



**AGENDA FOR THE EXECUTIVE COMMITTEE TO BE HELD AT 10.30 AM ON
WEDNESDAY 18 MAY 2011 AT THE LODGE, 90 STATION ROAD, CHINNOR, OXON
OX39 4HA**

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15 DATE OF NEXT AND FUTURE MEETINGS

The next meeting of the Executive Committee will be held on Tuesday 13 September 2011 *(Please note change of date)*.

Dates of future meetings:

7 December 2011

For further information please contact: Maureen Keyworth, Clerk to the Executive Committee, on 01296 383603, Fax No 01296 382538, email: mkeyworth@buckscc.gov.uk

**TO: MEMBERS OF THE CHILTERN CONSERVATION BOARD
EXECUTIVE COMMITTEE**



MINUTES OF THE MEETING OF THE EXECUTIVE COMMITTEE HELD ON WEDNESDAY 2 MARCH 2011, IN THE LODGE, 90 STATION ROAD, CHINNOR, OXON OX39 4HA, COMMENCING AT 10.40 AM AND CONCLUDING AT 1.20 PM.

Present:

Dr Heather Barrett-Mold	Board Member
Mike Fox	Board Member
Cllr John Griffin	Board Member
Cllr Shirley Judges	Board Member
Kevin Mayne	Board Member
Cllr Marion Mustoe	Board Member
Cllr Richard Pushman	Board Member
Steve Rodrick	CCB Chief Officer
Cllr Jeremy Ryman	Board Member
Chris Smith	CCB Finance Officer
Cllr Bill Storey	Board Member

In Attendance:

Maureen Keyworth	BCC and Clerk to the Board
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1. APOLOGIES FOR ABSENCE

Apologies were received from Alan Walters and Mike Woods.

2. DECLARATIONS OF INTEREST

None.

3. MINUTES

The minutes of the meeting held on 8 December 2010 were agreed as a correct record.

4. MATTERS ARISING

Item 9 – Report on Cost Cutting and Income Generation Options

Members were informed that training had begun on ways to generate additional income. With regard to creating a 'Caring for the Chilterns' fund, it was hoped a proposal would be ready for the Executive Committee meeting in May.

Item 11 – Commons Project

The bid has been sent to the Heritage Lottery Fund and the Board should hear in June as to whether or not it was successful.

5. PUBLIC QUESTION TIME

No members of the public were present.

6. FINANCE REPORT

Members received the report of the Finance Officer the purpose of which was to advise members of the Board's financial position to the end of January and likely position at the end of the financial year.

It was noted that projected expenditure was under budget with a predicted year end variance of £31,181. This was higher than initially forecast as additional cost saving measures had been introduced during the year.

The current financial position remained satisfactory in a difficult climate. At the year end, the four year plan would be revised to show the changes.

The Executive Committee NOTED the current financial position.

7. REVIEW OF INTERNAL AUDITOR

Members received the report of the Finance Officer, the purpose of which was to present a review of the performance of the Board's internal auditors for the consideration of members.

The Executive Committee NOTED and AGREED the review of the effectiveness of internal audit.

8. REVIEW OF RISK REGISTER

Members received the report of the Chief Officer, the purpose of which was to approve the half-yearly review of the Risk Register in accordance with the Committee's policy.

The register had been amended to show the additional risks of:

- 2 Performance - Low morale of staff. It was proposed to introduce an incentive scheme/additional leave in lieu of salary increases.
- 3 – Financial - lack of financial resources and poor planning control. A budget realignment plan would be put in place as a control measure.

There is currently only one red risk, which relates to the possible reduction in grant aid - the Budget Realignment Plan would deal with this. It was suggested and agreed that Local Authority contributions should be included under this heading.

The Executive Committee

1. Confirmed the current version of the Risk Register as controlling risks currently faced by the Board.

2. NOTED that the Register will be reviewed in six months time

9. BUDGET 2011 - 2012

Members received the report of the Chief Officer and Finance Officer, which presented a draft of the 2011-12 budget for consideration, pending confirmation of grant income from local authorities.

The Chief Officer stated that the budget had been based on an assumption that local authority support might fall by up to 35%. It was noted that not all Local Authorities had confirmed their contributions for the coming year and he was hopeful that the assumption may be proved to be pessimistic.

In answer to a member's question about whether Local Authorities needed to give notice of a reduction in their grant, it was noted that this is not the case. Currently there is no Memorandum of Agreement in place but it was anticipated that once the current year's settlement was in place work would be undertaken to put in place a three year agreement, which will mirror the similar agreement with Defra. A paper would be presented at the next meeting for discussion.

The report contained information on initiatives identified to reduce the deficit. It was noted that the draw down from reserves were estimated to be £18,865 but this may change if local authority contributions are higher than originally anticipated.

A member asked whether a column could be added to the spreadsheet to show the larger financial variances.

The Executive Committee:

- 1. NOTED and AGREED progress to date in preparing the budget for 2011-12**
- 2. NOTED that a final budget will be presented to the Board for formal approval at its next meeting.**
- 3. AGREED that an additional column be added to show larger financial variances.**

10. BUDGET RE-ALIGNMENT PLAN

Members received the report of the Chief Officer and Finance Officer, which sought to advise the Executive Committee that the necessary steps are being taken to balance the budget as forecast. A target to reduce expenditure by £175,000 has been set over the four year period to 2015 and a plan will be put in place to document and monitor progress.

The following was noted:

- The draft plan shows the expenditure categories and it was noted that the majority of expenditure is core staff employment costs. Cost of living awards will be re-introduced from 2012/13 at 2% per annum subject to review each year.
- There will be reductions in the Sustainable Development Fund commencing next year.
- To avoid cash flow problems, negotiations are underway with Defra to ensure grant payments are made on specified dates.
- With regard to precepting powers, the Chief Officer said he had raised this with Defra who were not unsympathetic. However, it will need legislation to put it in place and is therefore not a realistic possibility for several years.

The Chief Officer stated that he thought it was acceptable to use the reserves to help balance the budget during the next four years but the Board needed to ensure that its expenditure did not, unacceptably, exceed its annual income by 2015.

Members received a report on the workshop held for staff by Kevin Mayne, looking at how to raise income. Discussion took place with regard to the fact that some staff may be able to raise more income than others because of the areas in which they work. Members agreed on the need for sensitive management so that this work does not become divisive.

It was noted that the proposed incentive scheme was based on a collective target and a flat rate payment to all staff.

The Committee NOTED and APPROVED the Budget Re-alignment Plan.

11. REPORT ON STAFF ALLOWANCES AND INCENTIVES

Members received the report of the Chief Officer and Finance Officer which addressed the risk of reduced staff morale. The report gave options for the introduction of incentive schemes and changes to the car allowance.

The paper proposed creating an incentive scheme which would make payments if a target for generating income was exceeded. The total amount payable as bonuses was based on a sliding scale depending upon the extent to which the target was exceeded.

This scheme would only remain in place until discretionary incremental and cost of living increases were reinstated. A member expressed concern that once a bonus scheme was introduced it would be difficult to remove. It was suggested that this should be a standing item on the agenda in order to monitor the situation.

An additional day's leave for staff was also proposed as no cost of living award would be made in 2011-2012.

It was proposed that the essential car user's allowance should be increased to £770 per annum from £702 per annum in recognition of the increased cost of fuel and other costs of running a car, but that there should be no increase in the mileage rate of 40p per mile.

RESOLVED:

- 1. The Executive Committee APPROVED, with effect from 1 April 2011**
- 2. The proposed incentive scheme, targets and payments;**
- 3. An increase in the Essential Car User Allowance;**
- 4. The Award of an additional day of annual leave for staff.**

12. REVIEW OF MEMBERS ALLOWANCES

At the last Board meeting, the Executive Committee had been instructed to prepare options for consideration by the Board at its next meeting.

It was noted that prior to 1973 allowances were introduced as compensation for loss of earnings. The 1973 Act brought in a system of allowances for members. Prior to the formation of the Board, only mileage expense was paid. Allowances were introduced when the Board was formalised.

