

Report to: **Executive**

Date: **30 November 2023**

Title: **South Devon Area of Outstanding Natural Beauty (National Landscape) Partnership**

Portfolio Area: **Cllr John McKay, Lead Executive Member for Climate Change and Biodiversity**

Wards Affected: **Allington and Strete, Blackawton and Stoke Fleming, Charterlands, Dartmouth and East Dart, Ermington and Ugborough, Kingsbridge, Loddiswell and Aveton Gifford, Marldon and Littlehempston, Newton and Yealmpton, Salcombe and Thurlestone, South Brent, Stokenham, Wembury and Brixton, West Dart.**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: Upon the expiry of the Overview & Scrutiny Call-in period – 5.00pm on Monday, 11 December.

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RECOMMENDATIONS

That the Executive:

- 1. Note the scope of core and project work being undertaken by the South Devon AONB Partnership and the alignment with Council priorities;**
- 2. Request an update report on these programmes back to the Executive in a further six months' time;**
- 3. Approve the underwriting of the Life on the Edge project, to maximum financial value of £96,000, (£18,000 per year over 5 years) against the £4.2m project programme; and**
- 4. Delegate authority to the Director of Place and Enterprise to review and amend the hosting agreement to reflect this principle and agree the partnership status of the AONB for a further 5 years to provide surety of funding.**

1. Executive summary

- 1.1. The South Devon AONB Partnership is an established, significant, and valued partner assisting in the delivery of Council priorities. It provides a strategic lead in the protection, conservation and enhancement of the South Devon AONB, the nationally designated area. Actions and projects are focused around thematic and geographic areas of mutual interest and benefit, achieving positive outcomes for Nature, Climate, People and Place.
- 1.2. The partnership, through its suite of projects, will:
 - Increased the classification of AONB land as of a high value for nature by 7% to 36% by 2030
 - Increase the overall area of specific priority habitats by 60% above current levels (an additional 5,200 ha of land will become naturerich) by 2050 including:
 - 2120 ha of species rich grassland
 - 1750 ha of maritime cliff and slope habitats expanding inland.
 - 1235 ha of new broadleaved woodland, including extensions to and links between existing woods.
- 1.3. The AONB Partnership is supported by a dedicated Staff Unit, employed and hosted by South Hams District Council on behalf of the Partnership. SHDC are the accountable body of the South Devon AONB Partnership.
- 1.4. The AONB Unit is currently leading on the delivery of 12 project programmes to the value of £0.85m in 2023/24 and £1.9m in 2024/25, alongside core AONB work and providing support to over sixty other initiatives to conserve and enhance the natural beauty of the AONB. This report provides an update on key aligned projects and makes recommendations with respect to the funding position for the Council as a core funding partner and host organisation, to maximise delivery across multiple aligned priorities.

2. AONB Key Projects

- 2.1 The South Devon AONB Partnership has consistently made a significant contribution to the delivery of Council priorities over its 20-year lifetime with a focus upon Nature, Climate, People and Place captured through the strategy and delivery plan of the statutory Management Plan for the area. Now more than ever the Partnership's core and project activity is exceptionally well aligned with corporate priorities, together with Defra and those of

other local authority partners Devon County Council, Torbay Council and Plymouth City Council.

2.2 Headline priorities for 2024/25 taken from the September 2023 AONB Core Funding Group meeting and the AONB Management Plan: Part 2 Delivery Plan are as follows:

- Subject to securing National Lottery Heritage Fund project grant – Year 1 of £4.2m five year nature recovery focused **Life on the Edge** project Delivery Phase (NLHF decision awaited in early December 2023)
- Subject to securing a £750k Landscape Recovery project grant – Deliver Year 1 of two year **Un-squeezing the Coast: South Devon Landscape Recovery project** development phase. (Defra decision awaited in early December 2023) supporting 66 farmers and landowners to take action for Net Zero, sites protected for biodiversity and habitat enhancement
- Deliver £595k Year 4 **Farming in Protected Landscapes** programme for South Devon
- Deliver support and advice to farmers and land managers through Year 2 of the **Farm and Landscape Connectivity Facilitation Fund** programme for South Devon.
- Deliver Year 3 **Access for All** programme for South Devon
- State of the AONB evidence collation, analysis and reporting
- Early phases of AONB Management Plan review taking full account of new emerging Management Plan Guidance for England's Protected Landscapes (Natural England/Defra) and new Levelling up and Regeneration Act provisions and subsequent regulations
- Support development of the Devon Local Nature Recovery Strategy while iterating and delivering the **South Devon AONB Nature Recovery Plan**
- Prepare a **Climate Action Plan for the AONB** as a designated area, its Partnership and Staff Unit, including a Climate Change Adaptation Management Plan to be produced, embedded in, or linked with, the Management Plan by 2028
- Provide of AONB matters advice (including Standing Advice and Guidance) to Development Management and Strategic Planning functions of the areas four LPAs in accordance with Planning Protocol and the Marine Management Organisation
- Implement the Coastal Heritage Monument Management Scheme
- Develop investable propositions for Green Financing through Nature South West
- Seek and develop nature-based solutions to climate change that deliver on nature recovery

