

DARTMOOR NATIONAL PARK PLANNING AUTHORITY

2 March 2018

**SOUTH HAMS SPECIAL AREA OF CONSERVATION JOINT SUPPLEMENTARY
PLANNING DOCUMENT APPROVAL FOR CONSULTATION**Report of the Forward Planning Manager

Recommendation: **That Members approve publication of the Draft Joint
Supplementary Planning Document for joint public consultation**

1 Introduction

- 1.1 The South Hams Special Area of Conservation (SAC) and associated Consultation Zone cover an area which lies within five Local Planning Authority areas: Dartmoor National Park Authority, Devon County Council, South Hams District Council, Teignbridge District Council and Torbay Council.
- 1.2 This Supplementary Planning Document (SPD) updates and replaces the 'South Hams SAC Greater Horseshoe Bat Consultation Zone Planning Guidance' published by Natural England in 2010. The update takes on board feedback from developers, consultants and planners on the 2010 guidance, new data on greater horseshoe bats and experience gained over the last eight years. In addition, a draft Heart of Teignbridge and Bovey Tracey Mitigation Strategy was published and consulted upon by Teignbridge District Council in February 2017; the contents of this document and the outcomes of the consultation have been considered in the drafting of the new SPD.
- 1.3 Unlike adopted Local Plans, an SPD does not form part of the statutory Development Plan and does not contain policies. Instead, the SPD is intended to sit alongside the relevant adopted and emerging local plans to help all developers, applicants and competent authorities determine, through a clear, rationalised decision process, whether plans and projects within the Consultation Zone require Habitats Regulations Assessment (HRA) in order to promote the protection and enhancement of the South Hams SAC greater horseshoe bat population.
- 1.4 The draft SPD has been prepared jointly by the authorities in partnership with Natural England and in consultation with specialist expert advice provided by Greenbridge Ltd., Dr Fiona Matthews (University of Exeter) and Steve Markham of Marquis and Lord (who developed the 2010 Guidance).

2 Background to the South Hams SAC

- 2.1 The South Hams SAC has been designated in part for its population of greater horseshoe bats and includes both maternity and hibernation roosts vital to the survival of the species.

- 2.2 Unusually, the South Hams SAC comprises five separate but linked component Sites of Special Scientific Interest (SSSIs). A sixth site at High Marks Barn was designated as a SSSI in 2012 as an important greater horseshoe bat maternity roost. Whilst not formally part of the SAC, the colony is an integral part of the overall SAC population and Natural England has advised that it must, therefore, be included as a consideration in relevant Habitats Regulations Assessments.
- 2.3 Greater horseshoe bats travel relatively large distances across the landscape and have large foraging territories. As such, they are not confined to the designated SAC sites, but move across the wider landscape and between the SAC sites, using key features in the landscape to navigate and forage. The species are long-lived (in excess of 30 years) with the bats remaining faithful to the important roosting sites, returning year after year. They feed primarily in and around woodlands, hedges and grazed pasture (particularly cattle grazed). Any loss or degradation to such areas can have an impact including removing key food sources and eradication or features used by the species to navigate and commute between roost sites and feeding areas.

3 The Approach of the SPD

- 3.1 The SPD is aimed at all those developing, determining and commenting on planning applications in the South Hams SAC Consultation Area (shown on Figure 1 of the SPD at Appendix 1). It provides guidance on the implementation of national policy and local Development Plan policies with respect to the South Hams SAC by providing clarity on planning requirements in order to reduce costs and delays to both developers and LPAs, and to ensure that the legal duties associated with the Habitats Regulations are met with regards to the South Hams SAC.
- 3.2 The SPD clearly sets out, through defining a South Hams SAC Consultation Area (encompassing Sustenance Zones and a Landscape Connectivity Zone), where and under what circumstances there is the potential for plans and projects to have a likely significant effect on the South Hams SAC and, therefore, when an HRA is required. It also outlines the information required from the applicant at each stage of the planning process in the case of an HRA being required including survey, mitigation and monitoring requirements.
- 3.3 To support the SPD, the important features of the South Hams SAC alongside data on potential 'pinch points' are mapped and will be available on Devon County Council's online Environment Viewer mapping service. This information will be publicly available to assist in the early identification of potential in-combination effects to be assessed through the HRA Screening process.
- 3.4 A series of Advice Notes are being developed to sit alongside the SPD to provide more detail and technical information. These Advice Notes do not form part of the SPD and therefore are not subject to this consultation.

4 HRA Screening in Sustenance Zones

- 4.1 Sustenance Zones are the area within 4km of designated maternity and hibernation roosts which include critical foraging habitat and commuting routes for bats using the roosts. The SSSI/SAC roosts and the Sustenance Zones are strategically important in maintaining the population of greater horseshoe bats across the South

Hams SAC. Development within, or in close proximity to, these sites could therefore have a Likely Significant Effect on the integrity of the South Hams SAC. Even small-scale changes to the landscape have the potential to affect the integrity of the SAC and, therefore, screening will be required for any plan or project which impacts on greater horseshoe bat habitat or flight lines in a Sustenance Zone.

5 HRA Screening in Landscape Connectivity Zone

- 5.1 The Landscape Connectivity Zone provides a different function to the Sustenance Zones, offering an important network of commuting routes used by the SAC population of greater horseshoe bats. In the Landscape Connectivity Zone, greater horseshoe bat activity occurs in smaller numbers than within the Sustenance Zones and bats are much more dispersed across this area. As such, only developments which severely restrict the movement of bats at a landscape scale could impact on the SAC bat population (generally therefore large housing/road/quarry developments).

6 Consultation Arrangements.

- 6.1 The SPD has been produced in partnership between five Local Planning Authorities and will be consulted upon by these authorities.
- 6.2 The consultation, lasting for six weeks, will be administered centrally by Devon County Council on behalf of the five Local Planning Authorities. Documents will be available to view online, at the relevant LPA offices and at libraries within the consulting authority areas. Paper copies of the document will be available on request to the County Council.
- 6.3 Comments will be able to be submitted by using a consultation response form available online or by post which can be submitted electronically or by post.

7 Recommendations

- 7.1 It is recommended that Members approve the South Hams SAC SPD to go out for public consultation.
- 7.2 Following the period of consultation, amendments will be made to the SPD as necessary, in response to any comments received. The final SPD would then be presented to the Authority for adoption, after which point it would be a material consideration in deciding planning applications.

DAN JANOTA

South Hams Special Area of Conservation

Greater Horseshoe Bats



Supplementary Planning Document

**Consultation Draft
February 2018**



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Every effort has been made to avoid technical terms and acronyms in this document. However, some have had to be included for clarity. Technical terms (highlighted and emboldened when first used) and acronyms are listed and defined in the Glossary.

Consultation Statement

[This statement does not form part of the draft Supplementary Planning Document, and will be omitted from the Document on its adoption]

Supplementary Planning Documents are developed to provide guidance on the implementation of policies in the statutory Development Plans produced by Local Planning Authorities (such as Local Plans, Waste Plans and Mineral Plans). The policies to which the SPD relates are included in Appendix XX of the SPD.

This Supplementary Planning Document is being prepared to provide guidance on the implementation of policies relating to the South Hams Special Area of Conservation, specifically on the population of greater horseshoe bats for which the site is (in part) designated. It covers five Local Planning Authority areas, Dartmoor National Park Authority, Devon County Council, South Hams District Council, Teignbridge District Council and Torbay Council.

The document updates and replaces the *South Hams Special Area of Conservation Greater Horseshoe Bat Consultation Zone Planning Guidance* published by Natural England in 2010.

The document is aimed at those preparing to submit and those determining and commenting upon planning applications across the five Local Planning Authorities including: land owners, developers, planning agents, ecological consultants, Council Members and other organisations.

It includes:

- An overview of why the document is needed.
- A description of the Consultation Area for the South Hams Special Area of Conservation (including a map).
- A flow chart to help clarify whether the Local Planning Authority is required to undertake a Habitats Regulations Assessment.
- An overview of the information which the Local Planning Authority requires from the developer.
- An explanation of changes made to the 2010 guidance (*South Hams Special Area of Conservation Greater Horseshoe Bat Consultation Zone Planning Guidance*).

A series of Advice Notes is also being developed to sit alongside this Supplementary Planning Document. These are not part of the formal consultation but any comments on those that have been drafted would be very welcome.

This consultation is being undertaken in accordance with Regulations 12 and 13 of The Town and Country Planning (Local Planning) (England) Regulations 2012.

Screening for Environmental Assessment

The Environmental Assessment of Plans and Programmes Regulations 2004 require that environmental assessment is undertaken for a plan or programme that is (a) “required by legislative, regulatory or administrative provisions”, and (b) “sets the framework for future development consent”. The Local Planning Authorities consider that this Supplementary Planning Document is not required by any of the provisions

mentioned above. It is therefore considered that environmental assessment under the provisions of the 2004 Regulations is therefore not required.

While section 19(5) of the Planning and Compulsory Purchase Act 2004 requires sustainability appraisal to be undertaken for development plan documents there is no such requirement for a supplementary planning document. Strategic environmental assessment alone can be required in some exceptional situations. This is usually only where either neighbourhood plans or supplementary planning documents could have significant environmental effects¹.

Screening for Habitats Regulations Assessment

The Conservation of Habitats and Species Regulations 2017 (as amended) require that, where a land use plan is likely to have a significant effect on a European site, appropriate assessment should be undertaken by the plan-making authority before the plan comes into effect. Habitats Regulations Assessment has been undertaken for all development plans relevant to this Supplementary Planning Document. As the Supplementary Planning Document provides guidance on the implementation of policies relating to a European site (the South Hams Special Area of Conservation) it is considered that no additional Habitats Regulations Assessment is necessary.

Anyone disagreeing with the Local Planning Authorities screening opinions given above is entitled to state this in their consultation response and provide the reasons for their view.

How to have your say

Devon County Council is leading the consultation process on behalf of the five Local Planning Authorities.

The consultation period starts on **Monday 16th April 2018**
and closes at **5.00pm on Wednesday 30th May 2018**

Responses cannot be accepted after this deadline.

Viewing the Draft Supplementary Planning Document

The Draft Supplementary Planning Document can be viewed:

- Online at the County Council's website: www.devon.gov.uk/haveyoursay
- At the relevant Council offices during normal office hours (see Contact Details in Annex 1)
- By contacting Devon County Council using the details below to receive a paper copy.
- At libraries within the consulting authority's areas

What are the issues to comment on?

The five Local Planning Authorities are keen to receive your views on the following matters:

¹<https://www.gov.uk/guidance/strategic-environmental-assessment-and-sustainability-appraisal>

1. Is the Draft Supplementary Planning Document clearly structured and legible?
2. Do you agree with the proposed approach to replacing Strategic Flyways with the Landscape Connectivity Zone? If not, please explain why.
3. Do you agree with the proposed boundary of the Landscape Connectivity Zone and Sustenance Zones shown on Figure 1 (also available online at: <http://map.devon.gov.uk/DCCViewer/>)? If not why not?
4. Does the Flow Chart help in clarifying which planning applications will require a Habitat Regulations Assessment? If not, how can this be improved?
5. Does the document help to clarify the information which the Local Planning Authority require from the developer? If not, how can this be improved?
6. Are the proposed arrangements for monitoring and review of the Supplementary Planning Document clear and appropriate?
7. Do you have any further comments?

Note that the Local Planning Authorities are unable to take into account any comments on the content of existing or proposed Development Plan Policies as these matters are considered through separate processes.

Submitting Comments

Responses to this consultation can be submitted by using the **Consultation Response Form** (which includes the eight questions listed above). This form is available to download at <https://new.devon.gov.uk/haveyoursay/> or can be provided using the contact details below.

Completed forms should be returned by post or email (with name and postal address included) to the contact details below before the deadline (25th May 2018).

Please note that all submitted representations will be made publicly available, including on the County Council's website, with the person/organisation making the representation (but not their personal signatures or email and telephone contact details) being identified.

Comments received after the deadline or sent to the other Local Planning Authorities will not be accepted.

What Happens Next?

Following the end of the consultation period, the Local Planning Authorities will consider all submitted representations and, having made any necessary amendments to reflect consultation responses, proceed to adoption of the Supplementary Planning Document at a full Council Meeting. The adopted Supplementary Planning Document will be published on the Local Planning Authority websites together with an Adoption Statement and will be available for inspection in accordance with the relevant Statements of Community Involvement for each Local Authority.

Contents

1	Introduction	7
1.1.	What is the purpose of this Supplementary Planning Document?	7
1.2.	What is the status of the SPD?.....	8
1.3.	What are the headline requirements for Local Planning Authorities and Developers?	8
2	The South Hams SAC Consultation Area	11
2.1.	General greater horseshoe bat requirements	11
2.2.	The South Hams SAC Consultation Area and potential impacts.....	12
3	Is Habitats Regulations Assessment Required?	15
4	Information Required for HRA.....	16
4.1.	Information required from the applicant.....	16
4.2.	Survey Requirements.....	17
4.3.	Mitigation and Monitoring Requirements	18
5	Glossary.....	20
	Annex 1 – Contact Details and Links to Development Plans	23
	Annex 3 – Overview of updates to the 2010 Guidance	24

1 Introduction

Greater horseshoe bats² are one of Britain's rarest bats and are confined to South West England and South Wales. A significant proportion of the British population is found in South Devon and the Buckfastleigh **maternity roost** is thought to be the largest in Europe. The South Hams Special Area of Conservation (SAC) has been designated³ by Natural England to help protect a population of over 2000 greater horseshoe bats. SACs form part of a network of designated sites across Europe and are sometimes referred to as **European or International sites**.

1.1. What is the purpose of this Supplementary Planning Document?

- 1.1.1 This Supplementary Planning document (SPD) is aimed at all those developing, determining or commenting on **planning applications** (including prior notifications and outline applications) in the **South Hams SAC Consultation Area** shown on Figure 1. It provides guidance on the implementation of national and local **Development Plan** policies with respect to the **South Hams SAC**, specifically in relation to the population of greater horseshoe bats for which the site is, in part⁴, designated as an SAC. Further information on SPDs is given in Annex 1.
- 1.1.2 By providing clarity on planning requirements, the guidance aims to reduce costs and delays to both developers and Local Planning Authorities.
- 1.1.3 The South Hams SAC Consultation Area lies within five **Local Planning Authority** areas: Dartmoor National Park Authority, Devon County Council, South Hams District Council, Teignbridge District Council and Torbay Council (referred to as the **LPAs**). Details of these LPAs and links to their Development Plans are given in Annex 2.
- 1.1.4 This SPD updates and replaces the *South Hams SAC Greater Horseshoe Bat Consultation Zone Planning Guidance* published by Natural England in 2010. The update takes on board feedback from developers, consultants and planners on the 2010 guidance, new data on greater horseshoe bats and experience gained over the last eight years. For those familiar with the 2010 Guidance, an explanation of changes is provided in Annex 3.
- 1.1.5 Information in this SPD can also be used to ensure that development plans (such as Local Plans and Neighbourhood Plans) and infrastructure projects which don't need planning permission, meet requirements relating to the protection of the South Hams SAC.
- 1.1.6 A series of Advice Notes are being developed to sit alongside this SPD to provide more detailed technical information on issues such as greater horseshoe bat ecology, the stages of a Habitats Regulations Assessment and mitigation.

² For a fact sheet on Greater Horseshoes see http://www.bats.org.uk/data/files/Species_Info_sheets/greaterhorseshoe.pdf.

For more information on the ecology of Greater Horseshoe Bats see Advice Note 1.

³ Under the European Habitats Directive and the UK Habitats Regulations – see Advice Note on HRA, when published.

⁴ The South Hams SAC is also designated to protect habitats including sea cliffs, heathland, semi-natural grasslands, scrub, caves and woodland. This SPD however only relates to greater horseshoe bats

- 1.1.7 The SPD is based on the best available evidence currently held on the South Hams SAC greater horseshoe bat population and habitat. Should significant new evidence come to light that challenges the contents of the document, the SPD will be reviewed and updated as necessary.

1.2. What is the status of the SPD?

- 1.2.1 This SPD is being prepared as a Local Development Document under the Planning and Compulsory Purchase Act 2004. The policy guidance contained within the SPD is supplementary to each of the Local Plans adopted by the partner authorities (see Annex 2), the overall purpose being to provide clarity and detail on how the policies of the Local Plans relating to the South Hams SAC are to be interpreted and achieved.
- 1.2.2 SPDs are a **material consideration** in determining planning applications. They have a high level of 'weight' in the decision-making process as they must be prepared in accordance with national planning policies and go through a statutory consultation process. This SPD is consistent with the National Planning Policy Framework and has been prepared in accordance with the existing European legislation which is in place at the time of publishing.

1.3. What are the headline requirements for Local Planning Authorities and Developers?

Local Planning Authorities

- 1.3.1 When determining **planning applications**, LPAs have a legal duty to ensure that there will be no adverse effects on the South Hams SAC population of greater horseshoe bats. Any application which will have an adverse effect will be refused, other than in exceptional circumstances (see Advice Note 1, when produced, for further details).
- 1.3.2 If there is **any** potential for a development to have a **likely significant effect** on the SAC's population of greater horseshoes, the LPA must carry out an assessment known as a **Habitats Regulations Assessment** (HRA). Simplistically, this will include:
- an assessment of likely impacts on the SAC from the proposed development, using greater horseshoe survey information and details of the proposal. The assessment must look at the impacts of the development on its own, as well as the impacts of the development **in-combination** with other existing and proposed developments;
 - any **mitigation** measures required to avoid an adverse effect; and
 - clarification as to how these measures will be secured e.g. through conditions attached to the planning permission, or a legal obligation agreed with the developer.

Developers/Applicants

1.3.3 It is the developer's responsibility to provide the LPA with:

- sufficient information to enable the LPA to decide whether HRA is required.
- sufficient information for the LPA to be able to undertake the HRA.

1.3.4 To help LPAs and developers meet these requirements, this SPD includes:

Section 2

Background information on the South Hams SAC Consultation Area.

Section 3

A flow chart to help clarify when HRA is required.

