

- 20 The strength of the JAC will be in the scale and breadth of its membership. All members should be willing and able to contribute to the aims of the JAC by virtue of either financial resources, influence, expertise or commitment of time.
- 21 The membership will be divided into the following two categories:
- (a) The principal partners (“the funding Members”) which will comprise:
- (i) Natural England
  - (ii) East Sussex County Council
  - (iii) West Sussex County Council
  - (iv) Kent County Council
  - (v) Surrey County Council
  - (vi) Tandridge District Council
  - (vii) Horsham District Council
  - (viii) Mid Sussex District Council
  - (ix) Wealden District Council
  - (x) Rother District Council
  - (xi) Hastings Borough Council
  - (xii) Tunbridge Wells Borough Council
  - (xiii) Sevenoaks District Council
  - (xiv) Ashford Borough Council
  - (xv) Tonbridge and Malling Borough Council
  - (xvi) Crawley Borough Council
- (b) The advisory partners (“the Non-funding Members”), who will be other government and voluntary agencies who have a significant role in the area covered by the AONB and, who in the opinion of the JAC are likely to be able and willing to make a contribution. The non-funding members will not have voting rights on financial matters.

*The non-funding Members currently comprise Country Landowners Business Association, National Farmers Union, English Nature, The Forestry Commission, Action in Rural Sussex*

- 22 The JAC may appoint, or co-opt for specific issues, other organisations or individuals who it considers to have relevant experience, and who it believes can make a significant contribution to the general aims of the JAC. There will be up to eight advisory Members.
- 23 The Management Board will make recommendations to the JAC on the appointment of Non-funding Members.

## APPENDIX B

### MEMBERSHIP REPRESENTATION

- 24 The Members will be entitled to nominate one representative each to the JAC. For the JAC to operate effectively and with maximum influence it is essential that appropriate representatives are appointed. For local authorities this is usually expected to be an elected member, board member or senior official. For other organisations the nominated member should have appropriate authority to represent the views of that organisation. Each representative is expected to be properly briefed and to have the necessary authority to contribute to effective decision-making on relevant matters.
- 25 Funding Members will decide on the period of office of their representative(s) on the JAC and shall so notify the secretariat - described in paragraph 41.
- 26 Non-Funding Members will be appointed for a period of office of two years.
- 27 Representatives of local authorities amongst Members must be elected members of that authority.
- 28 All of the Members will be expected to appoint a deputy member or to proxy an officer to attend meetings of the JAC or participate in associated activities.
- 29 Representatives of local authorities amongst the Members may be accompanied by an officer of that local authority who will attend meetings in a non-voting capacity unless proxied by a member. Exceptionally more than one officer from an individual authority may attend.
- 30 Appropriate officers of the Non-funding Members may also attend meetings of the JAC in a non-voting capacity to offer professional advice.
- 31 All of the Members will endeavour to ensure their organisation is represented at all meetings of the JAC.
- 32 The JAC may review its membership as and when it considers necessary.

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### ROLE OF MEMBERS

- 33 a) The Members will be expected to:
- (i) make an appropriate financial contribution (funding members) and support the aims and priorities of the JAC.
  - (ii) participate fully in strategic planning and JAC projects.
  - (iii) disseminate and promote the policies set out ,and in relation to, the AONB management plan within their own organisation and externally, as appropriate.
  - (iv) disseminate and advocate any other agreed approach of the JAC within their own organisation and externally, as appropriate *e.g. JAC criteria for allocation of grant aid .*
  - (iv) send appropriate senior representatives, or, in the case of local authorities, elected members, properly briefed, to meetings.
- 34 With the agreement of the JAC, Members may take on specific roles. These roles include representing the High Weald JAC at a national and regional level and championing specific AONB projects at a local level.

### CHAIRMAN AND VICE CHAIRMAN OF COMMITTEE

- 35 -The Chairman of the JAC (" the Chairman") will be appointed from the local authority funding Members. The Chairman will hold office for a term of up to two years. The Vice Chairman will be appointed following the same principles. The Chairman and Vice Chairman will be appointed at the applicable Autumn Meeting, or if there is a vacancy at the next meeting of the JAC. A Chairman of the JAC shall not be eligible for re-appointment as the Chairman where, immediately before the date in question the Chairman has served as Chairman for three consecutive terms. The Chairman or Vice-Chairman may be removed from office by a majority vote of the JAC.
- 36 In the event of neither the Chairman nor the Vice Chairman being present at a meeting of the JAC, a representative of one of the Core Members present shall be elected to chair the meeting.
- 37 The AONB Director will be appointed by the host authority on the recommendation of the Chairman/ Vice-Chairman (on behalf of JAC).