In discussion the following was noted:

- Allowances were paid to Board members who were also members of the Executive and Planning Committees and Sustainable Development Fund Panel.
- Members recognised that it was important to offer an allowance scheme to ensure that financial considerations were not a barrier to applying for membership.
- A scheme based on an attendance allowance was not supported.
- The report highlighted the option for members to continue with the current scheme and exercise their discretion not to claim their allowances.
- Some members offered the view that this was a means by which they could be seen to help reduce the operating deficit.
- It was decided to maintain the policy of adjusting members' allowances by the same percentage as the cost of living award given to staff – 0% in 2011-12.
- It was also suggested that the scheme should be reviewed annually.

The Executive Committee resolved to recommend that the members' allowances should continue to change in line with the annual cost of living award to staff.

13. REVIEW OF TREASURY MANAGEMENT

Members received the report of the Finance Officer, which gave details of a draft Treasury Management Strategy for the Conservation Board, for the approval of the Committee.

Whilst it was not a statutory requirement to have a Treasury Management Statement, it was considered good practice to have one in place. The statement covered borrowing and lending by the Board. The Committee noted there has been no change in the Statement.

With regard to the policy on delegation it was noted that the Finance Officer dealt with placing funds on the money market. The decision on variation to the policy will be approved by the Finance Officer and reported to the next Committee.

The Committee

- 1. ADOPTED the Treasury Management Strategy outlined in the report and the Treasury Management Policy Statement, as detailed in appendix 1 of the report;**
- 2. RECEIVED a report on the performance of the Treasury Management after the end of each financial year and to review its Treasury Management strategy before the start of each year.**

14. REPORT ON RESERVES POLICY

Members received the report of the Finance Officer, which presented a review of the current Reserves Policy for the Conservation Board, for the approval of members.

It was noted that whilst there is no change to the Policy, the practice is to review it annually. The Policy related to the level of reserves needed and members were referred to the guidance in the report.

The Executive Committee AGREED

- 1. That the General Reserve be maintained at a minimum of four months direct operating costs;**
- 2. That the Policy be reviewed each year when the budget and grants are set.**

15. REPORT ON RE-DEVELOPMENT OF CHILTERN AONB WEBSITE

Members received the report of the Information and Interpretation Officer, which sought approval to allocate up to £20,000 in total for the re-design of the Chilterns AONB website.

The Committee was informed of the need to make future savings and generate extra income. As part of this strategy it was considered that the website would play a key part by attracting advertising revenue and promoting sales. However, the current website software programme was out of date and an consultant was brought in to advise on how the site should be re-designed. By updating the website, annual running costs could be reduced which would go towards recouping the initial outlay, and it should pay for itself within four years through advertising and sales of goods.

The timetable for the work is as follows:

April/May	Tenders sought and contractor appointed
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June/July	Work on re-build
August	Initial testing
September/October	Website goes live

The Finance Officer stated that additional funds had been identified for next year and would be reflected in the next report. Initially funding would come from Reserves.

The Committee APPROVED the expenditure of up to £20,000 on the re-development of the website.

16. REPORT ON HS2 - PUBLIC CONSULTATION

Members received the report of the Chief Officer, which sought to advise the Committee of the public consultation phase.

The Committee was informed that the consultation has now gone live. The Chief Officer stated that the amount of community energy was extraordinary, with activities taking place all along the proposed line.

The following was noted:

- The press coverage broadly appears to be in agreement that the proposal is not the correct one. The Green party has voted to oppose it and currently the Labour Party opinion appears to be split.
- Legal advisers are working on whether this is a proper consultation.
- There is no roadshow in the Chilterns until after the local elections and officers will visit the earlier shows to prepare themselves for what will be presented here.
- It was considered that more legal and technical expertise was needed.
- The consultation closes at the end of July but the Board should aim to publish its views in May so that others may use the information.
- A member expressed concern that MPs were not being lobbied enough. It was important to get the message across to other parts of the country and encourage everyone to respond. Every constituency in the country will be paying for HS2.
- The HS2 Action Alliance is working on discrediting the business case.

The Committee AGREED

- 1. To promote awareness of the consultation and encourage responses on both the overall strategy and impact of the preferred route;**
- 2. To publish information on the local environmental impact, especially if not provided by DfT and HS2 Ltd;**
- 3. To continue participating actively in the Stop HS2 campaign;**
- 4. To contribute up to £2,000 to the costs of commissioning external technical experts to assess the revised business case and environmental impacts;**
- 5. To prepare a full draft response for consideration by the Executive Committee at its meeting on 18 May.**

17. CHIEF OFFICER'S REPORT

Members received the report of the Chief Officer, giving information on various issues, some of which had been covered under other agenda items.

With regard to the Wycombe Community Stadium, a member stated that the AONB's name had been left out of the list of objectors. The Chief Officer agreed to re-send their comments to Gerry Unsworth.

The Executive Committee NOTED the report.

18. ANY OTHER BUSINESS

None.

19. DATE OF NEXT AND FUTURE MEETINGS

The next meeting of the Executive Committee will be held on Wednesday 18 May 2011

Dates of future meetings:

14 September

7 December

CHAIRMAN

Finance Report – Provisional outturn 2010-11

Author: Chris Smith Finance Officer

Summary Subject to any final adjustments core activity has recorded a surplus of £21,570, £20,299 more than the original forecast of £1,271. Some changes will be made to restricted and earmarked reserves.

Purpose of Report: To advise members of the Board’s likely financial position at the end of the financial year 2010-11.

Background

Core Activity

1. The likely financial position shows a reduction in expenditure and an increase in income compared to the original budget. Expenditure was under-spent by 3.5%, reflecting the decision earlier in the year to reduce expenditure as part of the four year budget re-alignment plan. Income increased by 1.8%, partly due to sales of the Cycleway Guide Book.
2. The contributors to the surplus include, in addition to the expenditure savings, merchandise sales £4,649 higher than budgeted and earned income £6,549 higher.

Non-core Projects

3. “Non-core projects” are those funded by Natural England (SDF and Chalk Streams), and others funded by other external sources and from Earmarked and General Reserves. These are detailed in the attached document.
4. Income raised through Red Kite related activity did not cover expenditure in the year. The excess will taken from the restricted reserve.
5. Ancient Woodland Survey expenditure exceeded income by £4,816. The excess will taken from the restricted reserve.
6. Chalk Streams income exceeded expenditure by £7,106. This will be added to the existing earmarked reserve.
7. Commons Project income exceeded expenditure by £167. A new restricted reserve will be created for this amount.
8. Cycleway Project income exceeded expenditure by £5,025. A new restricted reserve will be created for this amount.

Earned Income

9. A detailed sheet of “other income” is attached.

10. The amount achieved for the year exceeded the budget by £6,549 at £33,929, due largely to a number of new income sources. Investment income held up well at £8,555.

Next steps

11. Formal accounts will be prepared and presented to the Board in June, and will be subject to audit by the Audit Commission.

Recommendation:

1. **To note the likely financial outcome and note that the formal accounts will be presented to the Board in June.**

BUDGET v ACTUAL YEAR TO DATE 2010-11				
MONTH 12: Mar 2011				
Description	Annual Budget	Actual to date	Variance	Notes
	£	£	£	
Expenditure				
Department 100:				
Promotion and Awareness				
Core expenditure:				
Information Officer & E&A Officer	(86,741)	(86,940)	(199)	
Travel and subsistence	(1,700)	(1,597)	103	
Subscriptions magazines / newspapers	(600)	(542)	58	
Web site	(9,000)	(3,822)	5,178	
Printing & distribution costs	(6,700)	(5,958)	742	
Events and exhibitions	(1,500)	(1,849)	(349)	
Photography	(1,000)	(450)	550	
Miscellaneous	(600)	(301)	299	
Core projects:				
103 Countryside Festival	(4,510)	(3,963)	547	
105 Annual Report	(1,300)	(1,056)	244	Shorter print run
106 Annual Forum	(2,601)	(1,424)	1,177	
107 Chalk and Trees / What's On	(13,265)	(10,298)	2,967	
108 Environmental education	(3,000)	(3,683)	(683)	
109 Getting Close to Nature	(1,500)	(1,912)	(412)	
110 Enjoying Woodlands	(4,000)	(4,088)	(88)	
111 Environmental Tourism	(1,000)	(390)	610	
112 Chilterns Awards	(1,500)	(536)	964	
Sub total	(140,517)	(128,809)	11,708	