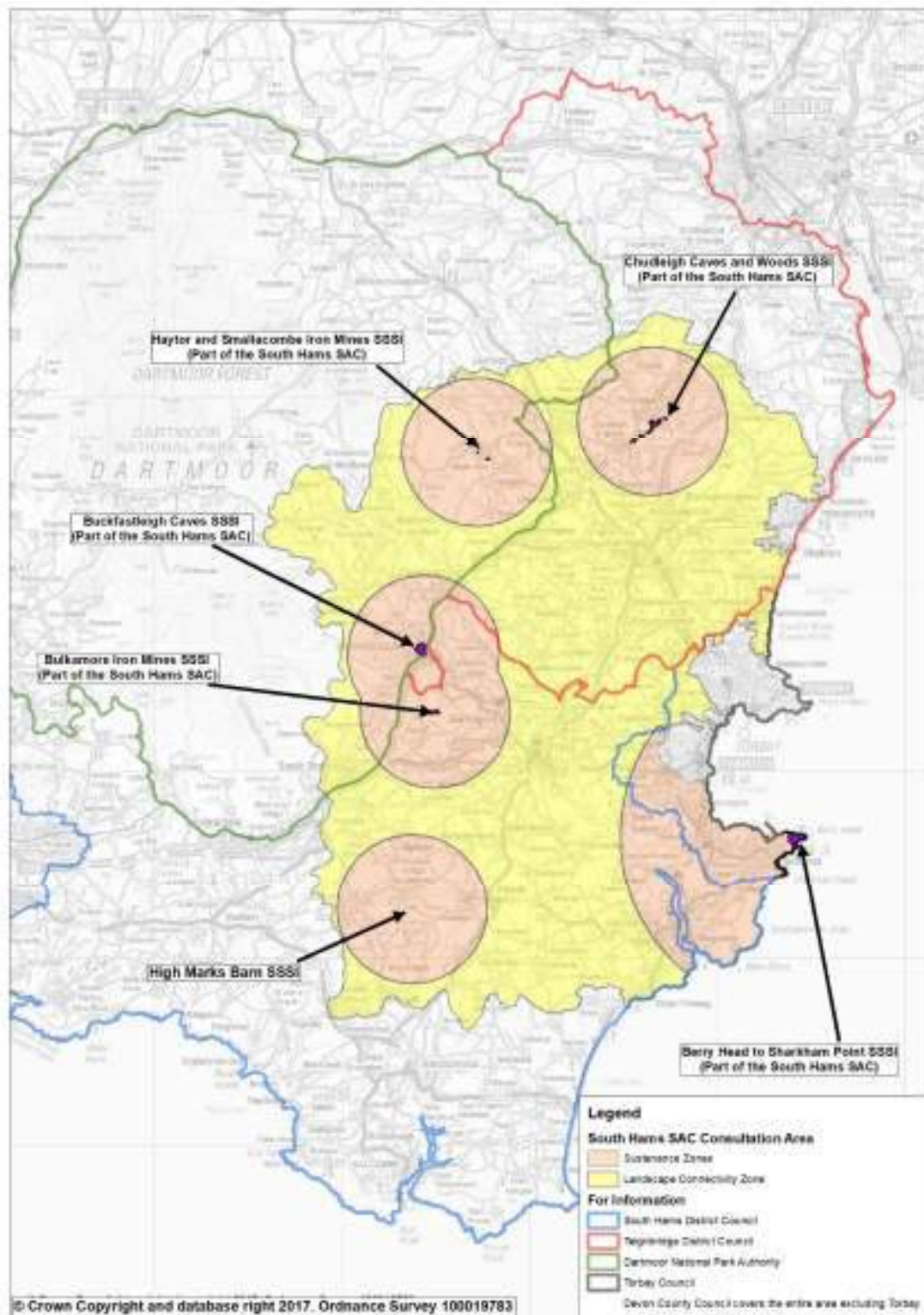
Section 4

Guidance on the information required from the developer.

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Figure 1: South Hams SAC Consultation Area

For a more detailed map see: <http://map.devon.gov.uk/DCCViewer>



2 The South Hams SAC Consultation Area

2.1. General greater horseshoe bat requirements

- 2.1.1 Greater horseshoe bats use a network of dark **Roosts**, **Foraging Habitats** and **Commuting Routes**. Definitions of these features are given below. Features must be dark as greater horseshoe bats are normally extremely sensitive to increased light levels. They will typically avoid areas where conditions are brighter than full moonlight on a clear night (typically recorded as being between 0.25 and 1 lux). Further detailed information on greater horseshoe bat requirements, including lighting, is set out in the Advice Notes (when published).

Roosts

- 2.1.2 *Roosts - a range of structures used by bats for shelter and protection*

- 2.1.3 A variety of structures are used throughout the year for hibernating, raising young bats (maternity roosts), feeding, mating and resting. Greater horseshoe bats are long lived (in-excess of 30 years) and remain faithful to these roosts for generations. Large numbers of bats can be found in hibernation roosts (used by all bats during the winter) and maternity roosts (used during the summer by mothers and their young). Other roosts tend to be used by individuals or small numbers of bats at a time.

Foraging Habitat

- 2.1.4 *Foraging Habitat – areas where bats feed.*

- 2.1.5 Greater horseshoe bats feed in different habitats during the year as availability of prey changes. Foraging habitats include cattle grazed pastures, the edges of broadleaved woodland, stream corridors, wetlands, tree lines and tall, thick hedges where prey is found (moths, dung beetles, cockchafer beetles and dung flies, crane flies, parasitic wasps and caddis flies). Research has shown that adult greater horseshoe bats using maternity roosts largely forage within 4km of the roost while juveniles hunt mainly within 1km of the roost and are highly dependent on grazed pasture⁵.

Commuting Routes

- 2.1.6 *Commuting Routes – linear features which bats follow when moving around the landscape between roosts and between roosts and Foraging Habitat.*
- 2.1.7 Greater horseshoe bats have a weak **echolocation** call (which bats use to navigate) and therefore generally fly close to the ground (up to ~ 2m) and close to linear landscape features such as hedges, woodland edge and vegetated watercourses which they use for navigation.

⁵ Research into foraging around maternity roosts is referenced in the Advice Note on greater horseshoe bat ecology (when published).

2.2. The South Hams SAC Consultation Area and potential impacts

- 2.2.1 The South Hams SAC Consultation Area has been developed to help clarify where and when, impacts, on Roosts, Foraging Habitat and Commuting Routes, are most likely to have a significant effect on the SAC and therefore require HRA. The Consultation Area is shown on Figure 1 and consists of the features discussed below.

* Indicates that the feature is mapped on the DCC Environment Viewer at <http://map.devon.gov.uk/DCCViewer>. Note that Foraging Habitats and Commuting Routes are not mapped on the Viewer as specific habitats and routes used by greater horseshoe bats are largely unknown. Any known data on greater horseshoe bat distribution is available from Devon Biodiversity Records Centre. There will be a charge for this information.

Designated Roosts*

- 2.2.2 **Designated Roosts** - the six maternity and/or hibernation roosts designated as SSSIs and believed to support an important proportion of the total greater horseshoe bat population across South Devon.
- 2.2.3 Five of the Designated Roosts are included within the South Hams SAC designation. The sixth roost at High Marks Barn SSSI is considered integral to the SAC population. It was not included in the original SAC designation but is part of the SAC Consultation Area. The six Designated Roosts are listed in Box 1.
- 2.2.4 **Developments impacting on these roosts (and any others that meet SSSI criteria) could impact upon the SAC population and require HRA** – see the flow chart in Section 3.

Box 1: The Designated Roosts (M=Maternity H=Hibernation)

Site Name	Roost description	M	H
Berry Head to Sharkham Point SSSI and NNR	Caves on sea cliffs	✓	✓
Buckfastleigh Caves SSSI (supports the largest known maternity roost in the UK)	Cave complex and barns	✓	✓
Bulkamore Iron Mine SSSI	Large disused mine		✓
Chudleigh Caves and Woods SSSI	Cave complex	✓	✓
Haytor and Smallacombe Iron Mines SSSI	Disused mines		✓
High Marks Barn SSSI (supports the second largest maternity roost in England)	Large agricultural barn	✓	

Sustenance Zones*

- 2.2.5 **Sustenance Zones** - *the area within 4km of the Designated Roosts which includes critical Foraging Habitat and Commuting Routes.*
- 2.2.6 Research has shown that greater horseshoes using maternity roosts largely forage within 4km of the roost⁶. Sustenance Zones have therefore been mapped with a 4km radius centred on each designated roost⁷.
- 2.2.7 **Developments impacting on Foraging Habitat and Commuting Routes in Sustenance Zones could have a likely significant effect on the SAC greater horseshoe bat population and require HRA** – see the flow chart in Section 3
- 2.2.8 Most urban areas within Sustenance Zones are not likely to provide suitable conditions or opportunities for foraging bats.
- 2.2.9 Due to the difficulties in monitoring hibernating bats, the distances which they travel to forage in the winter is unknown. It is possible that due to weather conditions, and the weaker physical condition of bats during the winter, they may forage closer to roosts within the hibernation Sustenance Zones. This needs to be considered when assessing impacts and carrying out HRA.

Landscape Connectivity Zone*

- 2.2.10 **Landscape Connectivity Zone** – *the area that includes a complex network of Commuting Routes used by the SAC population of greater horseshoe bats.*
- 2.2.11 Evidence from surveys indicates that greater horseshoe bats commuting through the Landscape Connectivity Zone are dispersed and found in low numbers. Impacts will occur where plans or projects severely restrict the movement of bats at a landscape scale.

Situations in which a development in this area could have a likely significant effect and require HRA are (see the flow chart in Section 3):

- Large developments impacting on a network of Commuting Routes and landscape permeability.
- Impacts on **Pinch Points** (see para 2.2.12)
- Impacts on **Existing Mitigation Features** (see paragraph 2.2.14)

Pinch Points*

- 2.2.12 **Pinch points** - *known, or potential, Commuting Routes which are significantly restricted e.g. due to urban encroachment or proximity to the sea / estuaries.*
- 2.2.13 **Further restriction of Pinch Points could severely restrict the movement of bats and therefore require HRA** – see the flow chart in Section 3.

⁶ Research into greater horseshoe bat foraging around maternity roosts is referenced in the Advice Note on greater horseshoe bat ecology, when published.

⁷ Due to its location next to the sea and urban development within Brixham Town the Berry Head Sustenance Zone is based on a sustenance area equivalent to a 4km radius circle. Note that the boundaries of all the Sustenance Zones have changed slightly from those within the 2010 South Hams SAC guidance (see Annex 3).

Existing Mitigation Features*

2.2.14 *Existing Mitigation Features – can include Roosts, Commuting Routes and Foraging Habitat created, enhanced or protected to meet Habitats Regulations Assessment requirements for approved projects.*

2.2.15 Impacts on these features could have a likely significant effect and therefore require HRA – see the flow chart in Section 3.

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3 Is Habitats Regulations Assessment Required?

- 3.1.1 As early as possible in the development of the plan or project (pre-application stage) the LPA and developer should discuss the proposal and, using existing knowledge, follow the flow chart to clarify whether HRA is required.
- 3.1.2 If the developer chooses not to discuss the application with the LPA at pre-application stage the LPA will have to assess whether HRA is required using information submitted with the planning application. If HRA is required and insufficient information has been submitted the LPA may be unable to validate the application or need to request further information or new mitigation measures which could affect design/layout. All scenarios will lead to delays and increased cost. It is therefore strongly recommended that pre-application advice is sought from the LPA for any proposals in a Sustenance Zone or the Landscape Connectivity Zone.

If there is any degree of uncertainty regarding how to answer questions in the flow chart (e.g. whether there is loss, damage or disturbance to a potential Foraging route or Commuting route) an ecologist should be consulted.

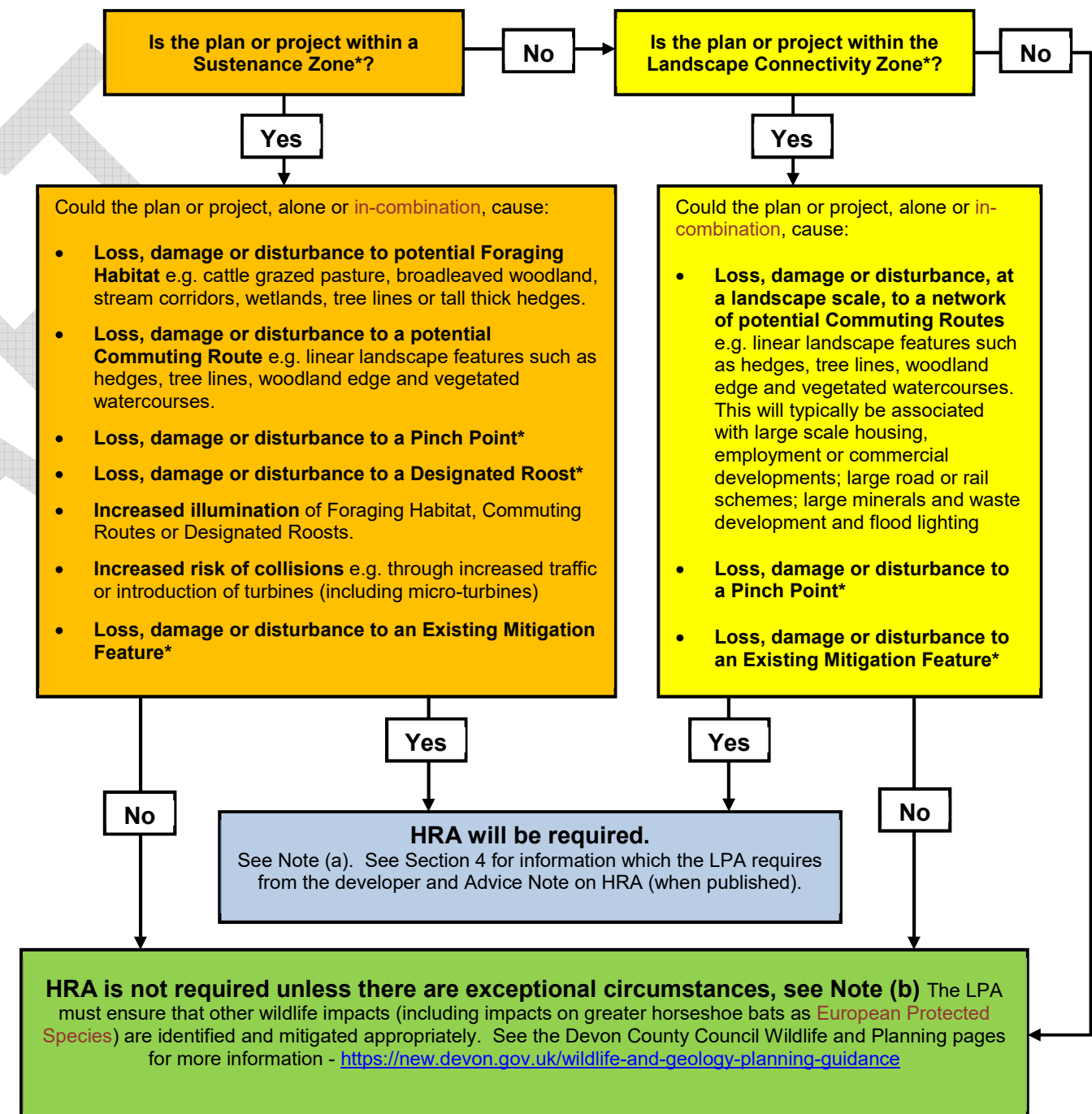
Examples of how a proposal could impact (cause loss, damage or disturbance) habitat include:

- Foraging Habitat
 - Building on pasture, wetland, or converting to improved grassland.
 - Felling woodland.
 - Altering drainage of wetland areas.
 - Indirect impacts that would lead to deterioration of the feature e.g. introducing public access to a foraging habitat.
 - Increased illumination of Foraging Habitat through internal, external and vehicular lighting sources.
- Commuting Routes
 - Removal of a hedgerow / tree line.
 - Increased illumination of sections of hedgerow/tree lines, including from internal, external and vehicular lighting sources.
 - Building in close vicinity to a hedgerow / tree line.
 - Having an indirect impact e.g. a change in management to hedgerows bordering residential gardens.

Notes accompanying flowchart

- (a) It may be possible for the LPA/NE to screen out likely significant effects relatively quickly where it is considered that, due to factors such as location, site characteristics, size/type of the application, numbers of greater horseshoe bats found, or where impacts can be avoided through design/layout (see 4.2.4 and 4.3.2) the proposal is unlikely to affect the SAC.
- (b) HRA may be required in other, exceptional, circumstances if, following survey, the LPA or Natural England consider that the plan or project could have a significant effect on the SAC population of greater horseshoe bats e.g. the discovery of a roost which meets SSSI criteria (over 50 bats) or the in-combination impacts of small projects in the Landscape Connectivity Zone

* Indicates that the feature is mapped on the DCC Environment Viewer at <http://map.devon.gov.uk/DCCViewer>. Note that Foraging Habitats and Commuting Routes are not mapped on the Viewer as specific habitats and routes used by greater horseshoe bats are largely unknown. Any known data on greater horseshoe bat distribution is available from Devon Biodiversity Records Centre. There will be a charge for this information.



4 Information Required for HRA

4.1. Information required from the applicant

Pre-application Stage

- 4.1.1 The developer commissions an ecological consultant to provide the LPA with the following:
- Greater horseshoe bat survey results and analysis (see 4.2 below and para 4.2.5 below for exceptions)
 - Ecological Impact assessment
 - Mitigation and monitoring details (see 4.3 below)
- 4.1.2 This information must be provided by a suitably qualified ecological consultant (employed by the developer) **with experience of greater horseshoe survey and mitigation**. LPAs cannot recommend consultants but can provide a list of ecological consultants known to them. A list can be found on the Devon County Council website at <https://new.devon.gov.uk/environment/wildlife/wildlife-and-geology-planning-guidance>
- 4.1.3 The information provided should be up to date and follow current national guidance⁸. Material departures from national guidance need to be agreed with the LPA. *Failure to provide adequate information may lead to planning applications being rejected at the validation stage or refused, both of which are costly in terms of time and budget.*
- 4.1.4 It is advised, particularly for large or complex applications, that applicants seek pre-application advice on survey and potential avoidance/mitigation measures from the LPA as well as Natural England's Discretionary Advice Service (see Annex 1 for contacts).
- 4.1.5 Note that for outline applications it is acknowledged that not all design and layout details will be known and it will not be possible to model lighting levels. However, outline applications are subject to HRA (as per Section 3). Appropriate survey must be undertaken and avoidance/mitigation principles established which provide the LPA with the confidence required that there will be no adverse effect on the SAC greater horseshoe bat population (see Advice Note on HRA). These principles must then be followed when developing details for the reserved matters application.

Submission

- 4.1.6 The applicant submits the information required for HRA as part of the planning application. If insufficient information is supplied, the LPA may not be able to validate the application.

⁸ Including guidance from the Chartered Institute for Ecologists and Environmental managers (CIEEM) <https://www.cieem.net/> and the **British Standard for Biodiversity** (BS 42020:2013)

Determination

- 4.1.7 The LPA uses the information provided to undertake an HRA and, when necessary, consults Natural England.
- 4.1.8 If insufficient information has been supplied the LPA may have to request further information leading to a delay in the determination of the application.
- 4.1.9 The LPA will secure any mitigation measures required to ensure no adverse effects on the SAC via conditions and/or legal obligations agreed with the developer.
- 4.1.10 If the LPA considers that the application will have an adverse effect on the SAC the application will be refused, other than in exceptional circumstances (See Advice Note on HRA).

4.2. Survey Requirements

- 4.2.1 All surveys should:
 - Follow any national guidance. Currently *Bat Surveys for Professional Ecologist, Good Practice Guidelines* (Bat Conservation Trust, 2016) and the **British Standard for Biodiversity (BS42020)**. Exact survey requirements will need to reflect the sensitivity of the site and the nature and scale of the proposals. Early dialogue with the relevant LPA and Natural England is therefore encouraged.
 - Follow any Devon greater horseshoe survey guidance, when available. This is being developed to clarify survey adjustments required for greater horseshoes (as suggested on page 58 of the 2016 Bat Conservation Trust guidance) as well as analysis / presentation requirements. Results must be presented so as to be readily understandable by planners.
 - Be up-to-date. Survey that is more than 2/3 years old will generally be considered out of date and unreliable
- 4.2.2 Surveys and assessment of the results should be informed by greater horseshoe bat data from Devon Biodiversity Records Centre and from projects within the vicinity of the proposal.
- 4.2.3 Some foraging will occur during hibernation but at reduced rates to other times of year. However, there is no national guidance available to inform winter bat activity surveys in the Sustainance Zones around hibernation roosts. The ecological consultant should discuss and agree any winter survey requirements (based on risk) with the LPA and Natural England.
- 4.2.4 Bat data should be shared with the Devon Biodiversity Records Centre in a format set out in the Survey Advice Note.
- 4.2.5 In exceptional circumstances it may be possible to agree impacts and mitigation requirements without the need for a survey / full survey. If this approach is taken it must be agreed in writing with the LPA. Circumstances may include:

- A minor development proposal where there is certainty (as evidenced by a competent ecological consultant) that impacts on greater horseshoe habitat can be avoided or are negligible.
- A situation in which survey (or further survey) would not contribute further to the identification of impacts and mitigation requirements.
- A situation in which the LPA and Natural England agree that there is sufficient existing survey information for the site (see BS 42020:2013 for more information).

4.3. Mitigation and Monitoring Requirements

4.3.1 Headline mitigation and monitoring principles are set out below. Further information will be set out in an Advice Note.

