



Basingstoke Canal Visitor Service

and

Recreational Development Plan

This plan covers the period from 2010 to 2015



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## 1. Executive Summary

Recreation opportunities and visitor services are in need of development to realise their full income potential, customer service experience and satisfaction.

The purpose of this plan is that income generation is critical to any sustainable model of managing the future of the Basingstoke Canal. Recent related surveys, reports and option appraisals have all identified a fundamental requirement to increase revenue streams.

This plan is to be read in context with three other strategic action plans that address the principal management objectives and obligatory functions of the canal as a public amenity. [*see annexe I*]

Whilst there are clear benefits from focusing resources on generating income streams, the advantages and disadvantages of any management model must be taken in balance and the key considerations are that of economies of scale and financial risk for the Basingstoke Canal Authority (BCA) and the two County Council owners.

The overriding concern is that of economies of scale and financial sustainability. The Basingstoke Canal's long term succession is totally dependent on local authority contributions not reducing further, the need to reduce the cost base and significantly increase income from centrally based activities.

The BCA are experiencing reduced income levels, rising costs associated with staff, transport and general maintenance. The Kennet and Avon Canal which is maintained by British Waterways (BW) is about three times the size of the Basingstoke Canal, otherwise very similar in construction and structure. BW spend £6m / annum [*BW Financial Report 2009*] in maintaining it. In context this would represent a spend of 2m in revenue funded maintenance for the Basingstoke Canal. Current revenue funding collected from requested contributions from the partnership amounts to £548,000 for 2010/11 and this represents a shortfall of £32,000 from that requested. Generated income is likely to be £180,000 making a total forecast outturn of £728,000 for 2010/11.

## 2. Recommendations

It is proposed that the Joint Management Committee agree and implement that the Basingstoke Canal Authority address the following;

- The cost base of the Canal is reduced, with realistic savings being transferred into maintaining the canal as a viable recreational facility that is sustainable measured against the reduced revenue contributions.
- Set up an income generation steering group, comprising stakeholder representatives such as the Boating and Canoe Clubs, Surrey and Hampshire Canal Society, the Inland Waterways Association, Natural England and the Basingstoke Canal Angling Association and task its membership with realising realistic income targets based on solid feasible activities in balance with the ecological value of the canal through this plan;
- Work in partnership with county countryside and museum partners and utilise their income generation expertise.
- Cost base reduction and income generation targets should be set progressively with the intention to recover at least the current £32,000 shortfall in revenue funding, and then build from there.
- Work closely with Surrey and Hampshire Canal Society to consider what external funding initiatives could be accessed through their registered business and charitable status to further support the Canal.
- Consider changing the branding and enhancing the marketing to increase engagement of future funders and greater participation of volunteers.
- Work in partnership with the Surrey and Hampshire Canal Society to increase the active volunteer base on the Canal.
- Encourage and foster a more robust and formal cross partnership working model

## **Principal Stakeholders**

Stakeholders are -

- joint owners; Hampshire County Council and Surrey County Council, together managing the canal through the Basingstoke Canal Authority,
- local riparian authorities; Hart District Council, Rushmoor Borough Council, Guildford Borough Council, Surrey Heath Borough Council, Woking Borough Council, Runnymede Borough Council,
- statutory regulators; the Environment Agency, Natural England,
- conservation trusts; Hampshire & Isle of Wight Wildlife Trust, Surrey Wildlife Trust,
- voluntary bodies; Surrey and Hampshire Canal Society, Basingstoke Canal Canoe Club, Basingstoke Canal Boat Club and Basingstoke Canal Angling Association;

all of whom have been consulted in the preparation of this Plan.

## **The Canal Visitor Centre in Context**

The Canal Visitor Centre was acquired and converted through 1992/93 and now comprises of offices for the BCA, reception / information point, shop, small exhibition area and function room. There are six non residential moorings that pay five times the cruising licence fee. John Cale Canal Cruises operates from the Canal Visitor Centre running public trips, pedlos, canoes, rowing boats and chartered cruises.

The Tea Room located on site, currently operating on a five year lease, attracting a set rental fee of £5000 per annum, which goes towards the running of the Canal Centre. Additional facilities include an adventure play area, picnic area, nature study area and a 7 acre field which is used for camping, caravan rallies and car boot sales and education based activities.

Over recent years the Canal Centre has enjoyed huge success in providing a service for the local community. The BCA has run a successful schools programme which sees a larger number of local school children learning about such subjects as the history and the wildlife on the canal.

Local organisations such as Surrey police use the club room facility to run local workshop surgeries, and the junior citizen scheme, all of which help to create links with the local community and in turn help to create ownership of the Canal.