BUDGET v ACTUAL YEAR TO DATE 2010-11				
MONTH 12: Mar 2011				
Description	Annual Budget	Actual to date	Variance	Notes
	£	£	£	
Department 200:				
Countryside Management				
Core expenditure:				
Countryside & FLU Officer	(69,606)	(69,905)	(299)	
Travel and subsistence	(2,475)	(1,137)	1,338	
Publications	(300)	(315)	(15)	
Events / exhibitions	(500)	(273)	227	
Miscellaneous	(250)	(185)	65	
Core projects:				
203 Commons	(8,000)	(8,002)	(2)	Includes conb'n to Commons Project Stage 1 (£5,250)
204 Chalk grassland group	(4,000)	(3,887)	113	
205 Land management survey	(3,000)	(3,325)	(325)	
206 State of Environment Report	(2,000)	(1,253)	747	
207 Support for Trees & Woods Mgt	(4,000)	(4,090)	(90)	
208 Orchards Project	(2,000)	(44)	1,956	
Sub total	(96,131)	(92,415)	3,716	

BUDGET v ACTUAL YEAR TO DATE 2010-11				
MONTH 12: Mar 2011				
Description	Annual Budget	Actual to date	Variance	Notes
	£	£	£	
Department 300:				
Planning and development				
300 Core expenditure:				
Planning Officer	(58,657)	(58,898)	(241)	
Travel & subsistence	(1,181)	(1,329)	(148)	
Miscellaneous	(150)	(22)	128	
Core projects:				
301 Planning Committee	(628)	(518)	110	
302 Planning conference	(1,700)	(1,222)	478	
303 Design guidance	(3,000)	(2,389)	611	
304 Building design awards	(1,500)	(1,617)	(117)	
305 Technical assistance	(2,289)	(1,100)	1,189	
307 Historic environment	(2,500)	(4,789)	(2,289)	
309 Wood Fuel Group	(1,000)	(1,000)	-	nb EU project £9,000
310 Planning Policies	(1,500)	-	1,500	
311 High Speed Two	(10,000)	(9,725)	275	
Sub total	(84,105)	(82,609)	1,496	

BUDGET v ACTUAL YEAR TO DATE 2010-11				
MONTH 12: Mar 2011				
Description	Annual Budget	Actual to date	Variance	Notes
	£	£	£	
Department 400:				
Recreation and Access				
Core expenditure:				
Access Officer	(26,780)	(25,481)	1,299	
Travel and subsistence	(800)	(167)	633	
Miscellaneous	(100)	(24)	76	
Core projects:				
401 Chiltern country leaflets	(5,600)	(1,625)	3,975	
402 Access conference	(1,000)	(464)	536	
404 Countryside Close to Home	(3,000)	(680)	2,320	
405 Cycling in the Chilterns	(5,000)	(5,093)	(93)	
Sub total	(42,280)	(33,535)	8,745	
Department 500:				
Corporate Services				
Core expenditure:				
Chief Officer / Admin Officer	(97,550)	(100,253)	(2,703)	
Travel and subsistence	(1,750)	(2,358)	(608)	
Staff training	(2,750)	(2,579)	171	
Premises	(28,551)	(26,765)	1,786	
Office costs	(16,280)	(13,687)	2,593	
Office furniture & equipment	(1,000)	(1,025)	(25)	
IT (incl OS licences)	(24,168)	(31,154)	(6,986)	
Meetings & events	(1,875)	(454)	1,421	
Finance	(19,804)	(19,735)	69	
Personnel	(2,081)	(997)	1,084	
Legal services	(7,000)	(8,119)	(1,119)	
Insurance	(8,200)	(8,209)	(9)	
Miscellaneous	(665)	-	665	
Sub total	(211,674)	(215,335)	(3,661)	

BUDGET v ACTUAL YEAR TO DATE 2010-11				
MONTH 12: Mar 2011				
Description	Annual Budget	Actual to date	Variance	Notes
	£	£	£	
Department 600				
Member Services				
Core expenditure:				
Members' allowances	(33,600)	(33,783)	(183)	excl. SDF Panel
Board member training	(2,000)	(1,491)	509	
Board meetings	(1,353)	(1,263)	90	
Miscellaneous	(50)	(50)	-	
Core projects:				
601 Executive Committee	(150)	(134)	16	
Sub total	(37,153)	(36,721)	432	
502 Project support budget	(5,960)	(4,500)	1,460	
Sub total	(5,960)	(4,500)	1,460	
TOTAL CORE EXPENDITURE	(617,820)	(593,922)	23,898	
Other expenditure				
Contribution to SE Protected Landscapes Co-ordinator	(2,081)	(1,600)	481	
Merchandise purchases	(80)	(2,718)	(2,638)	
Project expenditure:				
- Friends of Red Kites	(1,000)	(1,574)	(574)	
- Conserving the Chilterns Chalk Streams	(41,435)	(39,141)	2,294	
- Sustainable Development Fund	(45,000)	(46,493)	(1,493)	£734 from General reserve b/fwd
- Ancient Woodland Survey	(34,000)	(20,116)	13,884	
- Chilterns Commons Project	(42,800)	(41,915)	885	plus £2,000 in kind volunteer time
- Chilterns Cycleway	(46,202)	(40,424)	5,778	
- Chairmans's Retirement	-	(2,122)	(2,122)	
GRAND TOTAL EXPENDITURE	(830,418)	(790,024)	40,394	

BUDGET v ACTUAL YEAR TO DATE 2010-11				
MONTH 12: Mar 2011				
Description	Annual Budget	Actual to date	Variance	Notes
	£	£	£	
Income				
Natural England: SDF	45,000	45,000	-	
Natural England: Chalk Streams	20,718	20,718	-	
Natural England: Core	466,888	466,888	-	
Local Authorities	115,903	115,877	(26)	
Merchandise sales	2,081	6,730	4,649	includes Cycleway merchandise
Other earned income	27,380	33,929	6,549	
Red Kite donations	1,000	357	(643)	
Chalk Streams external income	20,717	25,529	4,812	
Ancient Woodland Survey external income	9,500	15,300	5,800	
Chilterns Commons Project	42,800	42,082	(718)	
Chilterns Cycleway external income	46,202	45,449	(753)	
GRAND TOTAL INCOME	798,189	817,859	19,670	
NET INCOME / (EXPENDITURE)	(32,229)	27,835	60,064	
RESERVE MOVEMENTS:				
Red Kites Reserve utilised	-	1,217	1,217	
Woodland Research Reserve utilised	24,500	4,816	(19,684)	
HS2 Reserve utilised	9,000		(9,000)	
Chalks Streams surplus added to Reserve	-	(7,106)	(7,106)	
Reserve created from Commons Project surplus	-	(167)	(167)	
Reserve created from Cycleway Project surplus	-	(5,025)	(5,025)	
Core activity surplus added to Budget Equalisation Reserve	1,271	21,570	20,299	

BUDGET 2010-11				
NON-CORE PROJECTS				
Description	Annual Budget	Actual to date	Variance	Funding Source
	£	£	£	
Department 100:				
Promotion and Awareness				
150 Friends of Red Kites	(1,000)	(1,574)	574	Reserve b/forward + donations (£356 to date)
Department 200:				
Countryside Management				
250 Conserving the Chalk Streams	(41,435)	(39,141)	(2,294)	Nat England + reserves + LAs + Water COs + EA
252 Sustainable Development Fund	(45,000)	(46,493)	1,493	plus £734.10 from General reserve b/fwd
254 Ancient Woodland Survey	(34,000)	(20,116)	(13,884)	Reserve b/forward
255 Chilterns Commons Project	(42,800)	(41,915)	(885)	plus £2,000 in kind volunteer time
Department 300:				
Planning and development				
Department 400:				
Recreation and Access				
450 Chilterns Cycleway	(46,202)	(40,424)	(5,778)	
Department 600:				
Member Services				
650 Chairman's Retirement	-	(2,122)	2,122	Reserves
TOTAL	(210,437)	(191,783)	(18,654)	

	Other Income	Budget	Actual	Variance
		for year	to date	
		£	£	£
12				
103	Countryside Festival	6,265	6,852	587
106.4900	Annual Forum	500	663	163
107.4004	Chalk & Trees/What's on	4,345	3,911	(434)
108.4900	Environmental Education	-	1,000	1,000
109.4900	Getting Close to Nature	100	1,713	1,613
203.4900	Commons	400	360	(40)
204.4001	Chalk Grassland	500	160	(340)
302.4900	Planning Conference	595	1,440	845
304.4003	Building Design Awards	500	800	300
307.4900	Historic Environment	-	3,239	3,239
401.4900	Access Publication	2,500	1,874	(627)
402.4900	Access Conference	-	821	821
405.4400	Cycling in the Chilterns	-	2,050	2,050
500.4008	Interest received	8,575	8,555	(20)
500.5900	Miscellaneous received Corporate	3,100	491	(2,609)
		27,380	33,929	6,549

Report of Internal Auditors

Author: Chris Smith Finance Officer

Summary: The Board's internal auditor, Hertfordshire County Council, have completed their annual review and submitted their report.