- Lead on and coordinate Estuaries Management for South Devon's five estuaries
 - Co-host the South Devon River Catchments Based Approach
- 2.3 In accordance with the Defra Grant Funding Agreement AONB Staff Unit progress is reported to Defra twice a year in the form of a Mid Point and End Point Review. Further project specific reports are provided to individual funders following the terms of funding provided.
- 2.4 Key Performance Indicators are reported to Defra on an annual basis. These cover the work of the AONB Staff Unit, Partnership and wider partners and stakeholders in conserving and enhancing the natural beauty of the AONB.
- 2.5 A new outcomes framework for all protected landscapes in England is being developed by Defra linked to targets, outputs and outcomes in the Environmental Improvement Plan 2023.

Council priorities

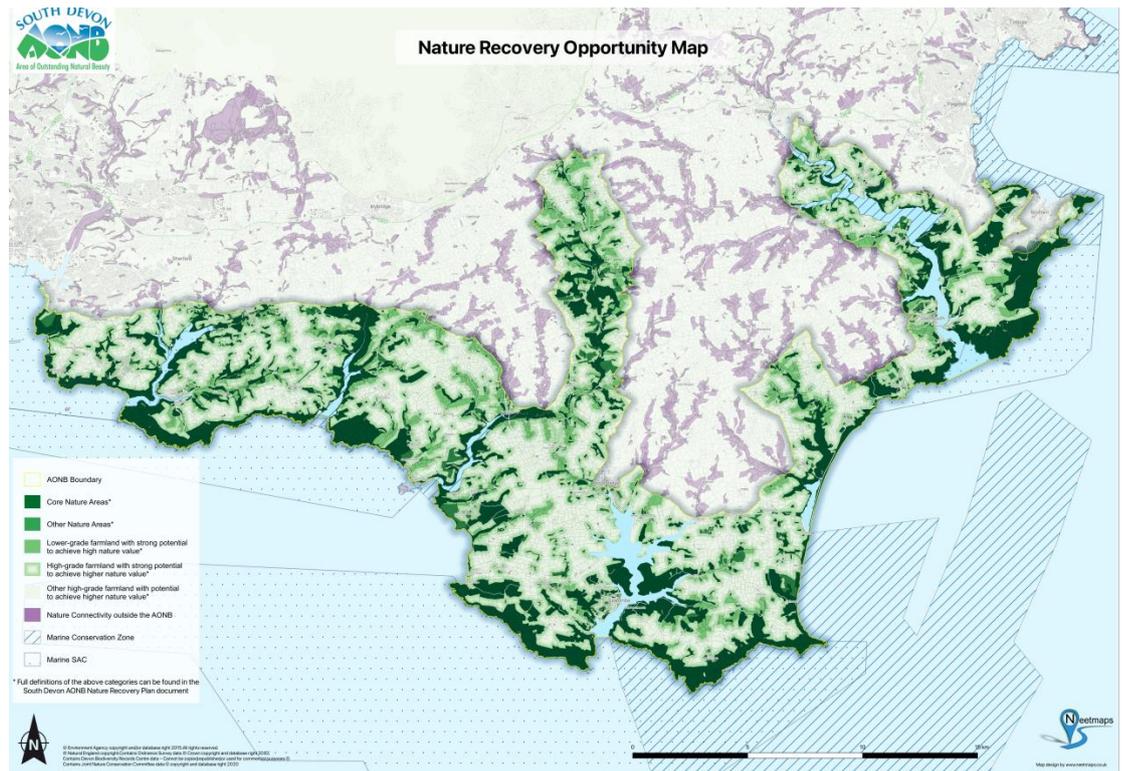
- 2.6 AONB Partnership activity contributes to all Corporate strategy themes but makes a particularly strong contribution toward climate and biodiversity ambitions through actions and projects including the following illustrative examples:

South Devon AONB Nature Recovery Plan¹

- 2.7 Produced in response to the Colchester Declaration 2019² to shape and target nature recovery interventions throughout the AONB and its setting, feed into the emerging Devon Local Nature recovery Strategy and next round of AONB Management Plan production. The plan takes a three-pronged approach identifying Nature-First, Nature-Rich and Nature-Friendly areas together with quantifying metrics for measuring progress toward habitat and species based targets for land and water within the AONB and its setting.

