



Shropshire Hills AONB Partnership proposal for transferring out of Shropshire Council hosting and forming a 'Conservation Board'

BUSINESS CASE

Draft at 14.9.16

Contents

	Page
1. Introduction and background	2
2. Executive Summary	2
3. Legal basis and functions of the AONB organisation	3
4. The changing operating environment.....	4
5. Outcome requirements for the AONB organisation	6
6. Options Appraisal and confirmation of approach.....	7
7. The Vision	6
8. The case for a Conservation Board	8
9. Risk Assessment	9
10. Summary of projected budget position	9
11. Legal considerations.....	12
12. Staff and other contractual implications	13
13. Partners	14
14. Timescale and resources	15

Appendix 1 - Proposed AONB structure

Appendix 2 - Options Appraisal

Appendix 3 - Risk Register

Appendix 4 - Financial Information – Expenditure & income, cash flow forecast

1. Introduction and background

This document sets out a business case for the creating an independent 'Conservation Board' as the future governance and operating structure of the Shropshire Hills Area of Outstanding Natural Beauty (AONB).

Alternative options for governance and operating structures were first considered in detail by the AONB Partnership in 2012, resulting in work towards establishing a linked charity, but agreement to remain under Shropshire Council hosting while this was felt to be the best and most stable option. However, financial pressures led Shropshire Council in spring 2016 to seek a substantial reduction in its net annual cash contribution to the AONB Partnership on the back of proposals to manage the AONB team within a new integrated Landscape, Health and Economy team within the wider Outdoor Partnerships service. Following a formal consultation with potentially affected staff and significant representations from the AONB Partnership and its members, agreement in principle was reached in April 2016 on an alternative proposal:

- to develop new independent delivery arrangements for the AONB team outside the Council within a new external organisational structure,
- to confirm a savings plan to Shropshire Council within the context of a review of the AONB budget both before and after externalisation.

2. Executive Summary

In 2018 the Shropshire Hills AONB designation will be 60 years old. The primary purpose of conserving and enhancing natural beauty is as important now as it was in 1958, and delivers a wide range of environmental, economic and social benefits. The Shropshire Hills is a relatively large AONB, governed by a strong Partnership and supported by an active staff team with a good track record. There is a strong foundation on which to build future development. However, the context of continued structural change in the host local authority and the broader working environment has led partners to agree that the long term interests of the AONB are now best served by creation of an independent AONB body. **A modern, lean application of the 'Conservation Board' model enabled by the Countryside and Rights of Way Act 2000 will provide the strongest organisation possible for the long term future of the AONB.** The **Vision** for a Conservation Board is:

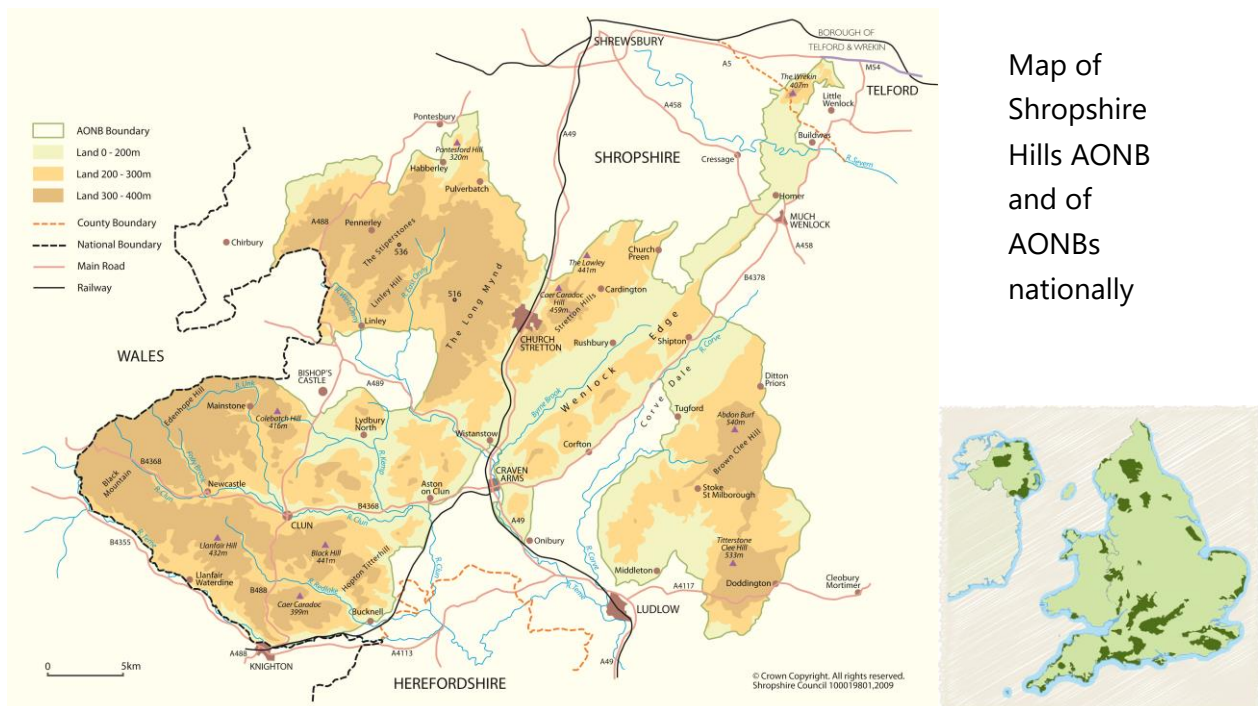
An independent partnership

- **Involving and inspiring people**
- **Working for our special landscapes**
- **Enhancing their natural and cultural assets**

Delivering better outcomes for the AONB.

Since the AONB Partnership is now paying Shropshire Council for 'support services' of hosting previously provided without charge, moving to an independent Conservation Board will actually **reduce overall costs**. The Board structure also has the significant advantages of **unequivocal focus on the needs of the AONB, ability to harness volunteer effort** from Board level to on the ground practical work, and **enhanced ability to fund-raise**, working with a newly established AONB charity.

A diagram of the proposed structure is shown at Appendix 1.



3. Legal basis and functions of the AONB organisation

AONBs legal framework: Area of Outstanding Natural Beauty is a legal designation enabled originally by the National Parks and Access to the Countryside Act 1949 for the principal purpose of conserving and enhancing the natural beauty of the designated area. This Act also gives local authorities, Shropshire Council and Telford Wrekin Council in this case, a permissive power to take action to conserve and enhance the natural beauty in the AONB. AONBs are from the same legislative fold as National Parks and share some similarities, as well as differences in organisation and levels of funding.

The Countryside & Rights of Way Act 2000 places in addition a statutory duty with regard to the AONB Management Plan on local authorities. S89(2) 2 of the Act states that *"the relevant local authority in respect of an area of outstanding natural beauty shall... prepare and publish a plan which formulates their policy for the management of the area of outstanding natural beauty and for the carrying out of their functions in relation to it."* There is also a requirement to 'act jointly' in preparing the Management Plan, and the two local authorities for the Shropshire Hills AONB have formally agreed that the AONB Partnership would lead the preparation of the Plan on their behalf with the involvement of a range of local authority members and officers. On completion, the formal approval of the Management Plan is currently made by the local authorities themselves.

