



## **Executive Committee**

**10.30 a.m. 12th December 2013  
The Lodge, Chinnor**

### **Agenda**

1. Apologies
2. Declaration of Interest
3. Minutes
4. Confirmation of minute on decision on HS2 Non market Effects Report
5. Matters Arising
6. Public Question Time
7. Finance Report (April – Nov 2013)
8. Medium Term Financial Forecast (2014-16)
  - Report from sub committee
9. Proposal to create Bursaries
10. Review of the AONB Management Plan
11. Chilterns Tourism Network
  - Proposal for a Constitution
12. Report on HS2
13. A.O.B.
14. Dates of meetings



**MINUTES OF THE MEETING OF THE EXECUTIVE COMMITTEE HELD ON Thursday 19th September at THE LODGE, 90 STATION ROAD, CHINNOR OXON. OX39 4HA COMMENCING AT 10.30AM AND CONCLUDING AT 12.40PM**

**Present:**

Mike Fox	Board Member, Chairman of the meeting
John Griffin	Board member
Cllr Shirley Judges	Board Member
Cllr Marion Mustoe	Board Member
Cllr David Nimmo-Smith	Board Member
Ray Payne	Board Member
Cllr Ian Reay	Board Member
Cllr Jeremy Ryman	Board Member
Helen Tuffs	Board Member
Cllr Alan Walters	Board Member

Steve Rodrick	CCB Chief Officer
Chris Smith	CCB Finance Officer

**In attendance**

Deirdre Hansen	Clerk to the Board
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**13/14-80 Item 1- Apologies for absence.**

No apologies for absence were received.

**13/14-81. Item 2- Declarations of interest**

No declarations of interest were made.

**12/13-82. Item 3- Minutes of the previous meeting**

Although the meeting of 23<sup>rd</sup> May 2013 had been quorate no parish council member has been present and, therefore, the meeting ratified the decisions taken at the meeting of the 23<sup>rd</sup> May 2013.

The minutes were approved and signed by the Chairman after the following amendments were made;

minute 12/13-78; AONS was amended to AONB's.

minute 12/13-78 decision 3: 's' added to Chiltern

minute 12/13-79-1: 'reduce' amended to 'adjust'

**13/14-83. Item 4- Matters arising from the minutes of the meeting 23<sup>rd</sup> May 2013**

Item 12/13-76. item 9: Report on HS2.

Decision 1; a formal complaint had not been made to the Information Commissioner over HS2 Ltd.'s refusal to provide confirmation of the length of visible route in the Chilterns AONB, due to matters having moving on.

Decision 2; there had been no requirement to spend money allocated on the commissioning of consultants to prepare a report on the external benefits of a tunnel. There may be future use for the funds.

Item 12/13-78. item 11: Report on IUCN Qualification.

Continued recognition of the Chilterns AONB as an IUCN Category V protected area has been received with glowing reports.

**13/14-84. Item 5- Public Question time**

No members of the public were present.

**13/14-85. Item 6- Finance Report (April-July 2013)**

The Finance Officer advised members of the Board's financial position to the end of July and the likely position at the end of the financial year.

The current financial position is satisfactory with no significant problems to report. The report presented was the first report prepared in the revised format as agreed by the Committee. The members commented that the new reporting format was fit for purpose and clear to follow.

To the end of July expenditure against the core budget was £2,300 below profile, ongoing activity was £1,500 below profile, project expenditure was £ 4,800 below profile and small grants payments still to be allocated.

Income was in line with expectations.

10.50 Shirley Judges joined the meeting.

**1. The Committee NOTED the current financial position.****13/14-86. Item 7- Medium Term Financial Forecast**

The Finance Officer advised the Committee of the latest forecast of income and expenditure over the medium term to 2016.

The grants available to the Board from Defra and local authorities are unlikely to be sufficient to meet current levels of core expenditure after the end of the current financial year. Further actions will be needed to reduce the operating deficit.

An exercise had been carried out to forecast core finances for 2014-15 and 2015-16, members were provided with the schedule. The operating deficit in 2014-15 is expected to be £50,000 and in 2015-16 £100,000.

The Board's reserves are at a reasonable level and their use has been limited. There are options of transferring reserves making funds available for operating and ongoing costs. The

long term goal has to be a balanced operating budget which does not require the use of reserves, but in the medium term the managed use of reserves will provide stability and will enable the work programme to be delivered as planned. The Board needs to consider the extent and the means of increasing its income, as well as considering sustainable ways of reducing core and ongoing activity costs. The best use of resources needs to be considered.

It was proposed to establish an Executive Committee sub group to prepare options to be presented to the December meeting.

The Committee discussed the medium term finances and the terms of reference for the sub group. The sub group will be made up as follows: Chris Smith, Ray Payne, Alan Walters, Jeremy Ryman, Ian Reay and Mike Fox.

Terms of reference discussed were:

1. Identify the implications of the progressive reduction in income on:
  - I. Delivering the Board's statutory purpose
  - II. Delivering the Board's policies.
2. Conduct a review of detailed options including, but not limited to:
  - I. Reducing core operating and on-going activity costs
  - II. Generating additional income to meet operating costs.
  - III. Increasing earned income from Treasury Management
  - IV. Using reserves to increase capacity to generate additional income.
3. Develop a strategy for using reserves in the medium term
4. Prepare a preliminary report for the Executive Committee meeting 12<sup>th</sup> December 2013.
5. Seek the advice of the Chief Officer and Finance Officer at every stage.

- 1. The Committee CONSIDERED the implications of the medium term finance paper.**
- 2. The Committee DECIDED to set up a sub group to prepare options for consideration by the Executive Committee in December 2013.**
- 3. The Committee AGREED the terms of reference as above for that sub group.**

### **13/14-86. Item 8- Treasury Management Report**

The Finance Officer advised members on the interim review of the Treasury Management Strategy for 2012-13. In line with good practice the Board re-adopted its Treasury Management Strategy in February 2013. Funds that are temporarily surplus are invested. The average rate achieved during the year was 1.29%. The original income forecast for 2012-13 was £7,225. The actual income generated was £9,616. In line with Treasury Management policy no sums are invested for more than 364 days.

- 1. The Committee NOTED the Treasury Management performance for 2012-13.**

### **13/14-87. Item 9 Banking Arrangements**

The Finance Officer advised members to open a new Business Reward Account with HSBC in order to maximise interest returns. It was proposed to replace the deposit account and some of the money market activity with a new account. This would allow instant access and interest to be earned on the former deposit account money as well as the money market balance. Interest will be no less than currently achieved and with careful cashflow management could be up to an additional £1,000.

- 1. The Committee AGREED to close the HSBC deposit account and open a new HSBC Business Reward Account**

### **13/14-88. Item 10 Review of Risk Register**

The Chief Officer and Finance Officer had reviewed the risk register and had concluded that in the majority of cases the control measures in place are adequate to control the risks facing the Board. It is now clear that there will be a shortfall of grant funding against existing spending levels. The forming of a sub group to prepare a report on the available options of successfully managing this shortfall is considered to reduce this financial risk.

The Committee reviewed the latest version of the Risk Register as it does every six months. Effective risk management required a reporting and review structure to ensure that risks are identified and assessed and that appropriate controls and responses are in place.

- 1. The Committee CONFIRMED this version of the Risk Register as controlling risk currently faced by the Board.**
- 2. The Committee NOTED that the Register will be reviewed again in six months' time.**

### **13/14-89. Item 11 Review of the AONB Management Plan**

Chief Officer reported that the draft plan will be issued for public consultation from 27<sup>th</sup> September – 20<sup>th</sup> December. All the changes requested by the working group of Board Members 23rd July 2013 have been incorporated.

Consultation and its promotion will rely heavily on the web site.

A simple online survey was set up to elicit feedback on issues people considered to be of importance in the AONB. It was promoted from the end of May until 31<sup>st</sup> August. One hundred and twenty responses were received.

The costs of the draft plan and the consultation are below budget.

The SEA Scoping report has already been published. Thirty responses were received with approx. 100 comments, none of which required a significant amendment.

**1. The Committee NOTED that the review of the Management Plan is proceeding according to the programme.**

**13/14-90. Item 12- Report on HS2**

The Chief Officer informed the Committee of recent and expected HS2 related activity; sought guidance on the petitioning strategy and the Committee reviewed the report on the benefits of a tunnel by Peter Brett Associates under guidance from Ray Payne.