¹ <https://www.southdevonaonb.org.uk/wp-content/uploads/2023/06/SDAONB-Nature-Recovery-Plan-June-23-web-V1.0.pdf>

² <https://landscapesforlife.org.uk/projects/colchester-declaration>



- By 2030 we aim for 36% of the AONB to be classified as of a high value for nature (up from 29% in 2023).
- Our targets for 2050 are to increase the overall area of specific priority habitats by 60% above current levels. This will mean that an additional 5,200 ha of land will become naturerich, incorporating:
 - 2120 ha of species rich grassland (made up of 370 ha of distinct grassland habitats
 - and 1750 ha of maritime cliff and slope habitats expanding inland).
 - 1235 ha of new broadleaved woodland, including extensions to and links between
 - existing woods.
 - 320 ha of wood pasture and parkland
 - 340 ha of new traditional orchards.
 - 125 ha of new wetlands
 - 66 ha of new saltmarsh
 - 136 ha of heathland
 - 860 ha of new mosaic habitats
 - New Devon hedges with better management to improve the condition of existing hedgerows

Life on the Edge³

2.8 The South Devon coast is home to one of the most diverse range of plant and invertebrate species in the UK, thanks to its warm climate, unique geology and long history of low-intensity farming.

³ <https://www.southdevonaonb.org.uk/projects/life-on-the-edge/>

But many of these species are now in serious trouble, with some facing extinction. These vulnerable and special species are holding on along a thin strip of coast, squeezed by the sea on one side and increasingly-intensive agriculture on the other.

- 2.9 Life on the Edge is a project that gives these species a lifeline to the future. A few strongholds survive, thanks to nature-friendly farming by visionary landowners and managers and the project will support more people – farmers, gardeners, communities and businesses – to make more space for nature along the coast, targeting the needs of our rarest species with measures that also help our more common wildlife. Core to the project is involving people, helping them to reconnect to nature, refreshing their sense of wellbeing and empowering them to make a difference for nature.
- 2.10 This partnership project led by South Devon AONB, involving Buglife, National Trust, Doorstep Arts, SW Coast Path Association and a wide range of other project partners has concluded its National Lottery Heritage Fund development phase and awaits a decision on its Round 2 application to support a £4.2m project over the next five years. The result will be a coastline and its connected hinterland that is buzzing with wildlife, packed with wildflowers and a treat for the eye for residents and visitors alike.



- 2.11 The project aims to:

RECONNECT local communities, rural and urban, and visitors to South Devon, to the Protected Landscape and special wildlife on their doorstep, inspiring them to discover, value and take action for special species.

REFRESH people's health and wellbeing, through practical tasks, regular activity groups, spending quality time with other people and gaining new knowledge about the natural world along the coast.

EMPOWER people to make a real contribution to tackling the ecological emergency, gaining new skills, knowledge, capacity, and inspiration to deliver nature recovery in their communities.

RESTORE resilient populations of some of the UK's most threatened invertebrates and plants to the South Devon coast.

ENHANCE the whole coastline of the South Devon AONB for people and wildlife.

2.12 As a result, by 2029:

- At least 33,000 beneficiary-activity-days will have been delivered by the project.
- At least 3,000 people who have previously had limited engagement with the coast, will have been able to overcome barriers and have new, rewarding and life-enhancing experiences
- connecting with nature along the South Devon coast.
- 75% of these targeted participants will report an improvement in their wellbeing through taking part in our activities, feeling healthier, more confident, and better connected.
- 9 apprentices, 5 interns, 10 long-term volunteer trainees, the whole AONB workforce including the Life on the Edge project team (13 people), dozens of farmers and landowners, and
- hundreds of other learners, volunteers and partners will have gained valuable new skills to use in securing nature's recovery.
- At least 18,000 people will have increased their understanding of our special species and habitats, and we expect 50% will have taken targeted action at home, at work or in their
- community that benefits nature.
- 50% of local residents surveyed will have become aware of and appreciate the Life on the Edge project and the changes it has made to enhance the local area.
- Over 900,000 visitors and users of the South West Coast Path through our Hotspot areas will have benefited from a more nature-rich experience as well as learning about the steps we and partners have taken to protect rare species, and how they can get involved themselves.
- Our 60 target species will have progressed along their journey to recovery and will have a more sustainable future.
- 675ha of invertebrate-friendly habitat will be restored or created in our Hotspots.

- Of this total, 100ha of new seed donor sites will be created, to supply future regeneration programmes as part of the legacy of Life on the Edge.
- In addition, over 1,300ha of nature-friendly farmland in our B-Lines will create a network connecting our Hotspots.

Farming in Protected Landscapes Programme⁴

2.13 This national programme, is delivered locally in the South Devon AONB supporting farmers and land managers, and providing capital and revenue grants to: carry out projects that support nature recovery; mitigate the impacts of climate change; provide opportunities for people to discover, enjoy and understand the landscape and cultural heritage; or support nature friendly, sustainable farm businesses and diversification.

