You are requested to attend a meeting of the Cabinet
on Wednesday, 28 November 2018, at 10.00 a.m.
in the District Council Chamber, South Lakeland House, Kendal

Membership

Councillors

Giles Archibald  Leader and Promoting South Lakeland Portfolio Holder
Jonathan Brook  Deputy Leader and Housing, People and Innovation Portfolio Holder
Philip Dixon   Health and Wellbeing Portfolio Holder
Chris Hogg       Culture and Leisure Portfolio Holder
Andrew Jarvis   Finance Portfolio Holder
Dyan Jones       Environment Portfolio Holder
Graham Vincent   Economy and Assets Portfolio Holder

Note – Where relevant, agendas for Members are labelled “Private Document Pack” and contain exempt information within the papers. Any relevant pages are marked as restricted within Agendas labelled “Public Document Pack”.

Monday, 19 November 2018

Debbie Storr, Director of Policy and Resources (Monitoring Officer)

For all enquiries, please contact Inge Booth, Senior Committee Services Officer.

Telephone: 01539 793190

Email: committeeservices@southlakeland.gov.uk
AGENDA

PART I

1 APOLOGIES
To receive apologies for absence, if any.

2 CABINET EXECUTIVE DECISIONS
To authorise the Chairman to sign, as a correct record, the Executive Decisions made by Cabinet on 31 October 2018.

3 DELEGATED EXECUTIVE DECISIONS
To receive the Delegated Executive Decisions made by Portfolio Holders or Officers on 8 November 2018.

4 DECLARATIONS OF INTEREST
To receive declarations by Members of interests in respect of items on this Agenda.

Members are reminded that, in accordance with the revised Code of Conduct, they are required to declare any disclosable pecuniary interests or other registrable interests which have not already been declared in the Council’s Register of Interests. (It is a criminal offence not to declare a disclosable pecuniary interest either in the Register or at the meeting.)

Members may, however, also decide, in the interests of clarity and transparency, to declare at this point in the meeting, any such disclosable pecuniary interests which they have already declared in the Register, as well as any other registrable or other interests.

If a Member requires advice on any item involving a possible declaration of interest which could affect his/her ability to speak and/or vote, he/she is advised to contact the Monitoring Officer at least 24 hours in advance of the meeting.

5 LOCAL GOVERNMENT ACT 1972 - EXCLUDED ITEMS
To consider whether the items, if any, in Part II of the Agenda should be considered in the presence of the press and public.

6 PUBLIC PARTICIPATION
Any member of the public who wishes to ask a question, make representations or present a deputation or petition at this meeting should apply to do so by no later than 0:01am (one minute past midnight) two working days before the meeting. Information on how to make the application can be obtained by viewing the Council’s Website www.southlakeland.gov.uk or by contacting the Committee Services Team on 01539 733333.

(1) Questions and Representations
To receive any questions or representations which have been received from members of the public.

(2) Deputations and Petitions
To receive any deputations or petitions which have been received from members of the public.
7 **FORWARD PLAN**  
To note the contents of the latest Forward Plan published on 13 November 2018.

8 **HOUSING LOANS SCHEME UPDATE**  
To consider the principles of the South Lakeland Affordable Housing Loan Scheme.

9 **ABBOT HALL CAPITAL REDEVELOPMENT**  
To consider a commitment of £100,000 capital funding towards Lakeland Arts’ redevelopment of the Abbot Hall site.

10 **2019/20 TO 2023/24 DRAFT BUDGET**  
To consider the draft budget proposals for the financial years 2019/20 to 2023/24.

11 **PROPERTY AND LAND MANAGEMENT STRATEGY 2019-2024**  
To consider adoption of the draft Property and Land Management Strategy 2018-2024, including the creation of a Strategic Asset Management Board.

12 **EQUALITY, DIVERSITY AND INCLUSION STRATEGY**  
To consider the draft South Lakeland District Council Equality, Diversity and Inclusion Strategy 2019-22 for recommendation to Council for adoption.

13 **ARNSIDE AND SILVERDALE AONB MANAGEMENT PLAN REVIEW CONSULTATION**  

14 **REVIEW OF THE LOCAL DELIVERY OF THE PROPERTY LEVEL FLOOD RESILIENCE GRANT SCHEME**  
To reflect on the flood grant project and provide recommendations on any future roll outs.

**PART II**

Private Section (exempt reasons under Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006, specified by way of paragraph number)

There are no items in this Part of the Agenda.
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EXECUTIVE DECISION NOTICE

CABINET

A record of the decisions made at the meeting of the Cabinet held on Wednesday, 31 October 2018, at 10.00 a.m.

Present

Councillors

Giles Archibald (Leader and Promoting South Lakeland Portfolio Holder) (Chairman)

Jonathan Brook Deputy Leader and Housing, People and Innovation Portfolio Holder
Philip Dixon Health and Wellbeing Portfolio Holder
Chris Hogg Culture and Leisure Portfolio Holder
Andrew Jarvis Finance Portfolio Holder
Dyan Jones Environment Portfolio Holder
Graham Vincent Economy and Assets Portfolio Holder

Also in attendance at the meeting were Shadow Executive Members James Airey (Shadow Cabinet (Economy and Assets Portfolio)), Ben Berry (Shadow Cabinet Leader (Promoting South Lakeland Portfolio)), John Holmes (Shadow Cabinet (Finance Portfolio)), Helen Irving (Shadow Cabinet (Culture and Leisure Portfolio)) and Janette Jenkinson (Shadow Cabinet (Health and Wellbeing Portfolio)), and Mark Wilson (Leader of the Labour Group).

Apologies for absence were received from Shadow Executive Members Tom Harvey (Shadow Cabinet Deputy Leader (Housing, People and Innovation Portfolio)) and Kevin Lancaster (Shadow Cabinet (Environment Portfolio)).

Officers

Inge Booth Senior Committee Services Officer
Lawrence Conway Chief Executive
John Davies Performance and Risk Officer
Michael Fisher Revenues and Benefits Services Manager
Ian Hassall Assistant Director Strategic Development
Peter Holland Senior Communications Officer
Lee Hurst Chief Accountant
Shelagh McGregor Assistant Director Resources (Section 151 Officer)
Simon McVey Assistant Director Performance and Innovation
Helen Smith Financial Services Manager
Debbie Storr Director of Policy and Resources (Monitoring Officer)
David Sykes Director People and Places
CEX/41 CHAIRMAN'S ANNOUNCEMENT

The Leader invited all present to pay silent tribute to the memory of Councillor Ian Stewart.

CEX/42 CABINET EXECUTIVE DECISIONS

RESOLVED – That the Chairman be authorised to sign, as a correct record, the Executive Decisions made by Cabinet on 10 September 2018.

CEX/43 DELEGATED EXECUTIVE DECISIONS

Attention was drawn to the decision made at DEX/1 on 12 October 2018 and the award of a grant, an application for which had been received outside the formal Locally Important Projects (LIPs) funding application period. In response to a query as to the likelihood of other such projects being considered outside of the formal LIPs process, and in the absence at that stage in the meeting of the relevant officer, the Director of Policy and Resources (Monitoring Officer) and the Leader undertook to ensure that a written response was provided.

RESOLVED – That the Delegated Executive Decisions made by Portfolio Holders or Officers on 12 October 2018 be received.

CEX/44 DECLARATIONS OF INTEREST

RESOLVED – That it be noted that no declarations of interest were made.

CEX/45 LOCAL GOVERNMENT ACT 1972 - EXCLUDED ITEMS

RESOLVED – That it be noted that there are no excluded items on the Agenda.

CEX/46 PUBLIC PARTICIPATION

RESOLVED – That it be noted that no questions, representations, deputations or petitions have been received in respect of this meeting.

CEX/47 FORWARD PLAN

The Forward Plan published on 30 October 2018 had been circulated at the start of the meeting.

RESOLVED – That the contents of the Forward Plan published on 30 October 2018 be noted.

CEX/48 COUNCIL TAX CARE LEAVER EXEMPTION

Summary

The Finance Portfolio Holder reported that over 100 councils had introduced measures to exempt care leavers or reduce liabilities from Council Tax following the recommendations made in the Government’s care leavers' strategy, “Keep on Caring”, published in July 2016, which encouraged local authorities to do so. The six district councils and the Police and Crime Commissioner for Cumbria wanted to do as much as possible to support Cumbria County Council and care leavers up to the age of 25.
The proposed policy, attached at Appendix 2 to the report, set out in detail the approach to the award of discretionary Council Tax discount in respect of Council Tax liability for resident care leavers living in Cumbria.

There were two main elements to the Policy:

- Care leavers who were solely liable to pay Council Tax in their own right would have their bill reduced to nil.
- Care leavers who were jointly liable to pay Council Tax would have the bill reduced in proportion.

There would be no discount where the care leaver was not liable to Council Tax, except where the liable person to Council Tax was exempt.

If approved, it was intended that the policy would apply retrospectively from 1 April 2018. The costs arising from the policy would be shared in proportion to the precept between Cumbria County Council, the Police and Crime Commission for Cumbria and the six billing authorities in relation to their own specific area.

Members welcomed the proposal which would provide support to this vulnerable group of people as they developed independent lives.

The Leader expressed thanks to officers for their work with other tiers.

Decision

RESOLVED – That the Cumbria Care Leaver Council Tax Discount Policy, attached at Appendix 2 to the report, be approved and adopted.

Reasons for Decision

The creation of a Council Tax Local Discount for Care Leavers up to the age of 25 will provide vital support to care leavers in South Lakeland.

The policy will contribute to the Council Plan priority for Culture and Wellbeing.

Alternative Options Considered and Rejected

The Council could rely on existing measures in place to support its most vulnerable residents. These include a Council Tax Reduction scheme that offers up to 100% support and a Hardship scheme. Both of these measures, although offering generous protection which are in excess of that offered by most authorities, can still leave Care Leavers exposed to Council Tax charges.

CEX/49 CORPORTATE FINANCIAL MONITORING QUARTER 2

Summary

The Leader and Finance Portfolio Holder presented the second quarter financial monitoring report of 2018/19.
Although there was a current underspend of approximately £250,000, Appendix 1 set out the revenue variances to date which totalled a projected year-end overspend of £251,000. The Portfolio Holder provided explanations for the key movements.

In addition, Members were advised that an additional £45,000 was now required to fund the costs of the ERDF Flood Alleviation Scheme application process; £25,000 to fund the Kendal Markets Review; and £12,000 to fund the project development phase of the Burton-in-Kendal Heritage Scheme. Therefore, approval was sought from Cabinet for an £82,000 transfer from the Cumbria NDR Pool Income Reserve.

Approval was also sought for the transfer of £20,000 from the General Reserve to the Community Grants budget heading further to a request at the July Council that a £20,000 Community Projects Fund be created. A £12,000 transfer from the Statutory Duties Reserve was requested to fund the costs associated with dealing with the planning appeal for the Kirkby Moor Wind Farm planning application.

Appendix 2 set out the position on the Capital Programme. Spend against the Programme to the end of Quarter 2 was £2.366m. A number of minor amendments were required which would bring the total of the Current Programme to £9.795m, details of which were provided and which would require Council approval.

Appendix 3 provided an update on Treasury Management for the quarter showing that all activity had been within the approved limits. Investments had performed better than the relevant benchmarks. No repayment of existing or new borrowing was anticipated up to the end of the financial year.

The Finance Portfolio closed in thanking the Finance Team for highlighting the challenges and enabling time for options to be examined.

Discussion took place during which queries were raised in relation to the Development Control salary overspend and income shortfall relating to planning applications, as well as concerns that the situation, coupled with approved schemes not coming forward, could have a detrimental impact on the Council’s housing targets. The Assistant Director Strategic Development explained that following a manager having been contracted for a number of months from April to August 2018, there was now a new manager and a full complement of experienced officers in place. In addition, he explained that the volume and type of work this year had generated the shortfall in income and that there had been a period of fewer applications for large developments. The Deputy Leader and Housing, People and Innovation Portfolio Holder indicated that he would arrange a further briefing for the Planning Committee in order to fully respond to these queries. He clarified, however, that the Council remained on target to deliver the volume of houses planned.

Reference was made to the importance of debt collection and the need for consideration during the process. It was questioned whether the relevant Council policy was up to date and appropriate. The Finance Portfolio Holder informed Members that the Council was fully aware of the pressures that could be caused in relation to debt collection. The Leader undertook to recirculate the press release relating to a recent incident which demonstrated that the Council had showed care and consideration throughout.

The Leader thanked Councillor Mark Wilson for his recent suggestion for the underspend within Community Grants, specifically the £20,000 due to be put back into reserves, to be made available for use within Members’ locality budgets for health and wellbeing projects. He also drew attention to the impressive list of projects within the
Capital Programme which demonstrated the Council’s ambition, for example, the works carried out at Nobles Rest. This work, being carried out by the Council in addition to prudent management of finances, was to be commended.

Decision

RESOLVED – That

(1) the contents of the report be noted;

(2) Council be requested to approve the virements and budget changes to increase the Capital Programme as outlined in paragraph 3.6.1 of the report and reflected in the revised Capital Programme at Appendix to the report; and

(3) approval be given for the use of £82,000 of the Cumbria Non-Domestic Rate Pool Income Reserve, £20,000 of the General Reserve and £12,000 of the Statutory Duties Reserve, as set out in paragraphs 3.5.2 to 3.5.4 of the report.

Reasons for Decision

Regular budget monitoring forms part of the corporate governance arrangements that support all Council priorities.

Alternative Options Considered and Rejected

There are no alternative options.

CEX/50 2019/20 BUDGET PROCESS UPDATE REPORT

Summary

The Finance Portfolio Holder presented a progress report on work to date in relation to the 2019/20 Budget Process. The report aimed to provide assurance that the process was effectively underway and to highlight any issues arising. The aim of the budget process was to enable a balanced budget position to be delivered and for the Council Tax to be set per the statutory requirements and deadlines. It also provided consideration of the longer term aim to plan ahead for a sustainable financial position.

The Portfolio Holder reported that the Council’s Medium Term Financial Plan had been approved by Council in July 2018. He referred to the increase in the projected annual deficit of circa £700,000 which was due to the ending of the Second Homes Agreement with the County Council. The potential negative Revenue Support Grant adjustment providing a benefit of circa £600,000 would be confirmed on 6 December 2018 as part of the provisional Local Government Finance Settlement. The Portfolio Holder also drew attention to the Council’s submission of a bid to enter into a pilot pool with the rest of Cumbria to retain 75% business rates for next year. He warned, however, that changes to other income from Government, for example the New Homes Bonus, may have a detrimental effect. The Portfolio Holder also highlighted the dependence on the delivery of the Customer Connect Programme savings in full. The Council’s Senior Management Team would be working over the next two months to see how the deficit could be addressed.
In response to a query, the Finance Portfolio Holder indicated that discussions would be held with the County Council’s new Finance Portfolio Holder with regard to second homes money, although it had been made clear that the agreement would come to an end and that there would be no further negotiation.

The Finance Portfolio Holder responded to a further query in relation to changing trends in planning applications and whether this would be taken into consideration within the 2019/20 Budget. He confirmed that there needed to be a robust basis for all budgets and in a number of areas in particular, for example development control, kerbside recycling and car parking.

Decision

RESOLVED – That the contents of the report be noted.

Reasons for Decision

The report provides an update on progress to prepare bud budgets that provide resources to implement the Council Plan. Setting a sound framework for budget preparation assists in the delivery of all corporate outcomes. This forms part of the ongoing Medium Term Financial Plan process.

Alternative Options Considered and Rejected

The report provides an update on progress to ensure that 2019/20 to 2023/24 annual budgets are prepared on a sound basis within an agreed corporate framework. Alternative assumptions are possible, some of which will be worked up and brought to future committee meetings as part of the 2019/20 Budget.

CEX/51 COUNCIL PLAN PERFORMANCE MONITORING QUARTER 2 2018/19

Summary

The Leader and Promoting South Lakeland Portfolio Holder presented an update report on the progress with the Council Plan 2014-19 for Quarter 2 of 2018/19. Monitoring the success of the Council Plan informed of improvements and ensured the Council services addressed the needs of residents in an open and transparent way. The Council was committed to delivering high quality, cost effective services that met the needs of residents and improved quality of life. The performance management process helped the Council to demonstrate how well it was doing. The report also included the Council’s Strategic Risk Register.

The Leader referred to areas within the Council’s control which were going well, for example, the Council was on track to delivery its target for affordable housing to rent. He referred to the Council’s excellent cultural offer, to the Environment Portfolio and that the Council was on track to achieve its ambition for single use plastic, as well as the success of the recent Climate Change roadshows and the development of an action plan. The District had been very fortunate with its economy, being one of the most successful in the area. He thanked all involved in this good work.

The Leader, however, explained that the Council faced some risks, much of which was out of its control. He referred to the issue of poverty, particularly that of child poverty, and the need to protect the vulnerable. He drew attention to work being carried out by the Building Financial Resilience Taskforce formed by the Council and third party
organisations. He highlighted the decision earlier in the meeting regarding the Council Tax Care Leaver Exemption. Other examples of work being carried out by the Council to address the issue were the homeless shelter, provision of office space for the Credit Union, delivery of affordable housing, the energy efficiency scheme and the Handyman Scheme. He was pleased that the issue of “Protecting the Vulnerable” had recently been set as the second vision of the Under Secretary of State for Housing, Communities and Local Government. The Leader stressed that the Council cared for the vulnerable and would do all that it could, within the limits placed upon it, to help.

Members discussed the issue of poverty at length.

Reference was made to the various ways in which Locally Important Projects money could be used to address poverty issues within wards, for example in Ulverston where children were assisted during holidays to join in leisure activities, the bike recycling project which supported people with damaged lives and a holiday meal club. It was suggested that Members produce lists showing what was being done within their wards to address poverty.

It was felt that the economic prosperity of an area did not necessarily address the issue of poverty, with a lot of workers in receipt of benefits. In addition, the Health and Wellbeing Portfolio Holder pointed out that most of the vulnerable in the community lived in privately-rented houses, on minimum wage, with little connection with society.

The Economy and Assets Portfolio Holder, although acknowledging that poverty was difficult to address, referred to the wide range of jobs on offer within the area. He said that household incomes were rising and drew attention to support on offers to businesses, for example, new business premises. The Culture and Leisure Portfolio Holder also highlighted the need to provide opportunities for young people in the District and pointed out the cultural offer within South Lakeland.

The Leader responded to queries regarding poverty and statistics and referred to statistics within the recent Social Metrics Commission report on children in poverty and to the End Child Poverty website which demonstrated that 15% of children in South Lakeland were considered to be in poverty. He undertook to provide links to the relevant websites.

Further to concerns raised with regard to housing growth and schemes not progressing further than outline stage, the Deputy Leader, People and Innovation Portfolio Holder undertook to provide area based figures to demonstrate the geographical spread of housing development.

The Deputy Leader and Housing, People and Innovation Portfolio Holder informed Members that that the measures contained within the Council Plan Performance Monitoring Report were continuously under review and that any suggestions for improvements were welcome. He closed in saying that the Council had a fantastic track record of delivering for local people.

Decision

RESOLVED – That the following be approved:

1. the Summary of Performance as detailed in the report; and
2. the detailed risks information contained within Appendix 1 to the report.
Reasons for Decision

The report links directly to the Council Plan commitment to ensure that the Council is equipped to provide the best, most cost-effective services. Details regarding performance monitoring are published in line with the Council’s Performance Management Framework.

Alternative Options Considered and Rejected

None – the purpose of the report is to receive a performance update.

CEX/52

LONGLANDS PARK, BOWNESS ON WINDERMERE

Summary

The Deputy Leader and Housing, People and Innovation Portfolio Holder/Economy and Assets Portfolio Holder presented a report proposing the transfer of the ownership and management of Longlands Park, Bowness-on-Windermere, to Windermere Town Council.

The proposal originated from earlier approaches to the Council by the Bowness Bowling Club who had sought to acquire the site of the bowling club. The Council had been unable to consider a part disposal of the site due to the restrictions of the Declaration of Trust which had brought the site into public use and charitable trust ownership.

Discussions had subsequently taken place with Windermere Town Council which had confirmed an interest in taking over ownership of the site and managing its use in accordance with the Declaration of Trust. The proposal would not impact on the occupation by the Bowling Club of the land forming the club house and the bowling green.

The Town Council was keen to consider the transfer, provided that the maintenance and repair liabilities were manageable and affordable to them, and was prepared to develop its budget for the maintenance over a period of five years. The proposal included a resourcing agreement through which the District Council would continue to support maintenance, with cost to the District Council reducing on a tapering basis over the first five years, details of which were included at Appendix 1 to the report.

The proposed transfer would enable local management and development of the park to improve its value to local residents and visitors and enable the Town Council and the Bowness Bowling Club to agree how the Club might progress ambitions to secure investment in the future of the Bowling Club’s facilities.

Members welcomed the proposal which was a good example of localism and the Deputy Leader and Housing, People and Innovation Portfolio Holder thanked officers for their tenacity in the delivery of a successful conclusion.
Decision

RESOLVED – That

(1) the transfer of the ownership and management of Longlands Park, Bowness-on-Windermere, to Windermere Town Council, in accordance with the proposed heads of terms presented in Appendix 1 to the report, be approved in principle; and

(2) the Director People and Places be delegated authority, in consultation with the Solicitor to the Council, to conclude agreements necessary for the transfer.

Reasons for Decision

The proposed transfer will enable local management and development of the park to improve its value to local residents and visitors and enable the Town Council and the Bowness Bowling Club to agree how the Club may progress ambitions to secure investment in the future of the Bowling Club’s facilities.

The Council Plan commits to furthering the localism agenda and empowering communities to progress. Where there is an appetite and sound rationale the Council will seek opportunities to devolve services and transfer or sell local assets to town and parish councils and community groups.

Under the Environment priority of the Council Plan, the Council has a commitment to work with local communities to improve, manage and promote the public realm and make best use of and care for our parks and open spaces.

Alternative Options Considered and Rejected

The site could continue in the ownership and management of the District Council. This would maintain the status quo but would forego the opportunity for local ownership and management of the site and the additional benefits for public and club use that it has the potential to bring.

An option of transferring the site without the benefit of a resourcing agreement is not a viable option for the Town Council.

As the land is held in charitable trust, there is not an option to consider alternative uses for the site.

The meeting ended at 11.25 a.m.
EXECUTIVE DECISION NOTICE

DELEGATED EXECUTIVE DECISIONS

A record of delegated decisions made by individual Portfolio holders or officers on Thursday, 8 November 2018.

The reports (unless exempt under Section 100(B)(2) of the Local Government Act 1972, on the grounds that they involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12 A of the Act as amended by the Local Government (Access to Information) (Variation) Order 2006 by virtue of the Paragraphs indicated and, in all the circumstances of the case, it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing it) are available for inspection from the Solicitor to the Council, South Lakeland House, Kendal.

DEX/2 NOMINATION TO LIST ASSETS OF COMMUNITY VALUE
(Director People and Places)

Summary

Consideration was given to nominations from Colton Parish Council to enter Glass Knott Woods, Rusland, Ulverston and Yewbarrow Woods, Rusland, Ulverston onto South Lakeland District Council’s list of Assets of Community Value.

The nomination for Glass Knott Woods had been received on 1 October 2018 and the nomination for Yewbarrow Woods had been received on 8 October 2018. The nominations stated that both Glass Knott Woods and Yewbarrow Woods were used daily by local people and visitors for exercise and contemplation and were an important part of the community’s landscape which contributed to the sense of place, identity and community spirit. The woods met the criteria necessary to be accepted as Assets of Community Value and the nominations were in the spirit of the legislation that gave communities the right to nominate assets.

Decision

The nominations for Glass Knott Woods and Yewbarrow Woods be approved to be listed as Assets of Community Value.

Reasons for Decision

The nominations provide benefits to the community and the community feels very strongly about keeping the woods well managed, maintained and open to the public. Similar woodlands have been added to the asset register in the past.

An ambition of the Council Plan 2014-2019 is as follows:-

“We will continue to work with our community and voluntary organisations, to increase the reach and scope of their work”.

Alternative Options Considered and Rejected

As the nominated assets meet the requirements for listing as an Asset of Community Value, to decline the nominations would be in contravention of the legislation.
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The Council is required to give 28 days' notice when Key Decisions are to be made, and when an executive meeting is to be held in private. The Notice has been drafted to comply with that requirement. It is available for inspection on the Council’s website as well as at South Lakeland House, Kendal and sets out the following:

(1) the matters which the Executive (also known as the Cabinet) believes fall within the definition of a Key Decision (see definition below) to be taken by the Executive or a Senior Officer of the Council;

(2) details of any private meeting (see definition below) of the Executive; and

(3) proposals for the recommendation to Council of any plan, strategy or budget that forms part of the Council’s Budget and Policy Framework, and its timetable and arrangements for consultation. The policies which make up the Budget and Policy Framework can be found in Article 4, Part 2 of the Council’s Constitution, viewable on the Council’s website www.southlakeland.gov.uk

(Budget and Policy Framework Decisions are not Key Decisions (i.e. they are not Executive decisions but are decided by the Full Council; although the Executive may make recommendations to Council about them). In the spirit of openness and transparency the Council has decided to publicise the decision making process for such matters in the same manner as for Key Decisions.)

Documentation

Reports, as well as any background information, will be available for public inspection five working days before the date of the meeting at which the decision is going to made. However, some of the reports may contain confidential information and, in that case, will not be available to the public.

When the Executive is going to consider a confidential report, at least 28 days' notice will be given of the intention to hold the meeting in private. A Notice to this effect will be published on the Council’s website.

Background Information

If you wish to inspect background information, which will inform the decision-making process, contact the Lead Officer identified in the Notice as dealing with that matter. When the agenda for the meeting is published on the Council’s website, normally at least 5 working days before the meeting, these documents will also be made available via the website. However, you will not be allowed to access any papers which contain exempt or confidential information.

Representations (views you wish to make)

If you wish to make a representation, either about one of the Key Decisions listed (where the meeting is to be held in private), or that an Executive meeting should be open to the public, you must write to the Lead Officer identified as dealing with that decision with your reasons why the meeting should not be held in private. This must be received at least five clear working days before the date of the meeting.
Decision Notice

A Decision Notice for each Key Decision, or other Executive decision, will be produced as soon as practicable after the decision has been taken. These Decision Notices will be available for inspection at South Lakeland House, Kendal and on the Council’s website.

Urgent Decisions

The Law and the Council’s Constitution provide for urgent decisions to be made provided certain criteria are met and relevant Notices published accordingly. None of the decisions detailed in this Notice are deemed to be Urgent Decisions - unless expressly stated.

Key Decision

This definition was adopted by Council on Thursday, 17 December 2015 and is as follows :-

“An executive decision which, in relation to an executive function, has a significant effect on communities in two or more Wards of the Council and/or is likely to result in the Authority incurring expenditure or making savings above £100,000.”

Private Meetings

In regard to this Notice, private meetings are meetings of the Executive, or part of a meeting, during which the public are excluded as a result of confidential or exempt information being discussed. A reason will be given why it is felt that there is a need for the public to be excluded. If you wish to make a representation regarding the intention to hold the meeting in private, you must follow the procedure shown above under “Representations”.

The District Council’s Executive Members are:-

Cllr Giles Archibald – Leader and Promoting South Lakeland Portfolio Holder
Cllr Jonathan Brook – Deputy Leader and Housing, People and Innovation Portfolio Holder
Cllr Chris Hogg – Culture and Leisure Portfolio Holder
Cllr Graham Vincent – Economy and Assets Portfolio Holder
Cllr Dyan Jones – Environment Portfolio Holder
Cllr Andrew Jarvis – Finance Portfolio Holder
Cllr Philip Dixon – Health and Wellbeing Portfolio Holder

The District Council’s Chief Officers are:-

Lawrence Conway – Chief Executive
Debbie Storr – Director of Policy and Resources (Monitoring Officer)
David Sykes – Director People and Places
Shelagh McGregor – Assistant Director (Resources) and Chief Finance Officer

The District Council’s Assistant Directors are:-

Ian Hassall – Assistant Director Strategic Development
Simon McVey – Assistant Director Performance and Innovation
Simon Rowley – Assistant Director of Neighbourhood Services
**Key Decision - Housing Loans Scheme**

To consider the details and pilot scheme.

**Proposed Decision Maker (Decision Date):** Cabinet (28 Nov 2018)

Date notice first published: 29 May 2018

*(If Key or Private, decision cannot be until after 26 June 2018)*

**Open/Exempt:** Open

**Relevant reports/background papers which are/will be available:**

None.

**Lead Officer:** Dan Hudson, Development Strategy and Housing Manager
d.hudson@southlakeland.gov.uk

**Assistant Director:** Assistant Director Strategic Development

**Portfolio Holder:** Housing, People and Innovation Portfolio Holder (Cllr Jonathan Brook)

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**Key Decision - Abbot Hall Redevelopment**

Lakeland Arts has ambitious plans to carry out a £8.5 million redevelopment of Abbot Hall Art Gallery and site in Kendal. The rejuvenation of this landmark site will create a social hub for communities with a broad programme of activity and a world class cultural destination attracting national and international visitors. Abbot Hall is a Grade 1 listed council asset. The council will be considering a £100,000 potential investment in the redevelopment to help attract significant inward investment to the area as this project contributes to three of the Council's four priorities.

**Proposed Decision Maker (Decision Date):** Cabinet (28 Nov 2018)

Date notice first published: 30 October 2018

*(If Key or Private, decision cannot be until after 27 November 2018)*

**Open/Exempt:** Open

**Reasons for Exemption:**

*Paragraph 3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information)*

**Relevant reports/background papers which are/will be available:**

Cabinet Report (28 Nov 2018)

**Lead Officer:** Imelda Winters-Lewis, Principal Culture, Arts and Events Officer

i.winterslewis@southlakeland.gov.uk

**Assistant Director:** Director People and Places

**Portfolio Holder:** Culture and Leisure Portfolio Holder (Cllr Chris Hogg)
### Key Decision - Property and Land management strategy 2019-2024

Adoption of the new Property and Land Management Strategy 2019-2024.

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<th>Proposed Decision Maker (Decision Date): Cabinet (28 Nov 2018)</th>
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<tr>
<td>Also considered by/to be considered by: Overview and Scrutiny Committee (26 Oct 2018)</td>
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<td>Date notice first published: 30 October 2018</td>
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<td><em>(If Key or Private, decision cannot be until after 27 November 2018)</em></td>
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<td><strong>Lead Officer:</strong> Sion Thomas, Corporate Asset Manager <a href="mailto:sion.thomas@southlakeland.gov.uk">sion.thomas@southlakeland.gov.uk</a></td>
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<tr>
<td><strong>Assistant Director:</strong> Assistant Director Strategic Development</td>
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<tr>
<td><strong>Portfolio Holder:</strong> Economy and Assets Portfolio Holder (Cllr Graham Vincent)</td>
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### Non-Key Budget and Policy Framework Decision - Development Management Policies and Arnside & Silverdale AONB Development Plans Documents

To request Council to adopt, as part of the Development Plan for South Lakeland, the Development Management Policies and Arnside & Silverdale AONB Development Plans Documents, on receipt of the Inspector's reports on the conclusion of the independent examination of both documents (expected in October or November 2018).

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<td><strong>Relevant reports/background papers which are/will be available:</strong> Final versions of the Development Management Policies and Arnside &amp; Silverdale AONB Development Plans Documents (DPDs). The Inspector's reports following the independent examination of both DPDs.</td>
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<td><strong>Lead Officer:</strong> Alastair McNeill, Development Plans Manager <a href="mailto:a.mcneill@southlakeland.gov.uk">a.mcneill@southlakeland.gov.uk</a></td>
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<tr>
<td><strong>Portfolio Holder:</strong> Housing, People and Innovation Portfolio Holder (Cllr Jonathan Brook)</td>
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### Non-Key Budget and Policy Framework Decision - South Lakeland District Council Equality Scheme

A review of the current SLDC Equality Scheme 16-19 and proposals for a new Equality Scheme to commence in 2019. This will set out the SLDC Equality and Diversity objectives in compliance with the Public Sector Equality Duty.

**Proposed Decision Maker (Decision Date):** Council (18 Dec 2018)

Also considered by/to be considered by: Overview and Scrutiny (26 Oct 2018)
Cabinet (28 Nov 2018)

Date notice first published: 10 August 2018

*(If Key or Private, decision cannot be until after 7 September 2018)*

**Open/Exempt:** Open

**Relevant reports/background papers which are/will be available:**
South Lakeland District Council Equality Scheme 2016-19
Decided at meeting: 31/03/2016 - Council
http://democracy.southlakeland.gov.uk/documents/g3760/Printed%20minutes%20Thursday%2003-Mar-2016%203.00 Council.pdf?T=1

**Lead Officer:** James McEvoy, Partnerships and Community Project Officer

**Assistant Director:** Assistant Director Performance and Innovation

**Portfolio Holder:** Leader of the Council (Cllr Giles Archibald)

### Non-Key Budget and Policy Framework Decision - Budget 2019/20 to 2023/24 (including capital programme and fees and charges)

To set the 2019/20 - 2023/24 capital and revenue budgets, the level of Council tax increase to apply from 1 April 2019. To also consider the level of reserves, fees and charges.

**Proposed Decision Maker (Decision Date):** Council (26 Feb 2019)

Also considered by/to be considered by: Lake Administration Committee (5 Oct 2018)
Cabinet (31 Oct 2018)
Licensing Committee (5 Nov 2018)
Cabinet (28 Nov 2018)
Cabinet (12 Dec 2018) (if needed)
Council (19 Dec 2018)
Planning Committee (3 Jan 2019)
Overview and Scrutiny Committee (11 Jan 2019)
Licensing Committee (15 Jan 2019)
Cabinet (23 Jan 2019) (if needed)
Lake Administration Committee (25 Jan 2019)
Cabinet (6 Feb 2019)

Date notice first published: 2 October 2018

*(If Key or Private, decision cannot be until after 30 October 2018)*

**Open/Exempt:** Open

**Relevant reports/background papers which are/will be available:**
Medium Term Financial Plan 2018/19 - 2023/24

**Lead Officer:** Helen Smith, Financial Services Manager h.smith@southlakeland.gov.uk

**Assistant Director:** Assistant Director Resources (Section 151 Officer)

**Portfolio Holder:** Finance Portfolio Holder (Cllr Andrew Jarvis)
**Non-Key Budget and Policy Framework Decision - Council Plan 2019-2024**

The Council Plan 2014-19 is complete. The 2019-2024 sets out the Council’s ambition and priorities over the five year period to 2024 and details key projects that will contribute to achieving those priorities.

**Proposed Decision Maker (Decision Date): Council (26 Feb 2019)**

Also considered by/to be considered by: Overview and Scrutiny Committee (11 Jan 2019) Cabinet (23 Jan 2019)

Date notice first published: 2 October 2018

*If Key or Private, decision cannot be until after 30 October 2018*

**Open/Exempt:** Open

**Relevant reports/background papers which are/will be available:**


**Lead Officer:** Paul Mountford, Principal Performance and Intelligence Officer  
p.mountford@southlakeland.gov.uk

**Assistant Director:** Assistant Director Performance and Innovation

**Portfolio Holder:** Promoting South Lakeland Portfolio Holder (Cllr Giles Archibald)

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**Non-Key Budget and Policy Framework Decision - Procurement Schedule 2018/19 and 2019/20**

To set out the Council's plans for procurement exercises during 2019/20 and to update the plans for 2018/19 including the decision route for each procurement.

**Proposed Decision Maker (Decision Date): Council (26 Feb 2019)**

Also considered by/to be considered by: Overview and Scrutiny Committee (11 Jan 2019)  
Cabinet (6 Feb 2019)

Date notice first published: 2 October 2018

*If Key or Private, decision cannot be until after 30 October 2018*

**Open/Exempt:** Open

**Relevant reports/background papers which are/will be available:**

Budget report 2019/20 to 2023/24 to be reported to same Committees

**Lead Officer:** Helen Smith, Financial Services Manager  
h.smith@southlakeland.gov.uk

**Assistant Director:** Assistant Director Resources (Section 151 Officer)

**Portfolio Holder:** Finance Portfolio Holder (Cllr Andrew Jarvis)
### Non-Key Budget and Policy Framework Decision - Treasury Management Framework 2019/20 to 2023/24

To set the 2019/20 Prudential Indicators, Treasury Management Strategy, Treasury Management Policy and MRP statement which controls the Council's capital financing, borrowing and investment activities.

#### Proposed Decision Maker (Decision Date): Council (26 Feb 2019)

Also considered by/to be considered by: Overview and Scrutiny Committee (11 Jan 2019)
Cabinet (6 Feb 2019)

Date notice first published: 2 October 2018

*(If Key or Private, decision cannot be until after 30 October 2018)*

**Open/Exempt:** Open

**Relevant reports/background papers which are/will be available:**
Medium Term Financial Plan 2018/19 - 2023/24
Budget report 2019/20 to 2023/24 to be reported to same Committees

**Lead Officer:** Helen Smith, Financial Services Manager h.smith@southlakeland.gov.uk

**Assistant Director:** Assistant Director Resources (Section 151 Officer)

**Portfolio Holder:** Finance Portfolio Holder (Cllr Andrew Jarvis)
South Lakeland District Council
Cabinet
28 November 2018
Housing Loans Scheme Update

Portfolio: Cllr Jonathan Brook – Portfolio Holder Housing, People and Innovation
Report from: Shelagh McGregor – Assistant Director (Resources)/CFO S151
Report Author: Dan Hudson – Development Strategy and Housing Manager
Wards: (All Wards);
Forward Plan: Key Decision 29th May 2018

1.0 Expected Outcome
1.1 To commence operation of the housing loans scheme, to set out the principles by which the scheme will work, to agree in principle the Heads of Terms to be offered to housing associations utilising the loan facility. The aim is to deliver in areas where there are high affordable housing needs and where conventional means of affordable housing delivery – through market housing schemes – will not deliver.

2.0 Recommendation
2.1 It is recommended that Cabinet:-
(1) Approves in principle the commencement of the South Lakeland Affordable Housing Loan facility in accordance with the principles set out in this report for the sum of up to £6m previously agreed by Cabinet in December 2017;
(2) Approves that the Council indicates its willingness to increase the amount of the available loan facility from £6m to £15m, subject to delivery of the £6m programme, the submission of satisfactory and robust evidence of the potential to significantly increase the scale and pace of delivery of new affordable housing through the scheme, and further approval from Cabinet and Council;
(3) Authorises the Director (People & Places) in consultation with the s.151 officer and Portfolio Holders for Housing, People & Innovation and Finance, to approve drawdowns from the £6m facility in accordance with the agreement between the parties; and
(4) Requests regular progress reports on the scheme and associated delivery.

3.0 Background and Proposals

Background
3.1 Members will recall that Council considered a report in December 2017 on Affordable Housing Delivery Options. This followed on from earlier proposals to establish a Housing Development Vehicle called Landpro with one or more housing...
associations. Subsequent to that, due to changes in the policy and finance landscape and increased development activity by housing associations, those housing associations who had expressed an interest in Landpro considered that a loans scheme was a more efficient and cost effective means of enhancing housing delivery.

3.2 In December 2017, Cabinet resolved to

\textit{Approve in principle and recommend to Council that the Council develop a loan facility, initially of a maximum £6m, to be made available to South Lakes Housing and other housing associations to support proposals delivering new affordable housing with detailed arrangements to be reported to a future Cabinet for approval;}

Cumulative underspend from 2017-18 (in the order of £3m and future year receipts (dependent on right to buy sales but normally in the order of £600K-£1m)) form part of a £6m loan facility available for housing associations to draw down on a scheme by scheme basis. The scheme will facilitate delivery, generate revenue for the Council through repayments and ensure that resource put into housing enabling can be recycled to promote further delivery.

3.3 The December 2017 report stated that, subject to approval in principle, the detail of the scheme’s operation would be developed and reported to Cabinet for approval. At that time, the loans facility was not specific to any particular housing association. Despite publication of the loans facility, the only housing association or social housing provider that has contacted the Council seeking to enter into discussions regarding the terms for such a loan is South Lakes Housing.

3.4 Since December 2017, South Lakes Housing has, in discussion with SLDC, been developing a programme for delivering housing in more constrained areas such as the Lake District National Park. The proposed programme has been submitted to the Council for consideration and, in principle, the Council is content that the proposals will assist in boosting the supply of affordable housing in areas where there is an identified need. SLDC has also supported the allocation of a number of potential housing sites through the Lake District Local Plan process. It is seeking to promote the delivery of these through its housing enabling role. The loans scheme is an important tool to help to bring this about.

3.5 Discussions with South Lakes Housing have included discussions regarding draft Heads of Terms which provide security and comfort to both parties. Although they have not yet been agreed, discussions are reasonably advanced and there are just a small number of points where agreement is outstanding.

\textbf{Proposals}

\textit{Proposal from South Lakes Housing}

3.6 To deliver the full programme proposed by South Lakes Housing, the initial facility of £6m would require additional funding of £9m (total of £15m). Further funding will depend on the success of early pilot schemes. If members wish to support further lending over and above the £6m, this will need to be done either through reserves or through on-lending (The Council is able to access finance through the Public Works Loan Board). Further approvals from Cabinet and Council would be required to proceed with additional lending. At this stage, there is no evidence as to the capacity of any housing provider to deliver the full programme, therefore it is proposed that progress regarding any loan facility above £6m will be subject to further discussions and agreement. It is reasonable to say that any loan facility will be offered to the wider social housing market although, once funds have been committed, such opportunity will no longer exist.
3.7 South Lakes Housing has identified a total of 21 sites with a potential capacity to deliver 294 dwellings. Of these sites, 18 are confirmed as available. All are either allocated or proposed for allocation in the Lake District National Park Local Plan. SLH state that they are confident that from this list of sites, a programme of 120 new affordable homes, primarily focused on towns and villages in the South Lakeland part of the Lake District National Park, can be delivered. Approximately three quarters of the homes will be for affordable rent and a quarter for shared ownership, however the tenure split will be refined and agreed as the programme is developed. The aim is to deliver in areas where there are high affordable housing needs and where conventional means of affordable housing delivery – through market housing schemes – may not deliver because of viability and planning policy issues. This effectively means outside the main urban centres of Kendal and Ulverston.

**Operation of Scheme**

3.8 From the information provided by South Lakes Housing, the initial £6m approved in December 2017 will support delivery of approximately 48 new affordable dwellings. In principle approval is already in place for the initial £6m following the Council decision in December 2017. The scheme will be used to support affordable housing delivery outside the main settlements of Kendal and Ulverston and the schemes supported will be expected to supplement the housing provider’s main development programme.

3.9 In order to reduce the risk to the Council, it is intended that the £6m will not be advanced in one lump sum but, rather, will be advanced in smaller sums following receipt of a drawdown request from a housing association. Such drawdown request will only be approved in relation to any completed schemes (effectively freeing up other funding for the housing provider to invest in other schemes) where a practical completion certificate has been issued. In addition, the Council will seek security by way of a charge over those properties to which the loan relates.

3.10 The intention is that the loan will be repaid on an annuity basis with semi-annual payments (6 monthly). In addition, it is intended that further repayments will be made using any capital receipts received by the housing provider from the schemes delivered/partially delivered by the loan facility. For example, if any shared ownership properties are “staircased”, then the capital receipts will be applied to repay some of the loan. Likewise, if any properties delivered by the loan facility are sold subject to the Right to Acquire, the capital receipts will be used to repay part of the loan. The loan term is anticipated to be 30 years with any outstanding balance being repaid by no later than the end of that term.

3.11 Drawdowns will be for a minimum of £250,000 per scheme. It is currently proposed that the interest rate applying to the loan will be at the fixed rate of 2% per annum and will be paid semi-annually in arrears. This applies to the initial £6m loan which is anticipated to be expended within 2 years from the date of first draw down. The tenure mix of each scheme will be agreed on a scheme by scheme basis with each scheme being scrutinised for viability, deliverability (including timetable of securing appropriate consents) and value for money (including funding from other sources such as Homes England). Each drawdown will be made subject to a legal agreement.

3.12 Any loan sum over and above the in principle approval given in December 2017, will be subject to further Member approval. Should the scheme be successful, a report will be presented to Members to consider increasing the loan facility to £15m to further increase delivery of affordable housing.

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1 Staircasing means the ability of an individual who has purchased a property on a shared ownership basis to purchase additional shares of the property up to, potentially, 100% ownership.
4.0 Consultation

4.1 This proposal represents the outcome of a long, ongoing and detailed engagement with social housing providers and, in particular, South Lakes Housing to arrive at a programme that can be supported. A number of meetings engaging officers from housing and planning, finance and legal services and representatives of South Lakes Housing have taken place and various draft proposals considered and refined.

4.2 Although some final details are outstanding from South Lakes Housing, this current position represents a programme that is capable of being supported by the Council, subject to reaching agreement on those final points.

4.3 Although, at the moment, South Lakes Housing is the only housing provider that has entered into discussions with the Council regarding the housing loan facility, and whose board has approved the principles of a loan of this nature, it is intended that this offer is open to other providers who are prepared to agree to the terms set out above.

5.0 Alternative Options

5.1 The option exists to commit to a full programme of £15m of support for a programme delivering approximately 120 houses without a requirement for scheme by scheme drawdown. This would give greater certainty for the housing provider(s) but would result in less control over delivery and pose a greater risk to the Council.

5.2 The option exists to not proceed with the loans facility. This would free up the £6m to be spent on other priorities. However it would impact significantly on affordable housing delivery, particularly in rural parts of the District with high affordable needs and limited opportunities to address these through conventional means of affordable housing delivery.

6.0 Links to Council Priorities

6.1 Council Plan – key element of delivering 1000 affordable homes for rent target.

7.0 Implications

Financial, Resources and Procurement

7.1 The financial implications form part of the report. The Budget Report considered later on this meeting’s agenda includes the £6m as allocated to affordable housing funded from the Right to Buy Receipts over 2019/20 and 2020/21. Further SLDC funding will be dependent on more detailed information regarding the business case for schemes, to include the potential for enhanced Housing England contributions, and delivery of the housing totalling £6m over the two year period or earlier if achievable. Future budget reports will include any updates regarding any progress made.

Human Resources

7.2 Serviced through existing housing, finance and legal staff resource at the present time. New processes to be reviewed through Customer Connect service re-engineering.

Legal

7.3 The Council has the power to offer a loan to social housing providers to increase the delivery of affordable housing. Such powers are derived from the Localism Act 2011 and other enabling statutes.

7.4 If any loan is provided at an interest rate that is below market rate, it is likely that it will amount to State Aid. In order to consider if State Aid rules apply, there are five tests to consider; they are as follows:-

- Is the funding from State resources?
- Is a selective competitive advantage given to the recipient?
- Is the recipient an economic undertaking?
- Does the aid distort, or have the potential to distort, competition?
- Does the aid affect, or have the potential to affect, trade between Member States of the EU?

Although the answers to all questions will depend upon the nature of the recipient’s undertaking, it is likely that state aid will be engaged. To ensure that any such state aid is given lawfully, the parties will need to enter into agreements which ensure compliance with the State Aid rules. There are various exemptions which may apply to state aid depending upon the amounts being loaned. Each loan will be considered on a case by case basis to ensure that any financial assistance is given properly.

7.5 As well as state aid considerations, it is necessary for any loan offered to be secured by way of a legal loan agreement. Such agreement will need to be drafted to ensure that any risk to the Council is minimised and, as best as possible, to gain security for any loan so that, in the event of the recipient encountering financial difficulties, the Council’s will be able to recover the sums loaned. Members need to be aware, however, that such a scheme is not entirely risk-free and, consequently, Members need to be satisfied that the benefits of this scheme are such that they outweigh the potential risk that the Council may not be able to recover its entire investment.

7.6 This arrangement is one way in which affordable housing delivery can be increased. Another option is to enter into a special purpose vehicle (SPV) with a housing provider(s) of choice. This would require the formation of a legal entity which would be act as an independent operation. The benefits of such an arrangement are that it would be able to operate on a more commercial basis, it results in a more committed relationship between the parties, the financing options could, potentially, be less restrictive and, depending upon the nature of the SPV, the properties would not be subject to the right to acquire. The disadvantages of such an arrangement are that there would potentially be a need to comply with legislation regarding companies, such arrangements are less easily dissolved and there would be a need to agree how such a SPV would be staffed. Furthermore, the parties to such an arrangement would need to be satisfied that they had shared objectives and were comfortable that each party entered into the arrangement with equal commitment.

Health, Social, Economic and Environmental

7.7 The health, social, economic and environmental aspects of new housing delivered through the scheme will be assessed through the planning process. The impacts of the development of allocated sites will already have been assessed though Local Plan sustainability appraisal processes.

Equality and Diversity

7.8 New affordable housing delivered through the programme will be allocated in line with the Council’s existing housing allocations policy through Cumbria Choice which has already been assessed for equality and diversity.

Risk

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<td>Housing is not delivered or not delivered on the anticipated timescale</td>
<td>The Council’s priority of delivering affordable housing is not achieved.</td>
<td>Regular reviews to ensure the scheme is on target and that any deviation from agreed timetable is within a reasonable range.</td>
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<tr>
<td>Risk</td>
<td>Consequence</td>
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<td>Loan is not repaid</td>
<td>Non-repayment of the loan would result in a loss of resources available to the Council. The £6m loan will be financed from capital reserves with a key principle being the ability to recycle the funds, once repaid, to fund future capital schemes. If the loan is not repaid the funds would no longer be available for this purpose.</td>
<td>For each scheme, the loan will be drawn down after the development is complete. The loan will be secured on new dwellings within the scheme.</td>
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**Contact Officers**

Dan Hudson, Development Strategy and Housing Manager, 01539 793378, d.hudson@southlakeland.gov.uk

**Background Documents Available**

None

**Tracking Information**

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South Lakeland District Council
Cabinet
28th November 2018
Abbot Hall Capital Redevelopment

1.0 Expected Outcome
1.1 The Council’s support to invest in Lakeland Arts’ Abbot Hall Redevelopment scheme in Kirkland Kendal could result in an investment from Arts Council England (ACE) overall of £5 million contributing to the delivery of the scheme at a projected cost of £8.5 million which would see a transformative and visionary project delivered by 2022.

1.2 The project would have a positive impact on the quality of life and opportunities for a wide range of local and district wide communities making a meaningful contribution to the lives of local people. It would protect and enhance the Grade 1 listed, and council owned, Abbot Hall. The redevelopment would deliver a fully accessible site that realises the potential of the historically and architecturally important estate having a positive impact on Kendal and the district which, in turn, will result in a world class cultural facility, an enhanced visitor experience and outstanding quality of Lakeland Arts nationally recognised collections and increased visitors to the area.

2.0 Recommendation
2.1 It is recommended that Cabinet :-

(1) Approves a commitment of £100,000 capital funding towards Lakeland Arts’ redevelopment of the Abbot Hall site as set out in this report and included in the Budget Report considered elsewhere on this agenda;

(2) Delegates authority to the Director (People & Places), in consultation with the Solicitor to the Council, to negotiate the terms of, and enter into, a funding agreement with Lakeland Arts for the capital sum to be invested by the Council.

3.0 Background and Proposals
3.1 Lakeland Arts Trust has ambitious plans to carry out a £8.5 million redevelopment of the Abbot Hall site. The proposed redevelopment would bring improvements that are wide ranging and transformative and create a world-class cultural destination in the heart of South Lakeland.

3.2 In rejuvenating this landmark site the Trust intends to create a social hub for local communities with a broad cultural programme and an exciting range of activities for local and district wide communities to engage with. Redevelopment of Abbot Hall will
enable the Trust to work with communities in new and innovative ways, to grow and sustain important partnerships and develop new ones in a way that is not currently possible due to inadequate facilities. The project would improve the sustainability of Abbot Hall and care of the buildings and site, which Lakeland Arts has leased from SLDC since the Trust was formed in 1957.

3.3 Lakeland Arts was successful in a competitive first round of ACE’s Large Scale Capital Grants in June 2017 with development funding to progress the initial development stages of the scheme and secured progress to the next stage to submit a Stage 2 application to ACE by December 2018.

3.4 For the £8.5 million project to go ahead Lakeland Arts must secure the £5 million investment from ACE and £3.5 million matched funding. ACE investment is predicated on £3.5 million matched funding. Lakeland Arts have 22% of the match funding secured including £495,000 from the Northern Cultural Regeneration Fund supported by the Cumbria Local Enterprise Partnership. Lakeland Arts Trust have a funding plan in place to secure the remainder of the match funding.

