

VIP Stakeholder Advisory Group
Minutes of the eleventh meeting held on Thursday 22nd February 2018

Stakeholder Advisory Group members present:

- **Chairman** Chris Baines
- **Cadw** Kate Roberts, Principle Inspector of Ancient Monuments
- **Campaign for National Parks** Fiona Howie, Chief Executive
- **Historic England** Shane Gould, Senior Local Government and National Infrastructure Advisor
- **Landscape Institute** Mary O'Connor, WYG Director
- **National Association of AONBs** Howard Sutcliffe, AONB Manager, Clwydian Range & Dee Valley AONB
- **National Grid** George Mayhew, Director of Corporate Affairs
- **National Parks England** Sarah Kelly, Landscape Officer, New Forest National Park Authority
- **National Trust** Dr Ingrid Samuel, Historic Environment Director (pm only)
- **Natural England** Liz Newton, Director Strategy Development
- **Natural Resources Wales** Keith Davies, Head of Planning, Landscape, Energy and Climate Change Group
- **The Ramblers** Alison Hallas, Policy and Advocacy Officer (Countryside and Access)

Apologies:

- **CPRE** Tom Fyans, Director of Campaigns and Policy
- **CPRW** Peter Ogden
- **National Parks Wales** Jonathan Cawley, Director of Planning & Cultural Heritage, Snowdonia National Park
- **Visit Wales** Lawrence Manley, Head of Investment and Funding

Non attendance:

- **Visit England**

Secretariat in attendance:

- **National Grid** – Michelle Clark, VIP Project Manager; Ben Smith, VIP Project Manager (South); Eloise Frank, VIP Project Manager (North); Adrian Chanter, Consents Officer
- **Camargue** – Stuart Fox; Jane Dalton

The purpose of the meeting on Thursday 22nd February was for the Stakeholder Advisory Group to:

- Receive an update on the Landscape Enhancement Initiative (LEI)
 - Hear updates on the four schemes that have been prioritised for replacing existing overhead lines with underground cables in Areas of Outstanding Natural Beauty (AONBs) and National Parks in England and Wales
 - Review current membership and wider engagement
 - Generate and discuss ideas for the future of the VIP project in the next Ofgem price control period (RIIO T2)
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1 – Update on the Landscape Enhancement Initiative (LEI)

Ben Smith from National Grid gave an update on progress with the LEI.

1.1 – Project application updates

Monitoring is due to begin in March 2018 on the three projects that received funding in Window One and which are already under way (High Weald AONB Partnership, Peak District National Park Authority and North York Moors National Park Authority).

Seven projects from Window Two have now received approval from Ofgem and funds are due to be paid out this month (Clwydian Range and Dee Valley AONB Partnership, Dorset AONB Partnership, New Forest National Park Authority, Peak District National Park Authority and three project submissions from Snowdonia National Park Authority).

The Approvals Panel met on Monday 4th December 2017 to review applications submitted in Window Three. Four projects have been endorsed by the panel and are being prepared for submission to Ofgem (Kent Downs AONB Partnership, Dorset AONB Partnership, Peak District National Park Authority and New Forest National Park Authority). Two other projects have been postponed to Window Four (Brecon Beacons National Park Authority and Shropshire Hills AONB Partnership).

1.2 – Ofgem approvals process

As discussed at previous meetings, the key issues facing the LEI have been the length of time taken to approve applications submitted by the LEI Approvals Panel, and the level of additional scrutiny that the applications have been subjected to. As reported at the November 2017 Stakeholder Advisory Group meeting, Ofgem has agreed to put more faith in the LEI Approvals Panel's rigorous pre-submission process and will not request such a high level of additional detail in future. It is therefore hoped that their final approvals process will be much quicker in the future. This should allow for a more positive and proactive approach to communications from the VIP team to encourage greater uptake of the scheme.

1.3 – LEI policy review

When the LEI policy was first set up there were concerns that it might be over-subscribed, however this has not been the case to date. The Stakeholder Advisory Group's aim was to spend £4m per annum (a total of £24m during RIIO T1), however only £1.6m of funding has been agreed to date. Whilst it was acknowledged that a slow build-up of applications for new grant-based funding schemes such as this is normal and that the potential for 'end-loading' exists, there is a need to consider strategies to encourage a greater number of applications within the current price control period.