There are several current events that are organised and run by the BCA which help to generate income. The most successful is the 'Santa Cruise' event which runs throughout December. This event has created a huge amount of interest from both within the local neighbouring communities and also much further afield. Other events include a family fun day, Easter, summer and October half term children's activities, guided walks and public slideshows.

The Canal centre has generated significant income in the past through camping, club room hire, franchises on site, and events held throughout the year (*as stated in the 2000 to 2004 development plan*). The majority of this income goes towards the maintenance of the canal. Over the years there has been very little reinvestment into the Canal Visitor Centre and its central facilities.

There is now an obvious need for the Canal Visitor Centre and its based activities to generate sufficient income to be financially self sufficient. This requirement has led the Canal Director to suggest that the Canal Centre is to have an independent budget and a proportion of income generated should be reinvested back into the Centre (40%) over the next five years in order to redevelop the income generating customer base, the remaining portion to be invested into the canals infrastructure.

The long term strategy is to develop the Canal Visitor Centre by identifying ways of generating more income to ensure that it is run as a sustainable and viable business, it is also imperative that the Canal Centre continues to develop links with the local community in this way.

## **Product & Services**

It has been suggested that the BCA run a wide range of activities and services from the Canal Centre, which are designed to either generate interest in the Canal and / or generate income. To a certain extent this has already been extremely successful. In the past there has been very little consideration in regards to a pricing policy, any increase has always been minimal and has not always reflected what other similar organisations and competitors are doing.

The Canal Centre and its location are what defines it over other family attractions. There are very few campsites in the local area that can offer a canal side setting and the same goes for the function room. This helps to put the Canal Centre in a unique position which can help to justify a more competitive pricing strategy.

One particular area to develop is the lease / licensee operations and moorings on site. Once again there has been very little in terms of increase and it could be argued that the BCA charge a very low commercial rate in comparison to similar waterways.

## **Marketing**

There has been very little market research carried out, and what has been done has mainly been achieved through the use of the Internet.

## **Website**

The Canal Authority website has been designed and maintained internally. Over recent years the site has developed into a useful information tool helping to inform the general public of what we do and how we manage the Basingstoke Canal. The site has not been regularly updated, although it contains relevant and useful information for example navigation updates and details of events being run on the canal. The website has now been redeveloped by a specialist marketing consultant, modernised and made more user friendly.

## **Advertising**

The main method of advertising is through the use of posters, leaflets and adverts placed in local media papers and Yellow Pages. All those published provide a financial return; however, their effectiveness, of those that have been published has yet to be determined. It is now planned to code the adverts, leaflets and posters which will enable the BCA to measure the efficiency of the publications. This in turn will help to develop a clear and effective advertising strategy for all activities and facilities.

### **3. Future Demand and Development Strategy**

#### **Function club room**

The Function Room has seen steady income over the last few years. This has been achieved primarily by word of mouth, so a need to develop a clear marketing strategy exists here. The Function Room has become popular for children's parties; however there are very few businesses/community groups that use the room. With several blue chip organisations in the catchment area, an effective advertising campaign would create interest.

The strategy here is to create 'packages'; these would include buffets, looking into the possibility of creating a partnership with John Cale Canal Cruises and the Tea Room management through a partnership approach.

Recently there have been several groups that have hired the land opposite the Centre in addition to the room itself. This allows for greater flexibility especially in terms of numbers of users and function of the room. It also offers the opportunity to further develop the package which involves installing a set of French Doors. This will open up the Function Room directly to the area in front (and not via the Toilet and Shower area). Additionally the room's windows will need to be replaced in the near future with more safe, secure and economically efficient designed glazing.

#### **Specific Target Actions:**

- Community groups- creating a package that includes hire of the room (including a canal presentation) and a boat trip.

- Increase the number of events held in the function room for example talk & dinner evenings covering such subjects as; wildlife and conservation, history and restoration of the canal and heritage.

## **Camping**

Despite limited investment the campsite has seen a significant increase in income. This has been achieved with very little advertising, and once again no clear marketing strategy. The campsite is in a strong market position as there are very few campsites in this area.

### **Specific Target Actions:**

- Formalise licence for the site which would allow the BCA to increase both the number of nights and events, and capacity of campers. Currently the Campsite is restricted to a low number of units that are able to stay on site; there is also a limit of 10 nights stay in any one month.
- Up grade facilities (toilets/showers, electric hook up), improvements to the site would also lead to a more competitive pricing policy with the BCA being able to charge a premium rate for the use of an electric hook up.