4.3.2 The scheme should be designed to avoid impacts through:

- Making every effort to avoid loss, damage or disturbance to Foraging Habitats and Commuting Routes and maintaining connectivity to offsite habitats.
- Where appropriate, creating sufficiently wide and dark buffers along or around habitats to protect them from impacts.
- Designing any lighting schemes to prevent impacts on greater horseshoe bat habitat (see Advice Note on lighting).

4.3.3 Where it is not possible to avoid all impacts the LPA *may* agree to measures which reduce impacts and ensure no adverse effect on the SAC. Required measures may include:

- Creating or enhancing new dark corridors through the development site to maintain a connected network of Commuting Routes for bats.
- Creating or enhancing new Foraging Habitat in suitable locations within the same Sustenance Zone.
- Maintaining Commuting Routes across road and transport routes by creating safe bat crossings, e.g. culverts, underpasses and bridges.
- Imposing controls or restrictions on relevant operations, e.g. cutting turbine speeds.
- Creating or enhancing a roost.
- Contributing to any South Hams SAC strategic greater horseshoe bat fund which combines funding to deliver permanent high quality greater horseshoe bat habitat and roosts in priority locations. An Advice Note will be produced to provide further details.

- 4.3.4 There must be sufficient certainty that mitigation measures will be effective in ensuring no adverse effect on the SAC and can be delivered e.g.
- Measures must be in place and functioning before impacts occur.
 - All financial and legal details relating to the delivery of mitigation requirements must be clear.
 - Measures should be secured and implemented to reflect the duration of the impacts. Where impacts are permanent and irreversible mitigation measures will need to be secured 'in-perpetuity'. No time constraint should be attached to the in-perpetuity definition (see Rocklands mixed use development S106, Chudleigh, Judicial Review, June 2015).
- 4.3.5 All mitigation should follow current best practice (See Mitigation Advice Note when published).
- 4.3.6 Mitigation measures must be considered in the context of the wider countryside e.g. commuting routes through a development site must connect to routes outside the site.
- 4.3.7 Monitoring (which ensures that mitigation has been carried out as agreed and is effective) and appropriate follow up measures must be agreed with the LPA and implemented by the developer.
- 4.3.8 All mitigation and monitoring details (relating to purpose, timing, creation, long term management etc) must be provided to the LPA in appropriate detail, at the agreed stage in the planning process, and in an agreed format. Generally, information required for the LPA to assess the planning application will be included in an **Ecological Impact Assessment** or Environmental Statement. Further detailed information will be requested through conditions imposed on any planning permission and in documents such as a Construction Environmental Management Plan (CEMP), and Landscape and Ecological Management Plan (LEMP).

Net gain: Whilst not required for HRA both the developer and LPA should seek enhancements for greater horseshoe bats. This is in line with the National Planning Policy Framework (para 9), the Government's 25 Year Environment Plan and Articles 3 and 10 of the Habitats Directive which require Member States to seek improvements in the 'ecological coherence' of European Sites through measures which enhance features of the landscape which are of major importance for wild fauna and flora. The LPA will expect proposals for enhancement to be prepared in accordance with any best practice e.g. currently the principles set out in CIEEM's *Biodiversity Net Gain Principles and Guidance*⁹.

⁹<https://www.cieem.net/biodiversity-net-gain-principles-and-guidance-for-uk-construction-and-developments>

5 Glossary

Adverse effect upon integrity	Where the competent authority is unable to confirm that the plan or project will, with mitigation, not have a likely significant effect on the SAC then the authority will ask for further information in order to try and ensure that the plan or project will not have an adverse effect on the integrity of the site. The integrity of a European site can be defined as, <i>'the coherence of its ecological structure and function, across its whole area, which enables it to sustain the habitat, complex of habitats and/or the levels of populations of the species for which it was classified.'</i> In practical terms this means the habitats necessary to maintain a healthy and viable population of greater horseshoe bats. See Advice Note on HRA for more information.
British Standard for Biodiversity	BS42020 – The first British Standard on Biodiversity Management. In line with the European Biodiversity Strategy and UN Aichi targets, the British Standard offers a coherent methodology for biodiversity management.
Commuting Routes	Linear features used as flight lines by greater horseshoe bats e.g. hedgerows, tree lines, woodland edge and vegetated watercourses.
Competent Authority	For the purpose of the Regulations, a competent authority includes any Minister of the Crown, government department, statutory undertaker, public body of any description or person holding a public office. See Advice Note on HRA for more information.
Designated Roosts	The six greater horseshoe bat maternity and/or hibernation roosts designated as SSSI. These are thought to support an important proportion of the total greater horseshoe bat population across South Devon. Five of the roosts are within the South Hams Special Area of Conservation. See Figure 1.
Development plans	Development plans comprise of adopted local plans, made neighbourhood plans and any “saved” policies from previous plans. This includes Devon County Council’s Minerals and Waste Plans. Planning Law requires planning decisions to be taken in accordance with the development plan unless material considerations indicate otherwise.
Echolocation	The sonar-like system used by bats to detect and locate objects by emitting usually high-pitched sounds that reflect off the object and return to the animal’s ears or other sensory receptors.
European sites (sites protected under European legislation)	Sites within the European Union (EU) network of classified Special Protection Areas (SPAs) and Special Areas of Conservation (SACs) designated under Article 4 of the EU Habitats Directive (EEC/92/43). Also referred to as Natura 2000 sites. In Torbay, there are two such sites – the South Hams SAC.
European Protected Species	Species of plants and animals (other than birds) protected by law through the European Union and listed in Annexes II and IV of the European Habitats Directive.
Existing Mitigation Features	Roosts, Commuting or Foraging Habitat created, enhanced or protected to meet Habitats Regulations Requirements for approved projects.

South Hams Special Area of Conservation:
Greater Horseshoe Bats Supplementary Planning Document

Foraging Habitat	Feeding areas for greater horseshoe bats, primarily cattle grazed pasture, semi-natural woodland, unimproved pastures, meadows and watercourses.
Habitats Regulations Assessment (HRA)	The assessment, carried out by the competent authority, of the impacts of land use plans or proposals on European protected sites, required by the Habitats Directive. Stage 1 includes screening for likely significant effects. If needed Stage 2 (Appropriate Assessment) assesses whether it is possible to avoid adverse effect on site integrity. See the Advice Note on HRA for more information.
Hibernation roost	Roosts (greater horseshoe bats often use caves) where bats move in the winter to hibernate (it should be noted that bats also need to forage during this time).
In-combination effects	Effects that occur from a plan or project, in combination with other plans or projects including those: <ul style="list-style-type: none"> • adopted as part of Local Plans • approved but uncompleted • for which an application has been made and which are currently under consideration See the Advice Note on HRA for more information.
In-perpetuity	Of endless duration, not subject to termination.
Landscape Connectivity Zone	The area that includes a complex network of Commuting Routes used by the SAC population of greater horseshoe bats.
Likely significant effects	Effects, considered in HRA screening, which would undermine the SAC's Conservation Objectives. If, on the basis of information provided, a likely significant effect cannot be ruled out then Stage 2 of the HRA must be undertaken by the competent authority. See Advice Note on HRA for more information, including the Conservation Objectives for the South Hams SAC.
LPA – Local Planning Authority	The Local Planning Authority is the Council responsible for carrying out forward planning and development management functions.
Material consideration	A material consideration is a matter that should be taken into account in deciding a planning application or in an appeal against a planning decision.
Maternity roost	The place where, during summer, female bats gather to have and raise their babies.
Mitigation	Mitigation describes actions taken to reduce or offset known impacts to a natural resource in order to minimise the impact of the development on the environment (see Advice Note on mitigation).
Net gain	To achieve an overall gain in biodiversity as a result of the development rather than an overall loss.
Permitted development	Permitted development rights are a national grant of planning permission which allow certain building works and changes of use to be carried out without having to make a planning application. Permitted development rights are subject to conditions and limitations to control impact and to protect local amenity.

South Hams Special Area of Conservation:
Greater Horseshoe Bats Supplementary Planning Document

Pinch Point	Known or potential greater horseshoe bat commuting routes which are significantly restricted e.g. due to urban encroachment. or proximity to the sea / estuaries. Further restriction would significantly impact on the movement of greater horseshoes and potentially have a likely significant effect on the SAC.
Planning applications	As well as planning applications this term is used to include prior approval notices and non-material amendments. For information on permitted development please see the Advice Note.
Prior Approval Notice	A process whereby details of a proposed development are notified to the local planning authority prior to the development taking place. This applies to some developments involving telecommunications, demolition, agriculture or forestry. The statutory requirements relating to prior approval are much less prescriptive than those relating to planning applications. This is deliberate, as prior approval is a light-touch process which applies where the principle of the development has already been established. Where no specific procedure is provided in the General Permitted Development Order, local planning authorities have discretion on what processes they put in place. It is important that a local planning authority does not impose unnecessarily onerous requirements on developers, and does not seek to replicate the planning application system.
SPD – Supplementary Planning Document	Established by the Planning and Compulsory Purchase Act 2004, an SPD can be used to provide guidance on a range of local planning matters and provide greater detail about policies contained within development plan documents. SPDs cannot make policy or allocate land, but can provide guidance on implementation.
SAC - South Hams Special Area of Conservation	South Hams Special Area of Conservation. Designated for its internationally important greater horseshoe bat population and habitats including dry heaths, semi-natural dry grasslands, scrub, woodland, cliffs and caves.
SSSI - Site of Special Scientific Interest	An area or site that is designated under the Wildlife and Countryside Act by Natural England for its nationally important biodiversity.
Sustenance Zone	The area within 4kms of designated roosts which includes critical foraging and commuting habitat
Validation	The process undertaken by the Local Planning Authority upon receipt of a planning application to determine whether the required national and local requirements of the application are included within the application and therefore whether the application can be considered valid.

Annex 1 – Contact Details and Links to Development Plans

Dartmoor National Park Authority Parke Bovey Tracey Newton Abbot Devon TQ13 9JQ forwardplanning@dartmoor.gov.uk [telephone number]	Devon County Council AB2 Lucombe House County Hall Exeter EX2 4QD planning@devon.gov.uk 01392 381222
South Hams District Council Follaton House Plymouth Road Totnes Devon TQ9 5NE [email address] [telephone number]	Teignbridge District Council Forde House Brunel Road Newton Abbot Devon TQ12 4XX forwardplanning@teignbridge.gov.uk 01626 215735
Torbay Council Town Hall Castle Circus Torquay TQ1 3DR future.planning@torbay.gov.uk 01803 208804	Natural England consultations@naturalengland.org.uk Discretionary Advice Service Form: https://www.gov.uk/government/publications/charged-environmental-advice-service-request-form 0300 060 3900

Links to Development Plans

Dartmoor National Park	http://www.dartmoor.gov.uk/living-and-working/planning/planning-policy/local-plan
Devon County Council	https://new.devon.gov.uk/planning/planning-policies/minerals-and-waste-policy
South Hams District Council	
Teignbridge District Council	https://www.teignbridge.gov.uk/planning/local-plans-and-policy/teignbridge-local-plan-2033/
Torbay Council	http://www.torbay.gov.uk/council/policies/planning-policies/local-plan/new-local-plan/

Annex 3 – Overview of updates to the 2010 Guidance

This SPD updates and replaces the *South Hams SAC Greater Horseshoe Bat Consultation Zone Planning Guidance* published by Natural England in 2010.

1. **An updated evidence base for greater horseshoe bats has resulted in the Strategic Flyways being replaced with a Landscape Connectivity Zone.**

During 2015/16 the existing evidence base for greater horseshoes in the SAC area was updated by the LPAs. This process included adding records from planning applications and from local bat consultants / workers (through discussion and a 2017 workshop) to the existing evidence base held by the Devon Biodiversity Records Centre. The methodology for this work is available from Devon County Council.

The new evidence base shows that greater horseshoe roosts and activity occurs throughout the South Devon landscape.

There are two main reasons that the Flyways have been replaced with a Landscape Connectivity Zone:

- (a) The new evidence base shows that outside Sustenance Zones greater horseshoe bats are dispersed widely and in low numbers using a complex network of commuting routes, rather than a few key Strategic Flyways
- (b) The 2010 strategic flyways were based, in part, on joining up all known greater horseshoe bat roosts. If all known roosts were now joined by flyways the existing and new flyways would cover the majority of the South Devon landscape.

The new Landscape Connectivity Zone surrounds the Sustenance Zones and the landscape between them. The boundary is based on landscape features around the Sustenance Zones and the relevant LPAs and Natural England have signed off the boundary mapping process. Given that greater horseshoe bats in the Landscape Connectivity Zone are found in low numbers it is considered that there is not sufficient evidence to reasonably assume that impacts on roosts and habitat beyond this boundary can have a significant effect on the SAC's greater horseshoe bat population.

2. **Amended boundaries to the Sustenance Zones**

Note that all the boundaries of the 2010 Sustenance Zones have been amended. The boundaries are now 4km from the centre of the roosts rather than 4km from the edge of the mapped SSSI.

3. **In 2016 the Bat Conservation Trust published new survey guidance which has replaced the survey specification in the 2010 South Hams SAC guidance.**

The new national guidance largely requires the same or a greater level of survey effort than the 2010 specification. The LPAs and NE have therefore agreed that the 2016 guidance should be applied. However, the LPAs and Natural England are producing greater horseshoe bat survey guidance to help clarify the adjustments which the 2016 guidance (page 58) states is required for certain species of bats. When this is published it should be used to complement the national 2016 survey guidance.

DARTMOOR NATIONAL PARK AUTHORITY

2 March 2018

2018/19 DRAFT BUSINESS PLANReport of the Chief Executive (National Park Officer)

Recommendation: That Members review the draft business plan for 2018/19 and delegate authority to the Chief Executive (National Park Officer), in consultation with the Chairman, to agree the final version.

1 Background

1.1 The Business Plan is a strategic document and as such does not seek to describe everything that we do, rather it seeks to:

- Explain the vision for the Authority and outline the way we will work to achieve National Park purposes;
- Identify the core values which will guide our work;
- Set out the Authority's strategic priorities and the key actions to achieve these;
- Detail the funding available to deliver the Business Plan.

It also provides a link between the National Park Management Plan ([Your Dartmoor](#)), individual work programmes and staff appraisals.

1.2 The draft Business Plan focuses on 2018/19 but identifies where actions/programmes will continue beyond 2018/19 and thus links to the Medium Term Financial Plan (as well as the detailed revenue budget for 2018/19) (see NPA/18/008).

1.3 The national policy context for the Business Plan is provided by documents such as the Government's plan for the environment ([A Green future: Our 25 Year Plan to improve the Environment](#)); the [Eight Point Plan for National Parks](#) and its [Industrial Strategy](#) and productivity agenda. The Business Plan identifies the links to the Environment Plan and Eight Point Plan for National Parks. A more detailed report on the Government's 25 Year Environment Plan and the implications for the National Park and the work of the Authority will be presented to the April meeting of the Authority.

2 Priorities for 2018/19

2.1 Members discussed priorities for 2018/19 and beyond at the workshop in September 2017. In no particular order they are:

- Conservation of the natural and historic environment;
- Work to support sustainable farming systems;
- Promote a positive experience of Dartmoor National Park for residents and visitors;

- Work towards ensuring Dartmoor has a thriving local economy;
- Improve support to and engagement with local communities;
- Be an excellent organisation.

2.2 The Business Plan (see appendix 1) also sets out the way we will work. Whilst our work is presented under three themes that link to [Your Dartmoor](#) (the National Park Management): Sustain, Enjoy and Prosper, our overall goal is to work in an integrated way (often with partners) to ensure that each work area or priority action considers and delivers across all three themes. A project might be focused on sustaining the natural environment but we will always look to ensure we consider and deliver links with the prosperity and enjoyment themes.

2.3 The draft Business Plan identifies key actions to help deliver these six priorities. At the workshop in September 2017 Members highlighted a number of areas where they wanted to see a clearer focus, these included:

- Management and enhancement of access (Public Rights of Way and other access infrastructure)
- Future direction of agriculture policy
- Role of the Authority in supporting economic development and productivity
- Engaging with people and communities
- External funding and promotion of the work we do

These comments and suggestions have been picked up in the draft Business Plan:

- The Pathways Project is a focused, integrated programme to secure funding for and implement a programme of improvements to the Public Rights of Way network and access areas; and to promote the network as a resource for all to use.
- Future direction of agriculture policy – the draft Business Plan contains a key action around this and applying the learning from initiatives such as Dartmoor Farming Futures and the Hill Farm Project. There are also a number of other projects that will contribute to thinking in this area including: Common Cause, the work being undertaken under the Countryside Stewardship Facilitation Fund and the potential Natural Flood Management and Peatland restoration projects.
- Terrific Towns, Vital Villages – this is a proposed pilot project to look at how we might work with local businesses in selected settlements to promote those settlements as destinations in their own right, celebrating their special qualities, increasing ‘footfall’ and visitor spend. We also developed the Rural Productivity Network proposal in response to the Government’s [Rural Productivity Plan](#) and submitted it to Government. Our proposal took the ten steps in the Government’s Rural Productivity Plan and, for each ‘step’, identified what we were already doing and, where required, a specific ask that would enable us to do more. We have, to-date, been unsuccessful in attracting external funding for this work but many of our ideas are now reflected in the final report of the South West Rural Productivity Commission and are contained in the draft Productivity Strategy for the Heart of the South West. We are also supporting economic development through projects such as the roll-out of superfast broadband and in protecting and maintaining the resource that is Dartmoor National Park.
- The theme of engaging with people and communities is reflected in a number of the key actions in the draft Business Plan including, for example: our volunteer

and citizen engagement programme, Active 55, the Access for All initiative, Parishscapes (funded via Moor than meets the eye) and Love Moor Life.

- External funding – the draft Business Plan includes a commitment to actively promote Donate for Dartmoor and consider a crowd funding initiative specific to Dartmoor (learning from our experience of [Mend the Mountains](#)).

- 2.4 The Business Plan is supported by a performance management framework that comprises three elements:

Dashboards for key services/teams - these are intended to provide management information on how a service/team is performing and an opportunity to highlight key achievements and pressure points. They use existing data sets. Their primary value should be to the manager for that service area - for them to use to review and potentially improve performance. They are also reported quarterly to Leadership Team (as part of the meeting that focuses on performance) and Leadership Team will reflect key issues in reports to Audit and Governance Committee. In addition, Audit and Governance Committee can request to see any dashboard. The dashboards help to demonstrate the 'day job' whilst the Business Plan focuses on key strategic projects.

Performance indicators (PIs) - these are data sets that we use to gauge the 'quality of the service' we provide and/or potential impact. The current set comprise a mixture of PIs: some are set nationally by Government (eg speed of planning decision); some have been agreed collectively by the English National Park Authorities so that we can benchmark performance; and some are agreed locally (i.e. by Dartmoor National Park Authority). The PI data is reported to Audit and Governance Committee.

Business Plan monitor - this document tracks progress with the key actions identified in the Business Plan. It is reported quarterly to Leadership Team and to Audit and Governance Committee. The intention is to better project manage the key actions identified in the Business Plan, ideally to ensure they are delivered on time and within budget, but also to identify, at an early stage, if there are any actions we are at risk of not delivering and to consider any support measures to address project slippage, or whether we signal to Members that action will not be completed and why.

3 Equality and Impact Assessment

- 3.1 Under the Equality Act 2010 (the Act) the Authority must prepare and publish one or more objectives it thinks it should achieve in pursuance of the general duty under the Act. Members will note that the Business Plan includes specific priorities to promote a positive experience of Dartmoor National Park for residents and visitors and to be an excellent organisation. These priorities will include actions which promote equality of access and awareness and understanding of diversity and have been incorporated into the performance monitoring framework.

4 Financial Implications

- 4.1 The draft Business Plan has been developed in parallel with the 2018/19 Revenue Budget and Medium Term Financial Plan. There is a clear emphasis within the plan

on developing new funding streams and working up potential bids for external funding.