2.14 A total of £1m funding over the three year period 2021/22 to 2023/24 has supported 48 projects to date. Additional national funding in the form of a Historic Building Restoration Grant is being made available to support farm based heritage building restoration projects. A further £595k is available in 2024/25 to support outcomes for Nature, Climate, People and Place in South Devon.



Flete Farming Partnership
Habitat Development



Foxharris Farming
Vegetable strip-till



Cows in Clover
No Fence collars- conservation grazing



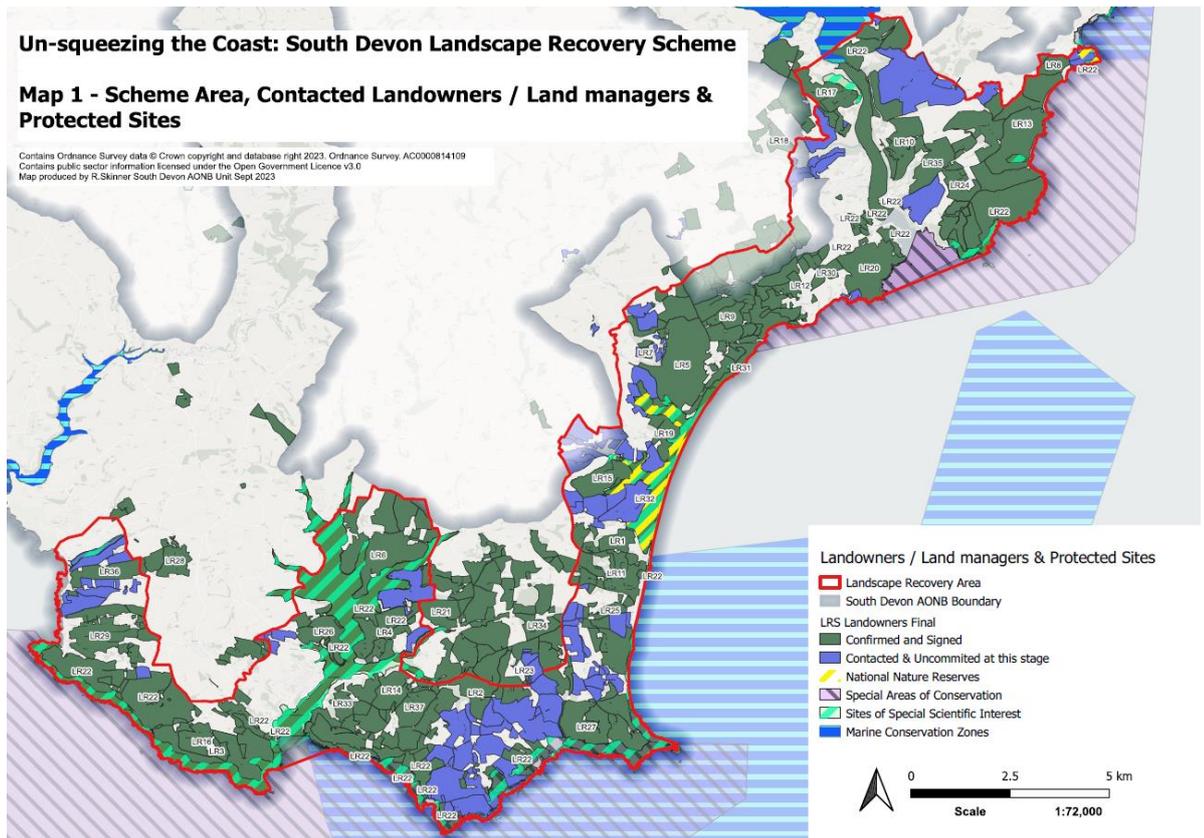
Carbon cluster
Soil carbon measurement

⁴ <https://www.southdevonaonb.org.uk/farming-in-protected-landscape-programme-2021-2025/>

Landscape Recovery⁵

- 2.15 'Un-squeezing the coast: South Devon' is a nature first, nature rich, nature friendly submission to Defra for Environmental Land Management (ELM) Landscape Recovery scheme Round 2 funding. Subject to a successful outcome in early December the project will enter a 3 month enrolment phase followed by a two year development phase to become investment ready.
- 2.16 The project itself is focused upon species assemblages and habitat rather than individual species and will create significant long-term change along the South Devon coast integrating high quality food production and progressive innovative farming within an enhanced and restored ecological environment. The project will showcase landscape scale nature recovery within productive lowland mixed farming, of small/medium sized family farms, bringing in much needed long term green investment stacked and blended with agri-environment grant options specifically designed for the Un-squeezing the coast project area, its farmers and land managers.
- 2.17 Farms will be supported to achieve at least net-zero during the process and to create a coastal biodiversity network threaded through the agricultural landscape buffering sensitive sites. Significant funding will be provided for both enhanced management of existing habitats and restoration of wildlife rich habitats in key locations including species rich meadows, coastal grassland marsh, scrub, saltmarsh and seagrass.
- 2.18 The project area covers 10,869 hectares of farmland, estuary waters and fundus between South Milton Ley in the west to Sharkham Point in the east, encompassing Salcombe-Kingsbridge estuary and the lower part of the Dart estuary. 66 farmers and landowners have committed their support and 8,314 hectares of their land and intertidal habitat to the project.