S85 of the Act also places on relevant authorities a general duty to have regard to the purpose of conserving and enhancing the natural beauty of the AONB when exercising or performing any functions affecting land in the AONB. "Relevant authorities" are any public bodies including local and statutory authorities, parish councils and statutory regulators.

There are 46 AONBs in the UK, operating in a strong national network through the National Association for AONBs, a charitable company which lobbies on behalf of AONBs and works to support their effectiveness. AONBs in Wales come under the same legislation but a different management through the Welsh Government, while those in Northern Ireland have a different, and less strong legal basis.

Current governance: The current governance arrangement for the AONB is a 'Joint Advisory Committee' to Shropshire and Telford & Wrekin Councils, known as the Shropshire Hills AONB Partnership, which is supported by the AONB Partnership staff team, hosted by Shropshire Council as the accountable body. Funding for the Partnership team and operation is received from Defra and the two local authorities, along with project funding and earned income from many sources. This is the most common governance structure among English AONBs.

The Shropshire Hills AONB Partnership has defined its main roles as to:

- Take and co-ordinate action to conserve and enhance natural beauty; promote enjoyment and understanding, and further sustainable development.
- Develop policy and strategy for the area through the AONB Management Plan, and influence the policies and strategies of others.
- Develop the AONB Partnership as an inclusive and effective organisation.
- Support the involvement of the community in the management of the AONB.

The Partnership has an independent Chair and representation of many organisations with remits relevant to the AONB, as well as Parish & Town Council representatives, and individual members. This broad engagement is key to successful delivery. The AONB Team seek to concentrate their work in areas which complement or add value to the work of others, and avoid duplication. The AONB Partnership does not own or directly manage any land.

In July 2016 following several years of research and development work by the AONB Partnership, a new Charitable Incorporated Organisation (CIO) for the AONB, the Shropshire Hills AONB Trust, was registered with the Charity Commission. This has a majority of trustees appointed from outside the AONB Partnership and is independent of the Partnership in governance terms. Its charitable objects however relate entirely to AONB purposes, and it is intended to provide a complementary structure to the main AONB governance organisation, as an effective mechanism for fundraising to benefit the AONB. It is expected to give grants directly to projects in the community, and will work collaboratively with the AONB Partnership (or Conservation Board in due course), which it may also benefit or support financially, according to the trustees' discretion and the Trust's charitable objects.

4. The changing operating environment

AONBs are a statutory designation with a long history, and the organisations associated with them have developed as effective delivery mechanisms over about 25 years. The continued importance of AONBs has been underlined by the relative protection of their funding by Defra in recent years, along with exceptional levels of ministerial support. The typical model of local authority hosting has however come increasingly under strain in a number of AONBs as Councils have had to adopt more radical budget savings and restructuring. This is

especially so in Shropshire now, where such a high proportion of a relatively large AONB sits within the area of one unitary authority, making the AONB structure much more vulnerable to decisions taken by one Council.

Shropshire Council has pursued radical change in service delivery in recent years along with significant budget cuts, including outsourcing to a private sector controlled company and commissioning of services to various external bodies and 'spin out' structures. The details of the hosting arrangement of the AONB Partnership have varied over time with several different departments, each of which has had its own priorities. While there are very valuable synergies for the AONB team with other parts of the Council, these are broad across many departments, and a close fit with one particular department is often difficult. While Shropshire Council (and the County Council before it) has provided an effective and valuable hosting role for many years, the scale and speed of its continued organisational changes and funding reductions have become the most significant source of instability for the AONB Partnership. Some changes have been initiated by the Council without proper recourse to the AONB governance structures, resulting in much additional work and wasted energy.

The Shropshire Hills AONB Partnership is acknowledged nationally as a successful AONB organisation, among the top league in terms of gearing up of Defra and the Councils' funding, with turnover now reaching around £1million. The team's work also has a good reputation locally, e.g. in river habitat and catchment work, local conservation projects, tourism, heritage projects, input into planning etc. A high priority on partnership working has achieved a broad engagement of people willing to give their time in both governance and practical delivery, though there is undoubtedly a great deal further to go in terms of raising awareness and involving the local population. Successful earning of income and financial management has enabled the securing of a significant financial reserve for the AONB Partnership, held 'ring-fenced' within Shropshire Council finances. All of these factors help to create a platform and a critical mass for the AONB organisation now to contemplate becoming independent, where previously this may not have been possible.

The wider context for the AONB also includes factors such as:

- continued pressure on central and local government funding
- the likelihood of farming subsidies diminishing and being more focused on greening
- future lack of access to EU funding programmes such as LEADER
- growing appreciation of the health value of recreation
- increasing local tourism opportunities and pressures
- greater national appreciation of the need to better manage ecosystems, soil and water
- more interest among businesses in staff development and supporting local causes
- more need to work with other AONBs and National Parks, etc.

AONBs are recognised internationally by the International Union for the Conservation of Nature (IUCN) as 'Category V' protected areas. Some level of international and European links will remain important even after the UK leaves the EU. Wider political change and economic pressure creates an increasingly uncertain environment in which AONBs must operate. The ability to continue to diversify income streams while remaining true to the

central AONB purposes is important, while not undermining the important principle of core public funding for the many public benefits provided by AONBs and the work of their teams.

The 'need' for services delivered by the AONB team is defined in the statutory AONB Management Plan, which identifies priorities for the area. These are long term issues, and the need to provide continued proactive conservation and management of the AONB landscape is well evidenced. Many other organisations contribute to delivery of the AONB Management Plan, but the team play an important co-ordinating role.

In certain areas of project delivery, e.g. conservation and landscape scale projects, there could be competition from organisations such as conservation charities who have good track records in securing external funding. Some project bids will be up against projects from all over the country, including potentially other AONBs.

5. Outcome requirements for the AONB organisation

The following was agreed by the AONB Partnership Management Board on 11th May 2016 as the key requirements of a new organisation:

- The structure should provide a secure, long term vehicle for delivery of AONB functions, including employment of the staff team.
- The new structure needs to be efficient and cost effective operationally, and have a good ability to fund-raise from a wide variety of sources. Ideally the new structure needs to be capable of borrowing to meet short term cash flow shortfalls.
- The structure must be capable of receiving the AONB funding from Defra (or its successor if Government departments change) and to be directly accountable to Defra for it.
- A relatively simple to understand structure, alongside strong branding, will aid the organisation in public understanding, which is quite a significant issue, and also enhances fundraising ability.
- The structure should be able to attract and involve a high calibre of board members/trustees with relevant skills as well as time and willingness to take on responsibility. These people need to be appointed through robust processes which provide the skills needed but provide checks and balances against possible personal interests or dominance of a small number of individuals.
- The structure must provide links to the two local authorities, but also be seen to be independent from them. The relationship between the organisation and the local authorities' legal duty for the AONB Management Plan needs to be clear, and to not expose the independent organisation to undue risk.
- The structure needs to be able to champion the interests of the AONB, including in planning consultations (both policy and applications).
- The structure needs to support engagement, collaboration, learning, sharing knowledge etc. with the national AONB family.

6. Options Appraisal and Confirmation of Approach

A detailed options appraisal was first carried out in 2012, following earlier exploratory work by the AONB Partnership in 2010. These formed the basis of detailed options papers taken to the AONB Partnership and its Management Board in the spring of 2016 (see

<http://shropshire.gov.uk/committee-services/documents/s11548/3.%20Structure%20alternatives%20with%20appendices.pdf>).

