# **Lancaster City Council | Report Cover Sheet**

| Meeting          | Individual Cabinet Member Decision                          | Date | 18.6.21 |  |  |
|------------------|---|------|---------|--|--|
| Title            | Farming in Protected Landscapes programme for the Arnside & |      |         |  |  |
|                  | Silverdale Area of Outstanding Natural Beauty               |      |         |  |  |
| Report of        | Director of Economic Growth and                             |      |         |  |  |
|                  | Regeneration  |      |         |  |  |
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#### **Purpose of Report**

To approve that the Council acts as the Accountable Body for delivery of the Farming in Protected Landscapes programme for the Arnside & Silverdale Area of Outstanding Natural Beauty.

To appoint a Council member representative to the Local Assessment Panel.

| Key Decision | No | n/a | Exempt | No |
|--------------|----|-----|--------|----|
|--------------|----|-----|--------|----|

### **Report Summary**

Arnside & Silverdale Area of Outstanding Natural Beauty (AONB) is a nationally Protected Landscape, which covers 75km<sup>2</sup> in north Lancashire/ south Cumbria. Lancaster City Council acts as the host local authority for the statutory Arnside & Silverdale AONB Partnership.

The Department of Food and Rural Affairs (Defra) have developed a new Farming in Protected Landscapes (FIPL) programme which is now available for Protected Landscapes to participate in. The new programme represents a significant investment in rural businesses and communities within the AONB, funding projects helping to address the climate and biodiversity crisis, improve people's engagement with the landscape, and support sustainable farm businesses and communities. Delivery of the programme will help ensure good progress with the implementation of the statutory Arnside & Silverdale AONB Management Plan 2019-24.

The three-year programme will be delivered by the AONB staff team working in collaboration with farmers and land managers and others with a stake in the area. The programme is 100% funded and the provisional funding allocation for financial year 2021/22 for Arnside & Silverdale AONB is £170,354 and this includes an allocation for additional staff capacity to run the programme.

Approval is required for the Council to act as the accountable body for delivery of the new Farming in Protected Landscapes programme for the Arnside & Silverdale Area of Outstanding Natural Beauty. As the host local authority for the AONB Partnership, the Council already has considerable experience of acting as the accountable body for external funding from Defra and has the necessary arrangements in place.

Decisions on project funding will be made by a Local Assessment Panel so it is also requested that the Council appoints an appropriate member representative to this group.

### **Recommendations of Councillors**

- (1) That Lancaster City Council acts as the accountable body for the Farming in Protected Landscapes programme for the Arnside & Silverdale Area of Outstanding Natural Beauty.
- (2) That the Council appoints an appropriate member representative to sit on the Arnside & Silverdale AONB Local Assessment Panel.

### **Relationship to Policy Framework**

The proposed Farming in Protected Landscapes programme will contribute directly to the delivery of the Council's Corporate Priorities.

Conclusion of Impact Assessment(s) where applicable

| Climate  | Wellbeing & Social Value |
|----------|--------------------------|
| Digital  | Health & Safety          |
| Equality | Community Safety         |

The programme is likely to result in positive impact in terms of Climate, Equality, and Wellbeing and Social Value.

#### **Details of Consultation**

The Arnside & Silverdale AONB Partnership supports participation in the programme. AONB staff have been in regular contact with Defra, the National Association for AONBs and other Protected Landscape bodies, in particular the Lake District National Park Authority, Solway Coast AONB, North Pennines AONB and Forest of Bowland AONB, to develop and plan the programme and will continue to do so during the implementation phase.

The Arnside & Silverdale AONB Farming and Land Management Group was established in 2020 to support the farming and land management community. This group is supportive of the FIPL programme and will be a key part of implementation going forwards.

### **Legal Implications**

Legal Services will advise on any funding agreement conditions.

### **Financial Implications**

The funding for FIPL has been discussed with the AONB Manager and the decision made to create a new cost centre within the accounts to keep the programme separate to the other DEFRA funding for ease of monitoring. AONB and Accountancy staff are both familiar with the reporting requirements of DEFRA.

As funding for the programme is likely to be confirmed for a three-year allocation, consideration will be required for the likelihood of redundancy payments should the

staff be in post for a period above two years. This is unlikely to be a substantial amount and is dependent on the length of service of the successful candidates. Permission to account/budget for such costs from within the funding will be required from DEFRA and budgeting for such costs will start in year 3 2023/24.

Once the funding offer has been formally accepted the revenue budgets will be updated.

### Other Resource or Risk Implications

There are no major resource or risk implications for the Council.

Resources are required to run the programme and the external funding will cover the bulk of these requirements, in particular the creation of a new post to deliver the programme.

A low level of resources will be required from Finance and Legal Services to ensure the programme is managed effectively with regard to financial and contractual matters and this will be carried out within existing resources.

Management arrangements are already in place through the AONB staff team.

