

**Notice of Meeting  
BASINGSTOKE CANAL JOINT MANAGEMENT COMMITTEE**



**SURREY**  
COUNTY COUNCIL

**Date:** Wednesday, 31 October 2012  
**Time** 10.05 am

**[There will be an informal public question time before the meeting commencing at 10.00am.]**

**Place:** Mytchett Canal Centre, Mytchett Place Road, Mytchett, Surrey, GU16 6DD

**Contact:** Andrew Spragg  
(Room 122, County Hall, Kingston upon Thames, Surrey, KT1 2DN.  
Tel: 020 8542 0283, Email: [andrew.spragg@surreycc.gov.uk](mailto:andrew.spragg@surreycc.gov.uk))  
[For queries on the content of the agenda and requests for copies of related documents]

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**This meeting will be held in public. If you would like to attend and you have any special requirements, please contact Andrew Spragg on 020 8213 2673.**

**Hampshire County Council**  
Councillor Keith Chapman (Vice-Chairman)  
Councillor Brian Gurden  
Councillor Roger Kimber  
Councillor Jenny Radley

**Surrey County Council**  
Mrs Linda Kemeny (Chairman)  
Ben Carasco  
Mr Chris Pitt  
Mrs Diana Smith

**Hampshire Districts:**  
Hart District Council  
Councillor Simon Ambler  
Councillor Sara Kinnell  
**Rushmoor Borough Council**  
Councillor R Hughes  
Councillor J H Marsh

**Surrey Districts:**  
**Guildford Borough Council**  
Councillor John Randall  
**Runnymede Borough Council**  
Councillor J M Edwards  
**Surrey Heath Borough Council**  
Councillor Bob Paton  
**Woking Borough Council**  
Councillor K Davis

**Special Interest Groups**  
**Surrey and Hampshire Canal Society**  
Martin Leech  
Mr P Riley  
**Parish Councils**  
Alastair Clark  
**Basingstoke Canal Houseboat Owners**  
Mr Denis Betro

**Natural England**  
Cressida Wheelwright  
**Inland Waterways Association**  
Gareth Jones  
**Business Interests**  
Galleon Marine/Accessible Boating  
**Basingstoke Canal Boating Club**  
Mike Adams

# AGENDA

## PART 1 - IN PUBLIC

### 1 APOLOGIES FOR ABSENCE

### 2 MINUTES OF PREVIOUS MEETING: 21 JUNE 2012

(Pages 1 - 10)

The minutes will be available in the meeting room half an hour before the start of the meeting.

### 3 DECLARATIONS OF INTEREST

To receive any declarations of disclosable pecuniary interests from Members in respect of any item to be considered at the meeting.

#### Notes:

- In line with the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012, declarations may relate to the interest of the member, or the member's spouse or civil partner, or a person with whom the member is living as husband or wife, or a person with whom the member is living as if they were civil partners and the member is aware they have the interest.
- Members need only disclose interests not currently listed on the Register of Disclosable Pecuniary Interests.
- Members must notify the Monitoring Officer of any interests disclosed at the meeting so they may be added to the Register.
- Members are reminded that they must not participate in any item where they have a disclosable pecuniary interest.

### 4 QUESTIONS AND PETITIONS

To receive either any questions or petitions.

#### Notes:

1. The deadline for Member's questions is 12.00 noon four working days before the meeting [*Thursday 25 October*].
2. The deadline for public questions is seven days before the meeting [*Wednesday 24 October*].
3. The deadline for petitions was 14 days before the meeting, and no petitions have been received.

### 5 RESPONSE FROM NETWORK RAIL

(Pages 11 - 12)

### 6 WATER SUPPLY UPDATE

### 7 NAVIGATION POLICY

(Pages 13 - 20)

8	VISION AND UPDATE OF WORK ON THE MYCHETT SITE	
9	RAPID IMPROVEMENT PROJECT PROGRESS REPORT	(Pages 21 - 28)
10	TREASURER'S REPORT	(Pages 29 - 38)
11	SITUATION REPORT FOR CANAL	(Pages 39 - 40)
12	DATE OF THE NEXT MEETING	

**David McNulty**  
**Chief Executive**  
Tuesday, 23 October 2012

#### **MOBILE TECHNOLOGY – ACCEPTABLE USE**

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**MINUTES:** of the meeting of the Basingstoke Canal Joint Management Committee held at Rushmoor Borough Council Offices, Farnborough, at 10.05am on Thursday 21<sup>st</sup> June 2012.

**Members**

<b>Hampshire County Council</b>	<b>Surrey County Council</b>
Cllr Keith Chapman (Vice-Chairman)	Mrs Linda Kemeny (Chairman)
a Cllr Brian Gurden	a Mr Ben Carasco
Cllr Roger Kimber	Mr Chris Pitt
Cllr Jenny Radley	Mrs Diana Smith
<b>Hampshire Districts:</b>	<b>Surrey Districts:</b>
<b>Hart District Council</b>	<b>Guildford Borough Council</b>
Cllr Simon Ambler	a Cllr John Randall
Cllr Sara Kinnell	
<b>Rushmoor Borough Council</b>	<b>Runnymede Borough Council</b>
Cllr J H Marsh	Cllr J M Edwards
David Welch	
<b>Surrey Heath Borough Council</b>	<b>Woking Borough Council</b>
Cllr Bob Paton	Cllr K Davis

**Special Interest Groups:**

<b>Natural England</b>	<b>Surrey and Hampshire Canal Society</b>
a Cressida Wheelwright	Mr Roger Cansdale
	Martin Leech
	Mr Gareth Jones
<b>Parish Councils</b>	Mr P Riley
Alastair Clark	
	<b>Inland Waterways Association</b>
	Gareth Jones
<b>Basingstoke Canal Houseboat Owners' Association</b>	<b>Business Interests</b>
Mr Denis Betro	a Galleon Marine – Jan Peile
a Ms Kathy Williams	
	<b>Residential Boat Owners Association</b>
	Julia Jacs
<b>Basingstoke Canal Boating Club</b>	
a Steve Dallen	

a = absent

[All references to Items and Appendices refer to the Agenda for the meeting bound with the Minutes]

**PART 1**

**IN PUBLIC**

**14/12 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS [Item 1]**

Apologies were received from Ben Carasco, John Randall, Steve Dallen, and Brian Gurden.

The Chairman advised that Councillor Kevin Davis replaced Councillor G Preshaw as the representative of Woking Borough Council.

**15/12 MINUTES OF THE LAST MEETING: 10<sup>th</sup> February 2012 [Item 2]**

The Chairman stated that she had received comments regarding the minutes of the previous meeting, and advised the Committee that future minutes would clearly set out any agreed recommendations and actions.

It was commented that at the previous meeting, a policy on Open Access had been agreed. In response, the Chairman advised that this was being looked at by officers, but that it was not currently possible to implement it. In response, it was felt that Open Access could cause difficulties for water levels if canal users did not close locks correctly.

**Agreed:** The minutes were agreed as an accurate reflection of the meeting.

**Actions/further information to be provided:**

None.

**16/12 DECLARATIONS OF INTERESTS [Item 3]**

There were no declarations of interests.

**17/12 QUESTIONS AND PETITIONS [Item 4]**

There were no questions or petitions.

**18/12 PLANNING SOLUTIONS CONSULTING – UPDATE [Item 5]**

Representatives from Planning Solutions Consulting attended the Committee to provide an update on the work they had undertaken in forming a vision for the Canal.

**Key points raised during the discussion:**

- Planning Solutions felt that the area surrounding the canal had lots of market potential.
- Case studies of other canals had been considered, and a set of primary objectives formed. These objectives were then refined into a vision statement for the Canal which was included within the report.