The capacity of the Campsite is determined by the size of the toilet and shower facilities. The current facilities are far too small especially during the summer months which are borne out by the fact that the BCA regularly has to turn people away. The current capacity is 45 people, (with the use of 3 toilets and 3 showers) doubling the toilets and showers will in turn double the capacity.

- Develop, working with stakeholder partners, a purpose built toilet and shower block along with a meeting room and ancillary facilities in conjunction with the Basingstoke Canal Canoe Club and the Surrey and Hampshire Canal Society. Both of whom are looking to increase their respective membership potential. A similar project was developed at Market Bosworth Country Park who built an 'Eco Green toilet block' at the cost of £80,000, this was part funded by grants from East Midlands Development Agency.

The Campsite is in a unique position with regard to location (45mins from London), wildlife and ecologically rich rural environment.

- Develop weekend away break and or volunteer work party packages (e.g. canoe and camping package that can be linked in with the Canoe club and Canal Society) helping to appeal to a different market. This will require advertising in specialist publications for example 'Team Building Sessions' for corporate entities.



## **Shop/reception/virtual shop**

The shop has very low overheads and currently requires very little input to run it. The main problem is the quantity of stock due to prior commitments i.e. Canal Guides and postcards etc., Over the past three years we have reduced the level of stock whilst trying to increase shop sales.

### **Specific Target Actions:**

- Increase customer flow in the reception, customer numbers and average spend per customer. This can be achieved through developing product range, running activities in the reception area, and improving the information available to members of public.
- Introduce a basic range of camping equipment which would link in with the development of the campsite and weekend away breaks.
- New interpretation signs including an up to date map and have more interactive displays (branding).
- Create and develop partnership with a leading canal boat memorabilia organisation to advertise products on line on the website. This means there is no need for carrying the stock and using up vital limited space. Sales are managed through the website shopping cart and come directly from the distributor with an agreed percentage profit for the BCA.

## **Events and Centrally based Activities**

Currently there are very few events held both on the Canal and the Centre, and this is certainly an area that needs to be scoped and developed. Successful events can be used to help generate not only additional income, but also help to create links with the local community. This in turn would increase the opportunity for external organisations to get involved with the canal.

### **Specific Target Actions:**

- Realistically increase the number of events held on the field. Currently the BCA are restricted to 16 events a year that can be held on the field, the size of the field along with the facilities on site offers the opportunity to hold regular large events. Beer and boat festivals, wildlife conservation days, country fares and corporate days are just a few examples of events that could be held on site.
- Conservation work days, working with partner stakeholder groups such as the wild life trusts, sponsored company working parties, to involve local communities with projects based on the canal.
- Summer 'kids club' has proved to be a great success and sells out every summer. The BCA however, is restricted to six days a year for activities

without parental presence, and would require going through OFSTED to increase the number of days.

- Family wildlife clubs and projects both at the Canal Centre and the Canal.
- Look at creating a network of volunteers to help run events and reduce overheads.

## **Education**

There has been very little investment and or development of the education package. This is reflected in the past three year's income. Although there is very little money to be made out of education, it is an opportunity to generate interest and ownership in the Canal. The BCA restructured its pricing policy in 2005, to give the schools more flexibility on how much to spend on an out of School visit. Actively promote the Schools package looking to increase the number of visits.

### **Specific Target Actions:**

- New interpretation and activity boards. An opportunity to create partnerships with outside organisations such as Aspire.
- Develop an outreach programme with the aim of getting schools out onto the canal; this could also involve wildlife/conservation projects on the Canal.
- Build an education room/cabin/yurt in the Study area which will help to focus the School interactive activities in the nature study area and can be used for other centrally based income generating activities during the year.

## **On site Security and Safety**

There are several areas of the Canal Visitor Centre where safety and on site security are an issue. It is apparent that the Canal Centre is becoming a regular meeting place for large groups of youths. There have been several serious incidents on site that include vandalism and anti social behaviour. The BCA need to ensure that the site is secure for campers and owners of boats.

### **Specific Target Actions:**

- The BCA working with stakeholder partners invest in a CCTV system with cameras based around the site and means to record, also working in collaboration with local police crime reduction initiatives and the local Police Community Support Officer's.

Another issue is traffic management, there is a constant problem with speeding cars along the road leading up to the Field.

- Fit a series of speed bumps strategically placed at either end and in the

middle of the road with appropriate markings, this is a cheap and effective option.

- Erect a suitable rustic fence and barrier across the field. This will alleviate problems with unauthorised cars driving around the field, it will also enable the BCA to manage the campsite more effectively, and allow the formalisation of the overflow Car Park.