3.5 To secure a pledge of £5 million from ACE England it is critical the trust can demonstrate the support of the Council before submitting the full Stage 2 application. Lakeland Arts submitted a request to the Council to consider making a funding contribution of £125,000 towards the redevelopment project as a commitment towards the redevelopment scheme and demonstration to ACE of the Council’s strategic support for the project at Stage 2 and acting as a catalyst to attract further investment from other funding sources. Officers have considered the proposed scheme and are recommending support of £100,000 towards the project as a meaningful contribution towards the project.

3.6 The trust appointed McInnes, Usher, McKnight Architects (MUMA) to lead the scheme. They bring a wealth of experience in delivering exceptionally high quality projects having developed the Queen’s Diamond Jubilee Gallery in 2018 and Manchester’s acclaimed Whitworth Gallery. MUMA will work alongside a team of renowned specialist consultants including Julian Harrop Conservation Architects and landscape architect Sarah Price recipient of a Gold Medal at the Chelsea Flower Show 2018.

3.7 Throughout its history, Abbot Hall has built a reputation nationally for curating major new exhibitions and showing art and artists of the highest quality and range, and bringing great art to South Lakeland. Today Abbot Hall’s collection is one of the largest and most significant of its kind in the region.

3.8Whilst the site is one of the foremost cultural drivers in the region, it has not been subject to significant refurbishments since opening in 1962. The Trust’s ability to display works is constrained and the character of the magnificent riverside estate diminished.

3.9 Abbot Hall is a Grade 1 listed building and council owned asset. There is an urgent need to make Abbot Hall more resilient and sustainable by investing in improvements to the buildings and site that support the Lakeland Arts Trust ambitions; artistic programming, learning and engagement, community and audience development, retail and other income earning capacity.

3.10 The redevelopment scheme aims to address key needs that were identified in the Abbot Hall redevelopment feasibility study of 2016.
3.11 The scope of the project has been split into two phases.

In Phase 1 the scope will continue to deliver key outcomes for Lakeland Arts, specifically:

- A welcoming and fully accessible Abbot Hall
- A new building to accommodate a Café. Located to the Northern edge of the estate a Café in this location will create increased connectivity to the Park benefitting park users
- A dedicated Learning Space for education and community groups for the first time in the site’s history on the north side of Abbot Hall facing the park
- High quality facilities throughout and the creation of quality gallery environments fitting of the Trust’s world class collection
- Improved landscaping that celebrates the historically important estate, builds connectivity to the surrounding public realm and increases the footprint for events and the display of art
- Improved flood resilience moving collections out of the flood risk zone
- Essential conservation consolidation works to the Grade II listed Old Grammar School
- Improvement to Museum of Lakeland Life displays and content
- Partial refurbishment to Museum of Lakeland Life to include shop and ticketing

The new build Café would be an exciting addition to the site and the most cost-effective over creating expensive and complex interventions within the listed building, thereby reducing their valuable footprint which needs to be used for the display of collections, and essentially for community, visitor and learning space. In addition, it will ‘return’ the Museum courtyard to its historic ‘closed’ form with buildings on four sides as revealed through the detailed historic research undertaken so far.

3.12 The ACE funding bid would be for Phase 1 and the proposed Council funding contribution would be towards Phase 1. This is the total amount of funding that the council would contribute over the life of the scheme.

3.13 Phase 2 is to be fully scoped and would see a later phase of redevelopment which would be more heritage focused with a strategic approach to the relocation and development of the Museum of Lakeland Life and Industry and the sympathetic development of the Old Grammar School.

3.14 The Abbot Hall Capital Redevelopment project will be transformative making a significant contribution to the Council’s priorities and the lives of local people. This exciting project will allow the Trust to extend its commitment to local people, providing further opportunities for engagement; developing new and extending existing community partnerships and create greater engagement of young people.

3.15 Following a period of closure the ambition is to re-launch the new Abbot Hall in 2022, Abbot Hall’s 60th anniversary year.

4.0 Consultation

Lakeland Arts Trust have engaged with and liaised with the council about the scope of redevelopment project. The Trust has also engaged with the Environment Agency and stakeholders regarding the planned flood defence works envisaged by the Environment Agency along the riverside.

Lakeland Arts have provided information on how their project contributes to the delivery of council plan priorities, cultural and community benefit.
Lakeland Arts have consulted and engaged with ACE and key stakeholders. Stage 1 funded by ACE undertaken in June 2017 demonstrated the need for investment in Abbot Hall and an invitation to apply for stage 2 funding to develop the scheme. From this the design consultants MUMA were appointed to deliver design to RIBA stage 2/3 (Royal Institute British Architects) to enable the submission of a full stage 2 bid to ACE by December 2018.

The Trust will take a range of proactive measures to engage people in the reimagining of the Abbot Hall site in the lead up to the development and completion of the site in 2022 and have identified key community groups they will approach to partner with them on this work.

5.0 Alternative Options

5.1 An alternative option would be not to provide investment in the proposed Abbot Hall capital redevelopment scheme and for Lakeland Arts to lose the opportunity to submit a capital bid to ACE to secure the £5 million investment from ACE and for the £8.5 million scheme not to progress.

This option has been rejected on the basis that it would be a loss of opportunity to promote economic growth and for the communities of South Lakeland to have a world class cultural facility, programme and activities contributing to the quality of life in the district which in turn helps make South Lakeland the best place to live, work and explore.

It would be a loss of opportunity to improve the Grade 1 listed council owned Abbot Hall and the overall site in the Kirkland conservation area of Kendal. It would have a negative impact on Lakeland Arts organisational resilience and the ability to develop creatively and operate effectively on the site.

6.0 Links to Council Priorities

6.1 There are many ways in which this transformational project delivers against the councils priorities

6.2 Economy

The redevelopment directly supports the Council’s economic ambitions for South Lakeland.

The project will create opportunities for economic growth. It will support the delivery of the Kendal Masterplan and the Lancaster and South Cumbria Economic Partnership ambition for business growth.

It will further develop the critical mass of heritage and tourist attractions in South Lakeland, growing visits and encouraging staying visitors who will spend in the local economy. Forecast growth in visitor numbers is at least an additional 10,000 visitors per annum.

In creating a quality, destination, retail and cafe offer the Trust will expand the offer of locally sourced products and drive spend from residents and visitors to the area.

New employment including graduate level posts will be created in Programming, Front of House and Visitor Engagement Teams. Lakeland Arts will select the main contractor through the OJEU process which enables local companies to compete for the construction work.

The £8.5million project will result in new cultural investment in the district attracting additional inward investment.

6.3 Environment
The project will act to protect and preserve the heritage of the listed buildings in the Kendal Conservation Area including the Grade I listed Abbot Hall, and Grade II Listed Coach House and Stables and Old Grammar School which is in urgent need of conservation investment. SLDC agreed in 2012 to extend the area of the site leased by Lakeland Arts and to return the lease to 99 years to secure the long-term future of the historic site.

An important part of the project is to improve the environment around and between buildings. The proposed landscaping scheme will improve access and promote connectivity to the wider public realm. Lakeland Arts will engage people in the environment through interpretation and involving people in outdoor activity including festivals, externally sited sculpture and children's Summer Art Camp.

Lakeland Arts will overhaul building systems to reduce their carbon footprint and introduce sustainable forms of energy and promote sustainable travel through provision of cycle racks.

The new Abbot Hall site will be of the highest design quality. The design team includes award-winning architects MUMA, Julian Harrap conservation architects, Sarah Price Landscapes, Ove Arup mechanical and electrical engineers and Eckersley O’Cailaghan structural engineers as well as specialist advisers and business planners. MUMA will develop a scheme of exceptional quality given their previous experience.

6.4 Culture and wellbeing

The project will greatly enhance the District's culture and wellbeing offer and build on the Council's continuing support for Lakeland Arts as one of the Council's key strategic cultural organisations. Lakeland Arts will further develop the artistic programme, increasing high quality cultural output both independently and in partnership throughout the year.

The capital redevelopment of Abbot Hall will further promote South Lakeland and sustain the district's reputation as the leading rural cultural destination in the UK.

Proactive contribution to the community is a significant part of Lakeland Arts charitable objectives and Lakeland Arts Strategic Plan which aims to, "involve all in arts and heritage in new and inspiring ways and contribute to the development of local communities."

Lakeland Arts have a track record in delivering broad and high quality engagement activity for schools, community groups, families and adult learners. The investment programme will grow this activity. They will grow their partnerships with local groups and key agencies including programmes for disadvantaged audiences. They will further the success of existing programmes such as with Manna House and the 'In the Moment' scheme for people living with dementia and their carers. The formal learning programme will support the National Curriculum and help raise educational attainment in local schools and colleges.

Through the provision of a new, dedicated space for learning Lakeland Arts will further enhance their distinctive and innovative offer, enabling communities to learn new skills and gain confidence. The programmes will run all year and focus on families, children and young people and older people.

With an improved and enhanced overall site including the outdoor spaces, Lakeland Arts will increase their contribution to wellbeing, in response to the needs of their users, from the local communities of South Lakeland, and visitors.
The Trust will extend their volunteering scheme with a range of opportunities to get involved and acquire new skills, from conservation and collections maintenance to interpretation and activities.

The Trust will undertake local community consultation to inform detailed engagement and activity plans for the new Abbot Hall.

7.0 Implications

Financial, Resources and Procurement

7.1 The total cost of the Abbot Hall redevelopment project is £8.5 million. Lakeland Arts will be submitting a Stage 2 bid to ACE in December 2018 for £4.6 million having been awarded a £375,000 Stage 1 capital development grant. To show strategic support for the project to ACE is critical to the bid and would help draw down investment from other funders. Critical to the bid is that Lakeland Arts must secure £3.5 million in match funding for the scheme to go ahead.

Lakeland Arts Trust require a firm pledge of support from the Council as evidence for ACE with an agreed date for payment once the project is confirmed as going forward to delivery and construction. This is expected to be confirmed in autumn 2019 and draw down of Council funding would be in the 2019-20 financial year.

It is proposed that the 2019/20 Capital Programme includes the commitment of £100,000 towards this scheme.

The sum of £100,000 has been considered by officers and recommended as a meaningful contribution signalling intent to Arts Council England of the Council's support for the scheme and considered capable of securing the ACE investment whilst improving the affordability to the Council.

The proposed £100,000 investment in Phase 1 is the total amount that would be contributed by the Council to the overall scheme.

The sum of £100,000 would only be made once the scheme is funded and progressed to construction phase.

The £100,000 investment is a key decision and is included on the Forward Plan published on 30th October 2018.

Human Resources

7.2 N/A

Legal

7.3 When entering into a capital funding arrangement it is necessary to consider whether State Aid rules apply. There are five key tests that must be taken into account when considering this issue. They are as follows:-

- Is the funding from State resources?
- Is a selective competitive advantage given to the recipient?
- Is the recipient an economic undertaking?
- Does the aid distort, or have the potential to distort, competition?
- Does the aid affect, or have the potential to affect, trade between Member States of the EU?

It is possible that any funding arrangement would amount to state aid. State aid can be granted lawfully under a number of exemptions. In order to ensure that no
unlawful state aid is given, a capital funding agreement and funding offer would need to be drafted so as to comply with the relevant regulations. It would also be necessary to ensure that the funding agreement affords the Council the necessary protection and control measures should the scheme not progress.

Health, Social, Economic and Environmental
7.4 Have you completed a Health, Social, Economic and Environmental Impact Assessment? No.
7.5 The proposed capital redevelopment scheme by Lakeland Arts is to be fully scoped and developed. Its contribution to the achievement of the Council’s priorities has been described and it is considered that it will have a positive economic, health, social and environmental impact and support the future sustainability of the organisation. A full impact assessment would be undertaken by Lakeland Arts as part of the development of the scheme.

Equality and Diversity
7.6 Have you completed an Equality Impact Analysis? No.
7.7 Lakeland Arts are fully committed as an organisation to Equality and Diversity and have policies in place that promote this. Lakeland Arts will state their ‘Creative Case for Diversity’ which is a requirement of ACE and will be part the funding bid to ACE in the Stage 2 application.

Risk

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<th>Consequence</th>
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<tr>
<td>Lakeland Arts failure to secure investment from ACE and the matched funding required.</td>
<td>The redevelopment scheme will not proceed.</td>
<td>Council commitment to investment to be secured by December 2018 prior to the application by Lakeland Arts being submitted to ACE. Lakeland Arts to secure £3.5 million matched funding.</td>
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<tr>
<td>Lakeland Arts unable to deliver the redevelopment scheme</td>
<td>Reputational impact, costs and adverse publicity. Grade 1 and Grade 2 listed buildings deterioration on site.</td>
<td>Funding agreements will contain the necessary controls and requirements and protection for the Council. Council to continue to work with Lakeland Arts to protect the Council's assets.</td>
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Contact Officers
Imelda Winters Lewis Principal Culture, Arts & Events Officer 01539 793169 i.winterslewis@southlakeland.gov.uk

Background Documents Available

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<td>Letters from Lakeland Arts</td>
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1.0 Expected Outcome

1.1 This report presents the 2019/20 Five Year Draft Budget. The expected outcome is that Council will be in a position to deliver the priorities set out in the Council Plan within its resources. This will enable the statutory requirement to agree a balanced budget and to set the appropriate Council Tax level for 2019/20. Council on 18 December 2018 will be asked to approve the revised figures for the 2018/19 capital budgets which form part of the draft capital programme. The final proposed revenue budget and capital programme, including any further amendments, will be put forward for approval by Council on 26 February 2019.

2.0 Recommendation

2.1 It is recommended that Cabinet:-

(1) Note that the development of the Budget is an iterative process between now and Council on the 26 February 2019. The assumptions, proposals and calculations included within it will be subject to change as more information from internal and external sources is provided and decisions around the final proposals can be made;

(2) Consider the proposals contained in the report to achieve a balanced budget in 2019/20;

(3) Note the projected deficit position of circa £610k in 2020/21 rising to circa £2.6m by 2023/24 (this is after the Customer Connect savings have been included).

(4) Request that Council approve the amended 2018/19 Capital Programme as presented in Appendix 6, noting that the future years programme is still under development.

3.0 Background and Proposals

3.1. The Council, at its meeting on 24 July 2018 agreed to the proposed Budget Strategy for the current year’s budget process as part of the Medium Term Financial Plan (MTFP). The Budget Strategy set out some broad principles which are being used in the preparation of the 2019/20 – 2023/24 Budget.

3.2. This report presents a draft position. Work will continue to incorporate further changes into subsequent budget reports, such as the finalised central government
grant position which is not yet known. The position set out in this report forms the basis of the consultation subject to approval by the Council at its meeting on the 18 December 2018. The Overview and Scrutiny Committee will consider the report at its meeting on the 11 January 2019. The final Draft Budget Report will incorporate the consideration of the internal and external consultation and be presented to the 23 January 2019 Cabinet meeting. The Council will at its meeting on the 26 February 2019 be requested to approve the final Budget. The budget timetable is presented for information at Appendix 1.

DRAFT GENERAL FUND REVENUE BUDGET

SUMMARY POSITION

3.3. The Medium Term Financial Plan provides a summary five year annual position which includes a projection of the overall surplus or deficit on the General Fund Revenue Budget. The assumptions and financial implications are kept constantly under review as circumstances change. A summary of the known changes at this stage are provided in the table below, the more detailed analysis of expenditure and income is set out in Appendix 2.

3.4. Table 1 sets out the summarised estimated annual General Fund Budget requirement across the review period, including the projected deficits. It also shows the savings identified and where the budgets have been reduced.

Table 1 Summary Medium Term Financial Plan

<table>
<thead>
<tr>
<th></th>
<th>2019/20</th>
<th>2020/21</th>
<th>2021/22</th>
<th>2022/23</th>
<th>2023/24*</th>
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<td>Net service expenditure</td>
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*New year of model

3.5. The projected annual revenue deficit totals circa £610k in 2020/21 rising to circa £2.6m by 2023/24. This position is after the inclusion of Customer Connect savings of £740k in 2019/20 and £1.550m from 2020/21 onwards. This is the first iteration of the budget and these annual projections are based on information available at the time of preparation along with the broad set of assumptions detailed in 3.8 below. The assumptions, proposals and calculations included above and on the attached appendices will be subject to change as more information from internal and external
sources is provided, calculations and options are refined and as decisions around the final proposals are made.

3.6. Work is underway to resolve the projected deficits. Future year estimates will be kept under review as part of the MTFP process to ensure that savings plans are sufficient to set balanced budgets.

3.7. The July Medium Term Financial Plan included £500k of unallocated growth which has now been removed. The Council has a statutory duty to set a balanced budget. Any additional budget pressures or discretionary, fixed term growth items will need to be funded by savings in existing budgets.

BUDGET STRATEGY ASSUMPTIONS

3.8. The draft budget proposals for 2019/20 and onwards include:

a) Inflation in the base budget in accordance with the Budget Strategy (only where contractually committed or unavoidable).

b) Salary budgets have been prepared based on the current staffing structure including known incremental advances. From April 2019 onwards the detailed budgets include 2% for inflationary pay awards. The local government pay settlement for April 2018 covered 2 years and included a restructuring of the national pay scales. Officers have modelled various potential options to implement the pay settlement and a budget pressure of £184k has been included in 2019/20 rising to £383k if all staff reach the top of scale. Final pay proposals will be considered by Human Resources Committee on 11 December 2018 and Council on 18 December 2018. Any change to the current projections will be reported to Cabinet on 12 December 2018.

c) The only major announcement in the Autumn Budget on 29 October 2018 for the Council concerned the level of the National Living Wage (NLW) for 2019/20. The local government pay settlement for 2019/20 has a minimum hourly rate (excluding apprentices) of £9.00 per hour which is higher than the new NLW levels and will be equal to the Real/Foundation Living Wage which was announced in November 2018.

d) Capital charges will be reviewed within the final budget proposals presented to February Council. These have no impact on the MTFP projections as they are not charged against Council Tax.

GOVERNMENT FUNDING AND OTHER REVENUE BUDGET UNCERTAINTIES

3.9. The figures presented include certain assumptions where work is on-going or where information is not yet available. A key factor going forward will continue to be central government funding. The potential change to 75% business rates retention offers both opportunities and risks. This in addition to the proposed Fairer Funding Review may lead to both increased volatility and reductions in retained local taxation over the medium term. At this stage these are difficult to quantify. The key items are:

a) The MTFP assumes support from general government grant, such as Revenue Support Grant, is in line with the multi-year settlement announced in December 2015. The Government’s 2019/20 Finance Settlement Technical Consultation indicated the Government was minded not to implement the £613k of negative Revenue Support Grant for 2019/20. The MTFP projections have been adjusted to reflect this expectation: the Provisional Local Government Finance Settlement will be on 6 December 2018 and any significant changes to the assumed funding will be reported to Cabinet on 12 December and Council on 18 December.
b) From 2020 the whole system of Government funding will change: the financial model assumes the overall funding from Government through general grants or retained business rates will continue to decline by the same rate as has been seen during the current multi-year settlement excluding one-off adjustments such as the negative Revenue Support Grant. This reflects the current indications that funding of local government overall will stabilise at current levels but that funding will be targeted at social care.

c) All seven Cumbrian authorities have jointly submitted a bid to form a Cumbrian Business Rate Pool Pilot for 2019/20. This would replace all Revenue Support Grant and Rural Services Delivery Grant which would have been payable with the retention of the Government share of business rates. Potentially the seven authorities could gain £6m of additional funding. The results of the bid will be announced alongside the Provisional Local Government Finance Settlement in December 2018. If the bid were successful the Council could retain circa £200k of additional income but the actual amount will not be known until the end of the 2019/20 financial year. Any additional income will be budgeted one year in arrears as part of the 2020/21 budget process.

d) Should the bid for a new Cumbria Business Rate Pool Pilot not be approved by Central Government, it is proposed that the existing business rate pool will continue for 2019/20. Due to the level of uncertainty around these arrangements, the funding is built into budgets 1 year in arrears so this can be used to support financial years 2020/21 onwards. Any unallocated balance remains within the NNDR pool reserve which is earmarked for economic development (Appendix 8).

e) Interest payable and receivable will continue to be reviewed prior to the final budget being set in February 2019 to ensure this reflects the most up to date interest rate projections and capital programme funding assumptions.

3.10. The MTFP assumes the New Homes Bonus will be split 60:40 between support for the capital programme, which has been used to support housing, and Locally Important Projects (LIPs), including community planning and the £1,000 budget per member for community projects. The Government consulted in autumn 2015 about reducing the level of New Homes Bonus and this was partially implemented from April 2017. Further changes are expected to be confirmed as part of the 2019/20 local government finance settlement and it is expected that New Homes Bonus will be discontinued from April 2020. SLDC does not use the NHB to balance its base budgets. Funding of approved schemes in the capital programme has been reviewed to reflect expected funding but future projects will need to be reviewed as clarity is provided.

3.11. The Council earns significant sums through recycling credits (£1.3m for 2017/18). The payments are made in accordance with legislation which clearly sets out the statutory basis and mechanism for calculating the recycling payments. Any change to the current system would need agreement from the County and all districts and would need to be considered alongside other countywide issues.

3.12. Overall, although there are still uncertainties, the Council is in a strong position to set a balanced budget for 2019/20 and to address the additional level of deficit from 2020/21. From 2020 however it is worth reiterating that the challenges arising from the change in Government support through the Fair Funding Review and changes to business rate retention could have a significant impact.

RECURRING REVENUE BUDGET PRESSURES

3.13. There are a number of recurring budget pressures and adjustments that have been identified through the budget process. As identified in Table 1, these total £367k per
annum in 2019/20 increasing to £511k by 2023/24. The details of these are contained within Appendix 3.

The largest single pressure relates to the implementation of the 2019/20 pay settlement, as set out in para 3.8.b above. The other large budget pressures relate to planning application fees and supporting people grant at Town View Fields Hostel which have both been reported as part of the Corporate Financial Monitoring report for Quarter 2 2018/19.

2019/20 GROWTH PROPOSALS

3.14. The detail of revenue growth items is included at Appendix 4. These have intentionally been kept to a minimum. The only growth bid relates to the business support programme for economic development activities of £50k per year for three years. It is proposed that this is funded through the use of the NDR Pool reserve, which is set aside specifically to support economic development.

SAVINGS PROPOSALS

3.15. A number of savings proposals have been brought forward as part of the budget exercise excluding any savings relating to Customer Connect which are being collected separately. These total £323k in 2019/20 rising to £334k by 2023/24. These are detailed in Appendix 5. The amount and nature of the savings identified are considered reasonable and deliverable from 2019/20.

3.16. The main savings relate to decisions earlier this year regarding funding of community toilets and Kendal Museum. Officers have also reviewed corporate budgets including insurance, business rates, energy and water charges and identified savings.

Savings and efficiencies

3.17. Significant savings targets of £740k rising to £1.550m have been agreed from the Customer Connect Programme. Further work will be carried out to identify proposals to meet the additional amounts required. This process needs to be flexible according to the challenges and opportunities that arise to meet the projected deficits, which are very likely in themselves to change, particularly given the large uncertainty over business rates retention. Updates will be provided in subsequent budget reports.

FEES AND CHARGES

3.18. The MTFP assumes that income to be generated from fees and charges will total £10.0m for 2019/20. This figure has been adjusted to reflect the budget pressures from Appendix 3, where these relate to fees and charges.

3.19. The 2019/20 car parking income budgets have been inflated by 2% in line with the MTFP. Monitoring for 2018/19 suggests that the current level of demand is generating £160k more against the annual base. The estimate for 2019/20 has therefore been increased by this amount (Appendix 5). At this stage it is not proposed to adjust the charges. Hourly rates have been frozen on most car parks since April 2011. This is subject to annual review.

3.20. Lake Administration Committee considered fees and charges on 5 October 2018 and Licensing Committee considered its fees 6 November 2018. The full fees and charges listing will be presented as part of the December Council report.

COUNCIL TAX

3.21 Central government’s policy around Council Tax changed during the 2016/17 finance settlement. It moved from incentivising Council Tax freezes to assuming increases in Council Tax as part of the overall financial resources Council’s would utilise. The MTFP assumes Council tax will continue to rise by £5 per annum to £195.63 at April 2019 which equates to 2.62% per band D property for 2019/20 (the latest CPI inflation figures, for September 2018, is 2.4%). The power to charge the higher of £5
or up to 3% was included as part of the 2018/19 settlement and it is anticipated that this power will continue for 2019/20. A 3% increase would be equivalent to an increase of £5.72. Full details of the settlement, including limits around Council Tax are likely to be provided with the Local Government Finance Settlement figures on 6 December 2018.

3.22 Each 1% increase in Council Tax generates an additional £86k of income to the Council. If the Council Tax were to be frozen in 2019/20 at existing levels an additional £227k of savings would be required to balance the General Fund.

3.23 The MTFP assumes an increase in the Council tax base of 250 band D properties for 2019/20. At £195.63 per band D this is equivalent to an additional £49k of Council tax each year for this Council. The actual tax base for 2019/20 will be calculated in December 2018 and will be included in future budget reports. This will also include any distribution of anticipated surpluses or deficits from 2018/19.

4 CAPITAL PROGRAMME

4.1 Proposals for new areas of capital expenditure were considered by Portfolio Holders on the 5 October 2018 and were prioritised with reference to the funding available. The resulting proposed capital programme is presented at Appendix 6. A summary of the proposed capital expenditure up to 2023/24 is shown below:

<table>
<thead>
<tr>
<th>Table 2: Summary Draft Capital Programme Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>£000</td>
</tr>
<tr>
<td>7,950.0</td>
</tr>
</tbody>
</table>

4.2 There were a number of capital bids prioritised. These include:
  a) £6.0m in relation to loans to housing associations utilising the Right to Buy receipts accumulated to date;
  b) £9.2m in relation to Ulverston Leisure Centre, in line with the business case supporting the Cabinet decision to proceed with the next stage of work including design to RIBA stage 3;
  c) £461k in relation to developing additional homelessness accommodation for families
  d) £100k contribution to redevelopment at Abbot Hall: a full report is included elsewhere on the agenda for this meeting;
  e) £1.9m in relation to Grange Lido based on the light-touch proposals.

Following receipt of a petition on the Lido, there will be a debate on the petition at Council in December.

These are the schemes where outline approval has already been given, where expenditure relates to health and safety issues or where works are unavoidable.

4.3 There are a number of significant potential additional service areas and schemes to be added to the capital programme that have yet to be prioritised and or allocated a capital and or revenue budget. These schemes would lead to additional capital budget costs on top of those presented in Appendix 6. These include:

  a) Schemes arising from the Car Parking Strategy - including consideration of the potential for new sites at Oxenholme, Arnside and surfacing options at Braithwaite Fold and the siting of electric charging points.
  b) SLDC office accommodation options are currently being considered as part of the Customer Connect Programme. Options are being developed around
South Lakeland House. The capital cost of any improvements is likely to be significant and a range of options setting out the Business Case for each will be provided to enable an affordable solution to be delivered.

c) The review of the Kendal depot location is also not included as yet. A report setting out the likely financial implications and benefits and timescales will be provided in due course.

4.4 Once receipts earmarked for specific purposes are removed the programme has a modest element of unallocated resources, however, as noted at 6.3 above, there are a number of potentially significant unavoidable schemes that might need to make a call on these.

4.5 Although the capital programme contains estimates of expenditure for future years, these rely on the income budgets being met (eg Capital Receipts, Right to Buy and VAT shelter). All elements of the programme, and particularly those areas with recurring budgets, will be reviewed annually with reference to the actual resources available.

4.6 It was reported in the Quarter 2, 2018/19 Monitoring Report that certain elements of the capital programme would be underspent in year and would require re-profiling into subsequent years. This includes the ERDF funded scheme for flood alleviation works at Mintsfeet, Kendal and the Cross-a-Moor junction improvement scheme. Adjustments have also been made to increase the capital budget for Millerground and the Burton in Kendal heritage scheme to reflect external contributions. These are reflected in Appendix 6 within the updated 2018/19 programme along with other schemes where the need for re-profiling has been highlighted, as part of the budget process.

4.7 Due to unprecedented demand for Disabled Facilities Grant (DFG) funding, 86 adaptations were completed in the first two quarters of 2018/19 compared to 81 in the whole of 2017/18, it is expected that there will be insufficient funds available for the whole financial year. As DFGs are a statutory duty the Council needs to provide the necessary funding to meet demand. There is £192k unallocated in the Affordable Homes budget that won’t be spent in 2018/19. Therefore it is proposed that this funding is transferred to the DFG budget. This will provide sufficient funds to meet demand for DFGs in 2018/19.

4.8 Community Infrastructure Levy (CIL) is not currently reflected in the capital programme or its funding. The Council has started to receive modest levels of income from CIL. The governance arrangements over when and how to allocate this and the Infrastructure Delivery Plan were approved by Cabinet on 13 September 2017.

4.9 Appendix 2 shows the current estimates in relation to NHB income. 40% of this currently supports the Members small grants scheme and Locally Important Projects whilst 60% of this is earmarked to support other capital schemes. It is expected that no further income will be received beyond April 2020: funding has been reviewed for existing capital programme schemes but the capital budgets for LIPS have been removed from 2020/21.

4.10 A summary of the draft capital programme funding is in the table below. This shows the proposed use of capital resources in support of the capital programme (see Appendix 6).
Table 3: Capital Funding 2018/19 to 2023/24

<table>
<thead>
<tr>
<th></th>
<th>Balance April 2018 £000</th>
<th>Estimated Income £000</th>
<th>Use in capital programme £000</th>
<th>Potential Balance March 2024 £000</th>
</tr>
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<tbody>
<tr>
<td><strong>General</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Usable Capital Receipts</td>
<td>1,744</td>
<td>417</td>
<td>-1,953</td>
<td>209</td>
</tr>
<tr>
<td>VAT Shelter receipt</td>
<td>831</td>
<td>1,200</td>
<td>-2,031</td>
<td>0</td>
</tr>
<tr>
<td>New homes bonus (capital)****</td>
<td>1,271</td>
<td>1,138</td>
<td>-2,177</td>
<td>232</td>
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<tr>
<td><strong>Earmarked or allocated</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue (LIPS)</td>
<td>185</td>
<td>995</td>
<td>-995</td>
<td>185</td>
</tr>
<tr>
<td>IT replacement reserve</td>
<td>74</td>
<td>480</td>
<td>-480</td>
<td>74</td>
</tr>
<tr>
<td>Major Repairs Reserve</td>
<td>307</td>
<td>800</td>
<td>-868</td>
<td>239</td>
</tr>
<tr>
<td>General Revenue contrib</td>
<td>587</td>
<td>1,574</td>
<td>-1,940</td>
<td>221</td>
</tr>
<tr>
<td>Cap grants and contrib (inc S106)</td>
<td>593</td>
<td>7,924</td>
<td>-8,467</td>
<td>50</td>
</tr>
<tr>
<td>Disabled Facilities Grants</td>
<td>360</td>
<td>3,620</td>
<td>-3,980</td>
<td>0</td>
</tr>
<tr>
<td>Community Housing Fund*</td>
<td>2,309</td>
<td>0</td>
<td>-490</td>
<td>1,819</td>
</tr>
<tr>
<td>Right to Buy receipt**</td>
<td>3,788</td>
<td>4,200</td>
<td>-6,495</td>
<td>1,493</td>
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<tr>
<td><strong>Borrowing</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Funding from borrowing***.</td>
<td>0</td>
<td>13,177</td>
<td>-13,177</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>12,049</td>
<td>35,525</td>
<td>-43,053</td>
<td>4,522</td>
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</table>

*Ring fenced for Community Housing Schemes, £2.36m less £235k funding revenue budgets
**Ring fenced to support replacement of affordable housing.
***’Prudential Borrowing’; this may not result in taking on new loans but requires revenue charge to cover the cost over the assets’ life
****Subject to annual confirmation and settlement

4.11 Table 1 includes some amendments to the Minimum Revenue Provision (MRP) in the financial model. These changes reflect changes in the profiling of the rolling vehicle and plant programme and the additional costs if Ulverston Leisure Centre is to be funded from borrowing.

5 RESERVES AND WORKING BALANCE

5.1 The Council’s working balance at 1 April 2018 was £1.5m. Working balances are used to help cushion the organisation against uneven cash-flows and avoid unnecessary borrowing. The balance on the working balance should be maintained at £1.5m.

5.2 The Council holds a General Reserve of monies set aside to form a buffer against future financial risks in the medium term and to enable the Council to progress major organisational and transformational changes by providing resources to fund the initial costs of these developments.

5.3 Authorities in England and Wales are required to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement. An annual review is carried out to assess risks including:

- pay and pension costs
- inflationary pressures
- interest rates
- Government grant
• income from fees and charges

The Council considers the impact of holding monies unnecessarily in reserves giving the ongoing impact on local residents and taxpayers. The External Auditor considers the level of reserves each year to ensure the amounts held are sufficient but not excessive. There is no theoretical “correct” level of reserves because the issues that affect an authority’s need for reserves will vary over time.

5.4 Reserves are also available to support the strategically important projects listed in the capital programme that have yet to be allocated a budget including, housing land acquisition, a recycling transfer station, leisure centres and multi-storey car parks. These are subject to further option appraisal and business case development.

5.5 **Appendix 7** shows the latest risk-based calculation of a minimum recommended working balance and General Reserve for 2019/20. This suggests the overall projected balance is slightly higher than necessary. It is proposed this surplus should be used to offset the projected 2019/20 deficit. The fundamental principle governing the use of reserves is that they should not be used to fund recurring expenditure.

5.6 The risk assessment of reserves includes a portion of the General Reserve earmarked to meet the up-front costs of delivery of approved savings. These costs could include redundancy, building adaptations or new IT costs.

5.7 The Statutory Duties Reserve consists of an original sum of £150k set aside for legal and other statutory requirements with delegation to Senior Management Team to approve the use of the monies, topped back up at year end if necessary. The use of these amounts is reported as part of the Corporate Financial Monitoring process.

5.8 The Council holds a number of other reserves for various reasons. **Appendix 8** summarises the individual reserves, their purpose and their expected balances and movements 2018/19 to 2023/24. The projected reserves reflect contributions in but do not anticipate the element of spend to cover contingencies which are not predictable when they will be spent.

5.9 **Table 4** summarises the projected balances on reserves and the working balance at the end of each financial year.

**Table 4: Reserves summary**

<table>
<thead>
<tr>
<th></th>
<th>31/03/2018</th>
<th>31/03/2019</th>
<th>31/03/2020</th>
<th>31/03/2021</th>
<th>31/03/2022</th>
<th>31/03/2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Reserves</td>
<td>(8,600)</td>
<td>(6,705)</td>
<td>(4,914)</td>
<td>(5,114)</td>
<td>(5,314)</td>
<td>(5,514)</td>
</tr>
<tr>
<td>Capital Reserves</td>
<td>(2,424)</td>
<td>(1,343)</td>
<td>(744)</td>
<td>(661)</td>
<td>(583)</td>
<td>(562)</td>
</tr>
<tr>
<td>Earmarked Reserves</td>
<td>(4,392)</td>
<td>(3,488)</td>
<td>(3,488)</td>
<td>(3,488)</td>
<td>(3,488)</td>
<td>(3,488)</td>
</tr>
<tr>
<td>Working Balance</td>
<td>(1,500)</td>
<td>(1,500)</td>
<td>(1,500)</td>
<td>(1,500)</td>
<td>(1,500)</td>
<td>(1,500)</td>
</tr>
<tr>
<td><strong>Working Balance</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

6 **NEXT STEPS**

6.1 This draft Budget Report will be updated as both internal and external issues become clearer. The finance settlement, including the impact of any 4 year settlement agreement and adjustments to business rates multiplier and tariff, will be reflected in the final budget proposals to be presented to Cabinet in February and Council 26 February 2019.

6.2 The Government has already announced changes to the business rates funding system for 2020. As well as the increase in local retention of business rates to 75% through the reduction of the 50% central share of business rates retained by the
Government to 25% and replacement of certain grants the Government is reviewing the needs formula which will control how much business rates will be retained locally. A national working group including the Department of Communities and Local Government (DCLG), HM Treasury, the Local Government Association (LGA), professional organisation and representatives of interested groups such as the District Council’s Network (DCN) meets to discuss the proposals which are badged as the Fair Funding Review. These developments will be monitored and fed into the MTFP as the details are clarified.

Consultation

6.3 This report provides a first draft of the **2019/20 Five Year Budget**. This will be subject to the statutory four week period following the 18 December 2018 Council meeting.

6.4 The Lake Administration, Planning and Licensing Committees will receive and consider the elements of the draft Budget Report which are relevant to them. The Overview and Scrutiny Committee will be asked to consider the 18 December Council first draft Budget Report at its January 2019 meeting.

7.0 Alternative Options

7.1 This report presents alternative options in relation to potential budget pressures and savings, new capital programme bids, one off revenue growth bids and fees and charges. The proposals together aim to meet the Council’s statutory duty to set a balanced Budget for 2019/20.

8.0 Links to Council Priorities

8.1 This report sets out the first draft Budget to enable the consideration of how the Council’s priorities will be delivered. Setting a sound framework for budget preparation assists in the delivery of all corporate outcomes. This strategy has been developed within the context of the MTFP.

9.0 Implications

Financial, Resources and Procurement

9.1 The draft Budget aims to safeguard the Council’s financial position and ensure a balanced budget for 2019/20 and an improved position in the years that follow.

Human Resources

9.2 This report has no direct impact on the staffing of the Council; individual savings and growth proposals may have direct staffing implications.

Legal

9.3 This report has no direct legal implications at this stage but individual proposals resulting from this report may have direct legal implications.

Health, Social, Economic and Environmental

9.4 Have you completed a Health, Social, Economic and Environmental Impact Assessment? No

9.5 If you have not completed an Impact Assessment, please explain your reasons: This report contains proposals to set a balanced budget for 2019/20 which will be subject to further consultation. Specific issues that require HSEEIAs will be addressed within the final budget proposals presented to Council 26 February 2019.

Equality and Diversity

9.6 Have you completed an Equality Impact Analysis? No
9.7 If you have not completed an Impact Assessment, please explain your reasons: This report contains proposals to set a balanced budget for 2019/20 which will be subject to further consultation. Specific issues that require EIAs will be addressed within the final budget proposals presented to Council 26 February 2019.

10. Risk

<table>
<thead>
<tr>
<th>Risk</th>
<th>Consequence</th>
<th>Controls required</th>
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</thead>
<tbody>
<tr>
<td>Failure to create a balanced and sustainable budget by February 2018</td>
<td>Includes: inability to deliver corporate priorities, inappropriate spending, and inappropriate reductions in services.</td>
<td>Identification of sound budget guidelines in an agreed strategy reduces the risk of an unaffordable budget and/or precipitate budget reductions. Monitoring of progress against the budget timetable reduces the need for last-minute budget adjustments.</td>
</tr>
<tr>
<td>Insufficient staff capacity to deliver on growth items within capital and revenue budgets</td>
<td>Inability to deliver services to expected levels or additional costs of temporary staff. Potential underspends and potential slippage in expenditure to subsequent years.</td>
<td>Review resources required to ensure growth bids are realistic and deliverable, including other unavoidable staffing pressures</td>
</tr>
<tr>
<td>Revenue budget and Capital Programme may not be integrated and aligned with Council Plan.</td>
<td>Resources not directed to achieving corporate outcomes, leading to inappropriate spending.</td>
<td>Both the revenue budget and the Capital Programme are now embedded in the corporate planning cycle. All revenue budgets and capital programme schemes are linked to Council plan priorities</td>
</tr>
<tr>
<td>Reduction in funding from Government is greater than estimated or announced too late for adjustments to be made to budgets</td>
<td>In-year budgetary pressure and potential overspending, jeopardising service delivery.</td>
<td>Close monitoring of Government announcements, potential short-term use of revenue contingency provision and General Reserve followed by review for following year.</td>
</tr>
<tr>
<td>Government proposals for piloting full localisation of business rates increase uncertainty of major income stream.</td>
<td>Income streams will be insufficient to fund service delivery.</td>
<td>Monitor Government proposals for changes in NNDR legislation. Maintenance of General Reserve as a buffer against unexpected changes in funding. Monitor changes in rateable values &amp; proposals for new development / closures/other changes.</td>
</tr>
</tbody>
</table>
Contact Officers
Shelagh McGregor, Chief Finance Officer, s.mcgregor@southlakeland.gov.uk, 01539 793112
Helen Smith, Financial Services Manager, h.smith@southlakeland.gov.uk, 01539 793147
Lee Hurst, Chief Accountant, lee.hurst@southlakeland.gov.uk, 01539 793599

Appendices Attached to this Report

<table>
<thead>
<tr>
<th>Appendix No.</th>
<th>Name of Appendix</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>Budget process, strategy and timetable</td>
</tr>
<tr>
<td>2</td>
<td>MTFP Financial Model</td>
</tr>
<tr>
<td>3</td>
<td>Budget Pressures</td>
</tr>
<tr>
<td>4</td>
<td>One-off Revenue Growth Proposals</td>
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<tr>
<td>5</td>
<td>Savings Proposals</td>
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<td>6</td>
<td>Draft Capital Programme 2019/20 to 2023/24</td>
</tr>
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<td>7</td>
<td>Risk Assessment of Level of Reserves</td>
</tr>
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<td>8</td>
<td>Reserves Summary</td>
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Background Documents Available

<table>
<thead>
<tr>
<th>Name of Background document</th>
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<tr>
<td>Medium Term Financial Plan approved Council 24 July 2018</td>
<td><a href="https://tinyurl.com/ya988w5b">https://tinyurl.com/ya988w5b</a></td>
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<td>The 2019-20 Local Government Finance Settlement Technical Consultation</td>
<td><a href="https://tinyurl.com/y772s2zr">https://tinyurl.com/y772s2zr</a></td>
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<td>2019/20 Budget Update Report to Cabinet 31 October 2018</td>
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Tracking Information

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<td>Monitoring Officer</td>
<td>9/11/2018</td>
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<td>Leader</td>
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<td>Portfolio Holder</td>
<td>8/11/2018</td>
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Budget process and strategy 2019/20 to 2023/24

By incorporating the Budget Strategy within the Medium Term Financial Plan the Council ensures the two parts of the budget process are seamless and consistent. The proposed budget strategy is shown below:

Proposed 2019/20 Budget Strategy

a. This proposed Budget Strategy explains the approach to setting a balanced budget for 2019/20 in accordance with the principles set out in the Medium Term Financial Plan. Through the MTFP updates, corporate issues have been addressed that will alter the future years position from the budget that was approved on 27 February 2018.

b. To address future deficits, savings options have been approved for 2018/19 and for future years. Savings will also be sought to provide funding for budget pressures to ensure the Council Plan priorities are delivered. Members will be asked to consider the range of options for savings put forward and which are to be consulted on. These may include:

- increasing income
- reducing costs by improving service efficiency including the use of assets
- reduction of costs through cutting overheads
- alternative service delivery mechanisms
- ceasing to deliver services

c. The detailed service and capital budgets will be reviewed to ensure that these remain reasonable, with reference to the 2017/18 out-turn, monitoring during 2018/19 and the Service Managers’ knowledge of any changes due to take effect over the budgeting time frame.

General Fund Services

d. The overall General Fund Service budget strategy is that:

- budgets will be updated by Finance for known, externally-driven changes to salaries including inflation; they will also update capital charges and recharges;
- all establishment changes must be treated as growth bids or savings and forwarded to Human Resources Committee at the appropriate time;
• virements and minor (less than £10k gross) cost neutral changes can be made to base budgets without bid documents;

• changes identified as part of the Customer Connect programme and savings identified as part of the Corporate Savings Exercise will be worked up into budget amendments as part of the budget process;

• all other changes, including those that are statutory or demand led will need to be brought forward for consideration as part of a budget amendment process, signed-off by the AD and Portfolio Holder.

e. More detail of the approach is given below:

1 Salary budgets are increased by known incremental advances. The 2018 pay award covered a two year period beginning April 2018 and included a 2% increase in April 2019 along with a new pay scale. From April 2020 2% will be included for inflationary pay awards. A 4% reduction will be allowed for vacancies and turnover on all salary cost centres; posts which are currently vacant will be budgeted at the scale mid-point; rates and thresholds for PAYE, NI and pension deductions will be updated.

2 No allowance will be made for inflation in expenditure budgets unless contractually committed or unavoidable (e.g. energy, fuel and utility bills); the current inflation assumptions built in to the base will be reviewed and updated where necessary. Where a contract is due for re-tendering a review of the appropriate inflation rate and budget should be undertaken and a budget pressure bid prepared where necessary.

3 Future year’s income base budgets already have inflationary growth built into them. Where this cannot be met or managed through reductions in expenditure, this will be identified as a budget pressure.

4 Fees and Charges need to be consistent with income budgets. This process must involve:

a. review of 2017/18 out-turn and any relevant multi-year trends;

b. review of current 2018/19 budget position;

c. review of future year income budget; and

d. assessment of the options for any changes to fees (structures as well as tariff) and the impact of this on the income budget.

e. For any service area where income budgets are £100k or more per annum, this process will be documented. All services will review the potential for new fees.

Fees and Charges must be consistent with the Council’s Corporate Charging Policy as approved in July 2017.
Existing base budgets will be challenged to identify savings that can be released to offset projected budget deficits.

Budget Pressures: the delivery of the Council Plan requires constant review of budgets to ensure funding is available to deliver the Council Plan priorities. Any increases to expenditure or decreases to income base budgets (excluding 1 and 2 above) will be either matched corporately by a compensating saving or will need to be submitted as budget pressures. The de-minimis is set at £10k.

If the budget deficit is balanced then resources may be made available for growth bids: where growth is to be funded from earmarked resources only then bids will be accepted as part of the budget process.

Reserves will be used in accordance with their agreed policies with the fundamental principle that they are not used to fund recurring expenditure.

Effective consultation will be carried out in accordance with the Corporate Consultation strategy.

Schemes which attract external funding need to be considered with reference to the Council Plan and capacity to deliver.

The Budget assumes a £5 Council tax increase annually from April 2018 onwards. The decision on the actual Council tax each year will be taken by Council in February and will be influenced by current Government policy and the influence of this on local government funding.

The working balance contributions be reviewed against the current long-term target minimum General Fund working balance of £1,500,000 by 31 March 2019; any surplus over this target should be transferred to the General Reserve.

Capital

f. The approach to setting the capital programme will be as follows:

1 A longer-term view will be taken of spending needs to balance priorities and resources more evenly over the life of the capital programme. The Council’s property advisors will be consulted as to the on-going maintenance programme with the aim being to develop a 10 year programme for recurring capital costs.

2 Bids for new initiatives which recover the investment in a 5 year period will be prioritised. Capital Bid documents will be required prior to a scheme being accepted as part of the Capital Programme. These are to be signed-off by the relevant Portfolio Holder and will be prioritised by Members as part of developing the 2019/20 to 2023/24 Capital Programme. Bids will be considered alongside future expected spend on major projects, as indicated in the capital programme.
3 Schemes which attract external funding should be considered in the light of capacity to deliver these and need to be prioritised with reference to the Council Plan.

4 Existing schemes within the programme will also be reviewed with reference to their progress and any external funding restrictions.

5 Capital receipts will only be committed once they have been received. Although there are known sources of capital receipts (e.g. South Lakes Housing VAT Shelter/Right to Buy receipts), future aspirations will take into account the resources required to support unavoidable recurring costs. Right to Buy receipts will be earmarked for social housing to replace the units sold that generated the receipt.

**Budget Process**

g. The approach to the review of the current-year budget, based on budget monitoring, will continue. The Council’s Efficiency and Value for Money Strategy will be applied. The 5 year position will be set out as part of the process.

h. Regular budget reports will be provided to inform Members on the emerging issues. This will integrate information from review of base budgets, higher level factors (such as the grant settlement) represented in the MTFP and the corporate savings process.

i. Following approval of these proposals, Assistant Directors, managers and finance staff will work together on the preparation of budgets based on the strategy set out (ensuring consultation with the relevant Portfolio Holders). Work will continue to be undertaken on refining the options for reducing the deficits currently projected and inclusion in the future Budget reports.

j. The Draft Budget and Council Plan will be consulted on in accordance with the Consultation Plan. The Draft Budget will also be subject to the statutory four week period post the 18 December 2018 Council meeting.
First draft timetable

The purposed of this appendix is to set out the timing of key events in the 2019/20 budget setting process

High level 2019/20 Budget and Council Plan timetable

<table>
<thead>
<tr>
<th>Task</th>
<th>Who</th>
<th>Due date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Update the Medium Term Financial Plan and Budget Strategy</td>
<td>SMT and Cabinet Members/FS Manager</td>
<td>O&amp;S 13 July (28/6 GK)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Cabinet 18 July (2/7 GK)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Council 24 July (5/7 GK)</td>
</tr>
<tr>
<td>Preparation of detailed base budgets</td>
<td>Budget Holders and Finance</td>
<td>August – 28 November Cabinet (5/11 GK)</td>
</tr>
<tr>
<td>Service Development Proposals &amp; Review of Council Plan</td>
<td>Finance, Budget Holders and Assistant Directors in consultation with Portfolio Holders and appropriate Members</td>
<td>Bid submission deadline of <strong>30 August 2018</strong></td>
</tr>
<tr>
<td>Complete Capital Bid Pro Forma</td>
<td>Finance, Budget Holders and Assistant Directors in consultation with Portfolio Holders and appropriate Members</td>
<td>Summary of the Budget process to date to be included in the 31 Oct Cabinet Reports (8/10 GK)</td>
</tr>
<tr>
<td>Revenue Growth Bid Pro Forma</td>
<td>Jim Maguire, Chief Accountant</td>
<td>As above</td>
</tr>
<tr>
<td>Revenue Savings/Increased Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vehicle and Plant budget proposals</td>
<td>Jim Maguire, Chief Accountant</td>
<td></td>
</tr>
<tr>
<td>SMT Bid consideration</td>
<td>Special SMT</td>
<td>6 Sept (4/9 GK) 9am - 1pm</td>
</tr>
<tr>
<td>Informal Cabinet/SMT Meeting to score the Revenue and Capital bids – Budget Prioritisation Meeting</td>
<td>Assistant Directors, Cabinet Members and Finance</td>
<td>14 Sept (12/9 GK) 10-2pm</td>
</tr>
<tr>
<td>Fees and Charges</td>
<td>Lake Admin.</td>
<td>5 October (20/9 GK)</td>
</tr>
<tr>
<td>Updated MTFP Fees and Charges options</td>
<td>SMT/Cabinet Members Assistant Directors and Chief Accountant in consultation with Portfolio Holders</td>
<td>Cabinet 31 October (8/10 GK)</td>
</tr>
<tr>
<td>Quarter 2 Monitoring</td>
<td>Chief Accountant/FSM/Finance PH and Cabinet Members</td>
<td>O&amp;S 26 October (GK 11/10), Cabinet 28/11, and Council 18/12</td>
</tr>
<tr>
<td>Task</td>
<td>Who</td>
<td>Due date</td>
</tr>
<tr>
<td>---------------------------------------------------------------------</td>
<td>------------------------------------------</td>
<td>-----------------------------------------------</td>
</tr>
<tr>
<td>Draft Budget Report including:</td>
<td>CFO and Assistant Directors</td>
<td>Special SMT 8/11 for Budget Report (GK 6/11) 9 to 12 noon</td>
</tr>
<tr>
<td>1) Update MTFP</td>
<td>Budget options aligned to corporate priorities and draft Council Plan</td>
<td>Cabinet 28 November (5/11 GK)</td>
</tr>
<tr>
<td>2) Draft 5 year detailed Base Revenue and Capital Budgets</td>
<td>Cabinet Members</td>
<td></td>
</tr>
<tr>
<td>3) Draft 5 year Budget Options for Service Growth and Savings (including increases in income)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4) Draft Fees and Charges Options</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5) Repairs and Maintenance Budget</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1st draft Council Plan</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fees and Charges</td>
<td>Licensing</td>
<td>06 Nov (22/10 GK)</td>
</tr>
<tr>
<td>1st Draft Budget (as above)</td>
<td>Cabinet (if needed)</td>
<td>12 December (19/11 GK)</td>
</tr>
<tr>
<td></td>
<td>All councilor Budget Briefing Council (with Draft Council Plan)</td>
<td>3.30pm 18 December (19/11 GK)</td>
</tr>
<tr>
<td></td>
<td>4 weeks statutory consultation period commences</td>
<td>From 19 December</td>
</tr>
<tr>
<td>Draft Council Plan (including consultation with stakeholders)</td>
<td>O&amp;S</td>
<td>11 January (24/12 GK)</td>
</tr>
<tr>
<td>1st Draft Budget</td>
<td>O&amp;S</td>
<td>11 January (24/12 GK)</td>
</tr>
<tr>
<td>Draft Treasury Management Strategy</td>
<td>Planning Committee</td>
<td>03 January (14/12 GK)</td>
</tr>
<tr>
<td>Relevant Service Budget Report extracts including Fees and Charges</td>
<td>Licensing Committee</td>
<td>15 January (28/12 GK)</td>
</tr>
<tr>
<td></td>
<td>Lake Admin Committee</td>
<td>25 January (10/01 GK)</td>
</tr>
<tr>
<td>2nd Draft Budget including consideration of O&amp;S and other consultees comments on the 18/12 Draft Budget proposals</td>
<td>Cabinet if needed for the Budget</td>
<td>23 January (31/12 GK)</td>
</tr>
<tr>
<td>2nd Draft Council plan (for approval including consultation feedback)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Task</td>
<td>Who</td>
<td>Due date</td>
</tr>
<tr>
<td>-----------------------------------------------------------</td>
<td>----------------------------------------------</td>
<td>-------------------------------------------------</td>
</tr>
<tr>
<td>Quarter 3 Monitoring</td>
<td>Chief Accountant/FSM/Finance PH and Cabinet Members</td>
<td>O&amp;S 1 Feb, Cabinet 6 Feb and Council 26 Feb (GK 14/01)</td>
</tr>
<tr>
<td>Formulation of Final Budget proposal</td>
<td>Cabinet</td>
<td>6 February (14/01 GK)</td>
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<tr>
<td>Final Council Plan (if not approved in Jan)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Final Treasury Management Strategy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Approval of Budget, Council Tax and Treasury Management Strategy</td>
<td>Council</td>
<td>26 February (28/01 GK)</td>
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<tr>
<td>Adoption of Council Plan</td>
<td></td>
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</tbody>
</table>
The purpose of this appendix is to set out further detail of the MTFP financial model.