A simplified appraisal in table format of the main options for the future structure of the AONB is provided within **Appendix 2**. The options considered are:

1. Retain hosting arrangement with Shropshire Council but develop linked charity structure to optimise broader sources of income (this is the status quo)
2. Creation of an independent body for the AONB using a 'generic' model in the form of a Trust, charity or company
3. Creation of an AONB Conservation Board
4. Transfer hosting to a different organisation

This work concluded that **Conservation Board** was the preferred model. Subsequently the AONB Partnership Board at its meeting on the 14th June 2016 endorsed Conservation Board as the preferred model for an independent structure, and supported a formal request to Defra by the two Councils and Partnership to initiate the process of creating a Conservation Board for the Shropshire Hills AONB, subject to confirmation of a business case.

Conservation Boards are a structure specifically created for AONBs by sections of the Countryside and Rights of Way Act 2000. There are only two AONB Conservation Boards, in the Cotswolds and the Chilterns, both established in 2004.

An independent charity may be another possible structure, but is unproven for AONB governance in England and likely to be more difficult in relation to arrangements for the statutory duty for the AONB Management Plan, which would remain with the local authorities. The option of an alternative host body is not ruled out altogether, but is not preferred at this stage.

AONB Conservation Boards are established by a Statutory Instrument. They are legally incorporated bodies and employ staff and hold finances and assets directly. They also take on the statutory role of the AONB Management Plan from the local authorities, and can take on other local authority functions 'concurrently' (see section 10 below).

The Vision

The following vision for creation of a Shropshire Hills AONB Conservation Board was developed in a workshop between the Transition Board and the AONB team, and through further discussion by the AONB Partnership on 8th September 2016:

The Shropshire Hills Conservation Board

An independent partnership

- **Involving and inspiring people**
- **Working for our special landscapes**
- **Enhancing their natural and cultural assets**

Delivering better outcomes for the AONB

The 2 September workshop identified the most important areas of work currently undertaken by the AONB Partnership for the Conservation Board to build upon as:

- 'Enabling' role – providing support and coordination, delivering in partnership
- Acting as a 'focus' for the area, and a champion for the Shropshire Hills AONB
- Education, engagement and understanding through the landscape and the work undertaken;
- Work in support of 'why nature matters to people' (i.e. ecosystem services)

7. The case for a Conservation Board

New governance arrangements independent of Shropshire Council in the form of a Conservation Board for the Shropshire Hills AONB would:

- Be a **relevant, progressive and locally determined model**, strongly supported by both Councils, as well as partner organisations and stakeholders within the AONB, and offering much **better long term stability**.
- Provide a **strong, independent structure with an unequivocal focus on the AONB**. A Conservation Board exists solely to support AONB purposes and is not vulnerable to other priorities of a larger organisation.
- **Build on the existing strong engagement** of partner organisations and individuals, and indeed energise this through providing greater responsibility and autonomy, and therefore **more reason for people to get involved** on a voluntary basis.
- **Reduce costs overall**, through the ability to procure support services more cheaply outside the Council.
- Be a **simple, streamlined and efficient structure** with a relatively small executive Board of 10-14 members. The appointments and administrative processes for this would be simple, while providing strong involvement of the two local authorities and an optimum size for decision making.

- Allow **more secure business planning** in terms of fund-raising, project bids, trading and development of strategic work strands, due to undistracted organisational focus solely on the needs of the AONB.
- Considerably **raise the profile of the AONB** and public perception of its importance, also with the benefits of being easier to understand, **enhancing the ability to raise funds** for the AONB and providing a **stronger voice** for its interests in decision making, especially planning.
- Provide a **long term, secure and appropriate governance solution** for an AONB which is the landscape 'jewel in the crown' for Shropshire and the region, and enable the team to continue to perform at a high level in terms of funding, innovation, co-operation and delivery.
- **Work effectively alongside the recently established charity** for the Shropshire Hills AONB charitable structure, which has the main purpose of fundraising for the benefit of the AONB.
- Be better able to **collaborate across the AONB Family**, due to lack of competing demands from a host organisation with its main priorities outside the AONB area and remit.

The Conservation Board model is designed specifically for AONBs, and is a proven model for the application of Defra AONB funding. A Conservation Board brings together the statutory AONB Management Plan duty, the AONB team and the overall governance structure in a single legal entity, in a way that no other available option does. The structure provides for a balance of representation of national importance of the AONB as well as local authorities and other local interests. Though still not a statutory consultee in planning, a Conservation Board ensures avoidance of conflicted positions in relation to a host authority especially regarding involvement in planning consultations. This has at times been a real issue since the vast majority of planning decisions affecting the AONB are made by the unitary Shropshire Council, which is the host authority.

As with any independent structure, support functions such as HR and payroll, IT, etc would have to be bought in. However, since Shropshire Council is now charging in full for these functions, an independent body can **achieve an overall cost saving** by procuring these services more economically on the open market. Conservation Boards do have to pay VAT on relevant expenditure, though this is a small proportion of the overall budget and does not prevent an overall net saving. The overall lead in time for establishment of a Conservation Board is considerable, and is likely to be longer given the additional current work for government following the referendum vote to leave the EU. In relation to the significant long term benefits however, this should not be a deciding factor.

8. Risk Assessment

The relative strengths and weaknesses of the Conservation Board model are summarised within the SWOT analysis below:

Strengths	Weaknesses
<ul style="list-style-type: none"> • Statutory status of AONB designation and Conservation Board • Part of a strong national AONB family through the National Association for AONBs • Strong local support for an independent body solely focussed on the needs of the AONB 	<ul style="list-style-type: none"> • Conservation Boards pay VAT on some expenditure • Inability to reclaim 'full cost recovery' from some project funders (as with local authorities)
Opportunities	Threats
<ul style="list-style-type: none"> • Tapping into capacity and skills of Board members • Working alongside the new 'Shropshire Hills AONB Trust' charity (CIO) • Potential for enhanced commercial activity • Ability to survive at a range of scales of operation, depending on levels of funding • Possibility of holding property as an asset, e.g. offices 	<ul style="list-style-type: none"> • Process to create Conservation Board is dependent on Defra agreement and capacity • Need to manage cash flow and reserves effectively

Potential risks associated with pursuing the Conservation Board model, and actions to mitigate these, are described in more detail in **Appendix 3**.

9. Summary of projected budget position

A detailed projection for the core AONB budget for 2016-17 through to 2019-20 is included within **Appendix 4**, and is accompanied by the notes below.

2016-17 total income and expenditure is currently projected as £1,141,887. Cash flow for 2018-19 is predicted to reach a maximum deficit of £17k, in March.

a) Current Income & Expenditure

The Income and Expenditure forecast shows budgets for 2016-17 and 2017-18 operating as hosted within Shropshire Council, and 2018-19 and 2019-20 as an independent body.

The budget summary in Appendix 4 shows the main AONB staff team and core operations totalling c£280k/yr.

Additional project activity includes:

- River Clun Recovery Project (WREN funded – a Landfill Tax distributor) c£78k/yr
- Stiperstones and Corndon Landscape Partnership Scheme (HLF) c£600k/yr

and other minor projects:

- Shuttle buses c£21k/yr
- Sustainable Business Network c£1.5k/yr

Each of these sections is more or less a stand-alone budget, with its own funders and timescale. Some require cash match from the overall AONB budget and some generate income for it, while some have both. These interactions with the core budget are shown in the budget summary under 'Project Match Funding' and 'Income' headings.