5 Conclusion

- 5.1 The draft Business Plan is ambitious with a blend of key actions that will deliver management and enhancement of the environment, opportunities for people to get engaged and promote the enjoyment and understanding of Dartmoor's special qualities. These actions will help support the Dartmoor economy and the communities that live within the National Park. The key ingredients for most of the actions are staff time and partnership working.
- 5.2 There is clear correlation between the ambition of the Government to enhance the environment and re-connecting people with it and the actions in the draft Business Plan. Whilst many of the actions are funded there are a number that relate to work programmes designed to develop future funding bids and/or secure other forms of funding (voluntary donations, commercial sponsorship etc.).

KEVIN BISHOP

DRAFT
DARTMOOR NATIONAL PARK AUTHORITY
BUSINESS PLAN 2018 - 2019

Welcome

The Prime Minister has stated that “our natural environment is our most precious asset”. The Authority’s role is to help conserve and sustain a small but important part of that asset – Dartmoor National Park. Not only do we seek to sustain Dartmoor’s natural environment but we also work to conserve its cultural and historic environment, promote the enjoyment and understanding of the National Park and foster the well-being of local communities. This can be summarised as: Sustain, Enjoy and Prosper – the three themes that guide our work. We want to hand on to future generations a Dartmoor that is a living, working landscape that can be enjoyed by all.

The period of financial stability that has been provided by a protected National Park Grant following the 2015 Spending Review has provided the opportunity to plan ahead. This is an ambitious Business Plan that outlines key actions to deliver our priorities. Those key actions are funded in part through National Park Grant but also by external funding that the Authority has secured. We are particularly grateful to people who have contributed to the ‘Donate for Dartmoor’ fund and/or participated in the Moor Otters initiative that we ran in Summer 2017.

The Government has published an ambitious plan for the environment – [“A Green Future: Our 25 Year Plan to Improve the Environment”](#) and an [“8 Point Plan for National Parks”](#). Our Business Plan responds to this new agenda and demonstrates how, through key actions and service delivery, we are maintaining and enhancing the environment and providing people with opportunities to enjoy it and improve their health and well-being. We are also contributing the Government’s Productivity agenda through our support for local businesses and a desire to see enhanced environmental productivity.

Our ambition is to act as a powerful and effective enabler and advocate for Dartmoor National Park, working with others to deliver a National Park that is thriving, inspirational and valued remains. The Business Plan sets out what this means in practice and how we will seek to achieve it. It supports the wider National Park Management Plan – *Your Dartmoor*. *Your Dartmoor* sets out a long-term vision for the National Park, which is shared by the Authority and other partners; there is a close correlation between the Authority’s priorities and those identified through consultation and engagement in the preparation of the Management Plan.

Our challenge is to work, in partnership, to conserve Dartmoor’s special qualities; enable people to enjoy them, and to do this in ways which help develop understanding of the National Park and contribute to the local economy. We look forward to working with you to deliver this Business Plan and the Vision for Dartmoor National Park.

Bill Hitchins, Chairman
Kevin Bishop, Chief Executive

Vision for Dartmoor National Park

Dartmoor, an inspirational place where, in 2034:

- *The natural beauty, wildlife and cultural heritage are conserved, **sustained** and enhanced*
- *Local people and visitors **enjoy** and learn more about the National Park*
- *Local communities and businesses **prosper** and benefit from Dartmoor's human and natural resources*

The National Park is an exemplar in delivering a range of public benefits, and leading the way in developing new approaches and thinking¹

How we will deliver for Dartmoor National Park

"We will act as an enabler and advocate for Dartmoor National Park; working with others to deliver a National Park that is thriving, inspirational and valued"

By this we mean:

Enabler	Making things happen Generating and receiving ideas Experimenting and learning Prepared to take managed risks
Advocate	Raise the profile The voice for Dartmoor National Park Lead by example
Others	From local communities to Ministers
Thriving	From local businesses, farming, biodiversity to cultural heritage and local services
Inspirational	Through the work we do, and the special qualities of the National Park, inspire people to: <ul style="list-style-type: none">• Engage, enjoy and help look after the National Park;• Support and demonstrate how to live differently (i.e. within environmental limits);• Encourage people to try new things, learn more.
Valued	Support for the National Park Recognition by local communities, visitors, Government and partners of the importance of the National Park and the work of the Authority

In addition a number of core values will underpin the way in which we work.

We will:

- ensure that our relationships with the public, partners and each other are founded on honesty, transparency, impartiality and consistency, demonstrating equality and fairness in everything that we do and being open to challenge
- value the people who work for Dartmoor - our staff, Members, and volunteers and seek to involve, empower and develop them
- place the environment at the heart of everything we do

¹ Dartmoor National Park Management Plan 2014 – 2019 www.yourdartmoor.org.uk

Our Business Plan

Dartmoor National Park Authority is a small organisation with limited resources available to fulfil our two statutory purposes of:

- *conserve and enhance the natural beauty, wildlife and cultural heritage of the National Park*
- *promote opportunities for the understanding and enjoyment of the special qualities of the area by the public.*
-

In carrying out this work, we are also required to:

- *seek to foster the economic and social well-being of local communities within the National Park.*

Much of the work we do is undertaken in partnership with others in order to achieve the best outcomes for Dartmoor National Park, the people who live and work here and those who visit this special place.

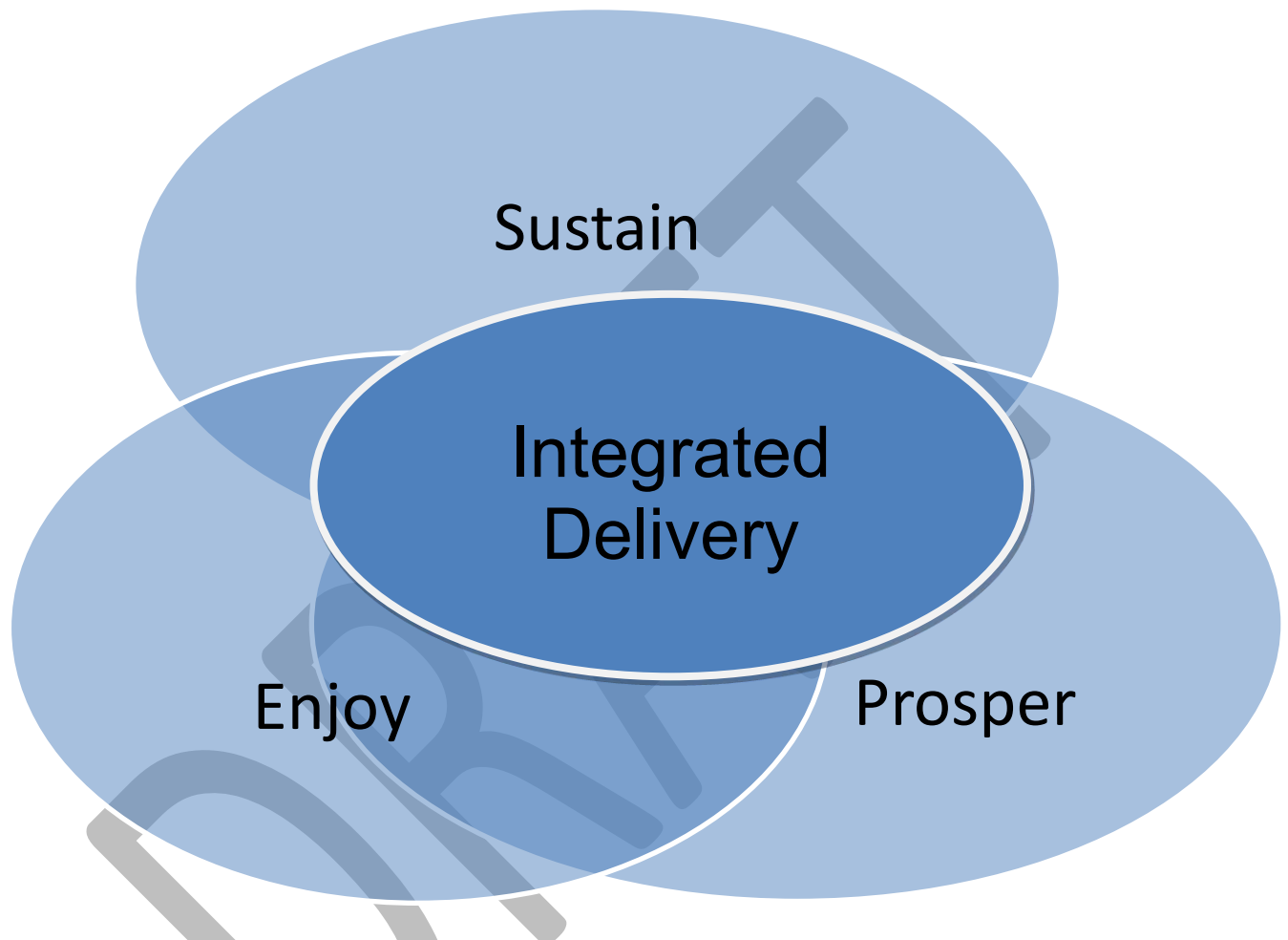
The Business Plan includes key actions that are co-funded through the Heritage Lottery Fund Landscape Partnership scheme – Moor than meets the eye and being managed by the Authority.

The priorities in the Business Plan are led by our requirements to meet outcome targets in Your Dartmoor – the National Park Management Plan, but are also informed by Government (in particular the 25 Year Environment Plan, 8 Point Plan for National Parks and the productivity agenda); the views of Members and staff; and the residents of Dartmoor National Park (through, for example, the Management Plan Steering Group, National Park Forum, Dartmoor Farmers' Forum and Dartmoor Access Forum).

Due to the strong link to the National Park Management Plan, this Business Plan carries the same headline themes of *Sustain, Enjoy and Prosper*.

The Way we Work

Whilst our work is presented under three themes: *Sustain*, *Enjoy* and *Prosper* our overall goal is to work in an integrated way (often with partners) to ensure that each work area or priority action considers and delivers across all three themes. A project might be focused on sustaining the natural environment, but we will always look to ensure we consider and deliver links with the prosperity and enjoyment themes; and vice versa.



Measuring progress

At the end of each financial year, the Authority completes an annual performance review which contains information about the progress made in delivering the actions in the Business Plan, together with achievement against a comprehensive set of performance indicators.

The Work of the Authority

This plan sets out the key strategic actions we will develop in 2018/19 in support of our priorities. Our core business continues on a daily basis, this includes:

Sustain

Helping to conserve and enhance the biodiversity, cultural heritage and landscape

Undertaking, researching and monitoring Dartmoor's biodiversity, cultural heritage and landscape	Over 26% of Dartmoor is of international importance for biodiversity. There is also an extensive network of County Wildlife Sites and 90% of these are in good condition.
Implementing practical conservation and enhancement works for biodiversity, cultural heritage and landscape.	Over 1,000 Scheduled Monuments. Most important area of Bronze Age archaeology in Western Europe We have seen a reduction in the number of Scheduled Monuments at risk due to proactive management, advice and volunteer effort
Offering advice and supporting conservation on Dartmoor through practical projects and partnership working	100% of our key indicator species stable or increasing (in terms of population) – an increase of 17% since 2013.

Enjoy

Providing opportunities for people to enjoy the countryside and contribute to health and wellbeing

Managing and maintaining footpaths and open access land	734km footpaths 46,663ha land
Operating 3 visitor centres and a number of car parks and public toilets	2.3 million visitors a year to the National Park worth £120 million to the local economy. We welcome circa 180,000 people to our Visitor Centres each year. 99% of people surveyed in 2017 would recommend a visit to Dartmoor to other people.
Providing opportunities for people to learn more skills through volunteering	Circa 3,500 volunteer days
Supporting formal education and life-long learning	2,300 school children involved in formal educational trips

Prosper

Supporting our local communities and the rural economy

Enabling development that is 'good for Dartmoor' through our role as the local planning authority	Circa. 600 planning applications per year Over 38 affordable housing units approved in 2017/18.
Providing business support and training to over 350 hill farmers through the Dartmoor Hill Farm project	90% of Dartmoor is used for farming
Supporting community-led planning to provide affordable housing	Over 38 affordable housing units approved in 2017/18.
Championing better communication networks	Securing funding for a wireless superfast broadband network that should ensure that over 90% of Dartmoor premises have access to superfast broadband

Be an excellent organisation

Being an efficient and effective organisation that works with partners to deliver the best outcome for Dartmoor

Ensuring our financial processes are robust and suppliers are paid within 30 days	99% of invoices paid on time
Bringing in excess of £4.1m each year to Dartmoor (in terms of funding for our core work and other partnership projects)	Every pound spent by the Authority generates over £4.00 for the local economy
Managing our own estate, including the Higher Uppacott Grade 1 Listed Building and areas of open moorland such as Haytor	Higher Uppacott is a rare example of a medieval longhouse with an unaltered shippon (cattle shelter). Haytor is one of the most visited parts of the National Park – over 70,000 visits per annum, it is also an important habitat for rare species such as the Curlew and Cuckoo.

KEY ACTIONS TO DELIVER BUSINESS PLAN PRIORITIES

Priorities:

- Conservation of the natural and historic environment
- Work to support sustainable farming systems
- Promote a positive experience of Dartmoor National Park for residents and visitors
- Work towards ensuring Dartmoor has a thriving local economy
- Improve support to and engagement with local communities
- Be an excellent organisation

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Purpose and duty	Themes	Business Plan Priorities	Key Actions to deliver our priorities 2018/19 – 2020/21	Target start date	Target end date	Funding	Link to 8 Point Plan	Link to 25 Yr Environment Plan
Conserve and enhance natural beauty, wildlife and cultural heritage	Sustain	Conservation and enhancement of the Natural and Historic Environment	Peatland Restoration – (subject to external funding) deliver the programme of restoration as set out in the bid to Defra for the South West Uplands (November 2017). Outcomes sought – restoration and enhancement of 276ha of peatland on Dartmoor.	April 2018	March 2021	Subject to External funding	✓	✓
			Common Cause –funding secured from Heritage Lottery Fund for 2 year development phase. This is a partnership initiative led by the Foundation for Common Land. Dartmoor is one of four pilot areas. Development phase will include trialling of local vision process for three commons, public engagement and celebration of ‘commoning’. Outcomes sought – inclusive approach to local visioning leading to better delivery of public benefits; improved public understanding of communing to help sustain this form of land management. Contribute to thinking about future environmental land management schemes.	Started	Development phase ends Dec 2019	Subject to External funding	✓	✓
			Natural Flood Risk Management – (subject to external funding) deliver programme of works on Dartmoor to reduce flood risk (within and beyond the National Park) through natural approaches. Partnership project with the Environment Agency. Outcome sought – test natural approaches to flood management that deliver a range of public benefits in a way that supports the farming/land owning community.	Development under way and bid submitted	Subject to funding	Subject to External funding	✓	✓

Purpose and duty	Themes	Business Plan Priorities	Key Actions to deliver our priorities 2018/19 – 2020/21	Target start date	Target end date	Funding	Link to 8 Point Plan	Link to 25 Yr Environment Plan
			<p>Implement Non-native Invasives Project – project funded via money raised from Moor Otters to undertake practical work to reduce the spread on non-native species such as Himalayan Balsam and Skunk Cabbage.</p> <p>Outcome sought – catchment approach to reduce the impact of non-native invasive species.</p>	April 2018	March 2020	Funded	✓	✓
			<p>Promote and manage the Traditional Farm Buildings Grant –capital grant scheme funded via Rural Development Programme for England which will offer capital grants towards the costs of restoring old farm buildings.</p> <p>Outcomes sought – protection and enhancement of traditional farm buildings and driver for local economy.</p>	Feb 2018	March 2019 (subject to funding)	Funded	✓	✓
			<p>Review and up-date Management Plans - for the land the Authority owns at Haytor and on Holne Common (Holne work will link with Common Cause project above)</p> <p>Outcomes sought – revised Plans produced in partnership with commoners, neighbouring landowners and other stakeholders that provide a clear framework for the future management and enhancement of the Authority's land.</p>	April 2018	March 2019	Funded	✓	✓
			<p>Environmental Enhancement Programme – trial a small grants programme for biodiversity; continue the Ancient Boundaries, Modern Farming capital grant scheme funded by the Heritage Lottery Fund and use the Countryside Stewardship Facilitation Fund programme to work with farmers to promote collaborative action for conservation at a landscape and catchment scale.</p> <p>Outcomes sought – building capacity and knowledge within the farming community to help deliver enhancement of the environment through practical conservation at a farm and pan-farm or landscape/catchment level.</p>	April 2018	March 2021	Funded	✓	✓

Purpose and duty	Themes	Business Plan Priorities	Key Actions to deliver our priorities 2018/19 – 2020/21	Target start date	Target end date	Funding	Link to 8 Point Plan	Link to 25 Yr Environment Plan
			<p>Review the National Park Management Plan – this is a partnership plan setting out a long term vision for the National Park and strategic actions to deliver that vision.</p> <p>Outcome sought – a Management Plan that is owned and supported by stakeholders, outlines a clear vision for the National Park and provides a framework for partnership working.</p>	Commenced	January 2020	Funded	✓	✓
		Work to support sustainable farming systems	<p>Future of Farming – programme of work to develop proposals for farm support post Brexit building on our experience of initiatives such as Dartmoor Farming Futures, Dartmoor Hill Farm Project etc</p> <p>Outcomes sought – a policy framework and associated financial support that helps deliver the Vision and Ambition in Your Dartmoor (Dartmoor National Park Management), rewards farmers for the delivery of public goods and supports the wider rural economy</p>	Started	Dependent on national policy	Funded	✓	✓
			<p>Dartmoor Hill Farm Project - continue to support the Hill Farm Project as a delivery vehicle for farmer engagement and development of new projects to support farming on Dartmoor. Specific actions to include implementation of the Resilience Programme and a film of the 'Farming Year on Dartmoor'.</p> <p>Outcomes sought – support for Dartmoor farm businesses, enhanced collaboration and greater awareness of the role of farming in delivering public goods (within and beyond the farming community).</p>	Ongoing	Funded until Jan 2020	Funded	✓	✓

Purpose and duty	Themes	Business Plan Priorities	Examples of potential Key Actions to deliver our priorities 2017/18 – 2019/20	Target start date	Target end date	Funding	Link to 8 Point Plan	Link to 25 Yr Environment Plan
Promote opportunities for the understanding and enjoyment of the special qualities of National Park by the public	Enjoy	Promote a positive experience of Dartmoor National Park for residents and visitors	<p>Implement ‘Love Moor Life’ campaign – programme of awareness raising and information to enable people to enjoy Dartmoor in ways that minimise the impact on local communities and the special qualities of the National Park.</p> <p>Outcomes sought – improved understanding of Dartmoor by our visitors and reduced number of complaints about visitor behaviour.</p>	Started	Ongoing, subject to evaluation in 2019/20	Funded	✓	✓
			<p>Pathways Project – integrated programme to secure funding for and implement a programme of improvements to the Public Rights of Way network and access areas; and to promote the network as a resource for all to use.</p> <p>Outcomes sought – access infrastructure that is in good condition, easy to use and helps support the Dartmoor economy.</p>	April 2017	Review in 2018	Funded	✓	✓
			<p>Large-scale recreation events – develop and agree a revised policy for managing large-scale events on Dartmoor in partnership with Dartmoor Commoners’ Council, Dartmoor Common Owners’ Association and event organisers.</p> <p>Outcome sought – improved management of large-scale recreation events so participants can enjoy themselves without negatively impacting on farmers, commoners, landowners and the wider community and the environment. Also ensuring that such events contribute to the management and economy of the National Park.</p>	Started	Policy agreed by Dec. 2018	Funded	✓	✓
			<p>Deliver Dartmoor elements of the Active 55 Project – Partnership project funded by Sport England and led by Active Devon. Aim is to provide opportunities for people aged 55 plus to engage in physical activity in the natural environment. We will be supporting delivery on Dartmoor.</p> <p>Outcomes sought – active lifestyles for people aged 55 and beyond and enhancing their understanding and enjoyment of the National Park.</p>	Started	Development phase ends July 2018		✓	✓