<table>
<thead>
<tr>
<th></th>
<th>2019/20 £000</th>
<th>2020/21 £000</th>
<th>2021/22 £000</th>
<th>2022/23 £000</th>
<th>2023/24 £000</th>
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</thead>
<tbody>
<tr>
<td><strong>Expenditure</strong></td>
<td></td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>Employee Costs</td>
<td>14,596.6</td>
<td>14,896.5</td>
<td>15,266.6</td>
<td>15,602.9</td>
<td>15,959.1</td>
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<tr>
<td>Running Costs</td>
<td>9,689.2</td>
<td>9,745.5</td>
<td>9,788.0</td>
<td>9,918.6</td>
<td>10,102.5</td>
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<tr>
<td>Capital Charges</td>
<td>3,788.8</td>
<td>3,592.9</td>
<td>3,528.8</td>
<td>3,502.3</td>
<td>3,502.3</td>
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<tr>
<td>Customer Connect</td>
<td>2,031.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td><strong>Total Service Expenditure</strong></td>
<td>30,105.6</td>
<td>28,234.9</td>
<td>28,583.4</td>
<td>29,023.8</td>
<td>29,563.8</td>
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<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Car Parking Income</td>
<td>(4,532.2)</td>
<td>(4,618.3)</td>
<td>(4,706.2)</td>
<td>(4,795.8)</td>
<td>(4,887.2)</td>
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<tr>
<td>Contributions from other Local Authorities and Public Bodies</td>
<td>(38.9)</td>
<td>(39.3)</td>
<td>(39.6)</td>
<td>(68.5)</td>
<td>(68.5)</td>
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<tr>
<td>General Income</td>
<td>(4,260.2)</td>
<td>(4,326.6)</td>
<td>(4,390.1)</td>
<td>(4,373.2)</td>
<td>(4,356.4)</td>
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<tr>
<td>Government Grants</td>
<td>(483.9)</td>
<td>(560.7)</td>
<td>(560.7)</td>
<td>(590.7)</td>
<td>(622.3)</td>
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<td>New Homes Bonus</td>
<td>(658.1)</td>
<td>(28.6)</td>
<td>(28.6)</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Lake Income</td>
<td>(1,459.5)</td>
<td>(1,492.6)</td>
<td>(1,518.6)</td>
<td>(1,544.2)</td>
<td>(1,570.2)</td>
</tr>
<tr>
<td>Recycling Credits</td>
<td>(1,425.3)</td>
<td>(1,468.1)</td>
<td>(1,512.1)</td>
<td>(1,557.5)</td>
<td>(1,604.3)</td>
</tr>
<tr>
<td><strong>Total Service Income</strong></td>
<td>(12,858.1)</td>
<td>(12,534.2)</td>
<td>(12,755.9)</td>
<td>(12,929.9)</td>
<td>(13,108.8)</td>
</tr>
<tr>
<td><strong>Net Service Budget</strong></td>
<td>17,247.5</td>
<td>15,700.7</td>
<td>15,827.5</td>
<td>16,093.9</td>
<td>16,455.0</td>
</tr>
<tr>
<td><strong>Corporate items</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Interest Receivable</td>
<td>(199.0)</td>
<td>(214.7)</td>
<td>(215.1)</td>
<td>(223.7)</td>
<td>(232.6)</td>
</tr>
<tr>
<td>Interest Payable</td>
<td>747.8</td>
<td>765.6</td>
<td>780.6</td>
<td>801.3</td>
<td>822.5</td>
</tr>
<tr>
<td>Other Govt Grants</td>
<td>(347.9)</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Income from Council Tax (net of Parish Precept)</td>
<td>(8,904.3)</td>
<td>(9,182.0)</td>
<td>(9,462.3)</td>
<td>(9,745.0)</td>
<td>(10,030.2)</td>
</tr>
<tr>
<td>Parish Grant</td>
<td>92.0</td>
<td>92.0</td>
<td>92.0</td>
<td>92.0</td>
<td>92.0</td>
</tr>
<tr>
<td>Retained Business Rates</td>
<td>(3,536.7)</td>
<td>(2,756.8)</td>
<td>(2,241.2)</td>
<td>(1,725.6)</td>
<td>(1,328.6)</td>
</tr>
<tr>
<td>Direct Revenue Financing</td>
<td>618.5</td>
<td>567.3</td>
<td>451.0</td>
<td>586.5</td>
<td>586.5</td>
</tr>
<tr>
<td>Minimum Revenue Provision</td>
<td>751.7</td>
<td>982.7</td>
<td>1,021.3</td>
<td>1,226.0</td>
<td>1,411.3</td>
</tr>
<tr>
<td>Reversal of Capital Charges</td>
<td>(3,788.8)</td>
<td>(3,592.9)</td>
<td>(3,528.8)</td>
<td>(3,502.3)</td>
<td>(3,502.3)</td>
</tr>
<tr>
<td>Transfers to/(from) Reserves</td>
<td>90.2</td>
<td>(198.0)</td>
<td>(12.9)</td>
<td>(127.1)</td>
<td>(127.1)</td>
</tr>
<tr>
<td>Transfers from Reserves: Customer Connect</td>
<td>(2,031.0)</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td><strong>Total Corporate Items</strong></td>
<td>(16,507.5)</td>
<td>(13,536.8)</td>
<td>(13,115.4)</td>
<td>(12,617.9)</td>
<td>(12,308.5)</td>
</tr>
<tr>
<td><strong>Projected Surplus/Deficit (-/+)</strong></td>
<td>740.0</td>
<td>2,163.9</td>
<td>2,712.1</td>
<td>3,476.0</td>
<td>4,146.5</td>
</tr>
<tr>
<td>Customer Connect savings</td>
<td>(740.0)</td>
<td>(1,550.0)</td>
<td>(1,550.0)</td>
<td>(1,550.0)</td>
<td>(1,550.0)</td>
</tr>
<tr>
<td><strong>Projected Surplus/Deficit (+/-) Nov ’18</strong></td>
<td>0.0</td>
<td>613.9</td>
<td>1,162.1</td>
<td>1,926.0</td>
<td>2,596.5</td>
</tr>
</tbody>
</table>
The purpose of this appendix is to set out the revenue budget pressures from 2019/20 onwards

**Revenue Pressures**

<table>
<thead>
<tr>
<th>Scheme</th>
<th>Portfolio</th>
<th>AD area</th>
<th>Description</th>
<th>2019/20</th>
<th>2020/21</th>
<th>2021/22</th>
<th>2022/23</th>
<th>2023/24</th>
</tr>
</thead>
<tbody>
<tr>
<td>Microsoft Licenses</td>
<td>Housing, People and Innovation</td>
<td>Performance and Innovation</td>
<td>Enterprise Microsoft licence fee increase.</td>
<td>20,000</td>
<td>20,000</td>
<td>20,000</td>
<td>20,000</td>
<td>20,000</td>
</tr>
<tr>
<td>Supporting people grant</td>
<td>Housing, People and Innovation</td>
<td>Strategic Development</td>
<td>Change to block funding for supporting people from the county council - previously was spot funding, resulting in a reduction in income.</td>
<td>39,000</td>
<td>39,000</td>
<td>39,000</td>
<td>39,000</td>
<td>39,000</td>
</tr>
<tr>
<td>Telephony</td>
<td>Housing, People and Innovation</td>
<td>Performance and Innovation</td>
<td>Previous year’s telephony budget reductions not achievable. Increase in expenditure budget required.</td>
<td>13,500</td>
<td>13,500</td>
<td>13,500</td>
<td>13,500</td>
<td>13,500</td>
</tr>
<tr>
<td>Grounds maintenance</td>
<td>Environment</td>
<td>Neighbourhood Services</td>
<td>External contractor Living Wage cost pressure.</td>
<td>30,000</td>
<td>30,900</td>
<td>31,827</td>
<td>32,781</td>
<td>33,765</td>
</tr>
<tr>
<td>New pay scales</td>
<td>N/A</td>
<td>Corporate item</td>
<td>Impact of 2017/18 2 year pay settlement. Second year changes to pay scales.</td>
<td>184,315</td>
<td>254,423</td>
<td>278,873</td>
<td>323,881</td>
<td>383,214</td>
</tr>
<tr>
<td>Planning applications</td>
<td>Housing, People and Innovation</td>
<td>Strategic Development</td>
<td>Due to the changing nature/volume of planning applications SLDC has received during 2018/19 it has become apparent that the current income budget for planning fee’s is not consistent with the fee’s being received to date. Future years income budgets already reduced.</td>
<td>75,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rental income</td>
<td>Economy and Assets</td>
<td>Strategic Development</td>
<td>South Lakeland House rental income reduction due to surplus space not being let</td>
<td>14,000</td>
<td>14,000</td>
<td>14,000</td>
<td>14,000</td>
<td>14,000</td>
</tr>
<tr>
<td>Other base budget adjustments</td>
<td></td>
<td></td>
<td></td>
<td>-8,972</td>
<td>17,614</td>
<td>2,933</td>
<td>5,233</td>
<td>7,133</td>
</tr>
</tbody>
</table>

| Total                        |                                  |                                   |                                                                             | 366,843 | 389,437 | 400,133 | 448,395 | 510,612 | 2,115,421 |

Page 59
The purpose of this appendix is to set out the revenue growth proposals for 2019/20 onwards

<table>
<thead>
<tr>
<th>Name</th>
<th>Portfolio</th>
<th>AD area</th>
<th>Description</th>
<th>2019/20</th>
<th>2020/21</th>
<th>2021/22</th>
<th>2022/23</th>
<th>2023/24</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Support Programme</td>
<td>Economy and Assets</td>
<td>Strategic Development</td>
<td>Provision of Business Support programme available to South Lakeland businesses of all sizes and sectors. Including specialist training, advice and mentoring for existing businesses and those looking to start up. This is a further phase of an ongoing successful initiative to aid business performance and growth, and its continuation will help create and sustain jobs in the district</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
<td>0</td>
<td>0</td>
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</tbody>
</table>

50,000 50,000 50,000 0 0
The purpose of this appendix is to set out the revenue savings for 2019/20 onwards

### Revenue Savings

<table>
<thead>
<tr>
<th>Name</th>
<th>Portfolio</th>
<th>AD area</th>
<th>Description</th>
<th>2019/20</th>
<th>2020/21</th>
<th>2021/22</th>
<th>2022/23</th>
<th>2023/24</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate Budget</td>
<td>N/A</td>
<td>Corporate item</td>
<td>Review of corporate budgets including insurances, energy and business rates</td>
<td>-43,800</td>
<td>-43,800</td>
<td>-43,800</td>
<td>-43,800</td>
<td>-43,800</td>
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<tr>
<td>Review</td>
<td></td>
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<td>Changes to the Community Toilet Scheme as per Cabinet decision CEX/87</td>
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<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Community Toilet</td>
<td>Finance</td>
<td>Performance and Innovation</td>
<td>Revenue savings as a result of transfer of Kendal Museum to third party</td>
<td>-100,000</td>
<td>-100,000</td>
<td>-100,000</td>
<td>-100,000</td>
<td>-100,000</td>
</tr>
<tr>
<td>Scheme</td>
<td></td>
<td></td>
<td>Increase in base budget for volume changes as identified in 2018/19 monitoring</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kendal Museum</td>
<td>Economy and Assets</td>
<td>Strategic Development</td>
<td></td>
<td>-160,000</td>
<td>-160,000</td>
<td>-160,000</td>
<td>-160,000</td>
<td>-160,000</td>
</tr>
<tr>
<td>Car Parks</td>
<td>Economy and Assets</td>
<td>Neighbourhood Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Total                 |                     |                          |                                                                                                  | -323,300| -329,300| -334,300| -334,300| -334,300|
|                       |                     |                          |                                                                                                  |         |         |         |         |         |
|                       |                     |                          |                                                                                                  |         |         |         |         |         |
|                       |                     |                          |                                                                                                  |         |         |         |         | -1,655,500|

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## Programme Spending by Project

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Play Areas (including community funded schemes and schemes arising from the Play Space Audit)</td>
<td>341.0</td>
<td>144.2</td>
<td>485.2</td>
<td>20.0</td>
<td>20.0</td>
<td>20.0</td>
<td>20.0</td>
<td>20.0</td>
<td>585.2</td>
</tr>
<tr>
<td>Millerground Public Open Space, Access and Play Project</td>
<td>138.3</td>
<td>22.2</td>
<td>160.5</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>160.5</td>
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<td>Grange Regeneration</td>
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<td>157.3</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>157.3</td>
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<tr>
<td>Nobles Rest</td>
<td>193.4</td>
<td>-15.3</td>
<td>178.1</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
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## Capital Programme 2018/19 - 2023/24

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<th>2018/19 Approved July 2018 £000</th>
<th>Re-profiling and adj</th>
<th>2018/19 Revised £000</th>
<th>2019/20 £000</th>
<th>2020/21 £000</th>
<th>2021/22 £000</th>
<th>2022/23 £000</th>
<th>2023/24 £000</th>
<th>Total 2018/19 to 2023/24 £000</th>
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<td>Car park investments*</td>
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<td>Employment site land acquisition</td>
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<td>Rydal Road car park bridge</td>
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<td><strong>Total</strong></td>
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<td>7,950.0</td>
<td>10,163.2</td>
<td>16,776.7</td>
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<td>2,828.0</td>
<td>43,052.6</td>
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*subject to detailed review of car parking strategy including potential new car parks at Oxenholme and Arside, double decking options on existing car parks, provision in Kendal, Braithwaite fold surfacing and electric charging points
# Capital Funding 2018/19 - 2023/24

<table>
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<th></th>
<th>Balance April 2018 £000</th>
<th>Estimated Income £000</th>
<th>Use in capital programme £000</th>
<th>Potential Balance March 2024 £000</th>
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<td>Usable Capital Receipts</td>
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<td>Revenue (LIPS)</td>
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<td>Funding from borrowing***.</td>
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<td>4,522</td>
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*Ring fenced for Community Housing Schemes, £2.36m less £235k funding revenue budgets
**Ring fenced to support replacement of affordable housing.
***Prudential Borrowing*: this may not result in taking on new loans but requires revenue charge to cover the cost over the assets’ life
****Subject to annual confirmation and settlement
<table>
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<th>Potential Risk</th>
<th>Risk Score</th>
<th>Weighting</th>
<th>Financial Exposure (£000)</th>
<th>Balance Required (£000)</th>
<th>Comment (Basis of Financial Exposure)</th>
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<td>151</td>
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</tr>
<tr>
<td>Underachievement of Charges Income targets and spending exceeds budgets</td>
<td>4</td>
<td>50%</td>
<td>511</td>
<td>255</td>
<td>Estimate of 5% Customer Receipts Income forecasts for 2019/20</td>
</tr>
<tr>
<td>Underachievement of Investment Income</td>
<td>4</td>
<td>50%</td>
<td>130</td>
<td>65</td>
<td>1% of exposure of average balance of £13m</td>
</tr>
<tr>
<td>Insurance Excesses</td>
<td>5</td>
<td>50%</td>
<td>47</td>
<td>24</td>
<td>Based on 10% of insurance premia payments</td>
</tr>
<tr>
<td>Potential costs of legal challenges</td>
<td>2</td>
<td>25%</td>
<td>700</td>
<td>175</td>
<td>Based on estimated cost of a public enquiry or legal challenge</td>
</tr>
<tr>
<td>Savings not achieved</td>
<td>2</td>
<td>25%</td>
<td>3,927</td>
<td>962</td>
<td>Savings target at 31/3/23 including customer connect</td>
</tr>
<tr>
<td>Vacancy target not delivered</td>
<td>2</td>
<td>25%</td>
<td>556</td>
<td>139</td>
<td>Staff vacancy target topsliced from salary budgets</td>
</tr>
<tr>
<td>Pay increase</td>
<td>3</td>
<td>50%</td>
<td>146</td>
<td>73</td>
<td>2% allowance made in budget for pay increase from April 2020. Impact of additional 1% pay award</td>
</tr>
<tr>
<td>Increase in pension contributions</td>
<td>4</td>
<td>50%</td>
<td>360</td>
<td>180</td>
<td>Allowance for 1.5% increase in pension fund contributions at next triennial revaluation</td>
</tr>
<tr>
<td>Changes to existing government funding regimes</td>
<td>6</td>
<td>75%</td>
<td>1,942</td>
<td>1,457</td>
<td>50% of Total of RSG/transitional grant/Rural Services grant/NNDR retained funding, based on 2019/20 estimated settlement</td>
</tr>
<tr>
<td>Changes to existing external grants and contributions</td>
<td>4</td>
<td>50%</td>
<td>974</td>
<td>487</td>
<td>50% of total revenue grants and contributions received, excluding benefit subsidy and formula grant (based on 2019/20 excluding New Homes Bonus)</td>
</tr>
<tr>
<td>Impact of introduction of Universal Credit</td>
<td>2</td>
<td>25%</td>
<td>200</td>
<td>50</td>
<td>Increase in homelessness, changes in administration arrangements, reduction in collection rate etc</td>
</tr>
<tr>
<td>Changes to Homelessness requirements</td>
<td>2</td>
<td>25%</td>
<td>200</td>
<td>50</td>
<td>Changes in requirements for homelessness</td>
</tr>
<tr>
<td>Localisation of business rates</td>
<td>4</td>
<td>50%</td>
<td>227</td>
<td>114</td>
<td>Assume 5% reduction in rateable values based on 2017/18 estimate</td>
</tr>
<tr>
<td>Council tax reduction scheme</td>
<td>4</td>
<td>25%</td>
<td>64</td>
<td>16</td>
<td>SLDC share, based on 10% increase in claims based on 2018/19 estimate</td>
</tr>
<tr>
<td>Risk Management</td>
<td>9</td>
<td>100%</td>
<td>500</td>
<td>500</td>
<td>Monies set aside to meet the one-off costs of risk management</td>
</tr>
<tr>
<td>Emergency Contingency</td>
<td>9</td>
<td>100%</td>
<td>1,000</td>
<td>1,000</td>
<td>Emergency contingency fund - Council practice to allocate £1m for any unforeseen emergencies. Bellwin scheme cuts in at 0.2% of net budget and provides for up to 85% of eligible costs.</td>
</tr>
</tbody>
</table>

**TOTALS** 11,785 5,718

<table>
<thead>
<tr>
<th>Maximum Risk Based Reserve Balances</th>
<th>11,785</th>
<th>Total Financial Exposure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recommended Risk Base Reserve Balances</td>
<td>5,718</td>
<td>from above</td>
</tr>
<tr>
<td>Minimum Risk Based Reserve Balances</td>
<td>2,946</td>
<td>25% of Total Financial Exposure</td>
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</table>

**Projected Level of Reserves**
- General Fund Working Balance 1,500 Estimated balance 31/3/19
- General Reserve 4,324 Estimated balance 31/3/19

**Projected Level of Reserves (General Fund )** 5,824

**Projected (Shortfall)/Excess of Current Reserve Balance over Risk Based Reserves** 106 assumes use the recommended risk based balance
The purpose of this table is to set out the projected balance on the Council's usable reserves over the MTPF period.

<table>
<thead>
<tr>
<th>Reserve</th>
<th>Balance 31/3/2018 £000</th>
<th>Balance 31/3/2019 £000</th>
<th>Balance 31/3/2020 £000</th>
<th>Balance 31/3/2021 £000</th>
<th>Balance 31/3/2022 £000</th>
<th>Balance 31/3/2023 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Reserve</td>
<td>(6,024)</td>
<td>(4,304)</td>
<td>(4,504)</td>
<td>(4,704)</td>
<td>(4,904)</td>
<td>(5,104)</td>
</tr>
<tr>
<td>Statutory Duties Reserve</td>
<td>(150)</td>
<td>(138)</td>
<td>(138)</td>
<td>(138)</td>
<td>(138)</td>
<td>(138)</td>
</tr>
<tr>
<td>Flooding Costs Reserve</td>
<td>(14)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Carry-forward Reserve</td>
<td>(438)</td>
<td>(10)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Building Control Fee Income Reserve</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Local Land Charges Reserve</td>
<td>(95)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Hackney Carriage Licensing Reserve</td>
<td>12</td>
<td>12</td>
<td>12</td>
<td>12</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Licensing Act Reserve</td>
<td>(76)</td>
<td>(76)</td>
<td>(76)</td>
<td>(76)</td>
<td>(76)</td>
<td>(76)</td>
</tr>
<tr>
<td>Misc Licensing Reserve</td>
<td>32</td>
<td>32</td>
<td>32</td>
<td>32</td>
<td>32</td>
<td>32</td>
</tr>
<tr>
<td>Gambling Licensing Reserve</td>
<td>13</td>
<td>13</td>
<td>13</td>
<td>13</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td>Community Housing Fund</td>
<td>(2,309)</td>
<td>(1,819)</td>
<td>(1,819)</td>
<td>(1,819)</td>
<td>(1,819)</td>
<td>(1,819)</td>
</tr>
<tr>
<td>Commuted Sums Reserve</td>
<td>(153)</td>
<td>(3)</td>
<td>(3)</td>
<td>(3)</td>
<td>(3)</td>
<td>(3)</td>
</tr>
</tbody>
</table>

The main use of this reserve in recent years has been to fund the one-off costs of flooding, staff redundancy and early retirements to enable organisational reorganisation and the discontinuation of direct provision of services. Unless allocated for a particular purpose, revenue budget under-spending and windfalls are added to the General Reserve. (For more details of the risk and an assessment of the potential financial exposure please see the Risk Assessment of Level of Reserves). The Medium Term Financial Plan provisionally assumes a £200,000 annual contribution to the Reserve, depending on quantification of the potential impact of these factors. Any balance on the General Fund working balance above £1.5m is transferred to this reserve as part of the closure of accounts.
<table>
<thead>
<tr>
<th>Reserve</th>
<th>Balance 31/3/2018 £000</th>
<th>Balance 31/3/2019 £000</th>
<th>Balance 31/3/2020 £000</th>
<th>Balance 31/3/2021 £000</th>
<th>Balance 31/3/2022 £000</th>
<th>Balance 31/3/2023 £000</th>
<th>Summary, Purpose and Commentary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cumbria NDR Pool Income Reserve</td>
<td>(1,302)</td>
<td>(1,150)</td>
<td>(1,150)</td>
<td>(1,150)</td>
<td>(1,150)</td>
<td>(1,150)</td>
<td>Income from Cumbria NDR pool, earmarked for economic development</td>
</tr>
<tr>
<td>Cumbria NDR Pool volatility Reserve</td>
<td>(166)</td>
<td>(166)</td>
<td>(166)</td>
<td>(166)</td>
<td>(166)</td>
<td>(166)</td>
<td>Share of NDR pool income retained by pool to offset potential future deficits</td>
</tr>
<tr>
<td>Customer Connect Reserve</td>
<td>(1,301)</td>
<td>(1,981)</td>
<td>(0)</td>
<td>(0)</td>
<td>(0)</td>
<td>(0)</td>
<td>To fund the implementation of the Customer Connect Project, initially using the Customer Connect budgets from 2016/17 revenue budgets not spent during 2016/17.</td>
</tr>
<tr>
<td>Debt Redemption Reserve</td>
<td>(455)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>Underspend on budget for interest payment and MRP due to changes in capital programme, originally set aside for future costs of debt repayment, proposed transfer to Customer Connect Reserve</td>
</tr>
<tr>
<td>Economic Development Fund</td>
<td>(167)</td>
<td>(220)</td>
<td>(220)</td>
<td>(220)</td>
<td>(220)</td>
<td>(220)</td>
<td>To encourage economic development in the District and to ensure that unused funds in a particular year can be carried forward.</td>
</tr>
</tbody>
</table>
| General Fund Major Repairs Reserve          | (307)                   | (177)                   | (207)                   | (237)                   | (267)                   | (297)                   | To fund major repairs and maintenance to General Fund properties that are not capitalisable and would be difficult to accommodate in the annual planned maintenance programme. The Reserve:  
• acts as a backstop for emergency major repairs  
• accumulates funds as necessary to meet an abnormal year in maintenance terms,  
• is able to assist in meeting regular maintenance costs.                                                                                     |
<p>| IT Replacement Reserve                      | (74)                    | (74)                    | (74)                    | (74)                    | (74)                    | (74)                    | To fund the replacement of hardware and software with a preference for the updating of the corporate and networking infrastructure. |
| Kendal Employment Dev. Fund                 | (0)                     | (0)                     | (0)                     | (0)                     | (0)                     | (0)                     | Assistance to eligible developing firms in the Kendal area                                                                              |
| LABGI                                        | (5)                     | (5)                     | (5)                     | (5)                     | (5)                     | (5)                     | To fund non-recurring initiatives that contribute directly to one or more of the Council’s priority initiatives, with a preference for economic development. This fund is now practically fully committed and should be closed once the committed spend is achieved. |
| LSVT Environmental Warranties               | (282)                   | (282)                   | (282)                   | (282)                   | (282)                   | (282)                   | To pay for environmental insurance until 2032 relating to warranties given as part of the housing transfer.                             |
| Marshall Hooper Reserve                     | (37)                    | (37)                    | (37)                    | (37)                    | (37)                    | (37)                    | Monies left to the Council as a bequest to be used for housing for the elderly in Grange                                              |
| New Homes Bonus Reserve                     | (1,457)                 | (1,085)                 | (903)                   | (690)                   | (482)                   | (331)                   | New reserve to enable forward funding of eligible schemes through the Council’s New Homes Bonus protocol.                           |</p>
<table>
<thead>
<tr>
<th>Reserve</th>
<th>Balance 31/3/2018 £000</th>
<th>Balance 31/3/2019 £000</th>
<th>Balance 31/3/2020 £000</th>
<th>Balance 31/3/2021 £000</th>
<th>Balance 31/3/2022 £000</th>
<th>Balance 31/3/2023 £000</th>
<th>Summary, Purpose and Commentary</th>
</tr>
</thead>
<tbody>
<tr>
<td>NNDR Surplus Reserve</td>
<td>(1)</td>
<td>(1)</td>
<td>(1)</td>
<td>(1)</td>
<td>(1)</td>
<td>(1)</td>
<td>Timing gap between recognising s31 grant and recognising offsetting NDR collection fund deficits.</td>
</tr>
<tr>
<td>Planning Delivery Grant Fund</td>
<td>(18)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>Monies provided by Planning Delivery Grant in 2009/10 carried forward for use in a subsequent years. This source of grant funding has now been discontinued and the fund will be closed when the current balance is spent.</td>
</tr>
<tr>
<td>Revs and Bens Replacement Reserve</td>
<td>(10)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>Transferred to Customer Connect Reserve following replacement of Revs &amp; Bens system in 2017/18</td>
</tr>
<tr>
<td>Revenue Funds for Capital</td>
<td>(587)</td>
<td>(7)</td>
<td>440</td>
<td>340</td>
<td>240</td>
<td>140</td>
<td>Monies provided from revenue to support the Capital Programme &amp; fund expenditure that may not be capitalisable: annual contribution £100k</td>
</tr>
<tr>
<td>Social Lettings Reserve</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>Income from the social lettings scheme set aside for potential losses or repair bills</td>
</tr>
<tr>
<td>Total Reserves excluding working balance</td>
<td>(15,447)</td>
<td>(11,555)</td>
<td>(9,165)</td>
<td>(9,282)</td>
<td>(9,404)</td>
<td>(9,583)</td>
<td></td>
</tr>
<tr>
<td>GF Working balance</td>
<td>(1,500)</td>
<td>(1,500)</td>
<td>(1,500)</td>
<td>(1,500)</td>
<td>(1,500)</td>
<td>(1,500)</td>
<td>Buffer against unforeseen &amp; emergency expenditure in-year, inflationary demands, adverse cash flow, inability to use capital resources.</td>
</tr>
<tr>
<td>Total Usable Reserves</td>
<td>(16,947)</td>
<td>(13,055)</td>
<td>(10,665)</td>
<td>(10,782)</td>
<td>(10,904)</td>
<td>(11,083)</td>
<td></td>
</tr>
</tbody>
</table>
1.0 Expected Outcome

1.1 The expected outcome is that the Property and Land Management Strategy 2019-2024 delivers improved management of the Council’s property and land portfolio, maximising its contribution to the delivery of the Council’s priorities whilst aligning resource requirements with the Medium Term Financial Plan and Capital Strategy.

2.0 Recommendation

2.1 It is recommended that Cabinet

(1) adopt the Property and Land Management Strategy 2019-2024 as attached at Appendix 1, including the creation of a Strategic Asset Management Plan Board as detailed within the report.

3.0 Background and Proposals

3.1.1 The current corporate property strategy needs updating in line with the Council Plan and the overall Customer Connect Strategy. Lambert Smith Hampton (current property service provider) were appointed in October 2016 and completed the asset review of the Council’s building and land estate in December 2017. The asset review is a summary of each asset and sets out what options there might be for future change and recommends a mechanism whereby future plans and programmes of work/investment can be informed and viewed collectively across the portfolio and help identify and avoid conflicts between budget expenditure.

3.1.2 The new strategy will help guide the Council on a more holistic, inclusive approach to the management of its property and land estate following on from the asset review. The overall aim is to ensure investment is prioritised in the right areas given the increasing financial pressure on Local Authorities, to ensure that the Council has a balanced estate having regard to its medium and long term commitments, to ensure that there is a sufficient governance structure in place to allow the estate to flex with ease and consistency and that the decisions are balanced between the need for capital receipts, investment and revenue income generation.
3.1.3 It is proposed that a Strategic Asset Management Plan (SAMP) board be set up which would be made up of a variety of officers across finance, procurement and assets alongside Members to give a corporate view on decisions to be taken. The SAMP board will prioritise any building/service review arising from the asset review and the commissioning of any option appraisals, ensure that the area and service reviews of accommodation are completed following the prioritisation of the assets to challenge the retention of underperforming assets, thus ensuring maximum efficiency. The board will ensure that the Council undertakes forward planning for all accommodation needs to ensure that we are planning and not reacting to any changes in the future. The board will continually review how our assets fit in with the Council’s MTFP, the new commercial strategy (which will be taken forward to Council for approval in the coming months) and the procurement strategy, will improve communication and ensure that various stakeholders (e.g. ward members) where needed are fully briefed and their views taken on board.

4.0 Consultation

4.1 The proposed strategy has been the subject of consultation with the Portfolio Holder for Economy and Assets and the Portfolio Holder for Finance, Section 151 Officer, Financial Service Manager, Chief Accountant, Senior Management Team and discussions held with the Overview and Scrutiny Committee in April 2018 which helped inform the strategy. The strategy was considered and endorsed by the Overview and Scrutiny Committee at its meeting on 26 October 2018 for approval by Cabinet.

5.0 Alternative Options

5.1 Continue to use the existing asset management strategy. It is recommended that this should be rejected as it is felt that the existing approach to asset management does not provide a sufficiently corporate approach whether that be disposal, investment or acquisition and is not in line with the new Customer Connect strategy approved by Council in July 2018.

6.0 Links to Council Priorities

6.1 The proposed Property and Land Management Strategy itself focuses heavily on the Council Plan and its priorities and this is key in aligning the Council Plan with any decisions made on investment, acquisition or disposals for our property and land estate.

7.0 Implications

Financial, Resources and Procurement

7.1 It is not expected that the adoption of the Property and Land Management Strategy will have any direct financial, resource or procurement implications. However, the Council’s financial and procurement strategy is heavily referenced within the strategy and the approach is to have a more inclusive, corporate view of our estate ensuring that we move away from a departmental view on where investment is needed.

Human Resources

7.2 There are no additional Human Resource requirements with the adoption of the Property and Land Management Strategy. The Strategy requires the development of a stronger corporate and more holistic approach to property and land management. This will involve key personnel working differently and collaboratively through the proposed SAMP Board.
Legal
7.3 There are no legal implications arising from the adoption of the Property and Land Management Strategy.

Health, Social, Economic and Environmental
7.4 Have you completed a Health, Social, Economic and Environmental Impact Assessment? / No
7.5 If you have not completed an Impact Assessment, please explain your reasons: No Health, Social, Economic and Environmental impact assessment has been undertaken as it is felt that this would be considered as and when specific key strategic decisions are taken with the assets/estate. It is felt that this would be considered by the Strategic Asset Management Plan board (their purpose noted with the strategy) as part of any building/ project appraisal undertaken.

Equality and Diversity
7.7 Have you completed an Equality Impact Analysis? No
7.8 If you have not completed an Impact Assessment, please explain your reasons: No equality impact analysis has been undertaken as it is felt that this would be considered as and when specific key strategic decisions are taken with the assets/estate. It is felt that this would be considered by the Strategic Asset Management Plan board (their purpose noted within the strategy) as part of any building/ project appraisal undertaken.

Risk

<table>
<thead>
<tr>
<th>Risk</th>
<th>Consequence</th>
<th>Controls required</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss of control on a corporate level around property and land management leading to poor decisions being made with no reference to the strategy or Council Plan.</td>
<td>Decisions could potentially be made departmentally and in silo form which is against the principle of Customer Connect. Staff and financial resource will potentially be expended with no overarching strategy in place to prioritise the works.</td>
<td>Approve the new strategy and the creation of a Strategic Asset Management Plan board to allow a more holistic approach be taken for property and land management.</td>
</tr>
</tbody>
</table>

Contact Officers
Sion Thomas, Property Services Contract Manager, 01539 793192
sion.thomas@southlakeland.gov.uk

Appendices Attached to this Report
(delete if no appendices attached)

<table>
<thead>
<tr>
<th>Appendix No.</th>
<th>Name of Appendix</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>Asset Management Strategy 2019-2024</td>
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Background Documents Available
<table>
<thead>
<tr>
<th>Name of Background document</th>
<th>Where it is available</th>
</tr>
</thead>
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**Tracking Information**

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<tr>
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<th>Date sent</th>
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<tr>
<td>Legal Services</td>
<td>04.10.19</td>
</tr>
<tr>
<td>Section 151 Officer</td>
<td>21.09.18</td>
</tr>
<tr>
<td>Monitoring Officer</td>
<td>21.09.18</td>
</tr>
<tr>
<td>SMT</td>
<td>11.10.19</td>
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<th>Date sent</th>
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<tr>
<td>Assistant Director</td>
<td>21.09.18</td>
</tr>
<tr>
<td>Human Resources Manager</td>
<td>N/A</td>
</tr>
<tr>
<td>Communications Team</td>
<td>N/A</td>
</tr>
<tr>
<td>Leader</td>
<td>N/A</td>
</tr>
<tr>
<td>Committee Chairman</td>
<td>N/A</td>
</tr>
<tr>
<td>Portfolio Holder</td>
<td>21.09.18</td>
</tr>
<tr>
<td>Ward Councillor(s)</td>
<td>N/A</td>
</tr>
<tr>
<td>Committee</td>
<td>N/A</td>
</tr>
<tr>
<td>Executive (Cabinet)</td>
<td>N/A</td>
</tr>
<tr>
<td>Council</td>
<td>N/A</td>
</tr>
</tbody>
</table>
South Lakeland District Council

Corporate Property and Land Management Strategy 2019 - 2024

Contents

1. Introduction .................................................................................................................. 3
2. The Purpose of an Asset Strategy .................................................................................. 4
3. The Estate .................................................................................................................... 4
4. Self Assessment .......................................................................................................... 7
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1.0 Introduction

The Corporate Property and Land Management Strategy aims to support the Council’s overall vision for the District: “Making South Lakeland the best place to live, work and explore”.

The Council Plan sets out the strategic approach to how the Council will shape delivery of the desired outcomes. The priorities will be delivered by ensuring we are equipped to provide the best, most cost effective services through:
- a flexible and skilled workforce
- our community leaders
- a sustainable budget
- improved customer engagement and communication.

The Council Plan details the Council’s current corporate priorities, which are:

- **Economy**: “Enabling and delivering opportunities for sustainable economic growth”.
- **Housing**: “Providing homes to meet need”.
- **Environment**: “Protecting and enhancing our place”.
- **Culture and Wellbeing**: “Improving wellbeing, reducing inequality and supporting cultural activities”.

The Council has a long term ambition for “1000 jobs and 1000 affordable homes for rent”. A number of major strategic reviews are currently underway including:

- Customer Connect programme to create a single view of the customer to put them at the heart of everything we do and enable them to have better access to services at times which are more convenient to them.
- Review of corporate assets including South Lakeland House.
- Implementation of housing alternative funding model;
- The Kendal Town Centre Masterplan;
- The Leisure Facilities Strategy and future of Ulverston Leisure Centre;
- The implementation of the Environment Agency’s Kendal Flood Relief Scheme, a major programme which will require the engagement of the Council as owner of land, local planning authority and as accountable body for elements of external capital funding which may be applied in the Scheme;
- The Economic Development Strategy for South Lakeland, and the wider Morecambe Bay functioning economic, housing, health and travel to work area. These may require changes in current spending and funding plans. The Council is committed to working with partners and other key stakeholders to deliver services within South Lakeland. This includes
  - Formal arrangements, such as Cumbria Local Economic Partnership (LEP), Cumbria Business Rate Pool;
  - Agreed joint statement of intent of collaborative working with the Borough of Barrow in Furness and Lancaster City Council on economic development and other related initiatives;
  - Formal contractual arrangements as a result of competitive tendering;
- Transfer of assets or management of assets between organisations;
- Sharing of premises;
- Informal collaborations.

Some shared arrangements exist for providing services within the organisation: currently South Lakeland shares IT with Eden District Council and are jointly implementing the digital element of the Customer Connect programme.

The Council’s assets are a common thread through these strategic reviews and with the commitment that the Council has given these reviews above, it emphasises the need to have a new dynamic land and property management strategy to ensure that any investment in our land/ building portfolio take into account any financial and resourcing commitments that these reviews will need. It is also essential that the new strategy is in line with the Customer Connect programme. Further review of buildings will be needed following the implementation of the Customer Connect Programme.

2.0 The Purpose of a Corporate Property and Land Management Strategy

The strategy will help guide and advise the Council on land and building investment, disposals and acquisitions. The key points are:

1. Ensuring investment is prioritised in the right areas with the ever increasing financial pressure on Local Authorities.

2. Ensuring SLDC has a balanced estate looking at the medium and long term commitments of the Council and in the wider context of other assets in public ownership.

3. Ensuring that there is a sufficient governance structure in place to allow the estate to flex with ease and consistency.

4. Ensuring that the decisions achieve a balance of requirements for capital receipts, investment and revenue income generation.

3.0 The Estate

SLDC owns a varied property portfolio that supports a wide range of service delivery throughout the District. The portfolio has been broken down into a number of key categories as noted below. Appendix 1 provides an overview of the number of properties divided into geographic area. Each asset class has a different strategic direction, summarised below;

**Agricultural Land**

Agricultural land holdings include a range of tenancy types from short term grazing tenancies to woodlands and leases on Agricultural Holdings Act tenancies. The strategy is to maximise the income from land holdings and where appropriate seek to invest in land holdings where additional income can be generated.

**Allotments**
Majority are statutory allotments. Not able to move or dispose without re-provision and grant of Secretary of State Approval. All let to local Town Councils.

**Bus Shelters**

Bus Shelters: Majority were passed to Town Councils in last 10 yrs. There are four remaining on SLDC’s asset list, it is proposed to transfer the remaining four to Town Councils.

**Car Parks**

Car parks provide a strong and stable income stream for SLDC. The 2018 White Young Green car parking study will support the development of an investment strategy for this asset class. Long term investment is required for the Kendal Multi-storey car park. Other ongoing investments are recommended in the 2017 LSH car park asset review and will be reviewed in the future.

**Cemeteries**

Under section 214(1) of the LGA 1972 the following Authorities are permitted to be burial authorities: district councils, parish councils and parish meetings. Under previous service reviews no direct approaches regarding the transfer of the management of cemeteries were received from any parish council. Kendal Parkside Road cemetery is reaching capacity and additional land will soon be required, this is likely to require a strategy involving adjoining allotments. Other Cemetery assets provide opportunities for investment and alternative uses.

**Depots**

The strategy for the depots across the District is currently under review with the key option being the relocation of the Kendal Canal head depot to an alternative site. The depot strategy will require capital investment for both the primary objectives and secondary needs of infrastructure at Ulverston and alternative site use at Kendal.

**Garages**

The majority of garage assets were disposed of during previous years, the residual garage assets have little alternative commercial value and we will hold for now whilst other properties with the estate are dealt with.

**Historic Properties**

The aim is to use or to maintain these assets for community benefit, for instance the monument in Market Square Kirkby Lonsdale or the War Memorial, Ambleside. Due to their age they are often viewed as a liability, as there may be planning restrictions on them in order to ensure they are maintained correctly and preserved for future generations. Where appropriate, opportunities for community use will be sought for these assets through asset transfers.

**Housing General**
Limited general housing remains within the property portfolio. Town View Fields homelessness hostel is recently refurbished and supports a service need for housing. Other assets provide a present and future opportunity for disposal.

**Housing Residual Land**

Following the housing stock transfer the residual land left in the SLDC estate comprises mainly green verges. These assets provide nominal income from crossings, with the potential for minor increase. It is felt that there is no benefit in looking for alternate options with this type of land.

**Lake Assets**

This significant asset provides income from both commercial and non-commercial encroachments. The present and ongoing strategy is to support business and leisure use of the lake for residents, commercial operators and visitors, whilst providing an important income stream for the Council. The asset strategy is to develop a more sustainable and predictable income flow where both the Council and Tenants have a clear understanding concerning rental charges and development opportunities.

**Land (Housing)**

Housing land opportunities across the district have been included in the recent search for land sites.

**Markets**

The management of Ulverston Market has been transferred to a Community Enterprise on a 5 year agreement from August 2016. The management of Kendal Markets (indoor and outdoor) is due to be reviewed in 2018/19 with a view to improve and strengthen the market offer in Kendal.

**Miscellaneous Commercial**

These assets are held for investment purposes and the strategy is to manage them in accordance with best practice for investment assets; maintaining and growing the asset value through appropriate investment and enhancement, tenant management, rent and lease management. Where appropriate additional assets will be purchased and developed to enhance the commercial revenue to support general fund requirements.

**Mowing and Grazing Land**

These land asset have been reviewed to consider alternative uses. It is considered that there are longer term opportunities for future housing land supply and therefore should be held for long term future benefits.

**Outdoor Centre and Leisure Centres**

Ulverston Leisure Centre is currently under review for investment with capital support from both the operator, local businesses and Sports England. Kendal Leisure Centre is expected to require significant investment in the medium to long term as the asset infrastructure reaches the end of its technical and economic life.
Parks and Woods

These assets are held for recreation purposes and there is no strategy for changing the use or management arrangements. The Council will consider opportunities for local parish and town councils to take on the ownership and management of these assets where there is an appetite to do so.

Public Offices

The requirement for office accommodation is currently under review as part of the Customer Connect Programme. This is expected to result in a reduction in the traditional office accommodation as the Council moves to new ways of working and changes its means of interacting with the public in the delivery of services. The current review is expected to result in the proposal to reduce the footprint of the Council at South Lakeland House, providing opportunities for letting surplus space.

Recreational Land

This land is held for the long term recreation of the residents and visitors to the District.

Toilets

These have been transferred to Parish Councils to manage.

Retail Properties

The Council holds a limited retail portfolio of four properties. The strategy is to manage the assets in line with best practice with investment in Finkle St to increase revenue streams and improve the capital value, further opportunities will be considered with these type of properties whether that be invest and hold or invest and dispose.

Trading and Industrial

The Council holds a limited trading and Industrial portfolio of two estates. The strategy is to manage the assets in line with best practice. Options are being considered which includes the expansion of accommodation where the opportunities present themselves or potential disposal if Capital receipts support investment in other key areas.

4.0 Self-Assessment

It is important as part of the new Strategy to look at how we do things and where we are now to understand what our strengths are and where we can improve.

Where are we now?

Responsibility for the management of the District Council’s building’s falls to the Director People and Places. The Director is supported by the Assistant Director Strategic Development and the Property Services Contract manager. The Property Services Contract manager takes the lead on all asset management related issues.
The Council awarded the contract to undertake its property services function to Lambert Smith Hampton (LSH) in October 2016 on a 5 year plus 5 year contract. In essence, LSH deal with all estate related matters such as lease renewals, lake encroachments, licences and general estate enquiries through their estate surveying department and all building services, reactive and planned maintenance works through the building surveying department. The new contract with LSH also means that we can utilise the property professionals that not only work out of LSH’s Staveley office but across the UK ensuring that we have access to some of the leading property professionals in the field. LSH have recently completed the Asset review which gives oversight of each of our assets and sets out the potential (if any) for each asset.

The District Council has a good understanding of the importance and potential that property can contribute for both the Council and the people it serves. It also recognises that as a holder of public assets, it is often in a key position to influence and stimulate change and improvement. For example, this should be noted when taking into account the Kendal Town Centre Masterplan being drafted by Aecom on behalf of the Council and the role that the Council can play in the flood development works to be undertaken throughout Kendal by the Environment Agency.

SLDC has a strong track record of using its surplus assets to help deliver and facilitate the provision of affordable housing using disposal and the capital receipt programme. This is a key Council priority and further work has been undertaken to identify surplus assets that could be used and disposed of for affordable housing. In disposing of assets at an undervalue in order to achieve a policy objective, SLDC is governed by The Local Government Act 1972 section 123 and 127, and S25 of the Local Government Act 1988 with regard this matter.

Whole building life cycle asset management is understood but should be utilised further ensuring that the council’s asset management software is fully utilised. It is recognised that effective asset management is not just about delivering single projects. The future life cycle of each building should be known for 25 years in the future so we are confident of its future repair, maintenance and costs in use and can be more certain with regards long term planning. Work is currently ongoing in this area.

Audits of all operational buildings are currently underway to ensure that service information from the previous property service provider is accurate and following the audit, all service contracts will be tendered and contracts renewed in this financial year. Work is ongoing with the Council asset management software provider to ensure that the software is up to date and compatible with the changes to be brought in with Customer Connect. The new software will help streamline the use of asset management information. Condition surveys will be completed of all operational buildings in the 2018/19 financial year ensuring that the Council has a 25 year forecast for all operational buildings. The Health and Safety department is working closely with the facilities manager and Lambert Smith Hampton to ensure that regular workplace inspections and contractor inspections are undertaken on day to day and capital projects.

The Council recognises that it must look at how it can engage more fully and openly with other public asset holders, the public through Council ward members and other organisations. We understand that the asset management needs to become more joined up and be more corporate in
its view and dealings. It will be important to work with a variety of key service areas such as economic development, finance, procurement, planning strategy and IT to ensure that a wider approach is taken to ensure that decisions are not blinkered. It is important that further work is done to ensure that we engage more with our stakeholders who include, ward councillors for the District Council, Town and Parish Councils, Kendal Futures, Kendal BID and key employers in the area. It is also important with the emergence of the economic partnership between Lancaster City Council, Barrow Borough Council and SLDC around Morecambe Bay, that the asset management departments work closely in line with the One Public Estate ethos.

The Council is currently reviewing its service delivery process through the Customer Connect programme to create a single view of the customer and enable them to have better access to services at times which are more convenient to them. This is the time to consolidate SLDC’s assets and provide a clear strategic approach to asset management.

The Council’s financial position as set out in the Medium Term Financial Plan is as follows: ‘Overall the Council’s financial position remains strong as shown by the adequate General Fund balances and reserves, robust financial management processes and an excellent track record in achieving efficiency savings.’ MTFP 2018. The work on the Property and Land Management Strategy complements the MTFP and will need to focus on the key projects and prioritise the potential future capital investment in order for the Council to decide which projects are to be taken forward.

Areas for improvement

Assets are still often viewed as being held departmentally by service providers and this creates a degree of silo mentality rather than a more corporate approach that will be required much more in the future and should come easier to us with the introduction of Customer Connect and the move away from a traditional departmental structure. This in turn will lead to a more strategic approach with our assets.

Despite planned investment, and a strong capital investment programme, there is still work required to fully understand the maintenance requirements over a 25 year period of all our buildings. A full cycle of condition surveys are currently outstanding and is to be addressed in the 2018/19 financial year.

5.0 The Corporate Property and Land Management Strategy.

SLDC have moved to a position in the last 2 years where it acknowledges that there must be an ongoing review of its assets to establish whether it has the property assets it needs now and in the future to meet the requirements of itself and others. It is moving away from the more traditional position of separate department silo consideration of property assets, and in new initiatives such as Customer Connect a much more joined up approach and corporate view is taken.

With the ever present pressure on finances faced by the Council and because of the cost to run and maintain the estate, efficiencies need to be sought to ensure that property is used intensively or costs to run are reduced through a variety of methods. The challenge for this Council, and the corporate management team in conjunction with the property services contract manager, is to find
ways of working assets harder, whilst maintaining or creating an environment in which better services for the public can be delivered.

**The strategy to make our assets work harder is:**

- To provide greater challenge to their use based on new ways of working and new ways of delivering services, especially on the back of technological change and the new ways of working to be brought about by Customer Connect. This will lead to the building being used to maximum potential, surplus space to be leased out to other organisation/partners.

- To explore the relationship between the District Council’s assets and other public sector organisations (One Public Estate), within the same geographical area.

- To challenge services through a proposed Strategic Asset Management Plan (SAMP) board (noted below) on ways to increase efficiency through new ways of working, using alternate means to deliver services. An example of this would be the service process review being undertaken currently as part of Customer Connect.

- To ensure that the buildings are performing to the highest possible standard from an energy management viewpoint. Look at the potential for Building Management Systems to be introduced to reduce energy use and drive revenue savings. Where buildings clearly have a life span of 10 years or more and are unlikely to be declared surplus the Council shall undertake an energy management audit on the property looking at fabric improvement and renewable energy technologies.

- To create a clearer and easier governance process to dispose of assets quickly or to other social enterprises as and when the buildings are declared surplus and to acquire assets where they meet with the Council plan and provide a revenue stream for the Council.

**Finance Strategy**

The corporate property and land management strategy must work alongside the Council’s Medium Term Financial Plan (MTFP). This is a rolling 5-year plan that takes into account:

- The external financial environment.
- The overall financial demands of services.
- The Council’s existing and projected financial resources.
- The Council’s priorities and stated aims in the Council Plan.
- The major service strategies and plans.

The MTFP was last approved in July 2018 and sets the context for the 2019/20 budget setting process. ‘In common with all the public sector, the medium term outlook for the Council is extremely challenging and in order to protect and improve services an ambitious and on-going programme of savings is key to success. The Council has a good track record for reacting promptly to changes in the financial situation and delivering a longer term approach to savings.’ MTFP 2018.