There are three main funding contracts in place:

- Annual contract with Defra for AONB funding, currently £186,416 pa. Defra have made a four year grant offer, to 2019-20.
- Five year £2.1m contract 2013-18 with Heritage Lottery Fund (HLF) for the Stiperstones and Corndon Hill Country Landscape Partnership Scheme
- Four year £216k contract with WREN (a Landfill Tax fund) for the River Clun Recovery Project, ending March 2019.

There are no significant long term expenditure contracts.

b) Current Staff Numbers & Costs

The current costs of staff are:

- Main AONB team (6.4 FTE) £205,550
- Stiperstones and Corndon LPS (4.2 FTE) £124,290

c) Councils' funding

The budgets are currently held within Shropshire Council's SAMIS accounting system as 'net nil' budgets with no base budget. Shropshire Council's annual contribution of £40,830 is paid into the cost centre as a transaction every year. A reduced annual contribution of £25,000 has been agreed for 2018-19 and 2019-20 as the expected first two years of operation of an independent body. Telford & Wrekin Council contribute £2,694 annually.

d) 4 Year Income and Expenditure

The projected budget assumes that Conservation Board status will be achieved at April 2018. Any changes to this will result in some reprofiling of the budget.

Projected levels of income and expenditure are similar in 2017-18 to those in 2016-17. In March 2018, the Stiperstones and Corndon LPS will close, and projected total turnover for 2018-19 and 2019-20 is around £300k - £400k pa. This will increase if new projects come on stream as expected.

Forward budgets allow for annual 1% inflation increases on salaries. Known possibilities for reducing staff hours in two cases are included. Budgets are allowing for the new independent body to cover costs of support services procured from April 2018 costed at £17,500 pa, and the payment of VAT by the Conservation Board on relevant items. The cost

of the Conservation Board buying in support services externally is considerably lower than the amount currently paid to Shropshire Council for support services, resulting in **a net saving to the core budget, and therefore enabling a higher proportion of Defra and Council funding to be spent on delivery.**

There are sums of AONB cash match required into certain projects, and various sources of 'unattached' income with which to meet these. This creates the final net addition to, or draw on, reserves which balances the financial year's accounts overall. The strategy as in recent years will be to aim to earn income where possible through e.g. projects, fee earning activity and trading, alongside any savings which can be identified. Opportunities to restructure and make savings will be taken in the event of staff vacancies.

For 2018-19 and 2019-20 allowing for an expected level of income (which is not all currently secured), the annual budgets are projected to reach within around £10k of break even. A modest one-off draw on reserves may be made to fund feasibility work and start-up costs, but if a longer term deficit continues which cannot be met by earned income and other savings, then cuts to staffing may prove necessary. The team's track record in securing additional income is very good.

e) Cash Flow and use of reserves

A cash flow modelling exercise has been carried out based on actual spend within 2015-16, and this has informed a projection for 2018-19. Assuming similar patterns of spend but with the Stiperstones and Corndon Landscape Partnership Scheme finished, the Conservation Fund transferred to the new AONB Trust charity and the Defra contribution paid quarterly up front to a Conservation Board, a maximum temporary cash flow deficit of around £17k is predicted, which would need to be covered by working capital from the AONB reserves.

The full transfer of reserves earned over recent years by the AONB Partnership and currently held by Shropshire Council is required (currently £177,174). This has been an essential part of the AONB Partnership's proposal for independence in all negotiations with the Council. The reserve is needed:

- To bankroll cash flow as above
- To cover potential redundancy and pension strain liabilities, which total £116k for the core staff
- As a source of match funding for new project bids, which will remain a crucial part of the business model.

f) Commercial Opportunities

There are a number of commercial opportunities which have been used to some extent to date, and which the team is in a good position to develop further:

- Fee-earning project delivery – this may be within the AONB (preferably), or potentially outside the AONB (at opportunity cost of activity for the AONB). Many projects are

developed in partnership with other organisations – activity can be fee earning either when bankrolled by the team itself or sometimes when led by other organisations.

- Consultancy – the team have considerable technical skills and some history of paid work, hitherto on a largely reactive basis rather than promoted.
- Trading – Some income is derived from sale of books, branded merchandise, etc and hire of meeting room facilities.
- Fee earning services – there is a possibility of charging for services such as pre-application planning advice, but this has not been done so far due to capacity issues.

10. Legal considerations

The legal framework for AONBs and the related local authority obligations are described in section 3 above.

a) Legal implications of new structure

The main legal implication of the proposed structure change is that a Conservation Board, under detailed provisions in the Countryside and Rights of Way Act 2000, takes on fully the statutory responsibility of the two Councils to prepare and review an AONB Management Plan. This is perceived to be a strength of the model, providing both additional status and influence for the Conservation Board, and relieving the Councils of this responsibility. The two Councils would however still be closely involved in the preparation of the Plan, and may choose formally to endorse it, which would add to its strength.

Within the Conservation Board model, the Councils would still retain the legal duty applicable to all public bodies to 'have regard to the purposes of AONBs in carrying out their functions' (Section 85, Countryside & Rights of Way Act 2000). This is not a duty which necessarily results in expenditure or allocation of resources, but it does for example apply to the consideration of the AONB in planning decisions by the Councils. A Conservation Board is not a statutory consultee with regard to planning matters, but would expect to be consulted on policy and significant applications in the AONB similar to the arrangement currently in place with the AONB Partnership. Good practice would include renewing and updating the Planning Protocol which is in place with the AONB Partnership.

There is provision in the legislation for Conservation Boards to take on additional powers or responsibilities from the local authorities (e.g. countryside management functions). The Establishment Orders for the two existing Conservation Boards included a range of powers from various countryside-related legislation to become 'concurrent functions', i.e. exercisable by the local authorities and by the Board. Detailed advice is being sought regarding these and it may be desirable to include some of them in an Establishment Order, since this needs to cover scenarios into the long term.

The Conservation Board is a completely independent body so the Councils would bear no responsibility for any debts should the Board have to be wound up.

b) Statutory processes, including consultation

The creation of a Conservation Board is achieved through a Statutory Instrument laid before both Houses of Parliament. This process is led by Defra, who also provide the main AONB funding. Following agreement of both Councils to the Business Case, the two Councils must write formally to Defra, through the AONB Partnership if they wish, to request the government to initiate the creation of a Conservation Board.

The process for creating a Conservation Board is set out in Defra guidance of 2008 requires formal consultation, and this is mainly carried out at a national level. The scoping work on options carried out so far by the AONB Partnership has included the broad membership of the Partnership and has significant support. Further local consultation and awareness raising on the proposal to create a Conservation Board will be carried out during and after the processes of approval by the two Councils.

c) Equalities considerations

The proposals set out here are not believed to have any implications with respect to the Councils' statutory duties under the Equality Act 2010 and section 149 of the Public Sector Equality Duty. An Equalities and Social Inclusion Impact Assessment has not been prepared but will be should circumstances change.

d) Legal obligations with contracts

The HLF Landscape Partnership Scheme contract is due to end before the Conservation Board would come into existence. In relation to the Defra AONB funding contract, Defra are clearly a crucial player in relation to creation of the Conservation Board, and informal discussions have been opened on this. The possibility of transition and novation of contract has not yet been discussed with WREN, the major funder of the River Clun Recovery Project, but no major difficulties are expected with this.