Purpose and duty	Themes	Business Plan Priorities	Examples of potential Key Actions to deliver our priorities 2017/18 – 2019/20	Target start date	Target end date	Funding	Link to 8 Point Plan	Link to 25 Yr Environment Plan
			<p>Junior and Youth Rangers – sustain the Junior Ranger programme using funding from Moor Otters and pilot a new Youth Ranger initiative.</p> <p>Outcome sought – a viable Junior and Youth Ranger programme that provides young people with an enjoyable experience and a better understanding of the National Park; nurturing the skills and passion for participants to be ambassadors for Dartmoor.</p>	Started	Ongoing subject to funding/staff capacity	Funded in part (Youth Ranger may need external funding)	✓	✓
			<p>Scope 'Access for All' project – scope, and potentially develop, a bid for external funding to support a programme that provides opportunities for all sectors of society to enjoy Dartmoor's special qualities.</p> <p>Outcome sought – clear action plan to support an 'Access for All project and potential funding bid drafted/submitted.</p>	April 2018	Scoped by Jan 2019	Funded	✓	✓
			<p>Dartmoor 2019 – scope project that will contribute to 2019 year of action for the environment and help celebrate the 70th anniversary of the National Parks and Access to the Countryside Act 1949</p> <p>Outcome sought – clear project plan that celebrates the two themes and provides opportunities for people to get engaged in the National Park.</p>	April 2018	Plan developed by Oct. 2018	Scoping funded	✓	✓

Purpose and duty	Themes	Business Plan Priorities	Examples of potential Key Actions to deliver our priorities 2017/18 – 2019/20	Target start date	Target end date	Funding	Link to 8 Point Plan	Link to 25 Yr Environment Plan
Duty to seek to foster the economic and social well-being of local communities	Prosper	Work towards ensuring Dartmoor has a thriving local economy	<p>Review and adopt a revised Dartmoor Local Plan – ongoing work programme to ensure that we have an up to-date local policy framework for managing development within the National Park.</p> <p>Outcome sought – Adopted Local Plan that supports development that is 'Good for Dartmoor' and helps delivers National Park purposes and vibrant communities.</p>	Started	2019	Funded		
		Improve support to and engagement with local communities	<p>Affordable Housing – support delivery of affordable housing by working with developers and communities to bring forward sites, seek funding and ensuring we have a viable delivery model. Implement Revolving Land Bank proposals if funded.</p> <p>Outcome sought – affordable housing for local needs that is well designed.</p>	Started	Ongoing	Funded		
			<p>Good broadband and mobile communications – support high speed broadband and good mobile communications network on Dartmoor and work in partnership to encourage use of this network by local businesses and communities.</p> <p>Outcome sought – communications network that supports local communities and businesses and helps visitors enjoy and understand the National Park.</p>	Started	December 2019	Scoping and current programme funded.		
			<p>Volunteer and citizen engagement programme – active programme of volunteer opportunities across our services and support for these people and other volunteer groups working on Dartmoor</p> <p>Outcomes sought – rewarding volunteer opportunities that help sustain the National Park, promote enjoyment and understanding and contribute to community well-being.</p>	Ongoing	Ongoing	Funded		

Purpose and duty	Themes	Business Plan Priorities	Examples of potential Key Actions to deliver our priorities 2017/18 – 2019/20	Target start date	Target end date	Funding	Link to 8 Point Plan	Link to 25 Yr Environment Plan
			<p>Terrific Towns, Vital Villages – a pilot initiative working with local businesses and communities in selected settlements to explore how we might promote these settlements as destinations in their own right, highlighting their history and ‘sense of place’ and developing individual USP’s to increase footfall and trade.</p> <p>Outcomes sought – local business networks that will help promote their towns/villages, increased footfall and spend for local businesses and enjoyable visitor experiences</p>	Started	Initiative launched in two towns or villages by March 2019	Funded		
			<p>Developing the food economy – scope and deliver an initiative to support and promote local food producers and retailers on Dartmoor.</p> <p>Outcome sought – evidence and practical experience of how to better promote food products from Dartmoor National Park in ways that support local businesses.</p>	April 2019	Initiative launched by December 2018	Scoping funded	✓	
			<p>Parishscapes 2 – working up costed proposal to extend the successful Moor than meets the eye Parishscapes project to the wider National Park area and seek funding for this initiative.</p> <p>Outcomes sought – a funded grant scheme to support community action to help deliver projects that enhance the environment and our understanding of it.</p>	August 2018	March 2019	Scoping and bid writing funded	✓	✓

Purpose and duty	Themes	Business Plan Priorities	Examples of potential Key Actions to deliver our priorities 2017/18 – 2019/20	Target start date	Target end date	Funding	Link to 8 Point Plan	Link to 25 Yr Environment Plan
Be an excellent organisation - This priority is an essential foundation for delivery of National Park purposes and our other key actions			Deliver Moor than meets the eye – the Authority is the lead partner for this Heritage Lottery Funded Landscape Partnership. As well as acting as the ‘accountable body’ and co-ordinating the work of partners, the Authority is responsible for delivering a number of projects including: Postbridge and Bellever Trails, improved interpretation at Postbridge Visitor Centre, Dart Valley in Focus, two archaeological excavations, the Parishscapes scheme and a legacy plan. Outcomes sought – a lasting legacy of environmental enhancement, improved visitor facilities, community engagement, wider understanding and better visitor management.	Ongoing	August 2019	Funded via Heritage Lottery Fund	✓	
			Effective partnerships – most of the work we do is in partnership with other organisations, individuals and communities. These partnerships take time to develop and maintain. A key focus for 2019/20 will be in developing our links to local universities through the SWEEP partnership and a Dartmoor Research Day. We will also support other partnership initiatives such as Butterfly Conservation’s ‘All the Moor Butterflies’. Outcomes sought – partnerships that help us and our partners deliver National Park purposes and vibrant communities.	Ongoing	Ongoing	Funded	✓	
			Apprenticeship programme – support for a rolling programme of up-to three apprenticeships per annum. Outcomes sought – supporting people into work through skills development, training and relevant experience. Support for the Authority’s service delivery.	Ongoing	Ongoing	Funded	✓	
			External fundraising programme – renewed focus on Donate for Dartmoor, scope and implement project plan for a new ‘public arts’ project to be delivered 2019. Support Mend our Mountains 2 and consider a crowdfunding initiative specific to Dartmoor. Outcome sought – funding for practical projects that help sustain the National Park and promote its enjoyment and understanding	Ongoing	Public arts initiative summer 2019	Funded	✓	

Funding and expenditure

SOURCES OF FUNDING

To be completed

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DARTMOOR NATIONAL PARK AUTHORITY

2 March 2018

2018/19 NET REVENUE BUDGET, MEDIUM TERM FINANCIAL PLAN AND CAPITAL BUDGET

Report of the Head of Business Support

Recommendations : **That Members approve the Net Revenue Budget for the 2018/19 financial year and the Medium Term Financial Plan for the years 2019/20 and 2020/21 as shown in Appendices 1 - 4**

1 Background

- 1.1 The Authority is required by statute to set a balanced revenue budget for each financial year. The basis for the revenue expenditure is the pursuit of the 'Special Purposes' for which the National Parks were designated in the Environment Act 1995 (the Act). Section 65 of the Act determines the purposes as conserving and enhancing the natural beauty, wildlife and cultural heritage of National Parks and of promoting opportunities for the understanding and enjoyment of the Parks by the public. The Authority also has a duty to seek to foster the economic and social well-being of local communities within the National Park.

2 Historical Financial Context and National Park Grant

- 2.1 In November 2015 the Chancellor of the Exchequer announced the outcome of the Comprehensive Spending Review 2015. His statement included a commitment to protect the funding for National Parks and AONBs (Areas of Outstanding Natural Beauty). The Minister with responsibility for National Parks wrote to us on 21 January 2016 to confirm that this protection would be in 'real terms' (ie it includes a 1.72% increase per annum to reflect inflation). The confirmed National Park Grant (NPG) settlement for Dartmoor for the financial years 2015/16 to 2019/20 is set out in the table below.

DNPA National Park Grant 2015/16 to 2019/20

Financial Year	Grant Amount	Increase (£)	Increase (%)
2015-2016	£3,573,586		
2016-2017	£3,635,052	£61,466	1.72%
2017-2018	£3,697,575	£62,523	1.72%
2018-2019	£3,761,173	£63,598	1.72%
2019-2020	£3,825,865	£64,692	1.72%

- 2.2 The outcome of the 2015 Comprehensive Spending Review has provided the Authority with a period of financial stability and an opportunity to plan ahead, seek out new opportunities and commit to new projects and partnerships and re-focus our efforts on sustaining the National Park for the benefit of current and future generations.

3 2018/19 Net Revenue Budget and Medium Term Financial Plan

- 3.1 The financial planning process is guided by the Authority's Business Plan Priorities, the actions in the National Park Management Plan – Your Dartmoor (pertinent to the Authority) and key Government policies such as the '25 Year Plan for the Environment' and the 'Eight Point Plan for England's National Parks'. The Authority's new three year Business Plan is also being presented to Members for approval today.
- 3.2 Budget bids are submitted by officers, taking into consideration the approved priorities, available funding and the capacity available to take work programmes forward. The output from that process translates into a Net Revenue Budget for the next three years i.e. the Medium Term Financial Plan (MTFP). The Net Revenue Budgets for 2018/19 to 2020/21 are attached at Appendix 1 for Member approval. The Authority does not build the annual budgets on an incremental basis, choosing instead to zero-base the budgets each year. The following table provides a summary of some of the most significant projects and income targets included in the MTFP year by year.

Project / Income	2018/19 £	2019/20 £	2020/21 £
Junior / Youth Ranger Programme (funded from Moor Otters money)	10,000	10,000	
Public Rights of Way - Erosion Repairs (funded from Moor Otters money)	20,000		
Eradication of Non-invasive Species (funded from Moor Otters money)	10,000	10,000	
Buckfastleigh Path Repairs (funded from Donate for Dartmoor money)	15,000		
Southern Damselfly monitoring (funded from Donate for Dartmoor money)	1,500	1,500	1,500
Habitat Management	10,000	10,000	10,000
Grant scheme: small / vulnerable farms/habitats	4,000	5,000	5,000
Potential "Landmark" archaeology/cultural heritage project		4,000	15,000
Hill Farm Project - Farming year on Dartmoor (4 x 5minute films)	20,000		
Dart Valley Youth Art Project & Family Events Programme	10,000	10,000	
Implement CAMS Mobile	10,000		
Public Rights of Way: flood repairs and infrastructure renewal	10,600	5,000	5,000
Car park maintenance	35,000	104,000	65,000
Key Campaigns	8,000	7,000	7,000
Local Plan Review Programme	42,344	58,000	35,000
Interpretation boards (review)	10,000	10,000	10,000
Less advertising income	(7,000)	(8,000)	(10,000)
Fundraising & corporate sponsorship development	10,000	2,000	2,000

Project / Income	2018/19 £	2019/20 £	2020/21 £
Residents Survey		17,000	
Visitor Centres investment plans (internal)	11,500	17,500	5,500
Make Great Memories in England's National Parks (Discover England Fund)	7,500		
ICT software upgrades and hardware replacement programme		53,737	5,500
Apprenticeship Programme	45,000	47,000	50,000
Aerial photography			17,500
National Park Management Plan	10,000		
Sales income at the Visitor Centres	(190,000)	(200,000)	(210,000)
Donate for Dartmoor	(18,000)	(20,000)	(25,000)

3.3 Members' attention is also specifically drawn to the following:

- (i) The Hill Farm Project is currently in the second (of three) year Prince's Countryside Fund, HLF and Duchy supported programme worth £130,197. Officers have also been successful in making a bid to Defra's Facilitation Fund, worth £80,000 over three years, which will support farmers to consider how they might work together at a landscape-scale across farm and common boundaries.
- (ii) We have secured external funding for a number of new projects including: Common Cause (from the Heritage Lottery Fund) and Facilitation Fund money from Natural England (refer to the paper on the draft Business Plan 2018/19 for more detail – NPA/18/007).
- (ii) The Communities Fund Grant scheme was established three years ago in partnership with South Hams District Council, West Devon Borough Council and Teignbridge District Council. The three Councils have not yet confirmed whether they will provide funding for 2018/19. An update will be provided at the meeting.
- (iii) The Moor than meets the eye Landscape Partnership Scheme is in its fourth year of delivery. The Authority is the lead and accountable body. The partnership budget and accounts are held separately and are therefore not included in the Authority's Revenue Budget, except for redundancy costs included in 2019/20. Members receive separate progress and monitoring reports via the Audit and Governance Committee.
- (iv) A column has been inserted into each year's budget to show where we are meeting some costs from Reserves or the Project Fund from previous years.
- (v) We have once again included a specific allocation in the Authority's reserves for future work on the Dartmoor Local Plan review. This money will be drawn down as we progress this work programme and is also shown in the column mentioned in (iv) above.
- (vi) Public Sector pay awards have been capped at 1% per annum, although officers below spinal point 18 have received slightly more, in the last two years. The Local Government Employers have offered a two year deal to staff of 2% per annum from April 2018 (slightly more for staff below spinal point 19). The Trades Unions have rejected this offer and are in the process of balloting their members. The current MTFP has assumed a 2% pay award for the first 2 years and a 3% increase in year 3. Any increase above this level would have to be met from Reserves. The Authority will also have to consider the implications of Government's desire to set a National Living Wage rate of £9 per hour for those aged 25 and over from April 2020.

(vii) National Parks Partnerships LLP - a Part II report is included on this agenda.

- 3.4 In recent years the Authority has operated a Project Fund as part of its Revenue Budget. This Fund has enabled us to buy-in additional support and capacity to match fund new projects and to invest in new equipment during the year, for example. This strategy has helped to provide the flexibility and agility and it is therefore proposed that we continue with this approach for the life of this new MTFP. The amount allocated to the Project Fund for each year is included in each year of the MTFP, and is summarised below:

Project Fund	£
2018/19	£122,023
2019/20	£3,683
2020/21	£65,416

- 3.5 A confirmed four year financial settlement until 2019/20 means we have been able to plan ahead with some certainty for a four year period. However Members will see that there is in fact little scope for a Project Fund for 2019/20 mainly due to budget pressures resulting from the annual pay award, car park maintenance and ICT upgrades. An assumption has been made that for 2020/21 that NPG will again be increased by at least the same as the last four years (1.72%); the reality is though, that if pay awards continue to rise year-on-year, that an annual uplift in NPG of less than 2% will not be sufficient. This makes forward planning beyond 2019/20 quite difficult.
- 3.6 Other projects that are at this stage, 'ideas in progress' have been captured in a year by year plan (see Appendix 2). This provides us with a useful planning tool to help guide future Business Plan priorities, financial planning and work programmes. As already mentioned the 2019/20 financial year is looking particularly challenging at this time, especially as some of our vehicles may need replacing, car parks resurfacing works will be required and ICT systems and licence upgrades are due for renewal. A full needs assessment and options appraisal will be undertaken before decisions can be made about the need and timing of vehicle renewals, which is why they are excluded from the annual revenue budgets nor set out into a confirmed Capital programme at this time.
- 3.7 The triennial valuation of the Local Government Pension Fund took place in 2016 and the Authority received a separate report on 3 February (NPA/17/006) setting out the results and options for the future. The Authority decided to make a £0.5 million one-off contribution to the Pension Fund as an "invest-to-save" initiative. The 3 year employer contribution target rate was set by the Actuary at 19% of pensionable pay rather than 21%. This aim being to potentially make long term cash savings over the 17 year deficit recovery period and to try to protect future revenue budgets against significant pension cost rises.
- 3.8 For the last nine years we have been making payments to the pension fund in excess of the target rate set by the Actuary, in order to provide further resilience and future-proof our deficit recovery strategy. In 2017/18 Members agreed to continue with this strategy, approving a contribution rate of 19.5% (instead of 19%) for three years; the aim being to further enhance our deficit recovery strategy by making increased cash contributions. This slightly enhanced rate is still affordable and it adds further resilience and sustainability for future years. The same rate has been assumed for 2020/21 however a full actuarial valuation will be due at that time.

3.9 It should be noted that the 2018/19 budget is the most robust and accurate financial plan of the three year period; it is inevitable that future years' financial plans can change for all sorts of reasons and influences; internal and external. The Authority continues to actively manage its financial and non-financial risks and therefore makes allowances for them by promoting a culture of flexibility and agility to militate against threats and actively embrace opportunities as they arise. We must also consider and provide for ongoing issues and uncertainties such as:

- Uncertainty over national pay settlements for the public sector; a 2% per annum increase has been assumed for 2018 and 2019 and 3% for 2020
- Maintaining the pension contributions as determined by the actuary to reflect the triennial valuations, next due in 2020
- Implications of National Living Wage from 2020
- Continuing to look at ways to generate additional revenue and diversify our income streams. In 2016/17 we launched the Donate for Dartmoor scheme and will be further developing this in 2018/19 and beyond. The Moor Otters project was another example of an integrated project delivering multi-benefits, which has also delivered a significant financial return.
- The NPG settlement beyond 2019 is unknown

4 Reserves

4.1 During 2010/11 the Audit & Governance Committee, at the request of the Authority, undertook work to formulate a risk based approach to determining the level and use of reserves required by the Authority. The outcome of that work was an agreed methodology (NPA/AG/10/014) which has been applied to determine the level of reserves held, on an annual basis.

4.2 Our reserve balances are regularly reviewed and are made up as follows:

- General Reserve (unallocated) - a contingency balance for emergency situations and is the minimum level that we have determined will always be maintained
- Contingency Reserves (allocated) - provisions set aside using a risk based analysis to cushion the impact of uneven cash flows, and unexpected events where the timing of and / or amounts are uncertain
- Earmarked Reserves (allocated) - consisting of ring-fenced grants and contributions received from third parties, sums set aside for capital schemes, commitments against future contracts and agreements and our external funding allocations where we are working in partnership with others

It can therefore be seen that the majority of our Reserve Balances are "allocated".

4.3 To ensure that the Authority can always set a balanced annual budget we continue to make provision within earmarked reserves to:

- Act as a smoothing effect for each year's budget over the life of each Parliament;
- Protect front line service delivery;
- Provide for possible redundancies and strain payments if further staff cuts are needed;
- Provide for future pay awards and increases in pension fund contributions;

- 4.4 Attached at Appendix 3 is the Risk Based analysis to guide the level of reserves anticipated to be held at 1 April 2018 and Appendix 4 shows the likely Earmarked and General (unallocated) Reserve Balances for the MTFP period. Members will note that if all current projections are correct and that all current known commitments and projects come to fruition, that between 1 April 2018 and 31 March 2021 the Reserve balances will reduce by £622,815. However the General (unallocated) Reserve would be maintained at £450,000 and is equal to 12% of the net budget in all three years of the MTFP.
- 4.5 As the Chief Finance Officer (CFO) I am satisfied that there are sufficient reserves in place to deliver the budget for 2018/19 and the MTFP period and that the decisions taken on the level of balances held and the reasons for holding them represents proper stewardship of public funds.