**The Council’s financial strategy is:**
- **Balanced budgets**: Maintain a balanced budget position, and to set a medium term financial plan maintaining and strengthening that position
- **Five year budgets**: the Council sets budgets for a five year period.
- **Strong financial management**: The Council controls and monitors the actual position of the authority on a regular basis setting out actions to correct any emerging issues;
- **Understanding of key cost-drivers**: The Council analyses and reviews the key elements of the service areas including the use of benchmarking;
- **Asset maintenance**: the Capital Programme should ensure adequate programmes of maintenance to sustain values of key assets, especially income-generating assets.
- **Legal transactions**: the approval and adoption of the Council’s Constitution, particularly the Budget and Policy Framework, Financial Procedure Rules and the Contract Procedure Rules set foundations for ensuring legal transactions alongside the whole system of internal control reviewed annually in the Annual Governance Statement.
- **Affordable investment**: to undertake a prudent level of capital investment to meet the Council’s strategic priorities and remain within prudential borrowing limits
- **Maximise resource base**: the Council will ensure the best use of physical and other assets including staff time;
- **Value for money**: Continuous review of budgets to ensure resources are targeted on key objectives and deliver value for money to local taxpayers.
- **Working with others**: to ensure all services are delivered by the most appropriate body. This may require the Council to work in partnership or to facilitate provision by other bodies.
- **Minimise financial risk** including holding reserves as appropriate and sustainable levels of debt.

The Council’s MTFP sets out the approach to setting out the Capital Programme which this asset strategy will adopt:

1. A longer-term view will be taken of spending needs to balance priorities and resources more evenly over the life of the capital programme. The Council’s property advisors will be consulted as to the on-going maintenance programme with the aim being to develop a 10 year programme for recurring capital costs.
2. Bids for new initiatives which recover the investment in a 5 year period will be prioritised. Capital Bid documents will be required prior to a scheme being accepted as part of the Capital Programme. These are to be signed-off by the relevant Portfolio Holder and will be prioritised by Members as part of developing the 2020/21 to 2023/24 Capital Programme. Bids will be considered alongside future expected spend on major projects, as indicated in the capital programme.
3. Schemes which attract external funding should be considered in the light of capacity to deliver these and need to be prioritised with reference to the Council Plan.
4. Existing schemes within the programme will also be reviewed with reference to their progress and any external funding restrictions.
5. Capital receipts will only be committed once they have been received. Although there are known sources of capital receipts (e.g. South Lakes Housing VAT Shelter/Right to Buy receipts), future aspirations will take into account the resources required to support unavoidable recurring costs.
This is a strategic approach to capital investment, and a long term approach is essential to help manage the Council’s assets and finances. Appendix 2 sets out how any Capital Investment is prioritised and scored. This prioritisation and scoring relates to all Capital investment bids and is used to determine where Capital investment will be directed. It is essential that there is joint collaboration between the property services team and finance.

**Capital Strategy**

The recently revised Prudential Code for Capital Finance in Local Authorities 2017 requires local authorities to produce a Capital Strategy that gives a clear and concise view of how a local authority determines its priorities for capital investment, decides how much it can afford to borrow and sets its risk appetite. The Capital Strategy will encompass all forms of capital investment, not just land and property, but the Property and Land Management Strategy will contribute significantly to the overall Capital Strategy. The Capital Strategy is a new requirement and will be brought to Members for approval as part of the budget setting process.

**Procurement Strategy**

The Strategy provides a framework for a strategic approach to procurement throughout the Council. It emphasises the importance of procurement decisions. It is designed to ensure compliance with existing procurement legislation, predominantly the EU Procurement Directives, and reflects all related legislation and national policy drivers including the Social Value Act, Localism Act, advances in Equalities legislation, National Procurement Strategy, Transformational Government Agenda, the ‘Roots’ Review and the Sustainable Task Force’s Report ‘Procuring the Future’.

The importance of sustainable procurement is emphasised; using procurement to support wider social, economic and environmental objectives in a way that offers real long term benefits. The Strategy is constructed to highlight our commitment to a more sustainable district, and to enable us to demonstrate improvement in delivering sustainable outcomes through effective procurement practices.

Ultimately the Strategy paves the way for the Council’s contribution to the broader public procurement landscape – one which promotes the needs of the South Lakeland community, fosters innovation and efficiency, and uses procurement to develop and shape the local economy.

Intelligent procurement is vital not only in improving the quality and cost effectiveness of services across the district, but in demonstrating the type of authority the Council wants to be and shaping how we are perceived by our stakeholders. Any decisions on the asset portfolio needs to involve procurement from an early stage, for instance, through the procurement schedule for capital programme delivery. It is essential that there is joint collaboration between the property services team and the procurement team to ensure a successful delivery plan/ programme that can be achieved with adequate resources in place.

**Energy Saving Strategy**

With the ever growing concern around global warming and the very real threat this brings, the Council, as well as all Councils, businesses and individuals, has a big part to play in trying to make a difference. The Council promises to reduce the Council’s carbon emissions by reducing our energy use, through the efficient management of our land and buildings and be an exemplar to others. The
potential impacts of climate change need to be understood for the entire life cycles of all of SLDC’s property and land assets. Opportunities for each asset should be understood where the asset has a greater service life of 10 years plus. For each asset, the new strategy will include:

1. Undertaking a comprehensive energy audit which includes:
   - Assessing energy usage over a series of years and where data exists, analyse energy usage by facility and by site management activities / staffing / public use, broken down into heating/hot water, electricity and lighting. This will enable an understanding of which activities/facilities are high/low energy users and on a per capita basis for staff / members of the public.
   - Assessing performance of building envelopes (thermal insulation, building tightness, surface and orientation of the glazed surfaces etc.);
   - Assessing behaviour (how the buildings are used and how visitors and staff interact with the building on a day-to-day basis);
   - Assessing efficiency of the existing technical installations and evaluating any existing or potential energy management systems; quality of the regulation and maintenance of the technical installations (are the technical installations managed and maintained in such a way as to maximise their efficiency and minimise their overall usage?);
   - Assessing ability to benefit from heat gains in the winter and limit them in the summer.
   - Assessing ability to benefit from natural lighting;
   - Determine efficiency of electrical appliances and lighting.
   - Determine potential for installing automating systems for smart energy management

2. Undertake a renewable energy audit which includes: Using the findings from the energy audit on energy usage, advising on appropriate renewable energy system deployment and locations across the SLDC estate. Any work on SLDC’s estate should be in conjunction with the Council’s upcoming carbon reduction strategy and works being undertaken by the newly formed Green team.

Whilst any Capital investment is considered on our property and land, energy management must be a key consideration.

The current asset review and future governance

A thorough property review has been completed in December 2017 to get a good understanding of the land and building portfolio with suggestions to be considered/ taken forward. It is imperative to have a full understanding of the estate and the role each asset plays within the Council. It is important to note that historically any reviews completed have stood still in time. The asset review completed in December 2017 will be reviewed annually and updated as needed to ensure that the review is ever in the present and not stagnant. This will allow decisions to be made with real time information.

The asset review is:

• A summary of each asset and what options there might be for future change.
A mechanism whereby future plans and programmes of work/investment can be informed and viewed collectively across the portfolio.

- Meant to work alongside the asset database, not replace it.
- It helps to identify and avoid conflicts between budget expenditure.

It is not:

- It is not meant to replace or replicate data stored in the asset management database.
- It is not a full business case for each property, but rather a headline summary of what could be.
- In some cases this review has gone beyond the headline, and looked in more depth at options & possibilities.

A more strategic approach to management of the Council’s assets requires governance arrangements that reflect the corporate nature of this work. It is proposed that a new Strategic Assessment Management Plan (SAMP) board is set up to deal with any decisions to take forward to Senior Management Team and Cabinet and to work alongside the forthcoming Capital Investment Strategy and MTFP.

**Strategic Asset Management Plan (SAMP) board.**

As part of the new strategy, the Council following approval of the strategy will establish a Strategic Asset Management Plan board with the initial membership of the following members and officers:

- Portfolio Holder for Economy and Assets
- Portfolio Holder for Housing, People and Innovation
- Portfolio Holder for Finance
- Assistant Director Strategic Development
- Community and Leisure Manager
- Property Services Contract Manager
- Financial Services Manager
- Procurement and Contracts Manager
- Lambert Smith Hampton (Director Level).

The following sets out how the SAMP board fits into the overall governance structure of the Council and the role the board will play in property and land management **Appendix 3.** It is important to note that if the Council does approve the strategy and therefore SAMP board, the Council is confirming its intention to take a more strategic approach to the management of its property estate and that this cannot be undertaken in isolation by the property services department. This will allow a more holistic approach to asset management.

- **Step 1.** Council Policy is set by Cabinet on utilisation of the Property assets and service requirements.
- **Step 2.** Council Policy translated into business strategy by Senior Management team.
- **Step 3.** The business strategy is converted into implementation plans with options commissioned and reviewed by the SAMP board. This step is key to ensuring that the right projects are reviewed at the right times. It is important that the SAMP board has a 10 year plus view of the property and land assets and knows what the significant spend profiles are likely to be so that the SAMP board can plan adequately and utilise staff resources wisely. Any request for Capital Investment outside of the normal planned and reactive maintenance fund should be fed into the SAMP board for review and prioritisation.

- **Step 4.** Options appraisal set by the SAMP board to be undertaken through the Property Services Contract manager and LSH in conjunction with the service area affected. This means that a corporate view is taken on what feasibility to undertake and when, and the feasibility is a joint study with the service area so that it’s clear and transparent to all.

- **Step 5.** Options appraisal considered and reviewed by the SAMP panel and decision to be taken as to whether to recommend to SMT and Cabinet for approval. Early involvement from finance and procurement colleagues will provide greater clarity on what can be taken forward based on existing commitments and financial pressures. Resourcing will also be major consideration.

- **Step 6.** Options appraisal closed down if not taken forward or report produced for SMT and taken forward to Cabinet for authorisation and sign off. New governance arrangements put forward by the new SAMP board to simplify this process to allow for acquisitions where the acquisition meets with the Council plan and MTFP or disposals where the building / land has been declared surplus and will unlock capital for investment elsewhere.

The SAMP board will meet every 6 months and will be responsible for:

- Prioritising any building/ service review following the asset review and commissioning an options appraisal. This will be from an officer and member viewpoint ensuring the reviews are prioritised as needed from an operational and political level. Ensuring that resources are not stretched and that any review is focused and agreed by all members of the SAMP board.

- Ensuring that the area and service reviews of accommodation are completed following the prioritisation of the assets to challenge the retention of underperforming assets. This is to ensure that we maximise efficiency.

- Forward planning of overall accommodation needs, space planning and move management to ensure that we are planning and not reacting to any changes.

- Provide recommendation to Senior Management team on Capital Growth Bids received annually and to determine if the Growth bid fits in with the asset strategy and future use of the site following the prioritisation scoring matrix noted in the previous section. Growth bids to be ranked by the SAMP and in line with capital funding available. Ensure that time is spent on bids that meet with the Council priorities.

- Continuous review of how the asset and its future operation fits in with the Council’s MTFP and procurement strategy.

- To work with Legal and Section 151 officer to prepare a new governance arrangement so that the Council can acquire/ dispose and lease our portfolio easier, quicker and simpler to
reduce unnecessary processes. This is to ensure that assets do not stagnate, that we are able to seize the moment and make the right decisions at the right time.

- Improve communication between the SAMP board and relevant stakeholders such as Ward members. To provide relevant members with a toolkit for liaising with the community, whether that be through a short briefing note, creation of survey that the ward member can undertake with constituents to allow the SAMP board to understand a range of views from the public, or a formal briefing session for ward members where the work will affect their area. This will allow key issues to be dealt with and reviewed as needed.

- Ensuring the property portfolio can assist where possible to enable SLDC to meet the Localism agenda as the community requires.

- Work with the Morecambe Bay Partnership and other authorities, services to ensure that SLDC work within the One Public estate ethos ensuring that buildings are used efficiently.

6.0 Conclusions and Way Forward

1. With the new approach proposed above, the Council will link its Council priorities into the property and land strategy such as housing delivery, carbon reduction, economic development, health and well-being.

2. The new way of working will lead to a more informed and corporate view of SLDC’s property and land portfolio and we will move away from a silo approach.

3. The new way of working proposed will encourage collaborative working and importantly close links through the SAMP board maintained with finance and other stakeholders to ensure consideration given to MTFP on any future decision on assets. This will allow resources to be used effectively and time spent in the right areas at the right time.

4. The time is right, following the asset review in December 2017 and with the increased intensity of the Customer Connect programme, to move to a more strategic approach to asset management, which will be achieved through preparation and implementation of the plan.

5. The governance arrangements will provide a more streamline process to speed up processes and to remove unnecessary bureaucracy and allow the Council to work in a more responsive, agile and effective way.
Appendix 1

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Appendix 3

Proposed Governance Structure SAMP

Step 1. Council Policy determined by Cabinet on utilisation of Property Assets and Service requirements.

Step 2. Council Policy translated into business strategy - High Level by SMT.

Step 3. High Level Strategy converted into implementation plans – options Commissioned and proposals reviewed / instructed.

Step 4 & 5. Proposals and analysis of options to improve performance prepared by Level 3 teams to SAMP Board.

Step 6. Proposals Approved and sent to SMT and Cabinet for Authorisation and Sign off.

LSH Supply Chain:
Resources from within the supply chain and wider LSH network will be called upon following assessment of service requirements for each instruction from SLDC Asset Manager Matrix Teams will then be assembled to deliver against client brief. Project Managers Appointed to deliver.
South Lakeland District Council
Overview and Scrutiny Committee
Friday, 26 October 2018
Cabinet
Wednesday, 28 November 2018
Equality, Diversity and Inclusion Strategy

Portfolio: Councillor Giles Archibald - Leader of the Council
Report from: Simon McVey - Assistant Director Performance and Innovation
Report Author: James McEvoy – Partnerships and Community Project Officer
Wards: (All Wards);
Forward Plan: Budget and Policy Framework Decision included in the Forward Plan as published on 10 August 2018.

1.0 Expected Outcome
1.1 The expected outcome is that the draft South Lakeland District Council Equality, Diversity and Inclusion (EDI) Strategy 2019-22 will be recommended for adoption by Council. The Strategy will set new EDI objectives to improve accessibility and inclusivity at SLDC in compliance with the Public Sector Equality Duty.

2.0 Recommendation
2.1 It is recommended that the Overview and Scrutiny Committee:-
   (1) Consider the draft South Lakeland District Council Equality, Diversity and Inclusion Strategy 2019-22 for commenting upon and making any recommendation to Cabinet;
   (2) Subject to consideration of any comments from Overview and Scrutiny Committee, it is recommended that Cabinet recommend that Council adopts the draft South Lakeland EDI Strategy 2019-22 to replace the existing Equality Scheme within the Council’s Policy Framework;

3.0 Background and Proposals
3.1 The draft South Lakeland District Council EDI Strategy 2019-22 (enclosed as Appendix 1 to this report) sets out how South Lakeland District Council (the Council) is meeting the requirements of the public sector equality duty under the Equality Act 2010. This includes setting out specific equality objectives, as well as containing useful statistics about our communities to illustrate the different needs of people in South Lakeland.
3.2 The Council first adopted an Equality Scheme in 2006. Since then there have been various revisions to ensure the scheme meets current legislation.
3.3 The Council last updated its Equality Scheme and published objectives in 2016. The Equality Act 2010 (Specific Duties) Regulations 2011, provides that public bodies must publish equality objectives at least every four years. For this reason, and to be in line with the Customer Connect Programme changes, it is proposed that new equality objectives for 2019-2022 are recommended for adoption.

3.4 The draft EDI Strategy includes definitions of the terms Equality, Diversity, and Inclusion. It is recommended to adopt this updated terminology into the title of the new document, and for this document to supersede the current Equality Scheme 2016-19 which sits within the Council’s Policy Framework.

3.5 It is proposed that the draft EDI Strategy will have its performance reviewed annually by the Overview and Scrutiny Committee. This will make it a dynamic document allowing responses to emerging needs, such as changing population or rates of digital inclusion.

4.0 Consultation

4.1 An earlier draft EDI Strategy has been taken to the South Lakeland Equality and Diversity Partnership which is composed of interested representatives from the public and voluntary sectors around EDI.

4.2 Any comments from the Overview and Scrutiny Committee will be reported to the Cabinet Meeting of 28 November 2018.

5.0 Alternative Options

5.1 No credible alternative to publishing new equality objectives to comply with the Equality Act 2010 (Specific Duties) Regulations 2011. The consequences of not approving new objectives would be the increased risk of legal challenge.

6.0 Links to Council Priorities

6.1 This policy update is a policy framework decision that supports good performance with the Council Plan.

6.2 The draft EDI Strategy 2019-22 links to the health and well-being section of the Council Plan.

7.0 Implications

Financial, Resources and Procurement

7.1 The financial implication for the draft EDI Strategy objective 2 action ‘promote the installation of Changing Places facilities in the community and incorporate where we can within our own buildings’. This may be partly accommodated within a capital budget of £50k in 2018/19 identified for Disabled Toilet Improvements and further growth may be required for additional identified funding.

7.2 The financial implications for other EDI Strategy objectives will be included within business as usual or accommodated by existing resources. If additional growth is identified this will be considered in future budgets.

Human Resources

7.2 Employee equality statistics, titled Workplace Profile, are published on the website as part of the public sector equality duty. A link to the statistics is provided in the draft EDI Strategy 2019-22.

Legal

7.3 By producing and publishing an EDI Strategy with objectives, the Council will comply with the general equality duty and the public sector equality duty as set out in the Equality Act 2010.
Health, Social, Economic and Environmental

7.4 A Health, Social, Economic and Environmental Impact Assessment has been completed and attached at appendix 2.

7.5 Summary of health, social, economic and environmental impacts: more accessible and inclusive working environment at SLDC, improved digital accessibility for communications using digital services, EDI training opportunities for all SLDC employees and members.

Equality and Diversity

7.7 An Equality Impact Analysis has not been completed because by its very nature the EDI Strategy is drafted with a view to having a positive impact on equality and diversity.

Risk

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<td>Risk of external legal challenge, not meeting a statutory requirement and potential impact on the Council’s reputation.</td>
<td>EDI Strategy is implemented, managed and monitored.</td>
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</table>

Contact Officers

James McEvoy, Partnerships and Community Project Officer, 01539 793424, james.mcevoy@southlakeland.gov.uk

Appendices Attached to this Report

<table>
<thead>
<tr>
<th>Appendix No.</th>
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<tr>
<td>1</td>
<td>Draft South Lakeland District Council Equality, Diversity and Inclusion Strategy 2019-2022</td>
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<tr>
<td>2</td>
<td>Health, Social, Economic and Environmental Impact Assessment</td>
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Background Documents Available

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   - Objective 2 – Make our buildings accessible to all ................................................................. 4
   - Objective 3 – Become more inclusive ................................................................................. 4
   - Objective 4 – Improve our understanding of EDI ................................................................. 4

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   - Disability ............................................................................................................................. 6
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1. Equality Diversity and Inclusion (EDI) Strategy

We define ‘Equality’ as treating all people fairly. We aim to create an environment where everyone can participate and has an equal opportunity to fulfil their potential.

We define ‘Diversity’ as recognising that everyone is different, whether these differences are visible or non-visible. We will respect, value and celebrate these differences.

We define ‘Inclusion’ as developing approaches to make all people feel welcomed and valued in South Lakeland. We will proactively challenge discrimination and exclusion and eliminate barriers.

South Lakeland District Council (SLDC), in line with the Equality Act (2010), will:

• Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
• Advance equality of opportunity between people who share a protected characteristic and those who do not.
• Foster good relations between people who share a protected characteristic and those who do not.

This EDI Strategy will be reviewed annually by the SLDC Overview and Scrutiny Committee to measure our performance against the EDI objectives.

Protected Characteristics

• Age
• Disability
• Gender reassignment
• Marriage and civil partnership
• Pregnancy and maternity
• Race
• Religion or belief
• Sex
• Sexual orientation

We also include “rurality” and “socio-economic disadvantage” as additional categories. Although socio-economic status and rurality are not recognised protected characteristics under the Equality Act, people on low incomes or in rural isolation are highly likely to be affected by services that are intended to support vulnerable people.

More information about the Protected Characteristics can be found on the Equality and Human Rights Commission website:

https://www.equalityhumanrights.com/en/equality-act/protected-characteristics
EDI Objectives

Objective 1 – Make our services accessible to all
We will improve our digital accessibility while maintaining alternative channels to accommodate customer needs.

How will we achieve this?
• create a Digital Accessibility Policy – this will include roll-out of staff training, integrating digital accessibility into procurement exercises, conforming to web accessibility framework standards, and providing assistive technology to internal and external customers as required;
• include accessibility in our Digital Strategy; and
• consultation with customers – including groups representing Protected Characteristics – throughout Customer Connect service re-design, and maintaining customer feedback group following the programme finish in 2020.

Objective 2 – Make our buildings accessible to all
We will improve the physical accessibility of our buildings.

How will we achieve this?
• complete and publish an Equality Impact Assessment (EIA) for the Places project in the Customer Connect programme;
• consult with customers and staff - including groups representing Protected Characteristics – on potential works on our buildings and make necessary changes to improve accessibility through the Customer Connect Programme;
• provide assistive technology to internal and external customers as required; and
• promote the installation of Changing Places facilities in the community and incorporate where we can within our own public buildings.

Objective 3 – Become more inclusive
We will support a diverse workforce and continuously aim to improve our inclusive environment for customers, staff and members.

How will we achieve this?
• complete and publish EIA for the People project in the Customer Connect programme;
• provide assistive technology as reasonable adjustments to internal and external customers as required; and
• maintain Disability Confident Employer status

Objective 4 – Improve our understanding of EDI
We will improve the gathering and use of EDI data on customers, staff and members, to better integrate EDI into our decision making and we will promote awareness of EDI issues.

How will we achieve this?
• maintain consultation list of EDI contacts with annual review to update;
• include EDI monitoring in Quality of Life and Staff Satisfaction Questionnaires;
• produce EIAs for all relevant decisions and key policies (e.g. Council Plan, Local Plan) and publish these on our website.
• train all staff and members on understanding EDI and best practice for EIAs; and
• publish workplace profile and gender pay gap reports annually on our website.
• implement EDI communications plan to promote key dates and events from national and local calendar.
• look to participate in and support projects and partnerships focusing on advancing EDI.
• promote EDI in our partnership working, and include EDI requirements in our procurement processes.
2. South Lakeland in figures
The below data is the most up-to-date available at District level. Data is not available to
breakdown population statistics for all Protected Characteristics.

Population - In mid-2017 South Lakeland’s resident population was estimated to be 104,321\(^1\). In
2016 18 million visitors came to South Lakeland, of which 85% were day trippers and 15% were
staying visitors\(^2\).

Over the last ten years the population of the district has increased by 355 residents\(^1\).

Age
In mid-2017 it was estimated that 13.8% of the population of South Lakeland are aged 0-14
years of age, 58.5% are 15-64 years of age, and 27.7% are aged over 65\(^1\).

Children and young people
It is projected that numbers of 0-14 year olds in South Lakeland will decrease from 2017
onwards to 2041\(^1\). Between 2017 and 2041, the number of young people aged 0-14 is forecast
to fall by 12.0%\(^1\).

Working age
In South Lakeland the number of 15-64 year olds are projected to decrease by 8,400 (-14%) to
2041\(^1\).

South Lakeland has the lowest proportion of young and working age people in the county and
both are in decline. Since mid-2007 the greatest percentage decrease occurred in the 30-44
age groups (-23.9%)\(^1\).

Older people
In South Lakeland numbers of residents aged 65+ are projected to increase by 8,300 persons
(+28.4%) to 2041.

Since mid-2007 the greatest percentage increase occurred in the 90+ age group (+140%)\(^1\).

Disability
18.8% of the population have a long-term health problem or disability, while 4.6% describe their
general health as bad or very bad\(^3\).

Race
95.6% of South Lakeland residents are White British, 2.8% are White Other, 0.6% are mixed
race, 0.8% are Asian, 0.2% are Black, and 0.1% are from other ethnic groups\(^4\).

Of Cumbria’s six districts, South Lakeland has the second highest proportion of residents from
BAME groups (4.4%).

\(^1\) Office for National Statistics (ONS)
\(^2\) STEAM Research
\(^3\) www.localhealth.org.uk/assets/Documents/Metadata_July2014.pdf
\(^4\) Census 2011
Religion and Belief
68% of residents are Christian, 23% have no religion. 0.4% are Buddhist, 0.2% are Muslim, 0.1% are Hindu, 0.1% are Jewish and 0.4% are members of other religions.1

Gender
49% of residents are male, 51% are female1.

There is a gender pay imbalance in South Lakeland, the median gross weekly earnings of a male in full time employment is £579, whereas for a female in full time employment the figure is £4792.

SLDC Employee and Member information
As of 1 April 2017, SLDC employs 422 staff and has 51 councillors. The workplace profile on our website highlights the employee profile of SLDC compared with South Lakeland as a district:


---

1 Office for National Statistics (ONS)
2 Annual Survey of Hours and Earnings (ASHE)
3 Census 2011
Contact us
We welcome your comments on the EDI Strategy and these will be taken into account for future versions.

Please visit the EDI page on our website to find out more information, or get in touch using the contact details below:

https://www.southlakeland.gov.uk/your-council/equality-and-diversity/

Equality and Diversity Lead Officer:
partnerships@southlakeland.gov.uk
01539 733333

Senior Officer Equality Champion:
HR Manager

Leader and Promoting South Lakeland:
Portfolio Holder
## Project, policy or programme:

### Health Impacts

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<th>Recommendations</th>
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<td>Negative</td>
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Please tick the appropriate box

### Environmental Conditions

- **Air quality**: ✓
- **Water quality and pollution**: ✓
- **Built environment**: ✓
- **Natural environment and biodiversity**: ✓
- **Energy consumption/efficiency**: ✓
- **Noise**: ✓
- **Transport**: ✓
- **Recycling**: ✓
- **Food production**: ✓

### Social and Economic Factors

- **Employment**: ✓
  - Potential increased employment opportunities at SLDC for people with shared protected characteristics – improved accessibility, more inclusive environment.
- **Income**: ✓
- **Poverty**: ✓
- **Education, skills and training**: ✓
  - Training for all SLDC employees and elected members on Equality, Diversity.
## Project, policy or programme:

**Health Impacts**

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- **Housing**
  - ✓

- **Crime**
  - ✓

- **Work environment**
  - ✓

**Factors that impact a person’s ability to improve their own health and wellbeing**

- **Nutrition and diet**
  - ✓

- **Physical activity**
  - ✓

- **Alcohol**
  - ✓

- **Drugs**
  - ✓

- **Risk taking behaviour**
  - ✓

- **Smoking**
  - ✓

- **Loneliness and isolation**
  - ✓

**Access to services, spaces or social opportunities that impact health**

- **Communication methods**
  - ✓

  Digital accessibility policy will improve communication both internally and externally at SLDC for those using digital services.

- **Active travel**
  - ✓

- **Access to leisure**
  - ✓

- **Access to culture**
  - ✓

- **Access to green spaces**
  - ✓
South Lakeland District Council
Cabinet
Wednesday, 28 November 2018
Arnside and Silverdale AONB Management Plan Review Consultation

Portfolio: Housing, People and Innovation Portfolio Holder
Report from: Director People and Places
Report Author: Laura Chamberlain – Senior Policy Planner
Wards: Arnside & Milnthorpe;
Forward Plan: Not applicable

1.0 Expected Outcome
1.1 The Arnside and Silverdale Area of Outstanding Natural Beauty (AONB) Partnership produces a management plan every 5 years which guides the actions of partnership members (including South Lakeland District Council) within the AONB. It is currently undertaking a public consultation on a draft management plan. The expected outcome of this report to Cabinet is support for the draft management plan and identification of any changes needed to ensure that the management plan is aligned with SLDC policies and priorities (including the emerging AONB Development Plan Document), through the endorsement of, and submission of a Council response to the public consultation on the draft management plan 2019-24.

2.0 Recommendation
2.1 It is recommended that Cabinet:-

(1) Welcomes and supports the Arnside & Silverdale AONB Draft Management Plan 2019-24 subject to the minor changes recommended in the Council’s proposed response.

(2) Notes and endorses the draft response to the Arnside & Silverdale AONB Draft Management Plan 2019-24 public consultation as attached to this report (Appendix 2).

3.0 Background and Proposals
What is an AONB Management Plan and who prepares it?

3.1 Areas of Outstanding Natural Beauty were established by the National Parks and Access to the Countryside Act 1949. The Countryside and Rights of Way (CRoW) Act 2000 (Section 89) subsequently strengthened the earlier legislation and placed a statutory duty on local authorities to act jointly to produce management plans for AONBs within their boundaries and review them every five years. The current AONB management plan covers the period 2014-19 and it must be reviewed and a new plan adopted by 31 March 2019. The new management plan will cover the period 2019-24.
3.2 The Arnside and Silverdale AONB Partnership has committed to undertake the review on behalf of the four principal local authorities in the AONB area: Cumbria County Council, Lancashire County Council, Lancaster City Council and South Lakeland District Council. The AONB Partnership aims to conserve and enhance the AONB and is made up of the local authorities, statutory agencies, landowners, conservation organisations, local communities and interest groups, working together.

_The Draft Management Plan - Content_

3.3 The AONB management plan is a statutory plan which sets out a shared vision for the next 20 years. It describes the broad range of issues and challenges faced in the AONB and explains how the Partnership will manage them to conserve and enhance the area for future generations.

3.4 The aims of the management plan, which reflect the AONB purposes, are to:

- conserve and enhance the natural beauty and special qualities of the AONB
- promote and support sustainable agriculture, forestry and other rural industries
- promote the social and economic wellbeing of people living within the AONB
- increase public understanding and enjoyment of the AONB
- meet the recreational needs of local residents and visitors alike - where these are compatible with the purpose of AONB designation.

3.5 The draft plan highlights the special qualities of the AONB, provides a long term vision for the area, and identifies the principal issues and challenges affecting the area. It defines the outcomes that the Partnership will seek to deliver and sets out how decisions, land management activity and project delivery in the AONB will help achieve them. The management plan is framed around three key outcomes for the AONB which are:

- an outstanding landscape rich in natural and cultural heritage
- vibrant and sustainable communities
- a strong connection between people and the landscape

3.6 The management plan forms a key part of the strategic framework for action by the many organisations working in partnership in and around the AONB, including the local authorities that are jointly responsible for the area.

3.7 The Council and the AONB team have worked closely together in recent years to ensure that both the management plan and the AONB Development Plan Document (DPD), which is now nearing adoption and will soon form part of the Council’s Local Plan, are complementary and mutually beneficial.

_The Draft Management Plan - preparation process and consultation_

3.8 The review of the current management plan commenced in late 2017 and initial consultation took place in the form of questionnaires and surveys, an AONB conference, stakeholder meetings, workshops and events, and presentations to Parish Councils. In March 2018 a draft Strategic Environmental Assessment Scoping Report was prepared and consulted on. This provided a baseline assessment of environmental conditions and proposed a framework for assessing the environmental impacts of the management plan.

3.9 Building on the work outlined above, in which the Council has been involved, the review has now progressed to a formal six week public consultation on a draft management plan (see Appendix 1) which runs from 22 October 2018 to 3 December 2018.
3.10 The responses to this public consultation on the draft management plan will be considered by the AONB Partnership and used to inform the final version of the management plan. It will be subject to a final public consultation period in early 2019 when formal representations will be invited. Following this final consultation the management plan will be finalised and presented to the local authorities for adoption.

**Suggested Response**

3.11 A suggested response to the consultation has been prepared using the response form provided by the AONB team and is attached at Appendix 2. The proposed response welcomes the draft management plan and acknowledges the engagement that has taken place to date with a broad range of stakeholders. The proposed response also welcomes the alignment between the management plan and the AONB Local Plan and notes that for the first time we will have a development plan with the explicit objective of conserving the special character of the AONB and a suite of policies which will ensure a consistent approach to achieving this across the whole AONB. The proposed response supports the vision and objectives of the management plan and the actions that have been identified to deliver the outcomes. The response notes that the Council has been engaged in the management plan review from the outset, and contributed to earlier iterations of the draft plan and objectives. Its response to this formal public consultation largely therefore comprises of general expressions of support for the management plan and minor comments and suggestions.

4.0 Consultation

4.1 Officers from Development Strategy (including the Conservation Officer and Housing team), Environmental Protection, Development Management and Economic Development teams were asked for comments to feed into the Council’s response. Ward Members for Arnside and Milnthorpe, as well as the Housing, People and Innovation Portfolio Holder were notified of the consultation and asked for their comments.

4.2 The AONB Unit has directly informed a wide range of individuals and organisations about this consultation and has publicised the consultation on its website and through other means including social media and local media outlets. In March 2018 the AONB Partnership unit published a Statement of Community Involvement that explains how and when the AONB Partnership will engage individuals, local communities and stakeholders throughout the management plan review process.

5.0 Alternative Options

5.1 Alternative options include not submitting a Council response to the draft AONB management plan public consultation, or submitting an amended response. Not submitting a response would mean the Council would miss out on this opportunity to influence the management plan and is not considered to be an appropriate option given that the Council is a principal authority and is in the Review Working Group. The AONB Partnership prepares the AONB management plan on behalf of the principal authorities and the process benefits from co-operation and collaborative working.

5.2 The recommended course of action is to submit the response that has been co-ordinated by officers and attached to this report at Appendix 2. The final deadline for the Council’s response is 3 December 2018 and this provides scope for the response to be amended if requested by Cabinet.

6.0 Links to Council Priorities

6.1 The AONB makes a significant contribution to making South Lakeland the best place to live, work and explore due to its special qualities including its outstanding
landscape and seascape, rare and diverse habitats and species, rich history and distinct character, and its strong communities and culture.

6.2 The refreshed AONB management plan, like its predecessor, addresses issues around housing, economy, culture and wellbeing as well as environmental and landscape issues. As such it will help to deliver on the priorities of the Council Plan as well as having a mutually beneficial relationship with the AONB DPD which will guide future development in the area.

7.0 Implications

Financial, Resources and Procurement

7.1 The Council supports the AONB team and partnership through existing annual funding arrangements. The costs of the management plan review will be covered by the existing funding arrangements for the AONB team which comprise of local authority and parish Council contributions and grants from Defra and other sources. There are no additional costs resulting from participation in this consultation or from this report. The draft management plan, at section 6.2 stresses the crucial role of partnership working in delivering the management plan, and the long-term resourcing of the AONB team is seen as a critical success factor in the delivery of the management plan. It should be noted that a number of action points in the management plan relate to functions undertaken by South Lakeland District Council and successfully delivering these actions may have resource implications. The Development Plans team is liaising with other teams in the Council to raise awareness of the action points listed in the draft management plan and to identify any potential financial or resource issues.

Human Resources

7.2 There are no staffing implications resulting from this report.

Legal

7.3 There are no legal implications resulting from this report. There is a statutory requirement (Countryside and Rights of Way (CRoW) Act 2000 (Section 89)) to produce management plans for Areas of Outstanding Natural Beauty and to review them every five years.

Health, Social, Economic and Environmental

7.4 Have you completed a Health, Social, Economic and Environmental Impact Assessment? Yes

7.5 The Management Plan has been subject to a Strategic Environmental Assessment (SEA) as part of its preparation which provides a comprehensive assessment of its potential environmental impacts. A HSSE assessment has also been prepared and can be found at Appendix 3. It highlights that the management plan should have positive impacts across a wide range of health, social, economic and environmental factors.

Equality and Diversity

7.7 Have you completed an Equality Impact Analysis? No

7.8 It has been agreed with the Council’s Policy and Partnerships team that an EIA is not required at this stage of making a consultation response on the draft management plan. It has been advised that at the next stage of formally adopting the finalised Management Plan an EIA could be undertaken.

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### Risk

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### Contact Officers

Report author – Laura Chamberlain, Senior Policy Planner, 01539 793217, laura.chamberlain@southlakeland.gov.uk

### Appendices Attached to this Report

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Appendix 1

Arnside & Silverdale Area of Outstanding Natural Beauty Management Plan 2019-2024 (Consultation Draft)

Prepared by the Arnside & Silverdale AONB Partnership, October 2018
Ministerial Foreword

I am fortunate that England’s Areas of Outstanding Natural Beauty are part of my Ministerial responsibilities. Whether it be rolling hills, sweeping coastline or a tranquil village, spending time in an AONB can stir the heart and lift the spirit.

This is a pivotal moment for all AONBs. The Government has set its ambition in the 25 Year Environment Plan which states clearly the importance of natural beauty as part of our green future, while AONBs retain the highest status of protection for landscape through national planning policy. Leaving the EU brings with it an opportunity to develop a better system for supporting our farmers and land managers, who play such a vital role as stewards of the landscape. And the Review of National Parks and Areas of Outstanding Natural Beauty led by Julian Glover - the first of its kind for generations - will make recommendations to make sure our designated landscapes can flourish in the years ahead.

In my visits to AONBs around the country, I have been struck by the passion of many people - farmers, volunteers, and hard-working staff - for the beautiful places they live and work. In this spirit I am delighted to welcome publication of this Draft Statutory Management Plan for Arnside & Silverdale AONB. It is significant that this plan will be delivered in partnership by those who value Arnside & Silverdale AONB. I would like to thank all those involved in preparation of this document, and wish you the best of success in bringing it to fruition.

Lord Gardiner
Parliamentary Under-Secretary of State at the Department for the Environment, Food and Rural Affairs
Chairman’s Foreword

The Arnside & Silverdale Area of Outstanding Natural Beauty is an extraordinary place, a place that is loved and valued by many people from all over the world and nationally designated for its natural beauty - stunning views and distinctive and diverse landscape, geology, wildlife and history.

The AONB Management Plan has been reviewed taking into account the results of consultations carried out throughout 2018. This Draft Management Plan sets out proposals for delivering the AONB purpose over the period 2019-24. We are now asking for your views on this Draft Management Plan in a six week public consultation.

The AONB Partnership has reviewed the AONB Management Plan on behalf of Lancaster City Council, Lancashire County Council, South Lakeland District Council and Cumbria County Council, with the support of Defra, the National Association for AONBs and many partner organisations, local groups and individuals. Thank you for your support and contributions!

Together and with collaboration, cooperation and good relationships we are well placed to meet the challenges, and make the most of the opportunities, that lie ahead, not least through the current independent national Designated Landscapes Review. Everyone has a role to play in looking after the Arnside & Silverdale AONB, from local communities, landowners and farmers to businesses and individuals. Working together we can make a real difference for the area and its future.

I look forward to hearing your views on this Draft Plan. Thank you for your support, contributions and interest.

Cllr Dr Brian C Meakin
Arnside & Silverdale AONB Partnership Chair
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1 Introduction

1.1 Areas of Outstanding Natural Beauty
Areas of Outstanding Natural Beauty (AONBs) are particularly special landscapes whose distinctive character and natural beauty are so precious that it is in the nation’s interest to safeguard them. AONBs are unique and irreplaceable national assets and along with National Parks represent our finest countryside. There are 46 AONBs throughout England, Wales and Northern Ireland, covering 18% of the land area.

The primary purpose of AONB designation is to conserve and enhance the natural beauty of the area. In pursuing the primary purpose, account should be taken of the needs of agriculture, forestry, other rural industries and of the economic and social needs of local communities. Particular regard should be paid to promoting sustainable forms of social and economic development that in themselves conserve and enhance the environment. Promoting opportunities for recreation is not an objective of designation, but the demand for recreation should be met so far as this is consistent with the conservation of natural beauty and the needs of agriculture, forestry and other uses.

AONBs were brought into being by the National Parks and Access to the Countryside Act 1949. The Countryside and Rights of Way (CRoW) Act 2000 (Section 89) subsequently strengthened the earlier legislation and placed a statutory duty on local authorities to act jointly to produce Management Plans for AONBs within their boundaries and review them every five years.

AONBs are also within a worldwide category of protected areas, designated by the International Union for Conservation of Nature (IUCN) as Category V – Protected Landscapes/Seascapes – ‘protected areas where the interaction of people and nature over time has produced an area of distinct character with significant ecological, biological, cultural and scenic value’.

AONBs offer a wealth of opportunities for both people and wildlife to benefit from our countryside; as vibrant living landscape they underpin the economy and the health and wellbeing of our society.

---

1 National Parks and Access to the Countryside Act 1949; confirmed by Section 82 of the Countryside and Rights of Way Act 2000
1.2 Natural beauty

The natural beauty of an AONB landscape is partly due to nature and is partly the product of many centuries of human modification. It encompasses natural and human factors – special qualities - that together make an area distinctive and special: geology, climate, soil, plants, animals, communities, archaeology, buildings, settlements, historic features, culture, people and the perceptions of those who live here or visit.

The special qualities make an area worthy of designation but are also vulnerable to a wide range of pressures, for example from development, recreation, changes in land management and agricultural practices, and the effects of climate change. Positive management is therefore required to conserve and enhance their distinctive character.
1.3 Arnside & Silverdale Area of Outstanding Natural Beauty (AONB)

Arnside & Silverdale AONB was designated in 1972 and covers an area of approximately 75km² in south Cumbria and north Lancashire, including around 30km² of intertidal sand and mudflats in the Kent estuary and Morecambe Bay.

Arnside & Silverdale AONB is especially celebrated for its distinctive limestone landscape, magnificent views and extraordinary diversity of wildlife. Low limestone hills, limestone pavements, ancient woodlands, mosses, orchards, meadows and pastures and an impressive coastline, along with a rich cultural history, make this a truly special place.

The intricate nature of many parts of the area and an exceptional variety of special features occurring in such a small place, creates a sense of intimacy and discovery. This fine-grained landscape character then contrasts in every way with the vast openness of adjacent Morecambe Bay.

1.4 Arnside & Silverdale AONB Partnership

Effective joint working is needed to conserve and enhance the AONB for future generations.

The four responsible local authorities – Cumbria County Council, Lancashire County Council, Lancaster City Council and South Lakeland District Council – deliver their statutory duties and obligations arising from Part IV of the Countryside and Rights of Way Act 2000 in relation to the AONB through the operation and management of a statutory AONB Partnership and the publishing, reviewing, monitoring and implementation of the statutory AONB Management Plan. The AONB Partnership aims to conserve and enhance the AONB and is made up of the local authorities, statutory agencies, landowners, conservation organisations, local communities and
interest groups, working together. Each partner nominates a representative to sit on the formal AONB Executive Committee. A full list of AONB Partnership members is shown in Appendix 1.

The partnership structure of the AONB is a particular strength and enables communication and understanding between many different interested parties and the delivery of sustainable, shared solutions.

The AONB Team is the staff team employed for, and on behalf of, the AONB Partnership by Lancaster City Council as host local authority. The Executive Committee formally oversees and monitors the work of the AONB Team.

Responsibilities of the AONB Team include:
- managing the AONB Partnership
- coordinating action to conserve and enhance the AONB at both a local and strategic level
- developing, reviewing and publishing the AONB Management Plan
- securing funding and resources
- developing and delivering projects to implement the Management Plan
- advising upon, facilitating and co-ordinating implementation by others
- providing landscape related planning advice
- involving local communities in managing and conserving the area
- raising awareness of the national importance of the area and its special qualities
- promoting understanding and enjoyment of the area
- working with local businesses to support an environment-based local economy
- developing education resources and running events
- facilitating research about the area
- running an active volunteer programme
- monitoring and reporting on progress
- working at a national level through the National Association for AONBs

There are two voluntary bodies dedicated to supporting the purposes of the AONB: the AONB Landscape Trust, a charity with over 1200 members and the Bittern Countryside Community Interest Company, a social enterprise. Both contribute to delivery of the AONB Management Plan and are represented on the AONB Executive Committee.

1.5 The AONB Family

AONB partnerships from across the country work together as the AONB Family, sharing experience, promoting good practice and fostering collaboration.

The National Association for AONBs (NAAONB) is a registered charity with a vision that ‘the natural beauty of AONBs is valued and secure’ and with a mission ‘to support and develop a network of ambitious AONB partnerships with a strong collective voice’. Their strategic objectives are to:

- support policies for conserving and enhancing natural beauty,
- develop an understanding of AONBs and the issues they face,
- improve the way in which AONB Partnerships, Conservation Boards, and the NAAONB work together, and
- secure and manage resources.

The Arnside & Silverdale AONB Partnership is a member of the NAAONB, supporting the AONB Family and contributing to and participating in national initiatives. Further information can be found at http://www.landscapesforlife.org.uk/.
1.6 The Arnside & Silverdale AONB Management Plan

The AONB Management Plan is a statutory plan which sets out a shared Vision for the next 20 years. It describes the broad range of issues we face in this area and how we will manage them to conserve and enhance the area for future generations.

As this is the AONB Partnership’s Management Plan, we use words such as ‘we’ and ‘our’ to mean the AONB Partnership’s collective ambition and not the sole view of the AONB Team.

In order to achieve effective conservation and enhancement of the area, working together in partnership is crucial; local authorities, communities, organisations, landowners/managers and businesses must work jointly to successfully implement the Plan.

The aims of the Management Plan, which reflect the AONB purposes, are to:
- conserve and enhance the natural beauty and special qualities of the AONB
- promote and support sustainable agriculture, forestry and other rural industries
- promote the social and economic wellbeing of people living within the AONB
- increase public understanding and enjoyment of the AONB
- meet the recreational needs of local residents and visitors alike - where these are compatible with the purpose of AONB designation.

The Management Plan forms a key part of the strategic framework for action by the many organisations working in and around the AONB, including the local authorities jointly responsible for the Area, and by the local community.

1.7 How the Draft Arnside & Silverdale AONB Management Plan has been produced

This Draft Management Plan has been produced by the Arnside & Silverdale AONB Partnership on behalf of the four principal local authorities: Cumbria County Council, Lancashire County Council, Lancaster City Council and South Lakeland District Council according to an approved Project Plan and following national guidance. A Review Working Group comprising representatives from the four local authorities, Natural England, the AONB Team and the AONB Executive Committee supported and oversaw this process. The Draft Management Plan has been informed by public and stakeholder consultation including a public online survey in early 2018 and a variety of stakeholder workshops held during 2017/18.

The Draft Management Plan has been subject to a Strategic Environmental Assessment and a Habitats Regulations Assessment.

1.8 Current context

In January 2018 the government published a 25-Year Plan for the Environment². It set out an approach to protect landscapes and habitats in England and committed to undertaking a review on National Parks and Areas of Outstanding Natural Beauty (AONBs).

The review is being led by Julian Glover and supported by an advisory group; the review began in summer 2018 and will report in 2019.

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² A Green Future: Our 25 Year Plan to Improve the Environment, HM Government (Defra), 2018
The review presents a significant opportunity to:

- raise the national profile and standing of AONBs
- articulate challenges and opportunities and the value AONBs and AONB Partnerships bring to UK society
- position AONBs as integral to the successful delivery of key government policies on the future of environmental land management in the context of Britain’s exit from the European Union including the 25 Year Environment Plan, recently published Agriculture Bill and the forthcoming Environment Act 2020
- set out the case for changes needed in order to deliver to our full potential.

The Review is the first independent review of designated landscapes in England since 1991 and it is the first time that AONBs have been included in the same review as National Parks. Previous independent reviews have led to a positive and lasting legacy for the legal and policy framework governing designated landscapes.

The outcome of the review will have a profound effect on the future of our designated landscapes for many years to come.

A full review of the current national and local policy context has been undertaken as part of the Management Plan review process.

### 1.9 AONB designation and the planning process

The fundamental principle underlying planning and development management in AONBs is that, as designated landscapes, AONBs have the highest status of protection in relation to landscape and scenic beauty. All development is expected to conform to a high standard of design and conserve and enhance the AONB’s special qualities.

Section 85 of the Countryside and Rights of Way Act (2000) places a duty on all local authorities, public bodies and statutory undertakers to pay ‘due regard’ to the purpose of AONB designation in carrying out their functions in relation to, or so as to affect, land in AONBs.

The Government has confirmed that the landscape qualities of AONBs and National Parks are equivalent. As such, the protection given by the land use planning system to natural beauty in both types of area should also be equivalent.

Planning policies for AONBs are contained in the National Planning Policy Framework (NPPF), Local Plans, Mineral and Waste Local Plans and Neighbourhood Plans. The NPPF provides specific guidance for development planning and decision-making in relation to AONBs. It confirms that ‘great weight should be given to conserving and enhancing landscape and scenic beauty’ in AONBs. The NPPF also states that the scale and extent of development should be limited and that planning permission should be refused for major developments in AONBs other than in exceptional circumstances and where it can be demonstrated that they are in the public interest.

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3 Paragraph 172, National Planning Policy Framework, 2018
The NPPF confirms that local planning authorities should set out the strategic priorities for their areas within Local Plans that contribute to and enhance the natural environment, by

- protecting valued landscapes, sites of biodiversity or geological value and soils;
- recognising the intrinsic character and beauty of the countryside, and the wider benefits from natural capital and ecosystem services;
- maintaining the character of the undeveloped coast; and
- minimising impacts on and providing net gains for biodiversity.¹

AONB designation and AONB Management Plans are material considerations in the planning process. Management Plans are adopted statutory policy of the local authority. A local planning authority has a duty to pay due regard to the conservation and enhancement of natural beauty and the appropriate management of the area as defined by and set out in the statutory Management Plan.

 Arnside & Silverdale AONB Development Plan Document
The district-wide Local Plans of both South Lakeland District Council (SLDC) and Lancaster City Council (LCiC) contain policies relating to the conservation and enhancement of the Arnside & Silverdale AONB and its setting. A dedicated Arnside and Silverdale AONB Development Plan Document (AONB DPD) is also being prepared jointly by SLDC and LCiC. The AONB DPD sets out a landscape capacity-led approach to development within the area and contains specific detailed planning policies to reflect the purposes of AONB designation and relevant policies in the National Planning Policy Framework². It allocates a number of small-scale sites for development to help meet local AONB housing and employment needs. Having been subject to public examination the AONB DPD is currently at the stage of consultation on major modifications, which this Draft Management Plan reflects. The DPD is likely to be adopted in early 2019.

Planning decisions and enforcement action affecting the AONB will be made by the relevant local authority with reference to the AONB DPD and the AONB Management Plan as a material consideration. The role of the AONB Partnership is to provide landscape-related planning advice to the local authorities to assist this process. The statutory consultee for landscape-related planning issues is Natural England and the AONB Partnership liaises with this agency on planning matters.

1.10 European Landscape Convention

The European Landscape Convention (ELC) is the first international convention to focus specifically on landscape. Created by the Council of Europe, the convention promotes landscape protection, management and planning, and European co-operation on landscape issues. The ELC came into force in the UK on 1 March 2007. It applies to all landscapes, towns and villages, as well as open countryside, the coast and inland areas, and ordinary or even degraded landscapes, as well as those that are afforded protection.

The ELC defines landscape as: “an area as perceived by people, whose character is the result of the action and interaction of natural and/or human factors” (Council of Europe 2000). It highlights the importance of developing landscape policies dedicated to the protection and management of landscapes and establishing procedures for the general public and other stakeholders to participate in policy creation and implementation.

¹ Paragraph 170, National Planning Policy Framework, 2018
² The AONB DPD has been assessed under provisions of National Planning Policy Framework, 2012
1.11 Core principles
A number of core principles underpin all the different elements of this Management Plan:

Supporting sustainable land management
Landowners and land managers have played a significant role in creating the landscape as we see it today and are continuing to maintain many of the special qualities. Supporting the retention of viable and sustainable livestock farming and active woodland management, maintaining rural livelihoods and local rural skills are vital factors in keeping the area special.

Sustainable development
This means ensuring that development is sound in environmental, social and economic terms, without compromising the ability of future generations to do the same. Within a nationally protected landscape such as this AONB, the landscape and special qualities must be given special consideration in order to achieve sustainable development.

Landscape change and resilience
Change in the landscape is inevitable and need not be unwelcome. In the context of AONB designation and the conservation and enhancement of natural beauty, the challenge is to manage change in an integrated and sustainable way, so that it can make a positive contribution both to the social and economic needs of local communities and to the natural beauty and special qualities of the landscape that justify its designation. This approach helps create a landscape that is more resilient to pressures.

Taking a natural capital and ecosystems approach
By bringing together three principles of the ecosystem approach, we can ensure that the benefits we derive from the natural environment (ecosystem services) are safeguarded and enhanced. The principles are:

- The natural systems that operate within the AONB are complex and dynamic, and their healthy functioning should not be taken for granted.
- Those that live and work in and visit the AONB benefit from services provided by the natural environment. These services underpin social and economic wellbeing and have a value – both monetary and non-monetary.
- Those that benefit from the services provided by the AONB and those who are involved in the management of them should play a central role in making decisions about them.