11. Staff and other contractual implications

a) Staff

The staff team currently comprises 13 people (10.6FTE), with 7 (6.4 FTE) based at Craven Arms, and 6 (4.2 FTE) based at Chirbury in a semi-independent team for the Stiperstones and Corndon Hill Country Landscape Partnership Scheme (HLF funded to March 2018).

The proposed transition would transfer the employees of the AONB team and its services to the new Conservation Board structure. The Stiperstones and Corndon LPS will terminate at or before the new body comes into operation, so there will be no requirement to novate this contract or transfer these staff. (It is conceivable that extensions to contracts on some of the LPS staff may be achievable through new funding or projects).

Staff are fully aware of the proposal to create a Conservation Board and have been involved in discussion of options and developing the proposal. No formal consultations have taken place in relation to HR matters, following the lifting of earlier restructuring proposals for the AONB team.

Pensions: An AONB Conservation Board is a 'Scheduled Body' in relation to the Local Government Pension Scheme (LGPS), meaning that its staff are entitled to join the LGPS. The transfer of staff to the Conservation Board as a new employer within the Shropshire Pension Scheme would be undertaken as 'fully funded', so that the Board bears no burden for past pension deficits.

b) Assets

i) Summary of Assets & IT systems

The main office at Craven Arms and the LPS office at Chirbury are both rented, and equipped with hard-wired network connected to the Shropshire Council IT system via broadband. All staff now have laptops, and a rented printer/copier is in place at each office.

The offices are furnished and equipped, and there are small amounts of display equipment and tools held, along with a considerable quantity of archive files. A detailed inventory will be prepared.

ii) Potential Asset Transfer

The main AONB Partnership office at Craven Arms comprises four units in the Shropshire Council owned property Drovers House, which includes a small number of other rented offices and retail units. The possibility has been discussed with the Council about a possible asset transfer involving Drovers House to an independent AONB organisation, as a means of providing it with some ongoing income as well as an asset and security of tenure. The Council does not wish to do this at present, but has not ruled it out as a possibility in the future.

12. Partners

The main stakeholders are:

- The two Councils – Shropshire and Telford & Wrekin.
- Funders – especially Defra, and to a lesser extent WREN.
- AONB Partnership members – The Partnership is the formal governance structure for the AONB and will remain so until a new structure replaces it.
- Delivery partner organisations – e.g. Natural England, National Trust, Shropshire Wildlife Trust. Most of these organisations would not be represented directly on the Conservation Board, so future relationships will be important. Natural England also have a national advisory role to government in relation to AONBs.
- The National Association for AONBs and the AONB family – the transition of structure is of interest to other AONBs as a potential model or example, and there is much that we can continue to learn from them, including the two existing Conservation Boards and two AONB trusts/charitable companies in Northern Ireland.
- AONB membership schemes – including the Friends of the Shropshire Hills AONB and the Shropshire Hills Sustainable Business Network.
- Local partnerships including at the Wrekin, Clun Catchment, Clee Hill and Stiperstones – Corndon.

- Local businesses that depend on the qualities of the AONB.
- Community organisations – including Parish and Town Councils and voluntary organisations.

Engagement Plan and public consultation:

The existing AONB Partnership structures for both meetings (of various groups) and communications (publications, websites, e-newsletter and social media) will provide effective mechanisms to continue to engage with the relevant stakeholders. For more details of the work of the AONB Partnership visit <http://www.shropshirehillsaonb.co.uk/>.

The AONB Partnership processes are very broad in terms of membership and much information has been made publicly available. Further local public consultation will be carried out. So far it is apparent that there is considerable support for the proposal.

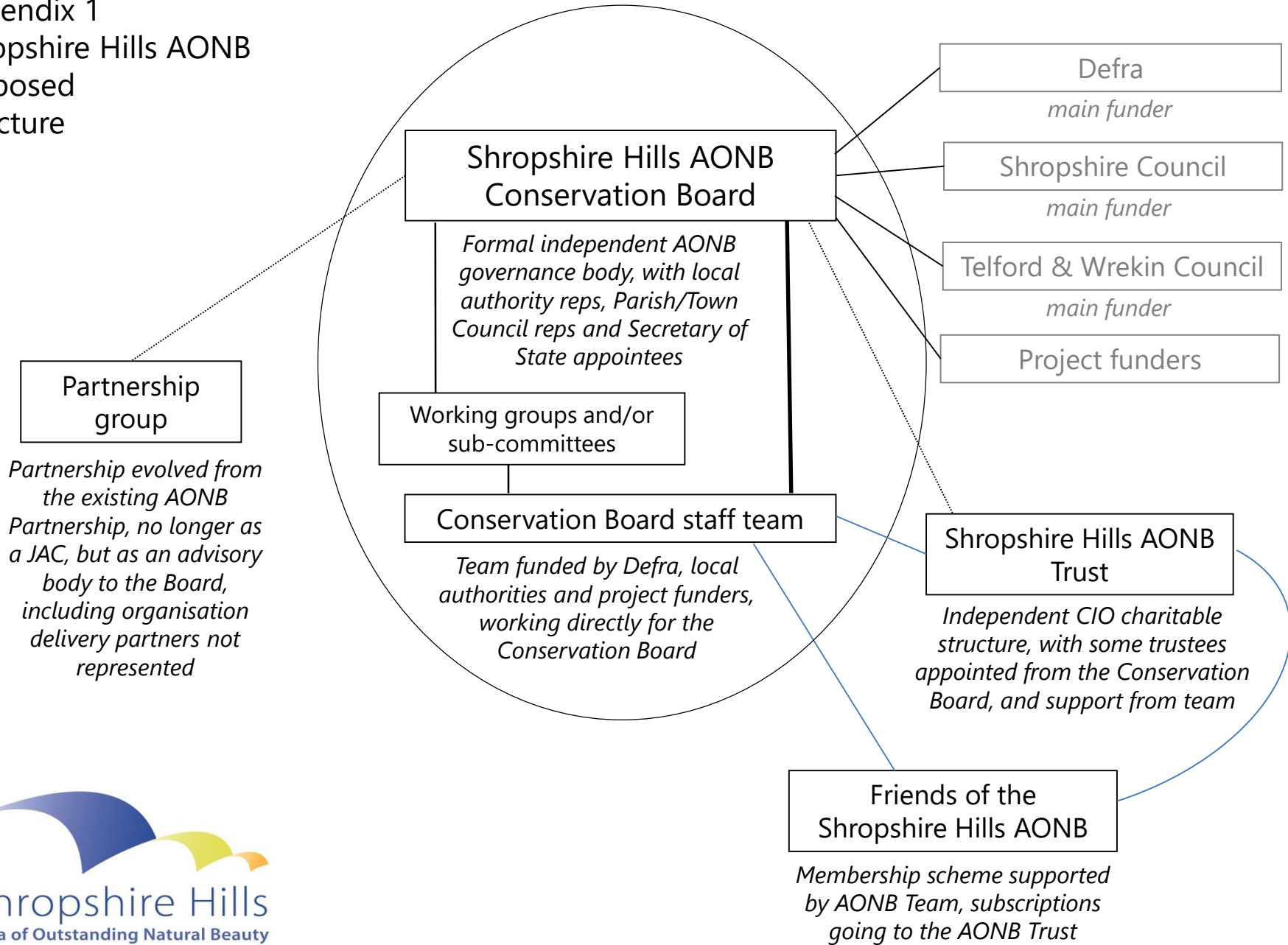
13. Timescales and resources

The expected timescale for the creation of a Conservation Board is 12-24 months from the formal request. Key milestones and indicative timescales are:

9 Aug 2016	First meeting of Transition Board
2 Sept 2016	Visioning workshop with Transition Board and team
8 Sept 2016	AONB Partnership meeting to support draft Business Case
13 Oct 2016	Business Case to Telford & Wrekin Council Cabinet
19 Oct 2016	Business Case to Shropshire Council Cabinet
Nov 2016	Formal request to Defra to initiate creation of Conservation Board
2017	Consultations and decision (by Defra)
2017-18	Drafting of legal orders (Defra)
2017-18	Agreement regarding premises and funding
2018-19	Confirmation of legal orders and appointments to Board (Defra)
2018-19	Establishment of banking and finance arrangements
2018-19	Transfer of staff and formal launch of Conservation Board

A Transition Board has been established including representatives of both Councils, as well as other members elected from the AONB Partnership, and the possibility of additional co-opted members.