## **APPENDIX B**

### **NUMBER AND FREQUENCY OF MEETINGS**

- 38 The JAC will normally meet twice a year, once in the spring/summer and once in the autumn/winter, or at such other times as it may determine.
- 39 Special or extraordinary meetings may be arranged by the secretariat (see paragraph 41), following consultation with the Chairman.
- 40 The meetings will normally be a day long and consist of a business meeting in the morning and seminars, tours and site visits relevant to its work in the afternoon. Other organisations and individuals will be invited to the afternoon meetings to enable the JAC to engage in dialogue with them on achieving management plan objectives.
- 41 The secretariat for the JAC shall be provided by one of the core members. The service will be reviewed and agreed every three years and will be an operational cost to the JAC.

*East Sussex County Council currently provide secretariat support.*

### **DECISION MAKING**

- 42 Wherever possible, decisions made at the JAC will be by means of consensus. In the event of a vote being necessary, voting will be by a show of hands and decisions reached will be based on the majority of votes cast for or against a particular proposal. In the event of the voting being equal, the Chairman of the JAC will have a second or casting vote, but in the event of the Chairman choosing not to exercise the second or casting vote, the proposal in question will fail. Only the funding members will be entitled to vote on matters having a financial implication to the JAC.
- 43 The quorum of the JAC will be one third of the organisations which make up the Members.

### **BUSINESS TO BE DEALT WITH AT MEETINGS**

- 44 Agenda for meetings of the JAC setting out the business to be dealt with will normally be despatched to members seven working days in advance of the meeting.

## **APPENDIX B**

- 45 The Chairman's agreement will be sought prior to dealing with any urgent items of business or any other business not listed on the agenda for meetings of the JAC.
- 46 Meetings of the JAC shall be conducted in accordance with the standing orders of the authority providing secretariat to the JAC, unless or until the JAC decides otherwise.
- 47 A draft JAC budget will be presented to the funding members for approval at the JAC's autumn/winter meeting, after which the budget will be circulated to member authorities for comment. A final budget will be presented to funding members for approval at the Partnership's spring/summer meeting.

### **DELEGATED AUTHORITY**

- 48 In between JAC meetings the JAC can delegate to the Chairman/ Vice-Chairman and Management Board the power to take decisions on their behalf. Decisions that have been made will be reported to the next JAC meeting within a Management Board report.
- 49 Decisions to be made by the Management Board will include
  - a) Appointment of the AONB Director
  - b) Approval of Statutory Accounts
  - c) Approval of revised budget forecasts for the current financial year (within the overall budget agreed by the JAC)
  - d) Approval of external funding bids
  - e) Approval of grant awards within criteria set by the JAC

### **MANAGEMENT BOARD**

- 50 The JAC will establish a Management Board. The Management Board will consist of the Chairman and Vice-Chairman of the JAC, the representative of the Natural England, Board Members will be appointed annually at the JAC's autumn/winter meeting. Nominations for the Board Members will be received by the JAC secretariat at least three weeks before the JAC meeting. The AONB Director and Chairman of Officers Policy Group will be non-voting members of the Management Board.

## **APPENDIX B**

- 51 The Management Board will assist with the Unit's work between meetings. The Management Board will be accountable to the JAC and will report back to the JAC.
- 52 Terms of reference of the Management Board will be agreed by the JAC.

### **THE AONB STAFF**

- 53 The JAC will recommend and approve the appointment of an officer for the AONB ("the AONB Director") subject to funding availability. The relationship between the AONB Director and JAC is set out in Annexe III. The JAC may also recommend the appointment of other staff as part of a planned programme of work and to undertake specific functions determined by the JAC. The current functions of the JAC's staff Unit are set out in Annexe III. The JAC should ensure a current business plan defines the work programme of the staff unit. From time to time, secondments will be sought from member organisations in order to undertake a defined task, or role, for a specific period of time.
- 54 The AONB Director and any associated staff will be employed by the host authority .