Purpose of Report: To present the findings from the internal audit annual review.

Background :

1. The Board has appointed Hertfordshire County Council Audit Department to provide its internal audit service. This entails a one day visit to The Lodge by two auditors, resulting in a written report with recommendations.

Conclusions

2. The auditors reviewed 42 different areas of activity and concluded that an overall **Substantial Performance** on effective management can be provided.
3. Six minor recommendations have been made:
 - i. The proposed actions re. control of branded clothing and identity cards should be carried through to completion.
 - ii. The project control worksheets should explicitly state actual and planned expenditure.
 - iii. The project management file should evidence the project status.
 - iv. Management should consider the validity of the case for combining literature distribution and production costs codes.
 - v. At the start of each financial year each budget manager should be required to sign a form for each budget they are responsible for, stating what the amount of the budget is, what it is for and that they understand their role regarding the control of expenditure.
 - vi. The insurance listing needs to be updated to show that one outdoor enclosure has been damaged and is unusable and is to be disposed of, and the new one purchased with insurance monies added.
4. The recommendations are considered to be valid and it is proposed that they be implemented where not already in place.
5. A copy of the report is attached.

Recommendation

1. **Note and agree the recommendations of the internal auditor**



Internal Audit Report

Chilterns Conservation Board

March 2011

Issued To: The Chilterns Conservation Board

Copies To: Steve Rodrick – Chief Officer

Chris Smith – Finance Officer

Donna Hunter – Administration
Officer

Auditors: James Harbord & Carol-Ann Collett

**Assurance
Summary:** We can provide an overall
Substantial Assurance on the
effective management of this
organisation.

**Document
Classification:** Confidential

EXECUTIVE SUMMARY

1. Background

- 1.1 The County Council is actively involved in the Chilterns Area of Outstanding Natural Beauty (CAONB) - designated in 1965 and covering parts of Buckinghamshire, Bedfordshire, Oxfordshire and Hertfordshire. The Chilterns is one of 41 AONB's representing the finest landscapes in England and Wales outside National Parks.
- 1.2 The Chilterns is one of the larger AONB's and spans the administrative boundaries of 15 local authorities and two Government Offices.
- 1.3 The CAONB had operated until 2005 as a shadow Conservation Board overseen by a voluntary joint committee. The Countryside and Rights of Way Act 2000 enhanced the status of AONB's and provided for the setting up of recognised Conservation Boards. These changes were made in recognition of the limitations of the old system which relied upon goodwill and minimal funding commitments from central government.
- 1.4 As a result of this change the shadow body moved from the local authority who had overseen it, to setting up its own accommodation, management and financial functions. HCC was asked to provide the Internal Audit function. We accepted the offer and helped to develop a strong financial control environment in 2005/6 and have reported upon its proper application annually.
- 1.5 The statutory purpose of an AONB is to conserve and enhance the natural beauty of the area. Where as AONB has a conservation Board, the Board has the additional purpose to increase public understanding and enjoyment of the special qualities of the area.
- 1.6 A Conservation Board must seek to foster the economic and social well-being of local communities within the AONB. It should co-operate with local authorities and public bodies whose functions include the promotion of economic or social development within the AONB.
- 1.7 New risks facing the CAONB in 2011 and the future are; the Birmingham rail link (HS2); the loss of many quango's including Natural England which had been the main funding vehicle; reductions in the grants received from various allied Councils and lack of investment income.

2. Scope

- 2.1 The scope of this audit is to perform a review of all aspects of the running of the Chilterns AONB Conservation Board undertaking compliance testing on the key control areas. This particular audit area was last the subject of a review in 2010.

2.2 Internal Audit's risk assessment is medium due to the due to added risks this year. Previous audits have evidenced a high level of control.

3. Assurance on Key Risks

3.1 The purpose of this audit was to provide the management Board with assurance about the effectiveness of control in the following risk areas:

- ✚ Governance and decision making arrangements are robust to ensure the programme is effectively managed and delivered.
- ✚ Resources and skills are adequate to ensure successful delivery and management of individual projects making up the programme.
- ✚ Project management system ensures that projects are aligned to the programme objectives and have appropriate defined outputs and indicators.
- ✚ Budgets are controlled in accordance with Financial Regulations.
- ✚ Internal systems are adequate to ensure that monies claimed have been:-
 - Spent as stated
 - Reported accurately
 - Adequate documentation supports the grant claims
- ✚ The continuity of the CAONB's key systems is ensured by an effective Business Continuity Plan.
- ✚ Management information is sufficient to ensure effective control of resources.
- ✚ There is proper Treasury Management of Reserves.
- ✚ Is there sufficient funding available from various sources to fund the programme of activities and projects.
- ✚ HCC's Internal Audit team will provide assurance to the External Auditors on the robustness of the systems of internal control.

4. Overall Audit Opinion and Summary of Key Issues

4.1 Based on the work we have performed, we can provide an overall **Substantial Assurance** on the effectiveness of the management relating to the Chilterns Area of Outstanding Natural Beauty. We are particularly pleased to report that, in our opinion the implications of funding cuts have been fully recognized and a new report has been shared with the Board detailing options for cutting costs and generating income

4.2 Our findings below and the associated minor recommendations are designed to inform management where slight improvements can be made.

4.3 *Governance and decision making*

The programme is effectively managed and delivered

- All plans, risk registers and reports along with meeting Minutes are published on the CAONB website and are publicly available. The information reported shows that the programme is effectively managed and delivered.

4.4 *Resources and skills*

Evidence that resources and skills are adequate to ensure successful delivery and management of individual projects and the Programme.

- Due to the current economic situation the loss of staff in the various Local Authorities means there are less people to contact and have influence upon. However within the CAONB office there is good staff stability.

4.5 *Project management*

Project Management systems ensure that projects are aligned to the programme objectives, have appropriate defined outputs and indicators.

- The Finance Officer has tried to implement Microsoft Project but it was deemed over complicated by the Project Officers for the type of project they manage. Therefore he has devised an “in-house” Excel spreadsheet monitor for each project and this is reviewed electronically by the Chief Officer and discussed at staff meetings and staff appraisals.

4.6 *Budgets*

- Internal audit reviewed Board reports and were satisfied that changes are discussed, agreed and communicated. We were told that the Finance Officer produces Budget reports and a list of questions for managers and then reports go to the Executive Committee. The main source of control is the budget report and bank reconciliation. To ensure that everything is recorded a SAGE report is run.

4.7 *Internal systems*

Internal systems are adequate to ensure that monies have been spent as stated and reported accurately.

- Bank reconciliations are performed every month and checks made to ensure that everything has been recorded. The petty cash balanced every month over the last year and there were no variances.

4.8 *Business Continuity*

The continuity of the CAONB's key systems is ensured by an effective Business Continuity Plan.

- In our work here we noted that critical business risks in relation to the delivery of the CAONB service have been fully assessed and defined.

4.9 *Treasury Management*

There is proper Treasury Management of Reserves.

- The recent, updated mid-term budget forecast has taken proper consideration of the low level of interest available for reserve funds. New, more profitable accounts have been sought out.