Appendix 1
Shropshire Hills AONB
proposed
structure



Appendix 2 Options Appraisal – Shropshire Hills AONB possible structures

<input type="checkbox"/> Options		1. Retain Council hosting but develop linked charitable structure to optimise broader income sources	2. Create a new independent body for the AONB such as a charity or company	3. AONB Conservation Board	4. Transfer hosting to a different organisation, if available
Implications for customers	Pros	Charity provides a more attractive vehicle for donations	Could open avenues for non-public sector funding Freer to advocate for the AONB	Strong body acting solely for the AONB, and more free to advocate Easy to understand	Could open avenues for non- public sector funding
	Cons	Subject to imposed changes from the council which may impact on the ability of the team to focus on the AONB Lack of flexibility Perception may be affected by people’s views of the council May be a disincentive for some people to volunteer or donate money Associated structure and relationships could be confusing	Loss of support from the officers and support services within the council Untested new model to deliver long term	Change from current known structure	Unknown relationship with Council, where statutory duty still lies Potential confusion about responsibilities, and lack of overlap with role/ priorities of another host body
Implications for staff	Pros	Protection of T&Cs for staff	New skills and networks, and support from trustees	Staff transferred on existing conditions New skills and networks, and support from trustees	Potential useful synergies with other staff of host body

<input type="checkbox"/> Options		1. Retain Council hosting but develop linked charitable structure to optimise broader income sources	2. Create a new independent body for the AONB such as a charity or company	3. AONB Conservation Board	4. Transfer hosting to a different organisation, if available
	Cons	Possible erosion of T&Cs as a result of further cuts Vulnerability to restructuring Staff time involved in supporting charity as well as Partnership	Likely loss of T&Cs such as poorer pension (future staff) Different competencies required of staff and training needs Potential loss of staff and expertise due to savings required?	Not part of a larger organisation Potential loss of staff and expertise due to savings required?	Uncertainty. Possible loss of T&Cs.
Financial Implications	Pros	Council bankrolling Retain access to LA support such as finance, HR and legal	Could open avenues for non-public sector funding Enhanced ability to fund-raise Support services could be bought in more cheaply outside the Council	Reduced costs overall, as support services can be bought in more cheaply outside the Council Defra funding paid in advance and may be increased? Enhanced ability to fund-raise, working with linked charity	Could open avenues for non- public sector funding
	Cons	Council now charging for support services and funding contributions likely to decrease further Uncertainty resulting from discretion of trustees of independent charity regarding spending	New body may be unable to meet pension commitments Difficulty of maintaining Council funding	Some VAT not reclaimable Difficulty of maintaining Council funding?	Upheavals of transfer Potentially less accountability for public funding Likely loss of Council funding

□ Options		1. Retain Council hosting but develop linked charitable structure to optimise broader income sources	2. Create a new independent body for the AONB such as a charity or company	3. AONB Conservation Board	4. Transfer hosting to a different organisation, if available
Scope for future business development	Pros	Additional skills from involvement of charity trustees	Focus on needs of the AONB Potential to provide services and tender for commercial business, subject to charitable objects	Unequivocal focus on the needs of the AONB, in proven model Access to skills and expertise through Board members with greater responsibility	Uncertain
	Cons	Council may be less keen to act as accountable body for large project bids in future Sometimes restricted by Council procedures Potential for lack of alignment/competition	Need to establish track record as a delivery body for projects. Need to develop and sustain organisation may detract from delivery Untested model among English AONBs	Need to establish track record as a delivery body for projects. Need to develop and sustain organisation may detract from delivery	More exposure to external competition Potential for less focus on the AONB due to organisational pressures
Implications for Council	Pros	Reduced draw on support services for some activities which may be moved out to charitable structure Council retains influence on service delivery Large added value can be demonstrated from Council funding	Need to develop an effective agreement around local authority statutory duties for AONB Management Plan Demonstrable model of out-sourcing	Councils permanently transfer statutory AONB Management Plan duty to Board Reduced workload from hosting Strong provision for Council representation Demonstrable model of out-sourcing Council can still take some credit for work through association	Removal of responsibility

Options		1. Retain Council hosting but develop linked charitable structure to optimise broader income sources	2. Create a new independent body for the AONB such as a charity or company	3. AONB Conservation Board	4. Transfer hosting to a different organisation, if available
	Cons	Council retains contractual responsibilities	The council would lose some influence.	The council would lose some influence	Loss of association and kudos from link with AONB activity Councils retain statutory Management Plan duty, and potential lack of clarity over relationship with new host body
Identified risks		Continued loss of funding from the council Restructure proposals not in AONB interests Effective links and close working relationship need to be established with charity	Need adequate financial reserves/assets for cash flow Need to attract trustees with sufficient capacity	Need adequate financial reserves/assets for cash flow Defra may not have capacity for establishment Lead-in time for establishment	No possible partner identified or likely to be available Potential host may not commit to longer term
Effect of changes to governance	Pros	New opportunities for involvement and responsibility as trustees	More independence and more responsibility required of Board, Trustees etc	More independence, opportunities for people to take responsibility Secure, high status structure, specifically for AONBs from an Act of Parliament, taking on statutory responsibilities Can sit alongside charitable structure	Unknown, depends on organisation

<input type="checkbox"/> Options		1. Retain Council hosting but develop linked charitable structure to optimise broader income sources	2. Create a new independent body for the AONB such as a charity or company	3. AONB Conservation Board	4. Transfer hosting to a different organisation, if available
	Cons	Charitable structure and AONB Partnership/ Council relationships could cause tension	Need for formally defined relationship with Councils Untested model in English & Welsh AONBs Charity law may restrict activity?	Need to establish effective working relationship with Councils, charity and Partnership	Lack of connection to LAs who hold statutory responsibility Unknown, depends on organisation
Business Impact / Other	Pros	Hosting provides links to a range of related services Charity can fund-raise more effectively	Can fund-raise effectively and use directly without intermediary/ associated structure	Freer to comment on planning matters	Disruption during transfer period
	Cons	Risk of AONB benefits not being highest priority due to other pressure on services. Complexity of organisational relationships	Holding directly all risks and responsibilities		Possible different geographic focus of different host body

Appendix 3 Risk Register – Shropshire Hills AONB transition to Conservation Board

	Risk	Probability	Impact	Impact specifics	Contingency actions
1	Non-agreement in principle by local authorities	L	H	Impossible to go ahead	Strong business case. The proposal has been developed with full involvement of Councillors and has support of senior management.
2	Failure to release reserves in full to new body	L	H	Insufficient working capital to cash flow and make project bids	A strong business case has been made on the needs for reserves, and based on the fact that they derive from income earned by the AONB team.
3	Insufficient or declining financial support from LAs	M	M	Lack of funds and visible lack of commitment	Strong business case. Shropshire Council contributions for 2018-19 and 2019-20 have been agreed at levels improved from earlier negotiations. Telford & Wrekin Council have confirmed stability of their contribution. Need to earn more income and/or make savings.
4	Non-agreement by Defra	M	H	Impossible to go ahead	Strong business case. Clarity sought on criteria for decision. NAAONB and political support. Need to consider alternative model?
5	Lack of capacity in Defra to do legal work	M	H	Delay or inability to progress	The Establishment Orders for the two existing Conservation Boards are available as a proven template. The work required should be relatively limited. More time than expected may need to be allowed. Consider alternative model.