#### **Section 151 Officer's Comments**

Subject to the clarification and agreement of any potential redundancy costs with DEFRA the s151 Officer would support the acceptance of funding for this project. The Council acts as an accountable for a number of schemes and projects throughout the district. Given the arrangements outlined within the financial implication and the relative size and simplicity of the programme acting as the accountable body does not highlight any overt risks, concerns, or cost pressures at this point.

## **Monitoring Officer's Comments**

In accordance with the Financial Procedure Rules in the Constitution, Directors have the authority to accept budget neutral funding that is below Key Decision threshold subject to due diligence and the agreement of the Chief Finance Officer.

However, as this proposal also involves the Council acting as the "accountable body" for a partnership or joint venture (involving external funding), the approval lies with Cabinet (via an ICMD here).

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#### Links to Background Papers

Arnside & Silverdale AONB Management Plan 2019-2024

Defra Farming in Protected Landscapes Frequently Asked Questions Document (attached)

National Landscapes Review 2019

### 1.0 Introduction

- 1.1 Arnside & Silverdale Area of Outstanding Natural Beauty (AONB) is a nationally Protected Landscape, which covers 75km² in north Lancashire/ south Cumbria.
- 1.2 The responsible local authorities for each AONB are required to produce joint Management Plans which "formulate policy for the management of the area of outstanding natural beauty and for carrying out functions in relation to it" as set out in Section 89 of the Countryside Rights of Way Act 2000 and to form joint partnerships to oversee and coordinate management.
- 1.3 Management Plans guide the work of AONB Partnerships, which are made up of the responsible local authorities, interest groups, national agencies, local communities and voluntary sector organisations who work together to conserve and enhance the area. Staff teams are employed by host local authorities, which receive external grant funding from Defra and contributions from partner local authorities to implement AONB Management Plans.
- 1.4 For Arnside & Silverdale AONB the responsible local authorities are Lancaster City Council, South Lakeland District Council, Cumbria County Council and Lancashire County Council. Lancaster City Council is the host local authority, and therefore employs AONB staff and hosts the AONB budget.
- 1.5 Further to the publication of the national Landscapes Review in 2019 and their Agricultural Transition Plan in 2020 the Department of Food and Rural Affairs (Defra) have developed the Farming in Protected Landscapes (FIPL) programme. Protected Landscape teams across the country have been allocated additional funding for the programme on top of their annual core grants. The FIPL programme will run until end March 2024 although provisional funding allocations have been made for the Financial Year 2021/22 only.

#### 2.0 The Farming in Protected Landscapes (FIPL) programme

- 2.1 The funding for the FIPL programme comes from Defra's wider Future Farming and Countryside Programme. The programme is time limited (2021-2024) to provide additional investment in Protected Landscapes.
- 2.3 The programme will be delivered by Protected Landscape teams working in collaboration with farmers and land managers and others with a stake in the area, based on the understanding that Protected Landscapes and those living and working in these areas know the opportunities and challenges facing their landscapes and communities the best. This programme is an opportunity for Protected Landscape teams, farmers, and land managers within these areas to work closer together, leading work at an individual landscape level, building on existing relationships.

- 2.4 The programme will focus on the key challenges facing farmers, land managers and communities in Protected Landscapes helping to address the climate and biodiversity crisis, improve people's engagement with the landscape, and support sustainable farm businesses and communities.
- 2.5 The programme will be project based and take a bottom-up approach. Funding will support individual projects proposed by local farmers and others, and approved by Local Assessment Panels, which will support Protected Landscapes' local priorities. Projects will take a holistic approach to deliver change. Indicative examples of the types of projects that may be supported are:
  - Example 1 A farmer/land manager in Arnside & Silverdale AONB will carry out scrub management to reinstate species-rich limestone grassland, install a series of gates to improve access for people with limited mobility and plant new hedgerows and in-field trees across their land holding. This will deliver public benefits by addressing climate change and improving landscape character, wildlife habitats, and access opportunities.
  - Example 2 A farmer/land manager in Arnside & Silverdale AONB will carry out an ecological survey and soil test for 7ha of semi-improved grassland to assess the suitability for restoration to species-rich grassland and go on to restore 3ha of the semi-improved grassland. They also restore a heritage lime kiln and drystone walls, provide a new concessionary access route, and install new signage to direct people to a local café business to support the local economy.
- 2.6 At a national level, the programme will show what Protected Landscapes can deliver collectively, facilitating greater coordination and join-up across the family of National Parks and AONBs, putting into practice the recommendations published in the national Landscapes Review 2019. Most of the funding will go on direct delivery of programme activities through implementation of farm level projects, wider infrastructure/investment to improve access, and accompanying technical advice/support.
- 2.7 It will work alongside not in competition with existing schemes available to farmers and land managers, adding value where it is most needed: if activities can already be delivered through existing schemes, then this approach will be encouraged. Over the longer term, Defra envisions the Sustainable Farming Incentive, the Local Nature Recovery scheme and the Landscape Recovery scheme playing a significant role across Protected Landscapes, with farmers who lead on FIPL projects taking part in these schemes going forward.