- It was felt that the Canal's management needed a more streamlined bureaucracy, and would benefit from a project manager with commercial experience.
- Marketing of the Canal was not felt to be strong, and the possibility of changing its name, in order to more accurately reflect its geography, was posited.
- The Canal had potential for a Heritage Lottery Funding bid, and it was suggested that Surrey County Council (SCC) and Hampshire County Council (HCC) should invest towards this.
- It was suggested that a working group be set up, focusing on income generation.
- The draft document would be published online and feedback and comments sought until September 2012, at which point officers would review the feedback and amend the document accordingly.
- It was felt that a key element of the vision for the Canal should be navigation, as this would be an essential part of the Canal being a success.
- Mooring availability was felt to be important and it was suggested that this should also be added to the vision.
- Governance was discussed, and the Committee considered the pros and cons of various governance models, including trusts and charities. It was suggested that a legal appraisal should be undertaken to consider the implications of adopting a different governance/ownership model and to ensure that additional cost and complexity was not incurred.
- A perception was expressed that a change in the governance/ownership model of the canal could result in the County Councils reducing their funding for the canal.
- It was felt that a charitable body could potentially be set up. The Committee discussed the merits of such a model, and in summary it was felt that the most important element of any particular governance model was to ensure that appropriately skilled and driven people were involved at board level.
- Officers clarified that once the vision for the canal was established, it would be appropriate to draw up a strategy and then to look for new sources of funding.
- SCC Estates and Property Management Officers provided an update to the Committee on plans for the Mytchett site. Conversations had been held with the Basingstoke Canal Authority with a view to the site generating revenue, and moving the operational side of the site to Ash Lock.
- It was envisaged that the Mytchett site could become a hub, which would function as a destination, with an information centre, better use of the camping facilities, and the ability to use the catering facilities.
- The Committee discussed the site and it was felt that the lack of an amenity block was a missed opportunity. SCC Officers were concerned that if the site was developed into an amenities block in the short term, it could potentially restrict the future development which was possible for the site, and wanted to look at a revenue generating development for the long term.
- The Chairman advised that SCC was looking at whether it could compensate the Canoe Society for their expenditure on plans for the amenity block.
- It was suggested that there was a Scouts building nearby the site which could potentially be used for amenity provision.
- The Committee discussed a potential mooring development, and whilst the Chairman felt that SCC and HCC could pursue this issue, she

commented that navigation was needed before moorings could be developed.

- The Committee welcomed the report and commented that it was a good and thorough piece of work.

**Actions/further information to be provided:**

The vision statement document will be published online and feedback and comments sought until 7<sup>th</sup> September 2012, at which point officers will review the feedback and amend the document accordingly. Deadline now 7<sup>th</sup> September 2012

**Recommendations:**

None.

19/12 **CANAL DIRECTOR'S REPORT** [Item 6]

The Committee considered a report from the Canal Director which provided an update regarding the work of the Basingstoke Canal Authority (BCA).

**Key points raised during the discussion:**

- The Chairman informed the Committee that the Canal Director was leaving the BCA and the Committee thanked him for his efforts during his time as Canal Director.
- The Committee was informed that progress with repairs had been good, but that this was only in phase one. Outstanding works would require extra funding.
- Culverts were challenging and it was highlighted that they might require additional funding for works.
- Project specific funding was starting to be received from the High Level Stewardship Funding scheme, but currently this was only for the Surrey section of the canal. The Hampshire section was behind Surrey owing to difficulties in mapping the canal.
- Income from leisure moorings was felt to be poor, and the Canal Director felt that fees needed to increase.
- The Director recommended that the BCA should work further with the working group on open access in order to progress the issue. The Committee discussed open access and the Chairman advised that whilst all parties were in favour of moving towards open access, there was still a lot of work to be done before this could be implemented.
- It was commented that a policy on open access had been recommended for approval and agreed at the previous meeting of the Committee, but that this was not reflected in the minutes. The Chairman advised that a clear decision to implement the policy had not been taken at the previous meeting, but despite this, officers were working to overcome the challenges which were preventing such a policy from being implemented at present.
- Members were advised that there were numerous safety issues which required attention before open access could be implemented, and the two County Councils were required to consider safety and satisfy themselves with regards to risks posed by open access to the Canal.



- It was suggested that guard rails should be fitted to the locks on the Canal.
- The Canal Director advised that there were lots of difficulties in closing lock gates on the canal which novice boaters would unlikely be aware of. Concern was expressed over the potential for novice boaters to leave locks incorrectly closed which could have serious implications in terms of water levels for the canal and houseboats.
- As the canal was not fully navigable, it was felt to be unfair to compare the mooring charges with the River Wey, as the two did not offer the same benefits.
- A member of the Committee suggested that mooring fees should be reviewed later in the year when it would be clearer as to whether the canal would be navigable in 2013. Furthermore, it was felt that additional clarity should be provided with regards to income figures for mooring at present and their projected increases.
- In response, the Chairman agreed that the issue of mooring fees should be deferred until the next meeting of the Committee.
- A report from Natural England was requested with regard to High Level Stewardship Funding.

**Actions/further information to be provided:**

- A report regarding mooring fee increases be provided to the next meeting of the Committee, to include clearer financial figures.
- A report from Natural England be provided to the next meeting of the Committee regarding High Level Stewardship Funding.

**Agreed:**

**To support the Basingstoke Canal Authority (BCA) on the following matters;**

**1) On the Deepcut Flight of Locks there are still outstanding structural repairs that will require attention (Jacobs Condition Survey Report 2009) and early consideration to a further capital funded programme for these should be made. In particular the subsidence issues around lock structure and a further survey of these structures needs to be carried out.**

**2) An 'Open Navigation Access Strategy' to include plans for implementation should be further developed and implemented as soon as practicable to invite and encourage more visiting boats onto the canal in an unrestricted manner. BCA to work closely with the open access group to try and achieve this.**

(11:57 Chris Pitt left the meeting at this point.)

**20/12 FINANCIAL OUTTURN 2011/2012 & FINANCIAL POSITION 2012/2013**  
[Item 7]

The Committee considered the report of the Honorary Treasurer, the purpose of which was to brief Members on the financial outturn of the Basingstoke Canal Authority for 2011/12.

**Key points raised during the discussion:**

- Members were advised that expenditure had reduced, including employee costs, where this was mainly due to a reduction in training fees.
- Premises costs had fallen by £29,000, and there had been fewer vehicles hired, and supplies and services costs such as phones, office and IT had reduced.
- All expected partner contributions had been received.
- Confusion was expressed with regards to Parish Council contributions, and Officers clarified that the lack of contributions was most probably due to a time lag.

**Actions/further information to be provided:**

None

**Agreed:**

**1) The figures for the 2011/12 final outturn as set out in Appendix A be endorsed.**

**2) All partner authorities be urged to make their full contributions and to honour the agreed scale contributions for 2012/13.**

21/12 **Annual Governance Statement [Item 8]**

The Committee considered a report regarding the Annual Governance Statement. The Annual Governance Statement is intended to ensure the Audit Commission that the financial affairs of the Canal are conducted properly. The purpose of the report was for the Committee to consider and agree the Annual Governance Statement, which the Chairman and Committee Clerk would then be required to sign.

**Key points raised during the discussion:**

None

**Actions/further information to be provided:**

None.

**Agreed:**

**1) That the Annual Governance Statement for 2011/12 be approved and signed off by the Chairman.**

**2) That the Annual Return for 2011/12 be approved and signed off by the Chairman.**

22/12 **SURREY AND HAMPSHIRE CANAL SOCIETY REPORT [Item 9]**

The Committee considered a report from the Surrey and Hampshire Canal Society which provided an update on their activities.