Medium Term Financial Forecast

Author: Chris Smith Finance Officer
Steve Rodrick Chief Officer

Summary The planned under-spend achieved for 2010-11 and the better than expected grant responses from local authorities have resulted in a less challenging, but still difficult, four year picture than forecast previously.

Purpose of Report: To present an update to the Plan presented to the Board in January 2011. To seek guidance on the use of the Budget Equalisation Reserve for unplanned expenditure.

Background

1. A paper presented to the Board on January forecast a funding deficit of over £175,000 by 2014-15. Options were presented that largely removed that deficit and utilised some £74,000 in total from the Budget Equalisation Reserve.
2. Since that meeting a number of changes have occurred.
 - (i) A planned under-spend in 2010-11 has increased the Budget Equalisation Reserve by £21,570. This was greater than anticipated because additional cost saving measures were introduced during the year.
 - (ii) The final grant payments agreed by local authorities for 2011-12 are £27,000 higher than forecast.
 - (iii) The Chief Officer and Finance Officer now suggest that the rate of reduction in local authority grants over the 4 years will not be as severe as forecast in January.
3. The net result of these is, unless appropriate measures are taken, to reduce the funding shortfall by 2014-15 to £126,000, together with less challenging figures in the intervening years.
4. As a result it has been possible to lower the four year targets for income generation and expenditure reduction, and maintain the budget equalisation reserve. Details are attached for the Committee's consideration.
5. One consequence of the reduced annual operating budget is that the Board's capacity to respond to unplanned funding needs during the year is diminished. Examples of such expenditure could be the need to increase support for the anti HS2 campaign, assist with land purchase by a voluntary organisation or respond to requests to provide match funding for HLF grant applications made by other organisations. As the Budget Equalisation reserve is higher than planned, and less of this reserve will be need to offset annual deficits, the

Board could consider making available a percentage, say up to 20%, for this type of expenditure.

Recommendations:

- 1. To note the updated position and note that half-yearly updates to the medium plan (2011 – 2015) will be presented.**
- 2. To consider the partial use of the Budget Equalisation Reserve.**

Item	2010-11	2011-12	2012-13	2013-14	2014-15	Notes
	£	£	£	£	£	
Expenditure:						
Core - staff employment costs		345,980	353,120	360,085	367,190	
Core - non staff costs		225,500	225,500	225,500	225,500	
Contribution to SE Landscapes Officer		2,000	2,000	2,000	2,000	
Chalk Streams Project		37,865	37,865	37,865	37,865	
SDF		40,000	40,000	40,000	40,000	
Merchandise purchases						
Total expenditure	-	651,345	658,485	665,450	672,555	If no action is taken
Income:						
NE Core						
NE Chalk Streams						
SDF						
Natural England Total Grant		503,845	476,637	450,899	418,096	21.5% reduction excl. inflation
Local authorities		102,148	96,632	91,414	84,763	21.5% reduction excl. inflation
Chalk Streams external funding		18,645	16,781	15,102	13,466	35% reduction excl. inflation
Earned income, sales, donations		34,655	29,655	29,655	29,655	
Total income	-	659,293	619,705	587,070	545,980	If no action is taken
Funding shortfall	-	7,948	38,780	78,380	126,575	If no action is taken

Item	2010-11	2011-12	2012-13	2013-14	2014-15	Notes
	£	£	£	£	£	
Options						
Increase Earned Income		-	12,000	15,000	20,000	compared to 11-12
Use of Earmarked Reserves		-	12,500	12,500	20,000	
Reduction to SDF		-	12,500	20,000	20,000	compared to 11-12
Reduction of core non staff expenditure		-	18,000	20,000	25,000	compared to 11-12
Reduction in Chalk Streams Project expenditure		-	-	5,000	8,000	compared to 11-12
Reduction in members' allowance payments		-	5,000	5,000	5,000	compared to 11-12
Sub total		-	60,000	77,500	98,000	
Use of Budget Equalisation Reserve		- 7,948	- 21,220	880	28,575	£287
Total	-	- 7,948	38,780	78,380	126,575	
Reserves						
Brought forward	494,558	522,393	520,341	529,061	515,681	
Surplus from 2010-2011	21,570					
Less earmarked reserves used	-6,265	10,000	12,500	12,500	20,000	
Less equalisation reserve used	0	-7,948	-21,220	880	28,575	
Total	522,393	520,341	529,061	515,681	467,106	
Breakdown of Reserves		End of 11-12	End of 12-13	End of 13-14	End of 14-15	
General	170,000	170,000	170,000	170,000	170,000	
Budget Equalisation	228,466	236,414	257,634	256,754	228,179	
Earmarked	100,146	90,146	77,646	65,146	45,146	
Restricted	23,781	23,781	23,781	23,781	23,781	
Total	522,393	520,341	529,061	515,681	467,106	

Proposed Memorandum of Agreement with Local Authorities

Author: Steve Rodrick Chief Officer

Summary: It is proposed to put in place a Memorandum of Agreement with local authorities to cover their financial contribution to the Board for the period 2012- 2015. It will mirror a similar agreement between the Board and DEFRA. The objective of the MoA will be to secure the local authorities contribution for a minimum of three years and to ensure during that period that it will not decline, on an annual basis, by more than that of the Government grant aid - and preferably better it.

Purpose of the Report: To seek agreement that the Board should propose to all 13 local authorities that a Memorandum of Agreement covering their financial contribution should be put in place for the period 2012-2015.

Background

1. Prior to the Board being established a Memorandum of Agreement was in place between the Countryside Agency and the local authorities ensuring a specific level of financial contribution to the shadow Chilterns Conservation Board and its predecessor bodies. As the shadow Board was not a constituted legal entity it was not a signatory the MoA. Its status as a Joint Advisory Committee of local authorities meant the funding agreement was between the government and local authorities only.
2. In practice that 6 year agreement was honoured beyond the 2004 when the Board was established. The Board did consider the option of preparing a new MoA from 2008 onwards, but decided not to pursue the idea at that time. For information a draft was circulated to local authorities in 2007-08.
3. DEFRA has indicated that it expects to have a MoA in place with all AONBs as a condition of providing direct grant aid. For non Conservation Board AONBs this will continue to be between the government and the local authorities. In the case of the Chilterns (and Cotswolds) that agreement will be with the Conservation Boards.
4. MoAs are not legally water tight documents and cannot guarantee that the level of funding agreed will actually be provided. However, they can help to secure an agreed contribution and local authorities generally find MoAs helpful in securing funds to support "external" organisations.
5. In a period of economic austerity when cuts in public funding are inevitable it is helpful to be able prepare budgets knowing, as far in advance as possible, what the level of financial support is likely to be from both central and local government. DEFRA has indicated that for the period 2012 -2105 it will

reduce its grant to the Board by 5.4% per annum with no allowance for inflation.

6. Ideally the local authorities will maintain their current level of contribution, even without an allowance for inflation. A least-worst scenario would be that local authorities do not reduce their grant annually, in percentage terms, by more than central government. Preferably they would aim to better such a settlement.
7. Without repeating the content of the Board's Parliamentary Establishment Order the MoA would cover why the Board needs funding; the uses to which the funding would be put; and how it is accountable for the use of those funds. It would make direct references to the Parliamentary Establishment Order; the duties in the Countryside and Rights of Way Act 2000; the preparation, implementation and review of the AONB Management Plan; the preparation of a Business Plan; and publication of annual accounts and annual review.

Recommendations

1. **That the Board should seek to put in place a Memorandum of Agreement with all 13 local authorities covering their financial contribution to the Board for the period 2012-2015.**
2. **That a draft MoA be presented to the Board for its approval in June 2011.**
3. **That the MoA should request the local authorities to maintain their financial contribution to the Board at current levels if possible, or at worst, should not be cut on an annual basis, by more than the reduction to Government core grant.**

Change of Clerk to the Board

Author: Steve Rodrick Chief Officer

Summary: Buckinghamshire County Council notified the Board of its intention to significantly increase its charges for providing secretarial service to the Board. Due to the need to reduce costs a lower cost arrangement for provision of a clerk to the Board has been investigated. With effect from 1st June Deirdre Hansen will be the new clerk to the Board. The estimated cost saving is £3,500 per annum.