The existing LEI policy allows a maximum of three applications per year from each AONB Partnership and National Park Authority, with a maximum funding limit of £200,000 (and no lower limit). The initial reason for the cap on the number of applications was to prevent the larger / better-resourced organisations from obtaining the bulk of the allowance. The Stakeholder Advisory Group was asked to consider a potential change to the policy which would allow any number of applications up to a total value to be defined by the Group.

Discussions focused on the reasons behind the low number of applications to date. Factors discussed included:

- Lack of resources for putting applications together
- Reductions in funding within the National Park Authorities
- Limitations on the LEI paying for staff members leading to concerns about feasibility of delivery
- Undermining of confidence in the scheme due to the length of time it has taken for projects to be approved (as outlined above)
- The adverse knock-on effects of delays to projects with specific delivery windows (e.g. biodiversity projects, planting schemes etc.)
- Problems with the flow of information e.g. need for more proactive communications and more advance notice about the dates for expressions of interest

Ben Smith and Mary O'Connor (Chair of the LEI Approvals Panel) informed the Group that some of the successful projects have included budget allowances for members of staff, and that this is allowed so long as the requirement is relevant to the nature / terms of the project (e.g. specialist skills / roles,

and resources to enable delivery). It was also felt that there could be better communication about the support / resources that are available from the landscape advisers funded by National Grid to help organisations put a successful application together.

There were some concerns that the proposed changes to the policy could lead to bigger projects being approved in fewer places, however it was also felt that failing to spend the money would be a huge disappointment, and that expanding the limits could generate new ideas and a greater number of successful projects that could then be used to promote the scheme more effectively.

There was broad agreement that promoting the scheme is key to getting more people engaged with the LEI. The importance of sharing successes was reiterated, as well as the need to be more proactive in encouraging the AONB Partnerships and National Park Authorities to come up with their own ideas for projects. It was noted that the LEI project website is already being used to provide examples of particularly strong applications, and it was further noted that the AONB workshop that was held last year led to a lot of applications from AONBs.

Whilst the intention was that the AONB Partnerships / National Park Authorities would always be a gateway for other organisations to apply, it was suggested that it might be useful to consider how to reach a wider circle of potential partner organisations such as Wildlife Trusts, The Woodland Trust, The Ramblers, National Trust etc. to encourage them to put forward project ideas for consideration as a partnership bid. Chris Baines suggested that a workshop for representatives from these groups might be useful and there was general support among the group for this. Another potential area to target would be issues that are relevant across a variety of protected landscapes in order to generate group bids between a number of AONB Partnerships / National Park Authorities.

It was decided to leave a decision on the policy until the next meeting of the Stakeholder Advisory Group when it would be clearer whether the approvals process had speeded up to an acceptable level and that, as a result of that, and wider engagement / promotion of the LEI, more applications were coming forward.

1.4 – Future applications

Expressions of interest for Window Four opened on Friday 9th February 2018 and will close on Friday 9th March, and Window Five will open in Q3 2018. To ensure that potential applicants have plenty of notice, firm dates for Windows Five and Six will be agreed and communicated shortly.

The next workshop for eligible AONBs and National Parks has been arranged for Tuesday 8th May 2018 in Birmingham and, depending on numbers, it may be opened up to other organisations that have shown interest in the scheme. All members of the Stakeholder Advisory Group are welcome to attend the workshop.

It was confirmed that photographs will be requested from the projects that are about to undergo monitoring to use at the workshop, and also as part of the ongoing promotion of the LEI scheme. If possible the Group requested that a landscape photographer might be used to capture some of the LEI projects before work commenced.

Actions:

- **National Grid and Camargue** to consider options for wider promotion and communications on the scheme, potentially including a workshop for senior individuals within relevant organisations (see above).
- **National Grid** to set the dates for Windows Five and Six and communicate these to the Stakeholder Advisory Group and wider interested parties as soon as possible.
- **National Grid and Camargue** to consider options for landscape photography at some of the LEI sites.