#### 3.0 Finances

- 3.1 Defra are allocating specific funding amounts to each Protected Landscape, based on a formula they have designed together with stakeholders from Protected Landscape teams. More information on the formula can be found in the 'FAQ' document attached to this report.
- For Arnside & Silverdale AONB the provisional overall allocation for Financial Year 2021/22 is: £170,354, of which:

A maximum of £14,017 may be spent on administration, and A maximum of £23,828 may be spent on advice and guidance.

A new Farming in Protected Landscapes Officer post will be created within the AONB staff team to carry out these functions and ensure successful delivery of the programme. The provisional allocation has been provided by Defra to aid preparation for the programme launch and is expected to be confirmed by Defra before the end of June.

- 3.3 In order to align the FIPL programme with the annual grant funding agreements for AONBs under which this programme will be delivered, the programme will be delivered under the same powers. Section 98 of the Natural Environment and Rural Communities (NERC) Act 2006 will be applied for delivering this funding for AONBs. Section 98 of NERC enables the Secretary of State to provide financial assistance in respect of expenditure incurred or to be incurred in any matter related to or connected with a Defra function, subject to any conditions specified. These powers will be applied in pursuit of the statutory purposes of AONBs.
- 3.4 FIPL funding will be provided through an in-year variation to existing AONB core grant agreements with Defra. Defra will provide detail of the allocation for the year and the programme grant claim process through their Bravo portal system. The Council already has the necessary arrangements in place to manage this process.
- 3.5 Defra will be working closely with Protected Landscape teams to monitor and track spend as the programme is delivered.

### 4.0 <u>Delivering the Programme</u>

- 4.1 The programme will be delivered by the Arnside & Silverdale AONB Partnership. A new Farming in Protected Landscapes Officer will be recruited to run the programme, overseen by the AONB Manager and assisted by existing AONB staff.
- 4.2 A Local Assessment Panel will be established to make decisions on project applications. The application window will formally open on 1<sup>st</sup> July 2021 and close on 31 January 2022. Application windows for future years are to be confirmed. During this period, regular Local Assessment Panel meetings will be held to decide on which projects should be supported, based on guidance from Defra and relevance to the AONB Management Plan.
- 4.3 It is requested that the Council appoint an appropriate member representative to sit on the Local Assessment Panel for Arnside & Silverdale AONB. Technical support will be provided by the AONB Manager and new Farming in Protected Landscapes Officer.
- 4.4 Further guidance about how to run the Local Assessment Panel and the criteria for what projects will be eligible for funding is to be provided in Defra's National Framework document. Programme documents such as Process Flows, Application Form Template, scoring system and Monitoring Spreadsheet will also be provided.

- 4.5 Defra will also be holding training and information sessions on the programme, along with training to help run the programme.
- 4.6 A key underpinning principle of the programme is collaboration. Defra will be establishing a "Farming in Protected Landscape Network", so that individual landscapes' advice and guidance staff are able to have easy access to each other and can share good practice and lessons learned.

# 5. 0 <u>Launching Farming in Protected Landscapes</u>

5.1 Defra intend to publicly announce the Farming in Protected Landscapes programme w/c 21<sup>st</sup> June at which time farmers and landowners will be encouraged to contact their relevant Protected Landscape team for more information. The application window will open on 1<sup>st</sup> July.

### 6.0 Options and Options Analysis (including risk assessment)

### Option 1:

Participate in the Farming in Protected Landscapes programme.

### Advantages:

- Significant additional external budget neutral funding to deliver Arnside & Silverdale AONB Management Plan and Council Corporate Plan priorities
- Projects will deliver multiple benefits to rural businesses and communities
- Programme provides resources for staff costs to run programme
- Significant support available from Defra and other Protected Landscapes teams to assist with delivery of programme

#### **Disadvantages:**

 Delivering the programme will require some management time from AONB and Council staff

#### Risks:

- Low take up of the scheme (to be mitigated by well-planned communications and promotions activity, efficient monitoring and continued close working with AONB Farming and Land Management group)
- Non-delivery of funded schemes (to be mitigated through robust grant agreements to be put in place for each project)

### Option 2:

Do not participate in the Farming in Protected Landscapes programme.

#### Advantages:

No additional demands on staff time

### **Disadvantages:**

 Loss of significant opportunity to benefit from substantial external funding for Arnside & Silverdale AONB Management Plan and Council Corporate Plan priorities

#### Risks:

 Significant reputational risk with Defra and other Protected Landscapes with regard to non-participation.

# 7. Officer Preferred Option (and comments)

7.1 The officer preferred option is Option 1. This programme represents a significant opportunity to receive funding for delivery of multiple benefits in Arnside & Silverdale AONB, which will help address the climate and nature crisis, and support rural businesses and communities.