**Key points raised during the discussion:**

- The importance of Open Access was raised. The Chairman reiterated that, as per the discussions under previous agenda items regarding this issue, it would be progressed but that there were numerous issues which would first need to be overcome.
- It was suggested that Network Rail be asked to ensure that works affecting the canal be completed in the shortest possible time and during winter months, in order to limit the impact on the canal. In response, the Chairman advised that letters had been sent to Network Rail regarding this issue on several occasions, but agreed to do so again.
- A planning guidance document regarding the River Wey was circulated to the Committee. It was felt that a similar document should be created for the Canal. The Chairman welcomed this and requested that this be considered further at the next meeting, but advised the Committee that in order for a planning guidance document to be sound and of use, it would need to be fully evidenced and compiled between the riparian planning authorities. Furthermore, the Committee was advised that this would need to be considered at the political leadership level, rather than by officers, if it were to be a success.
- It was requested that the riparian planning authorities be contacted with a view to initiating such a document.
- The Chairman advised that she would pursue this with the political leadership of SCC, and requested the Vice-Chairman to do so at HCC, and also the representatives of the riparian planning authorities to do the same.

The Chairman invited John Howe of the Water Strategy Group to give a presentation on the group's work to date, and a summary of the key points raised is provided below.

- The group had estimated where the biggest leakages were occurring on the canal. The biggest problems concerned leaking locks, mostly at the Deepcut flight, but also at Weybridge.
- If it were a sealed canal, there would not be enough water in order for it to be navigable.
- 1.7 megalitres of water were backpumped each day from the River Wey.
- Even if the locks were not leaking water, the canal would not have enough water.
- An application to the Environment Agency had been submitted in order to double the amount of water which could be extracted from Woodham. It was felt that this should enable better navigation through the lower parts of the canal.
- The Canal was not built with a reservoir which posed many challenges.
- The Group were concentrating on modelling the water flow of the Canal, and a current best estimate had been provided for dry conditions.
- Planning guidance for the Canal was considered to be a high priority.
- The Hampshire Pound has potential for surplus water storage for use along the canal, if it is regularly dredged and not 'silted up'.

- It was hoped that some undergraduate university students could be drafted in to support the Group's work as part of a final year project.

**Actions/further information to be provided:**

- SCC Officers to write to Network Rail regarding maintenance works affecting the Canal. Network Rail's response to be circulated to the Committee.

**Agreed:**

- **Chairman and Vice Chairman to raise the suggestion of a Planning Guidance document for the Canal with the political leadership of SCC and HCC respectively. Other Members of riparian planning authorities are requested to do the same with their authorities.**
- **The Committee endorsed the work of the Water Strategy Group and supported the implementation of the work on a Water Strategy.**

Resolved: That the recommendations in the report and the content of the presentation be noted.

23/12 **INLAND WATERWAYS ASSOCIATION REPORT [Item 10]**

The Committee considered a report from the Inland Waterways Association (IWA), which provided an update on the work of the IWA.

**Key points raised during the discussion:**

- Scottish Waterways were cited as a relevant example, where £100m of investment resulted in increased tourism which had repaid the capital investment 5 times over.
- The IWA intended to continue work identifying potential funding sources for the canal, and requested that HCC Officers assist them with this, which the Chairman supported.
- The restoration of navigation was felt to be crucial and a high priority for the canal.
- The IWA expressed interest in the capital works programme for the Canal, with a view to ensuring that works were conducted effectively. The Chairman requested HCC and SCC Officers to prepare a report on this subject for the next meeting of the Committee.
- Marketing for the Canal required strengthening and it was suggested that a marketing group be established as part of the work underway regarding a vision for the Canal. A bike hire scheme was suggested.

**Actions/further information to be provided:**

- The IWA to work with HCC Officers to explore potential funding sources for the canal.
- HCC and SCC Officers to draft a report regarding the canal's capital works programme for the next meeting of the Committee.

**Resolved:**

That the recommendations in the report be noted.

24/12 **MEMORANDUM OF AGREEMENT** [Item 11]

The Committee considered the Memorandum of Agreement (MOA) for the Basingstoke Canal Partnership.

**Key points raised during the discussion:**

- The Chairman advised that the MOA had never been officially signed. It was felt that the MOA needed to be considered as part of all the other work ongoing regarding the Canal.
- It was hoped that a more permanent document could be drafted and adopted.
- It was requested that the four annexes to the MOA be circulated to the Committee.
- It was suggested that the Joint Management Committee's role and function be considered as part of any review of the MOA and the governance of the Canal.

**Actions/further information to be provided:**

- The annexes to the MOA to be circulated to the Committee.

**Agreed: To note the comments made.**

25/12 **DATE OF NEXT MEETING** [Item 12]

The next meeting of the Committee to be arranged for October 2012.

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**Chairman**

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Mr Andy Smith  
Head of Countryside Hampshire County Council  
Castle Avenue  
Winchester  
Hampshire  
SO23 8UL

Network Rail  
6<sup>th</sup> Floor Kings Place  
90 York Way  
London  
N1 9AG

10 October 2012

Our Ref: 2753858

Dear Mr Smith

Thank you for contacting Network Rail with regards to the Basingstoke Canal, Surrey and essential improvement works that we need to carry out at certain times.

Network Rail is mindful of the impact that bridge closures have upon the canal and in particular for those who have a commercial interest in the operation of the canal.

Network Rail will wherever possible try to undertake works without the need to close the canal to boating but unfortunately this is not always possible. However, if this is necessary we will try to keep the impact to a minimum.

Wherever possible and when train possessions allow us to we will try to do works that affect the Basingstoke Canal during the winter season therefore not impacting on the boating season. We must bear in mind that winter weather can cause us issues when commencing improvement works especially during a harsh winter.

We will endeavour to notify the Basingstoke Canal Authority in advance of any works in order to allow the authority to inform stakeholders and the wider public. In an emergency or unforeseen situation this notification will not be possible.

We will always look to complete works in the shortest period possible to minimise closure and any disruption.

Network Rail is largely publicly funded and a 'not for dividend' company, with any profit made being invested into the development and upkeep of the rail network. Additionally, the infrastructure consists of over 20,000 miles of track, a large proportion of which runs through residential areas. With these factors in mind, we are not in a position to offer compensation for disturbance or disruption caused by improvement work throughout the network.

Yours sincerely

A handwritten signature in black ink, appearing to read "Paula Williams".

Paula Williams  
Government & Corporate Affairs  
Network Rail

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**Basingstoke Canal Joint Management Committee**

**Navigation Policy - Discussion Paper**



Hampshire  
County Council



**31 October 2012**

Lead officer: James Taylor

Telephone: 01483 517538

Email: james.taylor@surreycc.gov.uk

**Key Issue**

To approve an outline Navigation Policy for the Canal

**Summary**

The JMC is asked to consider an outline Navigation Policy to improve regular availability of navigation due to long standing poor water-supply and reduced staff numbers.

**Officer's recommendation**

The JMC is asked to:

- a) Approve that the BCA adopt a Navigation Policy limiting navigation through locks by all powered craft and unpowered craft which are permitted to use locks (except Ash Lock) to a restricted number of places and certain days of the week.
- b) Authorise the BCA to determine the details of how the policy operates practically in consultation with user groups. These details to include the number of days and places available, plus any variations according to time of year, weather conditions, staff / volunteer availability and water levels and set notice periods for any variations in conditions.
- c) Require the BCA to keep the policy under review in the light of changed circumstances.