Using the ecosystem approach is how we, together with partners, will work locally to deliver ‘bigger, better, more, joined up’ biodiversity, with greater ecological connectivity and enhanced landscapes that benefit wildlife and people.

A landscape approach, embracing both natural and cultural influences and the way people perceive them, is essential to the integrated delivery of a healthy natural environment that delivers the ecosystem goods and services that society needs.

Climate change adaptation and mitigation
In responding to climate change, there is a need to understand and adapt to the impacts such change is likely to have on the landscape and to seek ways in which CO2 emissions can be reduced. Ensuring that adaptation and mitigation measures do not adversely affect natural beauty and maximising opportunities to improve landscape resilience such as improving habitat condition and enhancing connectivity will be a priority.
Community involvement and engagement
Local people are at the heart of the AONB and are encouraged and supported to become engaged in its management through volunteering and developing projects and initiatives that help to conserve and raise awareness of natural beauty. This involvement is highly valued and an important factor in securing the area’s future.

Accessible to all
There should be equality of opportunity for everyone to enjoy what this area has to offer. Barriers such as access to public transport, the need for better information or better infrastructure remain and need to be better understood. Enhancing intellectual and physical access to the AONB should be supported wherever possible.
2 What is special about Arnside & Silverdale AONB?

Arnside & Silverdale AONB is an extraordinary place. From the simple beauty of the Lady’s-slipper Orchid to the wild sweep of Arnside Knott and the shining sands of Morecambe Bay, the area is simply awe-inspiring - full of natural spectacles, stunning views and a surprise to be discovered around every corner.

We need to be clear about what makes the area particularly special so that we can put in place effective management to conserve and enhance these qualities for the future.

Together, the special qualities define what ‘natural beauty’ means in the context of Arnside & Silverdale AONB and what makes the area nationally important. Consultation has been carried out on the special qualities and they are described in detail in a supporting report ‘What is special about Arnside & Silverdale AONB?’.

The special qualities of Arnside & Silverdale AONB are as follows:

**Outstanding landscape and spectacular views** - a highly diverse mosaic of limestone hills, woodlands, wetlands, pastures and coast, with spectacular views and an impressive setting

**Unique limestone geology** – rare and distinctive Carboniferous limestone geology with extensive areas of limestone pavement, low coastal cliffs, extensive folding and faulting and notable fossil assemblages

**Morecambe Bay – a stunning seascape** – the largest intertidal area in the UK with extensive intertidal flats and saltmarshes supporting thousands of breeding waders and wildfowl

**Rare and precious habitats** – an outstanding number and mix of priority habitats within a small area creating a mosaic that is home to an amazing diversity of wildlife

**Internationally and nationally important species** – an amazing diversity of species many of which are uncommon in a national or international context

**Rich sense of history** – archaeological, built and cultural heritage reflecting thousands of years of human occupation creating ‘time-depth’ within the landscape

**Distinctive settlement character** – the design, detailing and use of local limestone in buildings, and historic layout of settlements contribute to the area’s rural landscape character

**Strong community and culture** – vibrant rural communities strongly identified with the AONB and local landscape

**Opportunities to enjoy the countryside** – the network of narrow lanes and paths offers wonderful opportunities to enjoy quiet recreation such as walking, cycling and wildlife watching

**Sense of tranquillity, space and place** – inspiration, spiritual refreshment, unpolluted air, peace and quiet and unique character

**A highly designated area** – a large number of local, national and international designations for biological, geological and historical interest
3 What benefits does the natural capital of the AONB provide for people?

The environment and natural capital is essential for people and everyday life. Landscapes and habitats are key components of natural capital - they are critical assets. This leads to a focus on management for ‘people and nature’ rather than ‘people or nature’. By securing and investing in natural capital of the AONB - its landscapes and habitats - over the long term we will support more resilient, better managed landscapes and habitats that are good for people as well as nature.

The special qualities and natural capital of Arnside & Silverdale AONB provide a wide range of public benefits. These benefits can also be described as ecosystem services including regulating, provisioning, cultural and supporting ecosystem services.

- **Provisioning services** - provided by natural resources such as food, water, fibre, and fuel
- **Regulating services** - provided by natural systems including climate regulation, water purification and flood protection
- **Cultural services** – non-material benefits including recreation, cultural heritage, spiritual and aesthetic values, inspiration and education
- **Supporting services** - providing the basic infrastructure of life including soil formation, the cycling of water and nutrients, fixation of carbon by plants and the ecosystems themselves. All other ecosystem services ultimately depend on these supporting services

The ecosystem services relevant to the AONB are listed below together with links to relevant objectives in the Management Plan.

Several studies have been carried out recently to help better understand the natural capital of the AONB and in particular the benefits it provides to people through its cultural ecosystem services. A review of these studies shows a strong interrelationship between the areas that people value and the area’s landscape character and its priority habitats.

This Draft Management Plan includes the identification of future land management approaches needed to ensure the landscape is resilient to change and can continue delivering multiple benefits for people into the future.

Many of the objectives and actions set out in this Plan influence the management of land and natural systems to help sustain and improve the range and quality of benefits or ecosystem services that are provided.

The area’s natural capital is complex, with a strong interconnectedness between the many of the ecosystem services. As a result, it is likely that a range of approaches will be necessary for the continued and future management of resilient landscapes. These include working together at a catchment scale, to adapt to climate change, manage water, woodlands, farmland, habitats and landscapes to support a strong local economy that includes a sustainable visitor economy.

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6. These four types of ecosystem services are used in the UK National Ecosystem Assessment framework
7. Natural Capital and Resilient Landscapes in Arnside & Silverdale AONB Report, 2017
## ECOSYSTEM SERVICES IN ARNSIDE & SILVERDALE AONB

### Provisioning Services: provided by natural resources

<table>
<thead>
<tr>
<th>Relevant Objectives</th>
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<td>1, 2, 3, 5, 8, 9, 14</td>
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**Food provision (e.g. crops, livestock, fish, game)**
AONB farmers produce food through the breeding of store lambs, suckled calves and, increasingly, finished lamb and beef and a limited quantity of dairy products. Wild venison, wildfowl and pheasant is sourced within the AONB and marketed locally by licensed butchers and game dealers. Within the intertidal zone of Morecambe Bay, some traditional tidal fishing (flounder in particular) takes place. When commercial stocks of cockles are available, cockle fishing takes place under licence on the Warton Sands cockle bed and at other locations in Morecambe Bay. Apples, plums, damsons and pears are grown non-commercially in the numerous orchards.

**Woodfuel**
Local woodlands have a long history of providing woodfuel and charcoal supplies, both for domestic and industrial activity. Coppicing once widespread declined during the 20th Century but has increased more recently providing a reliable source of local woodfuel and charcoal. There is considerable scope for further development of this resource.

**Genetic diversity**
Rare breed species, particularly cattle, are a feature of the management regime of some areas of semi-natural habitat. Local orchards contain many rare historic varieties of fruits, significantly adding to the gene pool of fruit varieties. There are significant areas of species-rich limestone grassland in the AONB and well over a third of the flowering plant species of the British Isles are known to occur here. This makes the AONB a significant ‘seed bank’ for the surrounding areas for seed dispersal to increase biodiversity of suitable habitats within the Morecambe Bay Limestones NCA. Similarly opportunities also exist for invertebrate species to spread to suitable habitats outside the AONB. There are many rare and threatened species of both flora and fauna. Presence of unique species: The Lancaster Whitebeam is only found naturally within the Morecambe Bay area.

**Fibre (e.g. timber, arable crops, wool)**
Historically, the AONB was an important producer of wool, timber and woodland products. Some areas of woodland are managed as part of the active coppice industry that has been successfully rejuvenated over the last 20 years. There are now new opportunities to develop local markets for wood products. There are a number of commercial forestry holdings which are managed for timber production.

**Water Supply**
Natural springs occur and historically dictated the pattern of settlement prior to the introduction of mains water supplies. Some of these natural springs are important for aquatic habitats. Some areas of wildlife interest that are managed in part by conservation grazing require rainwater water storage tanks for animal welfare as the sites are remote from mains water or natural springs.
**Rock and mineral resources**

Until the mid-20th century the AONB hosted an extensive limestone extraction industry. Mineral operations, particularly iron ore quarrying and smelting, also took place up to the late 19th century. Today, there remains one active quarry within the AONB providing various stone, aggregate and tarmac products.

<table>
<thead>
<tr>
<th>Regulating Services: provided by the regulation effects of natural systems and processes</th>
<th>Relevant Objectives in Management Plan</th>
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<tbody>
<tr>
<td><strong>Climate regulation and carbon storage</strong></td>
<td>1, 2, 3, 8, 9, 10, 14</td>
</tr>
<tr>
<td>Carbon is absorbed from the atmosphere in farmland and woodlands and coastal habitats, particularly salt marsh in the low lying, important carbon store is provided in the soils. Functioning mossland in and around the AONB is an active carbon store and work to re-wet areas of moss will help boost carbon sequestration.</td>
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<tr>
<td><strong>Water quality</strong></td>
<td>1, 2, 3, 5, 7, 8, 9, 10, 11, 14</td>
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<tr>
<td>Ecosystems can help in the filtering out and decomposition of organic wastes introduced into water bodies and can also assimilate and detoxify compounds through soil and sub-soil processes, improving water quality.</td>
<td></td>
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<tr>
<td><strong>Water flow and flood regulation</strong></td>
<td>1, 2, 3, 4, 5, 7, 8, 11, 14</td>
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<tr>
<td>Permeable limestone geology, extensive areas of woodland and a mosaic of varied soil types, including peat mosses in the low lying, undeveloped floodplains, help to regulate water flow and alleviate flooding in times of low and high rainfall. Saltmarsh also provides a buffer against coastal flooding.</td>
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<tr>
<td><strong>Soil quality</strong></td>
<td>1, 2, 3, 5, 8</td>
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<tr>
<td>Extensive farming systems used to manage permanent pasture, particularly on species rich limestone grassland provides effective erosion control, often on vulnerable sites where the depth of soil is very shallow and over limestone, making it prone to drought. Limestone grassland species are more resistant to drought stress than ryegrass dominated pasture helping protect soil quality and reducing erosion.</td>
<td></td>
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<tr>
<td><strong>Pollination</strong></td>
<td>1, 2, 3, 8, 11, 14</td>
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<tr>
<td>Although the agricultural sector is currently predominantly pastoral, pollination of fruit trees is important for the area's orchards. Most wildflowers are also dependent on insect pollination, yet the numbers of wild and managed pollinators, such as bees, are in decline. The considerable areas of unimproved grassland and wetlands provide key habitat for insect communities, important for both pollination and pest control.</td>
<td></td>
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<tr>
<td><strong>Disease and pest regulation</strong></td>
<td>1, 2, 3, 5, 8, 14</td>
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<tr>
<td>A healthy and diverse ecosystem is less vulnerable to pests and disease.</td>
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**Cultural Services:** the non-material benefits people gain from ecosystems

<table>
<thead>
<tr>
<th>Relevant Objectives</th>
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<tbody>
<tr>
<td><strong>Beauty – landscape and seascape, views, wildlife and habitats, variety and contrast</strong></td>
</tr>
<tr>
<td>The area is nationally designated for its outstanding natural beauty. The landscape, seascape and outstanding views create a unique and distinctive place which is much loved and highly valued by people from all over the world. The area is especially celebrated for its wealth of plants, birds and butterflies. The intricate nature of many parts of the area, an exceptional variety of features occurring in such a small place</td>
</tr>
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</table>
creates a sense of intimacy and discovery. This fine grained landscape character then contrasts in every way with the vast openness of the coast and the Bay.

**Sense of place – uniqueness, distinctiveness, inspiration, spiritual refreshment**

The special qualities of the AONB, together, give the area a strong sense of place. The AONB is a place for inspiration, spiritual and mental refreshment, dark skies at night and clear, unpolluted air. People come here to relax, unwind and recharge their batteries, to get close to nature, breathe in the fresh sea air and absorb exhilarating wide open views. The area’s distinctive character and combination of scenery, history, settlement character and patterns, abundance of wildlife, peace and quiet, and culture make the AONB unique. Strong village communities and community activities contribute to the sense of place.

**Tranquillity – sense of space, peace and quiet, dark skies, connection to nature**

Tranquillity and a sense of space are easy to find both in the intimate inland landscape and on the hills and open coast. Much of the AONB is distant from the noise of road traffic and other urban and industrial activities – a quality which is increasingly hard to find. Light pollution is low resulting in dark skies where the milky way is visible and even occasionally the Northern Lights. The landscape and wildlife provide a strong connection to and enrichment from nature.

**Recreation – opportunities for quiet enjoyment, walking, cycling and horse riding**

There is a well-developed Public Rights of Way Network within the AONB, which gives access to important wildlife sites and places of historical interest. A network of country lanes, areas of open access land, Local and National Nature Reserves, extensive areas of National Trust land and the coast provide further opportunities to engage in a range of quiet recreational activities such as walking, cycling, wildlife watching and horse riding. Access to the natural environment can improve mental and physical health and wellbeing. The value of recreation to the local visitor economy based on the AONB landscape and special qualities is high.

**Sense of history – heritage buildings and features, historic landscape, villages, culture**

Heritage can be thought of as ‘memories’ in the landscape from past cultural activity. Human influence within the area can be traced back more than 5,000 years. The heritage of the area includes scheduled ancient monuments, listed buildings, historic parkland, settlement pattern, character and form, field boundaries, industrial features and a wealth of other archaeological and historic features. Heritage also incorporates various traditional practices and rural skills such as coppicing and hedgelaying, and the cultural history of the area’s communities.

**Visitor economy – sustainable tourism destination, contribution to local economy**

The landscape and natural beauty of the area, together with its wildlife, history and tranquillity, are key attractions for visitors and therefore contribute directly to the local economy by supporting a network of tourism businesses and accommodation providers. Many visitors come to the area to enjoy quiet recreation, particularly walking and cycling and wildlife watching. Key visitor attractions include Leighton Hall, RSPB Leighton Moss, National Trust land properties.

**Health and wellbeing – relaxation, exercise, connection to nature, fresh air, volunteering, benefits to mental and physical health**

Visits to the countryside provide excellent opportunities for walking, relaxing days out and other forms of quiet recreation. These can contribute to an individual’s health and wellbeing, at a minimal cost. There are numerous opportunities to take part in active countryside management work at a range of sites, as part of a volunteer team. Evidence suggests that taking part in environmental volunteering has very positive impacts on both physical and mental health and wellbeing. Air quality is generally very...
high, due to a lack of sources of pollution locally and the predominant maritime climate with prevailing Atlantic airflows. The high landscape quality, extensive views, quality of light and the AONB’s special qualities provide a sense of spiritual inspiration which benefits mental health and gives many people a stronger sense of health and wellbeing through relaxation, unwinding and enjoying the peaceful nature of the area.

**Knowledge and education – opportunities for formal and informal learning, research, training**
The AONB provides a location for both formal and informal learning and education. There are many and varied opportunities for people to learn about and experience the area’s special qualities through events, site visits, festivals and interpretation materials including an interactive website. It is also a place for scientific monitoring and research, and training in rural skills.

<table>
<thead>
<tr>
<th>Supporting Services: necessary for the production of all other ecosystem services</th>
<th>Relevant Objectives</th>
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<tbody>
<tr>
<td><strong>Biodiversity</strong>&lt;br&gt;The AONB contains a high diversity of important and rare habitats and species and their conservation is vital to sustaining the ecosystems that deliver the range of services set out above. Two thirds of the area are designated in some way for wildlife interests, 54% of the AONB is covered by Site of Special Scientific Interest designations with a further 11% designated as Local Wildlife Sites.</td>
<td>1, 2, 3, 5, 7, 8, 9, 11, 12, 13, 14</td>
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<td><strong>Geodiversity</strong>&lt;br&gt;Limestone bedrock underlies the AONB and unifies its character. Limestone outcrops and cliffs are important features, particularly the extensive pavements and exposures of complex faulting and folding. Exposures in disused quarries display depositional and tectonic features. Some localities are important scientific study sites including shelf complexes and fossiliferous beds. Many sites display clear evidence of glacial and post-glacial processes. There are a number of small cave systems. Peat-forming bogs and the intertidal environment are both examples of dynamic geomorphological processes.</td>
<td>1, 2, 4, 7, 8, 9, 11, 12, 13, 14</td>
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<tr>
<td><strong>Nutrient and water cycling</strong>&lt;br&gt;Plants, animals and micro-organisms and the landscape play a crucial role in the cycling of nutrients (e.g. breaking down decayed vegetation in to basic nutrients) and water essential for the delivery of ecosystem benefits.</td>
<td>1, 2, 3, 4, 5, 7, 8</td>
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4 Vision for the future

Our long-term vision\(\text{a}\) for the AONB is:

Arnside & Silverdale Area of Outstanding Natural Beauty is a landscape of international importance, whose distinctive character is conserved and enhanced for future generations.

It is a place that is much loved and highly valued, for its strong sense of place, unique geology, diverse wildlife and rich heritage and the benefits it provides to society.

Its outstanding landscape - an intimate mosaic of low limestone hills, woodland, wetland, pastures, limestone pavements, intertidal flats, coastal scenery and distinctive settlements - and rich natural and cultural heritage are enjoyed, cherished, conserved and enhanced by those who live in, work in and visit the area.

The high quality and resilient landscape supports and is supported by the area’s thriving rural economy and vibrant sustainable local communities. There are many and varied opportunities for people to access, enjoy and understand the area’s special qualities, and participate in their conservation and enhancement, creating a strong connection with nature and the landscape.

Challenges and pressures are effectively and sensitively managed in an integrated way through a partnership approach. The area’s natural and cultural assets are managed and used wisely for future generations.

To achieve this, the AONB Partnership is aiming for 3 key outcomes which reflect the national objectives of the AONB Family:

- an outstanding landscape rich in natural and cultural heritage
- vibrant and sustainable communities
- a strong connection between people and the landscape

In working to deliver these outcomes, we must consider environmental, economic and social objectives. The challenges faced by the area are many and diverse, some are local in nature while others are national issues. Some can be relatively easily addressed but others are difficult to resolve.

\(\text{a} 94\%\) of respondents to the Management Plan Review Consultation Survey, 2018, agreed with the Vision with the remaining respondents suggesting a small number of positive amendments, which have been made in this Draft Plan.
We must work together with partners and stakeholders to deliver these outcomes while recognising that:

- different organisations, groups and individuals have different opinions on and priorities for how best to conserve the features and qualities which make this landscape special; and
- sustaining this exceptional landscape is a major challenge and requires collaboration, cooperation and significant investment.
5 What is needed to conserve and enhance Arnside & Silverdale AONB and why?

This section sets out what is needed to achieve the key outcomes and why. A framework of objectives for each outcome is presented along with background information and evidence, identification of key issues and forces for change, and recommendations for delivery between 2019 and 2024, and beyond, that all partners, stakeholders, farmers, landowners and communities can work to in order to conserve and enhance the AONB.

This section has been strongly influenced by the consultation responses received during 2018.

It is important to note that the Management Plan does not cover everything affecting the Arnside & Silverdale area, rather those matters directly linked to the purposes of AONB designation.

The State of the AONB report will give further more detailed information and evidence about the current status of matters relevant to the Management Plan when it is published in 2019.

All objectives are to be delivered in a way that supports the AONB purpose and causes no harm to Natura 2000 sites.
5.1 An outstanding landscape rich in natural and cultural heritage

The following objectives will contribute to achieving an outstanding landscape rich in natural and cultural heritage:

Landscape and seascape

1. Conserve, enhance and improve understanding of the natural beauty, landscape and seascape character, and special qualities of Arnside & Silverdale AONB.

2. Conserve, enhance and improve understanding of the natural capital of the AONB and the range and value of the public benefits and services that it provides to society.

Biodiversity and geodiversity

3. Conserve, enhance and restore the AONB’s characteristic mosaic of habitats and improve their connectivity, take targeted action to conserve key species and improve understanding of the biodiversity of the AONB.

4. Conserve and improve understanding of the geodiversity of the AONB.

Water environment

5. Improve water quality and condition of watercourses and waterbodies in the AONB and support natural flood management.

Historic and cultural heritage

6. Conserve, restore and improve understanding of the historic environment of the AONB including heritage assets, historic landscape character and cultural heritage.

Development management

7. Implement a landscape capacity-led approach to development planning and management, which conserves and enhances the natural beauty, landscape and special qualities of the AONB and its setting.

5.1.1 Landscape and seascape

Arnside & Silverdale AONB is a unique limestone landscape defined by the underlying Carboniferous Limestone and coastal setting of Morecambe Bay. The area is a rich mosaic of species-rich limestone grasslands, limestone pavements, extensively wooded limestone hills, agricultural pastures, freshwater mosses, salt marsh, inter-tidal sand and mudflats, and distinctive settlements.

The high quality and outstanding natural beauty of the landscape and seascape sets the AONB apart from the wider countryside and is the reason for its national designation. The area’s distinctive character is determined not simply by the presence of particular natural elements or
their rarity value, but also by the way in which they combine to form a mosaic of landscape types and reflect a rich history and cultural heritage.

‘Landscape’ and ‘seascape’ are made up of many different ‘layers’ interacting together – landforms, views, geology, soils, water, wildlife, land management, buildings, heritage and more – and also how we as people perceive them. For the purposes of this plan and to avoid repetition, this section deals with overarching landscape and seascape issues, while subsequent sections look at particular elements of the landscape and seascape in more detail.

Landscape and seascape character
The Arnside & Silverdale AONB Landscape and Seascape Character Assessment (2015) defines the AONB’s landscape character types:

- Intertidal flats
- Bay saltmarshes and lagoons
- Lowland moss
- Coastal limestone pasture
- Inland pasture and parkland
- Wooded limestone hills and pavements

Three landscape character types forming part of the setting of the AONB are also defined:

- Drumlín farmland
- Low coastal drumlins
- Lowland valley and coastal margins

The assessment concludes that the landscape and seascape character in the AONB has a high or very high level of inherent sensitivity with limited or very limited capacity to accommodate change or development. Landscape and seascape condition is moderate to good, or good.

Limestone Hills
A series of low limestone hills interspersed with steep-sided valleys characterise the landscape of the AONB; Warton Crag is the highest point at 163m rising just above Arnside Knott, Beetham Fell and King William’s Hill and many of the AONB’s iconic views are seen from these highpoints. This glaciated landscape has a complex range of features and landforms including limestone pavement, ridges, scree slopes, escarpments and erratics. The hills are now largely wooded.

Farmed landscape
Farming has been a principal influence on the development of the AONB landscape and improved, semi-improved and unimproved limestone grasslands cover a large part of the area. Defra survey figures show that 56% of the AONB was registered as agricultural land in 2016 with the large majority of this being pasture for livestock grazing. Grazing by livestock is a traditional land use. However, both under and over grazing can cause deterioration of habitats.

Many of the area’s distinctive landscape features are associated with farming such as hedgerows, drystone walls, farmsteads and field barns.

Sheep are the main livestock type (82% of stock) while dairy and beef cattle make up around 18%. Between 2010 and 2016 there was an overall decrease in sheep numbers of 1% and cattle numbers of 12%. Over the same period the number of horses has decreased but poultry numbers have risen.

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9 Defra Agricultural Survey, 2016
Management of land under environmental land management schemes, management plans and other appropriate mechanisms offer opportunities to promote and financially support sensitive management to enhance the landscape and protect natural capital such e.g. soils.

Trees and woodland
Woodland is a key component of the AONB landscape and features strongly within the landscape character assessment. Woodland is often associated with the hills and pavements and covers about a third\(^\text{10}\) of the terrestrial AONB; 87% of the woodland is broadleaved, 6% is mixed woodland and 4% is coniferous. There is 652ha\(^\text{11}\) of Ancient Woodland with 488ha of Ancient and Semi Natural Woodland and 164ha of Plantations on Ancient Woodland Sites (PAWS).

Active woodland management has increased by 54% since 2013 and 73%\(^\text{12}\) of the woodland is now in active management. Coppicing plays an important role as a traditional management practice.

There are several ancient trees and numerous veteran and notable trees throughout the area occurring in open fields, within boundaries, within areas of woodland, and as part of designed landscapes and settlements.

Wetland landscape
Freshwater wetlands and mosses occur in the low-lying areas and valleys of the AONB often where natural springs emerge. Haweswater is a marl lake, which is a rare type of waterbody that is dominated by stoneworts, a type of large green algae. The associated marl grasslands are formed from mollusc shells and are the largest area of this rare habitat in England, supporting specialised plants and invertebrates. Woodwell is a good example of a marl spring that coats the surrounding plants and stones in a gritty deposit of calcium carbonate (marl). Leighton Moss, managed by the RSPB, is the largest reedbed in northern England. Silverdale Moss and Barrow Scout fields are areas of reedbed that have been established for conservation over recent years. Hale Moss and Arnside Moss have been drained and improved for agriculture. A large project is in the planning stages to restore wet grassland and grazing marsh at Warton Mires.

Coastal landscape and seascape
The AONB has a variety of distinctive coastal features including low limestone cliffs, saltmarshes, coastal woodland and windblown trees, pebble beaches, and intertidal sand and mudflats. Much of the coastline is undeveloped and has a strong feeling of remoteness. The wide open views over Morecambe Bay are ever changing with the weather and tide, and sunsets over the Bay can be spectacular.

Settlements
The villages and hamlets of the area each have their own distinctive history and character with limestone buildings forming the traditional vernacular. All the settlements are rural in character and have open spaces and views which link strongly with the surrounding countryside.

Historic landscape
Historic features, buildings, archaeology and the historic landscape tell the story of the land and people over many generations, an important element of the area’s character.

Tranquillity, dark skies, sense of place
The tranquillity of the AONB is one of its key features. According to the Council for Protection of Rural England\(^\text{13}\), much of the AONB, particularly along the coast, can be regarded as in the context of the wider area as ‘most tranquil’.

\(^{10}\) © Forestry Commission copyright (2017), 2015 data

\(^{11}\) April 2017, © Natural England copyright. Contains Ordnance Survey data © Crown copyright and database right 2017

\(^{12}\) © Forestry Commission copyright [2017]

\(^{13}\) CPRE, 2007
The AONB has relatively dark skies\(^{14}\); the Milky Way and occasionally the northern lights are visible.

**Issues and challenges**
- incremental changes over time leading to cumulative loss of character and erosion of the special qualities of the AONB
- effects of climate change including extreme weather, storm surges and sea level rise and temperature change
- land use and land management changes
- agricultural change, particularly intensification
- changes in and uncertainty about national policies relating to farming and forestry in particular approaches to agri-environment and rural development schemes and other support mechanisms for farmers and landowners
- soil erosion, compaction and management
- over or under grazing of limestone grassland
- under management of woodland
- loss and deterioration of key landscape features
- loss and deterioration of dry stone walls and associated features
- loss and deterioration of species-rich hedgerows through intensive mechanised cutting reducing effectiveness to contain stock and value as wildlife corridors
- loss of ancient, veteran and notable trees
- natural geomorphological processes causing changes in the dynamic cycles of erosion and accretion of saltmarsh
- increased intrusion through noise and light pollution affecting tranquillity, dark skies and sense of place
- limited knowledge and awareness of natural capital and ecosystems services
- loss of key views due to vegetation and tree growth

**Outcomes**
- A high quality landscape, seascape and undeveloped coastline where natural beauty and special qualities are conserved and enhanced
- A landscape and seascape that is resilient to climate change and other pressures
- The natural and cultural heritage of the AONB is in good condition and is well researched and understood
- The natural capital of the AONB and the public benefits and services derived from it are well understood and valued

**To address the issues and challenges and achieve the objectives and outcomes, decisions, land management and project delivery should:**
- manage the area based on natural capital and ecosystems services approach to increase landscape resilience especially resilience to climate change

\(^{14}\) CPRE, 2016
- involve people, research and improve understanding of the natural capital and ecosystem services that the landscape provides
- take coordinated landscape-scale approaches to conserving and enhancing natural and cultural heritage
- manage the mosaic of landscape types to conserve and enhance the distinctive character of the AONB and create a resilient landscape
- protect soil carbon stores such as saltmarsh where possible
- protect undeveloped coastline and conserve and enhance coastal features and seascape character
- support and encourage appropriate and sensitive land management approaches such as uptake of agri-environment schemes or site/farm/woodland management plans
- achieve appropriate grazing regimes on limestone grassland sites
- conserve and restore distinctive landscape features such as hedgerows, drystone walls and field barns
- remove infrastructure that adversely affects the landscape, such as pylons and overhead cables wherever possible such as through the undergrounding for visual amenity project
- conserve ancient, veteran and notable trees and ensure succession planting
- carry out a programme of landscape monitoring and produce a State of the AONB report every 5 years
- improving knowledge of landscape and seascape character and how people perceive it
- periodically review and update the AONB Landscape and Seascape Character Assessment
- promote the importance of good soil management for carbon storage, water quality and flood regulation by establishing and implementing soil management plans
- ensure no increased light and noise pollution which would cause adverse impacts on tranquillity or dark skies
- reinforce the AONB’s distinctive sense of place
- maintain open views from key viewpoint points by managing vegetation and tree growth as appropriate

5.1.2 Biodiversity and geodiversity

Biodiversity
The AONB supports an exceptionally diverse range of habitats of local, national and international importance, creating a mosaic which is home to an outstanding variety of wildlife and forms a key element of the area’s natural beauty.

Priority habitats cover around 70% of the AONB\(^\text{15}\) and include:
- Deciduous woodland
- Upland mixed ashwoods
- Wet woodland
- Wood pastures and parkland
- Lowland calcareous grassland
- Lowland meadows
- Purple moor grass and rush pasture
- Lowland fens

\(^{15}\) Arnside & Silverdale AONB Priority Habitat Survey, G Skelcher, 2016
- Reedbeds
- Intertidal mudflats
- Coastal and flood plain grazing marsh
- Coastal saltmarsh
- Maritime cliffs and slopes
- Inland rock outcrop and scree habitats
- Limestone pavements
- Oligo-mesotrophic lakes
- Ponds
- Rivers
- Traditional orchards
- Lowland heathland

A significant proportion of the AONB is designated for its biodiversity with 54% of the area being covered by Site of Special Scientific Interest (SSSI), Special Area of Conservation (SAC) or Special Protection Area (SPA) designations, and 11% of the area recognised as Local Wildlife Sites.

In 2018, 99.1% of the SSSIs were in favourable or recovering condition (64.7% in favourable condition with 34.4% in recovering condition)\(^\text{16}\). 21 of the 64 Local Wildlife Sites have been assessed as being in positive management\(^\text{17}\).

Of the remaining SSSIs, Middlebarrow unit 3 remains in decline; Hawes Water unit 3 declined from favourable to declining; Hawes Water unit 12 remains unfavourable no change; Gait Barrows units (Little Hawes Water) and Warton Crag (Three Brothers allotments) have declined from favourable to unfavourable no change. Therefore continuing to improve the condition of nationally designated sites should remain a priority along with ensuring that any plans or projects do not have a significant adverse effect on the important features of SACs/SPAs (Natura 2000 sites).

Over 1,100 notable species have been recorded in the AONB, including nearly 200 priority species (S41 NERC Act) known to be resident or occur regularly within the AONB\(^\text{18}\). Of particular note are the Bittern, High Brown Fritillary and the Lady’s-slipper Orchid. Restoring, creating and enhancing habitats and improving resilience of ecological networks are key to conserving species alongside taking specifically tailored and targeted action.

There is one National Nature Reserve in the AONB at Gait Barrows and two Local Nature Reserves at Warton Crag and Trowbarrow.

**Geodiversity**

The Carboniferous limestone bedrock of the Arnside and Silverdale area underpins the natural beauty of the AONB. The limestone unifies its character and creates the conditions that have allowed the wide diversity of habitats to develop.

The superficial geology, for example tidal flats, saltmarsh, lacustrine and peat deposits, also contribute to the natural beauty by creating broad areas of flat ground which contrast with and provide a natural setting for the limestone hills. The saltmarsh areas, dynamically changing in their location and extent, provide natural beauty in their contrast with the different colours and textures of the tidal flats beyond. Deposits have contributed to the development of reedbed, fen and mosses.

\(^{16}\) © Natural England copyright. Contains Ordnance Survey data © Crown copyright and database right 2018.

\(^{17}\) County Wildlife Sites Survey, G Skelcher, 2014/15

\(^{18}\) Notable and Characteristic Species in the Arnside & Silverdale AONB, G Skelcher, 2016
Key geological elements of the mosaic of landscape characters across the AONB are the limestone hills, open and wooded limestone pavements, limestone scarps and slacks (including ‘The Trough’ close to Trowbarrow Quarry), the limestone quarries themselves, locally complex geological structures, low coastal cliffs, shingle bays, saltmarshes, tidal flats, former and current lakes, former areas of lowland raised bogs, residual peat bogs and reedbeds, and the shapely rounded low hills known as ‘drumlins’ which are associated with former ice sheets and glaciers.

However, it is not just the geology (i.e. the characteristics of the rocks, sediments and geological structures), which is important; it is also the ‘geodiversity’, the sheer variety of geological features, including the fossils, minerals, natural processes, landforms and soils – as well as the rocks – which underlie and determine the physical character of the landscape and the natural environment. Other features of geological interest which also contribute to the landscape character include solution hollows (or dolines) in the limestone, sea caves, scree-covered slopes, erratic boulders, karstic features and Carboniferous limestone fossil assemblages.

The landscape has been shaped primarily by its limestone geology but also by a range of geomorphological processes, which have acted upon it over many millions of years. Current active processes, such as losing saltmarsh, channel shifts across the estuary, lead to continuing changes; this is clearly not a static landscape.

There are two nationally important geological sites within the AONB, designated as SSSIs for their geological interest - Trowbarrow Quarry and Hale Moss Caves. The condition of both these sites remains favourable. While both Gait Barrows and Leighton Moss SSSIs are primarily designated for their biological interest they are also important for their geology. There are 7 Local Geological Sites, all of which are in good condition and positive management, and there are 16 Limestone Pavement Orders covering 16% of the AONB area.

Buildings and settlements constructed from local limestone, dating back from Medieval times around 800 years ago, are scattered throughout the AONB and contribute to the character and quality of the landscape and the historic character of the area. Also, limestone wall field boundaries, limestone solution features in boundary walls and buildings, and limekilns are key features.

Geology is also an important aspect of the industrial heritage of the AONB, in particular quarrying and mining. Limestone has long been quarried to provide building stone. Numerous small abandoned quarries contribute to the character of the AONB landscape. Other sites developed into large-scale extraction industries, such as Middlebarrow and Sandside Quarry, and are highly visible reminders of the past industrial activity.

Historically, limestone was extracted and burnt to create lime powder, used for mortar, limewash and as a soil conditioner after firing in nearby limekilns. There are 36 known limekilns sites in the AONB, most of which are substantial limestone-built structures and form significant landscape and industrial heritage features in the AONB.

A Geology Audit and Assessment has been undertaken in 2018. A detailed AONB-wide audit has been carried out and research undertaken into the geological evolution of the area. This has provided a robust evidence base of the geodiversity of the AONB for monitoring delivery of the AONB Management Plan, monitoring landscape change and to inform an ecosystems approach to AONB management activity, helping to ensure the landscape is resilient to change and continues to deliver multiple benefits for people.
Invasive non-native species and diseases
Some invasive non-native species are now present at a small number of locations within the AONB including Japanese Knotweed, Giant Hogweed, Himalayan Balsam, Piri-piri Burr and *Crassula helmsii*. Cotoneaster and buddleia have been recorded at various SSSIs within the AONB and grey squirrels are well established. Mink are also present.

Dieback of ash is a serious disease of ash trees caused by the fungus *Chalara fraxinea* and is present in the AONB. As ash woodlands are the dominant woodland type within the AONB the impact of the spread of this disease on the landscape could be significant. Fungus-like pathogens *Phytophthora austrocedrae*, which causes dieback and mortality of juniper and *Phytophthora ramorum* that causes extensive damage and mortality to trees and other plants, are now present in northern England.

Issues and challenges
- effects of climate change including extreme weather, storm surges, sea level rise and temperature change
- loss and deterioration of some characteristic habitats
- habitat fragmentation and declining resilience of ecological networks
- loss or decline of characteristic species and species diversity including low genetic diversity of some species that are on the brink of extinction e.g. Teesdale violet
- unfavourable or declining condition of a small number of SSSI sites/units
- relatively low level of positive management of Local Wildlife Sites
- the focus on designated sites can make non-designated areas of priority habitat more vulnerable
- scrub encroachment on and nutrient enrichment (through fertiliser, manure or slurry application) of species-rich limestones grassland sites leading to decline in species-richness
- achieving appropriate grazing regimes on limestone grassland
- under management of woodland, particularly on sensitive difficult-to-manage sites such as limestone pavement
- potential for ash dieback to significantly affect ash woodland habitats
- damage to woodland caused by grey squirrels and deer
- invasive non-native species, pests and diseases
- high tide salt water incursion into Leighton Moss and other low-lying mosses during storm surges
- changes in and uncertainty about support mechanisms for farmers and landowners to enable biodiversity enhancements
- recreational disturbance of wildlife particularly breeding and overwintering waders and wildfowl on the coast
- potential to cause harm to biodiversity through works to conserve or research historic assets or archaeological sites
- decline in species reliant on the built environment such as swifts and bats
- loss of, damage to or under management of geological sites or features
- lower than expected level of awareness and understanding of the importance of the area’s geodiversity
- terrestrial and marine litter
- wildlife crime
Outcomes

- Increased area of priority habitats that are well connected
- Priority habitat condition is favourable or improving
- Key species are being conserved or are recovering
- The area’s biodiversity is well researched and understood
- Geodiversity is in favourable condition
- The area’s geodiversity is well researched and understood

To address the issues and challenges and achieve the objectives and outcomes, decisions, land management and project delivery should:

- take a coordinated and landscape-scale approach to nature conservation within the AONB and across the Morecambe Bay area, including by supporting the work of the Morecambe Bay Local Nature Partnership
- deliver net gains in biodiversity, developing robust ecological networks that are resilient to climate change through habitat enhancement, expansion, restoration and creation including improving habitat connectivity by establishing buffer zones, linear corridors and ‘stepping stones’, with a focus on priority habitats and enhancing landscape character
- improve understanding of the attributes of healthy, resilient landscapes and how this relates in detail to the AONB – for example, what habitat diversity, patch size and connectivity is needed to build resilience
- ensure that any proposed actions do not have an adverse effect on the species or habitats for which Natura 2000 sites are designated
- recognise the statutory importance of designated sites and strive to ensure they are adequately protected
- ensure positive management of Natura 2000 and SSSIs to achieve favourable condition status and carry out regular condition monitoring
- increase the proportion of Local Wildlife Sites that are in positive management
- support high nature-value farming and forestry/woodland management providing bespoke advice and support to landowners, land managers and farmers
- support and encourage appropriate and sensitive land management approaches such as uptake of agri-environment schemes or site/farm/woodland management plans
- implement grazing regimes that enable livestock farming to be sustainable and characteristic habitats to flourish
- retain, improve and expand areas of species-rich calcareous grassland including by clearing scrub and ensuring appropriate grazing regimes
- ensure appropriate seasonal cutting of hay meadows
- facilitate species-rich green hay spreading using appropriate donor and receptor sites
- create more transitional habitats such as woodland edge
- prioritise protection and enhancement of ancient semi-natural woodlands
- sustainably manage woodland through coppicing, selective thinning, creating rides and glades, freeing up veteran trees, retaining deadwood and felling within woodlands where appropriate
- support use of sensitive low-impact woodland management techniques, such as horse–logging, particularly on challenging sites
- manage grey squirrels in a coordinated way through the Westmorland Red Squirrels group and monitor red squirrel sightings
- manage deer in a coordinated way through the Deer Initiative and the Arnside and Burton Deer Management Group
- install and monitor wildlife boxes in appropriate locations
- restore and enhance wetland habitats in appropriate locations including wet grassland, moss and fenland, and reedbed
- ensure collaboration and joined-up habitat management at key sites such as Warton Crag
- raise awareness of, monitor, control, manage, prevent spread and/or eradicate invasive non-native species and diseases including Giant Hogweed, Himalayan Balsam, Piri-piri Burr, Japanese Knotweed, Cotoneaster, Chalara dieback of ash, Phytophthora spp. Grey Squirrel etc. (through Cumbria Freshwater Invasive Non-Native Species, Rapid Response Plans, Tree Health Group, volunteer work parties and focussed projects etc.)
- take planned targeted action to conserve key species with a focus on S41 priority species including High Brown Fritillary, Lady’s-slipper Orchid, Maidenhair Fern, Autumn Lady’s Tresses, Teesdale Violet, Bittern, Red Squirrel
- implement appropriate species reintroduction working with appropriate bodies and according to IUCN and other appropriate guidelines e.g. floral restoration, dormouse etc.
- tackle wildlife crime in a coordinated way
- support efforts to conserve swift populations and other species reliant on the built environment
- carry out regular litter picks and beach cleans
- conserve, enhance and improve the resilience of pollination as an ecosystem service supporting actions to create pollinator habitat and help pollinating insects
- encourage sensitive management of roadside margins and verges to enhance their biodiversity value
- conserve, manage and improve understanding of geodiversity – both statutory (Special Areas of Conservation, Limestone Pavement Orders, SSSI) and non-statutory (Local Geological Sites) sites and also non-designated geological features and assets
- raise awareness of the importance of geodiversity as part of the landscape character and cultural heritage of the AONB, its importance in providing ecosystem services and its key link to biodiversity
- increase awareness and appreciation of geology and the conservation of geodiversity in a sustainable way for example through the publication of geotrails, interpretation etc.
- coordinate a programme of biodiversity and geodiversity monitoring and research
- carefully manage works to conserve or research historic assets or archaeological sites with a multi-objective approach so that they do not cause harm to biodiversity or geodiversity

5.1.3 Water environment
Overall the AONB is a relatively dry landscape as a consequence of its limestone geology. Water is nevertheless an important feature of the landscape. The two major rivers in the area, River Kent and River Bela form the AONB boundaries, to the north and northwest, and the south west respectively. Leighton Beck, Quicksand Pool and Black Dyke are smaller water courses. The main water body is Hawes Water, an internationally important marl lake, one of only a small number in England. Open water is present at Leighton Moss and there is a small lake at Haverbrack. There are numerous springs and small ponds across the area which form distinctive features and are
historically important having been a key factor in the location of settlement, in particular strongly influencing the dispersed pattern of Silverdale village. About 37% of the AONB is covered by the tidal waters of the Kent Estuary and Morecambe Bay.

Where water quality monitoring takes place in the AONB it shows that water quality is generally good in the rivers and streams and in Hawes Water. At Leighton Moss monitoring indicates levels of phosphorus elevated above the level required to ensure that the SSSI is in favourable condition. Agriculture has been identified as the primary reason for the elevated levels. While there is currently little monitoring information to confirm it, there are concerns about groundwater quality in the Silverdale area. Discharges from sewage treatment infrastructure are the cause of concern here.

Fluvial flood risk has previously been low within the Arnside & Silverdale AONB but in December 2015 Storm Desmond led this to be the wettest calendar month overall since records began and there was flooding in Warton and Beetham villages and across the mosses. Surface water flooding can be an issue in Warton, Arnside and Yealand and coastal flooding is a potential risk in certain areas such as Storth and Sandside. The issue of coastal flooding and salt water inundation of the low lying mosses is cross cutting with climatic factors.

The intertidal sand and mudflats of Morecambe Bay support a range of shellfish, including cockles. Warton Sands cockle bed is located in the south west corner of the AONB. There were active cockle fisheries in Morecambe Bay for most of 2017 but stocks of cockles were not of a commercial quantity at Warton Sands. The fluctuation in cockle recruitment is natural and there can be huge variations over time. The sustainable management of the cockle fishery is very important as over exploitation could impact on the important oystercatcher population within the Bay, which feeds on the cockles in the intertidal area. Oystercatchers are reliant on the productivity of the cockle beds and reductions in the cockle population could impact on the AONB’s important oystercatcher population.

**Issues and challenges**

- diffuse water pollution from agriculture and point source water pollution from sewage treatment infrastructure
- effects of climate change including extreme weather, storm surges, sea level rise with increased risk of fluvial, surface water and coastal flooding and also low flows in times of drought
- fluvial and surface water flood management
- eutrophication, particularly in the Leighton Moss SSSI
- sedimentation of water courses and water bodies
- lack of comprehensive and coordinated water quality monitoring programme
- modification and loss of natural processes for rivers and wetlands
- increasing and conflicting demands on the coastal zone resulting from coastal squeeze due to sea level rise, enhanced coastal access and land use
- sustainable management of shellfishery

**Outcomes**

- High water quality and good condition of water courses and water bodies
- Sensitive and sustainable flood risk management

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19 North Western Inshore Fisheries and Conservation Authority, Jan 2018
To address the issues and challenges and achieve the objectives and outcomes, decisions, land management and project delivery should:

- take a coordinated approach to catchment management through Catchment Partnerships delivering projects to help increase flood resilience and improve the quality of the water environment and supporting delivery of the NW River Basin Management Plan and to meet Water Framework Directive objectives
- implement real improvements in the water environment using the catchment approach to dealing with water quality, wider environmental issues and water efficiency
- support measures which protect and enhance aquatic ecosystems, both terrestrial and coastal/estuarine, thus supporting progress towards ‘Good Ecological Status’
- improve water quality in and around the AONB and Morecambe Bay working with Environment Agency, South Cumbria Rivers Trust and Lune Rivers Trust to encourage and support local action to protect and enhance the water environment
- support effective delivery of the Leighton Moss and Hawes Water Diffuse Water Pollution Plan
- implement a comprehensive programme of monitoring water quality in water courses and water bodies if feasible
- implement catchment sensitive farming initiatives to tackle agricultural diffuse and point source pollution in target areas
- raise awareness of issues and what action residents can take to improve condition and management of septic tanks through initiatives such as the Love My Beach campaign
- ensure any new development implements high quality sewerage infrastructure
- support the restoration and enhancement of wetland habitats and the reinstatement of natural processes, in appropriate locations
- support appropriate natural flood management schemes and ensure engagement with local authorities, EA, Catchment Partnerships (South Cumbria rivers Trust and Lune Rivers Trust), wherever appropriate to help reduce inland and coastal flood risk and deliver relevant projects within/adjacent to the AONB
- implement sustainable and integrated coastal zone management supporting measures which protect and enhance the coastal and estuarine habitats of the area and protect bathing waters
- ensure appropriate involvement in marine planning (e.g. Shoreline Management Plan, North West Marine Plan etc.) regarding internationally and nationally important coastal and intertidal wildlife sites, water quality management, the seascape, the coastal historic environment, climate change adaptation and mitigation, coastal change and flooding, shell fisheries, tourism and recreation (particularly coastal access)
- reduce marine and coastal litter
- ensure engagement in the development of any coastal zone management and flood risk strategy for the Kent estuary or coastal defence strategy for outer Kent estuary, including Grange and Arnside or any realignment and habitat creation studies
- conserve and enhance the water environment within and beyond the AONB (i.e. Morecambe Bay) to minimise diffuse pollution within the AONB and minimise flood risk and enhance resilience to climate change via EA and Catchment Partnerships
- encourage uptake of agri-environment schemes to help deliver multiple benefits including flood risk benefits, supporting restoration of natural floodplain wherever possible
• sustainably manage Warton Sands shellfishery through Hybrid Fishery Order for Morecambe Bay

5.1.4 Historic and cultural heritage

The rich history and distinctive settlement character of the AONB are identified as two of its special qualities and are integral to its character. The historic environment includes all aspects of the environment resulting from the interaction between people and places through time, including designated and non-designated heritage assets, the potential for unrecorded archaeology and historic landscape character.

Many of the features that make the area distinctive reflect the estate, agricultural or industrial heritage of the AONB such as parkland, field boundaries (drystone walls and hedges), designed landscapes, ancient woodlands, traditionally coppiced woodland, orchards, limekilns and farmsteads. The settlements (the layout, character and appearance of villages and hamlets and the building traditions of the area) contribute strongly to the character and quality of the AONB landscape and are important to the area’s local distinctiveness and sense of place.

There are 695 Historic Environment Records within the AONB including 10 Scheduled Monuments, 115 Listed Buildings, 1 Registered Park and Garden and many non-statutory archaeological sites. There are 3 Conservation Areas – Warton, Beetham and the Yealands. Up to date Conservation Area Appraisals (CAA) are available for Beetham and Warton.

The 10 Scheduled Monuments are:

• Arnside Tower, Arnside
• Beetham Hall (curtain wall and uninhabited portion), Beetham
• Hazelslack Tower, Beetham
• Ringwork in Dallam Park 380m south east of Dallam Tower, Beetham
• Dog Holes Cave, Warton Crag, Warton
• Badger Hole, Barrow Scout, Warton
• Warton Crag Hillfort, Warton
• Old Rectory, Warton
• Round cairn on Summerhouse Hill, Yealand Conyers
• Stone circle on Summerhouse Hill, Yealand Conyers

Of these, four remain on the Historic England Heritage At Risk Register (2017): Arnside Tower, Hazelslack Tower, Beetham Hall (curtain wall and uninhabited portion) and Warton Crag Hillfort.

At Warton Crag a major project has recently been undertaken to research and investigate the ‘hillfort’. While the formal records are still to be updated, the research has resulted in a change in how Historic England interpret the site; what had previously been described as an Iron Age Hillfort is now best interpreted as a Bronze Age Hilltop Enclosure, most likely used as a site with significance for gatherings, rather than as a defensive structure. Work is currently being undertaken to establish a conservation management plan to balance the needs of the archaeology of the site with its natural heritage importance and management. Once this plan is being implemented it is likely that the site will be removed from the Heritage At Risk Register.

Since 2013 Grade II* listed Slackwood Farm has undergone a full restoration and has now been removed from the Heritage At Risk Register.
South Lakeland District Council and Lancaster City Council are currently preparing lists of local heritage assets within their districts which are not protected by a statutory designation. A local heritage asset is a building, structure or man-made landscape of local historic or architectural importance which contributes to the local landscape, the local built character, settlement formation and ‘sense of place’ but is not covered by statutory legislation. Once these lists are in place, these assets will be more easily managed through the planning system. There are also a range of other non-designated heritage assets and features that make an important contribution to the historic landscape character of the AONB.

Much of the AONB has been managed for many years as part of private estates. Dallam Tower and Leighton Hall estates remain major landowners and manage large parts of the area for farming, forestry and rural sports. Numerous other smaller estates previously existed and had a strong influence in how the landscape developed in particular historic parkland and designed landscapes and gardens associated with estate houses and lands. The 18th century deer park at Dallam Tower is nationally important and registered. Six undesignated historic designed landscapes were identified to be of exceptional interest and quality and potential national importance in a 2013 research study, including the gardens at The Hyning, which were designed by renowned landscape architect Ralph Hancock, and those at Hazelwood Hall that were designed by Thomas Mawson.

Agricultural features such as ancient enclosure and other traditional field patterns, traditional stone-built farmsteads, farm buildings and field barns, water troughs, milk churn stands, bee boles, mounting blocks, ponds, springs and wells, traditional boundary walls, hedgerows, historic pathways (such as the Coffin Route), milestones and markers, traditional road and directional signage and ancient and veteran trees and woodland, are important and distinctive features of the historic landscape.

Orchards have also been a feature of the landscape for hundreds of years. There are more than 90 orchards and gardens in the AONB, growing a wide range of apple, plum, damson and pear varieties, including a number of rare and unique varieties. While some orchards are well managed, the condition of others is deteriorating and many are in need of concentrated restoration work.

The area has been a thriving industrial as well as agricultural landscape. Features such as limekilns, quarries (both redundant and active), mineral railways, copper/iron mining and processing sites, coppiced woodland and charcoal-making sites, commercial port facilities and shipbuilding tell the story of how the natural resources of the area have been exploited.

Finds such as a Viking Hoard, a collection of over 200 pieces of silver jewellery and coins, found buried in 2011 indicate that there is likely to be a significant resource of hidden features and archaeology, which would add to the understanding of the area’s history.

Historic Landscape Characterisation Reports for both Lancashire and Cumbria provide valuable tools for understanding the cultural heritage of the AONB.

While some projects have been undertaken, information on social and cultural history of the AONB such as land management practices, local history and development of the villages is at risk of being lost as people get older and if it is not formally recorded in some way.