Purpose of the Report: To notify the Committee that a new clerk to the Board has been appointed with effect from 1st June.

Background

1. When the Board was being established in 2004 it was decided that several functions would be outsourced, usually to local authorities. One such arrangement was the provision of secretarial services to the Board. As Buckinghamshire County Council was chosen as the provider of legal services it was convenient for this arrangement to include a clerk to the Board. In practice this continued an arrangement that had been in place for many years. Maureen Keyworth has had that that role, as an employee of Bucks CC, for many years.
2. Over a number of years Bucks CC has increased its charges by more than inflation and at a higher rate that it increased its contribution to the Board, thus both increasing the actual and relative cost of this arrangement. In practice BCC had agreed to place a ceiling on its overall charges in attempt to nullify the increase in the hourly rate charged. From 2011 onwards it was no longer prepared to impose the ceiling.
3. This arrangement was being closely scrutinised as part of the review to save costs. On 8th March Bucks CC wrote indicating that it intended to raise its charge again by a further 7.1%. It was therefore decided to actively seek an alternative and lower cost arrangement. It is worth noting that at no time has the Board had any reasons to complain about the quality of service provided by Maureen Keyworth and her colleagues in Bucks CC.
4. For some years Deirdre Hansen has been the minute taker for the Planning Committee. She is a trained and experienced parish clerk currently working for three councils (Bradenham, Radnage and Ibstone) in the Chilterns. She has been interviewed by the Chief Officer and Chairman and offered the position of clerk, on a self employed basis, with effect from 1st June. The arrangement will be reviewed after 6 months. (Appendix 1- Duties of the Clerk)

5. Bucks CC also printed and distributed copies of the minutes and papers of all meetings. In future the Board will organise this in-house, as well as arrange suitable venues for meetings of the Board.
6. It is estimated that over a full year the new arrangement will reduce costs by up to £3,500.
7. Bucks CC will continue to provide legal services as required, for which the Board will be charged the going rate. The arrangement that the Head of Legal Services for the county council will also be the Board's Monitoring Officer is not affected.

Recommendations

1. **To note that Deirdre Hansen will take up the position of Clerk to the Board with effect from 1st June.**
2. **To formally thank Maureen Keyworth for her excellent work and dedication as Clerk to the Board.**

Proposal to Create a ‘Caring for the Chilterns’ Fund

Author: Steve Rodrick Chief Officer
Cathy Rose Activities and Learning Officer

Summary An option for the Board to secure donations from all parts of the community is to create a special fund – Caring for the Chilterns Fund - which would be used for projects to conserve natural beauty and promote enjoyment of the AONB. Such a fund would not be used to meet operating costs of the Board itself, but it would help relieve some of the pressures on its dwindling funds to support projects. It would also help harness the current high levels of public concern for the Chilterns arising from the high speed railway.

Purpose of the Report: To seek guidance from the Executive Committee on this proposal and whether to develop it for presentation to the full Board.

Background

1. During the prolonged period when the Board, and all other parts of the public sector, will face significant cuts to their budgets there is a need to investigate how additional funds can be secured from other sources. To date the Board has not sought, or needed, donations from the public or business community. The one exception has been the Friends of Red Kites scheme which has generated donations of over £11,500 during the past 6 years.
2. On a regular basis, generally small but unsolicited, donations have been received. Recently increasing numbers of people have given small donations when taking free literature and community groups have given donations following talks given by staff members and volunteers.
3. In view of the Board’s position, and generally reduced public sector budget to support work in the AONB, it is timely to consider the possibility of creating a special fund to encourage greater financial support from the general public and business community.
4. When considering such an idea great weight needs to be given, from the outset, to the potential for this to affect charitable trusts and other community groups which depend upon public subscriptions and donations. The aim must be to increase the size of this particular cake and not simply re-divide it. It should be a stated objective that a proportion of any funds raised would be used to support such groups.
5. A further key principle of any initiative of this kind should be that the maximum possible proportion of funds is used to support, directly, ‘good works’ and as little as possible is for administration. It should not be an aim of this proposal to generate income to meet the Board’s day to day operating costs.

6. It is well known that the most successful fund raising campaigns are for specific purposes with relatively tight deadlines, i.e. the emergency fundraising appeal or the opportunity to buy a valued site. This type of appeal is generally not consistent with the nature of the Board's work, and is better suited to charitable organisations such as Wildlife Trusts.
7. Instead it is suggested the Caring for the Chilterns Fund is a lower key seeking smaller contributions but on a consistent basis. Similarly the funds would be used for smaller projects for which fund raising is often more difficult, in other words similar to those supported currently by the Sustainable Development Fund
8. There is currently a high level of public concern about the Chilterns because of HS2 and, more generally, an acknowledgement that the bodies such as the Board are seriously affected by large cuts to income. This has probably enhanced the willingness of the public to provide small scale financial help, not withstanding the pressure on household income. The reputation the Board has been built up over the past 6 could help to secure donations.
9. In some protected areas there are visitor payback schemes which are used to secure donations from visitors who have enjoyed the amenity of that area. A typical example is where a B&B might add a suggested donation of £2 to a visitor's bill. Currently there is no such scheme in place in the Chilterns.

Target Groups

10. The following are proposed as target groups:
 - General public attending events
 - Web site users
 - Chalk and Trees readers
 - Those with specific interests e.g. red kites
 - Visitors, especially staying visitors
 - Those receiving free literature
12. We should not be seeking legacies – that would impinge on the territory of charities such as The Chiltern Society and Wildlife Trusts

How would donations be solicited?

- Special promotional leaflet
- Web site
- Chalk and Trees
- Other literature
- Direct mailing
- Events (walk, talks, shows, Countryside festival)
- Special PR campaigns using local media

How much would a Caring for the Chilterns fund generate?

13. The aim should be to generate at least £10,000 net per annum within 3 years of its launch. In the first year the aim would be to cover its costs and generate a surplus of £5,000 net in its second year. These figures are only given as a starting point for discussion. If it is agreed this proposal is worth investigating further a business and promotional plan would be prepared.

Recommendation

1. **To decide whether this proposal should be developed further for consideration by the full Board.**

Report on HS2

Author: Steve Rodrick Chief Officer

Summary: The Board has been heavily involved in the anti HS2 campaign. The level of activity has increased markedly since the public consultation began on 28th February. In addition to responding to the formal consultation a submission is being prepared for the Transport Select Committee. The Board is also committing staff time and resources to preparing a technical analysis of the environmental impact along the route in the AONB. A significant error has emerged – the volume of spoil excavated in the Chilterns will be 12 million cubic metres, not 680,000 cubic metres as given by HS2 Ltd.

Purpose of Report: To inform the Committee of current HS2 related activity. To seek agreement to the basis of the Board's formal response to the HS2 consultation.

Public Consultation

1. The formal period of public consultation began on 28th February and runs until the 29th July. The documents have been put on line and printed copies are available on request. However, no printed documents have been placed in public offices such as libraries and council offices. The only way of ordering printed copies is to go on line to get the contact details. The reliance on the web site is very great and, arguably, breaches equality legislation as it discriminates against the 20% of the population with no access to the internet. Despite raising this issue with MPs and they, in their turn, with Transport ministers, no action was taken.
2. There is a programme of local consultation events which began at Euston Station in March which the chairman and Chief officer attended. The level of promotion and information was low key. There were several members staff but few had identification so it was not clear whether they were from HS2 Ltd or Dept for Transport. The amount of new information available was minimal and the printed literature available was of poor quality and surprisingly uninformative.
3. There is widespread concern over the way the public consultation is being handled and legal advisers retained by a number of anti HS2 groups are already assembling a possible legal challenge. The Board has been asked to endorse letter of concern sent to the Dept for Transport.
4. The HS2 road shows will reach the Chilterns this week (time of writing - 9th May) and there will be either a display caravan or exhibition at Chalfont St Giles, Amersham, Great Missenden, Wendover and Stoke Mandeville.