## **1 Introduction & background**

- 1.1 The Basingstoke Canal is currently unusual, in national terms, in requiring boats to book in advance for passage through locks. This is necessary because the canal suffers from a severely limited water supply, and enables the Canal Ranger team to more thoroughly seal each lock gate after passage – a process known as “caulking up” – to limit water loss. Failure to do so has shown that short pounds between locks can drain quickly in as little as 12 hours.
- 1.2 The Water Strategy Group has carried out a limited amount of monitoring on the Surrey section of the Canal, and has estimated that the Canal is no less leaky than the average British canal – in fact it is marginally better, however the Canal has such a shortage of water that it cannot sustain even this level of leakage and evaporation; improvements in leak proofing locks whilst beneficial are therefore unlikely to bring about significant increases in the volume of water available for navigation in the summer, but may reduce the need to “caulk up” in wetter months.
- 1.3 There is a widespread opinion that the system of boats booking navigation, together with summer closures (which have been a feature of the Canal since construction), leads to many visiting boaters and potential resident moorers thinking that the Canal is “closed” for long periods. Whilst this is frequently a misconception it is widespread opinion in the boating press and social media websites, which damages the Canal’s reputation and harms the Canal as a tourist destination.
- 1.4 There have been calls made for the Canal to adopt the “open access” position adopted by Canal & River Trust (formerly British Waterways) on most of its network, where any licensed boat can operate locks unsupervised at any reasonable time. Indeed a report has been submitted to the JMC previously by interested parties calling for this position to be adopted.
- 1.5 In the owners’ view this is at best optimistic due to the issue of water supply, the Canal having been built to accommodate only a limited number of barges per day and closed for the first time due to lack of water in summer 1804.
- 1.6 There appears to be a strong mandate from the owners’ that there should be an increased amount of navigation – especially from Surrey where navigation is currently most restricted.
- 1.7 An on-going health & safety review of the “caulking-up” process has identified serious concerns over the practices currently employed by staff and it is not considered appropriate for volunteers to be permitted to engage in the current practices until significant safeguards have been put in place. With a reduced ranger force it is necessary to address the issue of how best to manage the navigation within the existing resources.

## **2 Discussion**

- 2.1 A SWOT analysis of various options is presented below, showing strength, weaknesses opportunities and threats of each proposed. This discussion is looking only at the general principle of each option, the details of any agreed position will need to be agreed between the BCA team in discussion with the various interested parties at a later date.

- 2.2 Analysing the SWOT table suggests that “open access” as originally envisaged may actually be one of the most harmful solutions to the Canal and its reputation – with potential for the canal to be drained rapidly through over-use or unskilled handling of paddle gear or gates.
- 2.3 Equally harmful would be the suggestion that the Canal close to navigation – and indeed there would appear to be little support for this option from any perspective.
- 2.4 This leaves the current system of booking in advance, a more restricted version of this with places and days limited but advertised in advance or unrestricted navigation limited to certain days of the week only.
- 2.5 Consideration of the various options using the SWOT analysis table indicate that no option is entirely without difficulty, however, that “Bookable passage restricted in number and to certain days” is the least harmful overall with clear advantages to work programming and may enhance the Canal’s reputation for consistent availability.

### **3 Consultation**

- 3.1 The idea of restricting navigation to certain days was discussed with IWA and S&HCS representatives at an informal meeting with Surrey and Hampshire County Council Officers on 14 September; in which it was suggested by the IWA that we should adopt a similar booking system to the Rochdale Canal which operates only 2 days per week over the summit pound.
- 3.2 The idea of limited navigation was presented to the Canal User Forum and a draft of this paper was submitted to the Joint Advisory Group where no strong recommendations or comments were received, except that any policy adopted now should be reviewed as and when circumstances change. This has been incorporated into a revised recommendation.

### **4 Financial and value for money implications**

- 4.1 Currently income from boating amounts for around 10% of the income to the BCA, yet on the nearby River Wey Navigation it amounts to nearly 40% of revenue income. It is important for the Canal’s future that the regular availability of navigation is improved so that in the future percentage of income generated from boating can start to rise, this will only happen as more boats visit the Canal or choose to moor on the Canal as a home base.

### **5 Equalities & diversity implications**

- 5.1 Lock passage with BCA Ranger or in the future volunteer Ranger / Lock Keeper supervision in one form or another may be beneficial for boaters with disabilities who may need assistance with lock operation.
- 5.2 The proposed alteration in Navigation Policy therefore has no adverse Equalities and Diversity impacts.

## **6 Crime & disorder implications**

- 6.1 Adopting an “open access” policy might lead to increased instances of vandalism as padlocks on lock gear will need to be standardised. It is also possible that tramp boats (continuous cruisers) may access the Canal from the rest of the network undetected for the same reason – and may then be difficult to remove.
- 6.2 There are no crime and disorder implications for adopting the recommended restricted amount of navigation under the supervision of BCA staff or in the future volunteer rangers / lock keepers.

## **7 Conclusion and recommendation**

- 7.1 The most beneficial method of improving the regular availability of navigation on the Canal in the short to medium term within current resources is to allow navigation through locks on a restricted basis.

## **8 What happens next**

- 8.1 The BCA and owners’ officer representatives will arrange meetings with the major boating user groups to agree the practical details of how the policy will operate.

Appendix 1 – SWOT analysis of navigation options

	Strength	Weakness	Opportunities	Threats
<b>Maintain existing ranger managed “bookable navigation”</b>	<ul style="list-style-type: none"> <li>Limited water management issues</li> <li>Good control over licence and safety certificate status of visiting boats</li> <li>BCA know roughly where all boats are and can quickly advise boaters of potential closures or significant risks</li> </ul>	<ul style="list-style-type: none"> <li>Difficulty for Ranger team to plan maintenance and inspections work in advance</li> <li>Inefficient use of water and ranger time</li> <li>Limited ranger resources lead to poor availability of navigation</li> <li>Rangers need to caulk up / lock paddle gear at end of each passage</li> <li>Booking system discourages some tourist visits</li> </ul>	<ul style="list-style-type: none"> <li>Limited increase in numbers of visiting boats help support local economy</li> <li>Limited increase in income from boat licences</li> </ul>	<ul style="list-style-type: none"> <li>Limited availability may bring about (incorrect) perception Canal is “closed”, difficult to navigate</li> <li>Significant increase in boat movements may lead to Ranger team spending majority of time on navigation</li> </ul>
<b>Close navigation through locks (except Ash Lock)</b>	<ul style="list-style-type: none"> <li>Ranger team can concentrate on inspection and maintenance</li> <li>Limited water management issues</li> </ul>	<ul style="list-style-type: none"> <li>Loss of income from boat related traffic</li> <li>Ecological succession due to limited flow makes SSSI condition decline more rapidly</li> </ul>	<ul style="list-style-type: none"> <li>Potential to increase use by non-powered craft and other uses such as angling</li> </ul>	<ul style="list-style-type: none"> <li>Damage to local economy due to loss of tourist income – especially acute in Surrey</li> </ul>
<b>Continuous “open access”</b>	<ul style="list-style-type: none"> <li>Ranger team can concentrate on inspection and maintenance</li> </ul>	<ul style="list-style-type: none"> <li>Severe water management issues</li> <li>Higher water use makes summer closures more likely</li> <li>Poor control over licence</li> </ul>	<ul style="list-style-type: none"> <li>Greater numbers of visiting boats support local economy</li> <li>Greater income from boat licences</li> </ul>	<ul style="list-style-type: none"> <li>Damage to SSSI through loss of water</li> <li>Areas of Canal can be drained quickly through over use leading to safety issues for boaters</li> </ul>