The traditional settlement character of the area is distinctive including rural character, pattern, layout, and vernacular design and materials. Limestone buildings, many with characteristic features

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20 Arnside & Silverdale AONB Historic Designed Landscapes Research Report, E. Bennis, 2013
21 Orchards of the Arnside & Silverdale AONB, 2007
23 Cumbria Historic Landscape Characterisation – final report, July 2009
such as limestone solution features contribute to the area’s historic character. There are Conservation Areas in Warton, Yealand and Beetham.

**Issues and challenges**

- four scheduled monuments remain ‘At Risk’
- declining condition and loss of heritage assets and features that contribute to historic landscape character
- lack of information and research about, and recording of, the heritage assets and historic landscape character of the AONB
- the focus on designated assets can make non-designated assets more vulnerable to loss, damage or neglect
- non-designated historic assets that are an important part of the historic landscape and are valued by people are not always well described or recognised
- gradual loss or fragmentation of traditional field patterns resulting from the removal and erosion of field boundaries such as drystone walls and hedges
- loss of and deterioration in condition of orchards and loss of traditional fruit varieties
- risk of harm to the archaeological resource and traditional character of settlements and individual buildings through inappropriate development
- increased likelihood of damage to and deterioration of structure and foundations of historic buildings through storm events, heavier and winter waterlogging due to climate change
- damage to or loss of chimney and associated structures at Jenny Brown’s Point due to erosion of salt marsh and sea level rise
- potential to cause harm to historic assets or archaeological sites through works to conserve or enhance biodiversity
- under management or poor management of heritage assets and features

**Outcomes**

- Historic landscape character is conserved
- Key heritage assets and features retained and sensitively restored
- The area’s heritage is well researched and understood

**To address the issues and challenges and achieve the objectives and outcomes, decisions, land management and project delivery should:**

- establish an historic environment working group to ensure a coordinated AONB-wide approach to conserving, enhancing and improving understanding of historic and cultural heritage
- reduce number of heritage assets that are ‘at risk’
- conserve and enhance heritage assets and their settings
- improve knowledge and understanding of heritage and culture through surveys and research programmes
- monitor condition of heritage assets and use this to inform future management and/or restoration
- maintain and improve the Historic Environment Record for the area
- provide advice, guidance and support for owners
- ensure succession planting for ancient, veteran, notable and parkland trees
- restore orchards in need of concentrated restoration work
• undertake surveys to record historical interest before conversion of historic buildings such as farmsteads and barns to new uses
• research and record oral history and cultural heritage
• manage and interpret heritage assets and features
• take targeted action to protect heritage assets at risk of damage due to climate change
• carry out research, field survey and recording of features along the coast that are likely to be lost due to erosion of saltmarsh and sea level rise including the chimney at Jenny Brown’s Point
• support the local authorities in preparation of Local Heritage Lists as part of the protective framework for heritage assets
• support local organisations and projects to enhance local capacity, increase awareness of and public involvement in the management of the local historic environment
• encourage uptake of agri-environment schemes to enhance the historic landscape
• raise the profile of archaeology and support the delivery of archaeology-related projects
• promote the historic environment so that people can appreciate and enjoy heritage assets
• research and describe non-designated heritage assets and features
• carefully manage works to conserve or restore biodiversity or geodiversity using a multi-objective approach so that they do not cause harm to heritage

5.1.5 Development management

Development pressure and inappropriate development were identified as one of the most significant issues affecting the AONB in the Management Plan consultation held in early 2018.

The National Planning Policy Framework sets out national planning policies relevant to AONBs. Local responsibility rests with the relevant local planning authorities: Lancashire and Cumbria County Councils for minerals, waste, highways etc. and Lancaster City Council and South Lakeland District Council for local planning policy and development management. Local Plans set out strategic and development management policies.

Lancaster City Council and South Lakeland District Council are working together towards adoption of a dedicated Development Plan Document (DPD) for Arnside & Silverdale AONB, which sets out a landscape capacity-led approach to development management. Once adopted the AONB DPD will be part of the two authorities’ Local Plans; it will include specific development management policies for the AONB and a number of land allocations where housing and employment development has been found to be appropriate. It will also designate open spaces within settlements that make a significant contribution to their character as Key Settlement Landscapes, to be protected from development.

The AONB DPD will set out a policy approach to ensure development is planned and managed in a way that conserves and enhances the natural beauty and special qualities of the AONB. Any new development should seek to deliver enhancements to the landscape, biodiversity and settlement character wherever possible. Robust implementation of the AONB DPD will help to enable the local authorities to fulfil their statutory duty to have due regard to the AONB purpose in their decision-making with respect to planning matters.

As is the case in many rural areas, within the AONB there is a recognised need for housing to meet local needs, in particular affordable housing. In Arnside & Silverdale AONB there are only a very

24 86% of respondents to the Full AONB Management Plan Review Consultation Survey, 2018, indicated that development pressure was the most important issue affecting the AONB
limited number of sites that are considered appropriate for development (i.e. can be developed without causing harm to the special qualities of the AONB). It is therefore very important to ensure that affordable housing is in fact delivered on the appropriate sites that have been allocated, as well as windfall developments or redevelopments on other sites, otherwise the need and the consequent pressure for development will remain. In order to address this issue, the AONB DPD stipulates that in developments of 2 or more houses, 50% must be affordable

**Issues and challenges**

- inappropriate location, design scale and/or nature of development which causes harm to the area’s landscape character, visual amenity or natural and cultural heritage within the AONB or its setting (for example loss of priority habitat, loss of traditional boundaries, impact on heritage features etc.)
- potential pressure for major development within the AONB or its setting including commercial scale energy development such as wind, tidal schemes, overhead wires and pylons or the winning of shale gas by hydraulic fracturing (fracking)
- loss of character and/or features due to insensitive conversion or modification of traditional vernacular buildings e.g. barns, farmsteads
- significant pressure for new housing development leading to potential loss of open spaces within settlements which contribute to rural, landscape and settlement character or encroachment into the countryside
- urbanisation of villages and rural lanes and roads
- securing enhancements through sensitive development
- lack of mains sewerage systems in large parts of the AONB, particularly Silverdale
- if affordable or other local needs are not met on sites which may be suitable for development in the AONB, those needs will remain unmet potentially putting pressure on more sensitive sites
- development just outside the AONB such as large scale holiday complexes and further commercial development along the A6/M6 corridor, has the potential to adversely affect the setting and views out from the AONB, particularly on the eastern margins

**Outcomes**

- Implementation of a landscape-capacity led approach to development policy and management
- All development is appropriate and sensitive, conserves and enhances the natural beauty, landscape and seascape character and special qualities of the AONB, and helps meet identified local needs

**To address the issues and challenges and achieve the objectives and outcomes, decisions, land management and project delivery should:**

- ensure all development conserves and enhances the AONB, and avoid major development, consistent with paragraph 172 of the NPPF
- implement a landscape capacity-led approach to planning and development management as set out in the AONB Development Plan Document (AONB DPD) and the districts’ Local Plans
- ensure all development conserves and enhances the natural beauty of the AONB and prevent development that would cause harm to the natural and cultural heritage and special qualities of the AONB

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26 this paragraph reflects the currently proposed modifications to the Publication Version of the DPD
• ensure that all development management decisions relating to proposals within the AONB or its setting have regard to the AONB Management Plan, AONB Landscape and Seascapes Character Assessment and relevant county landscape character assessments
• ensure that the national importance of the AONB landscape is recognised and that policies to ensure the conservation and enhancement of the area are included in new and reviewed plans and policies relevant to the area
• enable the AONB Partnership to provide independent landscape-related planning and policy advice to local authorities, reviewing and making formal responses to planning applications
• provide design guidance in order to encourage sensitive design appropriate to the AONB
• conserve and enhance the landscape and natural beauty of the area, in particular its characteristic features, rural nature, historic character, local distinctiveness, coastal landscape and seascapes, visual amenity and views, tranquillity, dark skies and sense of place and space
• respect local traditional settlement character including pattern, layout, scale, design, vernacular tradition and materials
• encourage robust landscape and visual amenity impact assessments which take full account of cumulative and incremental impacts to be undertaken
• deliver housing which closely reflects identified local needs (with affordable housing a high priority) in appropriate locations
• protect and enhance the natural environment in particular the robustness, function and value of ecological networks and ecosystem services
• protect public open space and recreational networks
• support the designation and protection of areas of open space within settlements that make a key contribution to landscape and settlement character as Key Settlement Landscapes
• protect and enhance the historic environment, including historic buildings, heritage assets and their settings and historic landscape features such as drystone walls, field barns, hedgerows, veteran trees etc.
• encourage the highest standards of design, construction and landscaping that respond to the character of the landscape and local built environment and reinforce what is special and locally distinctive about the area
• retain and improve rural services and community facilities in a way that conserves and enhances the special qualities of the AONB
• ensure economic development supports an environment-based economy, is appropriate and environmentally sustainable and does not harm the natural beauty or special qualities of the AONB and environment based economy
• require new development to contribute towards new infrastructures in a way that reflects the AONB purpose with high priority being given to green infrastructure and benefiting walking, cycling and public transport
• restrict caravan, chalet cabin or lodge style development and ensure tourism development is appropriate and environmentally sustainable and does not harm the natural beauty or special qualities of the AONB
• improve and deliver new high quality sewerage infrastructure and sustainable drainage systems
• ensure advertising and signage is appropriate to the AONB implementing restrictions as required
• ensure sensitive design and management of highway and public realm schemes
5.2 Vibrant and sustainable communities

The following objectives will contribute to achieving vibrant and sustainable communities:

Rural livelihoods and an environment-based economy

8. Support landowners and managers to sustainably manage the landscape in a way that conserves and enhances the special qualities of the AONB and delivers a range of environmental, community and local economic benefits.

9. Ensure that the visitor economy is environmentally sustainable and contributes to the conservation and enhancement of the area’s special qualities, and enable visitors to have high quality experiences of nature, culture and quiet recreation.

Affordable housing and rural services

10. Enable the delivery of affordable housing and services to help meet local community needs in a way that conserves and enhances the special qualities of the AONB.

Community engagement and volunteering

11. Engage local communities in conserving and enhancing the AONB and encourage active involvement through volunteering.

5.2.1 Rural livelihoods and an environment-based economy

The interdependent relationship between natural beauty, land management, the economy and community is clear. In pursuing the purpose of AONB designation, account must be taken of the needs of agriculture, forestry, other rural industries and the economic and social needs of local communities and particular regard is paid to promoting sustainable forms of social and economic development that in themselves conserve and enhance the environment.

Working to conserve and enhance the exceptionally high quality environment of the AONB helps create the conditions for economic growth and prosperity both locally and in the wider region and creates tangible connections between businesses, communities and nature.

The most recent estimate of the population living in the AONB (mid 2016) is 7070, 480 fewer than in 2011. The AONB has an older than average population with fewer children and young working age people than in Cumbria and Lancashire as a whole.

Unemployment rates are very low.

27 Census, 2011
Farming and forestry
Farming and forestry have created much of the special landscape that we see today so the health and viability of the land management sector, national policy approaches and work of individual landowners, farmers and land managers are all critical to conserving and enhancing the AONB. Maintaining a viable and sustainable land management sector will be essential to delivering the AONB purpose into the future.

The total number of commercial farm holdings in the AONB in 2016 was 48, with most of these being under 20ha. Farms grazing livestock (beef and dairy cattle and sheep) are the predominant farm type, 63%, with 17% being general cropping farms (predominantly silage). There appears to have been an increase in the percentage of larger farms (>100ha) since 2010 along with a continued shift away from small holdings (<5ha).28

Following a period of decline, employment in farming within the AONB increased by 23% between 2010 and 2016. In 2016, 26% of those employed in farming were full time farmers, 35% part time and the remainder full and part time employees and casual workers.29

Farming within the AONB has diversified over the years to encompass a range of non-agricultural activities including equestrian uses and the provision of holiday accommodation, campsites and other facilities associated with recreation and rural tourism. Further diversification is likely as wider economic pressures continue to make income from farming unpredictable.

Agri-environment schemes provide funding and support for farmers and land managers to deliver sensitive environmental management on their land. There is significant uptake of Environmental Stewardship and Countryside Stewardship within the AONB, with 24 live agreements in 2018 covering 1314ha. However, overall coverage has decreased over the last 5 years from 2095ha and 33 agreements in 2013.

Nationally, work is being carried out on the design for a successor agri-environment approach after Britain’s exit from the European Union. The key drivers behind this are expected to be priority policy objectives contained in the 25 year Environment Plan.

Managing woodlands produces timber, coppice and woodfuel products and supports jobs. The profitability of forestry is dependent on world market prices and the cost of transport, but increasing interest in the use of woodfuel heating and other wood products is creating the potential for the development and growth of a successful local woodfuel economy. This also leads to an expansion of managed woodland within the AONB with resulting benefits to biodiversity and provision of ecosystem services. Woodlands also play an important role in recreation and tourism, supporting the visitor economy. Forest Enterprise manage 221ha woodland in the AONB as part of the Public Forest Estate.

Rural skills
Increasing the number of skilled contractors, land managers and volunteers trained in traditional rural management practices, such as hedgelaying and building drystone walls, carrying out coppice management and maintaining traditional orchards will benefit both the landscape and the local economy. The AONB Partnership runs an annual rural skills programme, providing a range of events, training and competitions and working with local hedgelaying and drystone walling associations and training providers.

28 Defra Agricultural Survey, 2016
29 Defra Agricultural Survey, 2016
Creative and knowledge-based industries
The AONB, with its high quality landscape, clarity of air, spectacular views and diversity of wildlife attracts artists and crafts people who take inspiration from their environment. The Silverdale & Arnside Art and Craft Trail now involves nearly 90 local artists and craftspeople. Educational and knowledge-based businesses and consultancies are increasing. The area is also popular with people who can work remotely through good ICT links. These businesses can contribute to the tourism offer of the AONB and support the local economy as well as providing local employment and training opportunities.

Local products
Consumer interest in foods and products with local provenance is growing. Strong links can be developed between land management, local products and tourism to support the development of valuable short supply chains. Meat (beef, lamb, venison, game), milk, fruit, apple juice, wood products and arts/crafts are all produced in the AONB.

Visitor economy
Tourism is a key component of the local economy. Around 14% of businesses are involved in tourism business activity (7.2% in accommodation and transport, 6.6% in food and beverage & culture and leisure businesses). This compares with 12.4% for all AONBs and 27.3% in National Parks. Tourism accounts for nearly a fifth of total employment within the AONB.30

Tourism in the AONB is largely based on the area’s nature, culture, special qualities and quiet outdoor recreational opportunities with a growing food and drink offer. In the 2013 Morecambe Bay Visitor Survey31 the most popular reasons for visiting the area were for its beautiful scenery and its peace and tranquillity. Almost 90% of respondents were interested in visiting places where they can see and or experience wildlife. 94% agreed that Morecambe Bay was good for nature and scenery; 70% of visitors agreed that the area was good for culture and heritage.

Key attractions include RSPB Leighton Moss, Leighton Hall, Silverdale Golf Club, Wolf House Tearooms and Gallery, Arnside promenade and Arnside Knott, Warton Crag, Heron Corn Mill and the Cross Bay Walks.

Leighton Moss visitor figures have grown steadily over the last three years from 99,669 in 2015/16 to 114,373 in 2017/1832.

A sustainable approach to the management of tourism in the AONB is required which takes account of the needs of the environment and does not harm, rather enhances, the special qualities of the AONB. The opportunity exists to encourage the tourism industry to be more sustainable. The number of visitors to the AONB is expected to rise in the future and managing this increase while protecting the special qualities of the AONB is a key challenge. It is important to ensure that recreational pressure is managed effectively at a strategic level to ensure pressures are minimised.

Issues and challenges
- an older than average population and loss of young people affects the ability of the area to maintain a vibrant local economy
- lack of economic and business information applicable to the AONB boundary
- sustaining viable rural, farming and forestry businesses and livelihoods

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30 Protected Landscapes Monitoring, Source: IDBR, 2009, Local Units
31 Morecambe Bay Visitor Survey, 2013
32 RSPB data, 2018
• uncertainty about future of public funding for agri-environment and rural development schemes
• loss of expertise in traditional rural skills and land management practices such as hedgelaying, drystone walling, woodland management, coppicing and orchard management
• developing short supply chains for and marketing of local products
• limited access to training, business support and networking
• maximising opportunities for businesses to link directly with the landscape/special qualities of the AONB
• detrimental impacts on landscape character, visual amenity and the coast from tourism development in particular detrimental impacts of caravan development including cumulative impacts, urbanisation of sites, erosion of undeveloped coastline, loss of tranquillity and increased traffic (including frequent transportation of static caravans requiring escort vehicles) on narrow lanes of the area

Outcomes
• Viable high nature-value farming and forestry delivering a wide range of public benefits including conservation and enhancement of natural beauty
• Sustainable land management producing high quality products with short supply chains
• Environmentally-sustainable businesses linked strongly to the nature and culture of the AONB
• A high quality sustainable tourism offer – quiet recreation, nature, culture, local food/products, arts and crafts - benefitting the local landscape, environment and economy

To address the issues and challenges and achieve the objectives and outcomes, decisions, land management and project delivery should:
• promote an environment-based local economy strongly linked to conserving and enhancing the AONB
• provide bespoke advice and support to landowners and managers
• establish an AONB Land Management Network providing information, knowledge sharing, training and events
• implement the Morecambe Bay Countryside Stewardship Facilitation Scheme
• influence, test and trial new approaches to agri-environment schemes post-Brexit and support and encourage uptake of any new environmental land management scheme once it is launched
• develop and support a network of woodland management and woodfuel businesses to make greater use of under-managed woodlands and add value to locally produced wood products
• support social forestry initiatives including Silverdale District Wood Bank
• deliver an AONB rural skills programme (competitions, demonstrations and training events)
• provide apprenticeships / graduate traineeships / internships/ training contracts
• deliver local food and products initiatives - support development of short supply chains which link land management, local products and tourism, and promote local food and products
• ensure tourism development is consistent with the AONB purpose of designation and does not cause harm to the AONB’s special qualities including encouraging an environmentally responsible tourism industry (e.g. by encouraging uptake of schemes which improve environmental performance of a business such as the Green Tourism Business Scheme) and managing impacts of tourism growth
• establish an AONB Business Network providing information, advice, knowledge sharing, familiarisation visits, training and events
• promote and support Silverdale and Arnside Arts Trail
• improve understanding of visitor numbers, perceptions and spend within the area by carrying out a business and visitor survey
• effectively market and promote the area using Morecambe Bay destination branding – a collective approach by local authorities, Cumbria Tourism and Marketing Lancashire and a range of other organisations
• ensure appropriate, accurate and positive messages are promoted about the sustainable tourism offer in the AONB
• promote the AONB Visitor Charter
• liaise with local economic partnerships and other relevant organisations
• enable businesses to understand and to work together to promote the wildlife, cultural and recreational experiences the area has to offer
• develop a sustainable visitor giving package
• manage key visitor sites and gateways and monitor impacts including recreational disturbance

5.2.2 Affordable housing and rural services

The continued higher cost of housing in the area compared with average earnings means that provision of affordable housing for local need remains an issue. While this is recognised nationwide, the affordability ratio (average house price to household income) within the AONB is significantly higher than the national average. The Housing Needs Survey for the AONB identified the need for 72 affordable houses. However, while some schemes are in progress and there has been some delivery outside the AONB, no affordable houses have been completed within the AONB over the last five years.

It is hoped this trend can be changed through implementation of the AONB DPD, which identifies appropriate locations for affordable housing which will not have significant detrimental impact on landscape character and stipulates 50% affordable homes on every development of 2 or more houses33.

Local services and facilities, including schools, doctors’ surgeries, shops, post offices, garages and pubs, all contribute to the quality of life of the AONB’s communities and are also important to the visitor economy. To maintain the vibrancy of local communities, identified as one of the special qualities of the AONB, retention of these services, alongside provision of affordable housing, is vital. Minimising the distances people have to travel to access services also contributes to reducing CO2 emissions.

There are thriving primary schools and village/community halls in all of the AONB villages and there are convenience stores/post offices, in all except the Yealands. The largest settlements of Arnside and Silverdale both have medical practices, libraries and a range of other shops and services.

There is regular access to and from the AONB by public transport, principally by rail via the Furness line, which crosses the area with stations at Arnside, Silverdale and nearby Carnforth. This line provides connections with the rest of Morecambe Bay such as Lancaster, Grange, Ulverston and Barrow and the wider region, with direct services to Lancaster and Manchester. Passenger numbers

33 this reflects the currently proposed modifications to the Publication Version of the DPD
at all three stations have increased over the past five years – by 1% at Carnforth, 22% at Silverdale and 0.5% at Arnside.

The Carnforth Connect initiative provides a local bus service from Carnforth Station to Yealand Redmayne and the Silverdale Shuttle provides a link between the railway station and the village. There are limited bus services to Kendal and Lancaster. However, travel by bus within the AONB can be difficult, with lack of coordination of services between the Lancashire and Cumbria parts of the AONB and infrequent services. For example, there is no bus service between Arnside and Silverdale. There is clearly scope to encourage the use of sustainable transport options such as public transport, cycling and walking as alternative means of getting to and from the AONB and travelling around and enjoying the special qualities of the AONB.

There is limited but improving mobile phone and superfast broadband coverage.

**Issues and challenges**

- the need to deliver housing which meets local needs, with affordable housing as a particular priority, without harm to the special qualities of the AONB
- low level of affordable/local needs housing delivery
- retention of local rural services and facilities
- limited mobile phone and superfast broadband coverage in some parts of the AONB
- reliance on private cars for travel and under-use of sustainable forms of transport leading to detrimental impact of vehicles and traffic on the AONB’s character and tranquillity
- decline in bus and train services and need for improvements to station infrastructure
- lack of car parking and cycling and walking infrastructure provision in some locations

**Outcomes**

- Retention/enhancement of rural services and delivery of appropriate affordable housing schemes and facilities to meet local needs and in a way that conserves and enhances the special qualities of the AONB

**To address the issues and challenges and achieve the objectives and outcomes, decisions, land management and project delivery should:**

- prioritise delivery of affordable housing in appropriate locations and retention of local services and facilities in policy and decision-making
- ensure any new infrastructure and/or facilities are delivered in a way that conserves and enhances the special qualities of the AONB
- promote use of sustainable transport options particularly bus/train travel, cycling and walking for both residents and visitors to help retain usage of local services and mitigate against climate change
- improve station facilities and information so that Arnside and Silverdale stations act as arrival hubs for visitors
- promote the interests of the Furness train line as a key transport link especially through the activities of the Furness Line Community Rail Partnership (FCRP)
- support Broadband 4 the Rural North (B4RN) and other bodies to achieve enhanced super/hyperfast broadband connections and mobile phone signal coverage in a way that does

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Office of Rail and Road Data
not harm the special qualities of the AONB and avoids new vertical infrastructure in sensitive locations.

5.2.3 Community engagement and volunteering

Sustaining the vibrant communities of the AONB and retaining a feeling of shared identity is very important. There is a concentration of local societies and groups that share interests in the special qualities of the AONB. Awareness of the designation in the local community is considered to be high, although there are still residents who know little about the area and its protected landscape status. The AONB Partnership is seeking to put people at the heart of policy-making. Supporting the community to take part in managing and making decisions about the future conservation and enhancement of the area is essential in building sustainability of the AONB Partnership.

The contribution to local community life made by all kinds of volunteer activity across a broad spectrum of interests and activities is widely recognised. Encouraging continued and wider voluntary involvement by residents in supporting the conservation and enhancement of the AONB through, for example, the AONB volunteer programme and the AONB Landscape Trust, will be an important element in supporting community vibrancy.

There are numerous opportunities to support the area’s local groups and societies enabling people to meet, talk and share experiences of the area. Encouraging community participation in decision-making offers an opportunity to strengthen involvement and community ownership. Vibrant, active and engaged communities are at the heart of delivering the AONB Management Plan. There is long-standing Parish Council representation on the AONB Executive Committee and good participation in AONB Management Plan consultation process.

The Arnside & Silverdale AONB Landscape Trust is a registered charity with over 1100\(^{35}\) members, run entirely by volunteers, and plays an important role in raising awareness of and achieving conservation of the AONB. The Trust owns a network of nature reserves which it manages for conservation, publishes Keer to Kent magazine and organises a popular annual events programme, all of which are instrumental in helping the public understand more about the AONB and its management. The Trust is one of the largest charities in the country that is associated with an AONB.

The Bittern Countryside CIC is a social enterprise, run entirely by volunteers, that seeks to promote a more sustainable future by delivering a programme of community-based sustainable development initiatives with local communities, businesses and organisations active in and around the AONB. For example the CIC has undertaken a community renewables scheme and a project to address fuel poverty.

There is tremendous scope for local people to take an active role in conserving the character of the AONB and there are many local groups across the AONB which come together as communities of place or interest. Where these are connected to the purposes of the AONB designation, every effort should be made to build capacity of and support for these organisations and to work collaboratively to develop appropriate initiatives and projects.

Further opportunities exist to establish and support community-led volunteer groups to take action to conserve and enhance key sites.

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\(^{35}\) The Landscape Trust had 1126 members in January 2018
**Issues and challenges**

- encouraging effective engagement, participation and representation by local communities in the management of and decision-making about the AONB - putting people at the heart of policy-making
- supporting communities to conserve and enhance the special qualities of the AONB
- maintaining a shared sense of identity linked to the AONB and its special qualities
- maintaining a high level of volunteer involvement
- the global need to reduce carbon emissions, reduce consumption of natural resources and adopt sustainable lifestyles

**Outcomes**

- Communities are engaged and involved with caring for the AONB

**To address the issues and challenges and achieve the objectives and outcomes, decisions, land management and project delivery should:**

- ensure effective inclusive consultation and participation regarding AONB policy
- seek people’s views, experiences and ambitions for their environment, in order to understand what environmental features and services people value and how people wish to access the natural environment
- maintain Parish Council representation on AONB Executive Committee
- deliver the AONB Grants Fund – a small grants scheme managed by the AONB Partnership and Landscape Trust working together, to enable projects which support AONB Management Plan delivery
- support and build the capacity of community-led organisations which directly support the conservation of the AONB in particular the AONB Landscape Trust, Bittern Countryside CIC and Silverdale District Wood Bank
- support and promote practical volunteering programmes via the AONB Partnership, Landscape Trust, National Trust, RSPB, Butterfly Conservation, Natural England etc.
- support and encourage community initiatives and groups which help to conserve and enhance the area including Friends groups, Arnside District Natural History Society, John Barnes Memorial Trust, Mourholme Society, Arnside Archive etc.
- run a successful AONB Volunteer Programme providing opportunities to engage in practical conservation management tasks, monitoring, administration and event support
- support sustainability and low carbon living initiatives
- work alongside communities, helping them to identify local issues and develop innovative solutions, whilst conserving and enhancing the special qualities of the local natural and built environment
- deliver a programme of litter picks and beach cleans
5.3 A strong connection between people and the landscape

The following objectives will contribute to achieving a strong connection between people and the landscape:

**Enjoyment and understanding**

12. Provide high quality information, events and activities to enable people to enjoy, learn about and celebrate the AONB’s special qualities in a sustainable way.

**Access and recreation**

13. Maintain and improve access to the coast and countryside in a sustainable way for a diverse range of people and promote responsible and safe quiet recreation.

**Health and wellbeing**

14. Provide opportunities for people to improve their health and wellbeing by connecting with nature, culture and the landscape.

5.3.1 Enjoyment and understanding

Encouraging enjoyment and improving understanding of the special qualities of the AONB and the benefits provided to society by the landscape generates support and positive action for conservation, contributes to the local economy and improves the quality of people’s lives. Information, interpretation and communications raise awareness; events and activities encourage more and a wider range of people to connect deeply to nature, culture and landscape.

The tourism offer within the AONB is based on the area’s special qualities. Visitors’ experiences are enhanced by good quality information being available about the special qualities, and about how people can experience them and support their conservation. Promotion of opportunities for quiet enjoyment such as walking, running, cycling and bird watching enables visitors to make the most of what the area has to offer.

We know that many people care passionately about Arnside & Silverdale AONB. An online study carried out in 2016 saw over 100 people placing pins on an online map to describe how and why they valued the landscape. The results clearly showed the AONB is much loved and highly valued particularly for its beauty, views, wildlife, sense of place, tranquillity and recreational opportunities.

The AONB Partnership produces a variety of high quality online and printed communications and operates a small Information Centre at Arnside station. There were 95,942 unique pageviews on the AONB website in 2017/18 and 1734 face to face enquiries were dealt with at the AONB Information Centre in 2017. In September 2018 the AONB Facebook page had 1611 followers, with 2788 on Twitter and there were 791 subscribers to the AONB e-newsletter.

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36 Natural Capital and Resilient Landscapes in Arnside & Silverdale AONB Report, 2017
Events encourage people to enjoy, learn about and celebrate the special qualities of the area, connecting people with nature and encouraging participation and engagement. Partner organisations organise a vibrant programme of events throughout the year for all age groups including walks, talks, activities and festivals.

For example, the AONB Partnership’s Go Wild! initiative encourages children and families to get outside and have fun. It brings together a whole series of events for schools and families happening across the area. A Woodland Fun Day held in July 2018 attracted over 100 people to build dens, play games and enjoy the woodland and a series of successful Land Art events promote a deep connection with nature through art.

Over 900 visitors attended the AONB Apple Day in 2017 to celebrate the orchards of the AONB, the wildlife they support and the associated local produce. An AONB Annual Conference is held with a different theme each year; over 60 people attended in 2018.

A broad range of educational activity is delivered including working with local Primary and Secondary schools, hosting work experience placements, supporting University field visits and research, presenting specialist subject talks to local groups and societies and leading guided visits for a range of groups.

For example, in 2017 over 25 educational group visits were hosted at Warton Crag Local Nature Reserve and over 2000 school pupils visited RSPB Leighton Moss.

Nationally there is relatively low awareness of AONB designation.

**Issues and challenges**
- the need to raise awareness and understanding about the area, its special qualities and opportunities for enjoyment
- maintaining high quality and up to date communications with limited resources including responding to the changing ways people use and consume data and information
- maximising opportunities for lifelong learning
- providing and resourcing a wide range of events and activities to engage with different audiences including those with additional needs
- lack of resources to cover transport costs for school visits
- the national issue of children and young people losing their connection with nature
- a highly competitive environment for attracting funding support

**Outcomes**
- High awareness and understanding of the AONB designation and the special qualities of the AONB
- More and wider range of people connecting deeply to nature and the landscape through opportunities to enjoy and appreciate the special qualities of the AONB

**To address the issues and challenges and achieve the objectives and outcomes, decisions, land management and project delivery should:**
- take a strategic approach to communications, providing a variety of high quality online and printed communication and interpretation materials with a recognisable and consistent ‘AONB identity’
• provide high quality visitor information and interpretation
• promote walking, running, cycling, horse riding and wildlife watching and other forms of quiet recreation as ways of enjoying the AONB
• offer an integrated and coordinated annual AONB programme of events, guided walks, festivals, talks and conferences - including a flagship biennial AONB event (Apple Day or similar) and Annual Conference
• run and support education programmes for primary and secondary schools (e.g. Forest Schools, John Muir Award, links with urban areas) in particular offering structured educational visits to key sites such as the Local Nature Reserves and RSPB Leighton Moss
• connect with and work in partnership with Universities to encourage research projects and field studies
• operate the AONB Information Centre at Arnside Station
• deliver projects to interpret and celebrate the special qualities of the AONB
• use AONB events and educational visits to encourage participation and engagement by young people, helping develop their voice in setting future policy for conserving and enhancing the AONB

5.3.2 Access and recreation
There is an extensive network of over 110km of Public Rights of Way (PRoW) within the AONB, including footpaths and bridleways, and there are also numerous permissive paths. Significant areas of the AONB are openly accessible to the public such as the Local and National Nature Reserves and National Trust-owned land. Ranger and wardening services are provided on many of these sites. Footpaths are largely signposted with high quality wooden directional way markers.

The contribution of the access network to the local economy should be fully recognised; retaining, maintaining, improving and promoting this access network will enable residents and visitors to continue to have a high quality experience of the area.

Improving opportunities for people with disabilities and/or reduced mobility to enjoy the area is a priority. The AONB Tramper is currently hosted at RSPB Leighton Moss to enable people with limited mobility to discover the reserve; it has been used over 200 times so far in 2018. The More to Explore project is now enabling new routes to be added so that Tramper users can also explore further afield for example at Gait Barrows National Nature Reserve and at Sandside embankment.

The bridleway network for horses has the potential to be extended to improve availability and connectivity of routes.

Delivery of the England Coast Path is a current priority for Natural England. This will establish new access to the coast in certain locations. Habitats Regulations Assessments will ensure no adverse impact on the interest features of Natura 2000 sites (SAC, SPA, Ramsar).

National Cycle Network Routes 6 and 700 pass through the AONB. The Morecambe Bay Cycle Way (Route 700) was established in 2015 and attracts many people to enjoy the coast between Walney and Glasson Dock, with part of the route tracking the coastline of the AONB. Figures supplied by Morecambe Bay Partnership suggest that The Bay Cycle Way brings over 50,000 cyclists to explore the wider Bay area each year.

The development of a footpath and cycleway link from Arnside to Grange across the viaduct would provide a key strategic access link and a significant new visitor attraction.
The coastal area of the AONB can be dangerous, with shifting quicksands and fast incoming tides; Arnside coastguard have responded to 37 incidents so far in 2018. It is therefore important that information regarding safe access on the coast is widely available and promoted. Increased coastal access and the loss of salt marsh along the AONB coast due to natural erosion is likely to lead to increased risk of more people using the intertidal sandflats for recreation. In developing and implementing coastal access every opportunity should be taken to promote safety on the sands.

While the vast majority of people treat the countryside with respect, public access can lead to issues that cause problems for landowners. Public access particularly with dogs, can disturb grazing livestock or wildlife on sensitive sites. Dog attacks on sheep or cattle cause a significant impact on farmers’ livelihoods. Noise disturbance, cycling on footpaths, damage to infrastructure, litter and dog fouling are all potential issues which need to be managed. Working in partnership with landowners to tackle issues, increasing awareness of potential impacts and encouraging responsible behaviour in the countryside is therefore of high priority; The Countryside Code is a powerful tool to help with this. Access to particular areas, such as Warton and Kent Estuary saltmarshes, needs to be restricted to avoid disturbance to breeding and roosting birds.

**Issues and challenges**

- the need to maintain the Public Rights of Way network to a high standard
- improving public access for a wide range of people including those with disabilities often requires the cooperation of many different partners, stakeholders and landowners and ability to attract sufficient resources
- relative lack of bridleway routes for horses in the AONB and off road cycling routes
- maintaining high quality signage for the AONB access network
- irresponsible behaviour in the countryside
- recreational disturbance of wildlife on the coast and other sensitive sites
- disturbance of and attacks on grazing livestock by dogs and dog fouling
- public safety, particularly on the coast
- increasing volume and speed of road traffic
- erosion of paths at key locations
- recreational activity that can cause disturbance and other detrimental impacts e.g. jet skis, motorbikes on the foreshore and mountain bikes on footpaths

**Outcomes**

- A high quality and well managed access network facilitates enjoyment of the AONB for a diverse range of people
- People are enjoying the coast and countryside safely and responsibly

**To address the issues and challenges and achieve the objectives and outcomes, decisions, land management and project delivery should:**

- maintain PRoW network to a high standard
- identify opportunities to improve and/or expand public access, engage partners and deliver appropriate schemes
- work in partnership to adopt the section of the England Coast Path through the AONB
• increase opportunities for disabled people and those with additional needs to enjoy the countryside
• continue to make the AONB Tramper available for use at RSPB Leighton Moss and develop the network of Tramper routes through the More to Explore project
• improve network and connectivity of bridleways for horses
• secure agreements for permissive paths at appropriate strategic locations
• provide high quality and consistent style of path waymarker signposts throughout the area
• encourage and promote responsible behaviour in the countryside, particularly in relation to dogs
• actively promote The Countryside Code
• work with landowners to address site specific access issues where appropriate
• develop and promote a new Coastal Code which raises awareness about public safety on the sands and recreational disturbance of wildlife
• work towards securing a new footpath/cycleway link to Grange over Sands across Arnside viaduct
• provide a variety of downloadable self-guided routes on the AONB website
• promote sustainable forms of travel including public transport, walking and cycling (including electric bikes) to contribute to people’s wellbeing and mitigate climate change
• develop and promote a Coastal Code
• minimise recreational disturbance of sensitive sites wherever possible, restricting access if required

5.3.3 Health and wellbeing
95% of people living in the AONB reported that they were in ‘very good, good or fair’ health in the 2011 Census, slightly above average.

Better health and wellbeing are major social and economic benefits that can be secured through good management of the natural environment. The AONB landscape provides relevant cultural ecosystem services including beauty, sense of place and space, tranquillity, recreation and sense of history; health and wellbeing benefits arise from relaxation and unwinding, exercise, connection to nature, fresh air, inspiration and spiritual refreshment.

Active outdoor activity such as walking, running, cycling and conservation work has been shown to boost both mental and physical health and wellbeing including enabling people to lead happier more fulfilling lives. Good access to the countryside is key to delivering these benefits and the AONB offers a range of opportunities to enjoy the countryside. For example, over 500 people took part in the AONB Walking Festival in 2012. Volunteering offers valuable opportunities to participate in active sociable tasks which make a real difference. The wide range of opportunities to enjoy the countryside represents one of the special qualities of the AONB.

There are also proven therapeutic effects of natural beauty and nature and tailored activities can help tackle national health issues such as obesity and social exclusion, or bring benefits to those with life limiting conditions such as dementia.

The AONB Partnership is well placed to contribute to public health and wellbeing through its work to conserve and enhance the natural environment of the AONB and through the management and promotion of opportunities to access and enjoy it.
Issues and challenges

- national public health issues such as obesity and social exclusion
- barriers to accessing nature and the countryside
- low level of collaboration between the environmental and health and wellbeing sectors

Outcomes

- The natural and cultural heritage of the AONB offers a wide range of opportunities to improve people’s health and well being

To address the issues and challenges and achieve the objectives and outcomes, decisions, land management and project delivery should:

- enable people to improve their health and wellbeing through accessing natural beauty and nature
- deliver Walking for Health-style initiatives
- offer a programme of therapeutic walks / outdoor experiences for people with a range of needs, e.g. dementia support
- promote regular and meaningful physical activity and help to improve mental health and wellbeing, tackle social inclusion (e.g. such as through leading walks and promoting walking, running, cycling and other physical activities within the AONB) and attempt to increase grassroots participation
- promote the network of footpaths and public rights of way, outdoor tourism and associated activities
- offer opportunities for schools from nearby urban areas to access and discover the AONB
- build new partnerships between the environmental and health and wellbeing sectors
6 Delivering the Plan

6.1 Delivery

Section 5 sets out the actions that will need to be delivered to conserve and enhance the special qualities of Arnside & Silverdale AONB.

Delivery will be achieved in a variety of different ways and will be undertaken by many partner organisations, landowners and managers, businesses, individuals and groups. We know that the mechanisms for delivery are likely to change significantly during the lifetime of the AONB Management Plan.

However, the Plan will act as a framework so that land management, decision-making and projects deliver conservation and enhancement of the AONB, whatever changes occur and whatever the political and funding context.

All delivery will be carried out in a way that supports the AONB purpose and causes no harm to Natura 2000 sites.

6.2 A dynamic and successful partnership

Dynamic and successful partnership working is critical to enable delivery of the Management Plan and to create a strong and resilient AONB Partnership. The AONB Team plays an essential role in this process: providing management and leadership; making things happen on the ground, translating vision and national policy into local action; stimulating collaboration and delivering results; and providing value for money by accessing funding and resources.

Partners believe that:
- the long-term resourcing of the AONB Team is a critical success factor in the delivery of this Management Plan
- AONB management structures should be strongly supported by partners and relevant authorities
- the statutory requirement to produce Management Plans provides an important opportunity to strengthen partnerships and achieve better outcomes
- security and flexibility of funding for AONBs will deliver better outcomes
- training and skills development is an important element in delivering the Management Plan

Implementation of this AONB Management Plan will need the support and involvement of many organisations and individuals who play an important role in the future of the area. There are likely to be opportunities for sharing resources and collaborating to provide value for money.

Sustaining the exceptional landscape of Arnside & Silverdale AONB is a major challenge and requires significant investment. In order to successfully deliver many of the actions, additional resources will need to be secured. It will therefore be a key priority for the AONB Team to secure additional funding from a range of external sources.
7 Monitoring

The Management Plan is not an end in itself. Monitoring is required in order to identify whether or not the Plan is achieving the purpose of designation – to conserve and enhance the natural beauty of the AONB.

Monitoring has been undertaken in response to previous AONB Management Plans and this data provides the evidence on which this Management Plan is based and forms a baseline for monitoring over the next 5 years. This information will be presented in the State of the AONB Report to be published in 2019.

Monitoring will take two forms:

- monitoring performance: to establish how well the Partnership is progressing in delivering the Plan’s objectives and actions; and
- monitoring condition: to establish whether the special qualities/features of the AONB are in favourable condition, showing no change or deteriorating and hence whether the aim of conserving and enhancing the AONB is being achieved.

Monitoring performance will involve collecting data from partners to demonstrate delivery. Performance will also be monitored by reviewing progress on actions in the AONB Team Business Plan. An AONB Annual Report will be produced detailing and evaluating progress with implementing the Plan and summarising achievements of the AONB Partnership.

Monitoring condition will make the best use of data collected by a range of organisations and interest groups. It is important that changes in condition are monitored against a baseline set of evidence, and a number of indicators for which data is available will be used for this process. As new issues present themselves, new indicators may be needed and an initial baseline will need to be established.

Indicators that are proposed for monitoring implementation of the Management Plan are shown in Appendix 2.
8 Glossary of terms

Agri-environment Scheme
A scheme that will provide funding to farmers and other land managers in England to deliver effective environmental management on their land including Environmental Stewardship, the English Woodland Grant Scheme and Countryside Stewardship.

AONB
Areas of Outstanding Natural Beauty are areas of high scenic quality that have statutory protection in order to conserve and enhance the natural beauty of their landscapes. AONBs are designated solely for their landscape qualities, for the purpose of conserving and enhancing their natural beauty (which includes landform, geology, plants, animals, landscape features and the history of human settlement over time).

Appropriate
Within the AONB Management Plan the word “appropriate” is generally used to mean “appropriate to the AONB statutory purpose and designation and the AONB’s special qualities” unless it is being quoted from another source, document or policy statement etc.

Biodiversity
The variability among living organisms from all sources including, inter alia, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part; this includes diversity within species, between species and of ecosystems

Buffer zone
Areas between core protected areas and the surrounding landscape or seascape which protect the network from potentially damaging external influences and which are essentially transitional areas.

Calcareous
Mostly or partly composed of calcium carbonate, calcium or limestone.

Carbon sequestration
The process of capture and long-term storage of atmospheric carbon dioxide (CO₂).

Carboniferous period
Geological time period dated 385 - 300 million years before present.

Carboniferous limestone
Sedimentary rock laid down in a warm tropical sea some 340 - 320 million years ago.

Conservation Area (building)
Conservation Areas are places of special architectural or historic interest where it is desirable to preserve and enhance the character and appearance of such areas.

Corridor
Way of maintaining physical linkages between core areas for vital ecological or environmental connectivity.

Ecosystem
A dynamic complex of plant, animal and microorganism communities and their non-living environment interacting as a functional unit.

Ecosystem services
The benefits people obtain from ecosystems. These include provisioning services such as food and water; regulating services such as regulation of floods, drought, land degradation, and disease; supporting services such as soil formation and nutrient cycling; and cultural services such as recreational, spiritual, religious and other non-material benefits.

Favourable condition
Favourable condition means that the SSSI land is being adequately conserved and is meeting its ‘conservation objectives’; however, there is scope for the enhancement of these sites. Unfavourable recovering condition is often known simply as ‘recovering’. SSSI units are not yet fully conserved but all the necessary management measures are in place. Provided that the recovery work is sustained, the SSSI will reach favourable condition in time. The condition of the SSSI land in England
is assessed by Natural England, using categories agreed across England, Scotland, Wales, and Northern Ireland through the Joint Nature Conservation Committee.

**Geodiversity**
The diversity of minerals, rocks (whether “solid” or “drift”), fossils, landforms, sediments and soils, together with the natural processes that constitute the Earth’s topography, landscape and the underlying structure.

**Geology**
Science of the Earth (and other planets), including origin, structure, composition, development and history (including the development of life), and the processes that have given rise to their present state.

**Glacial processes**
The processes of erosion and deposition of land arising from the presence and/or movement of an ice mass on a landscape

**Green Tourism Business Scheme**
A national sustainable tourism certification scheme.

**Karst**
Water-worn limestone scenery, where erosion has principally occurred through the percolation of ground water and underground streams rather than surface run-off and typically includes the development of limestone pavements and cave systems. Paleokarst is the general term for ancient karst features that have been fossilised or preserved.

**Limestone pavement**
Continuous areas of exposed limestone consisting of rock blocks (clints) interspersed with cracks/clefts (grikes).

**Local Nature Reserve**
Land owned by a local authority can be established as a Local Nature Reserve by that local authority in consultation with Natural England.

**Local Wildlife Sites**
Commonly known as Biological Heritage Sites in Lancashire and as County Wildlife Sites in Cumbria, these sites are of local or regional importance for biodiversity. These sites do not enjoy direct statutory protection but are the subject of specific Local Plan policies aimed at ensuring their wellbeing.

**Marl**
A lime-rich mud laid down in freshwater conditions, which has high levels of carbonate material, usually calcium carbonate (calcite) that precipitates out, giving a gritty coating over substrates.

**National Nature Reserve**
Established to protect some of the country’s most important habitats, species and geology and to provide outdoor ‘laboratories for research. About two thirds of England’s NNRs are managed by Natural England, as is the case for GAIT Barrows within the AONB.

**Natura 2000**
An EU-wide network of nature protection areas established under the 1992 Habitats Directive. The aim of the network is to assure the long-term survival of Europe’s most valuable and threatened species and habitats. It is comprised of Special Areas of Conservation (SAC) designated under the Habitats Directive, and also incorporates Special Protection Areas (SPAs) designated under the 1979 Birds Directive and Ramsar sites, wetland sites of international importance designated under the Ramsar Convention.

**Priority habitats and species**
UK BAP priority species and habitats were those that were identified as being the most threatened and requiring conservation action under the UK Biodiversity Action Plan (UK BAP). The original list of UK BAP priority species was created between 1995 and 1999. In 2007, however, a revised list was produced, following a 2-year review of UK BAP processes and priorities, which included a review of the priority species and habitats lists. As a result of new drivers and requirements, the 'UK Post-2010 Biodiversity Framework', published in July 2012, has now succeeded the UK BAP. The UK BAP lists of priority species and habitats remain, however, important and valuable reference sources. Notably, they have been used to help draw up statutory lists of priorities in England. The
Natural Environment and Rural Communities (NERC) Act came into force on 1st Oct 2006. Section 41 (S41) of the Act requires the Secretary of State to publish a list of habitats and species which are of principal importance for the conservation of biodiversity in England.

**Resilience**

In the field of ecology, resilience means building the capacity of a system to withstand shocks and to rebuild and respond to change, particularly unanticipated change. The Resilience Alliance defines resilience as the capacity of a system to absorb disturbance, undergo change and still retain essentially the same function, structure, identity and feedbacks. **Climate change resilience** is the capacity of an individual, community or institution to respond dynamically and effectively to shifting climate impacts circumstances while continuing to function at an acceptable level. Simply put it is the ability to survive and recover from the effects of climate change. It includes the ability to understand potential impacts and to take appropriate action before, during and after a particular consequence to minimise negative impacts and maintain the ability to respond to changing conditions.

**Sites of Special Scientific Interest** (SSSI)

Sites of national importance for their plants, animals, or geological or physiographical features designated by Natural England under the Wildlife and Countryside Act 1981.

**Special Areas of Conservation** (SACs)

Areas that are protected under the EC Habitats Directive. They are sites of community importance for habitats or species listed under the Directive where a ‘favourable conservation status’ is to be maintained or restored.

**Special Protection Areas** (SPAs)

Areas that are protected under the EC Birds Directive 1979 for vulnerable species listed on Annex1 of the Directive and also regularly occurring migratory species.

**Stakeholders**

Those individuals or organisations which are vital to the success or failure of an organisation or project. Primary stakeholders are those needed for permission, approval, implementation and financial support and also those who are directly affected by the activities of the organisation or project. Secondary stakeholders are those who are indirectly involved or affected.

**Sustainable Development**

A widely accepted definition is: ‘development which meets the needs of the present without compromising the ability of future generations to meet their own needs’.

**Sustainability**

The ability to maintain a certain process or state. It is now most frequently used in connection with biological and human systems. In an ecological context, sustainability can be defined as the ability of an ecosystem to maintain ecological processes, functions, biodiversity and productivity into the future.
APPENDIX 1 Arnside & Silverdale AONB Partnership Executive Committee members

Cumbria County Council
Lancashire County Council
Lancaster City Council
South Lakeland District Council
Environment Agency
Natural England
Arnside Parish Council
Beetham Parish Council
Silverdale Parish Council
Warton Parish Council
Yealand Conyers Parish Council
Yealand Redmayne Parish Council
Arnside & Silverdale AONB Landscape Trust
Campaign to Protect Rural England
Country Land and Business Association
Royal Society for the Protection of Birds
National Farmers Union
National Trust
Wildlife Trusts
Ramblers
North Lancashire Bridleway Association
Farming/landowner representative
Business/tourism representatives x2
APPENDIX 2 Proposed indicators

Please note some data is to be confirmed.