⁵ <https://www.gov.uk/government/publications/apply-for-landscape-recovery-funding>



3. Under-writing the Life on the Edge project funding gap

- 3.1 During the development phase of the Life on the Edge Project, match funding to the value of £2,173,300 was sought to match the National Lottery Heritage Fund grant request of £2,092,400. At submission of the Round 2 application, £2,077,300 match funding had been secured and a further £96k remains to be found representing 2.25% of the overall project value. A funding gap at submission stage is quite typical, though one of this small size less so, as the project team were exceptionally successful at securing match funding in advance.
- 3.2 Buglife our main project delivery partner approached several charitable trusts to meet the funding gap. However, as the project start date remains some way off, the trusts were unable to make a decision at the time. It is common practice under these circumstances for the main partner to under-write any funding gap and in so doing provide reassurance to the National Lottery.
- 3.3 The likelihood of this gap occurring is virtually zero, based on development phase experience, strength of the project partnership, commitment from project partners, and success to date with fundraising. A fundraising plan is in place to secure the remaining £96k, the equivalent of £19k per year for the five years of the project. This includes bids that are in place for the

remainder funding and in case these are not successful other appropriate charitable funds have been identified in addition to crowd sourcing. Further opportunities will open up over the five years and the project manager will be responsible for closing the funding gap as part of their duties.

- 3.4 In the unlikely event it should materialise despite best endeavours, the recommendation is to fund the £18k/yr (up to a maximum £96k over 5 years) match funding deficit against the £4.2m project from the Climate and Biodiversity funding stream of the Council.