2 – Update on the four schemes shortlisted for underground projects

Adrian Chanter, Eloise Frank and Ben Smith from National Grid gave an update on the progress of the four schemes that have been prioritised to be taken forward. A summary of progress and specific issues for each of the four schemes is outlined below.

2.1 – Dorset AONB – 4YA.7

The planning applications for the Dorset AONB scheme were endorsed by the Stakeholder Advisory Group at its November 2017 meeting, and officially submitted to the relevant authorities in January 2018. It is hoped that the consents will be awarded in April / May 2018. West Dorset District Council has validated the Town & Country Planning Act application and backdated it to the date of submission in January. The application for Ofgem funding is due to be submitted in March 2018.

National Grid is in the final stages of negotiating the required land ownership and access rights with landowners. Should it prove necessary, and as discussed at previous meetings of the Stakeholder Advisory Group, National Grid has the statutory powers to gain rights of access to the land through Compulsory processes.

Preferred bidder status has been awarded for the main construction contractor and the contract will be officially awarded upon confirmation of funding for the project from Ofgem (provisionally in Autumn 2018). The detailed design for the scheme will be worked up at this point, prior to construction commencing in Spring 2019. In the meantime, National Grid is working with the contractor on key aspects of the scheme's design, including looking at the best way of crossing the escarpment at the southern end of the proposed route and the A35 at the northern end.

National Grid is also working with Natural England and other stakeholders on the Landscape and Ecological Management Plan and associated costs. Other ongoing activity includes liaison with Historic England and Dorset County Council on the scope of the next stage of archaeological works, which includes further geophysical work to indicate where the trial trenching needs to be focused, and identification of construction mitigation requirements.

The Stakeholder Advisory Group was shown a number of photographs of the existing pylons that were taken during December 2017 by UK Landscape Photographer of the Year, Benjamin Graham. The importance of an ongoing photographic record of this sort of quality before, during and after construction was highlighted, and it was confirmed that this will be done for all four schemes. It was also confirmed that photo montages need to be taken as part of the Environmental Impact Assessment (EIA) showing the existing infrastructure from key locations and what the landscape will look like after the pylons are removed.

Shane Gould from Historic England asked to be kept updated if anything significant arises during the ongoing GI works in Dorset. He also highlighted the potential significance of the public outreach element of this project, including the opportunity to tell a great story about the history of the area.

2.2 – Peak District National Park (East) – ZO.2

The proposed route for this scheme has been agreed with local stakeholders, and the National Grid team is working well with officers from Barnsley Metropolitan Borough Council (BMBC) whose key elected members have been briefed.

Discussions are ongoing on the diversion of the Trans Pennine Trail and with Yorkshire Wildlife Trust regarding the impact of the project on Wogden Foot local wildlife site, which is the proposed location for a new sealing end compound. A further meeting is due to be held with the Trust in March to discuss mitigation and enhancement opportunities for the site.

Progress since the November meeting has included further surveys and drafting of the Environmental Assessment Report (EAR), continuing work on the TPT diversion, developing ecological and landscape principles and the options for offsite laydown areas.

Ongoing stakeholder engagement has included a meeting with the Stakeholder Reference Group (SRG) in December, and a site walkover with CPRE, Friends of the Peak District, Peak District National Park Authority and Northern Powergrid. The walkover was very productive and the groups are now working on ideas for mitigation and the wider landscape enhancement of the whole valley area around Dunford Bridge.

Other activities and next steps include preparing the planning applications and supporting documentation, a public consultation during the summer, and continuing discussions with stakeholders regarding ecological, landscape and archaeological mitigation.

The indicative programme for this scheme is for the funding application to be submitted to Ofgem in May 2018 and the planning applications to be submitted towards the end of this year. Subject to the necessary approvals being granted and the diversion route for the TPT being agreed, construction would begin onsite in the summer of 2019 and would last for two to two and a half years.

A discussion was held about the wider benefits and opportunities that this scheme has. For example, it is felt that the project provides a great opportunity to tell the story of the industrial and social history of the area (including the construction of the Woodhead tunnel and associated railway tracks / holding areas) similar to the facilities at Standedge where the canal network crosses the Pennines.