1. This report on the benefits of a tunnel had been commissioned by the Chilterns and Countryside Group. It examines the case for a full length bored tunnel based on calculating the cost to society, and not just the construction cost to the Department of Transport. It is describing a valuing of the non-market benefits. The document is a work in progress, continually being updated. Copies have been circulated including to the House of Commons library.
2. The main areas of activity in recent months have been the submission of comments on the Draft Environment statement and the preparation of a report on the benefits of a tunnel.
3. On 10<sup>th</sup> September HS2 Ltd officials confirmed that the Environment Statement to accompany the Hybrid Bill will not include a longer tunnel. The report making the case is, therefore, intended to be presented to the parliamentary Select Committee (petitioning stage) seeking their support.
4. There has been continued and high level criticism of all aspects of the proposal; Government ministers however have continued to defend HS2 in the media.
5. The legal challenge in the Appeal Court on whether an SEA should have been carried out was unsuccessful. But leave to appeal to the Supreme Court was granted and the hearing will be on 15<sup>th</sup> October. Although the Supreme Court ruling (if it accepts the appeal) may significantly alter the timetable by extending it for a year or so whilst an SEA is prepared, it is assumed that the Hybrid Bill will be lodged by the end of 2013.
6. The challenge for opposing groups over the next few months is to organise the petitioning of Parliament for changes including for a full length bored tunnel under the Chilterns. Those seeking changes need to collaborate to select those amendments most widely supported which will bring maximum benefits. General advice is to seek a lead petitioner and for other to support that person or organisation.
7. The meeting discussed the case for the Board to consider taking a leading role in petitioning for a tunnel with staff and Board members preparing and presenting the case with, if necessary, legal advice and training.
8. The Committee discussed the possibility of a new alignment further to the west of Wendover as a full length bored tunnel would not need to follow the existing alignment. As the Secretary of State has recently said "it is not about speed" there is an argument that the design speed of the line could be lowered for the tunnelling section giving a

greater flexibility over alignment. This would provide the opportunity to move the line further to the west of Wendover, which would then be less affected by the noise of trains as they enter and emerge from the tunnel.

The Committee expressed a vote of thanks to Ray Payne for not only contributing substantially to the report and producing it, but also for the wider promotion of the report.

- 1. The Committee NOTED the progress on the Report prepared by Peter Brett Associated on the non-market benefits of a longer tunnel.**
- 2. The Committee AGREED to make a case for a re-alignment of a tunnel further to the west of Wendover and for a lower line speed to facilitate such a change.**
- 3. The Committee AGREED to present to the Board in October the implications of being a lead petitioner for a longer bored tunnel.**

#### **13/14-91. Item 13- Proposal for a Chilterns Skills, Learning and Fun Programme.**

The Chief Officer informed the Committee that all events which the Board organises and promotes should help to generate greater interest from the public if marketed as a rolling programme. To maximise income earning opportunities a more organised approach would be required.

The Committee discussed and made suggestions for various ways of using more commercially conscious methods of generating a greater public interest and a wider target market. The Chief Officer will provide members with a template of activities already undertaken.

- 1. The Committee PROVIDED feedback on the proposal.**

#### **13/14-92 Any other business:**

There was no other business.

**13/14-93. Future meeting dates: Thursday 12<sup>th</sup> December 2013, Tuesday 4<sup>th</sup> March 2014, Thursday 22<sup>nd</sup> May 2014, Thursday 18<sup>th</sup> September 2014 and Wednesday 10<sup>th</sup> December 2014 at 10.30am at the offices in Chinnor.**

The meeting closed at 12.40m

The Chairman.....

Date.....



## **Item 4**                      **Minute of Decision on Report on HS2 External Benefits**

**Author**                                      Steve Rodrick                      Chief Officer

**Summary**                                      The report on the non-market benefits of a tunnel was circulated for approval by the Executive Committee between formal meetings. The report was approved and this decision needs to be formally recorded.

**Purpose of Report**                      To approve a minute of the decision

### **Background**

1.        The Report on the non-market benefits of the HS2 railway being in a longer bored tunnel for, more or less, the full length of the Chilterns has been in preparation for some time. It was completed by Peter Brett Associates under the supervision of Ray Payne with funding from the Conserve the Chilterns and Countryside group in November.
2.        In order to launch the report in Westminster in early December the report had to be approved for publication by the Board. In view of the urgency and timing it was decided the best way of achieving this was to circulate the report by e mail to all members of the Executive Committee and to seek their responses by e mail.
3.        The report was circulated on 19<sup>th</sup> November with a request for responses to be sent to the Chief Officer by 9.00 a.m. on 25<sup>th</sup> November.
4.        In total eight members of the committee responded approving the report. Nobody objected to its approval.
5.        An abstract of the penultimate draft of the report had been approved earlier by the full Board at its meeting on 17<sup>th</sup> October.
6.        As this activity took place between meetings it is essential that the decision is formally minuted. It is proposed the minute should read as follows:

“The report entitled ‘HighSpeed Rail in the Chilterns - Little Missenden to Wendover: An assessment of the non-market effects of the Proposed Scheme compared to the Alternative Proposal’ was circulated by e mail seeking approval for its publication. In total 8 members of the committee responded, all of whom gave their approval.”

### **Recommendation**

1.        **That the decision to approve the report given by the Executive Committee is formally minuted as in paragraph 6.**

## **Item 7      Finance Report**

**Author:**                      Chris Smith                      Finance Officer

**Summary**                      To the end of November 2013 the expenditure against the core budget was 2.2% below profile and income almost exactly in line with the profile. Ongoing activity, funded by earned income and the Development Reserve, is progressing satisfactorily, as is externally funded project activity. The Small Grants Scheme continues to be promoted. By the end of the financial year it is currently forecast that reserves will have reduced by £14,919 and income received in advance of £25,551 applied to projects.

**Purpose of Report:**              To advise members of the Board's financial position to the end of November and likely position at the end of the financial year.

### **Background**

1.      The current financial position is satisfactory with no significant problems to report.
2.      This is the first year that the report has been prepared in the revised format agreed by the Committee. It separates core activity, ongoing activity (funded primarily from earned income and reserves), project activity (funded by external bodies such as the Heritage Lottery Fund) and small grants funded by the Development Reserve.
3.      The attached document records activity against each of these four categories.
4.      Core expenditure is just £7,975 below profile after eight months of the financial year, and ongoing activity £6,545 over. This latter figure reflects the success of the Countryside Festival and is matched by additional income.
5.      Project expenditure is £17,588 below profile at this stage (largely due to Chalk Streams activity) and small grant payments still to be allocated.
6.      Income from Defra, local authorities, and external funders is generally in line with expectation.
7.      A detailed sheet of "other income" earned by the Board is also attached. This shows that actual income is above profile by £13,669 at

this stage, reflecting the Countryside Festival and sales of merchandise.

**Recommendations:**

- 1. To note the current financial position.**

BUDGET CONTROL 2013-14							
MONTH 8: NOVEMBER 2013							
Description	Annual Budget	Profiled Budget to date	Actual to date	Variance	Projected Outturn	Year End Variance	Notes
	£	£	£	£	£		
<b>CORE ACTIVITY</b>							
<i>Expenditure</i>							
<b>Core Department 100:</b>							
<b>Promotion and Awareness</b>							
<i>Core expenditure:</i>							
Information Officer & E&A Officer	(93,255)	(62,170)	(62,168)	2	(93,255)	-	
Travel and subsistence	(1,700)	(1,133)	(842)	291	(1,700)	-	
Subscriptions magazines / newspapers	(525)	(350)	(68)	282	(525)	-	
Web site	(800)	(533)	-	533	(800)	-	
Printing & distribution costs	(1,400)	(933)	(515)	419	(1,400)	-	
Events and exhibitions	(1,500)	(1,000)	(466)	534	(1,500)	-	
Miscellaneous	(200)	(133)	-	133	(200)	-	
105 Annual Report	(1,050)	(707)	(688)	19	(1,120)	(70)	
106 Annual Forum	(1,000)	(735)	(708)	27	(1,000)	-	
107 Chalk and Trees 1st edition	(5,925)	(5,925)	(6,048)	(123)	(5,700)	225	
111 Environmental Tourism	(500)	(333)	(472)	(139)	(500)	-	
113 Historic Environment	(1,100)	(733)	-	733	(1,100)	-	
<b>Sub total</b>	<b>(108,955)</b>	<b>(74,687)</b>	<b>(71,975)</b>	<b>2,712</b>	<b>(108,800)</b>	<b>155</b>	

BUDGET CONTROL 2013-14							
MONTH 8: NOVEMBER 2013							
Description	Annual Budget	Profiled Budget to date	Actual to date	Variance	Projected Outturn	Year End Variance	Notes
	£	£	£	£	£		
<b>Core Department 200:</b>							
<b>Countryside Management</b>							
<b>Core expenditure:</b>							
Countryside & FLU Officer	(76,950)	(51,300)	(51,306)	(6)	(76,950)	-	
Travel and subsistence	(900)	(600)	(914)	(314)	(900)	-	
Publications	(75)	(50)	(26)	25	(75)	-	
Events / exhibitions	(250)	(167)	-	167	(250)	-	
Subscriptions: organisations	(90)	(60)	(50)	10	(90)	-	
Miscellaneous	(85)	(57)	-	57	(85)	-	
203 Commons	(5,000)	(4,000)	(4,413)	(413)	(5,000)	-	Including £4,000 applied to Commons Project
204 Chalk grassland group	(1,000)	(667)	(381)	286	(1,000)	-	
206 State of Environment Report	(1,600)	(1,067)	(298)	769	(1,000)	600	
207 Support for Trees & Woods Mgt	(3,500)	(3,500)	(3,000)	500	(3,000)	500	
<b>Sub total</b>	<b>(89,450)</b>	<b>(61,467)</b>	<b>(60,387)</b>	<b>1,080</b>	<b>(88,350)</b>	<b>1,100</b>	