<table>
<thead>
<tr>
<th>Description</th>
<th>Source</th>
<th>Latest data</th>
</tr>
</thead>
<tbody>
<tr>
<td>An outstanding landscape, rich in natural and cultural heritage</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Landscape and Seascape</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Landscape characterisation/quality</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Landscape character type condition</td>
<td>AONB LSCA</td>
<td>3 good</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3 moderate to good</td>
</tr>
<tr>
<td>CQuel</td>
<td>NE</td>
<td>Data to be confirmed</td>
</tr>
<tr>
<td>Farmed landscape</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of /area managed under agri-environment agreements</td>
<td>PLNB3</td>
<td>In 2018:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>19 Environmental Stewardship agreements were live, and of these 1 were at</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Higher Level</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5 Countryside Stewardship agreements were live</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1196 ha within the AONB was in Environmental Stewardship, including 25% at</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Higher Level</td>
</tr>
<tr>
<td></td>
<td></td>
<td>118 ha was in Countryside Stewardship, including 96% at High Tier</td>
</tr>
<tr>
<td>The uptake of themed groups of ES options that contribute to conserving</td>
<td>PLNB1</td>
<td>In 2018:</td>
</tr>
<tr>
<td>and enhancing landscape character</td>
<td></td>
<td>Area of land under ES specifically for the management and protection of</td>
</tr>
<tr>
<td></td>
<td></td>
<td>archaeological features was 14.4ha</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of hedgerow trees and in-field trees managed under ES was 304</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Area of woodland managed and created under ES was 30ha</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Area of low input grassland managed, restored or created under ES was 272ha</td>
</tr>
<tr>
<td>Land use within the agricultural setting</td>
<td>Defra Agricultural</td>
<td>In 2016:</td>
</tr>
<tr>
<td></td>
<td>Survey, 2016</td>
<td>80% of the farmed land was grassland</td>
</tr>
<tr>
<td></td>
<td></td>
<td>11% was woodland</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5% was crops and bare fallow</td>
</tr>
<tr>
<td>Livestock numbers</td>
<td>Defra Agricultural</td>
<td>In 2016 livestock numbers within the AONB were:</td>
</tr>
<tr>
<td></td>
<td>Survey, 2016</td>
<td>2570 cattle (257 beef herd, 621 dairy herd)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>12,047 sheep</td>
</tr>
<tr>
<td></td>
<td></td>
<td>10,580 poultry</td>
</tr>
<tr>
<td></td>
<td></td>
<td>62 horses</td>
</tr>
<tr>
<td>Woodland landscape</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Area and % of AONB which is woodland</td>
<td>PLEco5</td>
<td>In 2015:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>The area of woodland in the AONB is 1,559ha</td>
</tr>
<tr>
<td>Area and % of Ancient Woodland</td>
<td>PLNB13</td>
<td>The area of Ancient Woodland in the AONB 652ha</td>
</tr>
<tr>
<td>Woodland in Active Management</td>
<td>PLNB2</td>
<td>In 2017:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>73 % of woodland is in positive management</td>
</tr>
<tr>
<td>Number of ancient, veteran and notable trees</td>
<td>Ancient tree</td>
<td>Ancient trees – 2</td>
</tr>
<tr>
<td></td>
<td>inventory</td>
<td>Veteran trees – 110</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Notable trees - 16</td>
</tr>
</tbody>
</table>
### Development

<table>
<thead>
<tr>
<th>Area of Forestry Commission managed land</th>
<th>FC</th>
<th>221ha</th>
</tr>
</thead>
</table>

**Number of planning approvals within the AONB (years 2013 to 2017)**

<table>
<thead>
<tr>
<th>SLDC</th>
<th>LCIC</th>
<th>CCC</th>
<th>LCC</th>
<th>Data to be confirmed</th>
</tr>
</thead>
</table>

**Number of new homes delivered within the AONB (years 2013 to 2017)**

<table>
<thead>
<tr>
<th>SLDC</th>
<th>LCIC</th>
<th>Data to be confirmed</th>
</tr>
</thead>
</table>

**Number of formal responses to planning applications (2013 – 2017) submitted by the AONB Partnership**

<table>
<thead>
<tr>
<th>AONB</th>
<th>Number of formal responses to planning applications submitted by the AONB Partnership:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2013 - 15</td>
</tr>
<tr>
<td></td>
<td>2014 - 36</td>
</tr>
<tr>
<td></td>
<td>2015 - 56</td>
</tr>
<tr>
<td></td>
<td>2016 - 59</td>
</tr>
<tr>
<td></td>
<td>2017 - 59</td>
</tr>
</tbody>
</table>

### Biodiversity

#### Designated sites

<table>
<thead>
<tr>
<th>Number/area of sites and % of AONB</th>
<th>NE/MAGIC</th>
<th>Data to be confirmed</th>
</tr>
</thead>
</table>

**Condition of SSSIs**

<table>
<thead>
<tr>
<th>PLNB12</th>
<th>In 2018: 99.1% in favourable or recovering condition</th>
</tr>
</thead>
</table>

**Condition of broad habitats within SSSIs**

| Woodland, grassland, freshwater wetlands, coastal habitats | PLNB 5 | In 2017: 98.7% of Broadleaved, mixed and yew woodland (upland) 100% of Calcareous grassland (lowland) 100% of Calcareous grassland (lowland) 100% Earth heritage 90% Fen, marsh and swamp (lowland) 91.9% Inland rock 100% Littoral sediment 100% Standing open water and canals Within SSSIs were in favourable or recovering condition |

**Condition of Local Wildlife Sites**

<table>
<thead>
<tr>
<th>G Skelcher, County Wildlife Sites Survey (2014/15)</th>
<th>21% in positive management in 2015</th>
</tr>
</thead>
</table>

### Priority habitat

**Extent and type of priority habitat within the AONB**

<table>
<thead>
<tr>
<th>G Skelcher, Priority Habitat Survey, 2016</th>
<th>Priority habitats cover around 70% of the AONB</th>
</tr>
</thead>
</table>

#### Hectares of land enhanced for nature through the work of the AONB Partnership

<table>
<thead>
<tr>
<th>AONB</th>
<th>Data to be confirmed</th>
</tr>
</thead>
</table>

**Hectares of nature reserves (NNR, LNR, NT, RSPB, WT, Woodland Trust, Landscape Trust plus private nature reserves) in the AONB**

<table>
<thead>
<tr>
<th>NE, NT, RSPB, WT, LT, Woodland Trust</th>
<th>Data to be confirmed</th>
</tr>
</thead>
</table>

### Species

**Number of species recovery programmes delivered**

<table>
<thead>
<tr>
<th>NE</th>
<th>Ladys slipper Orchid</th>
</tr>
</thead>
</table>

**Species records**

<table>
<thead>
<tr>
<th>LERN, CBDN, Butterfly Conservation</th>
<th>Data to be confirmed</th>
</tr>
</thead>
</table>
### Geodiversity

#### Geology

<table>
<thead>
<tr>
<th>Number/area of sites and % of AONB</th>
<th>NE/MAGIC</th>
<th>SSSI</th>
<th>LGS</th>
<th>LPO</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Condition of geological SSSIs</th>
<th>PLNB12</th>
<th>100% in favourable or recovering condition</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Condition of broad habitat (earth heritage, inland rock) within SSSIs, PLNB6</th>
<th>PLNB 5</th>
<th>100% Earth heritage 91.9% Inland rock within SSSIs were in favourable or recovering condition</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Number and % of LGS in positive management</th>
<th>AONB Geology Audit and Assessment, 2018, Cuesta Consulting</th>
<th>2018 audit concluded x % in positive condition</th>
</tr>
</thead>
</table>

### Soils

<table>
<thead>
<tr>
<th>Number of Soil Management Plans within the AONB</th>
<th>NE</th>
<th>Data to be confirmed</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Agricultural land classification</th>
<th>Data to be confirmed</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Soil maps</th>
<th>Data to be confirmed</th>
</tr>
</thead>
</table>

### Historic Environment

<table>
<thead>
<tr>
<th>Number of heritage assets</th>
<th>PLNB14 LCC/CCC SLDC/LCIC</th>
<th>In 2018 in the Arnside &amp; Silverdale AONB there are: 10 Scheduled Monuments 115 Listed Buildings (6 Grade 1, 10 Grade II*, and 99 Grade II) 1 Registered Parks and Gardens 3 Conservation Areas 695 Historic Environment Records</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Number of heritage assets at risk</th>
<th>PLNB4</th>
<th>In 2017: 4 sites within the AONB are on the Heritage at Risk Register</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Number of heritage assets where condition has been improved through the work of the AONB Partnership (volunteer work)</th>
<th>AONB</th>
<th>Data to be confirmed</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Number of research projects that have been undertaken to improve understanding of the heritage assets of the AONB over the last 5 years (2013 – 2018) through work of or support of the AONB Partnership</th>
<th>MBP UCLAN Mourholme Society</th>
<th>5 – Jenny Browns Point, Warton Crag hillfort, Arnside boayard and workshop, documentary research into the salt industry, stone circle at Summerhouse Hill</th>
</tr>
</thead>
</table>

### Water Environment

#### Water quality

<table>
<thead>
<tr>
<th>Ecological status of river, standing and transitional water bodies</th>
<th>EA</th>
<th>Data to be confirmed</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Bathing water quality classifications</th>
<th>EA</th>
<th>Both beaches in Morecambe were classified as ‘good’ in 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Water resources</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------------------</td>
<td>------------------</td>
<td></td>
</tr>
<tr>
<td>Abstraction licences within the AONB</td>
<td>EA</td>
<td>There are 8 licences within the AONB, permitting 4 surface water abstractions (3 from the River Bela and one from the River Keer) and 4 groundwater abstractions.</td>
</tr>
<tr>
<td>Private water supplies</td>
<td>SLDC LCiC</td>
<td>There are 8 private water supplies in total. 4 of these are boreholes. 4 of these are private distribution systems.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Flood risk</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Distribution of areas at risk of fluvial flooding</td>
<td>EA</td>
</tr>
<tr>
<td>Number of natural flood management projects within the AONB 2013-2018</td>
<td>SCRTLRT</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Tranquility (or Perceptual Qualities)</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Levels of tranquillity</td>
<td>CPRE 2006</td>
</tr>
<tr>
<td>Levels of intrusion</td>
<td>CPRE 2007</td>
</tr>
<tr>
<td>Dark night skies</td>
<td>CPRE 2016</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Vibrant and sustainable communities</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sustainable Communities</strong></td>
<td></td>
</tr>
<tr>
<td>Age distribution</td>
<td>Cumbria Observatory, Office for National Statistics</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Indices of Multiple Deprivation</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Levels of Deprivation</td>
<td>Cumbria Observatory, Lancaster City Council</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Housing</strong></th>
<th></th>
</tr>
</thead>
</table>
| Affordability ratio | SLDC LCiC | The affordability ratio of median earnings to median house prices in 2018: Arnside & Beetham ward – 7.8<sup>1</sup> 
The affordability ratio of average wage of the district to average house prices in 2016: Silverdale ward – 12.1<sup>37</sup> Warton ward – 8.6<sup>1</sup> |

| Number of new affordable homes delivered within the AONB | SLDC LCiC | Number of new affordable homes delivered within the AONB over 5 years, 2013 – 2017: 0 |

<table>
<thead>
<tr>
<th><strong>Local services</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Numbers of rural services</td>
<td>AONB</td>
</tr>
</tbody>
</table>

<sup>37</sup>The SLDC and LCiC figures cannot be directly compared because of dates and way calculated.
<p>| <strong>Train passenger figures for Silverdale and Arnside</strong> | Railway User Groups | In 2016/7: Arnside – 110,610  Silverdale – 55,892 |
| <strong>Access to Broadband</strong> | Connecting Cumbria B4RN | Data to be confirmed |
| <strong>Local Economy</strong> | | |
| <strong>Employment</strong> | | |
| <strong>Employment by sector</strong> | 2011 census | Within the AONB (in 2011), industries employed: 2.0% of the population in agriculture, forestry, fishing 7.0% in accommodation and food service activities and 15.0% in education 14.6% in human health and social work activities 13.6% in wholesale and retail trade |
| <strong>Total employment in farming, Defra</strong> | Defra Agricultural Survey, 2016 | In 2016: 107 total labour (28 farmers full time, 37 part time) |
| <strong>Unemployment rate</strong> | SLDC LCiC | Data to be confirmed |
| <strong>Proportion of employed/retired people</strong> | 2011 census | Within the AONB (2011) 63.4% of the population are economically active 59.6% are in employment 28.5% are retired |
| <strong>Farming/forestry/land management</strong> | | |
| <strong>Farm size in 2016</strong> | Defra Agricultural Survey, 2016 | 38% of farms are under 20ha, 35% are 20 to 100ha and 27% are over 100ha |
| <strong>Farm type in 2016</strong> | Defra Agricultural Survey, 2016 | 63% of farms are grazing livestock and 17% general cropping farms |
| <strong>Total annual values of agri-environment agreements</strong> | PLS9 | In 2018: Total value of Environmental Stewardship agreements - £227,143 Total value of Countryside Stewardship agreements - £81,059 |
| <strong>Area of Forestry Commission land</strong> | FC | 221ha |
| <strong>Sustainable visitor economy/sustainable tourism/nature and culture-based tourism</strong> | | |
| <strong>Number of caravans/holiday parks/pitches</strong> | SLDC LCiC | 1,684 caravan pitches (1,388 static, 292 touring and 4 residential) on 14 registered sites (split between touring and static) |
| <strong>Number of visitor beds</strong> | Cumbria Tourism/Marketing Lancashire | Data to be collated. |
| <strong>Number of members of Cumbria Tourism/Marketing Lancashire within the AONB</strong> | Cumbria Tourism/Marketing Lancashire | Data to be collated |
| <strong>Number of tourism businesses within the AONB</strong> | SLDC LCiC | Data to be collated |
| <strong>Number of visits to Leighton Moss/Arnside Knott</strong> | RSPN/NT | RSPB Leighton Moss – 114,373 in 2017/2018 |
| <strong>Skills for the future/skills development</strong> | | |</p>
<table>
<thead>
<tr>
<th><strong>Number of AONB led training events</strong>&lt;br&gt;<strong>and number of people trained as part of the AONB Rural Skills Programme</strong></th>
<th>AONB</th>
<th>Drystone walling, hedgelaying, first aid etc.</th>
</tr>
</thead>
</table>

**Community engagement and volunteering**

<table>
<thead>
<tr>
<th><strong>Community engagement</strong> <strong>Number of AONB Landscape Trust members</strong></th>
<th>AONB Landscape Trust</th>
<th>In Jan 2018: Number of Landscape Trust members - 1126</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th><strong>Volunteering</strong> <strong>Number of people actively volunteering</strong></th>
<th>AONB LT</th>
<th>Data to be confirmed</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th><strong>Number of hours worked on conservation management by AONB Partnership volunteers</strong></th>
<th>AONB</th>
<th>Data to be confirmed</th>
</tr>
</thead>
</table>

**A strong connection between people and the landscape**

**Enjoyment and understanding**

<table>
<thead>
<tr>
<th><strong>Effective communication</strong> <strong>Number of unique AONB website pageviews</strong></th>
<th>AONB</th>
<th>2017/18 – 95,942</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th><strong>Social media performance (followers on AONB Twitter, ‘likes’ on Facebook</strong></th>
<th>AONB</th>
<th>Facebook – 1611 Twitter – 2788 (in Sept 2018)</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th><strong>Number of AONB newsletter subscribers</strong></th>
<th>AONB</th>
<th>2018 - 791</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th><strong>Number of visitors to the AONB Information Centre</strong></th>
<th>AONB</th>
<th>1734 in 2017 (face to face enquiries)</th>
</tr>
</thead>
</table>

**Events and learning**

<table>
<thead>
<tr>
<th><strong>Number of AONB Partnership events held to promote awareness and understanding of the AONB, 2013 - 2107</strong></th>
<th>AONB</th>
<th>Data to be confirmed Guided walks, apple Day, conference etc.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th><strong>Number of participants attending?</strong></th>
<th>AONB</th>
<th>Data to be confirmed</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th><strong>Number of school visits facilitated by the AONB Partnership</strong></th>
<th>AONB</th>
<th>Data to be confirmed</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th><strong>Number of university research projects facilitated by the AONB Partnership</strong></th>
<th>AONB</th>
<th>Data to be confirmed</th>
</tr>
</thead>
</table>

**Access and recreation**

<table>
<thead>
<tr>
<th><strong>Length of PRoW and National Trails</strong></th>
<th>SLDC LCIC</th>
<th>Data to be confirmed Including England Coast Path when dedicated</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th><strong>Length of national cycle routes</strong></th>
<th>Sustrans</th>
<th>Data to be confirmed for S6, S90, S700</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th><strong>Number of uses of the AONB tramper</strong></th>
<th>RSPB</th>
<th>229 (up till Sept 2018)</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th><strong>Number of promoted tramper routes</strong></th>
<th>AONB</th>
<th>3 – Gait barrows/Hawes Water route , Leighton Moss</th>
</tr>
</thead>
</table>

**Population – Human Health**

<table>
<thead>
<tr>
<th><strong>Health of population</strong></th>
<th>2011 census</th>
<th>In the 2011 census: 95.3% of the AONB population were in very good, good or fair health</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th><strong>Number of health and wellbeing events</strong></th>
<th>AONB</th>
<th>Data to be confirmed</th>
</tr>
</thead>
</table>

**Valuing the landscape**

| **Most visited and valued parts of the AONB** | AONB/NE - PGIS project | Arnside Knott, Leighton Hall, Arnside promenade and shore, Leighton Moss nature reserve, Fairy Steps, |
| Reasons for valued sites | AONB/NE - PGIS project | Top 4 reasons: Views – 23%  
Recreation – 21%  
Wildlife – 19%  
Beauty – 17% |
|--------------------------|------------------------|-------------------------------------------------|
This page is intentionally left blank
Before you start, we just need a few details from you.

<table>
<thead>
<tr>
<th>Name</th>
<th>Laura Chamberlain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisation you represent (if any)</td>
<td>South Lakeland District Council</td>
</tr>
</tbody>
</table>
| Address               | South Lakeland House  
                          Lowther Street  
                          Kendal  
                          Cumbria |
| Post code             | LA9 4DQ            |
| e-mail*               | developmentplans@southlakeland.gov.uk |

*We aim to minimise the amount of paper printed and sent out. Therefore, please provide an e-mail address if you have one – where an e-mail address is supplied, future contact will be made electronically.

☒ Please tick here to receive the AONB e-newsletter, which contains information and latest news relevant to Arnside & Silverdale AONB. You can unsubscribe at any time if you change your mind. If you do not tick here we will only use your email address to contact you about the AONB Management Plan.

You will need to consider the Draft Arnside & Silverdale AONB Management Plan 2019-24 before making your response. The document is available on the AONB website www.arnsidesilverdaleaonb.org.uk and at the AONB Office and both Arnside and Silverdale libraries.

Anonymous comments will not be accepted. Please note that comments cannot be treated as confidential and will be made available for public inspection. However, contact details will not be available to view by the public.

Please see our Privacy Policy https://www.arnsidesilverdaleaonb.org.uk/privacy-policy/ for details on how we deal with personal information.

If you have any questions or need help to complete the form, please contact us on 01524 761034 or e-mail mpreview@arnsidesilverdaleaonb.org.uk
Please use the table below to record your comments on the Draft Arnside & Silverdale AONB Management Plan 2019-24 adding extra rows/sheets if required.

Please e-mail your completed response form to mpreview@arnsidesilverdaleaonb.org.uk or send to Arnside & Silverdale AONB, The Old Station Building, Arnside, Carnforth LA5 0HG by 3rd December.

<table>
<thead>
<tr>
<th>Page number and section/paragraph reference to which your comment relates</th>
<th>Your comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Example: p21 5.1.1 para 3</td>
<td>Amend ‘conserve the AONB’ to ‘conserve and enhance the AONB’ to better reflect the AONB purpose.</td>
</tr>
<tr>
<td>General</td>
<td>The Council welcomes the draft Management Plan and the comprehensive engagement that has been undertaken with a broad range of stakeholders.</td>
</tr>
<tr>
<td>General</td>
<td>The Council welcomes the alignment between the draft Management Plan and the AONB Development Plan Document (DPD) and the complementary roles they will play in ensuring that future development in the area does not undermine the special qualities of the AONB. For the first time we will have a development plan with the explicit objective of conserving the special character of the AONB and a suite of policies which will ensure a consistent approach to achieving this across the whole AONB. The Council looks forward to continued close working with the AONB team and partnership to deliver the Management Plan and implement the AONB DPD.</td>
</tr>
<tr>
<td>General</td>
<td>The Council would welcome the preparation of a short ‘easy read’ summary document of the Management Plan to make it more accessible as the Management Plan is lengthy and very detailed. Also the text in green boxes in the consultation draft is quite difficult to read due to the bright colouring and would benefit from being presented more clearly.</td>
</tr>
<tr>
<td>General</td>
<td>It would be helpful for paragraph numbers to be included for ease of reference.</td>
</tr>
<tr>
<td>General – Sections 4 and 5</td>
<td>The Council supports the Vision and objectives contained within the draft Management Plan.</td>
</tr>
<tr>
<td>General</td>
<td>The Council would welcome a reference to the Lancaster and South Cumbria Economic Region in the Management Plan, to highlight the partnership working that is taking place between South Lakeland District Council, Lancaster City Council and Barrow Borough Council.</td>
</tr>
<tr>
<td>General – Summary Table</td>
<td>For ease of reference it may be advisable to group the achieving outcomes points into categories or by type of intervention. It might also be worth considering adding an additional column relating to delivery, to clarify who needs to assist in realising the delivery of...</td>
</tr>
<tr>
<td><strong>General – development management</strong></td>
<td>Need to recognise the need to await the adoption of the DPDs before we can confirm the nature of policies, but welcome the cross references to the AONB DPD.</td>
</tr>
<tr>
<td>-------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>General - delivery</strong></td>
<td>To achieve delivery of Plan objectives and outcomes the Plan could perhaps be clearer about delivery for example by specifying which partners may be involved in delivering the action points. It is understood that a separate delivery plan will not be prepared and that instead an AONB team business plan will provide the framework for delivery. This could perhaps be explained in more detail in the Management Plan. The Council would welcome the opportunity to engage with the AONB team on the preparation of the business plan and in the meantime will identify those actions in the draft management plan that it has a key role to play in delivering through its local authority functions.</td>
</tr>
<tr>
<td><strong>Page 11, third paragraphs</strong></td>
<td>Major modifications should read ‘main modifications’.</td>
</tr>
<tr>
<td><strong>Page 25</strong></td>
<td><strong>Historic Landscape</strong> – Should this read “Historic features, buildings, archaeology and the historic landscape tell the story of the land and people over many generations, and are an important element of the area’s character. Tranquillity, dark skies, sense of place – it might be helpful for the reader to refer to the specific CPRE publications being referred to in this section (presumably ‘Night Blight: Mapping England’s light pollution and dark skies’ and ‘Tranquillity map of England’)</td>
</tr>
<tr>
<td><strong>Page 26, Outcomes</strong></td>
<td>Reference to ‘undeveloped coastline’ – where is this defined? (no heritage coast in AONB). The objective is supported by South Lakeland Core Strategy policy, and also NPPF para 170 which mentions the need to maintain the character of the undeveloped coast but also improve public access to it where appropriate.</td>
</tr>
<tr>
<td><strong>Page 34</strong></td>
<td>Suggest adding an additional bullet point: “ensure that any new development is directed away from areas at highest flood risk, is safe both now and in the future, and does not increase flood risk elsewhere”.</td>
</tr>
<tr>
<td><strong>Page 34, 14th bullet point</strong></td>
<td>Suggest adding reference to Cumbria Coastal Strategy. Also suggest adding ‘erosion’ following ‘coastal change’.</td>
</tr>
<tr>
<td><strong>Page 36, 1st paragraph</strong></td>
<td>The Council’s preparation of a local list of heritage assets is well advanced for the AONB area but is currently on hold due to resource constraints. The Council will seek to progress this action when resources allow. Suggest first sentence could remove “which are not covered by a statutory designation”, as this point is made clear in the definition of local heritage assets in the second sentence.</td>
</tr>
<tr>
<td><strong>Page 37, 22nd bullet</strong></td>
<td>‘provide advice, guidance and support for owners’ – could this be clarified in terms of which partner is expected to deliver this – is this referring to general heritage/conservation advice from the local authorities to heritage asset owners?</td>
</tr>
<tr>
<td>Page 38, section 5.1.5, third paragraph</td>
<td>The DPD will also allocate public open spaces for protection in recognition of their recreational value and/or contribution to the character of the AONB settlements, in addition to the KSLs – perhaps this could be added to the final sentence? Also perhaps a footnote after ‘Local Plans’ would help in clarifying that the two authorities Local Plans both comprise of a number of Development Plan Documents that will be applied in conjunction with the AONB DPD?</td>
</tr>
<tr>
<td>Page 38, final paragraph</td>
<td>Last paragraph – turn of phrase, may imply we have identified a portfolio of complete sites - there may be opportunities arising outside of allocation site, small infill plots, redevelopment opportunities which could be developed without causing harm. Suggest altering the phrasing in this respect, to say only a limited number of sites considered suitable for allocation for development as identified in the AONB DPD.</td>
</tr>
<tr>
<td>Page 39, 1st bullet point in delivery section</td>
<td>Suggest the point on ‘avoiding’ major development reflects the text on major development in Policy AS01 of the emerging AONB DPD.</td>
</tr>
<tr>
<td>Page 40, 1st bullet point</td>
<td>Suggest: “ensure that all development management decisions relating to proposals within the AONB or its setting have appropriate regard to the AONB Management Plan, AONB Landscape and Seascape Character Assessment and relevant county landscape character assessments” This recognises that it wouldn’t necessarily be appropriate for every decision to refer to all of these documents, as it is depends on the nature of the proposal.</td>
</tr>
<tr>
<td>Page 40, 3rd bullet point</td>
<td>Would welcome more clarity on the landscape planning and planning policy advice that will be given to local authorities.</td>
</tr>
<tr>
<td>Page 40, 15th bullet point</td>
<td>This bullet could benefit from clearer phrasing – should “and environment based economy” be removed from the end? “ensure economic development supports an environment-based economy, is appropriate and environmentally sustainable and does not harm the natural beauty or special qualities of the AONB and environment based economy” This should be consistent with the AONB DPD policy, which does not specify new economic development must support an environment-based economy – see Policy AS09. (also relevant in respect to vibrant and sustainable communities objective) Micro-growth points for business development and live/work units will be supported. The proposed land allocations at Storth, Silverdale and Arnside are considered appropriate for a range of B uses.</td>
</tr>
<tr>
<td>Page 40, 16th bullet point</td>
<td>Suggest “infrastructure” rather than “infrastructures” Also important to stress development must meet infrastructure needs arising from it, in many cases in the AONB this could be of a small-scale</td>
</tr>
</tbody>
</table>
nature- so need to be careful when saying ‘contribute’ – in what ways?

Reference to restrict caravan, chalet cabin or lodge style development – perhaps make it clearer by saying ‘new’ development? Suggest the wording should reflect AONB Policy AS011 which is restrictive in terms of new development but allows for some redevelopment within the developed footprint of existing sites.

What is a ‘sustainable visitor package’? 2nd to last bullet point

JJ - Refers to the older than average age range. Suggest adding in the following wording “The Housing Needs Survey for the AONB identified the need for 72 affordable houses including 16 that would be suitable for older people, i.e. ground floor flats/bungalows or sheltered housing”. This recognises the need for older people’s accommodation which can assist older people to downsize from family size accommodation.

Suggest: “It is hoped this trend can be changed through implementation of the AONB DPD, which identifies appropriate locations for affordable housing which will not have significant detrimental impact on landscape character, and stipulates a requirement of 50% affordable homes on every development of 2 or more houses”

Suggest: “The AONB Tramper, an all terrain, off road mobility scooter, is currently hosted.....”

Please note that the Environmental Report and Habitats Regulations Assessment are also available for public consultation. Please email any comments on these supporting documents to mpreview@arnsidesilverdaleaonb.org.uk ensuring you reference the relevant page/section number.

Thank you! – but before you go, if you are responding as an individual, we would be grateful if you could complete the following Equalities Monitoring section. All of the information gathered for equalities monitoring is confidential and once received will be separated from your contact details and consultation response.

<table>
<thead>
<tr>
<th>Do you identify as:</th>
<th>Male ☐</th>
<th>Female ☐</th>
<th>Non-binary ☐</th>
<th>Prefer not to say ☐</th>
</tr>
</thead>
<tbody>
<tr>
<td>Are you:</td>
<td>16 or under ☐</td>
<td>17-25 ☐</td>
<td>26-35 ☐</td>
<td>36-50 ☐</td>
</tr>
<tr>
<td></td>
<td>51-65 ☐</td>
<td>66-80 ☐</td>
<td>Over 80 ☐</td>
<td>Prefer not to say ☐</td>
</tr>
<tr>
<td>Do you have a limiting disability or health issue?</td>
<td>Yes ☐</td>
<td>No ☐</td>
<td>Prefer not to say ☐</td>
<td></td>
</tr>
<tr>
<td>How did you find out about this consultation?</td>
<td>AONB website ☐</td>
<td>AONB e-newsletter ☐</td>
<td>Local press ☐</td>
<td>Word of mouth ☐</td>
</tr>
</tbody>
</table>
This page is intentionally left blank
### Project, policy or programme: Draft Arnside & Silverdale Area of Outstanding Natural Beauty (AONB) Management Plan (MP) 2019-24

#### Health Impacts

<table>
<thead>
<tr>
<th></th>
<th>Potential Impacts</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Positive</td>
</tr>
<tr>
<td>Health Impacts</td>
<td></td>
</tr>
</tbody>
</table>

#### Environmental Conditions

<table>
<thead>
<tr>
<th>Environment Conditions</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Air quality</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>The MP recognises that air quality is generally very high due to a lack of sources of pollution locally.</td>
<td></td>
</tr>
<tr>
<td>Water quality and pollution</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>The MP includes the objective to improve water quality in the AONB, and identifies a challenge being that there is a lack of a comprehensive and coordinated water quality monitoring programme.</td>
<td></td>
</tr>
<tr>
<td>Built environment</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>The MP includes an action to encourage the highest standards of design that respond to the local built environment to enhance what is special and locally distinctive about the area.</td>
<td></td>
</tr>
<tr>
<td>Natural environment and biodiversity</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>The MP has a strong focus on the natural environment and biodiversity with a number of objectives and actions relating to enhancing habitats and biodiversity to result in net gains, and improving understanding through research and communications.</td>
<td></td>
</tr>
<tr>
<td>Energy consumption/efficiency</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>The MP recognises the potential to enhance the local wood fuel economy through woodland management.</td>
<td></td>
</tr>
</tbody>
</table>
### Health Impacts

<table>
<thead>
<tr>
<th>Potential Impacts</th>
<th>Positive</th>
<th>No impact</th>
<th>Negative</th>
<th>Not sure</th>
<th>Comments</th>
<th>Recommendations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Noise</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>The MP includes an action to ensure there is no increase in light and noise pollution in the AONB.</td>
<td></td>
</tr>
<tr>
<td>Transport</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>The MP recognises the public transport challenges in the AONB, and recognises opportunities to promote more sustainable modes of travel for residents and visitors.</td>
<td></td>
</tr>
<tr>
<td>Recycling</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Food production</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>The MP recognises the important food production services of the AONB area, and seeks to support local food initiatives – e.g. supporting short supply chains, promoting local products.</td>
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### Social and Economic Factors

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<tr>
<td>Employment</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>The MP seeks to support the environment based economy in the AONB to support rural livelihoods.</td>
</tr>
<tr>
<td>Income</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>The MP recognises challenges relating to the unpredictability of farming income, and high ratios of house prices to income levels.</td>
</tr>
<tr>
<td>Poverty</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>The MP recognises local fuel poverty issues.</td>
</tr>
<tr>
<td>Education, skills and training</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>The MP refers to the broad range of educational work that is undertaken in partnership with schools, local groups, research bodies etc. The MP refers to</td>
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### Health Impacts

<table>
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<th>Potential Impacts</th>
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<th>Not sure</th>
<th>Comments</th>
<th>Recommendations</th>
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<td>Training and skills in a number of actions, including the delivery of an AONB rural skills programme.</td>
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<td></td>
<td></td>
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<tr>
<td>Housing</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>The MP recognises the housing challenges that the area faces (affordability) and refers to the role of the AONB DPD in allocating suitable sites for housing development and requiring 50% of new homes to be affordable.</td>
<td></td>
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<tr>
<td>Crime</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>Work environment</td>
<td>✓</td>
<td></td>
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#### Factors that impact a person’s ability to improve their own health and wellbeing

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<tbody>
<tr>
<td>Nutrition and diet</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>The MP seeks to support local food products and initiatives to increase self-sufficiency.</td>
<td></td>
</tr>
<tr>
<td>Physical activity</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>The MP includes a number of actions to encourage physical activity in the AONB through improving access to nature, delivering initiatives such as therapeutic walks and promoting outdoor tourism.</td>
<td></td>
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<tr>
<td>Alcohol</td>
<td>✓</td>
<td></td>
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<td></td>
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<tr>
<td>Drugs</td>
<td>✓</td>
<td></td>
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<td></td>
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<tr>
<td>Risk taking behaviour</td>
<td>✓</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Smoking</td>
<td>✓</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Loneliness and isolation</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>The MP includes actions to increase local participation in</td>
<td></td>
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### Health Impacts

<table>
<thead>
<tr>
<th>Potential Impacts</th>
<th>Positive</th>
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<th>Not sure</th>
<th>Comments</th>
<th>Recommendations</th>
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<tbody>
<tr>
<td><strong>Activities such as</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>activities such as through organised walks.</td>
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<tr>
<td><strong>Access to services, spaces or social opportunities that impact health</strong></td>
<td></td>
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<tr>
<td>Communication methods</td>
<td>✓</td>
<td></td>
<td></td>
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<td>The MP refers to maintaining high quality and up to date communications about the AONB, responding to the changing ways people use and consume information. It recognises the role of communication methods in promoting the AONB and raising visitors’ and residents’ understanding and awareness of issues.</td>
<td></td>
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<tr>
<td>Active travel</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>The MP includes a range of actions to promote and encourage sustainable travel.</td>
<td></td>
</tr>
<tr>
<td>Access to leisure</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>The MP recognises the importance of tourism to the AONB and seeks to promote responsible leisure activities that do not undermine the special qualities of the area.</td>
<td></td>
</tr>
<tr>
<td>Access to culture</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>The MP recognises the distinctive culture of the AONB and seeks to improve understanding of local culture through research, and to promote it to tourists.</td>
<td></td>
</tr>
<tr>
<td>Access to green spaces</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>The MP recognises the importance of green spaces and includes a number of actions to help people enjoy nature and special places in the AONB.</td>
<td></td>
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South Lakeland District Council
Cabinet
28th November, 2018
Review of the local delivery of the property level flood resilience grant scheme

Portfolio: Cllr Dyan Jones – Environment Portfolio Holder
Report from: Fiona Inston – Public Protection Manager
Report Author: Fiona Inston, Sean Hall and Shaun Senior (Public Protection)
Wards: All
Forward Plan: N/A

1.0 Expected Outcome
1.1 The report provides an opportunity to comment on the ‘review of the local delivery of the property level flood resilience grant scheme’ report. The purpose of the report is to reflect on the flood grant project and provide recommendations to central government on any future roll outs.

2.0 Recommendation
2.1 (1) That the report be received and then circulated to key organisations to highlight the Council’s learning from this process and to help influence future delivery of such grants.

3.0 Background and Proposals
3.1 In December 2015, the Prime Minster announced the roll out of the flood resilience grant up to the value of £5,000 to all householders flooded by Storm Desmond, this was later opened up to businesses. With limited guidance, clarity and any resources from central government, South Lakeland District Council had to roll out a grant project which continued to evolve and had the potential value of £12 million.

3.2 Previous schemes had been administered by South Lakeland District Council so there was expertise and knowledge lying with those officers who formed the flood grant team.

3.3 The flood grant project operated over two years, with 1,397 applications made resulting in a total of £3.4 million in flood resilience works being carried out.

4.0 Consultation
4.1 Internal workshops have been completed to collate the draft report with members of staff directly involved in the delivery of the flood grant project and a feedback session took place with Alder and Allan. DEFRA has been approached for comments but no
response has been recived. The draft report was presented to the senior management team on the 27th September 2018.

4.2 The report was taken to Overview and Scrunity on the 26th October 2018 and no amendments were made to the report. The Committee recommended that Cabinet circulated to key organisations to highlight the Council’s learning from this process and to help influence future delivery of such grants.

5.0 Alternative Options
5.1 Not to receive the report or make recommendations. The recommendation set out ensures that the learning is shared to help influence future delivery of such grants.

6.0 Links to Council Priorities
6.1 Making South Lakeland the best place to work and live.

7.0 Implications

Financial, Resources and Procurement
7.1.1 As detailed in the report.

Human Resources
7.2 N/A for this report

Legal
7.3 N/A for this report

Health, Social, Economic and Environmental
7.4 N/A for this report

Equality and Diversity
7.5 No Equality Impact Analysis has been completed.

Appendices Attached to this Report

<table>
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Background Documents Available
None.
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<td>Section 151 Officer</td>
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South Lakeland District Council

Review of the local delivery of the Property Level Flood Resilience Grant scheme

October 2018
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<td>Appendix 3 – Flood Resilience Grant Process Map</td>
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Introduction

Purpose

This report provides a review of the property level Flood Resilience Grant (FRG) scheme administered by South Lakeland District Council (SLDC) on behalf of Cumbria County Council for the Department for Communities and Local Government (DCLG) and the Department for Environment, Food and Rural Affairs (DEFRA) between December 2015 and March 2017 (for applications to be lodged).

The report is an overview of the FRG with the aim of capturing the achievements and difficulties experienced during the set up and operational phases. The report also captures learning points and improvements that may benefit either residents/ businesses or other local authorities delivering the project, if it was to be rolled out again.

This report is considered to be a learning tool to be referenced for the purposes of either strategic planning by central government or operational management for local authorities with a view to assisting the planning of any future schemes similar in nature or scope.

The report is based on the review workshop that took place in March 2018 which captured the lessons learnt from all those at the forefront of delivering the scheme.

Overview

The FRG scheme was launched in late December 2015 to provide grants of up to £5,000 to homeowners that had been flooded internally as a result of storms Desmond (5/6 December 2015) and/or Eva (25/26 December 2015). In January 2016 the scheme was extended to cover business premises as well. The district does have a history of localised flooding and properties that flooded in November 2015 and February 2016 were not able to apply.

The grants were used to fund measures to improve a property’s resilience or resistance to flooding, over and above repairs that would normally be covered by insurance. The grant was not intended to cover standard repairs or to provide compensation but to pay for measures designed to reduce the impact and cost of any subsequent flooding to the property.

Context

The extreme and unprecedented storms and rainfall events of November and December 2015 caused flooding to an estimated 2,008 domestic and 350 commercial properties in South Lakeland. Over 70% of these were in Kendal with Mintsfeet and Far Cross wards (as they were at that time) being the worst affected areas. Flooding events occurred in other areas of Cumbria as well as Greater Manchester, North and West Yorkshire and Lancashire. The Association of British Insurance (ABI) estimated the final bill for the flood damage to homes, businesses and motor vehicles caused by storms Desmond, Eva and Frank to be £1.3 billion. (Note: Storm Frank happened over the 29th to the 30th December 2015 in Scotland).

There were significant operational demands and costs for SLDC in the acute phase of the flood, which included over 600 tonnes of additional waste collected by street scene and increased environmental health visits to ensure public safety. This involved visiting flooded
properties and food businesses, and an increased number of residents displaced from their homes requiring support from the Housing Options team. At the same time, some of the council’s own assets had been affected including Rothay and Borrans parks (Ambleside), The Castle Dairy (Grade 1 Listed Building) (Kendal), the façade of Kendal Town Hall and the Brewery Street car park (Ulverston).

Summary of Recommendations
A summary of recommendations can be found at the end of the report.

Section one: Scheme set-up

Whilst the scheme was announced on 9 December 2015 no guidance and very little information to assist the Local Authority in setting up the scheme was provided. The Local Authority attended the launch event on the 15 January 2016 in Manchester where the intentions of the scheme were presented but no documented guidance was provided until 20 January 2016.

Prior to this date flood affected residents were aware of the government’s announcement, but neither they nor those tasked with administering the scheme had any specific detail. Local flood advice events were held, although the specific scheme criteria was unknown. This avoidable situation resulted in local conflict and thwarted those moving quickly to reinstate their properties to install appropriate measures from the onset.

No generic application form was provided which initially resulted in the use of forms designed for previous and materially different schemes (Flood Repair and Renewal Grant Scheme 2013/4). Only when an in-house form was developed could the relevant information be presented by applicants. This again was an issue that could have been avoided.

A significant amount of discussion took place about the funding of the project. From the onset it was outlined that there was no provision to use any of the grant funding to contribute or pay for the administration of the scheme. Provisions were made to fund the administration of the project from reserves.

Performance management

From the outset there was external pressure from Central Government focused on the uptake of grants (performance figures were requested on a weekly basis for the initial few months) and this placed additional pressure on the team. The target figures also changed during the project which was seen as a moving goal post. We were focused on getting the right measures rather than it being a numbers game. The scheme was open for nearly eighteen months and therefore we preferred the gradual increase in grant applications rather than a peak at the start of the project.

Similar schemes in the past have had an uptake rate of around 15-20% and therefore it was unrealistic to be getting significant uptake at an early stage of the project. In addition, there seemed to be little consideration of local factors, which affected uptake:

- Large scale flooding in areas that had never previously flooded and areas where residents had no expectation that flooding could happen;
- The flooding happened at speed, with people caught unaware so few measures were taken to protect their property and possessions;
Residents were very anxious, very upset at what had happened or in denial and took a while to consider long term planning for their properties. Evidence from previous schemes has indicated that a property would have to flood three times before there is an acceptance by the property owner to install measures.

The final uptake levels were - 74% of eligible properties applied for a grant and 81% of these applications were approved.

Evidence of flooding

- Criteria

In order to be eligible to apply for grant funding a property had to meet the eligibility criteria set out by DCLG guidance. At the outset of the scheme, businesses were not eligible; this decision was subsequently reversed by Government with eligible businesses entitled to apply.

The initial decision not to include businesses resulted in challenging discussions between local authority staff and the respective business proprietors, and a sense of ill feeling towards the local authority resulted. More definitive guidance at the outset would have benefitted all parties.

With regard to scheme eligibility the following definition was provided in the Flood Resilience Scheme – Local Authority Guidance – January 2016;

The owners of the following premises have been deemed eligible for scheme:

a. Residential properties (including accommodation such as static caravans where primary residence, defined as location registered on electoral role) where habitable internal area of the premise have been damaged by flooding by Storm Eva and Desmond

b. Business (including social enterprise) and charitable organisation properties where internal areas of the premise which are critical to the day to day operations (i.e. not storage sheds or warehouses) have been damaged by Storm Eva and Desmond.

By the nature of terminology used, this led to differences of opinion to the criteria, in particular the term ‘habitable’.

Despite requests to DCLG for a definitive definition of this term, none was provided. In the absence of such the FRG team referred to those provided in building regulations and housing legislation in conjunction with a subjective opinion, where required.

Further difficulties were encountered with the wording with respect to ‘internal area’. Some property owners reported flooding to sub floor areas (beneath floorboards) or non-habitable basements. Similarly, in some circumstances detached garages alone were flooded. The FRG team took the decision not to award a grant in these circumstances. Integral garages were considered where it was demonstrated that protecting a garage adjoining a property that had suffered flooding was relevant and where value for money was demonstrated.

The work undertaken by the council’s Public Protection Officers who visited flooded areas shortly after the flood helped to verify if a property had suffered internal flooding. Additionally this aspect was supported by information obtained from the Environment Agency (EA), concerning flooded areas and information collected at the time of flooding. Due to the topography of the district many individual properties that were flooded lay outside
the Environment Agency flood zones, were initially unrecorded or in rural areas. Local authority officer knowledge proved to be an invaluable source of information.

Photographic evidence was requested in all cases to support an application, but wasn’t always available or provided. A flood resilience survey of the property was also accepted as supporting evidence that the property had flooded. Additionally, not all applicants made an insurance claim and in some cases properties had been stripped out or even renovated at the time of application. A combination of these made it difficult to verify the eligibility of an application, even when a site inspection was made by a member of the FRG team. Although the definition was clear on internal flooding we did receive a number of enquiries from people whose gardens or greenhouses flooded, or properties which nearly flooded.

To aid the eligibility of an application, Council Tax Flood Relief records were, where required and more specifically as the time from flooding lengthened, cross referenced. This provided consistency to the scheme in terms of records. It was however our view that those residents not willing to register their properties on public record as flooded and who could not prove internal flooding in any form should not be able to benefit from public money for flood protection.

Occupants or owners that prevented flooding to a habitable room through exerted efforts were ineligible to benefit from the scheme as set out in the criteria. This resulted in situations where those occupying a property adjoining a flooded property, whose owners did receive maximum grant funding, have to endure the fear and threat of any recurrence in the future. Any future scheme should allow funding for these properties providing evidence is submitted as it seems grossly unfair to penalise a householder for being proactive.

With regard to businesses, the criteria ‘critical to day to day operations’ resulted in subjective assessment which inevitably led to differences of opinion in several applications. In some circumstances the line between storage/warehouse or business critical was a difficult decision.

There was not a general agreement on the definition on habitable room at the housing sub group for Cumbria officers which lead to different local authorities applying different definitions. There was no definitive steer from DCLG/DEFRA.

**Use of flood grant data**

Throughout the operation of the scheme, the authority collected a significant amount of data about properties which had flooded within South Lakeland. It was recognised at a very early stage that this information may be of benefit to other government agencies with an interest in flooding such as DEFRA, the EA, and Highways Authority. Consideration was therefore given to firstly ensure that applicants for the scheme were happy to have their data shared with other agencies, and secondly that other agencies used this information in a responsible way.

In order to ensure applicants were informed that their data may be shared, part of the declaration included a statement which was agreed with the SLDC Corporate Information Officer.

Data sharing agreements were also established with those other government agencies who may have need of the information collected.
In reality, any data requests were for general numbers and the location of properties flooded, and not for specific measures installed or any other personal data.

Resilience and Resistance measures

- **Scope and definitions**

Resilience – Resilience measures allow for a more speedy recovery when water does enter a property. Use of flood resilient materials in properties at risk of flooding greatly reduces the time people are out of properties following a flood event. This approach requires consideration at an early stage of reinstatement and, where applicable, the engagement of the insurance provider/reinstatement contractor.

Resistance - The primary aim of resistance measures is to prevent the entry of water into a property during a flood event. Physical defences, such as flood doors, demountable barriers for at risk doors and windows and automatic air bricks are common examples.

From the outset the local authority promoted resilience over resistance, particularly where internal flood levels were excessive and resistance would have likely been futile. This approach followed the intention promoted at the Manchester meeting 15 January 2016 but was not specified in the guidance subsequently produced. Whilst resilience allows for a more speedy recovery following a flood event many applicants were adamant that resisting the entry of water was their preferred option, irrespective of flood depth.

The grants were not intended to cover standard repairs or to provide compensation but to finance measures designed to reduce the impact and cost of any subsequent flooding to the property.
The FRG team referred primarily to the Guidance Notes provided by DEFRA, however the measures presented were not an exhaustive list and acknowledged as indicative of measures that were eligible. The list and cost of indicative measures appeared to be outdated, being drawn from DCLG guidance notes of 2014. The team expanded on the measures provided, on occasion with DEFRA agreement, in order to ensure eligibility and to provide a wide range of options to applicants. However, a definitive answer was not always provided by government, casting more doubt on eligibility and consistency.

As the scheme progressed it became apparent that whilst a property may not have been subjected to flooding of habitable rooms, as outlined in guidance, the use of a property became inhabitable if vital utility services were flood affected. This led the team to reconsider their standpoint with applications subsequently approved to raise utility services that were not specifically in a habitable room to above the flood level experienced.

The DEFRA Guidance states the aim should be that resistance measures will exclude water up to 0.9m depth. This in practice is difficult to achieve as the majority of kite marked resistance measures available are certified closer to a 0.6m depth. However, in numerous circumstances the local authority established that protection up to 0.6m depth was acceptable even where previous flood levels had exceeded this. Guidance Notes that complement measures available would seem a sensible option for any future scheme.

External drainage channels and boundary walls or bunds to divert flood water were not measures deemed eligible by the local authority as this may have resulted in increasing the risk to neighbouring property. Similarly, driveway barriers were also rejected in preference of the promotion of measures adjoining the fabric of the building.

Applications were received where several properties within a curtilage were under the same ownership or management. In these situations the pooling of funding was permitted, subject to approval, to allow grant funding to be used for the most effective flood protection.

Whilst the local authority strived to provide a consistent approach, the lack of definition provided by DEFRA resulted in differences of opinion between applicants and the local authority. Inevitably, such issues led to a drawn out process, on occasion involving several tiers of management, councillors, applicants, surveyors and the Flood Grant team, in attaining an outcome. Had the guidance been more definitive, these distractions would have been avoided affording more time into providing advice, issuing approvals and ensuring a more consistent approach nationally.

- **Quality Assurance**

Quality assurance took a considerable amount of officer time both in confirming acceptable measures and relaying this to all interested parties. We were fortunate however, to hold in-house expertise with officers who were familiar with relevant products and experience from previous flood grant schemes.

Guidance documentation (DCLG 20 Jan) recommended the use of British Standards (BS) (or equivalent) for all works. There is a plethora of flood protection products available, many of which do not hold BS certification. Although many companies claimed their products met PAS1188 through in-house testing, as opposed to BS independent assessment, this was deemed insufficient, particularly where high value products such as flood doors were applied which could cost over £2,000. This decision led to vociferous objection and challenge from some companies that fell under this criteria and also from householders who had or were
intending to install such products. As far as we are aware, SLDC is the only authority to make this a mandatory requirement, despite forming part of the guidance provided.

In all cases where a flood door was installed, a copy of the respective kite mark certification was requested along with photographic evidence of the product installed. This quality assurance check was not infallible as a BS kite mark certificate can easily be obtained via an internet search. Further conflict arose as many companies supplied both BS and non BS certificated products. A requirement to apply indelible markings on doors and frames would provide assurance to all parties in respect of product quality.

Several applicants understandably sought to install measures in keeping with their properties, in particular where they are located in a conservation area or through personal preference. A clear development management policy would have assisted in this respect regarding which measures were appropriate for a given area. Some applicants were left feeling unable to adequately protect their property due to confusing messages about what they could or could not install.

Where concerns with the standard of practices, products and workmanship were identified the relevant Trading Standards departments were informed.

To assist with quality assurance and ensure value for money, two like-for-like quotes were requested. These were required to be independent of the surveying organisation so as to avoid a conflict of interest and bias towards self-promoted products. Despite this, a number of applications were identified by officers where inappropriate measures had been proposed. Instances included applications for door barriers or flood doors which would have been ineffective as the flood water had entered through the basement level or ground floor, and flood doors in settings where no other escape route was available, effectively trapping residents inside their properties.

**Surveys**

Government proposed that the local authority could offer a free survey to support an application or to fund this as part of the £5,000 grant. Due to the number of affected properties and the perceived financial and resource cost to the local authority, the decision was taken at the outset to use grant funding for these costs. A grant eligible limit of up to £500 was permitted for a survey following the figure promoted in the guidance document from DCLG.

To aid this we invited surveyors, both locally and nationally, to express an interest in delivering this service to flood affected property owners. A meeting was chaired by the FRG team, with interested parties, and considered the relevant criteria to be included in a survey report. Surveyors were invited to submit a draft report for our assessment to ensure an acceptable standard and consistent approach could be achieved. A list of those surveyors was published online to allow applicants to consult with and select a surveyor, however, it was never a requirement of the grant to specifically use one of these surveyors.

Surveys were received from sources in addition to those on the publicised list. Many of these surveys highlighted the bias element and/or fell below the standard expected. Inappropriate surveys included measures for properties that had not suffered flooding to an eligible room, construction details of properties not fully considered (crosswall), surveys being submitted directly to the flood grant team (in conjunction with an application form) without consultation with applicants, being of a very low standard and with incorrect critical detail such as flood.
depth, no indication of flood water entry routes, wrongly titled photographs, and inappropriate measures.

A conflict of interest and lack of independence was clearly apparent in the surveys submitted by some companies. Surveys of this nature would identify eligible and appropriate measures, such as a concrete floor however, the subsequent application and quotes were clearly for off the shelf products and not those that would provide the most appropriate resilience/resistance measures. These findings were identified through vigilant assessment and conveyed by the flood grant team to interested parties.

Whilst a survey was recommended, particularly where resistance measures were proposed, some surveyors insisted that only their organisation could undertake the survey. This led to an element of hostility between such organisations and homeowners with the local authority acting on occasion as mediator. Comments such as ‘money making exercise’, ‘incompetent’, ‘rip off merchants’ were reported to the FRG team.

These issues are to be expected as there is no formal recognised qualification, national training or approved standard for flood protection surveyors. A recognised training and accreditation scheme would help gain the trust of householders and scheme promoters, and ensure consistency across the industry.

Within South Lakeland over 70% of applications submitted were supported with a flood resilience survey.

Application form
- Layout and content

No sample application form was provided by government therefore the Cumbria Resilience Group tasked SLDC with developing a sample form for the scheme. This was developed based on the application form used by us in the Repair and Renewal Grant 2014 scheme and subsequently circulated to all Cumbrian Local Authorities and DCLG to agree. (Note: Government press release dated 9th December 2015 stated that the scheme would provide targeted support on the same basis as those affected by flooding as part of the previous scheme).

However, advice received from DCLG was that they did not want the scheme to simply mirror the previous DEFRA scheme and therefore further consideration was given to the application form. This included simplified text and additional guidance notes, although advice on the specific areas to simplify was limited, and a focus was placed on locally agreed schemes. The application form for this scheme was considered by the Cumbria Housing sub group on 17th December 2015 with a final draft circulated and agreed on 23rd December 2015.

Although agreed as a part of a Cumbrian scheme, each local authority tailored the application form to their own design (corporate logo, layout, design etc.) The application form was subsequently made available on-line as a download prior to Christmas 2015, as directed by DCLG.

At this stage the scheme parameters were not set and there remained a number of unanswered questions from DCLG, which directly affected the content of the application form. These included (but were not limited to), the inclusion of businesses in the scheme, should housing associations be able to access the scheme, should the scheme be based on a property or a household, were second homes or empty homes included.
Changes were made to the application form following additional guidance issued by DCLG in early January and DEFRA in late January 2016. The changes made included the inclusion of properties flooded as a result of Storm Eva and commercial properties, the end date for the scheme was also extended until 31 March 2017.

Where an application was submitted without a flood survey, the applicant was asked to provide a rationale for their measures, we asked for quotes to show the cost of repairs with and without resilience measures, supporting evidence such as photographs and, to encourage people to submit the correct information first time, we added a (short) list of the information we required to be included with the application.

The third and final version of the application (produced July 2016) asked which rooms had been flooded and included the proviso that any work carried out prior to receiving written grant approval was done so at the applicants’ own risk.