5 Capital Programme & Prudential Code

- 5.1 The Government introduced the Prudential Code in 2004 and it has been revised in 2009, 2011 and 2017. It is a professional code of practice to support local authorities when taking capital investment (fixed asset) decisions. The objectives are to ensure, within a clear framework, that capital investment plans are affordable, prudent and sustainable and that treasury management decisions are taken in accordance with good professional practice.
- 5.2 The Code sets out a number of indicators to be used to demonstrate compliance with the Code's objectives. However, they are not designed to be comparative performance indicators, and should be considered in parallel with the treasury management indicators. More detail about the Prudential Indicators can be found in the Treasury Management and Investment Strategy Report, also on this agenda. The Authority does not have a Capital Programme for the MTFP period (subject to the result of a full application for a capital grant from the Rural payments Agency to re-build Postbridge Visitor Centre) and has no plans to take up any external borrowing.
- 5.3 If sources of additional capital income become available during the year, for example via additional grants or external contributions, or any other business decisions are made that results in a Capital programme the Authority will receive the required business cases and reports for approval.

6 Equality & Sustainability Impact

- 6.1 Consideration is given when deciding which areas of expenditure should be supported of the impact on under-represented groups, and the need to promote equal opportunities both as an employer and in respect of the services provided.

7 Conclusions

- 7.1 Members will note from this report that the Authority has positioned itself well in respect of setting a balanced budget for 2018/19 and beyond; although the 2019/20 budget will need to be carefully reviewed and adjusted if a Project Fund Balance is to be included; which could mean using some Reserve Balances. The Authority maintains a robust, honest and critical view on future risks, challenges and opportunities which means that we are able to adapt and flex our spending plans if required.

7.2 We continue to receive endorsement and support from the Secretary of State and our own Minister; an “8 Point Plan for National Parks” was published in 2017 and the Government has also recently published “A Green Future: Our 25 Year Plan to Improve the Environment”. National Parks are prominently placed in the new 25 year plan and there are strong synergies between the aspirations in it and our collective “Vision for National Parks”. Indeed much of the Authority’s work already accords well with the 25 Year Plan’s aspirations and desired outcomes.

DONNA HEALY

Attachments: **Appendix 1 – 2018/19, 2019/20 & 2020/21 Revenue Budgets**
 Appendix 2 – Future Projects and Work Programmes
 Appendix 3 – Reserves risk based analysis
 Appendix 4 – Reserve balances

20180302 DH Net Revenue Budget 2018-19 & MTFP

2018/2019 Revenue Budget	Salaries	Travel	Transport	Premises	Supplies & Services	GROSS EXPENDITURE	Grants	Treasury	Fees & Charges	Sales	Rents	From Reserves / Project Fund	INCOME	NET EXPENDITURE
	£	£	£	£	£	£	£	£	£	£	£	£	£	£
BIO-DIVERSITY	75,270	600			56,819	132,689	(9,000)					(22,241)	(31,241)	101,448
LAND MANAGEMENT	44,129	500			46,007	90,636			(4,069)			(50,964)	(55,033)	35,603
WOODLANDS	39,872	2,200			5,000	47,072							0	47,072
HILL FARM PROJECT	49,501					49,501	(33,852)						(33,852)	15,649
NATURAL ENVIRONMENT	208,772	3,300	0	0	107,826	319,898	(42,852)	0	(4,069)	0	0	(73,205)	(120,126)	199,772
ARCHAEOLOGY	116,769	2,600			18,630	137,999	(44,662)		(3,000)				(47,662)	90,337
BUILT ENVIRONMENT	39,872	400				40,272							0	40,272
UPPACOTT				20,244		20,244							0	20,244
CULTURAL HERITAGE	156,641	3,000	0	20,244	18,630	198,515	(44,662)	0	(3,000)	0	0	0	(47,662)	150,853
VISITOR MANAGEMENT	63,191	350	3,595	12,416	112,670	192,222			(55,400)				(55,400)	136,822
ACCESS & RECREATION	64,815	800			51,645	117,260						(20,000)	(20,000)	97,260
PUBLIC RIGHTS OF WAY	98,815				82,284	181,099	(43,000)					(15,000)	(58,000)	123,099
SUSTAINABLE TOURISM & TRANSPORT	10,704	800			17,640	29,144			(500)			(7,500)	(8,000)	21,144
RECREATION MANAGEMENT	237,525	1,950	3,595	12,416	264,239	519,725	(43,000)	0	(55,900)	0	0	(42,500)	(141,400)	378,325
VISITOR CENTRES	227,648	1,900		10,752	150,108	390,408			(500)	(190,000)			(190,500)	199,908
COMMUNICATIONS	168,440	1,050			59,989	229,479			(37,500)				(37,500)	191,979
NATURALLY HEALTHY DARTMOOR					2,500	2,500							0	2,500
EDUCATION	115,947	1,740	1,600		26,500	145,787			(4,125)			(400)	(4,525)	141,262
PROMOTING UNDERSTANDING	512,035	4,690	1,600	10,752	239,097	768,174	0	0	(42,125)	(190,000)	0	(400)	(232,525)	535,649
RANGERS	378,972		40,724	3,250	21,064	444,010						(9,600)	(9,600)	434,410
CONSERVATION WORKS SERVICE	217,295	30	15,918	16,098	17,295	266,636							0	266,636
RANGERS, ESTATES & VOLUNTEERS	596,267	30	56,642	19,348	38,359	710,646	0	0	0	0	0	(9,600)	(9,600)	701,046
DEVELOPMENT MANAGEMENT	461,136	5,750	0	0	48,315	515,201	0	0	(186,500)	0	0	0	(186,500)	328,701
FORWARD PLANNING & COMMUNITY	245,538	1,050	0	0	67,744	314,332	0	0	(26,669)	0	0	(105,492)	(132,161)	182,171
CORPORATE & DEMOCRATIC CORE	208,032	4,100	0	0	118,026	330,158	0	(8,000)	(18,000)	0	0	0	(26,000)	304,158
INFORMATION TECHNOLOGY	141,485	1,250			41,640	184,375							0	184,375
CORPORATE OPERATING COSTS			7,510		112,817	120,327			(75)				(75)	120,252
FINANCE AND ADMIN	166,097	100			9,852	176,049							0	176,049
LEGAL	15,730				66,231	81,961							0	81,961
HUMAN RESOURCES	111,095	700			46,093	157,888							0	157,888
OFFICE ACCOMMODATION (PARKE)	13,469			92,786		106,255							0	106,255
OFFICE ACCOMMODATION (PRINCETOWN)				54,243		54,243					(22,548)		(22,548)	31,695
SUPPORT SERVICES	447,876	2,050	7,510	147,029	276,633	881,098	0	0	(75)	0	(22,548)	0	(22,623)	858,475
PROJECT FUND	0	0	0	0	122,023	122,023	0	0	0	0			0	122,023
TOTAL	3,073,822	25,920	69,347	209,789	1,300,892	4,679,770	(130,514)	(8,000)	(336,338)	(190,000)	(22,548)	(231,197)	(918,597)	3,761,173

Summary:

Gross Expenditure	4,679,770
Income & Reserves	(918,597)
Net Budget	3,761,173
National Park Grant	(3,761,173)
Deficit / (Surplus)	0

2019/2020 Revenue Budget	Salaries	Travel	Transport	Premises	Supplies & Services	GROSS EXPENDITURE	Grants	Treasury	Fees & Charges	Sales	Rents	From Reserves / Project Fund	INCOME	NET EXPENDITURE
	£	£	£	£	£	£	£	£	£	£	£	£	£	£
BIO-DIVERSITY	78,826	600			58,794	138,220	(11,175)					(15,000)	(26,175)	112,045
LAND MANAGEMENT	46,153	500			13,007	59,660			(4,069)				(4,069)	55,591
WOODLANDS	40,692	2,200			5,800	48,692							0	48,692
HILL FARM PROJECT	44,526					44,526	(28,203)						(28,203)	16,323
NATURAL ENVIRONMENT	210,197	3,300	0	0	77,601	291,098	(39,378)	0	(4,069)	0	0	(15,000)	(58,447)	232,651
ARCHAEOLOGY	113,708	2,700			23,365	139,773	(41,175)		(3,000)				(44,175)	95,598
BUILT ENVIRONMENT	40,692	400				41,092							0	41,092
MOOR THAN MEETS THE EYE	15,000					15,000							0	15,000
UPPACOTT				19,804		19,804							0	19,804
CULTURAL HERITAGE	169,400	3,100	0	19,804	23,365	215,669	(41,175)	0	(3,000)	0	0	0	(44,175)	171,494
VISITOR MANAGEMENT	65,454	350	3,185	17,196	181,625	267,810			(55,400)				(55,400)	212,410
ACCESS & RECREATION	66,191	500			28,550	95,241							0	95,241
PUBLIC RIGHTS OF WAY	95,768				51,758	147,526	(43,000)						(43,000)	104,526
SUSTAINABLE TOURISM & TRANSPORT	10,933	700			9,165	20,798			(500)				(500)	20,298
RECREATION MANAGEMENT	238,346	1,550	3,185	17,196	271,098	531,375	(43,000)	0	(55,900)	0	0	0	(98,900)	432,475
VISITOR CENTRES	234,278	1,900		9,239	166,630	412,047			(750)	(200,000)			(200,750)	211,297
COMMUNICATIONS	182,539	850			69,958	253,347			(38,500)				(38,500)	214,847
NATURALLY HEALTHY DARTMOOR					2,500	2,500							0	2,500
EDUCATION	118,508	1,740	1,285		24,208	145,741			(4,175)			(400)	(4,575)	141,166
PROMOTING UNDERSTANDING	535,325	4,490	1,285	9,239	263,296	813,635	0	0	(43,425)	(200,000)	0	(400)	(243,825)	569,810
RANGERS	366,456		40,655	3,650	17,639	428,400						(9,600)	(9,600)	418,800
CONSERVATION WORKS SERVICE	214,920	30	15,918	11,481	17,010	259,359							0	259,359
RANGERS, ESTATES & VOLUNTEERS	581,376	30	56,573	15,131	34,649	687,759	0	0	0	0	0	(9,600)	(9,600)	678,159
DEVELOPMENT MANAGEMENT	473,274	5,750	0	0	46,789	525,813	0	0	(186,500)	0	0	0	(186,500)	339,313
FORWARD PLANNING & COMMUNITY	253,912	1,050	0	0	68,900	323,862	(44,645)	0	(27,213)	0	0	(64,900)	(136,758)	187,104
CORPORATE & DEMOCRATIC CORE	212,342	4,100	0	0	107,985	324,427	0	(8,000)	(20,000)	0	0	0	(28,000)	296,427
INFORMATION TECHNOLOGY	146,089	1,250			93,961	241,300							0	241,300
CORPORATE OPERATING COSTS			7,510		117,112	124,622			(75)				(75)	124,547
FINANCE AND ADMIN	171,649	100			9,989	181,738							0	181,738
LEGAL	16,065				60,000	76,065							0	76,065
HUMAN RESOURCES	110,018	700			46,542	157,260							0	157,260
OFFICE ACCOMMODATION (PARKE)	13,764			94,856		108,620							0	108,620
OFFICE ACCOMMODATION (PRINCETOWN)				48,167		48,167					(22,948)		(22,948)	25,219
SUPPORT SERVICES	457,585	2,050	7,510	143,023	327,604	937,772	0	0	(75)	0	(22,948)	0	(23,023)	914,749
PROJECT FUND	0	0	0	0	3,683	3,683	0	0	0	0			0	3,683
TOTAL	3,131,757	25,420	68,553	204,393	1,224,970	4,655,093	(168,198)	(8,000)	(340,182)	(200,000)	(22,948)	(89,900)	(829,228)	3,825,865

Summary:		
Gross Expenditure		4,655,093
Income & Reserves		(829,228)
Net Budget		3,825,865
National Park Grant		(3,825,865)
Deficit / (Surplus)		0

2020/2021 Revenue Budget	Salaries	Travel	Transport	Premises	Supplies & Services	GROSS EXPENDITURE	Grants	Treasury	Fees & Charges	Sales	Rents	From Reserves / Project Fund	INCOME	NET EXPENDITURE
	£	£	£	£	£	£	£	£	£	£	£	£	£	£
BIO-DIVERSITY	76,057	600			27,120	103,777							0	103,777
LAND MANAGEMENT	47,283	500			13,007	60,790			(4,069)				(4,069)	56,721
WOODLANDS	41,946	2,200			5,000	49,146							0	49,146
HILL FARM PROJECT	16,102	500				16,602							0	16,602
NATURAL ENVIRONMENT	181,388	3,800	0	0	45,127	230,315	0	0	(4,069)	0	0	0	(4,069)	226,246
ARCHAEOLOGY	118,371	2,700			11,670	132,741	(42,000)						(42,000)	90,741
BUILT ENVIRONMENT	41,946	400				42,346							0	42,346
UPPACOTT				10,074		10,074							0	10,074
CULTURAL HERITAGE	160,317	3,100	0	10,074	11,670	185,161	(42,000)	0	0	0	0	0	(42,000)	143,161
VISITOR MANAGEMENT	69,532	350	3,185	12,786	179,065	264,918			(40,000)				(40,000)	224,918
ACCESS & RECREATION	68,077	500			26,750	95,327							0	95,327
PUBLIC RIGHTS OF WAY	97,427				51,832	149,259	(43,000)						(43,000)	106,259
SUSTAINABLE TOURISM & TRANSPORT	11,220	700			9,445	21,365			(500)				(500)	20,865
RECREATION MANAGEMENT	246,256	1,550	3,185	12,786	267,092	530,869	(43,000)	0	(40,500)	0	0	0	(83,500)	447,369
VISITOR CENTRES	244,156	1,900		9,278	154,500	409,834			(750)	(210,000)			(210,750)	199,084
COMMUNICATIONS	190,100	850			53,481	244,431			(41,000)				(41,000)	203,431
NATURALLY HEALTHY DARTMOOR					2,500	2,500							0	2,500
EDUCATION	122,130	1,740	1,285		15,246	140,401			(4,325)				(4,325)	136,076
PROMOTING UNDERSTANDING	556,386	4,490	1,285	9,278	225,727	797,166	0	0	(46,075)	(210,000)	0	0	(256,075)	541,091
RANGERS	372,588		40,655	3,250	17,694	434,187							0	434,187
CONSERVATION WORKS SERVICE	226,806	30	15,918	19,029	12,840	274,623							0	274,623
RANGERS, ESTATES & VOLUNTEERS	599,394	30	56,573	22,279	30,534	708,810	0	0	0	0	0	0	0	708,810
DEVELOPMENT MANAGEMENT	490,607	5,750	0		47,082	543,439	0	0	(186,500)	0	0	0	(186,500)	356,939
FORWARD PLANNING & COMMUNITY	230,654	1,050	0		45,900	277,604	(29,645)	0	(28,047)	0	0	(6,900)	(64,592)	213,012
CORPORATE & DEMOCRATIC CORE	218,808	4,100	0	0	109,537	332,445	0	(8,000)	(25,000)	0	0	0	(33,000)	299,445
INFORMATION TECHNOLOGY	151,713	1,250			59,852	212,815							0	212,815
CORPORATE OPERATING COSTS			7,510		116,739	124,249			(75)				(75)	124,174
FINANCE AND ADMIN	179,136	100			10,231	189,467							0	189,467
LEGAL	16,581				60,000	76,581							0	76,581
HUMAN RESOURCES	113,903	700			45,768	160,371							0	160,371
OFFICE ACCOMMODATION (PARKE)	14,135			91,782		105,917							0	105,917
OFFICE ACCOMMODATION (PRINCETOWN)				44,276		44,276					(23,420)		(23,420)	20,856
SUPPORT SERVICES	475,468	2,050	7,510	136,058	292,590	913,676	0	0	(75)	0	(23,420)	0	(23,495)	890,181
PROJECT FUND	0	0	0	0	65,416	65,416	0	0	0	0			0	65,416
TOTAL	3,159,278	25,920	68,553	190,475	1,140,675	4,584,901	(114,645)	(8,000)	(330,266)	(210,000)	(23,420)	(6,900)	(693,231)	3,891,670

Summary:	
Gross Expenditure	4,584,901
Income & Reserves	(693,231)
Net Budget	3,891,670
National Park Grant	(3,891,670)
Deficit / (Surplus)	0

Potential Future Projects to be funded from the Project Fund and / or Reserves	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	Total £
Conservation of the Natural & Cultural Environment						
Buildings at risk project		30,000				30,000
Peatland Restoration Project		40,000				40,000
Exploration Committee Archive Assessment		5,000				5,000
Landmark Archaeology/Cultural Heritage Project		15,000	15,000	15,000	15,000	60,000
						0
Sustainable Farming						0
Common Cause Phase 2 (3 years)		10,000	5,000	5,000		20,000
						0
Property						0
Postbridge Store improvements	8,000					8,000
						0
Recreation Management						0
Access Agreement - Princetown Cycleway	6,000					6,000
CROW - Infrastructure	3,000					3,000
PROW - Infrastructure	10,000	7,000	5,000			22,000
						0
Promote Positive Experience						0
Naturally Healthy Project		10,000	10,000	10,000	10,000	40,000
Vehicles - Capital replacement programme						
Ranger Team Vehicles	40,000	20,000				60,000
Tractor			45,000			45,000
CWT Van		15,000				15,000
CWT Manager		20,000				20,000
Tipper/Crane				30,000		30,000
Toilet cleaning				14,000		14,000
Pool Vehicles		14,000	11,000	14,000		39,000
Excellent Organisation						
Apprenticeship Posts x 3				49,000	51,000	100,000
Tablets for Members	3,000					3,000
Tracking system	1,500					1,500
Upgrade telephone system	15,000					15,000
Replace Video Conference system	3,300					3,300
Etarmis Mobile - tbc						0
Purchase to Pay Project - tbc						0
						0
Total per year	89,800	186,000	91,000	137,000	76,000	579,800

2018/19 RESERVES: RISK BASED ANALYSIS	Risk Level	Rate	2018/19 Opening Balances £'000
Grants & Contributions with Restrictions carried forward:			
Grants & Contributions with Restrictions	N/A	Actual	(92)
Employees:			
Maternity / Paternity Cover / Pay Awards	Low	Est.	(52)
Costs & Awards:			
Appeals / Public Enquiries / Litigation	High	Est.	(250)
Loss of Income and / or Price Increases:			
Reduced Sales, Fees & Charges, Inflation cost	Medium	Est	(34)
Capital - Property			
Repairs & maintenance (sinking fund)	Medium	Est.	(150)
Capital - Vehicles			
Future replacement of vehicles (sinking fund)	N/A	Est.	(54)
Known Commitments/Contracts			
Local Plan Review	N/A	Est.	(110)
All Moor Butterflies	N/A	Actual	(13)
MIRES PR14	N/A	Actual	(10)
2016/17 Project Fund allocations	N/A	Actual	(49)
Farming Year Films	N/A	Actual	(20)
NPMP	N/A	Actual	(16)
Match Funding Reserve			
Greater Dartmoor LEAF	N/A	Actual	(21)
Our Common Cause	N/A	Actual	(8)
Public Arts Project	N/A	Actual	(60)
Moor Than Meets The Eye - match funding	N/A	Actual	(100)
Moor Than Meets The Eye - cash flow provision	N/A	Actual	(300)
Discover England Fund - Make Great Memories	N/A	Actual	(16)
Peatlands Partnership			(150)
Unallocated to match future opportunities	N/A	Actual	(209)
Revenue			
Invest to save and / or Generate Projects	N/A	Actual	(134)
2017/18 Revenue Outturn Surplus		Actual	(94)
General Reserve - Minimum amount to cover unanticipated costs / emergencies		Actual	(450)
Total Reserve Balance			(2,392)