BUDGET CONTROL 2013-14							
MONTH 8: NOVEMBER 2013							
Description	Annual Budget	Profiled Budget to date	Actual to date	Variance	Projected Outturn	Year End Variance	Notes
	£	£	£	£	£		
<b>Core Department 300:</b>							
<b>Planning and development</b>							
<b>300 Core expenditure:</b>							
Planning Officer	(63,075)	(42,050)	(41,971)	79	(62,995)	80	
Travel & subsistence	(1,180)	(787)	(698)	89	(1,180)	-	
Miscellaneous	(150)	(100)	-	100	(150)	-	
301 Planning Committee	(520)	(130)	(294)	(164)	(520)	-	
302 Planning conference	(900)	-	-	-	(900)	-	
303 Design Guidance	(25)	-	(3)	(3)	(25)	-	
304 Building design awards	(1,500)	(1,500)	(1,167)	333	(1,200)	300	
305 Technical assistance / training	(1,500)	(1,000)	(764)	236	(1,500)	-	
308 Management Plan	(10,000)	(2,050)	(2,065)	(15)	(10,000)	-	
<b>Sub total</b>	<b>(78,850)</b>	<b>(47,617)</b>	<b>(46,962)</b>	<b>655</b>	<b>(78,470)</b>	<b>380</b>	

BUDGET CONTROL 2013-14							
MONTH 8: NOVEMBER 2013							
Description	Annual Budget	Profiled Budget to date	Actual to date	Variance	Projected Outturn	Year End Variance	Notes
	£	£	£	£	£		
<b>Core Department 400:</b>							
<b>Recreation and Access</b>							
<b>Core expenditure:</b>							
Access Officer	(27,385)	(18,257)	(18,253)	3	(27,385)	-	
Travel and subsistence	(500)	(333)	(162)	172	(500)	-	
Miscellaneous	(150)	(100)	(44)	56	(150)	-	
401 Access public'ns incl. Country Walks	(2,000)	-	(73)	(73)	(2,000)	-	
402 Access conference	-	-	(5)	(5)	-	-	Deferred to early 2014-15
404 Access for all Improvements	(1,100)	-	-	-	(1,100)	-	
<b>Sub total</b>	<b>(31,135)</b>	<b>(18,690)</b>	<b>(18,537)</b>	<b>153</b>	<b>(31,135)</b>	<b>-</b>	
<b>Core Department 500:</b>							
<b>Corporate Services</b>							
<b>Core expenditure:</b>							
Chief Officer / Admin Officer	(107,000)	(68,485)	(68,676)	(191)	(107,000)	-	
Travel and subsistence	(1,750)	(1,167)	(1,074)	93	(1,750)	-	
Staff training	(3,000)	(2,000)	(2,107)	(107)	(3,000)	-	
Premises	(27,095)	(20,568)	(20,338)	230	(26,955)	140	
Office costs	(13,270)	(8,500)	(7,968)	532	(13,270)	-	
Office furniture & equipment	(935)	(623)	(181)	442	(935)	-	
IT (incl OS licences)	(5,275)	(3,517)	(4,631)	(1,115)	(5,275)	-	
Photography	-	-	-	-	-	-	
Meetings & events	(435)	(290)	(565)	(275)	(435)	-	
Finance	(19,265)	(13,177)	(10,002)	3,175	(18,310)	955	
Personnel	(3,835)	(1,503)	(1,487)	16	(3,835)	-	
Legal services	(1,560)	(1,040)	(468)	572	(1,560)	-	
Insurance	(3,600)	(3,600)	(3,262)	338	(3,600)	-	
Miscellaneous	(565)	(377)	-	377	(565)	-	
<b>Sub total</b>	<b>(187,585)</b>	<b>(124,847)</b>	<b>(120,760)</b>	<b>4,087</b>	<b>(186,490)</b>	<b>1,095</b>	

BUDGET CONTROL 2013-14							
MONTH 8: NOVEMBER 2013							
Description	Annual Budget	Profiled Budget to date	Actual to date	Variance	Projected Outturn	Year End Variance	Notes
	£	£	£	£	£		
<b>Core Department 600</b>							
<b>Member Services</b>							
<b>Core expenditure:</b>							
Members' allowances	(33,795)	(22,530)	(21,118)	1,412	(33,795)	-	Excludes SDF Panel allowances
Board member training	(1,500)	(1,000)	(3,009)	(2,009)	(3,010)	(1,510)	
Board meetings	(1,000)	(667)	(857)	(190)	(1,000)	-	
Miscellaneous	(50)	(33)	-	33	(50)	-	
601 Executive Committee	(150)	(100)	(56)	44	(150)	-	
<b>Sub total</b>	<b>(36,495)</b>	<b>(24,330)</b>	<b>(25,040)</b>	<b>(710)</b>	<b>(38,005)</b>	<b>(1,510)</b>	
<b>TOTAL CORE EXPENDITURE</b>	<b>(532,470)</b>	<b>(351,637)</b>	<b>(343,661)</b>	<b>7,975</b>	<b>(531,250)</b>	<b>1,220</b>	
National AONB	(2,500)	(2,500)	(2,500)	-	(2,500)		



BUDGET CONTROL 2013-14							
MONTH 8: NOVEMBER 2013							
Description	Annual Budget	Profiled Budget to date	Actual to date	Variance	Projected Outturn	Year End Variance	Notes
	£	£	£	£	£		
<b>Core Income</b>							
Defra: Core	425,976	319,482	319,482	-	424,907	(1,069)	To meet 80% of core expenditure
Local Authorities	104,255	104,255	105,781	1,526	105,781	1,526	
Town and Parish Councils	3,000	2,000	525	(1,475)	3,000	-	
Other earned income	1,739	958	1,641	683	62	(1,677)	Balancing figure
<b>TOTAL CORE INCOME</b>	<b>534,970</b>	<b>426,695</b>	<b>427,429</b>	<b>734</b>	<b>533,750</b>	<b>(1,220)</b>	
<b>NET CORE INCOME / (EXPENDITURE)</b>	<b>-</b>	<b>72,558</b>	<b>81,268</b>	<b>8,710</b>	<b>-</b>	<b>-</b>	
<b>FUNDED BY:-</b>							
<b>Development Reserve:</b>							
- Core surplus	-				-	-	
<b>Budget Equalisation Reserve:</b>							
- Core deficit						-	
<b>TOTAL TRANSFERS TO / (FROM) RESERVES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

BUDGET CONTROL 2013-14							
MONTH 8: NOVEMBER 2013							
Description	Annual Budget	Profiled Budget to date	Actual to date	Variance	Projected Outturn	Year End Variance	Notes
	£	£	£	£	£		
<b>ONGOING ACTIVITY</b>							
<i>Expenditure</i>							
<b>Ongoing Activity Department 100: Promotion and Awareness</b>							
103 Countryside Festival	(5,185)	(3,457)	(9,780)	(6,323)	(5,185)	-	Awaiting final figures - £4,000 surplus assumed
108 Chalk and Trees 2nd edition	(5,925)	-	-	-	(5,925)	-	
109 Educational Events	(2,250)	(1,500)	(343)	1,157	(2,250)	-	
110 Enjoying Woodlands	(3,500)	-	-	-	(3,500)	-	
<b>Sub total</b>	<b>(16,860)</b>	<b>(4,957)</b>	<b>(10,123)</b>	<b>(5,167)</b>	<b>(16,860)</b>	<b>-</b>	
<b>Ongoing Activity Department 200: Countryside Management</b>							
210 Small Works	(4,000)	-	-	-	(4,000)	-	
211 Local Nature Partnerships	(3,000)	(2,000)	(2,035)	(35)	(3,000)	-	From Development Reserve
213 Chilterns Rural Skills	-	-	-	-	-	-	Self financing
<b>Sub total</b>	<b>(7,000)</b>	<b>(2,000)</b>	<b>(2,035)</b>	<b>(35)</b>	<b>(7,000)</b>	<b>-</b>	
<b>Ongoing Activity Department 300: Planning and development</b>							
310 Planning Policies	(1,500)	-	-	-	(1,500)	-	
311 High Speed Two	(2,000)	(1,333)	(2,269)	(935)	(3,000)	(1,000)	From Earmarked Reserve
<b>Sub total</b>	<b>(3,500)</b>	<b>(1,333)</b>	<b>(2,269)</b>	<b>(935)</b>	<b>(4,500)</b>	<b>(1,000)</b>	
<b>Ongoing Activity Department 400: Recreation and Access</b>							
405 Cycling in the Chilterns	(1,500)	-	(410)	(410)	(1,500)	-	
<b>Sub total</b>	<b>(1,500)</b>	<b>-</b>	<b>(410)</b>	<b>(410)</b>	<b>(1,500)</b>	<b>-</b>	
<b>Ongoing Activity Department 500: Corporate Services</b>							
503 Research Grants Fund	(5,000)	-	-	-	(5,000)	-	From Development Reserve
504 IT Replacements & Upgrades	(3,000)	(1,350)	(1,348)	2	(3,000)	-	
<b>Sub total</b>	<b>(8,000)</b>	<b>(1,350)</b>	<b>(1,348)</b>	<b>2</b>	<b>(8,000)</b>	<b>-</b>	
<b>Ongoing Activity Department 600: Member Services</b>							
<b>Sub total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>TOTAL ONGOING ACTIVITY EXPENDITURE</b>	<b>(36,860)</b>	<b>(9,640)</b>	<b>(16,185)</b>	<b>(6,545)</b>	<b>(37,860)</b>	<b>(1,000)</b>	