		and safety certificate status of visiting boats		and houseboat residents <ul style="list-style-type: none"> <li>• More likely that “tramp” boats will access the canal</li> <li>• Potential loss of income from unlicensed craft</li> <li>• Summer closures due to water levels entrenches perception Canal is “closed”</li> </ul>
<b>Restricted “open access” on certain days</b>	<ul style="list-style-type: none"> <li>• Ranger team can plan for inspection &amp; maintenance and navigation days</li> <li>• “Closed” intermediate days allow water levels to recover</li> </ul>	<ul style="list-style-type: none"> <li>• Poor control over licence and safety certificate status of visiting boats</li> <li>• Higher water use makes summer closures more likely</li> <li>• Rangers need to caulk up / lock paddle gear at end of day</li> </ul>	<ul style="list-style-type: none"> <li>• Greater numbers of visiting boats support local economy</li> <li>• Greater income from boat licences</li> </ul>	<ul style="list-style-type: none"> <li>• Damage to SSSI through loss of water</li> <li>• Areas of Canal can be drained quickly through over use leading to safety issues for boaters and houseboat residents</li> <li>• Summer closures due to water levels entrenches perception Canal is “closed”</li> </ul>
<b>Bookable passage restricted in number and to certain days</b>	<ul style="list-style-type: none"> <li>• Good control over licence and safety certificate status of visiting boats</li> <li>• Ranger team can plan for inspection &amp; maintenance and navigation days</li> <li>• Limited water management issues –</li> </ul>	<ul style="list-style-type: none"> <li>• Ranger team spend significant proportion of time dealing with navigation</li> <li>• Rangers need to caulk up / lock paddle gear at end of each passage</li> <li>• Booking system discourages some tourist visits</li> </ul>	<ul style="list-style-type: none"> <li>• Limited increase in numbers of visiting boats help support local economy</li> <li>• Limited increase in income from boat licences</li> </ul>	<ul style="list-style-type: none"> <li>• Limited availability may bring about (incorrect) perception Canal is “closed ” or difficult to navigate</li> </ul>

	<p>rangers can plan best use of water</p> <ul style="list-style-type: none"><li>• “Closed” intermediate days allow water levels to recover</li><li>• BCA know roughly where all boats are and can quickly advise boaters of potential closures or significant risks</li></ul>			

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**BASINGSTOKE CANAL JOINT MANAGEMENT COMMITTEE****Date: 31 October 2012**Hampshire  
County Council**Basingstoke Canal – Rapid Improvement Project Progress report - September 2012****Lead Officer: James Taylor**

(Whitebeam Lodge, Merrow Depot, Merrow Lane, Guildford, Surrey GU4 7BQ

Tel: 01483 517538 email: [james.taylor@surreycc.gov.uk](mailto:james.taylor@surreycc.gov.uk))**Phase 1 works**

The Rapid Improvement Project (Phase 1) is now in year 3, work is progressing well, and is largely complete in Surrey, but with a number of major items still to do in Hampshire.

It is reiterated that it was never the plan to do all of the works required to bring the Canal to a stable condition in this the first phase – there is simply not the resources to do this all in one go; just to do sufficient to make the Canal safer with water in it and mitigate some of the risk.

In Deepcut - the initial phase of works to do major structural works at Locks 19, 20 & 25, pointing and brick replacement throughout the flight, and the replacement of a number of lock gates are largely complete. There are some minor snags for the contractor to rectify, some additional work on the paddle-box tops and some balance beams to install. The only main item not completed are the upper gates at Lock 25 where they are awaiting the new set of gates from the manufacturer.

In preparation for the re-flooding of the Deepcut flight a large void under the upper wing wall has been identified at Lock 18 which needs remedial work before the pound can safely hold water. The upper gates at Lock 24 have also deteriorated dramatically whilst out of water and replacements are now on order.

Lock gates have also been replaced at Locks 1,4,5,6 (Woodham) & 9 (St Johns). The completion of installation of gates at Lock 12 (Brookwood) will follow the installation of lower stop plank grooves – the contractor is currently on site at this location. The proportion of the Surrey spend allocated to lock gates has risen dramatically, emphasising the need for cyclical maintenance by the BCA in the future suggested by the Asset Management Plan.

Following difficulties with the sub-contractor a thorough culvert survey is now making good progress in Hampshire (the Surrey equivalent was conducted in 2009). It is expected that a substantial amount of the remaining unallocated funds in Hampshire will be spent on repairing matters identified in the culvert survey, for example: an original elm box culvert has been surveyed near Odiham Lift Bridge and found to be fragile and mostly blocked with tree roots and gravel.

A substantial amount of soft bank protection has taken place in both Surrey and Hampshire to increase safety of various embankments and/or reduce leakage. The largest single section was below Lock 1 at Woodham.

Vegetation clearance work on Ash Embankment (Hants section) is due to commence shortly to enable closer monitoring of the structure in future. The partly failed hard- bank protection at Swan Cutting is due to be replaced with longer piles and improved anchor points.

Build-outs and cills for stop-planks are due to be constructed at Pondtail and Coxheath. These will be major items of expenditure in Hampshire - the Service Manager has now issued task orders following a lengthy design and some discussion with the Term Contractor over the proposed bills of quantities.

Appendix 1 gives a detailed break-down of progress and task orders issued to the contractor to date, and known items estimated but not yet issued.

### **The future – phases 2 & 3**

Phase 2 will see a different approach as there are different priorities in each county - Hampshire intend to concentrate on further culvert and embankment repairs, whereas Surrey will tender a design & build contract to carryout the works required under the Reservoirs Act to Mytchett Lake Embankment.

Funding for Phase 2 in Hampshire will come from the capital receipts from the sale of two canal cottages. In Surrey £2m capital is allocated in the Medium Term Financial Plan over 4 years to cover phases 2 and 3.

Phase 3 in Surrey will see a return to addressing the structural and risk defects identified in the principal engineering inspections for locks and embankments.

The Asset Management Plan, and the surveys which have informed it, estimate that £5m is required to bring the Canal's principal assets to a stable state, where programmed maintenance from revenue sources can sustain the condition. As the Mytchett Lake Embankment works were significantly underestimated in this appraisal together with 3 years of inflation (which has been most marked in the construction sector) the current estimate has been raised to £7m.

## Appendix 1 – detail of works carried out and allocated

Task Order No.	Location	Description	Est cost	Actual cost	Status	Works to commence date
<b>Totals</b>			<b>£727,226</b>	<b>£661,365</b>		
1	13 Mable Street, Woking	Hard bank protection to seal leak	£11,712	£11,712	Complete	
4	Deepcut flight Locks 16-28	General repairs	£71,246	£71,246	Mostly complete	
2	Deepcut Lock 19	Structural repairs	£53,389	£53,389	Complete	
3	Deepcut Lock 20	Structural repairs	£73,405	£73,405	Complete	
8	Woodham Embankment	Tree removal	£55,744	£55,744	Complete	
9	Deepcut Lock 25	Structural repairs	£63,522	£47,747	Complete	
10	n/a	CDM supervisor	£3,000	£1,613	Ongoing	
11	Woking	Tree cutting	£3,256	£3,256	Complete	
12	Woodham Lock 1	Lock gate replacement			Complete	
12	Woodham Lock 4	Lock gate replacement			Complete	
12	Woodham Lock 5	Lock gate replacement			Complete	
12	Woodham Lock 6	Lock gate replacement			Complete	