6	Lack of capacity within Shropshire Council to support transition	L/M	H	Support needed from various departments	Essential work is being progressed as soon as possible, and good support is currently available. Maintain political support.
7	Lack of trustee/board capacity	L	M	Delay or inability to progress	The Transition Board has been established and is involving new people. Two workshops have been held to get people involved. Development funding is being sought from HLF.
8	Potentially unmanageable burden of pension liabilities	L	H	Especially re scheme shortfalls	Secure transfer within LGPS as 'fully funded' new employer re deficits.
9	Reduction in Defra financial support	M	M	Reduction to extent causing unviability very unlikely	Continue to broaden sources of other income.
10	Failure to secure additional income	L	L	Levels of income may determine scale of operation but unlikely to threaten viability	Staff resource and Board support focused on sound business plan, including pursuit of new projects, fee-earning work and fund-raising.
11	Reduced delivery capacity of AONB team during transition period	M	L	Time taken. Transition process may affect ability to make funding bids for new projects, or make these more complicated.	Careful work programming. Use of available support.

Appendix 4 Supporting Financial Information

AONB Forecast Income and Expenditure	Hosted by Shropshire Council		Independence	
	2016/17	2017/18	2018/19	2019/20
Expenditure				
Staff Costs	£205,550	£204,660	£204,440	£207,130
Salaries	£154,893	£154,274	£156,251	£158,260
N.I.	£14,752	£14,573	£14,846	£15,123
Pensions	£20,911	£20,827	£31,094	£31,494
Pension Lump Sum	£12,740	£12,740		
Travel and Subsistence	£1,500	£1,500	£1,500	£1,500
Training	£750	£750	£750	£750
Premises Costs	£21,540	£16,890	£18,540	£18,690
Rent and Service Charges	£14,390	£9,600	£11,100	£11,100
Rates	£6,100	£6,222	£6,346	£6,473
Electricity	£1,050	£1,071	£1,092	£1,114
Supplies and Services	£20,470	£29,920	£23,290	£22,590
Refuse Collection	£650	£650	£650	£650
Cleaning Materials	£200	£200	£200	£200
Office Equipment / Maintenance / Testing	£2,000	£2,000	£2,000	£2,000
Printing and Stationery	£5,446	£1,000	£1,000	£1,000
Postage, Telecommunications and Broadband	£6,418	£6,418	£7,562	£6,862
Vehicle Lease/Fuel Costs	£4,800	£4,800	£5,760	£5,760
Website Development	£200	£200	£240	£240
Other Promotion	£1,500	£1,500	£1,500	£1,500
Friends of AONB Expenses	£150	£150	£180	£180
Partnership and Sub-Group Expenses	£1,000	£1,000	£1,200	£1,200
Subscriptions	£3,000	£3,000	£3,000	£3,000
Independent Body Set-Up Costs	£6,000	£9,000		
Project Match Funding	£10,220	£10,140	£4,290	£0
Rivers	£4,720	£5,140	£4,290	£0
Shuttles	£0	£0	£0	£0
Sustainable Business Network	£0	£0	£0	£0
Conservation Fund	£0	£0	£0	£0
Stiperstones & Corndon Hill Country Landscape Partnership Scheme	£5,000	£5,000	£0	£0
Upland Commons	£500			
Appropriations to/(from) Reserve	-£6,000	-£9,000	£0	£0
Planned Contribution from Reserve	-£6,000	-£9,000		
Support Services	£31,290	£31,290	£17,500	£17,500
Shropshire Council Services	£31,290	£31,290		
I.T.			£5,000	£5,000
Public Liability Insurance			£1,500	£1,500
H.R.			£3,000	£3,000
Finance			£4,000	£4,000
Payroll			£4,000	£4,000
Total Expenditure	£283,070	£283,900	£268,060	£265,910
Income	-£282,660	-£256,070	-£239,100	-£234,200
DEFRA AONB Single Pot	-£186,416	-£189,623	-£192,884	-£196,202
Shropshire Council Grant	-£40,830	-£40,830	-£25,000	-£25,000
Shropshire Council Additional Contribution to Office Costs	-£20,200	-£11,100	-£11,100	-£5,100
Telford and Wrekin Grant	-£2,942	-£2,694	-£2,694	-£2,694
Sale of Books	-£1,000	-£1,000	-£1,000	-£1,000
LEADER Contribution to Costs (January 2015 Onwards)	-£2,942			
External Fee-Earning Work	-£3,000	-£4,000	-£3,000	-£3,000
Promotions Officer Work for LPS	-£6,406	-£2,000		
Sustainable Business Officer Work for LPS	-£5,636			
Sustainable Business Network Management Fee	-£700	-£700	-£700	-£700
Shuttles Management Fee	-£1,057	-£1,500		
Rivers Management Fee	-£2,226	-£2,226	-£2,226	
Environment Agency Earned Income	-£9,000			
Meeting Room Hire	-£300	-£400	-£500	-£500
(Surplus)/Deficit	£410	£27,830	£28,960	£31,710
Plan A				
Potential Sources of Further Income Generation	-£2,500	-£27,000	-£39,860	-£35,080
Potential Increase in DEFRA Funding following Independence			-£12,859	-£13,080
Upland Commons Project		-£20,000	-£20,000	-£20,000
Jean Jackson Trust			-£5,000	
Admin and Grant Work for Conservation Fund	-£500	-£2,000	-£2,000	-£2,000
Woodland Trust	-£2,000	-£5,000		
Appropriations to/(from) Reserve	£2,090	-£830	£10,900	£3,370
(Surplus)/Deficit	£0	£0	£0	£0
Plan B				
New Earned Income and New Projects	£0	-£20,000	-£30,000	-£30,000
Increased Fee-Earning Work and Income from New Projects		-£20,000	-£30,000	-£30,000
Appropriations to/(from) Reserve	-£410	-£7,830	£1,040	-£1,710
(Surplus)/Deficit	£0	£0	£0	£0
Plan C				
Reduction in Posts		-£35,190	-£35,480	-£35,520
Deletion of One or More Posts		-£35,190	-£35,480	-£35,520
Appropriations to/(from) Reserve	-£410	£7,360	£6,520	£3,810
(Surplus)/Deficit	£0	£0	£0	£0