The most up-to-date application form was always available on our website but prospective applicants did sometimes use older versions of the form they had received in an initial mail out or had obtained from our partner agencies which caused confusion and frustration. It would have been helpful to have included version numbers on the application form and been clear that updated forms superseded previous versions, and we would only accept the updated version of the form.

Guidance notes

Guidance information was provided on the council website advising on the availability and eligibility of the grant, and to assist property owners in applying. These pages were updated as and when new guidance and information became available from DCLG, DEFRA or other sources.

Providing an example of a completed application form to help people understand the type and level of information required would have been beneficial to both the applicant and the team. A form was partially developed but never completed and published due to time pressures on officers and also changing guidance from Government. Potentially it would have reduced the number of forms we returned as incomplete or requiring more information, this would have speeded up the process for some.

Specific areas where applicants experienced difficulty with the application form included:

- Who should apply – tenant/leaseholder/management company/surveyor/owner
- Details of flooding - this was often vague and sometimes an assumption that we would already have this information. Estimated depth of water led to different accounts on adjacent properties
- Measures to be installed - guidance was provided on the difference between resilience and resistance as initially people were sceptical about the idea of letting the water in to their property and having resilience measures in place to minimise the damage and disruption by speeding up the reinstatement process if they flooded again
- Cost of repairs v resilient repairs – a quotation form was produced to assist contractors and applicants understand and work out the betterment costs
- People were not aware of the difference between a ‘quote’ and an ‘estimate’ and also did not understand what ‘like for like’ meant in relation to quotes
In addition to the guidance notes and information on our website we also held weekly drop in sessions where people could get first hand technical advice on their situation and receive help and assistance completing their application form. This proved to be a success and provided an invaluable face to face opportunity for the FRG team to speak directly to applicants and flood affected victims.

Information Management System and standard letters

At the onset of the scheme it was decided to utilise the Civica Authority Public Protection (APP) software system already in use within SLDC’s Public Protection team to record and administer any enquiries and applications for the grant. All documentation, letters, emails, details of conversations, site visits, payment details etc. were recorded against the individual property record. These records were 'locked down' with only the staff within the FRG team being able to access them.

To ensure a consistent approach, speed up the grant process, and reduce the repetitive work of the team, some template letters were set up within APP.

In some circumstances these letters worked really well as the same information could be communicated to the applicant quickly and easily. However, one size fits all letters were not always appropriate and the letters, particularly the approval letters, had to be tailored to the individual circumstances of the applicant. To further assist this process some additional standard sentences and paragraphs were then compiled to cover a variety of circumstances and situations. Nevertheless it was still necessary to write bespoke letters in most instances due to the complexity or uniqueness of the applicants’ situation.

Using Civica APP to record all the flood grant information also meant that we were able to set up reports which provided us with real-time information via a dashboard. This data was used to complete returns and provide updates to our Management Team and Councillors etc. It was also an essential tool for us to review and monitor the progress of the scheme and was particularly important as deadlines were approaching to enable us to know who we had to chase for information.

Data for Portal Return (example of a report)

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Applications Received:</td>
<td>1397</td>
</tr>
<tr>
<td>Number of Applications Approved:</td>
<td>1131</td>
</tr>
<tr>
<td>Value of Applications Approved to Date (£):</td>
<td>£3,495,907.75</td>
</tr>
<tr>
<td>Number of Applications Paid Out to Date:</td>
<td>1683</td>
</tr>
<tr>
<td>Value of Applications Paid Out to Date (£):</td>
<td>£3,485,524.17</td>
</tr>
</tbody>
</table>

As the scheme progressed it became evident that approval letters needed to be very clear and specific about what was being approved in terms of the measures/products, the supplier and the values and where necessary what was out of scope. We had some instances where the invoices for completed work/products differed from those approved which then took up
officer time to review and either accept or refuse these changes.

The approval letter also needed to be very clear where applicants were going to have to contribute towards measures above the grant award. We had instances where applicants said they did not realise they would have to contribute towards the costs of the measures costing more than £5,000 even though their approval letter clearly stated we would be awarding a specific grant amount (in monetary terms) towards the measures.

Contracts and quotations

As flooding had affected many parts of the UK there was an apparent lack of availability of national or local contractors from the outset. Many local contractors were involved with property reinstatement and unable to commit to the increasing demand from other flood affected properties who were seeking quotes in respect of the scheme.

In order to assist, prospective applicants were signposted to the National Flood Forum – Blue Pages, where a wide choice of products and national suppliers were available. Whilst a good source of information, we were unable to endorse the companies listed as advertisement on that site was via a paid subscription by these companies. It soon became apparent that whilst many kite marked products, as advocated by the scheme, were available, some companies were advertising products that had no independent testing certification to support their claims. On occasion this caused conflict and redirected our efforts to defend the stance of expected standards as promoted in the DEFRA guidance.

Due to the shortage of suitable contractors, applications were received which included quotes and/or estimates from contractors whose primary work included the likes of landscaping, painting and decorating, and plumbing. As there was no recognised standard for fitting flood products we were left to consider these on an individual basis and approved only where a level of competency could be demonstrated.

We also received several notifications about the perceived lack of competency of contractors working under the instruction of the insurance industry. Reports of painting over wet walls and over mould were reported along with general sub-standard levels of work. This led to applicants delaying applications while they were having to concentrate efforts on predominantly insurance financed reinstatement.

It was recommended that two like-for-like quotes were required, however the quality and content of many we received appeared spurious, not independent of the applicant and we were aware, through local intelligence, of a level of collusion taking place between some contractors and applicants.

People were often confused by the terms ‘quote’, ‘estimate’ and ‘invoice’ and did not understand the difference between them which slowed down the process and caused localised friction and delay pending submission of the correct paperwork. This was an issue that was encountered even with the larger companies involved.

It was evident that some contractors, whilst within the indicative guidance figures provided, appeared to use this to their financial advantage as quotes received were suspiciously close to the maximum grant available. An example being the guidance figures for concrete floors which had a range of several thousand pounds with no indicative cost per square metre. Whilst it is acknowledged that contractor’s rates vary, a national rate per square metre...
should be considered in any similar future scheme to provide financial security and value for money.

The complexity of establishing the betterment value was seen by some as a blocker to getting the work done so we produced a quotation form, with a worked example, to help applicants and contractors work out these costs. This allowed the applicant, with assistance from the contractor, to demonstrate the cost of a resilience repair as compared to the actual cost of the reinstatement. Only the additional resilience amount was covered by the grant scheme.

The launch of a government grant scheme awarding £5,000 per flooded property appeared to result in a rise in price of many standard products and as the scheme progressed the price of some products increased significantly i.e. automatic closing airbricks, which were available for under £40 each prior to flood, rising to a supply and install price of quotes for over £150 each. Quotes for kite marked doors set out at circa £1,800 however as time progressed quotes/invoices were also received for closer to £3,500 each. These factors significantly reduced the measures that grant funding could finance.

It was very noticeable that many of the quotations submitted were for amounts equal to the grant available and once some contractors were aware that a further £2,000 grant funding was available to householders through Cumbria Community Foundation (CCF) the quoted prices increased again and were often for measures that were not appropriate or necessary.

It became evident through the process that some contractors were subcontracting work out. Either through being unable to deliver or seeking an alternative less expensive contractor so they would financially benefit from this exercise. Whilst this exercise was seen as morally dubious we were unable to prevent this, predominantly only becoming aware following the completion of works.

Many contractors were not VAT registered which allowed them generally to submit more competitive quotes however, where VAT was included in a quote evidence was requested through the provision of a VAT registration number so the validity of this cost could be ascertained.

Retrospective applications

The scheme allowed for applications to be submitted retrospectively. In the beginning this allowed people who had already begun or completed work immediately following the flooding (before the start of the scheme), to access the grant to recover the costs of eligible measures.

The application form requested applicants to describe how they had ensured value for money and requested evidence of quotes and invoices.

However, the majority of retrospective applications received were not supported with a survey and had limited rationale for the measures undertaken which resulted in a higher degree of scrutiny and more officer time in establishing eligibility and appropriateness of measures. This included site visits, discussions with insurance companies and sometimes neighbours. This rigorous assessment helped to establish those applications that were potentially fraudulent/opportunistic.

Retrospective applications were an administrative burden on the team in terms of verifying validity of claims such as:
• difficulty establishing the pre flood use/eligibility of a room that had subsequently been re-instated or converted into a habitable room post flooding
• difficulty in determining level of eligibility for properties that were undergoing renovation at the time of the flooding (extent of damage caused, pre-commitment to financing and construction works)
• awarding for measures to property extensions that that did not exist at the time of the flooding.

Where insurance companies carried out the reinstatement works the property owner sometimes requested resilience measures, such as the raising of electrics, to be carried out over and above insured losses. However, on occasion, neither the applicant nor the insurance company were able to substantiate this by way of invoices or supporting information making it difficult to award a grant against these additional eligible works.

Some speculative applications were made for items purchased/installed following previous flooding and as they pre-dated the December 2015 flooding events were deemed not eligible.

Despite the publicity about the scheme, we continued to receive retrospective applications up to the application closing date. Early on in the scheme we decided that any measures undertaken without prior approval were at the risk of the property owner. Some of these later retrospective applications included measures that pushed the limits of eligibility resulting in applicants attempting to force the hand of officers. However, all retrospective applications were considered on a case by case basis to ensure the costs were proportionate and the measures appropriate.

To facilitate the administration of any future grants the acceptance of retrospective applications should be time limited.

Title of scheme

The original direction from Government was that this scheme would be similar to the previous scheme offered and therefore would follow a similar scope as the 2014 Repair and Renewal Grant. Follow up guidance in early 2016 referred to property level resilience with no reference to ‘repair’. This name change was welcome as the use of the word ‘repair’ previously had led to confusion from the residents and gave people a false idea of the purpose of the grant. The name of the scheme subsequently changed as per the guidance and focus on making properties resilient to future flooding events and became known as the Property Level Flood Resilience scheme.

Section two: Operational delivery

Communications

To promote the availability of the grant, the team worked closely with the council’s communications department and an extensive and integrated communications and marketing plan was drawn up. Details of the communications activities included:

• Numerous press releases that were picked up and resulted in coverage in local newspapers, websites, regional TV and local and national radio, with officers from the project team completing a number of broadcast interviews for both radio and TV. These releases included regular updates on the scheme, deadline reminders and specific
details on kite marked products etc. to support the messaging throughout the duration of the project.

- In January 2016 we posted out application packs to all properties that we believed to have been flooded. The pack included a covering letter which outlined details and eligibility for the scheme, a summary of the difference between resilience and resistance measures, the reasons for carrying out a flood survey, information about working with their insurance provider and details of websites, including our own, where further information and advice could be found. The pack also included an application form and reply paid envelope, general information about the grant, a list of surveyors who would be able to carry out flood surveys, information on what works would require building regulations or planning permission and a ABI guide to resistant and resilience repair.

- Initiated a ‘Battling Back from the Floods’ campaign in the most widely read local newspaper, The Westmorland Gazette, both in print and online (a combined 100,000 weekly readership) and provided copy and case studies for a series of features promoting the flood grant scheme, how to apply etc.

- Integrated social media campaign on Facebook and Twitter to encourage take-up.

- Dedicated flood grant section on website, with clear presence on the home page.

- Regular features on the scheme in the resident newsletter South Lakeland News, which distributes to every household in the district.

- Case studies on residents and businesses that had accessed the grant to illustrate the process and the measures.

- Regular briefings for councillors on the flood grant scheme to enable them to support activities in their communities.

- Communications officers attended meetings and provided regular briefings for the South Lakeland Community Flood Recovery Group, made up of representatives of charity groups, community organisations and businesses supporting the flood recovery, so they could promote the flood grant scheme.

- Supported awareness of drop-in events at the town hall to assist with flood grant applications.

- Supported awareness of community engagement work to encourage flood grant applications, including promoting a ‘Lend a Hand’ day at Sandylands in Kendal, one of the worst affected areas.

- Supported awareness of the flood fair event in Kendal.

- Supported awareness of the flood grant scheme with leaflets and information at strategic locations, including the flood recovery unit/foodbank that was set up in Westmorland Shopping Centre in Kendal.

- Staff internally briefed about the scheme so that residents contacting council tax to update the status of their property were also provided with information about the scheme.

Community engagement

A significant amount of activity took place to promote the scheme. As well as the communication plan and actions there was work within the community, some of these included hosting training for various third sector partners (Age UK, CAB, Lions, Gateway, Kings Foodbank, Sandylands Methodist Church, Cancer Care, Samaritans, Buddhist Group of Kendal), Kendal Town Council and elected members on the scheme and how to apply.
A flood fair was organised on the 8 October 2016 at a local shopping centre in Kendal to showcase potential products, suppliers providing examples of solutions and access to the team to discuss how to make an application, status of their application or any other information. The team attended a significant number of Cumbria County Council arranged events across the district which were primarily aimed at collecting information from flooded properties to help the Section 19 (Flood and Water Management Act 2010) report. Whilst attending these events local residents wanted support and advice on how to protect their property, and this was seen as being beneficial.

The team also attended and supported the local community recovery group which has a high turnout of the third sector who would cascade information back into the community and report any areas of concerns and recommendations. Further community engagement including support to community events such as give a day, door knocks with the third sector and working closely with the Red Cross who visited property owners to talk about their application and encourage up take.

At the onset of the project there was a significant amount of people attending the council offices for advice. Most of these did not make appointments and officers were not always on site to provide assistance. We recognised that we needed to provide the public with the opportunity to speak to the FRG team for help and support. We set up weekly drop in sessions every Wednesday from 1pm – 6pm in Kendal Town Hall. A total of 40 sessions were held between April 2016 and March 2017 dealing with over 500 enquiries and were deemed as an extremely useful and beneficial exercise.

Unfortunately, at times there was negative media and coverage that was inaccurate about the grants which could have put people off applying. The FRG team worked closely with the communication team to counterbalance these claims.

Standard of applications

The standard of applications throughout the scheme was generally low. Initially the applications lacked detail as they were partially completed, there was no supporting evidence of flooding, had limited or no details of measures applied for, no quotes were provided and no flood protection survey had been carried out.

Between 1 January and 31 March 2016 we received 195 applications of which only 23 of the 101 assessed met the scheme criteria and were approved. Sixty eight applications did not pass the initial assessment and were returned as incomplete with the areas requiring further information highlighted. Ten applications passed the initial assessment but further details were requested before a decision could be made to accept or refuse.

In order to improve people’s understanding of the scheme and clarify the scheme’s criteria, weekly drop in sessions were held. These proved invaluable and resulted in a noticeable improvement in the standard of applications as people were better informed and the most appropriate and effective measures to best protect their properties from future flooding were identified. This then speeded up the approval process if when the application and quotes were submitted they were for the measures previously discussed and agreed as appropriate.

However, as the scheme was drawing to a close many of the applications received in the final month were again of a poor standard. Some were speculative and others lacked detail and supporting information despite applicants having had over a year to complete and submit their application.
Panel, appeals and administration

Once an application was received an initial screening was completed by a member of the support team and appendix two outlines the checks completed. This first screening allowed for applications to be screened before they were reviewed by a technical officer. This process provided a triage to the team.

After screening, the officer would complete an assessment, again in appendix two and any that were considered to be contentious were assessed by the flood grant panel.

The panel comprised a manager and two technical officers and they met as necessary to make a final determination. The decision letter was the formal summary notes from the meeting.

The flood grant panel reviewed 45 applications (some of which were repeated following additional information or changes to the scope). There was no process of appeal against the decision and the only formal route was via the council complaints procedures and then to the ombudsman.

We received 10 complaints which were dealt with through our formal complaint process, and one complaint which was referred to the Local Government Ombudsman which is discussed in greater detail in the customer experience section below.

Inbox and telephone line

A dedicated phone line and email address were set up and promoted at the start of the scheme to enable the public and partner agencies to contact the FRG team directly.

However, at times the volume of calls and emails was overwhelming with the small team unable to answer all the phone calls and reply in a timely manner to emails in addition to speaking to people in reception, making site visits, progressing applications etc. To help this, the weekly drop in sessions were introduced, more information was put onto the website to help answer frequently asked questions and customer services were provided with briefing notes and training.

As there were limited resources available to answer the phone and respond to less complex emails it would have been of huge benefit to all to have more bespoke scripting in the customer service team. It would have been of particular assistance in dealing with calls from people who had not read the letters/emails we had sent them and phoned to ask what was happening or what they needed to do next when all this had been explained in the correspondence sent.

Many phone calls were lengthy as the public sought guidance and clarity on their sometimes complex situation yet- this was seen as welcome by both the team and the applicants. These calls enabled us to better understand their situation, identify any constraints, and talk through the options and for appropriate measures to be agreed verbally, which enabled applications to be progressed quicker to the satisfaction of the team and the applicant.

Customer experience

Customer experience was extremely difficult to gauge during the initial stages of this scheme. Some customers were extremely frustrated at the difficulties experienced in accessing the grant, directly after it had been announced by Government whilst others were happy that the council was here to help them after they had been affected by flooding.
We did make a point of listening to what our customers wanted, particularly in terms of advice and guidance, and adapted our service to meet their needs where possible. This included making officers available to attend flood advice fairs and community events, having a regular weekly drop in on a Wednesday afternoon, and keeping the information on our website up to date. We also frequently revisited our communications plan to target key deadlines for the scheme and focused on any emerging issues where customer feedback had suggested additional support was required.

During the course of the scheme 22 written compliments, 10 formal complaints, and 1 Local Government Ombudsman (LGO) complaint were received in relation to this scheme. Whilst the compliments generally focused on the assistance which officers had given to applicants, formal complaints were generally orientated towards applications which had been rejected by officers, and where further explanation was required to support the rejection.

The involvement of the LGO in one complaint highlighted a number of areas in the scheme where we had not published sufficient local decisions regarding eligible criteria. As discussed at length in previous sections, the lack of Government guidance did result in a number of localised decisions concerning eligible criteria and the LGO suggested that because we did not publish localised decisions we were not operating the scheme in a transparent manner. The recommendation from the LGO was that we review the failed application and also ensure all rules associated with any future scheme should be transparent. The failed application was subsequently reviewed by a Flood Grant Panel, with due consideration for the LGO comments, and the decision was taken to award the grant.

The involvement of the LGO in this complaint has highlighted a number of areas of the scheme which would require greater consideration should the scheme be repeated following a future flood event. These have been included, where appropriate, in the recommendations section of this report.

Throughout the scheme it was difficult for all parties to agree on measures and eligibility in all situations, however the aim of the FRG team was always to obtain the most appropriate measures. This frequently resulted in differences of opinion, which were often clouded and driven by emotional and misguided advice received from others.

**Payments**

One of the main considerations as the scheme was established was that financial means should not be a barrier to accessing the grant and as payment would only be made on completion of the work, the payment process had to be thorough but allow for prompt payments.

With this in mind we developed procedures to allow flexibility with regards to payments i.e. we made part payments for works completed to date and facilitated some direct payments to contractors. To encourage the take up of the grant we put procedures in place to pay contractors directly for flood surveys so people who were already under financial pressures from the flooding were not put under any further strain and put off from applying for the grant.

At the development stage of the scheme it was decided that access to the payment records within Civica APP would be securely managed by limiting access to the System Administrator in IT and one member of the FRG team. This team member was the only person to deal with the payment forms and inputted the applicant’s bank details onto the
payment record to enable a CSV file to be generated so the finance team could make the BACS payment. This procedure worked well and issues only arose when the team member was on leave and there was a short delay of a few days in making payments.

The grant application form gave applicants the option for the grant to be paid to themselves or the contractor with the majority requesting payment to themselves and they then settled their invoice/s with their contractor/s direct. Despite the Council’s constitution and procurement rules prohibiting direct payments over a specified amount to be paid to contractors without a formal contract in place, all the payments made directly were under this threshold and so the team was in compliance with the Council’s Constitution.

Along with the grant approval letter, payment forms were issued to the applicants to be completed and returned once the measures had been installed/works finished along with an invoice/receipt and where possible, photographs showing the completed works.

The technical officers would review the information provided by the applicant and either authorise payment to be made, request supplementary information, make further enquiries of the applicant/contractor or undertake a site visit prior to approving any payment. In the main these BACS payments were made within 5 working days of the payment being approved.

We understand that a small number of applicants delayed paying the contractor once they had received their grant money with some then entering into payment agreements with them to settle their invoice.

The payment process was sometimes delayed due to the applicant not fully completing the payment form (e.g. not filling in their bank details or providing incorrect details) or not providing an invoice/receipt for the completed works.

A small number of flood product companies requested a deposit at the point the order was placed by the property owner, which in some cases was up to 50%. We took the position that the approval letter was a guarantee the property owner would be receiving the grant so this should be as good as a bond to secure the order. This approach was accepted in the majority of cases but it appeared that a few applicants who had the funds to do so did pay the requested deposits and were then reimbursed by us on completion of the works.

As the scheme was drawing to a close considerable effort was made chasing up outstanding paperwork to ensure we could make payments to all who had had approved grants. Despite making repeat phone calls, leaving messages, sending emails and letters, we did have to visit several properties to collect the information to make sure they did not miss the payment deadline.

Applicants were not notified as a matter of course when a BACS payment had been made to them due to the extra work this created. If this process could have been automated it would have reduced the number of phone calls and emails checking if/when the payment would be made as people phoned us rather than checking their bank accounts.

Reviews undertaken by internal audit evidenced that sufficient checks occurred throughout the application process in relation to quotes and invoices submitted and that there was an audit trail for each payment from approval, payment authorisation to payment being made and all payments recorded on Civica APP were evidenced to the financial ledger.
Section three: Strategic Management

Resourcing

The project was resourced by SLDC. The grant scheme did not allow any financial contribution to be compensated to SLDC to deliver the project. At the onset of the project, a team was set up and officers were seconded from their statutory duties relating to public protection and were backfilled.

The team consisted of two full time flood grant officers (both had administered previous flood grant projects), a coordinator and support staff and was assisted by a number of officers within the council including communications, finance, building control, planning, IT and the customer contact centre. The project was overseen by an operational manager and an internal project board made up of members of the senior management team.

The total cost for resourcing the project was just over £192,000 which was equivalent to £137 per application. The cost of administering the Repair and Renew Grant scheme in Surrey in 2014/15 was an average of £284 per application.

Deadlines

Confusion was raised over the duration of the scheme as no time scales were provided by DEFRA/DCLG at the outset or throughout the scheme. We were mindful from experience of previous schemes we have administered that these projects take a significant amount of time and resources which are affected by the scale of the flood event, clarification of scheme eligibility, availability of contractors and products, and slow uptake. The local authority subsequently promoted their own extensive deadlines for applications and completed works which were accepted by DEFRA. The promoted SLDC dates were ultimately adopted by adjacent local authorities who had initially set their own earlier and unrealistic scheme dates. These extended dates allowed additional opportunity for those who had been unable to return to their property following the flood events and dealing with outstanding insurance claims, to submit an application and benefit from the flood grant scheme. A Cumbria wide agreement at the outset would have supported a county wide approach.

At SLDC we accepted applications up to 31 March 2017, works to be completed by 30 September 2017 and final grant award payments made by 31 January 2018.

Fraudulent claims

Although the scheme ethos set by DCLG was ‘light touch’ it was necessary in the administration of public funds to ensure that all monies were accountable. The distribution of potentially £12m of public funding could not be done without diligence and scrutiny.

The scheme, through the processes introduced, the scrutiny of the applications and the technical knowledge of officers identified a number of potentially fraudulent claims and these were investigated by the Council’s Fraud Officer.

The fraud attempts varied in type, ranging from submitting invoices for work not carried out, submitting fake quotes and invoices, inflated invoices, applications for properties which were not flooded and photographs of measures from another location.

Seven people were interviewed under caution. Some of these were the applicant, others were the builder/contractor.
As a result of the intervention of the fraud section, three people were successfully prosecuted, two at Magistrates’ Court, one at Crown Court, all who offered guilty pleas. Sentences ranged from community orders to suspended prison sentences. Two people withdrew their application after the intervention of the Fraud section and three people were refused the grant.

To assist in this aspect a reference folder was produced in which a selection of invoices and quotes were filed. This led to the identification of fraudulent documentation and subsequent investigation.

The FRG team, although attentive in initially identifying suspicious documentation, were fortunate to be able to access and obtain the assistance of the council’s fraud officer. Without this support the team would have likely been unable to pursue fraudulent cases to a satisfactory conclusion.

During one court case the Judge was full of praise for the council’s work in this matter and said the local authority was to be “congratulated on a careful and efficient investigation of this case, substantial sums of money are involved in the grant. The local authority are to be congratulated on their proper and careful enquiries. The local authority were able to identify this as a bogus claim”.

We are not aware of any other local authorities in Cumbria undertaking a prosecution or enforcement action linked to fraudulent claims.

Vulnerable residents

The flooding was a very traumatic experience for flood victims and we often had to deal with individuals who were struggling physically, financially and emotionally – this was especially evident at our early weekly drop in sessions.

To help support vulnerable applicants we had a member of the Red Cross attend the sessions and who also made home visits if we were alerted to concerns via site visits, letters or calls. Towards the close of the project the Regional Flooding and Coastal Committee funded technical support for NewGround to assist but unfortunately their involvement commenced long after the floods had receded and residents had moved back into their properties.

Other key partners included Cumbria Community Foundation who offered emergency grants (usually up to £500) to relieve hardship caused directly or indirectly by the storm or floods as well as Resistance and Resilience ‘top up’ grants of up to £2,000 for property level measures that exceeded the £5,000 limit of the FRG.

Kendal Gateway coordinated by Age UK South Lakeland collected an abundance of information including help required for grants via a bus and outreach work in the community. Our officers had little day-to-day contact with the team and subsequently made very few referrals. No follow up was made to these referrals and the outcome or action taken was unclear. At times there appeared to be a duplication of support and lack of coordinated effort which resulted in a whole range of forms that people were faced with. Residents often felt that numerous organisations were requesting the completion of forms for unknown reasons.

Flooding has a negative impact on mental health. At times the team had to work with residents to consider the most appropriate measures based on their health needs e.g. a heavy barrier would not be suitable for an elderly person etc.
Further reading about the impact on mental health can be found in the following report

Sharing of good practice

From the outset the FRG team took, and created, opportunities to discuss and share good practice across all elements of the scheme.

It is disappointing that there was a relatively long time delay from the government announcement of a scheme on 9 December 2015 and the launch in Manchester on the 15 January 2016. Earlier publication and clarity would have benefitted all, not least those who had already commenced reinstatement of their property.

At the Manchester event, resilience was heavily promoted over resistance however this was not conveyed in the subsequent guidance published. This caused confusion over the hierarchy of flood mitigation measures although the local authority set out to promote the initial brief.

At the same event the insurance industry fully supported and promoted the inclusion of resilience measures during reinstatement, although in practice this did not materialise. Despite the council forming a local agreement with one insurance company, including an agreed schedule of rates and the grant eligible elements, the invoicing element to validate any grant funding could not be finalised. A formal agreement across the industry should be considered to facilitate the mechanism for funding the installation of resilience measures during reinstatement.

As the scheme progressed a national forum/knowledge hub was formed, managed by DEFRA, where technical queries were raised regarding eligibility criteria. Despite an occasional positive response, in general a limited non-committal or no response at all was the outcome. This inevitably led to local frustrations and will have contributed to an inconsistent approach nationally.

With the intention of creating a Cumbria wide scheme the local authorities liaised at an early stage with the aim of adopting a locally consistent approach. This proved difficult with the each local authority interpreting the guidance at a more local level. Definitive specific national guidance is perhaps required to ensure consistency.

Monitoring

The scheme was intended to require a light touch approach however, as the scheme progressed it quickly became apparent that monitoring in excess of the obligatory 5% audit of properties receiving a grant award payment was required. All applications were subject to a stringent administrative process which was bolstered through the vigilance and actions of officer scrutiny.

The assessment of surveys in conjunction with the application form, evidential photos and supporting documentation/commentary provided an early opportunity to identify concerns. Officers liaised with the householder and/or surveyor as appropriate to establish the facts and make a judgement call on the validity and promoted effectiveness of proposals. Several onsite meetings were often required prior to an approval being issued.
In order to facilitate the acceptance of the quality of works the FRG team liaised with and observed the works of contractors, where applicable, during their initial installations. This provided opportunity to ensure the expected standard was likely to be achieved, intended to reduce the necessity of revisits and provided confidence to the property owner and the team.

Administrative scrutiny was supported with physical audits following installation, which despite our pre installation vigilance, identified a significant number of approved measures that were installed incorrectly or obvious entry routes for flood water overlooked. Examples include self-closing airbricks installed upside down and operating/maintenance leaflets left inside, doorways protected but not adjacent high risk windows and pumps provided without sufficient hosing length.

Without further intervention such measures were practically ineffective. It was disappointing that some contractors fell below the expected degree of competency. Householders, who lacked technical knowledge or raised concern with the flood grant team, were thankful for the intervention of and advice from officers undertaking audits which often resulted in a revisit and corrective actions by the respective or on occasion alternative contractor.

Bulk applications required regular meetings and visits throughout the scheme to initially allow approval to be reached, monitor progress, ensure that approved measures were being installed and identify the reasons for and approve alterations (where amended measures were submitted). These applications and approvals required significant officer input due to the numbers and complexities encountered.

Of the total 1683 grant payments made, in excess of 250 physical visits were made totalling around 15% of measures installed.

Performance

From the onset of the project, unrealistic targets were promoted by central government. A document produced by DEFRA suggested a 24 hour turnaround time of an application. In practice most applications required additional information, required follow up calls and or visits. As an authority we had a target date of a decision or further communication within fifteen working days.

At peak times during the project this was unachievable. Applications were processed and for fairly simple applications a decision was made within 48 hours.

Previous schemes had a take up rate of around 20%, and despite historic previously low uptake levels DEFRA and DCLG were looking for high levels of uptake from the outset. Benchmarking was set against other local authorities which was not considered appropriate for the following reasons:

- Significant parts of the flooded areas had never flooded before and most people wanted to accept the incident as a one off event and therefore did not want to put measures in place
- Some areas had large numbers of social housing flooded and housing associations put in large bulk applications
- Research has found that a property floods on average three times before measures are installed.

External pressures were focused on application approval whilst we focused on getting appropriate measures for properties at a competitive cost to demonstrate value for money.
To support performance management a number of tools were set up, a dashboard with real time data on our information management system as well as peer reviews, site visits and a weekly drop in session to raise concerns. Complaints and compliments were dealt with via the normal council procedures.

Internal Audit

In April 2017 Internal Audit carried out a review of the management and administration of the grants scheme to provide assurance on the effectiveness of the scheme (but not on the effectiveness of the measures funded by the scheme itself). They concluded that we had “designed and implemented” an application process with “appropriate checks and controls”, “there were effective and proportionate controls over the quotation process and verification of the actual work undertaken”. A rating of “Substantial Assurance” was given.

Value for money

Value for money must be considered across all elements of the grant scheme.

Administration costs – SLDC calculate the administration costs to be just over £192,000. The administration and success of the scheme ensued from the initial secondment of three full time officers to form the backbone of the flood grant team at the outset, being supported throughout by various colleagues. This resulted in stability, experience and efficiency as the scheme progressed and delivered value for money. Although additional officers were involved to support the full time officers, the lack of familiarity did impact on the efficiency developed by the dedicated flood grant team. As administration costs were non-recoverable and clearly a financial and resource burden on the local authority, value for money to benefactors of the grant scheme is clearly evident, but a burden on local authority resources. The continuing dedication of the team and commitment to assist those during a traumatic time further supports value for money.

Quotes – In order to demonstrate value for money more than one quote was required, initially three quotes were requested as used in previous schemes. This changed to two quotes when guidance became available. As the scheme progressed and where neighbouring properties or those in close proximity of similar construction submitted an application for eligible measures with supporting evidence, one quote was often deemed sufficient, following a positive assessment by the team, for an application to be approved. On occasion, quoted figures were increased post approval leading to an increased invoice. The team challenged these where appropriate notifying the homeowner and relevant company that a quote is a fixed sum. Some companies were unable to appreciate or understand the contractual differences between a quote and estimate. All invoices for figures higher than those quoted were challenged by the grant team to obtain a reduction where applicable to the approved quote. Without supporting justification estimates were not accepted, not least to provide assurance to the householder and to demonstrate value for money to the local authority.

Products and labour charges - Value for money concerns were highlighted as the scheme progressed. The noticeable increase in the cost of products cast doubt over value for money, as in some circumstances the supplier of products appeared to be increasing the cost of items purely as a profit exercise. Concerns were also raised where the cost quoted for items exceeded the cost of identical or similar products that were readily available from alternative suppliers. This aspect was particularly noticeable where an applicant would apply for
products only, choosing to install themselves, and in doing so obtaining an increase in value for money and a wider selection of products. This further increased value for money as no labour element was awarded where an applicant chose to self-install. It was evident that some contractors, whilst within the indicative guidance figures set out in guidance notes that resilience measures, such as concrete floors or tanking systems, were suspiciously close to the grant maximum available.

**Retrospective Applications** – Conflict often arose where retrospective applications were submitted. Where these were not supported by an independent survey or supporting quotes, just an invoice, generally in the region of £5,000 - it was difficult for the applicant to demonstrate value for money. It was predominantly these applications that were subject to greater scrutiny and the implementation of further action where fraudulent activity was identified. In an attempt to gain greater control over retrospective applications a time limit, such as within the first two months following the announcement of a scheme, would negate the requirement for increased scrutiny and resource impact at a later stage. This would lessen the number of speculative applications and afford more time to the team to administer legitimate applications.

**The audit process** – Whilst a light touch was the intention it was through the vigilance and actions following officers’ findings that further safeguarded value for money. Physical audits identified a significant number of installed products that had been installed incorrectly and without intervention were practically ineffective. It is disappointing that some contractors appeared incompetent.

**Section four: Key partners**

At the onset of the project, concerns were raised with DCLG and DEFRA about the resources required to deliver nearly 2,400 grants which a potential total value of twelve million pounds – all at the time when the council was still heavily involved in recovery. The Chief Executive and the Leader of the Council also had discussions with the Northern Powerhouse Minister and it was raised as a major concern with the strategic recovery group which feedback to central government.

It is likely that on the back of requests for help some discussions took place with Business in the Community (BITC). BITC is the Prince of Wales’s initiative aiming to provide a responsible business network with a group of members who work together to tackle a wide range of issues. The aim is to create a fairer society and a more sustainable future. They are a business-led charity with more than 30 years’ experience of mobilising business with a core membership of more than 800 organisations from small enterprises to global corporations. Under BITC, is Business Emergency Resilience Group (BERG). BERG facilitates access to the resources of the member businesses of BITC to assist small businesses to plan for, respond to and recover from events which disrupt their business and impact their community.

BERG is fairly new and is evolving in response to events, keen to fill gaps and complement rather than replicate the activities of others. BERG is not a first responder service and aim to complement recovery. The principal strength is the convening power. Whilst the following is not intended to be exhaustive review it is indicative of the sort of resource BERG may be able to access and offer.

- Winter Flood Response – One area of BERG support
• Web based resource. We are working to collate and make easily accessible all of our information resources on line [http://www.bitc.org.uk/programmes/business-emergency-resilience-group-berg](http://www.bitc.org.uk/programmes/business-emergency-resilience-group-berg)

Insurance surgeries - from high level process to detailed advice for individuals.

• Insurance claim resolution - in the rare circumstance where the appropriate response or process is not followed BERG has had the opportunity to support insurers and the insured

• Loss Adjuster facilitation - BERG has facilitated an ‘on the ground’ and within 24 hour response from the Loss Adjuster community

• Specific flood recovery advice - given in surgeries and one to one to assist those affected to understand how their property will react and recover

• Resilience repairs advice - specific guidance in how to undertake a repair which is more likely to be ‘flood proof’ should a flood recur

• Resilience repairs leaflet - created and distributed

• Request for assistance forms - provided to those who seek specific/ particular support from BERG

• Provision of 4 wheel drive vehicles - to assist the recovery and relief effort – (Jaguar Land Rover)

• Provision of new, essential furniture - to enable temporary housing of those displaced by flooding (John Lewis)

• Provision of flood defence materials - Floodsacks (Alder and Allan)

• Provision of technical advice - regarding clean-up operations (Adler and Allan)

• Regarding ICT recovery (RBS/ Barclays etc.)

• Provision of emergency food and toiletries for individuals (ASDA)

• Establishment of fund raising campaign for affected rural communities (Virgin Money Foundation & Virgin Money Foundation and Virgin Money Giving)

• Provision of fencing – to replace damaged/ washed away fences for farming/ tourism and safety (Cordiners)

• Emerging offers in process of negotiation

• Creation of containerised/ mobile co-ordination and communication incident office

• Network of recovery facilitators, seconded from business, to work with businesses, communities and the public sector agencies for 3 months post event

In March 2016, SLDC was approached by BERG and DEFRA about support for the flood grant project. The initial scope was a collaboration of businesses (made up of BERG members), other agencies such as the EA and local organisations to provide a one stop shop approach to flood grant/ insurance claim and general flooding support. The initiative was led by Adler and Allan (A&A) on behalf of BERG. A&A’s areas of expertise include emergency response; environmental, mechanical, electrical and civil engineering services as well as specialist fuel service capabilities.

A portacabin was quickly mobilised to Asda (Kendal) (BERG Partner), being staffed by A&A representatives. It was anticipated that partners/agencies would also operate from the unit, however this unfortunately did not materialise and throughout the project the only BERG member and partner involved was A&A. This resulted in conflict with the team as A&A, being
a product supplier and survey provider, were the sole organisation operated from the unit which led to a bias towards their services.

The portacabin remained at Asda for three months and was found not to be in the best location, especially for the flood affected properties in north Kendal. BERG relocated to a vacant commercial property on Blackhall Road, Kendal and remained at the shop until 26th May 2017.

As outlined in the chapter on surveys we recommended that before consideration of measures a flood grant survey should be completed. Locally the building surveyors were overwhelmed with the amount of survey work and other additional building work associated to the flooding and there was a demand on the trade. A&A stepped into this market as they saw an opportunity and started providing surveys. For the factors highlighted about the concerns about surveys (e.g. no standard form, training or accreditation) the first batch of surveys were not of the standard expected and the team at SLDC helped support A&A to increase the standard – the team put in a considerable amount of resources providing support, educating and reading and reviewing surveys and in the first few months it put additional pressure on the project as resources were diverted from processing applications. A&A had a standard price of £360 for surveys. The grant had a maximum limit of £500 and the costs varied from £240 (SLDC Building Control) up to £500.

The core of A&A’s business linked to flooding is recovery on industrial scale and they deliver 24/7 emergency response and post incident remediation for over 80% of the UK, deploying equipment such as flood barriers, pumps and temporary storage tanks. They had no experience of the flood grant scheme or working with communities and members of the public as their work is all commercial nature and all flood work was focused on resistance. As a result all the quotes were linked to resistance work which did cause ongoing debate with the team, as for some properties resilience e.g. concrete floor should have had more consideration. When concerns about the package of work were raised the householder/business was informed.

Uncertainty was encountered with ‘crosswall construction’. This is a construction method where a house has a timber framed front and rear wall (elevation) which has little structural or flood resistance properties. Some houses of this construction style had extensions or alterations previously made as an improvement to remove these stud wall elevations, however this construction method was not identified by Adler & Allan. This resulted in poor advice at the outset from survey through to promoted measures. This issue was identified through the vigilance of the FRG team.

From the onset A&A, working under the BERG umbrella, considered this as commercial opportunity whilst the FRG team focused on promoting the most beneficial and appropriate measures for applicants, at a market price and standard resulting in the two objective approaches making the relationship contentious at times. On a number of occasions senior members from BERG and A&A were invited in for high level discussions with SLDC. DEFRA and DCLG were invited to these meetings but did not attend. During the project, update meetings took place on average once a week with BERG and A&A requiring numerous site visits to obtain a satisfactory outcome. This was an additional drain on the FRG team and although BERG may have helped to promote uptake there were clearly different agendas.

One particular measure where conflict arose was around the installation of a sump pump (installed beneath suspended flooring with discharge hosing plumbed in). In many cases,
despite approval being provided and considered greatly beneficial, a free standing puddle pump (to pump water off a solid surface) was often supplied instead. A sump pump removes a greater volume of water and has the potential to prevent a water level rising up to the floorboard/carpet level. A puddle pump is only generally effective once the water level has risen above the floor finish level. A&A often reported this was a customer decision whereas the applicant was usually unaware of the exchange and more importantly unaware of the reduced protection provided. The installation time and inconvenience was considered to be the primary driver behind this approach.

SLDC was the first local authority to roll out the BERG/A&A model however, before the project was embedded the scheme was rolled out to Lancaster, Allerdale and then later Carlisle City Council. The absence of definitive guidance led to local variations, such as SLDC were the only local authority requesting two quotes from A&A, as advocated in government guidance, as opposed to one in neighbouring authorities This created tension in the relationship with A&A despite our aim of achieving value for money.

Other areas of significant debate included:

- The flood grant team often found items quoted for which were not required, for example sealing of cable entry points, mortar repair and repainting for the same part of the premises
- Price increases from an approved quote to invoice. We rejected any increases and the original prices were honoured after significant debate
- Invoices often had new items or a change of scope from the approval. We remained flexible to re-review requests as at times the schedule of work would change on the day of installation e.g. opting for different measures, barrier heights etc.

The above practices created suspicions about performance related pay, bonuses and commission although we understand staff were not based on any additional payment linked to sales.

BERG/A&A experienced similar frustrations with the project including:

- No rules, no procedures and no steer when they asked senior members of DCLG
- No clear accountability on who was leading the scheme - DCLG or DEFRA
- Externally the focus was on the uptake and not on quality
- Lessons learnt in previous schemes had not been taken into consideration
- Very resource intensive and required a project manager from the onset who was from the sector

The two organisations are different in operating model, the private sector can take risks and are responsible to shareholders.

Some of the feedback about SLDC from A&A/BERG

- Remained clear on outcomes, governance, remained focussed and challenged
- Technical input helped shape the surveys and we always highlight issues

Figures

- 425 surveys received via A&A
- 471 applications received via A&A – with 45 applications for commercial properties.
- 142 complaints/concerns from 111 people
Following the project a debrief meeting took place in August 2018 with A&A and some of the key findings from the meeting included:

- The lack of clarity, guidance and support from central government about the scheme was a major barrier to the project
- It was seen as a commercial opportunity which resulted in losses reported in the region of £1.5 million over the scheme (all areas)
- There is no aspiration to get involved in any further schemes

Cumbria Community Foundation

Cumbria Community Foundation (CCF) were an invaluable source of additional information for applicants and an effective and important support partner throughout the duration of the scheme.

Through donations made to them in the region of £10 million through 37,000 donations, CCF were able to assist flood affected victims with initial hardship payments up to £500 intended to help residents cover costs associated with flood damage, loss of income and increased travel expenses. In addition where an applicant was approved for the full £5,000 flood resilience grant, administered by the local authority, a top-up grant of up to £2,000 was available to cover measures up to a maximum of £7,000. Whilst this aided many to install a comprehensive package of measures some organisations saw this as an opportunity to apply for extra measures, which on occasion were unnecessary.

In particular circumstances of vulnerability and hardship where the combined efforts of CCF and the flood grant team deemed appropriate, CCF awarded a top-up grant in excess of the publicised limit. CCF also provided financial aid and emotional support where vulnerable residents had suffered impact to a property as a result of the flood event, even where they did not meet the flood grant criteria.

Insurance companies

At the initial meeting in Manchester in January 2016 it was presented that insurance companies would play a vital role in the reinstatement of flooded properties and they should incorporate resilience measures during this process. This agreement would permit the costs above like-for-like reinstatement to be grant eligible. At an early stage this appeared to a positive step, unfortunately it became apparent that only a minority of companies were acting on this understanding. There appeared to be breakdown in communication of this message to those tasked with arranging reinstatement or a conscious decision by insurers to ignore the publicised approach.

The vast majority of properties were reinstated on a like-for-like basis with no consideration of the incorporation of resilience measures despite requests from householders at an early stage. The local authority initially worked closely with one company and agreed that the cost of resilience measures above like-for-like reinstatement could be grant funded. A site meeting at a flood affected property undergoing reinstatement resulted in a mutual understanding. The decision, however, to consider the installation of resilience measures appeared to be a lottery and no consistency was apparent.

It transpired that the inability of the insurance company to raise invoices for any eligible measures due to their internal processes appears to be a significant reason why the system failed. Another reason for difficulties was the requirement of building regulation compliance
for structural, thermal or similar enhancements. The raising of electrical sockets to above the flood level was an obvious improvement and although some contractors carried this out at no extra charge or where an insurance company refused, a separate contractor was brought in and a subsequent grant award payment could be made. Ultimately no payments in respect of insurance company instructed improvements were possible.

Acknowledgements

The administration of the FRG has required the involvement of a wide range of services within the district council and assistance from partner organisations. We would therefore like to thank everyone that has contributed to the scheme as it would not have been possible to deliver such a successful scheme without the support and dedication of the following staff at SLDC:

Core flood grant team:
Fiona Inston
Sean Hall
Shaun Senior
Elaine Hall
Tom McCormick

Others include:
Cat Brumwell
Lorraine Kissock
Lisa Shaw
Alison Coward
Katie Booth
Richard Machin

SLDC teams:
Building Control
Communications
Revs and Bens
Economic Development
Finance
Legal
Contact Centre
Public Protection
Streetscene

Conclusion

The flood grant team were tireless, regularly working long hours (including weekends and evenings) under pressure to deliver the scheme and despite this, due to the sheer number of
applications and their complexity, there were unavoidable backlogs at times. We remained consistent throughout, with our focus on the most appropriate measures while ensuring value for money. At times our robust and challenging approach resulted in conflict and the absence of good quality guidance did not support our project objectives.

There is significant amount of learning and we hope that DCLG, DEFRA and any other local authorities that roll out future schemes reflect on our learning.

**Appendix 1: Table of Recommendations**

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<th>Section one: Scheme set up</th>
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<tr>
<td>Minimal information available at the announcement and outset of scheme</td>
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<td>Inconsistent approach by insurers</td>
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<td>Evidence of internal flooding</td>
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<tr>
<td>Penalised for being proactive to prevent flooding</td>
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<tr>
<td>Promotion of resilience above resistance</td>
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<td>-----------------------------------------</td>
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<tr>
<td>Insurance companies not engaging with this approach Different interpretation by different LA’s</td>
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<tr>
<td>Habitable</td>
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<tr>
<td>Business critical definition</td>
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<td>Surveys</td>
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<tr>
<td>Application form</td>
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<tr>
<td>Contractor and quotations</td>
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<tr>
<td>Issue</td>
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<tr>
<td>-------</td>
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<tr>
<td>Communications</td>
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<tr>
<td>Standard of applications</td>
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<td></td>
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<tr>
<td>Indicative costs for measures were out of date and ambiguous</td>
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<tr>
<td>Administration of application amendments</td>
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</tbody>
</table>

Lack of understanding between estimate and quote
Indicative DEFRA product cost list not current
Contractors aware of DEFRA prices and adjust their costs accordingly
Some prices became inflated because of demand e.g. silicon sealant

Costings should be bench marked.
Minimum standard for invoices – not handwritten
Addition funds/resource should be given to local trading standards to police contractors and deal with customer enquiries

Retrospective applications
No definitive timescale provided
Remove or provide a definitive timescale

Eligibility of bespoke flood mitigation measures
Conflict over definitions
To document local decisions to ensure clarity and consistency

Section two: Operational delivery
## Section three: Strategic Management

<table>
<thead>
<tr>
<th>Issue</th>
<th>Detail</th>
<th>Improvements/Recommendations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resourcing</td>
<td>Impact on day to day statutory functions</td>
<td>Funding to backfill seconded staff and to facilitate business continuity</td>
</tr>
<tr>
<td>Fraudulent claims</td>
<td>Identification of and action in respect of fraudulent applications</td>
<td>Worked well with cross departmental involvement.</td>
</tr>
<tr>
<td>Alternative delivery model</td>
<td>Significant impact on local authority staff</td>
<td>Reduce administrative burden</td>
</tr>
<tr>
<td>Performance targets</td>
<td>Short term unrealistic targets which focus on numbers rather than quality or the right measures</td>
<td>Remove the focus on KPI’s.</td>
</tr>
</tbody>
</table>

## Section four: Partners

<table>
<thead>
<tr>
<th>Issue</th>
<th>Detail</th>
<th>Improvements/Recommendations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Government Agencies</td>
<td>Scheme announced before detail clarified</td>
<td>Template scheme/process to be made available prior to announcement</td>
</tr>
<tr>
<td>Third Sector</td>
<td>Too many partner organisations – confusing for flood victims</td>
<td>Clarity for the process and responsibilities for the respective organisations</td>
</tr>
</tbody>
</table>
Appendix 2: Flood Resilience Grant Process Map

Assessment: Are measures appropriate, effective, value for money and quality assured?

Additional work streams
- Section 19 reports
- Fraud cases
- Insurance companies
- Community schemes
- Flood events and evening meetings
- Drop in sessions
- Partnership working
- Challenges with suppliers
- Promoting uptake
- Newground
- Comms work

Pre Enquiry
Via website, call and drop in calls.

Application received: email or post

Support team assess form:
- Accepted
- SRU Entered on APP

Inform applicant by letter of approval

Work complete
Confirmation of Work

Audit % of applications

Pay householder

Pay contractors

Pay insurance company

Payment Made

Forms not complete e.g. Not signed, missing pages or info
Do not provide info on flooding or damage
Previous application coming back for additional work.
Not sure on measures & next stage
Not sure on what supplier & where to go
Repair work
No quotes
Not flooded e.g. damp issues
Not flooded but near-after info
Work out of scope e.g. roof repair
Not the property owner

Various stages

Do not obtain an invoice or proof of payment
Do not supply full info
Bank details incomplete
Different work completed as agreed
Chasing payment that has been paid
Forms not complete
Setting up new contractor

Approval letter details:
Amount, measures, claim submission date and payment info

Change of mind
BERG follow up
Additional measures required
Change of supplier/products—checks needed on suitability
Applicant cannot contact builder
Price goes up
BERG quotes—wrong number of products or products do not fit
Complaints about standard of work
Aborted work or throwing supplier off site

Info provided

Officer assessment—see page two
<table>
<thead>
<tr>
<th>Criteria assessment (internal, business criteria etc.)</th>
<th>Review measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Review survey (is submitted), if no survey rec or find out justification reasons by contacting application</td>
<td>Are the measures appropriate and relevant. E.g. if not contact applicant to discuss alternative options such as concrete floor, pumps and advice on other funding available.</td>
</tr>
<tr>
<td>Possible site visit</td>
<td>Is it part of insurance claim and question about double payment</td>
</tr>
<tr>
<td>Referrals to Red Cross—vulnerable applicants</td>
<td>Can the works be completed? Conservation, DC, planning or EA referral / input</td>
</tr>
<tr>
<td>Dealing with complaints. Referrals to Trading Standards other agencies and supporting applicant</td>
<td>Are the products supported with relevant kitemark. Could lead to further discussions with suppliers, BSI, testing lab or DEFRA</td>
</tr>
<tr>
<td>Repeat enquires, phone calls, drop in, letters - same applicant</td>
<td>Are the suppliers reputable</td>
</tr>
<tr>
<td>Liaison with EA, IU or CCC</td>
<td>What are the prices. Are they realistic, fit the guidance and present value for money. Pricing matrix available</td>
</tr>
<tr>
<td>Working with surveyors and responding to advice from the trade</td>
<td>Technical assessments e.g. timber walls and barriers, height of barriers and structural impact. Barriers much shorter than flood incident and providing options</td>
</tr>
<tr>
<td>Contact with tradesman</td>
<td>Quotes not like for like</td>
</tr>
<tr>
<td>Contact with CCF about previous funding or option of additional funds</td>
<td>Quote does not separate repair and betterment costs</td>
</tr>
<tr>
<td>Speaking to residents about joining up grant funding</td>
<td>Owner claiming for own labour time</td>
</tr>
<tr>
<td>Review of appeals if rejected</td>
<td>Will the work impact on other properties or divert flooding risk</td>
</tr>
<tr>
<td></td>
<td>Quote covers work not within scope of the scheme e.g. drainage work</td>
</tr>
<tr>
<td></td>
<td>Quotes that are submitted as part of fraud case. Made up companies, builders, work already completed pre floods</td>
</tr>
</tbody>
</table>
Appendix 3 – Flood Resilience Grant Process Map