### **FINANCE**

- 55 The funding requirement of the JAC will form part of a three year rolling business plan. The plan will be reviewed and a revised budget submitted to the JAC annually. The budget will be prepared by the AONB Director with advice from the Treasurer.
- 56 The contributions to 'core' costs will be made primarily by the funding Members. Other organisations may be willing from time to time to provide funding or assistance in kind. The memorandum of agreement will refer to the current funding formula.
- 57 The budget will make sufficient provision to cover:
  - a) costs of the staff unit and any other staff employed on the JAC's behalf. (Such costs to include salaries, pensions, national insurance, travel and subsistence, training and recruitment.)
  - b) financial, personnel and IT support



## APPENDIX B

- c) accommodation, office running costs and other associated operational expenses
  - d) costs associated with publicising and promoting the work of the JAC
  - e) costs of operating the JAC including secretariat support and;
  - f) the costs of any other projects and activities to be undertaken during the year for which the JAC's approval has been given.
- 58 The contribution sought from the Constituent Bodies will be based on the previous financial year, updated to take account of the current rate of inflation. Additional income to undertake specific projects will be sought through grant, sponsorship, lottery funding or other sources.
- 59 Non-funding local authority bodies eligible for JAC membership will be approached annually for an appropriate contribution.
- 60 Any overspend/underspend remaining in the JAC's account at the end of a financial year shall be carried forward into the next financial year.
- 61 The JAC or the AONB Director shall, within the budget limits agreed in advance and in accordance with any conditions imposed by grant-giving bodies, be authorised to approve expenditure within the JAC's terms of reference, and to apply for grants, sponsorship, lottery funding or any other source of income. Continuing efforts will be made by all members of the JAC to identify and secure funding from a wide range of sources.
- 62 The JAC Treasurer, in consultation with the AONB Director will prepare an annual statement of accounts for the previous financial year, for the JAC's approval. The JAC Treasurer will also be responsible for providing financial information in response to any reasonable request from any of the Constituent Bodies making a financial contribution.
- 63 Financial and administration services will be reviewed and agreed every three years and will be an operational cost of the JAC.

*East Sussex County Council currently provide treasurer support.*

## MEMORANDUM OF AGREEMENT

- 64 In order to secure continuity and stability to the arrangements the Core Members will subscribe to a memorandum of agreement with Natural

## **APPENDIX B**

England which will commit them to support over a six year period which will include a three year review and a rolling renewal.

### **REVIEW**

- 65 The funding arrangements and the constitution for the JAC will be reviewed every three years at the time the memorandum of agreement is reviewed.

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### TERMS OF REFERENCE FOR THE HIGH WEALD AONB MANAGEMENT BOARD

Adopted by the High Weald AONB Joint Advisory Committee on 15<sup>th</sup> July 2005

- 1 The High Weald AONB Management Board will be the operational arm of the High Weald AONB Joint Advisory Committee (JAC). The Board will comprise the following members:
  - Chairman of the JAC
  - Vice-Chairman of the JAC
  - 1 representative of Natural England
  - 4 members of the JAC
  - Chairman of the Officers' working group (non voting)
  - The AONB Director (non voting)
  
- 2 The Board will be appointed annually by the JAC at the JAC's autumn/winter meeting. Nominations for the Group Members should be received by the JAC secretariat at least three weeks before the JAC meeting.
  
- 3 The Management Board will assist the JAC's work between JAC meetings. The Management Board will be accountable to the JAC and will report back to the JAC. The specific roles of the Management Board will be as follows.
  - To advise the AONB Officer on the priorities of the JAC and partner authorities
  - To enable integration between JAC activities with the priorities and programmes of other organisations and agencies
  - To advise on the production, review and monitoring of the AONB management plan and 3-year business plan
  - To approve the Statutory Accounts
  - To set up working groups or other appropriate mechanisms to discuss and deliver management plan and JAC business plan objectives
  - To monitor progress on specific pieces of work, including the progress of working groups and other agencies
  - To consider and advise on risks associated with project contracts
  - To advise on funding allocations, grant administration and funding bids
  - To agree external grant awards

## **APPENDIX B**

- To oversee the work of the staff unit
  - To alert the JAC to issues arising from the implementation of the AONB Management Plan and three-year business plan
  - To advise host authority on annual forward targets for AONB Officer
  - To advise the JAC on Non-funding Member appointments
  - Appoint Presidents and Patrons for the AONB.
- 4 With the agreement of the Management Board, Members of the Board may take on specific roles.
- 5 The Management Board will normally meet 2 – 3 times a year, and as and when necessary. The Chairman of the Management Board will be able to convene urgent meetings as appropriate and as necessary.
- 6 The Management Board can co-opt other individuals as and when necessary to provide expertise. These ‘advisors’ will not have voting rights.