AONB Cash flow projection for 2018-19		Annual total														
		2018/19	April	May	June	July	August	September	October	November	December	January	February	March	Month 13	Check total
Expenditure																
Staff Costs	£204,440															
Salaries	£156,251	£13,021	£13,021	£13,021	£13,021	£13,021	£13,021	£13,021	£13,021	£13,021	£13,021	£13,021	£13,021	£13,021	£0	£156,251
N.I.	£14,846	£1,237	£1,237	£1,237	£1,237	£1,237	£1,237	£1,237	£1,237	£1,237	£1,237	£1,237	£1,237	£1,237		£14,846
Pensions	£31,094	£2,591	£2,591	£2,591	£2,591	£2,591	£2,591	£2,591	£2,591	£2,591	£2,591	£2,591	£2,591	£2,591		£31,094
Travel and Subsistence	£1,500	£125	£125	£125	£125	£125	£125	£125	£125	£125	£125	£125	£125	£125		£1,500
Training	£750		£100		£400				£100			£150				£750
Premises Costs	£18,540															
Rent and Service Charges	£11,100			£2,775				£2,775			£2,775			£2,775		£11,100
Rates	£6,346		£6,346													£6,346
Electricity	£1,092	£91	£91	£91	£91	£91	£91	£91	£91	£91	£91	£91	£91	£91		£1,092
Supplies and Services	£23,290															
Refuse Collection	£650	£54	£54	£54	£54	£54	£54	£54	£54	£54	£54	£54	£54	£54		£650
Cleaning Materials	£200	£17	£17	£17	£17	£17	£17	£17	£17	£17	£17	£17	£17	£17		£200
Office Equipment / Maintenance / Testing	£2,000	£167	£167	£167	£167	£167	£167	£167	£167	£167	£167	£167	£167	£167		£2,000
Printing and Stationery	£1,000	£83	£83	£83	£83	£83	£83	£83	£83	£83	£83	£83	£83	£83		£1,000
Postage, Telecommunications and Broadband	£7,562	£630	£630	£630	£630	£630	£630	£630	£630	£630	£630	£630	£630	£630		£7,562
Vehicle Lease/Fuel Costs	£5,760	£480	£480	£480	£480	£480	£480	£480	£480	£480	£480	£480	£480	£480		£5,760
Website Development	£240	£20	£20	£20	£20	£20	£20	£20	£20	£20	£20	£20	£20	£20		£240
Other Promotion	£1,500	£125	£125	£125	£125	£125	£125	£125	£125	£125	£125	£125	£125	£125		£1,500
Friends of AONB Expenses	£180	£15	£15	£15	£15	£15	£15	£15	£15	£15	£15	£15	£15	£15		£180
Partnership and Sub-Group Expenses	£1,200	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100		£1,200
Subscriptions	£3,000	£2,500				£150	£100	£150			£100					£3,000
Project expenditure	£82,160															
Rivers staff	£21,600	£1,800	£1,800	£1,800	£1,800	£1,800	£1,800	£1,800	£1,800	£1,800	£1,800	£1,800	£1,800	£1,800		£21,600
Rivers other	£41,220				£10,305				£10,305			£10,305		£10,305		£41,220
Shuttles expenditure	£18,090	£2,865	£2,865	£2,865	£2,865	£2,865	£2,865							£900		£18,090
Sustainable Business Network expenditure	£1,250		£200	£200				£200	£200	£200			£250			£1,250
Support Services	£17,500															
I.T.	£5,000	£417	£417	£417	£417	£417	£417	£417	£417	£417	£417	£417	£417	£417		£5,000
Public Liability Insurance	£1,500	£125	£125	£125	£125	£125	£125	£125	£125	£125	£125	£125	£125	£125		£1,500
H.R.	£3,000	£250	£250	£250	£250	£250	£250	£250	£250	£250	£250	£250	£250	£250		£3,000
Finance	£4,000	£333	£333	£333	£333	£333	£333	£333	£333	£333	£333	£333	£333	£333		£4,000
Payroll	£4,000	£333	£333	£333	£333	£333	£333	£333	£333	£333	£333	£333	£333	£333		£4,000
Total Expenditure	£345,930	£27,380	£31,526	£27,855	£35,585	£25,030	£27,955	£32,770	£22,215	£24,790	£32,570	£22,265	£35,995	£0		£345,931
Income	-£316,970	-£48,450	-£44,523	-£1,696	-£62,549	-£1,654	-£2,238	-£62,049	-£7,196	-£229	-£66,083	-£229	-£7,945	-£12,133		-£316,975
DEFRA AONB Single Pot	-£192,884	-£48,221			-£48,221			-£48,221			-£48,221					-£192,884
Shropshire Council Grant	-£25,000		-£25,000													-£25,000
Shropshire Council Additional Contribution to Office Costs	-£11,100		-£11,100													-£11,100
Telford and Wrekin Grant	-£2,694		-£2,694													-£2,694
Sale of Books	-£1,000	-£83	-£83	-£83	-£83	-£83	-£83	-£83	-£83	-£83	-£83	-£83	-£83	-£83		-£1,000
External Fee-Earning Work	-£3,000		-£500		-£500		-£500		-£500		-£500		-£500			-£3,000
Sustainable Business Network Management Fee	-£700													-£700		-£700
Shuttles Management Fee																
Rivers Management Fee	-£2,226													-£2,226		-£2,226
Meeting Room Hire	-£500	-£42	-£42	-£42	-£42		-£84	-£42	-£42	-£42	-£42	-£42	-£42			-£501
Rivers income	-£58,530		-£5,000		-£12,133			-£12,133	-£5,000		-£12,133			-£12,133		-£58,530
Shuttles income	-£18,090			-£1,467	-£1,467	-£1,467	-£1,467	-£1,467	-£1,467		-£5,000		-£4,290			-£18,090
Sustainable Business Network income	-£1,250	-£104	-£104	-£104	-£104	-£104	-£104	-£104	-£104	-£104	-£104	-£104	-£104	-£104		-£1,250
(Surplus)/Deficit	£28,960	-£21,071	-£12,998	£26,159	-£26,965	£23,375	£25,716	-£29,280	£15,019	£24,560	-£33,513	£22,035	£28,049	-£12,133		£28,956
Cumulative balance		-£21,071	-£34,068	-£7,909	-£34,874	-£11,499	£14,218	-£15,062	-£43	£24,517	-£8,996	£13,039	£41,089	£28,956		
Example modelling of additional earned income/savings required	-£28,960	-£1,247	-£1,247	-£1,247	-£3,247	-£1,247	-£4,247	-£1,247	-£1,247	-£1,247	-£5,247	-£1,247	-£1,247	-£5,000		
Even profiled element (e.g. regular income or savings)	-£14,960	-£1,247	-£1,247	-£1,247	-£1,247	-£1,247	-£1,247	-£1,247	-£1,247	-£1,247	-£1,247	-£1,247	-£1,247			-£14,960
Backloaded' element (e.g. fee earning work)	-£14,000				-£2,000		-£3,000				-£4,000			-£5,000		-£14,000
Projected monthly balance		-£22,317	-£14,244	£24,912	-£30,211	£22,129	£21,470	-£30,526	£13,772	£23,314	-£38,760	£20,789	£26,803	-£17,133		
Cumulative balance		-£22,317	-£36,562	-£11,649	-£41,861	-£19,732	£1,738	-£28,789	-£15,017	£8,297	-£30,463	-£9,674	£17,129	-£4		

balance to zero except for rounding error