2.3 – Snowdonia National Park – 4CZ.1

The preferred option for this scheme that has been agreed with local stakeholders is to construct a tunnel to carry the transmission infrastructure from Cilfor to Garth under the Dwyryd Estuary and extend the northern section to join up with the existing cables that run across the Glaslyn Estuary to the northwest. The project requires a significant amount of civil engineering work and although the local community is very supportive of the scheme, there are sensitivities around the level of disruption to the community, particularly in the light of negative impacts during the recent Pont Briwet road and rail bridge development.

Severe weather and the need to avoid disruption to over-wintering birds in the estuary meant that marine boreholes in the estuary could not be completed last year. These works will resume after Easter.

With regards to the removal of the pylons in the estuary, a number of meetings have been held with landowners, local stakeholders, many of whom sit on the project's Stakeholder Reference Group, local planners and Natural Resources Wales (NRW) to explore the options for removing the remaining foundations. The removal of the towers will now be included in the planning application, and a working group on tower removal has been formed. Options under consideration are the use of helicopters to remove material, and / or using a derrick instead of a crane to lessen the impact on the salt marsh.

In response to questions about dealing with the spoil arising from the tunnel construction, National Grid advised that they are about to appoint a waste contractor, alongside an already appointed traffic and transport contractor. Further information will therefore be available on these issues in due course.

Cadw asked National Grid whether any archaeological checks have been made with regards to slate transport ships. Although it was noted that the river is not as navigable as it used to be, there is the potential for submerged vessels to be in the estuary. National Grid confirmed that baseline surveys have been carried out but they are not sure whether this aspect has been fully checked out as yet.

Other ongoing activity and next steps include: further environmental surveys, ongoing stakeholder engagement and wider briefings, a public consultation in the autumn, agreeing the tunnel head house locations, and further engineering work on the tunnel design, location and construction.

The indicative programme for this scheme is for the planning application to be submitted in winter 2018, and the funding application to be submitted to Ofgem in spring / summer 2019. Construction is not currently anticipated to start until winter 2021.

2.4 – New Forest National Park – 4YB.2

The Stakeholder Advisory Group was reminded of the changes to the preferred route for this scheme which were discussed and agreed at the previous meeting in November 2017. Preliminary GI works along the route that was originally agreed in 2016 had identified the presence of gravel to a depth of 30m at the western end of the route, meaning that the ground would not be stable enough for HDD to be used. Three alternative options for this part of the route were presented to the Stakeholder Advisory Group at its last meeting, and the option to the north (supported by local stakeholders) was endorsed. This route is now being pursued by National Grid and work has been ongoing to determine the technical and engineering feasibility for trenching.

A wide working width is required for this scheme due to the need for temporary storage of the removed heathland/topsoil, the access and haul roads, and installation of the ducts. A central haul road would be used for putting in access tracks, and as much use as possible would be made of existing forest tracks to take away the existing pylons. Ducts will be used to cross the roads and streams with their wider use subject to more detailed design work with the appointed contractor.

In order to address stakeholder concerns about the obstruction of grazing animals, National Grid is now considering a phased programme for laying the cables in four separate 800m sections.

Discussions with landowners for the sealing end compounds are progressing well, and a positive meeting was held with the Stakeholder Reference Group on 13th February. Now that the final route option has been agreed, further ecological and archaeological surveys are required on the new route, more hydrology surveys need to be carried out to understand impacts on the area, and the wider gap analysis that was previously put on hold will also now be continued.

As outlined at the last meeting, National Grid has commissioned Professor Carys Swanwick to work with interested stakeholders to consider the landscape benefits and perspectives of the scheme in more detail, in order that they can be balanced against the ecological impacts on habitats and wildlife. The report from this work will be available shortly, and it was suggested that Professor Swanwick should be invited to the next meeting to discuss the report in more detail.

A public consultation is planned for the summer, and will potentially be staggered to gain the viewpoints of summer holiday visitors as well as local people. Barring insurmountable problems due to the existence of protected bird species (see 2.4.i below) the indicative programme for this scheme is for the planning applications to be submitted before the end of the year, and the funding application to Ofgem to be submitted in the spring of 2019. Subject to the necessary approvals and consents being given, construction would commence in the spring of 2020.