## **DECISION MAKING**

- 7 Wherever possible, decisions made by the management group will be by means of consensus. In the event of a vote being necessary, voting will be by a show of hands and decisions reached will be based on the majority of votes cast for or against a particular proposal. In the event of the voting being equal, the Chairman of the Group will have a second or casting vote, but in the event of the Chairman choosing not to exercise the second or casting vote, the proposal in question will fail. All core members will be entitled to vote on matters having a financial implication to the JAC.
- 8 The quorum of the Management Board will be four voting members to include the Chairman or Vice-Chairman.

## **APPENDIX B**

### **TERMS OF REFERENCE FOR THE HIGH WEALD AONB OFFICER'S POLICY GROUP**

**Adopted by the Joint Advisory Committee on 15<sup>th</sup> July 2005**

#### **POLICY WORKING GROUP**

1. An Officers' Working Group comprising officers of the Core Members (the Steering Group") will provide the JAC with professional advice in relation to its terms of reference, core budget, business plan and policy related activities. The cost of providing such advice will be borne by the organisations represented on the Working Group. The chairman of the Working Group will be nominated from within the group . The chairman's role is to provide advice to the JAC on behalf of the Officer's Policy Group.
2. The Working Group will normally meet twice per year, prior to each meeting of the JAC.
3. The Working Group may also seek the advice of other organisations/individuals on specific aspects of the JAC's work as considered appropriate.
4. Notes of the meeting will be taken and any decisions minuted.
5. The primary functions of the Working Group will be to:
  - a) provide technical advice to the JAC
  - b) promote liaison on technical issues between members of the JAC
  - c) determine information needs for management of the AONB
  - d) identify management issues of importance in the AONB
  - e) undertake and commission research
  - f) develop policy recommendations to the JAC
  - g) advise on the preparation of the management plan
  - h) seek co-ordination of the work of members in implementing the management plan.
  - i) develop awareness and understanding of the AONB
  - j) act as a sounding board on local authority issues
  - k) advise on JAC terms of reference, core budget and the business strategy.

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### DECISION MAKING

6. Wherever possible, decisions made by the Officer's group will be by means of consensus. In the event of a vote being necessary, voting will be by a show of hands and decisions reached will be based on the majority of votes cast for or against a particular proposal. In the event of the voting being equal, the Chairman of the Group will have a second or casting vote, but in the event of the Chairman choosing not to exercise the second or casting vote, the proposal in question will fail.
7. When necessary, in the interests of expediency, the chairman of the Policy Group may take action on behalf of the JAC, after seeking prior approval of the Chairman, provided such action is consistent with this constitution and is reported to the next meeting of the JAC.

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### PRESIDENTS AND PATRONS

The role of the President/Patrons will depend on Joint Advisory Committee needs and the interests of the appointee(s). The tasks likely to be performed by the President or Patrons are to:

- Head-up the “Friends of the High Weald”.
- Attend meetings and publicity events where issues relating to the High Weald are discussed.
- Represent the High Weald in the national and regional arena, for example at national conferences and at the Association of AONBs.
- Present the views of the High Weald Joint Advisory Committee to the media.
- Provide informed comment on topical issues of relevance to the High Weald.
- Attend meetings of the JAC as a co-opted member.

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### HIGH WEALD AONB UNIT

Adopted by the Joint Advisory Committee on 15<sup>th</sup> July 2005

#### Role of AONB Director

1. The AONB Director will be appointed by the Chairman/Vice-Chairman (on behalf of JAC) and employed by the host authority.
2. The Director's main role will be to advise the JAC on delivery of AONB objectives including the preparation, review and monitoring of the AONB management plan and direct the work of the staff unit to achieve JAC business plan targets.
3. The Director shall report to the JAC and be a non-voting member of the management board.
4. Annual performance management of the AONB Director will be carried out by the host authority who shall seek input from the management group on the AONB Director's annual targets.