GENERAL FUND RESERVE BALANCES

Appendix 4 to NPA/18/008

GENERAL FUND RESERVE BALANCES	2017/18 Opening Balance	2017/18 Transfers Within	2017/18 Transfers to Revenue in year	2017/18 Transfers from Revenue at year end	2018/19 Opening Balance	2018/19 Reserve Movements	2019/20 Reserve Movements	2020/21 Reserve Movements	2020/21 Closing Balance	Notes
	£	£	£	£	£	£	£	£	£	
Grants & Contributions with Restrictions										
Hill Farm Project	(20,339)		5,557		(14,782)	7,500	7,282			0 2nd Phase of the Project, with match funding, commences Feb 2017 for 36 Months
English Heritage: White Horse Hill	(20,036)				(20,036)		20,036			0 To fund the Exhibition at Postbridge Visitor Centre
TDC: Communities Fund Grant prior years contributions	(55,863)		55,863		0					0 To be paid out during 2017/18
WDBC: Communities Fund Grant prior years contributions	(20,944)		20,944		0					0 To be paid out during 2017/19
SHDC: Communities Fund Grant prior years contributions	(28,610)		28,610		0					0 To be paid out during 2017/20
Naturally Healthy Dartmoor Project 2014-2017	(11,410)		11,410		0					0
DCLG - Neighbourhood Planning Grant	(5,000)				(5,000)				(5,000)	
DCLG - Self Build Register Grant	(5,850)				(5,850)	5,850			0	
DCLG - Custom Build Grant	(15,000)				(15,000)	15,000			0	
DCLG - New Burdens Grant: Brownfield register and PIP NP	(14,645)				(14,645)	14,645			0	
Dartmoor Trust - 2017/18 contribution for the HER	(4,000)		4,000		0				0	
Donate for Dartmoor Balances	(16,644)		16,444	(16,300)	(16,500)	16,500			0	Allocated to nun's Cross Path in 2017/18, Buckfastleigh Path & Southern Damselfly 2018/19
Budget management Fund - Provisions (risk based)										
Employees	(52,000)				(52,000)				(52,000)	See risk assessment for breakdown
Costs and Awards: Appeals/Public Enquiries/Litigation	(250,000)				(250,000)				(250,000)	See risk assessment for breakdown
Loss of Income and Inflation	(34,500)				(34,500)				(34,500)	See risk assessment for breakdown
Invest to Save and / or Generate Projects	(133,733)				(133,733)				(133,733)	To be utilised / allocated in the new MTFP
Annual Revenue Outturn	(5,822)	5,822		(93,457)	(93,457)				(93,457)	As forecast at month 9 - to be reallocated at year end
Capital Expenditure Fund										
Vehicles - Sinking Fund - Replacement	(48,596)	(5,822)			(54,418)				(54,418)	
Property - Sinking Fund - Repairs & Maintenance	(150,000)				(150,000)				(150,000)	
Known Commitments										
Chagford Cattle Grid	(3,000)		3,000		0				0	Paid 2017/18
Local Plan Review	(122,500)		43,000		(79,500)	12,000	58,000		(9,500)	Built into the MTFP
Local Plan Review Contracts - work in progress	(31,319)		31,319	(30,344)	(30,344)	30,344			0	
All Moor Butterflies NPA/15/037	(17,500)		5,000		(12,500)	5,000	5,000		(2,500)	3 year programme
MIRES PR14	(10,000)				(10,000)	10,000			0	3 year partnership project
Project Fund allocations in 2016/17 against salaries	(132,262)		82,804		(49,458)	49,458			0	Built into 2017/18 Budget and MTFP
Residents' Survey	(5,000)		5,000		0				0	Completed May 2017
Farming Year Films				(20,000)	(20,000)	20,000			0	C/Fwd from 17/18
NPMP				(16,000)	(16,000)				(16,000)	C/Fwd from 17/18
Match Funding Reserve										
HLF - Moor Than Meets the Eye match funding	(148,305)		48,305		(100,000)	75,000	25,000		0	Allocated when required to match cash flows.
Moor than Meets the Eye - Cash Flow	(300,000)				(300,000)				(300,000)	Based on project cash flow - retention and final claim in year 5
Superfast Broadband - connecting Dartmoor & Exmoor	(65,000)		65,000		0				0	Approved in 2015/16, due to be paid in 2017/18
Greater Dartmoor LEAF 2015-2020	(13,800)	(13,800)	6,900		(20,700)	6,900	6,900	6,900	0	NPA/14/038 for 6 years 2015-2020
Naturally Healthy Dartmoor Project	(10,000)		10,000		0				0	NPA/14/031 for years 2015-2017 - ends Dec 2017
Discovering Dartmoor's Wild Stories	(17,363)		17,363		0				0	Match against HLF Funding in 2016/17 & 2017/18
National Parks Partnerships LLP	(10,000)		10,000		0				0	Paid 2017/18
Our Common Cause: Our Upland Commons NPA/16/009	(8,000)				(8,000)	8,000			0	Successful bid at second attempt.
Dartmoor Arts Initiative NPA/16/020	(112,481)	112,481		(60,000)	(60,000)	40,000	20,000		0	Project Surplus to be allocated to 3 projects in 2018/19
Discover England Fund - Make Great Memories		(23,900)	7,500		(16,400)	7,500			(8,900)	£15k confirmed match funding plus contingency sum
Peatland Partnership		(150,000)			(150,000)	50,000	50,000	50,000	0	
Unallocated fund balance	(254,549)	75,219		(30,000)	(209,330)				(209,330)	
Total Earmarked Reserves	(2,154,071)	0	478,019	(266,101)	(1,942,153)	373,697	192,218	56,900	(1,319,338)	
General Reserve (unallocated emergency reserve)	(450,000)			0	(450,000)	0			(450,000)	
Total General Fund Balance	(2,604,071)	0	478,019	(266,101)	(2,392,153)	373,697	192,218	56,900	(1,769,338)	

DARTMOOR NATIONAL PARK AUTHORITY

2 March 2018

TREASURY MANAGEMENT AND INVESTMENT STRATEGY 2018/19Report of the Head of Business Support

Recommendation : That the Authority approves and adopts the revised Treasury Management Practices at Appendix 1 and the 2018/19 Treasury Management & Investment Strategy at Appendix 2

1 Introduction

- 1.1 In March 2016 the Authority adopted a revised Treasury Management Policy Statement together with a statement of its Treasury Management Practices (TMPs). In December 2017 the Chartered Institute of Public Finance and Accountancy (CIPFA) published a revised Code of Practice for Treasury Management (the Code). An amended version of the Treasury Management Practices is therefore being brought for approval.
- 1.2 The policy requires the Authority to consider a treasury strategy report, setting out the strategy and plans to be followed in the coming year as part of the budget process.

2 Treasury Management Practices (TMPs)

- 2.1 The revised TMPs are shown at Appendix 1. They incorporate a number of minor changes to wording set out in the new Code of Practice, which strengthen some of the language in relation to risk management and prioritising the security of investments over liquidity and yield.
- 2.2 A key focus of the revised Code is on the requirement to include in the TMPs any Authority investments that are not part of treasury management activity. This has been introduced in response to the significant number of authorities that have begun to invest directly in property for the purposes of making a financial return. The new Code is designed to ensure that there is robust risk management in relation to ANY investment made for the purposes of making a financial return, whether it be through treasury management, direct investment in property, installation of solar panels or any other example. It is not intended to cover capital investments made in the direct provision of the Authority's services, where financial return on the investment is not the driver.
- 2.3 To date the Authority has not made any such investments and continues to invest its working balances in accordance with traditional treasury management policies. Indeed, National Park Authorities do not have the same freedoms to invest, as do other local authorities; being restricted to only undertaking activity directly related to the delivery of National Park Purposes. Therefore a section on Commercial Investments has been added to TMP1 and in the annual strategy which states that:

‘The Authority does not currently have a policy of making commercial investments outside of its treasury management activity for mainly financial reasons. All capital investments outside of treasury management activities are held explicitly for the purposes of operational services and the delivery of National Park Purposes and are monitored through existing frameworks.’

- 2.4 A revised Prudential Code, also published in December, introduces a new requirement to publish a capital strategy that sets out how capital expenditure, investment and borrowing aligns with service priorities and ensures value for money and effective stewardship of resources. However, CIPFA acknowledges that the timing of the publication of the new Code means that the publication of a capital strategy is likely to need a longer lead in time and may not be able to be fully implemented at the start of the 2018/19 financial year. The Authority sometimes has a small capital programme (replacement of operational vehicles) and is debt free; a formal and proportionate capital strategy will be brought to the Authority during 2018/19 if a capital programme is developed.
- 2.5 Another key change required by the new Treasury Management Code is to set out the position in relation to the Markets in Financial Instruments Directive II (MiFID II) that came into effect on 3 January 2018. Under MiFID II local authorities are automatically classed as retail clients in relation to investments which may restrict the availability of some type of investments used in treasury management. The Financial Conduct Authority (FCA) has set rules under which local authorities can “opt up” to elective professional client status. The Authority would not meet the conditions and criteria to opt up to professional status which therefore limits our ability to access products such as money market funds, pooled funds, treasury bills, bonds, shares and to financial advice in its own name.

3 Treasury Management and Investment Strategy

- 3.1 The Treasury Management and Investment Strategy is set out at Appendix 2. The Authority is debt free and any capital expenditure has been to date financed from National Park Grant, earmarked reserves or capital receipts.
- 3.2 The overriding objective continues to be to invest prudently, with priority being given to security and liquidity before yield. Whilst the Bank of England has raised the base rate back up to 0.5% in November, having reduced it to 0.25% following the EU referendum result, our working balances available to be deposited are not large enough for it to make a significant difference to the recent rate of return.

4 Conclusion

- 4.1 The Authority’s arrangements for treasury management continue to be maintained at a high standard. The Head of Business Support continues to consult with Devon County Council’s Assistant County Treasurer (Investments and Treasury Management) to investigate opportunities to maximise the Authority’s investment income and will bring a report to the Authority for approval if changes to our practices are proposed.

DONNA HEALY

Attachments: Appendix 1 - Treasury Management Policy and Treasury Management Practices
Appendix 2 - Treasury Management and Investment Strategy

TREASURY MANAGEMENT CODE OF PRACTICE

- 1 The Authority will create and maintain, as the cornerstone for effective treasury management:
 - a treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury activities; and
 - suitable treasury management practices (TMPs), setting out the manner in which the organisation will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.
- 2 The Authority will receive reports on its treasury management policies, practices and activities, including as a minimum, an annual strategy and plan in advance of the year, a mid year review and an annual report after its close, in the form prescribed in its TMPs.
- 3 The Authority delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices to the Audit & Governance Committee, and for the execution and administration of treasury management decisions to the Chief Financial Officer (S151 Officer) who will act in accordance with the Authority's policy statement and TMPs and if he /she is a CIPFA member, CIPFA's Standard of Professional Practice on Treasury Management.
- 4 The Authority nominates the Audit & Governance Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.

THE TREASURY MANAGEMENT POLICY

Dartmoor National Park Authority defines its treasury management activities as: 'The management of the Authority's investments, cash flows, its banking, money market and capital market transactions, the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks'.

Dartmoor National Park Authority regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the Authority and any financial instruments entered into to manage these risks.

Dartmoor National Park Authority acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management.

The Treasury Management Practices (TMPs) will be applied to ensure that this Policy is delivered. The Authority will, through the use of these practices, ensure that security and liquidity are prioritised ahead of yield within the defined risk framework.

TREASURY MANAGEMENT PRACTICES (TMPs)

Treasury Management Practices (TMPs) set out the manner in which the Authority will seek to achieve its treasury management policies and objectives and how it will manage and control those activities.

TMP 1 RISK MANAGEMENT

The Authority regards a key objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, it will ensure that robust due diligence procedures cover all external investment.

The Chief Financial Officer (CFO) (Section 151), will ensure the design, implementation and monitor all arrangements for the identification, management and control of treasury management risk, will report at least annually on the adequacy/suitability and will report, as a matter of urgency, the circumstances of any actual or likely difficulty in achieving the organisation's objectives in this respect, in accordance with TMP6 and management information arrangements.

In respect of each of the following risks, the arrangements, which seek to ensure compliance with these objectives, are set out.

Liquidity Risk Management

The Authority will ensure that it has adequate, though not excessive cash resources, overdraft or standby facilities to enable it at all times to have the level of funds available to it which are necessary for the achievement of its business/service objectives.

The daily cash flow is managed by officers in order to 'smooth' the flow of funds into and out of the Authority, ensuring best returns on surplus funds. Lending is generally undertaken in periods of up to one month to ensure as far as is possible that on no one day should there be a requirement to have to fund any shortages. Days when it is known that large outflows of money will take place e.g. payroll dates, are obvious dates to ensure there is sufficient liquidity. Balances that are identified as not being for immediate use, say within the next few months may be invested for longer periods.

Interest Rate Risk Management

The Authority will manage its exposure to fluctuations in interest rates with a view to securing its interest revenues, as set out in the Revenue Budget. It will achieve this by the prudent use of its approved financing and investment instruments, methods and techniques, primarily to create stability and certainty, but at the same time retaining a sufficient degree of flexibility to take advantage of unexpected potentially advantageous changes in the level or structure of interest rates.

The Authority currently only makes use of Call Accounts & Callable Deposits (fixed rate / term). Any future changes will be the subject to the consideration and approval by the Authority.

Exchange Rate Risk Management

The Authority will manage its exposure to fluctuations in exchange rates so as to minimise any detrimental impact on its budgeted income/expenditure levels. However this is not material for this Authority as there is currently very little of either income or expenditure transacted in currencies other than sterling.

Credit and Counterparty Risk Management

The Authority regards a prime objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, it will ensure that its counterparty lists and limits reflect a prudent attitude towards organisations with which funds may be deposited, and will limit its investment activities to the instruments, methods and techniques referred to in TMP4 'Approved Instruments, methods and techniques'.

It also recognises the need to have, and maintain, a formal counterparty policy in respect of those organisations with whom it may enter into financing arrangements. The Authority's arrangements have been formulated to restrict the exposure to risk by taking account of the credit standing of counterparties, and setting limits to different types of borrowers.

The credit ratings of all three major rating agencies (Fitch, Moody's and Standard & Poor's) will be used to ensure that commercial institutions satisfy the requirements of the current policy. In essence the Authority looks for the highest rating from banks and sets lending limits against each one. Banks and UK Building Societies that do not attract these ratings are not considered at all. The actual ratings sought by the Authority may be varied as part of the regular review of lending policy and counterparties. This is carried out in consultation with the Devon County Council's Assistant County Treasurer (Investments & Treasury Management). The List of Approved Counterparties is kept under close review and is subject to amendment in the light of changes to credit ratings, takeovers and mergers, or changes to the type of institution.

Approved institutions are placed on the lending list, deposits may not be made to any institution which does not conform to the requirements of the Lending List, nor is any transaction allowed to be entered into through any money broker not featuring on the approved list. The financial press and other sources are monitored with a view to discovering cases where an institution on the List is in any difficulty, financial or otherwise. If appropriate, any organisation will be immediately suspended from the list until such time that they demonstrate their creditworthiness. The decision to suspend a counterparty is made by the CFO (in consultation with Devon County Council) who will issue a revised Approved List.

Refinancing Risk Management

The Authority will ensure that any borrowing, private financing and partnership arrangements are negotiated, structured and documented and managed with a view to obtaining offer terms for renewal or refinancing, if required, which are competitive and as favourable as can be reasonably be achieved in the light of market conditions prevailing at the time. It will actively manage its relationships with its counterparties in these transactions in such a manner as to secure this objective and will avoid over-reliance on any one source of funding if this might jeopardise its achievement. The Authority is currently debt free and has no plans to borrow.

Legal and Regulatory Risk Management

The Authority will ensure that all of its treasury management activities comply with its statutory powers and regulatory requirements. It will demonstrate such compliance, if required to do so, to all parties with whom it deals in such activities.

The Authority recognises that future legislative or regulatory changes may impact on its treasury management activities and, so far as it is reasonably able to do so, will seek to minimise the risk of these impacting adversely on the Authority.

Authority officers carry out their duties with reference to Local Government Acts and Regulations, and in accordance with the Authority's Treasury Management Policy.

In framing the Lending List, reference is made to official circulars from the Bank of England and to Credit Agency reports in order to vet potential counterparties. In return, the Authority, if requested, will provide to those institutions, documentation to support the Authority's and Authority Officer's powers to enter into any transaction. Annual Accounts, Treasury Management Strategy Statements, and Schemes of Delegation are exchanged with counterparties.

Under no circumstances are officers involved in cash management allowed to borrow or lend for the purpose of generating surpluses from speculative money market dealings.

Fraud, Error and Corruption and Contingency Management

The Authority will ensure that it has identified the circumstances which may expose it to the risk of loss through fraud, error or corruption or other eventualities in its treasury management dealings. It will employ suitable systems and procedures to reduce exposure to these risks, in addition to providing effective contingency management arrangements. Systems are in place to ensure all transactions and deals are documented and authorised.

A proprietary system is to process transactions (Barclays.net) which is accessed only through a system of passwords by authorised Officers. Reports and records from the systems also allow independent checks by others, for example Internal Audit, on the accuracy and completeness of all transactions, and to verify that they were made in accordance with agreed policy.

Price Risk Management

The Authority will seek to ensure that its stated treasury management policies and objectives will not be compromised by adverse market fluctuations in the value of the principal sums it invests, and will accordingly seek to protect itself from the effects of such fluctuations. All lending is in the form of cash deposits. There are no investments whose capital value may fluctuate, for example Gilts or Certificates of Deposit (CDs).

Commercial Investments

The Authority does not currently have a policy of making commercial investments outside of its treasury management activity for mainly financial reasons. All capital investments outside of treasury management activities are held explicitly for the purposes of delivering operational services and National Park Purposes and are monitored through existing frameworks.

TMP2 PERFORMANCE MEASUREMENT

The Authority is committed to the pursuit of best value in its treasury management activities and to the use of performance methodology in support of this aim, within the framework set out in its treasury management policy statement.

The treasury management function will be the subject of on-going analysis of the value it adds in support of the Authority's stated business or service objectives. It will be the subject of regular examination of alternative methods of service delivery and of the scope for other potential improvements.

TMP3 DECISION-MAKING AND ANALYSIS

The Authority will maintain full records of its treasury management decisions and of the processes and practices applied in reaching those decisions, both for the purposes of learning from the past and for demonstrating that reasonable steps were taken to ensure that all issues relevant to those decisions were taken into account at the time.

In respect of every decision made, Authority Officers will have certainty about the legality of the transaction, and be content that the transaction helps deliver the organisation's objectives as set out in the Strategy Statement.

Before investing, account will be taken of the existing cash flow, and market conditions, before fixing the optimum period. Third parties will have been checked to ensure their credit worthiness and to ensure that limits have not been exceeded. Records are kept not only of all transactions, but also of all documents that were a part of reaching the decision.

TMP4 APPROVED INSTRUMENTS, METHODS AND TECHNIQUES

The Authority will undertake its treasury management activities by employing only those instruments, methods and techniques to be detailed in the schedules to this document and within the limits and parameters defined in TMP1 Risk Management.

TMP5 ORGANISATION, CLARITY AND SEGREGATION OF RESPONSIBILITIES AND DEALING ARRANGEMENTS

The Authority considers it essential for the purposes of the effective control and monitoring of its treasury management activities, for the reduction of the risk of fraud and error and for the pursuit of optimum performance, that these activities are structured and managed in a fully integrated manner and that there is at all times a clarity of treasury management responsibilities.

The principles on which this will be based is a clear distinction between those charged with setting treasury management policies and those charged with implementing and controlling these policies, the execution and transmission of funds, the recording and administering of decisions and the audit and review of the treasury management function. The Authority will ensure that there are clear written statements of responsibilities for each post engaged in treasury management and the arrangements for absence cover. The CFO will ensure there is proper documentation for all deals and transactions, and that procedures exist for the effective transmission of funds.

If and when the Authority intends, as a result of lack of resources or other circumstances, to depart from these principles, the CFO will ensure that the reasons are properly reported in accordance with TMP6 and the implications properly considered and evaluated.

The CFO will fulfil all delegated responsibilities in accordance with the Authority's Policy and TMP's and as a CIPFA member, the Standard of Professional Practice on treasury management.

The CFO is responsible for recommending changes to treasury management policies to Members for approval and for ensuring that the reporting arrangements set out in TMP6 are adhered to.