BUDGET CONTROL 2013-14							
MONTH 8: NOVEMBER 2013							
Description	Annual Budget	Profiled Budget to date	Actual to date	Variance	Projected Outturn	Year End Variance	Notes
	£	£	£	£	£		
<i>Ongoing Activity Income</i>							
Balance of earned income	32,796	18,199	31,185	12,986	39,963	7,167	
<b>TOTAL ONGOING ACTIVITY INCOME</b>	<b>32,796</b>	<b>18,199</b>	<b>31,185</b>	<b>12,986</b>	<b>39,963</b>	<b>7,167</b>	
<b>NET INCOME / (EXPENDITURE)</b>	<b>(4,064)</b>	<b>8,559</b>	<b>15,000</b>	<b>6,441</b>	<b>2,103</b>	<b>6,167</b>	
<b>FUNDED BY:-</b>							
<b>Development Reserve:</b>							
Surplus	5,936				12,103	6,167	
Local Nature Partnerships	(3,000)				(3,000)	-	
Farm Advice Project	(2,000)				(2,000)	-	
Research Grants Fund	(5,000)				(5,000)	-	
	-				-	-	
<b>Budget Equalisation Reserve:</b>							
Deficit	-				-		
<b>TOTAL TRANSFERS TO / (FROM) RESERVES</b>	<b>(4,064)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,103</b>	<b>6,167</b>	

BUDGET CONTROL 2013-14							
MONTH 8: NOVEMBER 2013							
Description	Annual Budget	Profiled Budget to date	Actual to date	Variance	Projected Outturn	Year End Variance	Notes
	£	£	£	£	£		
<b>PROJECTS</b>							
<i>Expenditure</i>							
<b>Projects Department 200:</b>							
<b>Countryside Management</b>							
260 Chilterns Farm Advice Project	(2,000)	(1,333)	(2,223)	(890)	(27,000)	(25,000)	
250 Chilterns Chalk Streams (Core)	(33,400)	(22,267)	(21,056)	1,210	(33,400)	-	
251 Chilterns Chalk Streams (Projects)	(33,210)	(22,140)	(500)	21,640	(40,050)	(6,840)	
255 Chilterns Commons Project	(127,177)	(66,531)	(66,243)	288	(130,201)	(3,024)	
258 Box Woods Project	(35,260)	(6,750)	(12,745)	(5,995)	(35,260)	-	
261 Historic Farmsteads Survey	(2,000)	(1,333)	-	1,333	(2,000)	-	From Development Reserve
<b>Sub total</b>	<b>(233,047)</b>	<b>(120,354)</b>	<b>(102,766)</b>	<b>17,588</b>	<b>(267,911)</b>	<b>(34,864)</b>	
<b>Projects Department 400:</b>							
<b>Recreation and Access</b>							
406 Tourism Network	-	-	(5,993)	(5,993)	(5,995)	(5,995)	
<b>Sub total</b>	<b>-</b>	<b>-</b>	<b>(5,993)</b>	<b>(5,993)</b>	<b>(5,995)</b>	<b>(5,995)</b>	

BUDGET CONTROL 2013-14							
MONTH 8: NOVEMBER 2013							
Description	Annual Budget	Profiled Budget to date	Actual to date	Variance	Projected Outturn	Year End Variance	Notes
	£	£	£	£	£		
<b>TOTAL PROJECT EXPENDITURE</b>	<b>(233,047)</b>	<b>(120,354)</b>	<b>(108,759)</b>	<b>11,595</b>	<b>(273,906)</b>	<b>(40,859)</b>	
<b>Project Income</b>							
Farm Advice Project EA	-	-	25,000	25,000	25,000	25,000	
Defra: Chalk Streams	20,559	15,419	16,221	802	21,628	1,069	Balance of Defra grant of 446,535 after core.
Chalk Streams external income (core)	17,795	15,195	13,784	(1,411)	17,795	-	
Chalk Streams external income (projects)	33,210	33,200	43,180	9,980	42,050	8,840	
Chilterns Commons Project: HLF	99,309	66,206	46,672	(19,534)	97,650	(1,659)	
Chilterns Commons Project: other	10,458	6,972	10,725	3,753	7,000	(3,458)	
Box Woods Project: HLF	31,760	-	-	-	31,760	-	
Box Woods Project: Other	3,500	-	-	-	3,500	-	
Tourism Network	-	-	525	525	4,950	4,950	
<b>TOTAL PROJECT INCOME</b>	<b>216,591</b>	<b>136,992</b>	<b>156,107</b>	<b>19,115</b>	<b>251,333</b>	<b>34,742</b>	

BUDGET CONTROL 2013-14							
MONTH 8: NOVEMBER 2013							
Description	Annual Budget	Profiled Budget to date	Actual to date	Variance	Projected Outturn	Year End Variance	Notes
	£	£	£	£	£		
<b>NET INCOME / (EXPENDITURE)</b>	<b>(16,456)</b>	<b>16,638</b>	<b>47,348</b>	<b>30,710</b>	<b>(22,573)</b>	<b>(6,117)</b>	
<b>FUNDED BY:-</b>							
<b>Development Reserve:</b>							
- Historic Farmsteads Survey	(2,000)				(2,000)	-	
- Farm Advice Project	(2,000)				(2,000)		
<b>Budget Equalisation Reserve:</b>					(1,253)		
	-				-	-	
<b>Chalk Streams Reserve:</b>							
- Net surplus	4,954				8,231	3,277	
- Projects					-	-	
<b>Income received in advance:</b>	<b>(17,410)</b>				<b>(25,551)</b>	<b>(8,141)</b>	
<b>TOTAL TRANSFERS TO / (FROM) RESERVES</b>	<b>(16,456)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(22,573)</b>	<b>(4,864)</b>	

BUDGET CONTROL 2013-14							
MONTH 8: NOVEMBER 2013							
Description	Annual Budget	Profiled Budget to date	Actual to date	Variance	Projected Outturn	Year End Variance	Notes
	£	£	£	£	£		
<b>SMALL GRANTS SCHEME</b>							
<i>Small Grants Expenditure</i>							
To be allocated	(20,000)	-	(199)	(199)	(20,000)	-	
<b>TOTAL SMALL GRANTS EXPENDITURE</b>	<b>(20,000)</b>	<b>-</b>	<b>(199)</b>	<b>(199)</b>	<b>(20,000)</b>	<b>-</b>	
<b>FUNDED BY:-</b>							
Development Reserve							
- to be allocated	(20,000)				(20,000)		
<b>TOTAL TRANSFERS TO / (FROM) RESERVES</b>	<b>(20,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(20,000)</b>	<b>-</b>	
<b>RESERVES MOVEMENTS</b>							
General	-				-		
Budget Equalisation	-				(1,253)		
Development	(24,954)				(21,897)		
Chalk Stream earmarked reserve	4,954				8,231		
<b>TOTAL RESERVES MOVEMENTS</b>	<b>(20,000)</b>				<b>(14,919)</b>		
<b>RESERVES AT YEAR START / END</b>	<b>01-Apr-13</b>				<b>31-Mar-14</b>		
General	135,000				135,000		
Budget Equalisation	138,345				137,092		
Development	241,045				219,148		
Chalk Streams	19,697				27,928		
Red Kites	6,629				6,629		
<b>TOTAL RESERVES</b>	<b>540,716</b>				<b>525,797</b>		