Shane Gould from Historic England advised that National Grid should continue to seek / act on the advice of Frank Green, New Forest National Park Archaeologist, with regard to archaeological issues.

2.4.i – SPA breeding birds and pursuing an IROPI case

The key issue currently facing this scheme is the existence of three bird species accorded Special Protected Area (SPA) status i.e. the nightjar, woodlark and Dartford warbler. Work has been ongoing in conjunction with Natural England, the National Trust and the New Forest National Park Authority to determine the potential impacts on these species and to establish the 'carrying capacity' in other areas of the forest. Two years of detailed surveys have now been carried out with the result that Natural England has concerns about all three species. It is therefore the opinion of Natural England that, for the project to proceed, it would be better to accept an 'adverse effect' and pursue an 'Imperative Reasons of Overriding Public Interest' (IROPI) case. *[A definition of 'imperative reason overriding public interest' is contained in the DEFRA guidance and this was shared with the Group.]*

IROPI provides a mechanism (a derogation under Article 6(4) of the Habitats Directive) for a project to potentially be approved even though it would have an 'adverse effect' on the integrity of a European site.

There are three sequential tests that need to be passed:

- i) There must be no feasible alternative solutions to the project which are less damaging to the European site;
- ii) There must be “imperative reasons of overriding public interest” (IROPI) for the project to proceed;
- iii) All necessary compensatory measures must be secured to ensure that the overall coherence of the network of European sites is protected.

2.5 – Thank you to National Grid for the progress made to date

The Chair of the Stakeholder Advisory Group, expressed his thanks and congratulations on behalf of the Group to National Grid for the progress that has been made on the VIP project to date, for clearly embracing the principles that the Group has fostered over the last four years, and for investing such a huge amount of time and emphasis on stakeholder discussions.

3 – Future of the VIP programme and looking forward to RIIO T2

3.1 – Feedback on the meeting with the Gas and Energy Markets Authority (GEMA) / Ofgem

An update was given on a meeting between GEMA / Ofgem representatives David Gray (current Chair – until later this year) and Kersti Berge (Partner for Networks and Head of Ofgem in Scotland), and Chris Baines, Liz Newton and Ingrid Samuel representing the VIP Stakeholder Advisory Group. The meeting was felt to have been very productive, and it was apparent that the VIP programme is considered to have value. The need to provide strong evidence to justify continuation of the funding was, however, also made clear, particularly when it is being pitched against significant and justified interests in the cost of energy.

A discussion was held about further opportunities for members of the Stakeholder Advisory Group to brief other key players on the project. It was agreed that a briefing on the progress of VIP should be organised with John Pettigrew, Chief Executive of National Grid.

Action:

National Grid and Camargue to organise a briefing with John Pettigrew.

3.2 – Workshop on ideas for RIIO T2

At the November 2017 meeting, Michelle Clark outlined the process that is taking place in advance of the next price control period (RIIO T2) which is due to start in April 2021. As part of the preparation for the RIIO T2 submission, National Grid needs to explore what its stakeholders and consumers want during the next period.

A big change in the process for T2 is an increased requirement for submissions to be stakeholder-led. National Grid is therefore in the process of liaising with stakeholders across key areas of interest. With regards to the VIP scheme, National Grid asked Advisory Group members to discuss their thoughts and ideas around lessons learned during the first round of the VIP programme, and ideas for how the framework could look in RIIO T2.

The group was split into three sub-groups to discuss and present back their thoughts on the following broad topics:

- Continuation of the VIP policy
- Working with Distribution Network Operators (DNOs) to develop joint visual improvement projects
- Identifying wider projects for visual improvement
- The Landscape Enhancement Initiative
- Visual improvement of substations in the setting of AONBs / National Parks

The key themes from the discussions are summarised below:

i) Support for continuation of the VIP scheme – There was unanimous support for continuing with the VIP scheme, and it was also agreed that time needs to be invested in providing the necessary evidence to justify its continuation.

ii) Keep the core of the existing framework and build on it – There was a desire to maintain the ‘core’ of the current policy, the detailed landscape assessment and process. It was, however, felt that the scheme could be broadened / expanded by adding in other elements, e.g. socially deprived areas, national trails / coastal paths, other designated areas such as World Heritage sites, and other nationally valued landscapes.

iii) Evolve the LEI – It is felt that the LEI has the scope to make large positive impacts, and the scheme could be evolved by broadening its remit and opening it up to a wider range of stakeholders (e.g. Cadw, English Heritage Trust, the National Trust, RSPB, and Wildlife Trusts). Specific ideas for broadening the scheme included: revisiting lines adjacent to the designated areas; a stronger focus on interpretation and improving access; considering land purchases to safeguard pieces of land; including other designated areas (e.g. World Heritage sites) and areas of significant public access such as country parks and national forests; and increasing the focus on cultural heritage as well as the natural environment.