5. The anti HS2 campaign has organised rallies at Great Missenden (8th May – one of the main organisers was Shirley Judges) and at Amersham (15th May). The Great Missenden event was a great success and attended by several hundred protestors. The event was reported on the regional BBC news. The Chief Officer will speak at both.
6. Initially it was a target to publish the Board's draft response by early May in order for others to use it to help with their own. However, that has not been possible as new information is being released by HS2 (during a public consultation!) and as other information is unearthed. It is also clear that HS2 has not published all the information which many believe it should (e.g. the total land take or noise contour maps) which means that further work is needed.
7. A special meeting (27th April) was convened of Board members and staff to work on the basis of the Board's response (Appendix 1). The section on the Appraisal of Sustainability needs further work.

Spoil

8. An example of the misleading or incorrect information provided by HS2 Ltd is the volume of spoil they have stated will be excavated in or near the Chilterns. In the Appraisal of Sustainability they state that the volume of spoil generated in the section of line between West Ruislip and Aylesbury will be 680,000 cubic metres. This figure has been checked (exhaustively) and the real figure is more likely to be 12 million cubic metres. Less than 10% can be used for embankments or other earth works which means the rest has to be taken out of the area.
9. It is likely the HS2 line itself can be used as a haul route especially for the spoil excavated from the Amersham tunnel, but most of the rest is likely to end up in a lorry on a public road. If this volume is in the order of 8-9 million cubic metres it is equivalent to over 500,000 full lorries and over 1 million lorry movements. This is equivalent to a lorry movement every 30 seconds or so for 5 working years. This may well be an under-estimate. A key issue is, where will the spoil be disposed of? Possibilities must include the dis-used quarries at Pitstone or Chinnor or further afield at Calvert in north Buckinghamshire. Presumably this will require a planning application to be determined by the county councils.
9. This error is being raised directly with HS2 Ltd and the Department for Transport. To date HS2 Ltd has refused to discuss any matters related to construction arguing that the consultation is about the route and strategy.
10. The Secretary of State has accused the anti HS2 campaign of being NIMBYs. He seems to be attempting to reduce the weight of any objections received from people along the route by announcing that he will publish a map showing the location of objectors who are, by implication mere NIMBYs. He is, thus far, refusing to acknowledge that the great majority of those objections are based on national arguments disputing the economic benefits and costs.

The misgivings over his rhetoric and attitude have been widely relayed to local MPs who have made representation to the minister himself.

Environmental Information

11. The Board has prepared a number of maps showing the sites along the route important for wildlife, historic environment and access. This is being combined with the landscape information held by Bucks CC. The Board has also undertaken surveys to establish the quality and species composition of all hedges and trees. This is being complemented by re-survey of all ancient woodland along the line. These surveys have identified 24 woodlands which will be destroyed (18 hectares will be lost) or fragmented of which 11 (13 hectares) are likely to be ancient woodland. In total HS2 will damage woods covering 63 hectares of which over 50 hectares are ancient.
12. Approx. 25 public rights of way will be affected, the majority of which will be closed or diverted during construction. It must be a high probability that many of these will never be re-instated. These include the Ridgeway National Trail, The Chiltern Way and The Chiltern Cycleway.

Transport Select Committee

13. On 18th March the Transport Select Committee announced it intended to undertake an inquiry into the strategic case for High Speed Rail. The closing date for written submissions is 16th May. The Board will be making a submission concentrating on those areas which deal with the impacts including the claims for national environmental benefits.
14. The specific question is asked, "Are environmental costs and benefits (including in relation to noise) correctly accounted for in the business case?"
15. The submission will have to be made prior to the Executive Committee meeting. The full text will be circulated for discussion.

Recommendations

1. **To note the activity of the Board.**
2. **To endorse the basis of the formal response to the HS2 consultation.**
3. **To note that a written submission has been made to the Transport Select Committee.**

PART 3: RESPONDING TO THE CONSULTATION

This consultation seeks views on the proposed national high speed rail strategy described in Part 1 and on the recommended line of route for an initial London – West Midlands line set out in Part 2.

The questions on which the Government is seeking views are set out below. In each case, the Government is interested in whether or not you agree with its proposals and why, as well as in any additional evidence that you feel it should consider in reaching its final decisions.

1. This question is about the strategy and wider context:

Do you agree that there is a strong case for enhancing the capacity and performance of Britain’s inter-city rail network to support economic growth over the coming decades?

CCB response

- The case has not been presented nor a national transport strategy which demonstrate the place for rail in the mix of transport options and other means of addressing economic objectives. For example investment in IT may be more effective, affordable and timely.
- There is an need to place transport in the context of broader aims and options to achieve those objectives, .e.g. economic growth, improved communication, environmental protection, carbon emissions.
- There is a need, first, to justify investment in rail infrastructure and consider all options- HSR is being considered in (relative) isolation

2. This question is about the case for high speed rail:

Do you agree that a national high speed rail network from London to Birmingham, Leeds and Manchester (the Y network) would provide the best value for money solution (best balance of costs and benefits) for enhancing rail capacity and performance?

CCB Response

- No. Justification has not been provided – see above.
- Benefits of alternative investment options has not been given full weight.
- High speed rail needs to be better defined. Upgraded existing services would be considered high speed rail.

- Less emphasis should be given to speed and more to total journey time and benefits, if any, of shortening journey times – relative savings are small and offer poor value for money.
- Value for money is impossible to determine as so few alternatives and comparisons have been presented.
- The business case for the Y shape network is very poor- much poorer than presented. The opportunity cost is great and has not been considered fully.
- The environmental impact is enormous and unacceptable. The damage to the physical environment and lack of saving in carbon emissions should rule out HSR as it is not environmentally sustainable.
- Investment in the existing network, especially Rail Package 2, will provide earlier, lower cost and better value for money benefits with none of the environmental damage.

3. This question is about how to deliver the Government's proposed network:

Do you agree with the Government's proposals for the phased roll-out of a national high speed rail network, and for links to Heathrow Airport and to the High Speed 1 line to the Channel Tunnel?

- No.
- The priority should be investment in the existing intercity network.
- The direct link to the continent will not be used by sufficient numbers of passengers to justify the cost. The lack of confidence in the HS1-HS2 link is illustrated by its absence from the original report and the proposal to build a single track tunnel capable of only handling 3 trains per hour.
- The success of Heathrow has not been hampered by the lack of a high speed rail link. The airport will shortly benefit from the massive public investment in Crossrail. The limited impacts on domestic flights suggest the only reason for a link to Heathrow is to provide additional convenience for a small number of long haul passengers which generates no additional economic or environmental benefit.

4. This question is about the specification for the line between London and the West Midlands:

Do you agree with the principles and specification used by HS2 Ltd to underpin its proposals for new high speed rail lines and the route selection process HS2 Ltd undertook?

- No.
- The route alignment was dictated by specification of an unrealistically and undesirably high track speed. This severely restricted the scope to choose a route alignment which avoided significant environmental impact. A lower track speed, which might have added 10 minutes to the proposed journey, would have provided much more flexibility on route alignment. This would have fatally undermined the business case to the point it would not pass Treasury tests - which suggests that track speed was only chosen to pass the Business Cost Ratio (BCR) test.
- The specification chosen for high track speed delivers surprisingly little journey time saving. This is simply because distances between major cities are short and high speed cannot deliver significant time saving. From London to Birmingham will be as little 23 minutes shorter, Liverpool only 24 minutes, Glasgow 38 minutes and Newcastle just 7 minutes. These are journey times offered by HS2 in 2033 compared to today's best times. Investment in the existing inter city network would mean that HS2 improvements would be even more modest.
- The public have not been consulted on any alternatives. It is a take it or leave it option. It is likely that the government is in contravention of the Aarhus Convention which requires the public to be consulted by Government at a formative stage and provided with realistic options.

5. This question is about the route for the line between London and the West Midlands:

Do you agree that the Government's proposed route, including the approach proposed for mitigating its impacts, is the best option for a new high speed rail line between London and the West Midlands?

- No.
- It is not possible to sufficiently mitigate the damaging economic, environmental and social impacts.
- It is not acceptable to cause such damage to an Area of Outstanding Natural Beauty. It undermines the credibility of designating an area as an AONB.