		Other Income	Budget for year	Budget to date	Actual to date	Variance	Projected Outturn
			£	£	£	£	£
8							
	<b>Core Activity</b>						
100.4900	Promotion & Awareness	Earned income	600	400	137	- 263	600
500.4900	Unidentified income	incl. Red Kite donations	500	333	183	(150)	500
106.4900	Annual Forum	Income	550	367	232	(135)	550
107.4004	Chalk & Trees edition 1	Advertising income	2,200	1,467	2,397	930	2,395
107.4901	Chalk & Trees edition 1	Electronic subscriptions	140	93	222	129	200
203.4900	Commons		800	533	763	230	800
204.4001	Chalk Grassland		810	540	336	(204)	810
206.4900	State of the Environment Report		270	180	210	30	270
300.4900	Planning	Earned income	670	447	-	(447)	670
305.4900	Technical Assistance		950	633	-	(633)	950
302.4900	Planning Conference		900	900	1,560	660	1,560
304.4003	Building Design Awards		740	493	600	107	740
400.4400	Recreation & Access	Advertising income	490	327	650	323	650
401.4900	Access Publications		300	200	192	(8)	300
402.4900	Access Conference		-	-	-	-	-
	<b>Sub Total</b>		9,920	6,913	7,482	568	10,995
	<b>Other Earned Income</b>						
103	Countryside Festival	Income	7,185	3,750	13,780	10,030	9,185
108.4004	Chalk & Trees edition 2	Advertising income	2,200	1,467	-	(1,467)	2,200
108.4901	Chalk & Trees edition 2	Electronic subscriptions	140	93	-	(93)	140
109.4900	Educational Events		2,800	1,867	2,890	1,023	2,800
113.4900	Historic Environment		25	17	962	946	1,000
405.4400	Chilterns Cycleway	Advertising income	200	133	-	(133)	200
500.4008	Corporate	Interest received	8,065	2,250	2,283	33	7,505
	<b>Sub Total</b>		20,615	9,577	19,915	10,338	23,030



	Merchandise sales						
	Promotion & Awareness	incl. People & Places book		-	2,097		
	Planning			-	68		
	Cycleway guidebooks			-	3,265		
			4,000	2,667	5,430	2,763	6,000
	<b>Total</b>		34,535	19,157	32,826	13,669	40,025
	Core 5%			958	1,641	683	
	Ongoing 95%			18,199	31,185	12,986	

## Item 8 Medium Term forecast 2014-16

**Author** Steve Rodrick Chief Officer  
Chris Smith Finance Officer

**Summary** A sub group has met twice to consider options to address the forecast deficits for 2014-15 and 2015-16. A series of options are presented which reduce the operating deficit and only requires limited use of reserves whilst increasing income. It is proposed to reduce the size of the Core Operating budget to a level that the cost can be, more or less, met from core income in 2014-15 and a contribution of £40,000 from the reserves in 2015-16. Ongoing activity costs will have to be met from earned income and an allocation from the Development Reserve.

**Purpose of the Report** To consider and approve the principles and assumptions used to prepare the provisional budgets for 2014-15 and 2015-16.

### Background

1. In response to the forecast annual deficit of up to £100,000 by 2015-16, the Executive Committee appointed a sub-committee to investigate options to reduce the deficit. The committee (Mike Fox, Ian Reay, Alan Walters, Jeremy Ryman, Chris Smith and Steve Rodrick) has met twice; on 17<sup>th</sup> October and 25<sup>th</sup> November.
2. The sub-committee conclusions and recommendations are incorporated in this report.
3. The following assumptions have been used to prepare the budget and each needs to be considered by the Committee
4. Following such consideration and any amendments a finalised **provisional** budget will be prepared for working purposes. Once the contributions from core funding providers are known together with some other current unknowns (e.g. pension contributions) a finalised budget will be presented to the Executive Committee and Board in March 2014.

### Expenditure to be included in the Core Operating Budget

5. The core budget should include only items of expenditure considered to be essential and for which there is little scope to attract external funding. This largely means employment costs, member's allowances and the operating costs of the Board including the office.

### **Re-allocate Events, Publications and most activity from the Core Budget to the Ongoing Activity Budget**

6. All events and publications (with the exception of the Annual Review and Statement of the Environment Report) are re-allocated to the Ongoing Activities budget and are expected to be self-financing or covered by externally secured funding. Exceptionally a contribution from the Development Reserve might be considered (e.g. Annual Forum)

### **Include the cost of employing the Chalk Streams Officer in the core budget**

7. The Chalk Streams Project Officer position has been in place for 12 of the past 13 years and should be regarded as a core post. The other project officer posts are fixed term contracts directly linked to Heritage Lottery Fund grants. The annual full cost of this part-time position (4 days per week) will be £31,650 in 2014-15.
8. Currently the Chalk Streams Project Officer post is paid for by a contribution of up to £20,000 from the Board's DEFRA grant, £10,000 from the Environment Agency and £3,300 from a water company (Affinity Water plc). All this grant would, in future, be re-allocated to core income. N.b. in 2014-15 the funding profile is expected to change slightly. (£5,000 from EA and £6,600 from Water Companies)
9. The Chalk Streams Project reserve is forecast to stand at £27,928. Of this £5,000 per annum should be used to meet employment costs. The agreement of the Chalk Streams Project Steering Group for use of the reserve would be needed.

### **Contribution to the Chiltern Woodlands Project**

10. The Board has provided financial support of approximately £7,000 to the Chiltern Woodlands Project for many years. The Board also provides office accommodation for which a modest rent is charged. The Project reimburses the Board for all its direct office costs such as telephone and postage. Because the Woodland Project exists the Board has never felt the need to employ its own Woodland Officer, which it might well otherwise do. The value for money the Board receives from this arrangement is considerably in excess of the alternatives. It is proposed, therefore, that a provision of £6,500 is made in the core operating budget.

### **Employer's Pension Contribution**

11. It is assumed that the Employer's pension contribution will increase from 14.1% to 16% following the triennial valuation due to be published in March 2014.
12. The additional cost would be £6,070. Each 1% costs £2,725.



18. The sub Committee felt that as specific Red Kite related activity was at a low level, it would be appropriate to use the Red Kite Reserve for any project which benefitted wildlife.
19. As per paragraph 9 it is proposed to seek the agreement of the Chalk Streams Project Steering Group to draw down £5,000 from the Project's reserves for each of the next two years as a contribution to the employment costs of the Project Officer.
20. As a rule thumb it was suggested that the amount of reserves used should approximate to the drop in income from DEFRA and the local authorities, (in 2014-15 this is forecast to be £38,000 and in 2015-16 it will be a further £43,000).
21. The sub-committee also suggests that a costing exercise is undertaken to calculate precisely the actual costs of winding up the Board, should such an unlikely event actually occur. This exercise would give a more accurate assessment of the amount which needs to be kept in the General Reserve. In practice it was felt that not only was such an event very unlikely, up to two years notice is likely to be given which would probably result in a lower final winding up cost which could be met from the annual revenue grant.

### **DEFRA and Local Authority Funding**

22. All of the DEFRA grant aid and the funding provided by local authorities, including that from parish and town councils, should be automatically allocated to the core budget.
23. It is believed that the grant from DEFRA will decline by £28,655 in each of the next two years. However DEFRA will issue a statement shortly to confirm the figures.
24. It is assumed that income from the local authorities (excl. PCs) will decline by £10,000 in 2014/15 and £15,000 in 2015/16. £104,000 is being received in 2013/14. Contact is being made with all local authorities to try and get a better forecast for the likely level of funding. In recent years most authorities have been unable to confirm the contribution until late in the financial year.
25. Whilst there is a possibility that parish and town councils will continue to provide funding in the region of £3,000, they too are under financial pressure and a significant increase is most unlikely and has not, therefore, been included in the provisional budget. The target for 2015-16 is £4,500

### **Inflation**

26. An inflationary element has been included for employment costs. Otherwise all inflation has to be absorbed within the budget.

## **VAT**

27. The Board is unable to reclaim VAT (it requires a legislative change to alter the Board's status to achieve this - it has, therefore, been discounted as an option). There are no obvious means of avoiding VAT, but this will be kept under review.

## **Treasury Income**

28. All Treasury Income (forecast to be £7,500 in 2014-15) should automatically be allocated to the core budget.
29. Following discussions with Chiltern DC and the Cotswolds Conservation Board, no realistic opportunities to increase treasury income have been identified. Their rates of return are virtually identical to the Board's.
30. To earn a higher rate of return the Board would need to change its investment policies and be willing to accept a higher level of risk. It would also need to decide whether it is more important to generate a higher rate of return than maintaining the capital value of the reserves, for example by investing in the stock market.
31. Given the term over which investments are typically made (one year) it is not realistic to expect any increase in 2014/15, but a modest increase might be feasible in 2015/16 especially if the base rate is increased. It is also clear that investing for a longer term doesn't significantly increase the rate of return but does lock in the investment. However, further investigations will be made.
32. The possibility of making small loans to earn a higher rate of return will be investigated. At first reading of the Board's Parliamentary Order it does not appear that the Board has the power to make loans. A second opinion is being sought.

## **Earned Income including Merchandise Sales**

33. This is income earned from events, fees, sales and donations. In 2013-14 it was budgeted to be £34,000 incl. £8,000 from Treasury. In future earned income and Treasury Income will be shown separately in the budget.
34. The Treasury Income will be automatically allocated as core income and used to meet the core operating costs. Unless needed for the core operating costs the Earned Income will be allocated to the Ongoing Activity Budget.
35. From 2014-15 onwards it is hoped that the Special Events programme will be the primary source of increased earned income bringing in a 50% net return on expenditure.