Works in Surrey

12	St Johns Lock 9	Lock gate replacement			Complete	
12	Brookwood Lock 12	Complete installation of gates			Contractor on site	14-Sep
12	Deepcut Lock 23	Lock gate replacement			Complete	
12	Deepcut Lock 25	Lock gate replacement			Lower gates complete, upper gates delivered with issues - yet to be installed	TBC
12	Deepcut Lock 26	Lock gate replacement			Complete - snags identified - contractor to rectify	
12	Lock gates sub-total		£189,010	£189,010		
17	Various	Chainage markers	£14,549	£14,549	Complete	
18	Woodham Embankment	Soft bank protection to increase freeboard	£77,591	£77,591	Complete	
19	Deepcut flight	Towpath repairs	£15,000	£15,000	Complete	
20	Deepcut Lock 26	Hard bank protection to reduce scour	£12,348	£12,348	Complete	
21	Woodham Lock 1	Dredging to produce arrisings for Woodham soft embankment works	£8,633	£8,633	Complete	

Works in Surrey

23	Brookwood Lock 12	Lower stop plank grooves	£20,162	£14,333	Largely complete	14-Sep
24	St Johns - culvert at Redway Cottages	Repairs to leaking culvert	£20,000		Contractor investigating methods of repair	TBC
Non - task order item	Deepcut Lock 18	Hard bank - materials only (works by volunteers)	£6,000	£6,000	Complete	
26	Deepcut Lock 20	Investigate leaking wall	£500		Instruction issued to contractor	
27	Deepcut Lock 24	Replacement of upper gates	£12,000	£3,000	Instruction issued to contractor	
	Towpaths, lock and bank tops	Final tidying	£5,000		On completion of all other works	
25	Deepcut Lock 19	Posts at outfall	£3,000	£750	Instruction issued to contractor	
28	Deepcut Lock 18	Hard-bank protection to seal void under upper wing wall	£8,159	£2,039	Instruction issued to contractor	

Works in Hampshire

Task Order No.	Location	Description	Est cost	Actual cost	Status	Works to commence date
<b>Totals</b>			<b>£544,777</b>	<b>£152,077</b>		
5	Poulter's Bridge	100m soft bank protection	£8,517	£10,451	Complete	
6	West Hart Embankment, Crookham	Soft bank protection	£34,068	£47,769	Complete	
7	Crookham Embankment	Soft bank protection	£10,220	£4,823	Complete	
10	n/a	CDM supervisor	£3,000	£1,613		
13	Culvert 29	Remove blockage	£1,500	£3,679	Ongoing	
14	Various	Culvert surveys	£50,912	£22,600	Commenced, work stalled - D&B appointed new sub-contractor. New sub-contractor on site.	Ongoing
15	Culvert 2	Clearance	£5,000	£3,599		
16	Various	Chainage markers	£14,549	£14,549		
22	Odiham lift bridge	Soft bank protection	£1,900		Programmed	Ongoing
22	Whitewater	Soft bank protection	£2,850		Programmed	Ongoing

Works in Hampshire

	aqueduct					
22	Broadoak feeder	Soft bank protection	£1,900		Programmed	Ongoing
22	Blacksmiths Bridge	Soft bank protection	£3,800		Programmed	Ongoing
22	Blacksmith winding hole	Soft bank protection	£2,850		Programmed	Ongoing
22	Crookham swing bridge	Soft bank protection	£3,800		Programmed	Ongoing
22	Crookham swing bridge	Soft bank protection	£2,850		Programmed	Ongoing
22	Norris Weir	Soft bank protection	£1,900		Programmed	Ongoing
22	Baisleys Bridge	Soft bank protection	£3,215		Contractor instructed	
22	Hants soft bank sub-total		£25,065	£14,333		
32	Coxheath Bridge	Stop plank grooves	£136,083		Contractor instructed	05-Nov
31	Pondtail Bridge	Stop plank grooves	£110,056	£10,188	Contractor instructed	05-Nov
	Towpaths, lock and bank tops	Final tidying	£5,000		On completion of all other works	
29	Broadoak Feeder	Hard bank protection	£13,025		Contractor instructed	TBC
30	Ash Embankment	Vegetation clearance	£52,782	£18,473	Contractor instructed	Ongoing

Works in Hampshire

	Swan Cutting	Renewing failed sheet piling	£75,000		Obtaining estimate	
	West Hart Embankement, Crookham	Emergency response to stop leak			Emergency work carried out awaiting permanent fix and paperwork	



## HAMPSHIRE COUNTY COUNCIL

### Report

<b>Committee/Panel:</b>	Basingstoke Canal Authority Joint Management Committee
<b>Date:</b>	31 October 2012
<b>Title:</b>	Revised Budget 2012/13 and Forward Budget 2013/14
<b>Reference:</b>	
<b>Report From:</b>	Report of The Honorary Treasurer

**Contact name:** Colin Hudman

**Tel:** 01962 832248

**Email:** Colin.Hudman@hants.gov.uk

### 1. Executive Summary

1.1 The purpose of this report is to brief members on the financial position of the Basingstoke Canal Authority. In summary members are asked to:

- review and agree the revised budget for the current year 2012/13;
- agree a budget for 2013/14 for submission to individual constituent authorities.

1.2 Net revenue costs are incurred by Hampshire County Council and recharged to Surrey County Council and the Riparian Districts in the manner agreed by the Joint Management Committee. Capital expenditure is currently being funded by Hampshire and Surrey County Council's for specific repairs and improvements. Future capital costs will be met from the reserve account which was established to hold revenue balances and capital contributions.

1.3 The anticipated contribution to reserves for Basingstoke Canal in 2012/13 is £73,645 and £53,447 in 2013/14.

### 2. Revised Budget 2012/13

2.1 The partner contributions were originally set at £547,883 based on the formula contribution. The revised budget for contributions has reduced by £32,238, as all partners have paid or agreed contributions for 2012/13 at the same level as they contributed in 2011/12.

2.2 The 2012/13 revised budget set out in Appendix A shows a predicted net contribution to reserves of £73,645, an increase from the original budget of £7,862, in spite of the reduction in contributions.

2.3 The revised budget gross revenue expenditure has been set at £638,900, £3,100 lower than planned in the original budget. All expenditure budgets have been reduced except supplies and services. The variations to the original budget are detailed below:

- **Employees (-£3,100)**

The reduction in employee costs is due to vacancy management following the retirement of the Canal Director, and the unfilled vacancies for a Cleaner/Maintenance Officer and a Visitor Services Officer. The Canal Manager position has now been filled and the Manager will be in post by late October, figures are also based on the Cleaner/Maintenance position being filled by the end of October. Recruitment costs for the Manager post will be met by Hampshire County Council through its change programme budget. It is proposed to fill the Visitor Services position by January 2013.

- **Premises (-£10,100)**

The main reductions are in site maintenance. This reduction has been partly off-set by the £3,000 cost for contract cleaners, an interim arrangement until the vacancy has been filled. Other small adjustments have been made across most headings in line with current expectations.

- **Canal Maintenance**

Canal Maintenance has been split from the overall Premises cost heading where it was previously reported to provide more clarity, a budget figure of £125,000 has been included. This amount is deemed to be the estimated minimum annual level of expenditure required for planned preventative maintenance to ensure the Canal infrastructure is adequately maintained.

- **Transport (-£2,900)**

The reduced transport costs reflect the reduction in the number of hired vehicles following the reduction in the number of Rangers. Further changes in hired vehicles are anticipated later in the year and have been accounted for in the revised figures.

- **Supplies and Services (£13,000)**

Supplies and services costs are expected to increase by £13,000 due to three main factors, the purchase of an additional Yurt £4,850 which will be hired from 2013/14 and is anticipated that this will increase campsite income, a joint botanical mapping and monitoring research project £6,200 and £1,600 for additional credit card processing handsets. A further £3,000 has been earmarked to repair

the jetty at the Canal Centre. There has also been reductions across all telephone budgets due to the reduction of Rangers.

