

Basingstoke Canal Options Appraisal

**Update paper to Joint Advisory Group
20 September 2005**

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Appendices

Appendix 1: Appraisal of options relating to the future management of the Canal

Appendix 2: List of potential sources of generating further income

Appendix 3: Other issues raised in the course of the groupwork sessions to be addressed

Appendix 4: Key success criteria

Appendix 5: Evaluated options against the ranked success criteria (to be tabled on the day)

1 Introduction

- 1.1 Basingstoke Canal is jointly owned by Hampshire and Surrey County Councils and is managed by a JMC consisting of both County Councils and the other riparian district authorities. These authorities provide the canal with its main source of revenue funding through annual allocations which are calculated by a funding formula and relate to the proportion of canal in each district.
- 1.2 In recent years budget pressures have meant that not all riparian authorities have been able to meet their required formula proportion. Consequently, there have been reductions in maintenance work, and dredging work has been postponed.
- 1.3 The Canal has international conservation status, is a massive recreational asset and is a key drainage resource for its surrounding area. The owners have a statutory duty to maintain the SSSI status of the water. However, the SSSI status is in severe decline and this trend needs to be reversed
- 1.4 The Canal also needs to secure capital investment to ensure it can continue to operate on a sustainable basis into the future.
- 1.5 The current arrangements allow the conflicting pressures of recreation and conservation to be carefully managed. Alongside this, the governance arrangements incorporate the needs and views of stakeholder bodies.
- 1.6 As a result of these issues the owners of the Canal commissioned a review, to be project managed by Hampshire County Council in-house Treasurer's Consultancy team, to identify and appraise options which will secure long-term revenue funding and capital investment for Basingstoke Canal.

2 The process to date

- 2.1 The work commenced in May 2005 with background research on a range of potential options that could be considered. These were split between options relating to the basis of operation of the Canal and options to generate further income for the Canal.
- 2.2 A stakeholder workshop, led by both Hampshire County Council and Surrey County Council, was held 11 July with the full range of stakeholders invited. The purpose of this workshop was to:
 - Ratify a proposed range of options to ensure no other considerations had been missed
 - Appraise the options identified in terms of advantages, disadvantages, risks and dependencies

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- Brainstorming a list of potential ways in which further income could be generated for the Canal.
- 2.3 The workshop attendees were split into two groups to undertake the appraisal and brainstorming sessions. Each wrote up their output on flipchart paper.
- 2.4 The output from the groupwork sessions (from flipchart records) at the workshop has been distributed, and is attached as follows:

- Appendix 1: Appraisal of options relating to the future management of the Canal
- Appendix 2: List of potential sources of generating further income
- Appendix 3: Other issues raised in the course of the groupwork sessions to be addressed

3 Next steps

Consideration of future management options

- 3.1 The next stage of the process is to evaluate each of the options against a range of success criteria. As part of this process a number of potential key success criteria have been identified, which have then been ranked in terms of criticality/ importance. For example, nothing can happen on the Canal without financial sustainability/be cost effective and democratic representation and support, as a result these are ranked equal first in terms of criticality. The success criteria are included at Appendix 4.
- 3.2 We would like members of JAG to ratify the range of key success criteria.
- 3.3 The riparian authorities have jointly evaluated the options against these key success criteria. This information will be tabled on the day of the JAG. We would like members of JAG to consider the evaluated options and agree the shortlist of options for the JMC to consider .
- 3.4 Following consideration and support by the JMC the shortlisted options will then require detailed feasibility work. This work will be undertaken over the winter with the target of reporting the results and recommended way forward to the next JMC.
- 3.5 Progress on this further work will be reported back to the JAG, and if necessary a special meeting will be scheduled early in 2006.

Opportunities for generating further income

- 3.6 This list will be taken forward by the Director of the Canal and the Resources Group to determine the feasibility of each in terms of generating additional income. The intention will be to report back to the JMC as soon as possible.

4 Recommendations

4.1 It is recommended that the JAG:

- Support the evaluated options using the ranked key success criteria
- Agree the shortlist of options for the JMC to consider

4.2 It is proposed that the JAG recommend that members of the JMC:

- Ratify and support the key success criteria established to assess possible future management options
- Consider the evaluated options and confirm their preferred position in terms of the options
- Confirm which options should be shortlisted and subject to detailed feasibility work
- Agree to supporting this process through the involvement of officers and members as appropriate.