## **Moorings**

In the past the income from the boats that are permanently moored at the Canal Centre has gone directly towards the maintenance of the Canal. The charge for a permanent mooring at the Canal Centre is currently five times the Boat Licence fee. It is suggested that a proportion of these Boat Licence fees will go into the Canal Visitor Centre budget for reinvestment over the next five years.

This is a steady source of income for the Canal Centre, and should allow for increasing the numbers of moorings on site by up to ten.

### **Specific Target Actions:**

- Provide a floating pontoon to run along side the canal bank that will address access issues to boats. A further option is to look into providing electric hook ups which like the Campsite will be charged at a premium rate.
- Install a be-spoke slip way for trailer boats and general access to the canal, this is a highly desired facility by request from the boating and canoe clubs. Having a slip way at the Canal Centre would advantage many user groups and would attract more boating on the canal, hence increase in licence fee income.

## **4. Long term investment/income strategy**

The Basingstoke Canal is one of the most popular natural local and public amenity attractions in two counties. The canal provides direct public access for six neighbouring district borough councils and their communities. The Government has rightly attached a high priority to the achievement of improved access to the countryside in order to achieve a healthy and active life style by having direct access to natural recreation, while experiencing eco-socio interaction and being able to enjoy a variety of flora and fauna and the canal ticks all of these boxes.

From January 2008, the targets set by the Canal Director is to;

Set up and deliver on a development plan for the Canal Visitor Centre that will enable greater income generation leading to sustainability through re-investment of revenue generated income and evolving sound business themes producing a direct line of income for the BCA to invest in essential improvements and enhancement of both the Canal Visitor Centre and the Canal Infrastructure.

Performance against corporate objectives;

Four strategic action plans support the BCA's vision and in the last year we identified key initiatives that would drive this forward for the Canal Visitor Centre, some designed to have an immediate and direct impact on service delivery, whilst others focused on longer term change: [see *annexe I*]

- Focus on the visitor experience
- Enable best safe practice in improving the visitor environment by undertaking projects that focus on the visitor experience, the physical environment and general facilities improvement
- Develop high quality and innovative local services
- Through a modernisation innovative initiative, work with partner organisations to transform the visitor centre, recreation and eco-socio gains
- Work with partner organisations across the two counties to develop proposals for related services for people within their communities
- Drive growth in identified specialties, starting with recreation, and continuing with other identified specialties such as a national cycle network, safe routes to schools, bike it, travel-smart, active travel and liveable neighbourhoods, all projects that are changing our world one mile at a time and would involve the canals extensive towpath
- Be nationally and internationally distinctive in the SSSI conservation in balance with recreation
- Develop and implement strategies for research and development, opportunities for undergraduate and postgraduate education.
- Attract, develop and retain the best people across our staff team
- Support partner services effectively
- Increase access recreation utilisation.

Through our 'Delivering Excellence Programme' and other work across the county many of these initiatives have been successfully achieved during the past years. For others, the groundwork has been laid which will allow us to make further progress in 2010 and onwards.

Continue reducing unnecessary costs through scale of economy, especially for non-essential or extra value activities, has been a key theme during the past three years and achieved by changing the way in which delivery is made, for example, taking the direct management of the Tea Room out of the BCA Infrastructure and offering this as a rent paying lease agreement.

## Income Generation History

	Boat Licences £	Sales £	Angling £	Camping and Room Hire £	Group Activitie s £	Fibre Optic cable £	Donations £	Total £
2001/02	26,957	3,233	9,847	38,038	5,194	58,686	32,736	174,691
2002/03	28,160	3,651	10,860	31,887	6,594	50,099	39,582	170,833
2003/04	20,247	1,999	9,013	32,550	11,492	50,399	35,955	161,655
2004/05	25,571	549	10,071	42,562	9,120	58,301	22,207	168,381
2005/06	18,936	4,450	9,947	34,895	9,812	51,868	1,352	131,260
2006/07	20,080	5,926	11,095	59,335	11,062	51,075	28,694	187,267
2007/08	19,736	10,490	10,964	46,025	15,135	51,768	11,509	165,627
2008/09	17,921	4,583	11,317	41,668	17,233	51,775	8,016	152,513
2009/10	17,000	6,200	11,000	59,700	21,000	49,000	14,000	179,100

From the table above, it can be seen that the trend is towards a significant drop in income from boat licences. This is due to loss of confidence in the reliability of the navigation and reluctance to visit the canal or moor a boat on the canal.