- 2.4 Operating income is expected to increase by £37,000, mainly due to a donation of £30,105 received from the estate of the late Shirley Trott. Income from campsite fees has been increased by £8,000, based on the level of income already received. This increase has been partially offset by other small budget reductions. The one off donation cushions the effect on reserves of the partnership contributions received being £32,238 below the agreed formula level in 2012/13.
- 2.5 Partner contributions for 2012/13 have all been received in line with the revised budget, except for the final instalment from Surrey Heath Borough Council of £5,000. This payment is due once an update report on the Surrey Heath section of the canal has been provided.

### **3. Forward Budget 2013/14**

- 3.1 The budget for 2013/14 has been prepared at estimated outturn prices and is set out in Appendix A. There will be no staff annual pay award, but there will be some incremental salary rises. It is further assumed that although other prices will increase due to inflation, this will be covered by efficiencies and cost management.
- 3.2 The contributions of the individual partner authorities are based on the revised formula accepted by the Joint Management Committee, rather than on current year actual contributions. However, no inflationary increase has been applied to the requested contributions, therefore the requested amount from each partner is the same as the original budget for 2011/12 and 2012/13. The total contributions in the forward budget have been reduced by £4,036 following the notice given by Odiham Parish Council in 2011/12 to withdraw from the partnership from 2013/14.
- 3.3 The proposed net revenue budget for 2013/14 is £543,847, contributing £53,447 to reserves.
- 3.4 The total gross revenue expenditure is estimated to be £659,900 and is detailed below, highlighting the comparison with the 2012/13 revised budget:
  - **Employees (£29,300)**

Employment costs have been increased by £29,300 when compared to the 2012/13 revised figure. This takes into account the full year costs of the Canal Manager, Visitor Services Officer and Cleaner/Maintenance post. The additional cost of staff increments has also contributed to this increase. Although costs have increased in order to fill existing posts, the overall employee cost figure is

showing a decrease historically from £554,000 in 2010/11 to an anticipated £383,300 in 2013/14 following staff restructuring.

- **Premises (-£20,500)**  
Premises costs are £20,500 lower than in the 2012/13 revised budget. This is mainly due to the one off expenditure during 2012/13 to upgrade areas of the Canal Centre. The reduction in the budget for 2013/14 will enable an additional amount of £15,000 to be added to the Canal Maintenance budget below. There will be a reduction of £3,000 in cleaning cost due to the contract cleaner being replaced by the employment of a permanent cleaner. Utility cost have been assumed at the same level as 2012/13, using efficiencies to cover any inflationary cost increases.
- **Canal Maintenance (£15,000)**  
The budget for Canal maintenance has been increased by £15,000 so planned protection maintenance can continue at an appropriate level to ensure the Canal infrastructure be adequately maintained.
- **Transport (-£800)**  
Transport costs are anticipated to remain at a similar level to 2012/13, although there may be some changes in the type of vehicles that are hired during the course of 2013/14. The cost of these changes are not yet known and are therefore not reflected in the budget.
- **Supplies and Services (-£2,000)**  
Supplies and Services costs have been set to reduce when compared to 2012/13 revised budget by £2,000. This is mainly due to the non reoccurrence of the Joint Research project carried out in 2012/13 costing £6,200. This reduction is partially offset by the introduction of an education budget of £4,000, to enable the provision of outdoor education activities.

Income in 2013/14 is budgeted to be £27,400 lower than the previous year due to the nature of the one off donation received in 2012/13. Although this will be partly offset by an increase in Rents and Hire of Facilities due to anticipated income from the Yurt hire of around £4,000.

## **4 Capital Expenditure Programme**

- 4.1 The current position on the main capital schemes is detailed in Appendix B. The table includes the draft outturn of costs and income for the year and the residual balances for each scheme.

- 4.2 It is anticipated that the capital funding secured by Hampshire County Council (£872,000) and Surrey County Council (£758,000), as a result of the Principal Asset Condition Surveys will be spent by 31<sup>st</sup> March 2013. The major capital work on repairing and maintaining the Surrey section of the Basingstoke Canal is currently on schedule to meet this timescale, whilst the Hampshire section is not as advanced.
- 4.3 All partners are urged to seek and secure any available additional capital funding for the future development and improvement of the Canal.

## **5 Special Projects**

- 5.1 The Canal is currently managing a number of externally funded special projects.
- More than half of the £40,000 relating to the Rushmoor Borough Council TAG Community Grant Scheme project has been spent on the refurbishment of towpaths in the Borough. It is anticipated that the balance of funds will be spent in 2012/13.
  - The special payment from a local business Steljes in the Surrey Heath Borough has funded recent priority bank protection works and repairs to the Mytchett to Frimley towpath. All this funding will be spent by March 2013.
  - A bid for HLS funding has been submitted for the Hampshire section of the Canal to improve the conservation and SSSI value of the Canal's vegetation and banks habitat, this bid has yet to be approved. A similar bid has already been approved for the Surrey section of the Canal for £188,750 over four years, with £52,320 being committed to date.

## **6 Reserves**

- 6.1 In line with a previous recommendation to increase reserves to a minimum of £150,000, budgets have been set to contribute to reserves. The general reserves were increased in 2011/12 to £96,426. A detailed breakdown of these reserves are shown in Appendix C.
- 6.2 There has been no expenditure in the general reserves during the year.
- 6.3 The budgeted transfer to reserves in 2012/13 is currently projected to be £73,645 nearly £8,000 more than the original budget position. This would increase the reserves to £170,071.

- 6.4 The forward budget assumes a further £53,447 will be added to the reserve in 2013/14 resulting in reserves of £223,518. This is based on full contributions being received at the original formula level.
- 6.5 This level of reserves meets the requirement to maintain the reserves at a minimum of 25% of annual expenditure, the value deemed to be the suggested minimum to be held for the long term financial stability of a body of this size.

## **7 Conclusion**

- 7.1 This report indicates that despite current and ongoing challenges, Basingstoke Canal is projected to produce a contribution to reserves in both 2012/13 and 2013/14.
- 7.2 The Canal continues to maintain good standards, through the current period of financial pressures following the implementation of the new staffing structure. The constraints on the partners' budgets continue to be an ongoing pressure for the Basingstoke Canal finances.
- 7.3 Capital funded and programmed maintenance on the Canal is now well underway and will be ongoing until March 2013.

## **Recommendations**

- 1 That the revised budget for 2012/13 be agreed.
- 2 That the proposed forward budget for 2013/14 is accepted.
- 3 That all partner authorities be urged to make their full contributions and to honour the agreed scale contributions for 2012/13 and 2013/14.