**Reducing core operating costs**

36. Table 1 shows a number of options to reduce core operating costs to provide savings of up to £33,000. Some of the costs would transfer to the Ongoing Activity budget which is supported by external grants, earned income and use of reserves, but not core grant from DEFRA or the local authorities.

Item	2013-14 budget	14-15 budget	Saving
Notes are on the next page			
<b>Promotion and Awareness</b>			
Subscriptions and Newspapers	525	300	225
Printing and Distribution Costs	1,400	1,000	400
Events and Exhibitions (1)	1,500	850	650
Annual Report	1,050	750	275
Annual Forum (2)	1,000	800	200
Environmental Tourism	500	0	500
Historic Environment (3)	1,100	0	1,100
<b>SAVING</b>			<b>2,350</b>
<b>Countryside Management</b>			
Commons (4)	5,000	0	5,000
Chalk Grassland Group	1,000	0	1,000
State of the Env Report (5)	1,600	500	900
<b>SAVING</b>			<b>6,900</b>
<b>Planning and Development</b>			
Planning Committee expenses	520	200	320
Planning Conference (6)	900	0	900
Design Awards (7)	1500	0	1500
Technical Assistance (8)	1500	0	1500
Management Plan (9)	10,000	0	10,000
<b>SAVING</b>			<b>14,220</b>
<b>Recreation and Access</b>			
Publications (10)	2,000	0	2,000
Access Improvements	1,100	0	1,100
<b>SAVING</b>			<b>2,600</b>
<b>Corporate Services</b>			
Training	3,000	2,000	1,000
Premises	27,095	26,000	1,095
Office Costs	13,270	12,000	1,270
Office Furniture and Equipment	935	200	735
Personnel	3,835	2,745	1,135
Misc	565	250	315
<b>SAVING</b>			<b>5,550</b>
<b>Member Services</b>			
Allowances (11)	33,795	33,060	735
Board Member Training (12)	1,500	750	750
<b>SAVING</b>			<b>1,485</b>
<b>TOTAL SAVINGS</b>			<b>33,105</b>

- (1) Not attending County Shows in 2014/15
- (2) Net cost figures used - income received for lunches and, in future, sponsorship
- (3) Costs of Chilternsaetna to be covered by reserves- need to look for advertising and sponsorship
- (4) £4,000 for commons needed in 14/15 to be allocated from reserves. Project ends in 15/16
- (5) State of Env Report to be designed in-house
- (6) To be self-financing - no contribution from core budget. Income in 2013 exceeded costs by £600.
- (7) CCB contribution (£750) to be met from reserves. C Soc contribute 50%
- (8) If support is needed to be met from reserves
- (9) All costs to be met from 13-14 budget incl. printing of final document
- (10) Chilterns Country- if stock s run out they will only be available in digital format or paid from external income. Any new publication will have to be self-financing.
- (11) Assumes 5% cut due to cap
- (12) One tour only.

### **Members Allowances**

37. A small number of members choose not to claim their allowances. In past years the full cost has been included in the budget in case all members did claim. However, in future it is suggested this is reduced to reflect the likely level of allowances actually paid.
38. Members will be asked in March 2014 if they intend to claim part, or all of their allowances. This will enable the budget to be amended to include only the actual cost of expenses likely to be claimed.
39. Members have previously discussed the possibility of a cap. The difficulty has been to identify what the cap should be. The sub-committee agreed that a possible baseline could be the DEFRA grant. The total cost of the Member's allowances (excl. traveling expenses) could be adjusted according to the percentage change in the Defra grant.
40. Even if this cap or baseline is adopted it is proposed that Member's allowances continue to be adjusted in line with the cost of living award offered to staff.



## The Core Operating Budget Deficit

**Table 2**

<b>CORE BUDGET</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>
<b>Core Budget Exp</b>	532,470	537,735	545,735
National AONB Association	2,500	2,500	2,500
<b>Total Core Budget Exp</b>	<b>534,970</b>	<b>540,235</b>	<b>548,235</b>
<b>Core Budget Income</b>			
DEFRA	425,976	417,880	388,666
Local Authorities	104,255	94,255	79,255
Town and parish Councils	3,000	3,000	4,500
Treasury Income	0	7,565	8,000
Chalk Streams Income re-allocated to core inc reserves	0	16,600	16,600
<b>Total Core Income</b>	<b>533,231</b>	<b>539,300</b>	<b>497,021</b>
<b>Deficit</b>	<b>1,739</b>	<b>935</b>	<b>51,214</b>

(1) The contribution to the National Association cannot include grant-aid from DEFRA

41. The deficit in 2014-15 would be £935 and in 2015-16 £51,214.
42. It is proposed that in 2014-15 the deficit is covered by an allocation from the Budget Equalisation Reserve.
43. In 2015-16 it is proposed that £40,000 is covered by the Budget Equalisation Reserve and the balance by earned Income. The net effect will be to reduce the Budget Equalisation Reserve from £137,300 to £96,065.

### Ongoing Activity

44. Table 3. In 2014-15 it proposed to have a similar level of ongoing activity to 2013-14 but some items previously included in the core budget would be re-allocated to ongoing activity.
45. In general these activities are expected to be self-financing, but where necessary the Development Reserves would be used. In 2014-15 the Red Kites Reserve (£6,629) will be used for any ongoing activity which benefits wildlife.
46. The major change will be the development of the Special Events Programme for which the target is a 50% return on expenditure.

<b>ONGOING ACTIVITY</b>	2013-14	2014-15	2015-16
<b>Promotion and Awareness</b>			
Countryside Festival	5,185	5,185	5,185
Chalk and Trees	11,850	11,850	11,850
Chilternsaetna (newsletter)	1,100	1,100	1,100
Woodlands	3,000	0	0
Educational Events	2,250	2,250	2,250
<b>Sub total</b>	<b>23,385</b>	<b>20,385</b>	<b>20,385</b>
<b>Countryside Management</b>			
Site Management (small works)	4,000	2,000	6,000
Local Nature Partnerships	3,000	3,000	3,000
State of the Env Report	500	0	0
Farm Advice Project	2,000	2,000	0
Farmers Forum	0	500	500
Commons Project Contribution	4,000	4,000	4,000
Events	0	250	250
Hillforts	0	2,000	0
Box Woodland Project	3,000	3,000	3,000
<b>Sub total</b>	<b>16,500</b>	<b>16,750</b>	<b>16,750</b>
<b>Planning and Development</b>			
Planning Conference	900	900	900
Technical Assistance	1,525	0	0
Building Design Awards	1,500	1,500	1,500
High Speed Two	2,000	2,000	0
Planning Policies	1,000	0	0
<b>Sub Total</b>	<b>6,925</b>	<b>4,400</b>	<b>2,400</b>
<b>Recreation and Access</b>			
Access Improvements	1,000	1,000	1,000
Access Publications	2,000	2,000	2,000
National Trail Projects	0	1,000	2,000
Access Conference	0	500	500
<b>Sub Total</b>	<b>3,000</b>	<b>4,500</b>	<b>5,500</b>
<b>Other</b>			
IT Upgrades	3,000	2,000	3,000
Bursaries	0	1,000	1,000
Special Events Programme	2,000	10,000	12,000
<b>Sub Total</b>	<b>5,000</b>	<b>13,000</b>	<b>16,000</b>
<b>TOTAL Ongoing Activity Expenditure</b>	<b>54,810</b>	<b>59,035</b>	<b>61,035</b>

<b>Ongoing Activity Income</b>			
Balance of earned income	0	29,490	35,000
Special Events Income	0	15,000	18,000
<b>TOTAL INCOME</b>		<b>44,190</b>	<b>53,000</b>
<b>Development and Red Kites Reserve</b>		<b>14,545</b>	<b>8,035</b>

## **Projects**

47. These are expected to be funded from external grants. However it is usual for the Board to be expected to provide a small amount of match funding
48. The following projects will require some contribution from the Board's Development reserves

HLF Commons Project	£4,000	2014-15 and 2015-16
HLF Box Woods	£3,000	2014-15 and 2015-16
Farm Advice Project	£2,000	2014-15
HLF Hillforts Project	£5,000	2014-15 for 5 years (*)
HLF Farmsteads Project	£3,000	2014-15 for 3 years (*)

(\*) Grant applications to be submitted in 2014

This equates to an annual contribution from the Development Reserve of £20,000. (As at 1<sup>st</sup> April 2014 = £218,410) which is included in the Ongoing Activity budget.

## **Small Grants Fund**

49. The current fund of £20,000 is entirely provided from the Board's Development Reserve. The level of the Development Reserve is sufficient to maintain this level of contribution for at least the next two years. In practice it is possible that some of the expenditure met from the Ongoing Activity budget (e.g. a contribution to the Chiltern Woodland Project or Local Nature Partnership) could be met from this fund instead.
50. The Sub Committee recommended that provision is made in the accounts for small project support of up to £20,000. This will not be offered as a formal grant scheme nor will its availability be publicised. However, it will be available to support projects that the Board either develops itself or becomes aware of during the year.