4. Development Management involving AONB matters

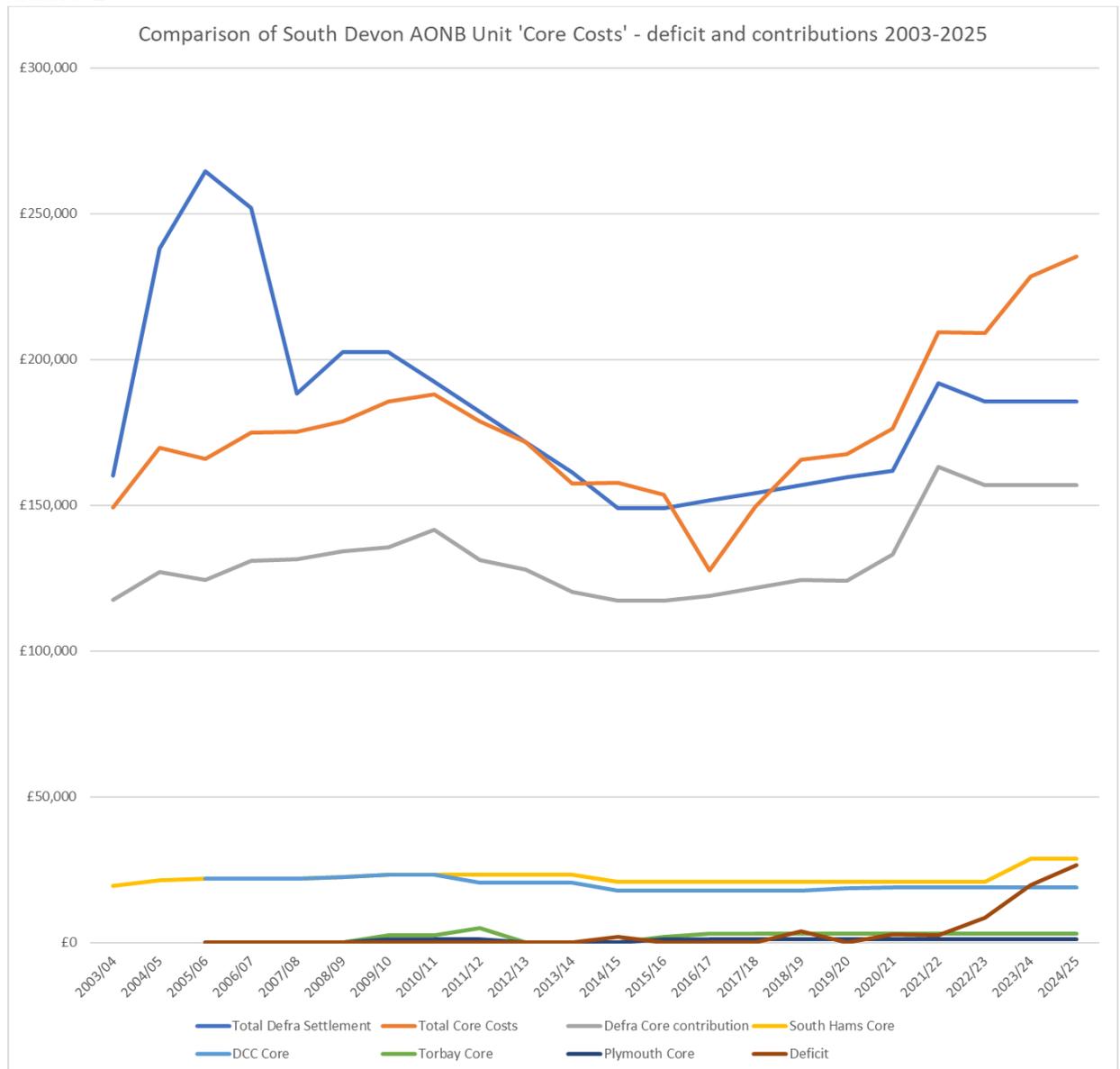
- 4.1 The Executive approved in March 2023 an additional budget of £8,000 per year for a two-year trial period to part fund an additional 1.5 days per week employed resource dedicated to South Devon AONB planning matters. Circa £10,000 per year match funding for this element was to be provided from AONB Defra funding. To aid recruitment, retention and benefit from economies of scale, this was to be combined into a shared 4 days/week AONB Planning Officer role supporting all three coastal AONBs in Devon. The post will be managed through a Partnership Agreement and hosted by South Devon AONB. North Devon Coast AONB and East Devon AONB were to meet the employment and any other AONB specific costs for their 1.5 day and 1 day per week respectively. All other cost were to be split pro rata.
- 4.2 The role is yet to be filled, despite best efforts, but it is hoped will be in the near term. As a consequence, the transfer of the £8,000 contribution provided by the Council toward the South Devon AONB component of the post costs has not been triggered and the linked Service Level Agreement conditional upon having the additional post in place has not been enacted.
- 4.3 As a temporary alternative, it has not been possible to secure affordable interim contractor support over the intervening period. Despite this, AONB planning responses to South Hams, Torbay, Plymouth and Devon local planning authorities, and the Marine Management Organisation are being managed and prioritised as effectively as possible. This has been challenging. The additional resource as and when it is secured will be very beneficial and trigger the service level agreement. A close working relationship with the planners and other specialist officers in all authorities is well established.

5. AONB Core and Project Funding

Whilst the AONB Unit has been extremely successful in gearing in project funding to deliver projects such as those set out in section 2, Core funding, the money that pays for four posts (3.5 FTE) staff costs, running the AONB partnership, rent to SHDC and IT costs, has reduced relative to the cost base year on year. Chart 1 below shows the

impact of cost inflation on the AONB unit as Total Core Costs (the orange line), compared with contributions from core funders (the broadly flat lines at the bottom) and the resultant deficit. Costs and contributions for 2024/25 are forecasts at this stage. Note that an additional four posts (3.6FTE) within the AONB Unit are entirely project funded. Annual turnover figures are provided in Chart 2.