It was also felt that the LEI could benefit from being embedded in the forward planning of all organisations from government to the members organisations of the Stakeholder Advisory Group and beyond to enable the planning and development of good schemes over time.

iv) Collaboration with District Network Operators (DNOs) and other utility / infrastructure providers – There was strong support for better coordination / links between National Grid and the DNOs, and there was a reminder that a number of projects had already been identified where working together would achieve better results. It was also felt that this should be expanded to explore synergies with the Scottish networks and other utility companies.

v) Applying the learning elsewhere – The opportunity to a) inform / influence other projects beyond the transmission network and b) encourage more joined-up thinking between the key influencers in major projects (e.g. regulators, utility service providers, the Government, local authorities, construction contractors etc.) was highlighted. There is also a strong argument that the stakeholder-based process used for the VIP project could also be used for other projects in future.

vi) Innovation – Innovation was felt to be an important area that has not received a great degree of attention to date. The potential for the LEI in particular to provide opportunities to test innovation and new techniques was highlighted, and it was also noted that Ofgem places a strong emphasis on innovation. Suggestions included: not always defaulting to undergrounding; exploring surface coatings / camouflage painting for towers, conductors and insulators; creating design innovation partnerships; and looking at how visual impact schemes could also be used in conjunction with other projects such as flood mitigation schemes. It was also suggested that more ideas might come forward if there was an improved framework through which to share information about what can be done.

vii) Substations – Ideas for the visual enhancement of substations included: making their footprint bigger rather than smaller and turning them into ecologically protected areas; improving the ecology inside the compounds; absorbing line entries; and lowering or undergrounding them.

viii) Other considerations – Other issues that were discussed included:

- A stronger focus on interpretation including e.g. using electricity as a theme for interpretation to tell the story of connections
- Ensure that the VIP policy is in line with other policies and policy context e.g. climate change, adaptation, resilience etc.
- Explore links between potential projects and resilience to climate events and extreme weather events

4 – Stakeholder Advisory Group membership and future meetings

4.1 – Group membership

As reported at the last meeting, the membership of the Stakeholder Advisory Group has been consistent which has had a number of benefits. Two recent changes to representation have been:

- Kate Roberts, Chief Executive of Cadw has now replaced Ashley Batten as the Cadw representative.
- Peter Ogden of CPRW has retired and a new representative is being appointed.

Chris Baines has continued to try to secure a representative from Visit England which is currently not represented. There has been no response to these requests and a discussion was held about anything else that can be done to encourage Visit England to be more frequently engaged. It was suggested that it might be better to engage with them on a local level about specific projects e.g. approaching them to take part in discussions about how to make the most of the Hardy Monument (Dorset scheme).

A discussion was also held about whether there is a need to widen the membership of the Group. Although it was broadly felt that the Group's representation has been comprehensive, complications on some projects have meant that some local groups such as Woodland Trusts and Wildlife Trusts have been very influential.

It was suggested that now the major schemes are reaching the point of planning applications being submitted, the timing might be right to try and engage with some of the organisations that have previously been targeted without success. It was also suggested there is a useful conversation to be had about which stakeholder organisations need to be more proactively engaged on a local and / or national level for each project. It was further suggested that the more important challenge is to improve engagement with and between the AONB Partnerships and National Park Authorities. The potential benefits of getting a broad range of NGOs together to increase awareness about the opportunities from the LEI and promote collaborative projects were also discussed.

4.2 – Future meetings

The next Stakeholder Advisory Group meeting will take place in autumn / winter 2018 ahead of planning submissions on the other three major projects (date / venue to be confirmed).