#### Role of the AONB Unit

The role of the AONB Unit is based on the core functions that have been defined for all AONB Units by the Countryside Agency. The functions are set out in the High Weald Memorandum of Agreement (MOA).

The role of the AONB Unit as currently set out in the High Weald MOA 2005/11 is:

- a) To develop, review, prepare and publish the AONB vision and the CRoW Act AONB Management Plan.
- b) To promote the AONB vision and management plan to help distinguish the AONB from adjacent countryside.
- c) To advise upon, facilitate and co-ordinate implementation by others of the Management Plan.
- d) To advise Local Authorities on their activities within AONBs, to encourage them to go beyond normal levels of service (attain the highest possible standards) in countryside management.
- e) To monitor and report on progress against AONB Management Plan targets
- f) To monitor AONB landscape condition.
- g) To access resources for management activities.



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- h) To work with and contribute to the NAAONB activities, sharing advice and best practice nationally and regionally.
- i) To provide a management role to co-ordinate AONB protection through the actions of the AONB unit, the AONB partnership and other partners at a local and strategic level.
- j) To develop an involvement by the community in the management of the AONB.
- k) To provide landscape character related planning advice.

## 8. PROPOSED SALE OF 39 CYPRUS ROAD, BURGESS HILL. WEST SUSSEX

REPORT OF: Solicitor to the Council

Contact Officer: David Waite (Property Manager)  
Email: davidcw@midsussex.gov.uk Tel. 01444 477490  
Wards Affected: Burgess Hill – Meeds  
Key Decision No

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### Purpose of the Report

1. The purpose of this report is to seek Cabinet approval to the disposal of the Council's freehold interest in 39 Cyprus Road, Burgess Hill shown edged in red in the plan no. 1 attached. This report should be read in conjunction with the report contained in Part 2 of the agenda.

### Recommendations

2. **It is recommended that Cabinet approves the disposal to the tenant, of the Council's freehold interest in 39 Cyprus Road, Burgess Hill shown edged in red in the plan no. 1 attached ("the Property") in consideration of the terms in Part 2 of aforesaid.**
3. **It is further recommended that Cabinet authorise the Solicitor to the Council to agree the detailed terms of the Contract for Sale to give effect to the principle terms of the disposal discussed in the Part 2 report, and to complete the transaction.**

### Background

4. The Council purchased the freehold of this property in 1994 at a time when there were ongoing proposals for a road improvement strategy incorporating this property. This scheme is no longer a foreseeable proposal. The property was subsequently let to the present tenant on a series of leases.
5. The Council entered into the most recent lease to the tenant for a term of 5 years commencing on 29<sup>th</sup> January 2008 and expiring on 28<sup>th</sup> January 2013. The lease is excluded from the security of tenure provisions of the Landlord and Tenant Act 1954 and therefore the tenant does not have the automatic right to renew the lease. The tenant's repairing obligations are to keep the property wind and water tight only with minimal decorating obligations. The property is currently in a poor state of repair and requires a substantial amount of remedial work, for which the Council would be primarily liable should the freehold be retained.
6. It was agreed in December that the property would be marketed for a period of 6 weeks. This has occurred with the marketing period ending on 5<sup>th</sup> March 2010.
7. An offer has been made by the tenant through her external surveyor to purchase the Council's freehold interest in the Property. One other verbal offer was received but has subsequently been withdrawn.

## **Discussion**

8. The offer being recommended for acceptance is the only offer remaining.
9. The property has been on the open market for 6 weeks, no other offers remain open although there has been a significant amount of interest in the property. The agent informs me that the remedial work required to the building has discouraged the majority of interested applicants.
10. Ward Councillors have been consulted and are in agreement with the proposed Disposal.
11. The financial considerations are discussed in Part 2 of this report.

## **Policy context**

### **Options available**

12. Retain the Property as an investment and invest a significant sum of money in repairs.
13. Dispose of the Council's freehold interest in the Property on the terms recommended in Part 2 of this report.
14. Terminate the existing lease and hold the property ahead of any possible redevelopment.