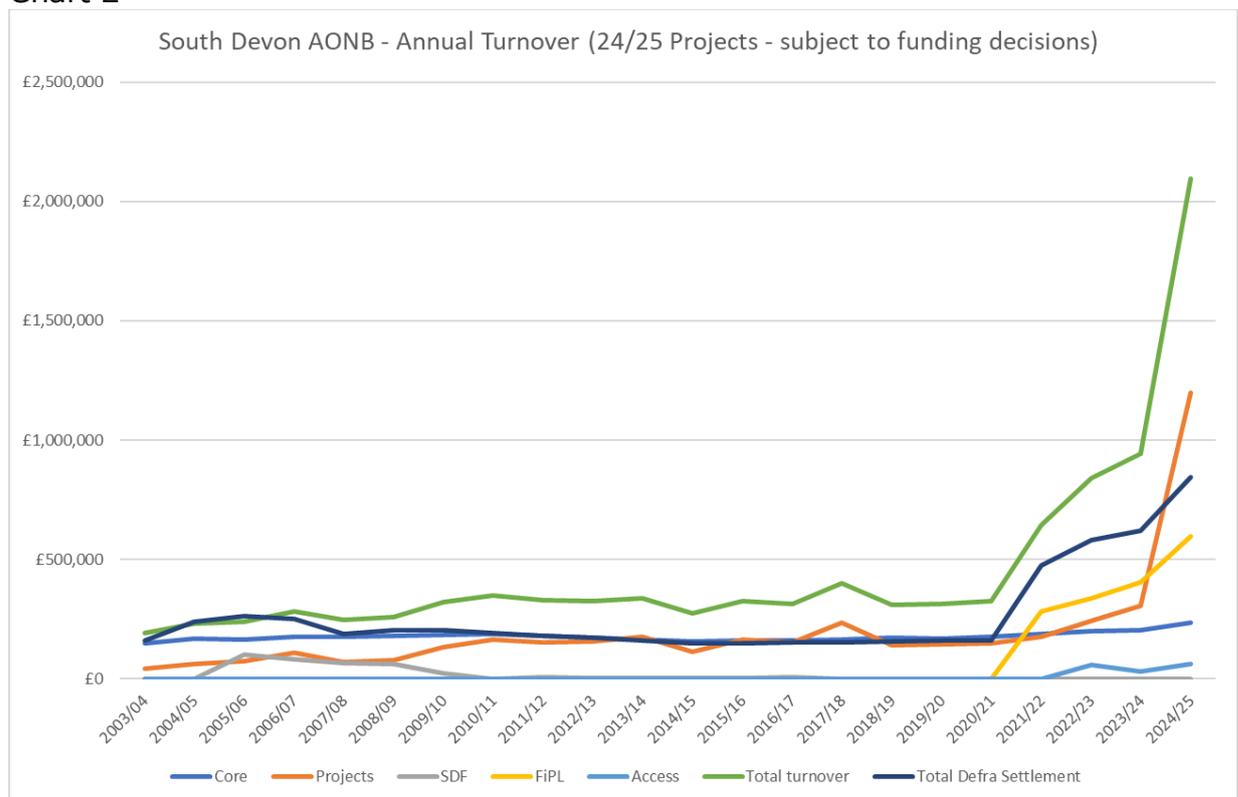
Chart 1



5.1. Core funding is provided by SHDC, DCC and a comparatively small contribution from Torbay and Plymouth City Councils. SHDC charge a rent for hosting the AONB forecast at £20k for 2024/25. At the same time SHDC pay a core grant contribution of £20.7k. As such, SHDC does not in real financial terms contribute to the core costs of the AONB.

- 5.2. Whilst it is recognised that the AONB occupy space in Follaton House, it is in the gift of the Council to recognise the contribution the AONB make to its corporate strategy and key priorities by treating this contribution as payment in kind for the rent.
- 5.3. For finance treatment reasons, it is proposed that rent continues to be charged and the equivalent sum is granted back to the AONB unit to achieve the same outcome in a transparent way. This grant would specifically be to support core funded activity. Appendix A includes a list of core functions the AONB provides.

Chart 2



- 5.4. The national funding model for AONBs in England is an ongoing challenge. The model relies on the provision of a single pot three-year, currently 2022-2025, grant funding settlement from Defra linked to a national funding formula. Under the terms of the settlement, any monies spent on core activities must be matched by at least 25% funding to come principally from local authorities.
- 5.5. In practice earned income has been required since 2014/15 to meet a deficit and balance the core operating budget as total local authority contributions fall short of meeting the 25% threshold. While Defra contributions have increased modestly over time since 2014/15, local authority contributions for South Devon have remained static in the face of increasing core costs.

- 5.6. Rising operating costs beyond the control of the South Devon AONB Partnership and its executive body the Core Funding Group risk the viability of the core AONB Staff Unit that in turn underpins multi million pound funding programmes over the next five years and beyond that will deliver at scale for the area, its communities, visitors and SHDC priorities.

National priorities

- 5.7. National priorities for AONBs are set by Defra and articulated principally through the AONB Grant Funding Settlement including contributing to delivery of Landscapes Review, particularly:
- **Nature and Climate** – increasing the role of our protected landscapes in delivering nature-based solutions to help address the twin biodiversity and climate crises.
 - **People and Place** – improving access to our protected landscapes for all parts of society and supporting the communities that live and work there.
 - Contribute towards delivery in support of new **national landscapes strategy** and **outcomes framework**
 - **Collaborate** more effectively, working together with other AONBs and National Park Authorities [and National Trails] at regional and national level towards delivery of national strategic priorities.
- 5.8. AONB Management Plan remains central to this and additional new guidance is expected shortly setting out Defra expectations for the next round of AONB Management Plan reviews.