Prior to entering into any long term borrowing, lending or investment transaction, it is the responsibility of the CFO to be satisfied that the proposed transaction does not breach any statute, external regulation or the Authority's financial regulations. The CFO has delegated

powers to take the most appropriate form of borrowing from the approved sources and to take the most appropriate form of investments in approved instruments.

Internal Audit is responsible for ensuring compliance with approved policy and procedures, reviewing division of duties and operational practice, assessing value for money from treasury activities and undertaking probity audit of the treasury function.

TMP6 REPORTING REQUIREMENTS AND MANAGEMENT INFORMATION ARRANGEMENTS

The Authority will ensure that regular reports are prepared and considered on the implication of its treasury management policies; on the effects of decisions taken and transactions executed in pursuit of those policies; on the implications of changes, particularly budgetary, resulting from regulatory, economic, market or other factors affecting its treasury management activities; and on the performance of the treasury management function.

Before the start of each financial year, the Authority must consider and adopt the Treasury Management Strategy (which is part of the budget process). The Audit & Governance Committee will receive a mid-year review, usually incorporated within the Financial Management Report at month 6 and an annual report (contained within the Financial Outturn Report) on the performance of the treasury management function, on the effects of decisions taken and transactions executed and on any circumstances of non-compliance with the policy statement or TMPs.

TMP7 BUDGETING, ACCOUNTING AND AUDIT ARRANGEMENTS

The CGO will prepare and the Authority will approve an annual budget for treasury management associated income taking into account matters required by statute or regulation and the TMPs. The CFO will exercise effective controls over this budget and report on and recommend any required changes in accordance with TMP6.

The Authority will account for its treasury management activities, for decisions made and transactions executed, in accordance with appropriate accounting practices and standards, and with statutory and regulatory requirements in force for the time being. The Authority will ensure that its auditors and those charged with regulatory review, have access to all information and papers supporting the activities of the treasury management function for the proper fulfilment of their roles and that such information demonstrates compliance with external and internal policies and approved practices.

TMP8 CASH AND CASH FLOW MANAGEMENT

Unless statutory or regulatory arrangements demand otherwise, all monies in the hands of the Authority will be under the control of the CFO and will be aggregated for cash flow and investment management purposes. Cash flow projections will be prepared on a regular and timely basis and CFO will ensure that these are adequate for the purposes of monitoring compliance with TMP1 liquidity risk management.

TMP9 MONEY LAUNDERING

The Authority is alert to the possibility that it may become subject of an attempt to involve it in a transaction involving the laundering of money. Accordingly it will maintain procedures for verifying and recording the identity of counter-parties and reporting suspicions, and will ensure that staff involved in treasury transactions are properly trained. The source of all monies received by the Authority is required to be identified. Any unbudgeted income or receipts which had not been forecasted are investigated.

TMP10 STAFF TRAINING AND QUALIFICATIONS

The Authority recognises the importance of ensuring that all staff involved in the treasury management function are fully equipped to undertake the duties and responsibilities allocated to them. It will therefore seek to appoint individuals who are both capable and experienced and will provide training for staff to enable them to acquire and maintain an appropriate level of expertise, knowledge and skills.

The Authority also has a service level agreement with Devon County Council for treasury management advice and support which provides for some resilience and cover.

TMP11 USE OF EXTERNAL SERVICE PROVIDERS

The Authority recognises that there may be potential value in employing external providers of treasury management services in order to acquire access to specialist skills and resources.

If and when it employs such service providers, it will ensure it does so for reasons which will have been submitted to full evaluation of the costs and benefits. It will also ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review. It will ensure, where feasible, that a spread of service providers is used, to avoid over-reliance on one or a small number of companies. Where services are subject for formal tender or re-tender, legislative requirements will always be observed. The Authority will be mindful of the requirements of the Bribery Act 2010 in their dealings with external providers. The monitoring of such arrangements rests with the CFO.

TMP12 CORPORATE GOVERNANCE

The Authority is committed to the pursuit of proper corporate governance throughout its business and services and to establishing the principles by which this can be achieved. Accordingly the treasury management function and activities will be undertaken with openness and transparency, honest, integrity and accountability.

The Authority has adopted and implemented the key recommendations of the Code. This together with other the arrangements detailed in this document are considered vital to the achievement of proper corporate governance in treasury management. The CFO will monitor and, if and when necessary, report upon the effectiveness of these arrangements.

TREASURY MANAGEMENT AND INVESTMENT STRATEGY 2018/19

1. Introduction

The Treasury Management Strategy sets out the Authority's policies in relation to: the management its cash flows, its banking, borrowing and investment strategies, monitoring of the level of debt (if it has any) and funding of the capital programme.

The Authority has adopted the CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management in the Public Services. A revised Code of Practice was published by CIPFA in December 2017 and requires the Authority to approve a Treasury Management Policy Statement together with a statement of its 'Treasury Management Practices' (TMPs). These policies have been reviewed for 2018/19 in the light of the revised Code and revised TMPs have been submitted for approval.

This Treasury Management Strategy document sets out:

- Capital expenditure funding
- The current treasury position, debt and investments;
- Prospects for interest rates;
- The borrowing strategy;
- Prudential indicators on impact of capital financing and monitoring of the level and make-up of debt;
- The investment strategy

2. Capital Expenditure Funding

The Authority does not currently have a Capital programme in the current Medium Term Financial plan period.

3. Prudential Indicators

Capital Financing Requirement - this represents the Authority's underlying debt position, showing how the previous and future spend for capital purposes has been or will be financed by borrowing or entering into other long-term liabilities. As the Authority has no debt, there is no requirement to report.

Authorised Limit for total external debt - this represents the level at which the Authority is able to borrow and enter into long-term liabilities. Additional borrowing beyond this limit is prohibited without Authority approval. The Authority currently has no debt or plans to borrow. The Authorised limit is therefore set at £100,000 (representing the Authority's available bank overdraft facility).

Operational Boundary - this is based on the anticipated level of external debt needed during the year. Variations in cash flow can lead to occasional, short term breaches of the operational boundary that are acceptable. Sustained breaches would be an indication that there may be a danger of exceeding authorised limits. The Authority currently has no debt

or plans to borrow. The Operational Boundary is therefore set at £100,000 (representing the Authority's available bank overdraft facility).

Underlying Borrowing Requirement to Gross Debt - the Authority needs to ensure that its gross debt does not, except in the short term, exceed the Capital Financing Requirement. As the Authority has no debt, there is no requirement to report.

Minimum Revenue Provision (MRP) - this is an annual charge made to the Authority's revenue account to make provision for the repayment of external debt and internal borrowing. The main Prudential Indicator to measure the acceptable level of borrowing is the ratio of financing costs to total revenue stream. As the Authority is debt free, MRP does not apply.

Ratio of Financing Costs to Net Revenue Stream - this shows the relationship between Capital Financing Costs and the net Revenue Stream. However as there is no capital programme or borrowing, and that any capital expenditure is financed from NPG or reserves, this indicator does not apply.

Treasury Management Prudential Indicators - these relate to the fixed and variable rates of interest on loans and borrowings. As the Authority does not have any external borrowing, these indicators do not apply.

Monitoring the Indicators

It is important to monitor performance against forward looking indicators and the requirement that borrowing should only be for capital purposes. If we had borrowing, it would be monitored daily against the operational boundary and authorised limit. If these limits were to be breached, a report would be brought to the Authority outlining what action would be necessary to prevent borrowing exceeding the limit and the impact on the revenue budget. The indicators for capital expenditure, capital financing requirement, capital costs and the treasury management indicators are monitored monthly if they apply. Any significant variations would be reported to the Authority.

4. Analysis of Long Term Debt - The Authority has no long term debt.

5. Schedule of Investments

At the time of writing this report the all of the Authority's working capital was being held in its bank accounts and in a Barclays Treasury Deposit Account. The Authority's fixed rate investments as at 31 March 2017 and 30 January 2018 (current) are:

Table 1:

Bank	Maturing in	Actual 31.03.17	Interest Rate %	Current 30.01.18	Interest Rate %
Barclays - term deposits	<365 days	£2,500,000	0.83	2,500,000	0.338

The annual investment returns history and current position is set out in the following table.

Table 2:

2011/12 Actual	2012/13 Actual	2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Forecast
£10,809	£21,920	£15,000	£17,998	£19,162	£17,950	£9,500

The Authority's cash balance available for investment varies during the year, with the balance building up on a quarterly basis when we receive National Park Grant; it then tapers down at the end of each quarter and towards the end of the financial year. It is anticipated that long term cash balances available for investment at 31 March 2018 will be circa £2.5 million which is similar to those at the start of the year.

The recent investment performance of the Authority's cash investments has been affected by the low interest rates introduced as part of the measures used to alleviate the global credit crunch. Interest rates have also been impacted by the introduction of new banking regulations requiring banks to hold higher levels of liquidity to act as a buffer.

The rates on offer are extremely low and the returns on the Authority's cash investments are forecast to remain at the current low levels for the foreseeable future. The Treasury Management Strategy will continue to be set in a manner that ensures a prudent and secure approach.

6. Prospects for Interest Rates

Forecasting future interest rate movements even one year ahead is always difficult. The factors affecting interest rate movements are clearly outside the Authority's control. Whilst short term rates are generally linked to the Bank of England's Base Rate, long term rates are determined by other factors e.g. the market in Gilts.

At the beginning of November 2017 the Bank of England Monetary Policy Committee decided to remove the post EU referendum emergency monetary stimulus implemented in August 2016 and restored the base rate to 0.5%. At the same time they also gave forward guidance that they expected to increase the bank rate only twice more in the next three years to reach 1.0% by 2020. At the time of writing this report, the Bank of England has indicated that interest rates may rise gradually in the next 12 months. However, economic forecasting remains difficult with so many external influences weighing on the UK. Bank rate forecasts will be liable to further amendment depending on how economic data and developments in financial markets transpire over the next year.

The following table sets out interest rate forecasts over the next year. The forecasts from Capita and Capital Economics (provided by Devon County Council to the Authority in December) reflect the view that the Bank of England base rate is likely to increase by at least another 0.25% over the next financial year, but significant uncertainty remains.

Table 3:

Base Rate Forecasts	Dec 2017	Mar 2018	June 2018	Sep 2018	Dec 2018	Mar 2019
Capita	0.50%	0.50%	0.50%	0.50%	0.75%	0.75%
Capital Economics	0.50%	0.50%	0.75%	1.00%	1.25%	1.25%

When budgeting for interest receipts a prudent approach has been adopted to ensure that, as far as is possible, the budget will be achieved.

7. Borrowing and Debt Management Strategy 2018/19 – 2020/21

As the Authority is debt free and has no current plans to borrow, there is nothing to report under this heading.

8. Investment Strategy 2018/19 – 2020/21

The Authority continues to adopt a very prudent approach to its cash investments and to the counterparties to whom the Authority is willing to lend; adhering to strict criteria for inclusion on the counterparty list and the prudent management of deposits. The Treasury Management Strategy will continue to be set to ensure a prudent and secure approach.

The Authority is required under the guidance in the CIPFA Treasury Management Code of Practice to approve an Annual Investment Strategy. The overall aims of the Authority's strategy continue to be to:

- Limit the risk to the loss of capital;
- Ensure that funds are always available to meet cash flow requirements;
- Maximise investment returns, consistent with the first two aims; and
- Review new investment instruments as they come to the Local Authority market, and to assess whether they could be a useful part of our investment process.

The overriding objective will be to invest prudently, with priority being given to security and liquidity before yield.

The outlook for cash investment remains challenging. Whereas in the past there has been a perception that Governments would not allow banks to fail, the new regulatory environment has put more emphasis on the requirement for investors to take a hit by funding a "bail-in". A bail-in is where the bank's creditors, including local authorities depositing money with them, bear some of the burden by having part of the debt they are owed written off. The balance of risk is therefore changing, and as a result the Authority has considered alternative forms of investment in order to diversify its risk.

Under the Markets in Financial Instruments (MiFID II) directive, local authorities are now classed as retail clients by the Financial Conducts Authority (FCA). This has implications for the range of investments that are available to local authorities. While bank and building society deposits are unaffected by the regulations, some banks have determined that they will only take term deposits from professional clients and a range of alternative forms of investments are only available to professional clients. However, if the local authority meets the criteria set by the FCA, then it can apply to be "opted up". The Authority is unlikely to meet the criteria to do so.

A variety of investment instruments are available to the Local Authority market. In addition to the notice accounts and fixed term deposits available from UK and overseas banks, it is also possible for the Authority to invest, for example, in UK Government Gilts, bond funds and property funds. However, the Authority has a fairly limited cash balance, which precludes it from accessing many investment instruments. Using other alternative instruments would either require the Authority to tie up its cash for significantly longer periods, thus reducing liquidity, or would carry a risk of loss of capital if markets go down; the costs associated with making alternative arrangements are also likely to cancel out any investment gains made.

Therefore the Authority's investments will continue to be in bank deposits. Security is achieved by the creation of an 'Approved List of Counterparties'. These are the banks, building societies, money market funds and other public bodies with whom we are prepared to deposit funds. In preparing the list, a number of criteria will be used not only to determine who is on the list, but also to set limits as to how much money can be placed with them, and how long that money can be placed for.

Banks are expected to have a high credit rating. The Authority uses the ratings issued by all three of the major credit rating agencies, Fitch, Moody's and Standard & Poor's, made available to the Authority via Devon County Council's Assistant County Treasurer (Investments and Treasury Management), who monitors them daily and advises the Authority accordingly.

The lowest rating published by any of the agencies is used to decide whether an institution is eligible for inclusion. Where the counterparty is only rated by two of the major ratings agencies, the lowest rating published by either of the two is used. This rating also determines the maximum amount which can be loaned to an individual counterparty.

Non-Eurozone overseas banks that meet the criteria are included from countries with a high Sovereign rating. Other public sector bodies are principally arms of Government, or other local authorities, and although not rated are deemed suitable counterparties because of their inherent low risk. None of these are currently used.

The 'Approved List of Counterparties' specifies individual institutions, and is formally reviewed at least monthly. Notification of credit rating downgrades (or other market intelligence) is acted upon immediately, resulting in any further lending being suspended.

The time length of all deposits with financial institutions will be managed prudently, taking account of the latest advice from Devon County Council's Assistant County Treasurer (Investments and Treasury Management).

Table 4: Counterparty Approved List criteria

Counterparty Type		Fitch	Moody's	Standard & Poors
UK Banks	Not below	A- & F1	A3 & P-1	A- & A-1
UK Building Societies	Not below	A- & F1	A3 & P-1	A- & A-1
Non-Eurozone Overseas Banks	Sovereign rating of	AAA	Aaa	AAA
	And not below	A- & F1	A3 & P-1	A- & A-1
Other Local Authorities		N/A	N/A	N/A

The credit ratings shown in the table for banks and building societies allow for greater sensitivity in recognising counterparty risk. Where the short term rating of a counterparty is one notch below the stated criteria, but the counterparty meets the long-term rating criteria, they may still be used, subject to the advice provided by Devon County Council, who will take into account a range of other metrics in arriving at their advice.

Liquidity in investments is the second key factor in determining our strategy. Funds may be earmarked for specific purposes or may be general balances and this will be a consideration in determining the period over which the investment will be made. All known short-term commitments are covered before lending for over 1 month. Where cash is expected to be available long-term (up to a year) we maximise the length of time for the deposit in order to obtain the best interest rate possible.

For the 2018/19 financial year it has been assumed that the average interest rate earned on short-term lending will be 0.40% p.a. This is thought to be a cautious assumption and should be achievable.

Given the degree of uncertainty about future economic prospects and the level of interest rates, Medium Term Financial Plan forecasts will be based on average rates for lending to

banks and building societies continuing to be 0.40% for 2019/20 and 2020/21. However these will be reviewed in the light of changes to the rate on offer to the Authority over the MTFP period.

Investments that are not part of Treasury Management.

The revised Code requires the Authority to report on investments in financial assets and property that are not part of treasury management activity, but where those investments are made primarily to achieve a financial return. The Authority does not currently have a policy of making commercial investments outside of its treasury management activity, for both financial and legal reasons. Any capital investment made or held is for the purposes of delivering operational services and must be in accordance with National Park Purposes.

The primary aim of the Treasury Management Strategy is to maximise interest receipts over the long term, whilst achieving annual budgets, without taking any undue risk.

DARTMOOR NATIONAL PARK PLANNING AUTHORITY

2 March 2018

TREE PRESERVATION ORDERS, SECTION 211 NOTIFICATIONS (WORKS TO TREES IN CONSERVATION AREAS) AND HEDGEROW REMOVAL NOTICES DETERMINED UNDER DELEGATED POWERSReport of the Trees and Landscape OfficerRecommendation : **That the decisions be noted.****NEW TREE PRESERVATION ORDERS**

The Authority protected a mature sweet chestnut and a mature beech tree standing in the grounds of The Hall, Ashburton with a Tree Preservation Order. The Order was made under delegated powers and came into immediate effect on 9 January 2018.

TREE PRESERVATION ORDERS

Teignbridge

Ref: 17/0054 **Fullaford Park, Buckfastleigh** **SX 7334 6575**

Application to crown lift a group of willow and remove low limbs from an ash tree. The works are minor and will have minimal impact on the health or appearance of the trees. Consent was granted subject to the following conditions:

1. Five working days' notice to be given to the Authority prior to the commencement of approved works;
2. All works are carried out in accordance with British Standard 3998:2010 Tree Work Recommendations.

Ref: 17/0056 **25 Wallaford Road, Buckfastleigh** **SX 7339 6585**

Application to fell a western red cedar. The tree has a large basal cavity. Consent was granted subject to the following conditions:

1. Five working days' notice to be given to the Authority prior to the commencement of approved works;
2. Replacement planting of a half standard silver birch tree within the crown spread of the original during the first season following planting.

South Hams

Ref: 17/0044 **Enthurst House, Didworthy** **SX 6859 6209**

Application to reduce the canopy of an oak tree to give 2m clearance from the house. The works are minor and will have minimal impact on the health or appearance of the trees. Consent was granted subject to the following conditions:

1. Five working days' notice to be given to the Authority prior to the commencement of approved works;
2. All works are carried out in accordance with British Standard 3998:2010 Tree Work Recommendations.

SECTION 211 NOTICES

Teignbridge

Ref: 17/0050 Lustleigh Orchard SX 7840 8128

Notification to reduce the crown of an oak tree by 8m. The works are required to prevent further branch failure.

A Tree Preservation Order has not been made.

Ref: 17/0052 Darts Garage, Buckfastleigh SX 7435 6619

Notification to fell an ash, coppice a group of sycamore and crown lift a group of sycamore. The works are necessary to prevent the trees damaging the garage.

A Tree Preservation Order has not been made.

Ref: 17/0053 Market Barn, Buckfastleigh SX 7356 6620

Notification to fell a nothofagus. The tree is the wrong species for a very small garden.

A Tree Preservation Order has not been made.

Ref: 17/0055 Widecombe Village Green SX 7185 7682

Notification to crown lift the trees on the green to a height of 3-4m. The works are minor and will have minimal impact on the health or appearance of the trees.

A Tree Preservation Order has not been made.

West Devon

Ref: 17/0051 Little Knowle Barn, Walkhampton SX 5308 6979

Notification to reduce an oak tree, crown lift a sycamore and fell an ash tree. The works will have minimal impact on the character of the Conservation Area.

A Tree Preservation Order has not been made.

Ref: 17/0058 Town Farm, Walkhampton SX 5329 6980

Notification to reduce a sycamore and yew tree. The works are minor and will have minimal impact on the character of the Conservation Area.

A Tree Preservation Order has not been made.

South Hams

Ref: 17/0057

Church House, South Brent

SX 6966 6022

Notification to fell an oak tree. The tree is in very poor condition.

A Tree Preservation Order has not been made.

BRIAN BEASLEY