### Specific Target Actions:

- Capital investment programme to repair the canals major structures
- Improve navigation standard
- Increase mooring potential for the whole canal
- Improve water supply (third back pumping system, water storage options)
- Introduce a competitive but fair licence and mooring charge

The camping facilities at the Canal Visitor Centre in Mytchett is the main focus for generating further income. In the last two years camping has generated around £32,000 from 35 pitches, with an average number of pitches per day, over the

course of 2009/10, being 8 pitches. The plan is to double the capacity to 75 pitches, or an average of 16 per day, with potential income of £67,300, with a revised tariff to reflect the improved facilities.

However, the expansion cannot be achieved without investing in the infrastructure to support the increased camping use. A new toilet and shower block is required, along with electrical hook up points. The BCA are still finalising these costs, the new toilet/shower block is estimated to cost upwards of £120,000 which could be part funded by Canoe England, Surrey and Hampshire County Council's and possibly others. The electric hook up and field improvements are feasible within capital funding from Surrey County Council, along with the BCA undertaking some of the work in-house to reduce costs. Discussions are currently underway with local Borough Councils and the Canal Society about grant sponsorship and donation funding to cover some improvement costs.

Other potential future development is likely to be around other hire of facilities such as extra rental of the club room, once the size and capacity of the camping facilities has been improved and increased. However this is a long term strategy that will require funding.

It is also felt that income from gate and garden licences could be more than doubled. This is currently £50 per license per annum, equating to £3,270 in total per annum. A review and survey is in progress and should be completed ready to implement for the 2011/12 financial year.

*NB* Staff salaries for Centre activities are saved by a share basis system, the same administrative staff are responsible for the running of the overall infrastructure. Where extra staffing is required, this is provided by pro-rata casual and volunteer staff.

Centre Moorings are inclusive of Hire Boat Agreement, Canoe Club and reflect licence and mooring fees only for the Canal Visitor Centre.

It is proposed to reinvest up to 40% over the next five years of the target income back into the development of the Canal Visitor Centre, to cover improvements to facilities as match funding against bids for external funding and sponsorship from local business. After five years, at least 80% will be made available to the canal's infrastructure revenue budget. The remaining 20% will significantly contribute to maintenance of the central facilities.

## Performance Targets and Business Plan

2010 - 2015

Year		Target Performance	
	Year targets	Actions	Time Frame
2010	1	Set up income generation and development steering group	ongoing
2010	2	Reduce Cost base of the Canal	3 – 6 months
2010	3	Work in partnership with county countryside and museum partners and utilise their income generation expertise	Ongoing negotiate terms
2011	4	Cost base reduction and income generation targets should be set progressively with the intention to recover at least the current £32,000 shortfall in revenue funding	ongoing
2010	5	Work closely with Surrey and Hampshire Canal Society to consider what external funding initiatives could be accessed through their registered business and charitable status to further support the Canal	ongoing
2010 2011	6	Change the branding and enhance the marketing to increase engagement of future funders and greater participation of volunteers	Once set maintain
2010	7	Launch new website	Once set maintain
2011	8	Work in partnership with the Surrey and Hampshire Canal Society and other user groups to increase the active volunteer base on the Canal	ongoing
2011	9	Encourage and foster a more robust and formal cross partnership working model	Once set maintain
2010		Income generation and development steering group to carry out specific target actions as set out in the plan under each income generating activity;	
	<b>Target</b>		<b>Cost [Funding] (Income)</b>
2011		<ul style="list-style-type: none"> <li>Construct and build new toilet and shower facility</li> </ul>	[£120,000]
2012		<ul style="list-style-type: none"> <li>Increase camping base and income</li> </ul>	(£67,000)
		<ul style="list-style-type: none"> <li><i>Review progress 2012-2013 and set targets to 2015</i></li> </ul>	
2013		<ul style="list-style-type: none"> <li>Build slip way and carry out improvements to Canal Centre Moorings and Boating Facility</li> </ul>	[£40,000]
2014		<ul style="list-style-type: none"> <li>Once canal structures are in good order, encourage steady but consistent increase in boating and mooring facilities in line with income generation target to be set by IGSG and within limits of CMP (SSSI Designation)</li> </ul>	
2015		Income target =	(£150,000)

**Annexe 1 Draft Basingstoke Canal Management Strategy**

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## **References**

Other reporting, survey and recommendations have been received from The Treasurers Consultancy (HCC) [ *see Charitable trust status: Updated position statement from October 2006* ] and Director of Development for Hampshire Museums and Galleries Trust. the contents of these surveys and information have been encompassed to a great extent within this plan. [ *reference: Sponsorship and Income Generation Audit February 2007*].