### **Financial Implications**

15. These are set out in Part 2 as aforesaid.

### **Legal Implications**

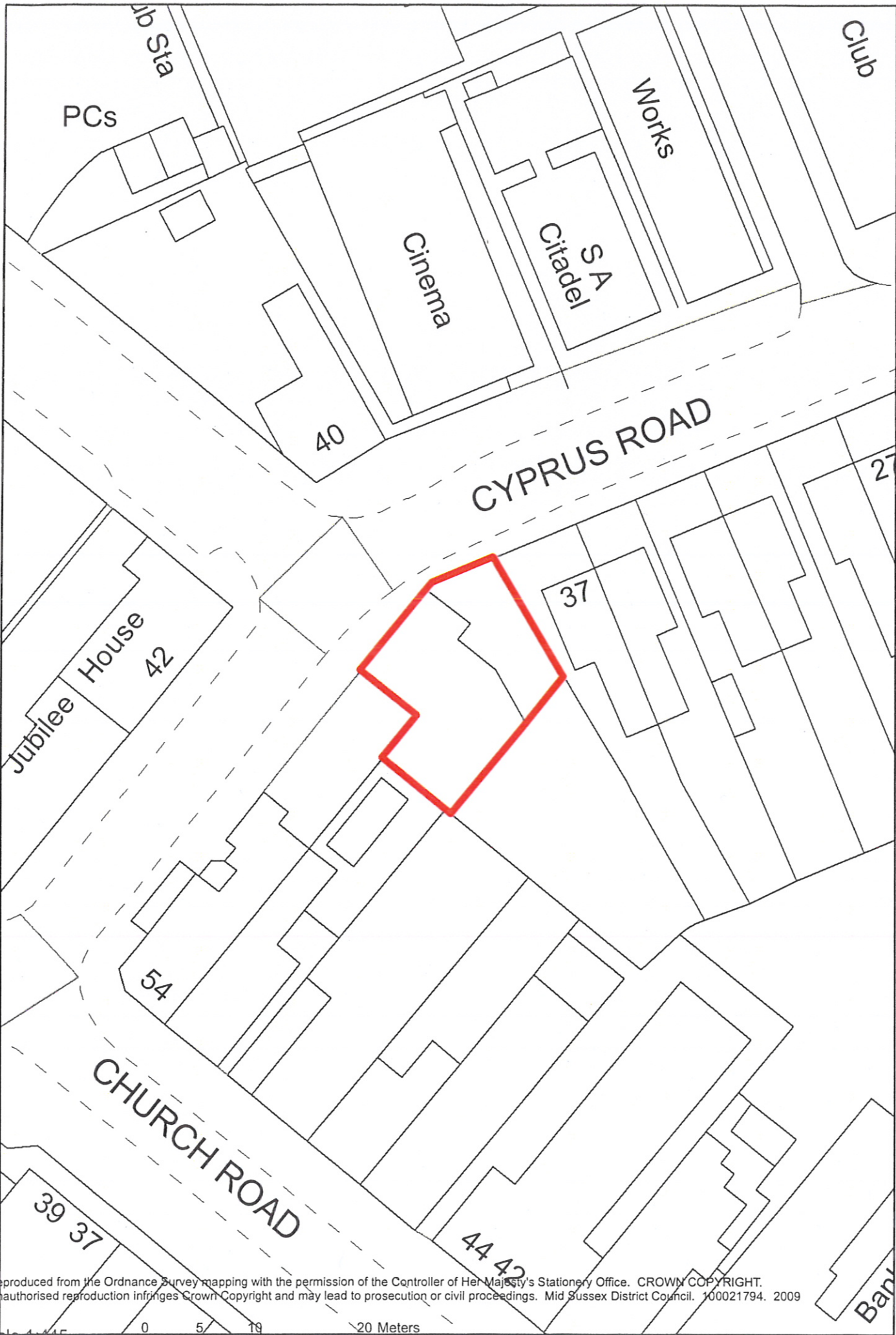
16. These are set out in Part 2 as aforesaid.

### **Other Material Implications**

17. In preparing this report, other than those matters referred to, no environmental, Human Rights or community safety implications have been identified.

### **Background Papers**

18. Plan attached.



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Scale 1:445 0 5 10 20 Meters