6. This question is about the Appraisal of Sustainability:

Do you wish to comment on the Appraisal of Sustainability of the Government's proposed route between London and the West Midlands that has been published to inform this consultation?

- The AoS does not provide sufficient information on environmental impacts for the purpose of public consultation.
- The Government is seeking public endorsement for the Y shaped network but has not undertaken an AoS on the entire proposed network. The environmental impacts of supporting the Y shaped network are unknown. It is unreasonable to expect unqualified support for such a proposal.
- The AoS shows that the majority of impacts will be negative. The few positive impacts are associated with economic benefits and are highly contentious - no evidence is provided to support the claims for economic benefits.
- There is no information to enable the public to interpret the proposed impacts on the area where they live.
- Some aspects, all negative, are scarcely covered e.g. impact on the Chilterns aquifer, public rights of way, noise.
- No assessment is made of the impact of construction which will be severe and prolonged. Disruption is given, by DfT, as a reason for not undertaking further upgrading to the WCML and yet is not given any weight when proposing HS2.
- There is no assessment of the impact on the local economy (PPS7).
- Insufficient weight has been given to ancient woodland and as a result over 12 hectares will be destroyed in the Chilterns AONB and in total over 50 hectares of ancient woodland will either be lost or fragmented.

7. This question is about blight and compensation:

Do you agree with the options set out to assist those whose properties lose a significant amount of value as a result of any new high speed line?

- Whilst the Board does not have any specific views on property values it is, however, concerned that the overall blight which is affecting the area is addressed, including the negative impact on the local economy. For example, many farms will be divided and it questionable whether they will all remain viable as a result. Other businesses depend upon income from visitors who will increasingly stay away. Many local journeys will be affected by the construction works leading to greater inconvenience and cost. None of the negative impact on the local economy has been given any consideration.

You can provide your answers online via
the consultation website at:

<http://highspeedrail.dft.gov.uk>

or you can send written responses to:

Freepost RSLX-UCGZ-UKSS

High Speed Rail Consultation

PO Box 59528

LONDON

SE21 9AX

Responses must be received by:

Friday 29 July 2011.

Chief Officer's Report

This paper is for information only (to be circulated to all Board members)

Author: Steve Rodrick Chief Officer

The main current issues are:

- Finalising the budget and work programme for 2011-2012
- Income generation programme
- High Speed 2
- Major Development proposals including the new stadium near High Wycombe and milk processing factory near Aston Clinton.
- Re-development of the web site.

HS2

This continues to take up an immense amount of time. The public consultation phase, which began at the end of February, has required a significant amount of work. Media interest is unabated with coverage by most of the national and local papers as well as an increasing number of specialist publications.

The Board is also working with partners to prepare baseline environmental information, for example, on the area of ancient woodland affected. This information has not been provided by HS2 as part of the public consultation. It is gradually coming to light that HS2 has either not provided much information which would have been of interest to the public, or has provided inaccurate even misleading, information.

Wycombe Community Sports Stadium

Wycombe DC is working with the owners of Wycombe Wanderers FC and London Wasps RC to identify a new location for a sports stadium to replace Adams Park in High Wycombe. A preferred new site has been identified at Booker Airfield which is surrounded by the AONB. WDC cabinet provisionally approved the selection of this site recently and is now proceeding to the next stage of planning which will involve consideration of an enabling development of over 600 houses, a hotel and sports facilities.

The Board wrote to all WDC councillors expressing concern about the impact on the AONB and likelihood of development spilling out of the site into the AONB in future. The proposal is causing a great deal of controversy locally.

A delegation of Board staff and members, together with a representative of The Chiltern Society and the local action group, recently visited the new Brighton FC stadium which is being built on the edge of the South Downs National Park.

Other Major Planning Applications

There are a number of major proposals at various stages of development. They include a proposal for a large milk processing facility between Aston Clinton and Aylesbury (about 1.5 miles outside the AONB). The site will occupy close to one square kilometre and will accommodate several very large buildings with prominent roofs. The Board is likely to object when an application is submitted shortly to Aylesbury Vale DC as the buildings will be highly visible from the AONB and are overlooked from several vantage points including Wendover Woods, Coombe Hill and Ivinghoe Beacon.

Cycleway

The promotion and development of the Chilterns Cycleway is proceeding well with volunteers (cycleway rangers) recruited to check the route regularly. Many local businesses, especially pubs, tea rooms and accommodation are being contacted to raise awareness of the route and to get them involved in its promotion.

Several hundred copies of the cycleway book have been sold.

Commons

The bid to the Heritage Lottery Fund for a grant of £400,000 to help with the management and enjoyment of common land was submitted on 4th March. The bid, which has been prepared with a Stage 1 development grant from the HLF, has been supported by many organisations including The Chiltern Society, National Trust, Wildlife Trusts, landowners and local groups.

The HLF decision will be known by 16th June. If successful, a project officer will be recruited and could be in post as early as September.

Web Site Development

The Board needs to re-design its web site (currently receiving 200,000 visits per annum) and enhance its use of “social media” (Facebook, Twitter etc).

A web site design company based in Marlow has been appointed to re-design and re-build the site. The target is for it to be live by the end of September. Until then the existing site will continue to be used.

Income Generation

A detailed review of the budget has been undertaken to reduce expenditure. A companion exercise to identify the potential to generate more income is also underway. In particular advertising is being sought for the web site, sales of literature are to be promoted and the scope to earn income from events is being examined.

Events

Access Conference - was held on 3rd March at College Lake near Tring and was attended by over 70 delegates. The main speaker was Tom Franklin, the Chief Executive of The Ramblers Association.

Woodland Conference - organised in association with the Chiltern Woodlands Project, was held on 11th March at the Clare Foundation near Saunderton and attended by over 50 delegates. Speakers covered topics such as removal of plantations on ancient woodland and the market opportunities for wood fuel.

Farmers Forum (24th March), held in the village hall at Britwell Salome near Watlington was attended by 25 delegates. Talks were given by a Daniel Lacey, a farmer from Lane End, and Lew Monger, the organiser of the successful Winslow Farmers Market.

LEADER Programme

The programme has, unexpectedly, been affected by government grant cuts. As over 50% of the programme is funded by EU grant aid it had been expected to avoid cuts, but this has not proved to be the case. The effect of the cut is that the budget for 2011-2012 is nearly committed already. However, there is still unallocated grant aid for 2012 and 2013.

Ancient Woodland survey

The survey to identify all the ancient woodland (that which has been continuously wooded since 1600) in the Chilterns is now well underway. The spring and early summer will be a particularly busy time as this is when the plants typical of ancient woodland are in flower.

TIMBER Project

This project, a partnership between the Board, Bucks CC, Wycombe DC, Forestry Commission and NGage Solutions Ltd supported by a grant of 50% from the EU, has appointed contractors to work with local woodland owners and managers to help them to gear up their timber production to take advantage of emerging local and regional markets for wood fuel.

Natural England

Natural England has completed its re-structuring which has involved a significant change in its structure and personnel. Whilst some long standing colleagues remain in post, for the most part, the Board will have several new officials to work with.

South– east Tourism Project

This project covering the AONBs and national parks in the south east, valued at just under £1million, has begun. A project officer has been appointed and several consultants engaged to cover the region. They will be responsible for working with

the AONB s and local businesses to develop visitor packages and marketing programmes based on the natural beauty and special access opportunities in each area.

Much of the marketing will be based on a new web site (tourism is probably one of the industries mostly heavily dependent upon the web) operated by a commercial partner, Responsibletravel.com.

Chalk Steams Project

The new partnership with the Environment Agency to manage habitat restoration programmes at two sites on the Rivers Misbourne and Chess has begun.

Chiltern Building Design Awards

The Design Award, promoted jointly with The Chiltern Society, is now in its 13th year. Ten applications were received this year, fewer than normal but reflecting the quiet state of the building industry. However, the judges were particularly impressed by the quality of applications - judging took place on 3rd May. The awards ceremony will take place on 8th June in Chinnor Village Hall.

Education Pack

The Education Resource Pack based on the Chilterns will provide information and help for Key Stage 2 studies in history and geography. It will be launched later this summer in time for the 2011-212 academic year. It is a partnership between the Board and Bucks CC School Improvement Service.