## **Conclusions**

51. The proposed principles on which the provisional budgets are presented assumes that the existing model continues, i.e. the Board structure, staff team, office and the nature of the work programme. With an increase in

earned income and relatively modest use of reserves this is sufficient for a least the next two financial years and arguably longer. A significant argument in favour of the proposed approach is that it avoids having to invest time, money and energy in any re-structuring with commensurate impacts on morale and effort.

52. If, however, significant Government cuts and a reduction in local authority support continues beyond 2015-16 then a fundamental re-appraisal will be needed. However, as many AONB partnerships do not have the same financial robustness as the Board it is likely a national watershed will have been reached before then.

53. By April 2016 the level of Reserves is likely to be:

General Reserve	£135,000
Budget Equalisation	£ 92,681
Development reserve	£202,159
Chalk Streams reserve	£ 16,251
<b>Total</b>	<b>£446,091</b>

54. Over the two financial years a total of £79,176 will have been drawn down, representing 15.1% of the reserves as at 1.4.2014. This must be considered, still, to be a healthy level of reserves and sufficient for the Board to allocate £20,000 per annum to a special projects fund.

### **Recommendations**

1. **The assumptions used to prepare the provisional budgets for 2014-15 and 2015-16 are supported.**
2. **There should be a provision to offer the staff a cost of living award at the rate of the CPI (assuming it is no more than 2%).**
3. **The Members' Allowance be adjusted by the annual percentage change in the value of the DEFRA grant (excl. inflation)**
4. **That there should be no Small Grant Scheme but a provision made of up to £20,000 to for work which the Board agrees to support during the financial year.**



6. This must be an easy and low cost scheme to promote and administer. A straightforward application form with supporting guidelines would be prepared and promoted via the Board's usual PR avenues, largely digital and Chalk and Trees. There will also be plenty of scope for members of the Board and staff to raise awareness especially if they are aware of individuals seeking support for worthwhile studies.
7. There would be no specific application window. Applications would be welcomed until such time as all four bursaries are awarded. It is proposed to appoint a bursary panel of 3 Board members who would consider and approve applications either by E mail or at a suitable meeting convened for other purposes.
8. In return for awarding the bursary the Board would require a report on what was achieved as a result and, if appropriate, a copy of a study or research report. Applicants would also be expected to acknowledge the assistance they have received.
9. The cost has been included in the provisional budgets for 2014-15 and 2015-16.

### **Recommendations**

- 1. To support the creation of a bursary fund of £1,000 per annum to be included in the provisional budget for 2014-15 and 2015-16**
- 2. To offer four bursaries of up to £250 each for study in the fields of: the Water Environment and Wildlife; the Historic and Cultural environment; the Landscape; and Enjoyment of the Countryside**
- 3. To appoint a panel of three members to award the bursaries.**







visitors and, in particular, the short break market for sustainable tourism based on six themes:

- Countryside, walks and rides
- Historic houses and gardens
- Food tourism
- Film locations
- Historic market towns
- Four-season destination

6. Specific objectives include:

a) To be the voice for Chilterns Tourism

The Chilterns needs an independent, market-led voice to bring together all the disparate tourism businesses and organisations, provide direction, resources and encouragement to businesses to support the development of the tourist economy in the Chilterns. The CTN provides a point of contact for businesses and facilitates networking and collaborative activity.

b) Increase overnight stays

c) Increase the number of tourism businesses involved with CTN

d) Increase the amount of collaboration and cross-promotion by tourism businesses

e) Increase the number of businesses promoting the Chilterns brand

### **How will this be achieved?**

7. Even without any funding the CTN can still maintain its core business network activity and maintain the Visit Chilterns website through input from the steering group and other businesses. The CTN does not have any operating costs, (the Visit Chilterns website hosting is free of charge as it shares the same platform as the Chilterns AONB website). These core activities are shown below:

- Regular business networking events.
- Tourism information exchange and regular e-newsletters.
- Maintaining and promoting [www.VisitChilterns.co.uk](http://www.VisitChilterns.co.uk)
- Social media activity
- Data gathering such as the Chilterns accommodation occupancy surveys.
- Promoting use of the free online marketing resources for businesses.
- Press, PR and social media programme

8. To have any substantial impact and to undertake new projects, the CTN needs to attract funding. A business plan and work programme have been developed showing the types of projects and campaigns that the CTN would like to take forward. The CTN does not currently have any financial resources

and is dependent on securing external funding and raising income through advertising and business contributions.

### **Composition of the CTN and current governance**

9. The CTN is not a formal membership organisation and there is no joining fee. The businesses on the CTN's mailing list have shown an interest in the activities of the CTN and on being kept informed via e-newsletters and emails. CTN meetings are well supported, attracting between 20 and 45 attendees. The CTN represents a broad range of visitor economy interests from hotels, visitor attractions, museums, tour operators, countryside sites, business support, services, retailers, market towns, local authority and statutory tourism bodies.

10. The CTN has no paid staff. It is managed by a steering group (see below) which sets the organisation's objectives and manages the delivery of the work programme on behalf of the network:

Tony Mitchell	- GoApe
Annette Venters	- Chilterns Conservation Board
Nick Phillips	- Ngage Solutions
Iain Thomson	- Walkfree BreakFree
Peter Coneron	- Tring Together
Mary Tebje	- MTA Tourism Leisure
Hannah Purcell	- National Trust
Rachel Higgs	- Wycombe Tourist Information Centre
Karen Wade	- The Henley Partnership
A N Other	- The Chiltern Brewery

11. The CTN currently operates as an Unincorporated Body which means it has no legal status. This has the following implications:

- The Steering Group and members are personally liable.
- Funding Bodies, partners and Local Authorities are reluctant to commit funding.

### **Constituting the CTN**

12. The CTN has taken steps to become constituted. Various options were considered and specialist advice was obtained from two organisations experienced in the field of Legal Constitutions. The preferred option is for the CTN to be listed as a "Not for profit Company Limited by Guarantee (CLG)". Not for profit means that any profits generated will be invested back into the Company and not distributed to members or others. Limited by Guarantee means that Directors and Members have limited liability – usually set at £1 to £10 towards costs should CTN be wound up (CTN would need to take out indemnity insurance to cover any claims made against Directors who carry the overall legal responsibility for CTN).

13. This organisational model is preferred to others because it is simple to set up and:

- It offers more flexibility on how CTN operates than other models (within Companies House regulations and Company law).

- Provides options to change to an alternative type of constituted body at a later date.
14. The costs of being a constituted body are estimated at up to £500 per year to cover insurance and financial auditing.
  15. The CTN is looking to appoint a minimum of 5 directors (preferably 7) which will include a strong business representation. It has been agreed that some of the directors will come from the current steering group to provide continuity. The CTN is looking for one high-profile director to act as a figure-head.
  16. Directors stand as individuals. There is merit in the Board seeking to appoint a director, at least in the short term, to help get the CTN established as a constituted body and ensuring a smooth transition.

### **Chilterns Conservation Board – Why get involved and what are the benefits?**

17. The Board provided substantial help to deliver the LEADER tourism programme including a contribution towards the Visit Chilterns website. The input will be much less and consist of a member of staff helping to update the website as well as being a member of the steering group. An on-going involvement is desirable as it supports the Board's core aims of 'fostering economic and social well-being' and 'increasing understanding and enjoyment', more specifically:
  1. The CTN supports the visitor economy. Tourism already contributes substantially to the Chilterns economy, but it could be much greater given its strengths as a visitor destination, its accessibility and the opportunities to develop the short break market. This would capitalise on national trends of increased holidays at home and an increase in activity-based short breaks. It would also build on tourism initiatives such as Our Land, Cycle Chilterns and the future development of the Ridgeway and Thames Path national trails.
  2. Contact with tourism businesses has been invaluable, it has led to businesses joining Our Land, getting involved with CCB events such as the Countryside Festival and it has provided market intelligence through surveys and direct contact with businesses. The Visit Chilterns website alerts the CCB to new businesses, the CCB regularly receive emails via the website from new businesses or new contacts, see appendix 2 for examples.
  3. The existence of the CTN (and market data it has gathered) has been used as evidence of the value of tourism in the Chilterns. This has proved useful for the CCB and others in countering HS2 and other potential developments.

**Visit Chilterns Web Site** ([www.VisitChilterns.co.uk](http://www.VisitChilterns.co.uk))

18. The web site is co-hosted with AONB web site. The Conservation Board owns the domain name. It is similar to the Board's own web site and there are many links between them. It is vital that the Visit Chilterns web site continues and maintains the high standards established for it. If these standards drop and elements which are inconsistent with the Board's aim and objectives are introduced, there is a reputational risk. It is proposed therefore, that when the CTN is properly constituted, the Board licences it to use the domain name and manage the site for an initial period of two years. After this period, subject to satisfactory performance, it should be willing to transfer ownership and management of the site to the CTN.