Increased protection for AONBs and status of Management Plans

- 5.9. The Levelling up and Regeneration Bill received Royal Assent on the 26 October, though final text of the new Act is awaited. In addition to reforms of the planning system, the Act contains important modifications and new clauses for insertion into AONB elements, Part IV of Countryside and Rights of Way Act 2000. Further detail will be provided for Executive members when text and analysis is available, however the changes can be summarised as:
- s85 'Duty of regard' replaced with a duty to further the conservation and enhancement of natural beauty of AONBs.
 - Secondary legislation – to set out how relevant authorities are to comply with the new duty including provision about things that the authorities may, must or must not do to comply with the duty.
 - A series of additions to s90 AONB Management Plans provide for Statutory Instruments to be used to:
 - Require an AONB management plan to meet any target in the Environmental Improvement Plan 2023
 - Set out how much the management plan must contribute

- Set out how the management plan must further the purpose of the AONB
- Require any relevant authority to contribute toward the preparation, implementation and review of a Management Plan and set out how a relevant authority must do so.

5.10. As of the 22 November 2023 all AONBs were rebranded as National Landscapes sitting alongside National Parks and National Trails within the England’s Protected Landscapes Partnership. The rebrand was proposed by the Glover Landscapes Review, requested and funded by Defra to enable AONBs to gain better access to national level funding and improve the connection with all parts of society.

6. Options available and consideration of risk

6.1 The following table presents a consideration of alternative options?

Alternative approaches	Considerations
Savings and efficiencies	These have been addressed comprehensively over a period of 10 years since the initial reduction in Defra funding. No further savings and efficiencies at this time. AONB Unit core activities underpinning project programme remains at risk.
Income generation	The AONB Unit has been consistently successful with generating income through all eligible activities, however the scope of work is limited to activities in support of AONB Management Plan priorities, eligibility criteria vary considerably by funder and Core AONB activities remain outside of scope.
Wait for a revised national funding formula to be developed and implemented	The Secretary of State for the Environment has committed Defra to undertake a review of the national funding formula for all protected landscapes – National Landscapes (AONBs), National Parks and National Trails, but a case for increased funding will need support from treasury and to be considered within future government Comprehensive Spending Review cycles.
Wait for implementation of the Glover	Though publication is expected imminently, the Government’s detailed response to the 2022 public consultation on the government’s initial response to the Glover

Landscapes Review proposals	Review has been awaited for some time. It is unlikely that any significant change will occur without treasury support and legislative change.
Increase reliance on Green Finance	Significant weight is being attached to the potential for green finance and investment in protected landscapes. However, this is an emerging area of work with rapidly developing markets focused around biodiversity net-gain and carbon credits. This fits well with direct land management activities but the AONB Partnership does not own or manage land and funding of core AONB activities will remain outside of scope.
Request increased contributions from other Local Authority partners	Devon County Council are already considering how they may be able to assist with meeting inflationary increases across the five AONB Partnerships operating in Devon
Do nothing	This approach particularly affects the AONB Partnership's Core activities and staffing levels considered currently by the National Association for AONBs and in common with the majority of other AONBs in England, to fall below a minimum viable operating model. A further reduction in core activities risks the collapse of project funded programmes and investment

7. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		A new outcomes framework for all protected landscapes in England is being developed by Defra linked to targets, outputs and outcomes in the Environmental Improvement Plan 2023.
Financial implications to include reference to value for money		The recommendation is to fund the £96,000 match funding deficit against the £4.2m project. A cost pressure of £20,000 per annum for 5 years has been built into the budget setting process for 2024/25 onwards.
Risk		The risk implications are set out at Section 6 above.

Supporting Corporate Strategy		Climate Change & Biodiversity
Consultation & Engagement Strategy		N/A
Climate Change - Carbon / Biodiversity Impact		Actions and projects are focused around thematic and geographic areas of mutual interest and benefit, achieving positive outcomes for Nature, Climate, People and Place.
Comprehensive Impact Assessment Implications		
Equality and Diversity		N/A
Safeguarding		N/A
Community Safety, Crime and Disorder		N/A
Health, Safety and Wellbeing		N/A
Other implications		N/A

Supporting Information

Appendices:

A – Established Core Functions of an AONB Unit (Defra)

Background Papers:

None

Appendix A

Established Core functions of an AONB Unit (Defra)

a)	Developing reviewing, preparing and publishing the AONB vision and the Countryside and Rights of Way Act 2000 AONB Management Plan
b)	Promoting the AONB vision and Management Plan to help distinguish the AONB from adjacent countryside
c)	Advising upon, facilitating and co-ordinating implementation by others of the Management Plan
d)	Advising 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)	Monitoring and reporting on progress against AONB Management Plan targets
f)	Monitoring AONB landscape condition
g)	Accessing resources for management activities
h)	Working with and contributing to the National Association for AONBs activities, sharing advice and best practice nationally and regionally.
i)	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.
j)	Developing an involvement by the community in the management of the AONB
k)	Providing landscape related planning advice