**Recommendations**

1. **To approve the proposal that the Chilterns Tourism Network should be constituted as a not-for profit company limited by guarantee.**
2. **That the newly constituted company should have a minimum of 5 directors**
3. **To approve the nomination of Annette Venters as a director of the CTN for an initial 1-year period.**
4. **To agree to licence the CTN to manage the Visit Chilterns web site for an initial period of two years once the CTN has been formally constituted.**

## Appendix 1: Summary of CTN Achievements

- Successfully delivered a £30,000 Chilterns Leader project
- Attracted 150 CTN members in just two years (90 within the last 12 months).
- Developed a new brand “Choose the Chilterns - Naturally Outstanding’ that is being widely used by businesses to promote the Chilterns.
- Launched [www.VisitChilterns.co.uk](http://www.VisitChilterns.co.uk) in 2013, which now attracts 3,000 unique monthly visits.
- Developed free marketing resources, now used by businesses to support and encourage them to promote the Chilterns, including a high quality image gallery, inspirational copy, headlines, logo, competitions and trails.
- Organised the first destination consumer event with over 20 business participating - the Big Chilterns Weekend, as part of the Visit England Tourism Week annual initiative.
- Press coverage (that we know of), has generated over 80 press articles in international, national, regional and local media.
- The CTN is now regularly consulted by a wide range of organisations, from county and district councils to interest groups and the media.
- Encouraged collaborative working to generate more overnight visits.
- Hosted regular CTN meetings in various locations across the Chilterns with business generously providing facilities free of charge.
- Distributed bi-monthly tourism-focused newsletter with opportunities, news and wider market intelligence for CTN members.
- An ongoing successful social media campaign and promotion of local events, destination and local distinctiveness across a number of platforms with increasing consumer, travel trade and media engagement.
- The CTN is working with and helping to promote other Chilterns-wide tourism initiatives such as Cycle Chilterns, Our Land and Visit Bucks.
-

## Appendix 2: Examples of the type of contacts generated through Visit Chilterns

### Emma Sweet, Marketing Manager for Brakspear, 23<sup>rd</sup> October 2013

I just received your email on the Chilterns Tourism Network. It might be worth me popping along to your next meeting on the Countryside walks and rides, as we have a new ale trail that could link in nicely. More info is here [www.countrysidetraill.co.uk](http://www.countrysidetraill.co.uk). This could be something I look to advertise in the new year on your website.

### Anthea Osborn-Jones, 18<sup>th</sup> November 2013

I have been looking at your website and considering whether it would be possible to be included. I have recently started a walking and Nordic walking business near Henley on Thames. The aim is access for all to the Countryside including the less able and those with special needs including those who are wheelchair dependent.

[www.afootinthechilterns.co.uk](http://www.afootinthechilterns.co.uk)

### Susan Nash, Hill Farm and Orchard Wigwams, 28<sup>th</sup> October 2013

We are just about to open our two Wigwams for business and wondered if it would be possible to feature on Visit Chilterns?

[www.wigwamholidays.com/Hill Farm and Orchard Wigwams](http://www.wigwamholidays.com/Hill_Farm_and_Orchard_Wigwams)

The screenshot shows the homepage of Cholsey Grange Farm. At the top, there is a navigation menu with links for 'Home', 'Book Dates', 'Home', 'About Us', 'Contact Us', 'Where We Are', 'Services & Terms', 'Sitemap & Privacy', and 'Contact Us'. The main content area includes a large photo of people on a farm, a 'Where we are...' section with a map, and a 'Images...' section with a grid of photos. The website is for Cholsey Grange Farm, located in Ibbstone, Bucks, and is a member of the Caravan Club and Visit Chilterns.

Several other new businesses have contacted the CTN in the last 2 months, these contacts are often passed on to others (eg to Our Land or the Leader programme). For example Cholsey Grange Farm in Ibbstone which now has a small caravan site as an adjunct to their farm [http://cholseyfarm.co.uk/](http://cholseyfarm.co.uk)

## **Item 12**                      **Report on HS2**

**Author**                                      Steve Rodrick                      Chief Officer

**Summary**                                      The Hybrid Bill was lodged and the accompanying Environmental Statement was published on 25<sup>th</sup> November. The Bill had its first reading on 25<sup>th</sup> November and the deadline for comments on the ES is 24<sup>th</sup> January 2014.

**Purpose of Report**                              To inform and to seek guidance on priority areas for comment

### **Background**

1.     The Hybrid Bill was lodged and the accompanying Environmental Statement was published on 25<sup>th</sup> November. The Bill had its first reading in the House of Commons on 25<sup>th</sup> November and the deadline for comments on the ES is 24<sup>th</sup> January.
2.     The ES is an enormous document running to 55,000 pages. It has been made available on-line and can be bought on a memory stick for £25. Printed copies can be bought - the total cost would be over £13,000. Many have wondered why the Government is charging at all, let alone exorbitant prices- a single map book costs over £500 considerably in excess of the actual printing cost
3.     The consultation period of 56 days only includes 44 working days (excl. weekends and public holidays). There has been a great deal of criticism about the short period for consultation but the Government has robustly defended its timetable claiming that it is more than they were required to offer and, fortunately, their effective community engagement prior to the publication meant that most parties were well aware of its content.
4.     The Board has joined in with this criticism which is a blatant attempt to stifle comment which it is anticipated, probably correctly, that the vast majority of response would be critical of the concept and detail. The Board had already lobbied directly local MPs to seek both a delay until after Christmas and an extension to 12 weeks. Their efforts were met with an equally robust rebuttal.
5.     The media has been extremely sympathetic to the unreasonable timetable and amongst the coverage was an article in The Daily Telegraph with quotes from and a photograph of, local people in Gt.Missenden Library. Both Shirley Judges and Ray Payne took part.
6.     Amongst the surprises and disappointments is the proposal to dump over 12 million tonnes of spoil in the AONB. These are arising from the, so called,

green tunnels and cuttings but not the bored tunnels. This represents over 99% of the spoil. No attempt is being made to take any of it to another, more suitable, location. This quantity is considerably in excess of what even HS2 deem necessary to create embankments and noise bunds (artificial cuttings). It appears simply to be a cost saving measure. They claim it is being done for environmental reasons to reduce the number of lorry movements. The Observer covered the story in some depth on December 1<sup>st</sup>.

7. It is arguable that this feature of the design, amongst many others, shows that the Government has failed to comply with the duty in Section 85 of the Countryside and Rights of Way Act 2000 which states:

General duty of public bodies etc. **85.** - (1) In exercising or performing any functions in relation to, or so as to affect, land in an area of outstanding natural beauty, a relevant authority shall have regard to the purpose of conserving and enhancing the natural beauty of the area of outstanding natural beauty.

(2) The following are relevant authorities for the purposes of this section-

- (a) any Minister of the Crown,
- (b) any public body,
- (c) any statutory undertaker,
- (d) any person holding public office.

8. The massive size of the Environmental Statement is impossible to adequately read and digest in the time available. It is proposed to concentrate on those issues on which the Board might decide to petition on, including

- 1. The case for longer bored tunnel
- 2. The dumping of spoil in the AONB
- 3. The impact on the rights of way network
- 4. The impact on the wider, historic, landscape
- 5. The impact on the aquifer and hydrology.

9. Board members and staff have attended briefing sessions led by Parliamentary agents and planning lawyers, which have been very useful, not least on how to avoid wasting effort at this stage. Thus far HS2 Ltd has taken virtually no notice of the Board or any other organisation which has sought to mitigate the impact of HS2 on the Chilterns. There is no reason to believe that it is prepared to make any significant changes in response to comments on the Environmental Statement. The most productive effort will be that used to support the issues on which the Board wishes to petition for changes to the Select Committee, which will be appointed after the Second Reading, expected to be no later than May 2014 and possibly earlier.



10. It is worth noting that informed legal opinion suggests that it is near impossible for the Government to secure Royal Assent before the next election in which case cross party agreement will be needed for the Bill not to fall and be carried forward to the next Parliament.
11. The Supreme Court ruling on whether HS2 should have been subject to a Strategic Environmental Assessment is still awaited.
12. As previously reported the launch of the non-market effects of a tunnel was launched in Portcullis House in Westminster on December 2<sup>nd</sup>. Ray Payne took a leading part in the session chaired by Cheryl Gillan MP and supported by Lord Stevenson of Balmacara who lives in Gt.Missenden.
13. That report shows that the non-market benefits a tunnel would be between £500 million and £750 million. In addition a long bored tunnel would life more than £150m of property blight.
14. Given the government's conduct thus far it is likely that the parliamentary timetable will not be announced until as late possible and the shortest possible time for engagement will be provided. The Board, therefore, needs to identify those issues on which it wishes to petition and have a case prepared by mid-March at the latest. There is a reasonable likelihood that the Board will be called to appear at a Select Committee, but that is unlikely to be autumn 2014 at the earliest.
15. At this stage the process and possible cost of preparing and presenting petitions is still to be assessed fully. A report will be brought to the Board on January 22<sup>nd</sup> and Executive Committee on 4<sup>th</sup> March.

### **Recommendations**

1. **That the Board's response to the Environmental Statement should concentrate on those issues identified in paragraph 8.**
2. **That those same issues should be those for which a petition should be prepared.**