**BASINGSTOKE CANAL  
REVISED AND FORWARD BUDGETS**

APPENDIX A

<b>Outturn Budget 2011/12 £</b>		<b>Original Budget 2012/13 £</b>	<b>Revised Budget 2012/13 £</b>	<b>Forward Budget 2013/14 £</b>
	<b><u>Expenditure</u></b>			
492,619	Employees	357,100	354,000	383,300
54,434	Premises	69,900	59,800	39,300
	Canal Maintenance	95,000	125,000	140,000
56,400	Transport	51,400	48,500	47,700
32,554	Supplies & Services	38,600	51,600	49,600
0	Dredging	30,000	0	0
<b>636,007</b>	<b>Total Revenue Expenditure</b>	<b>642,000</b>	<b>638,900</b>	<b>659,900</b>
	<b><u>Income</u></b>			
20,106	Boat Licences	19,500	19,700	19,700
6,849	Sales	6,100	6,100	6,100
11,217	Angling	11,000	11,200	11,200
56,999	Rents and Hire of Facilities	53,800	60,700	65,000
20,138	Group Activities	21,000	21,000	19,700
47,801	Fibre Optic Cable	48,400	47,800	47,800
18	Donations	100	30,400	0
17	Interest	0	0	0
<b>163,145</b>	<b>Total Revenue Income</b>	<b>159,900</b>	<b>196,900</b>	<b>169,500</b>
(42,783)	Contribution (to)/from Reserves	(65,783)	(73,645)	(53,447)
<b>515,645</b>	<b>Net Revenue Expenditure</b>	<b>547,883</b>	<b>515,645</b>	<b>543,847</b>
	<b>Partner Contributions</b>			
153,188	Surrey County Council	153,188	153,188	153,188
34,960	Guildford Borough Council	39,076	34,960	39,076
8,000	Runnymede Borough Council	16,869	8,000	16,869
10,000	Surrey Heath Borough Council	26,283	10,000	26,283
53,276	Woking Borough Council	53,276	53,276	53,276
153,188	Hampshire County Council	153,188	153,188	153,188
30,000	Hart District Council	30,924	30,000	30,924
3,048	Crookham Village Parish Council	3,048	3,048	3,048
6,750	Church Crookham Parish Council	6,750	6,750	6,750
240	Dogmersfield Parish Council	240	240	240
18,309	Fleet Town Council	18,309	18,309	18,309
4,036	Odiham Parish Council	4,036	4,036	0
200	Rotherwick Parish Council	200	200	200
250	Winchfield Parish Council	250	250	250
40,200	Rushmoor Borough Council	42,246	40,200	42,246
<b>515,645</b>		<b>547,883</b>	<b>515,645</b>	<b>543,847</b>
	<b>General Reserves</b>			
53,643	Opening Balance	96,426	96,426	170,071
0	Capital Expenditure	0	0	0
0	Capital Income	0	0	0
<b>53,643</b>	<b>Sub total</b>	<b>96,426</b>	<b>96,426</b>	<b>170,071</b>
<b>42,783</b>	<b>Revenue Variance</b>	<b>65,783</b>	<b>73,645</b>	<b>53,447</b>
<b>96,426</b>	<b>Closing Balance</b>	<b>162,209</b>	<b>170,071</b>	<b>223,518</b>

			Special Projects					Mytchett to Frimley Towpath scheme	Total
	Surrey County Council	Hampshire County Council	Total	Rushmoor TAG Project	Odiham Castle Scheme	HLS Rural Payments Agency			
	£	£	£	£	£	£	£		
<b>Balance as at 31st March 2011</b>	(619,000)	(893,540)	<b>(1,512,540)</b>	(40,000)	(2,500)	0	0	<b>(42,500)</b>	
Expenditure *	0	110,924	<b>110,924</b>	13,410	0	3,430	8,614	<b>25,454</b>	
Lock Gate Replacement	123,496	0	<b>123,496</b>				0	<b>0</b>	
Tree Clearance	44,744	0	<b>44,744</b>				0	<b>0</b>	
Lock Wing Wall and Bye-Wash Repairs	0	0	<b>0</b>				0	<b>0</b>	
Bank Protection	101,762	64,656	<b>166,418</b>				0	<b>0</b>	
Culverts	0	9,871	<b>9,871</b>				0	<b>0</b>	
Chainage Markers	0	14,549	<b>14,549</b>				0	<b>0</b>	
Consultancy	0	0	<b>0</b>				0	<b>0</b>	
Jackhead programme	5,382	0	<b>5,382</b>				0	<b>0</b>	
Structural Repairs	36,627	0	<b>36,627</b>				0	<b>0</b>	
General Repairs	70,989	(519)	<b>70,470</b>				0	<b>0</b>	
Return of capital receipts	0	0	<b>0</b>				0	<b>0</b>	
Income	0	0	<b>0</b>	0	(100)	(715)	(25,000)	<b>(25,815)</b>	
<b>Balance as at 31st March 2012</b>	<b>(236,000)</b>	<b>(694,059)</b>	<b>(930,059)</b>	<b>(26,590)</b>	<b>(2,600)</b>	<b>2,715</b>	<b>(16,386)</b>	<b>(42,861)</b>	
Unallocated Planned Expenditure *	101,764	462,078	<b>563,842</b>	0	0	0	0	<b>0</b>	
Lock Gate Replacement	11,238	0	<b>11,238</b>	0	0	0	0	<b>0</b>	
Tow Path Repairs	15,000	0	<b>15,000</b>	26,590	0	0	16,386	<b>42,976</b>	
Tree Shading/Clearance	14,256	0	<b>14,256</b>	0	0	20,000	0	<b>20,000</b>	
Control Invasive Plants	0	0	<b>0</b>	0	0	956	0	<b>956</b>	
Maintain Grassland	0	0	<b>0</b>	0	0	1,563	0	<b>1,563</b>	
Revetment Dredging	0	0	<b>0</b>	0	0	27,000	0	<b>27,000</b>	
Lock Wing Wall and Bye-Wash Repairs	6,850	0	<b>6,850</b>	0	0	0	0	<b>0</b>	
Hard Bank Protection	14,522	0	<b>14,522</b>	0	0	0	0	<b>0</b>	
Soft Bank Protection	0	28,634	<b>28,634</b>	0	0	0	0	<b>0</b>	
Monitoring Equipment	0	0	<b>0</b>	0	0	0	0	<b>0</b>	
Fencing	0	935	<b>935</b>	0	0	0	0	<b>0</b>	
Consultancy	0	130,633	<b>130,633</b>	0	0	0	0	<b>0</b>	
Lock Wing Walls	0	0	<b>0</b>	0	0	0	0	<b>0</b>	
Culvert Repairs	10,000	49,720	<b>59,720</b>	0	0	0	0	<b>0</b>	
Chainage Marker	14,549	0	<b>14,549</b>	0	0	0	0	<b>0</b>	
Vegetation Clearance	0	0	<b>0</b>	0	0	0	0	<b>0</b>	
Structural Repairs	39,771	0	<b>39,771</b>	0	0	0	0	<b>0</b>	
General Repairs	3,010	0	<b>3,010</b>	0	0	0	0	<b>0</b>	
Vegetation Clearance	0	0	<b>0</b>	0	0	0	0	<b>0</b>	
Jackhead programme	5,890	0	<b>5,890</b>	0	0	0	0	<b>0</b>	
Professional fees/plans	0	0	<b>0</b>	0	0	0	0	<b>0</b>	
Income	0	0	<b>0</b>	0	0	(51,204)	0	<b>(51,204)</b>	
<b>Balance as at 31st March 2013</b>	<b>850</b>	<b>(22,059)</b>	<b>(21,209)</b>	<b>0</b>	<b>(2,600)</b>	<b>1,030</b>	<b>0</b>	<b>(1,570)</b>	



**Basingstoke Canal Reserves 2012/13**

APPENDIX C

	<b>Unallocated Reserve</b>	<b>Mooring Basin &amp; Canal Centre</b>	<b>Colt Hill Toilet Block &amp; Car Park</b>	<b>Dredging &amp; Silt Disposal</b>	<b>Canal Infrast'ure</b>	<b>General Reserves Total</b>
	£	£	£	£	£	£
<b>Balance as at 31st March 2012</b>	<b>(42,783)</b>	<b>(22,888)</b>	<b>(1,753)</b>	<b>(24,078)</b>	<b>(4,924)</b>	<b>(96,426)</b>
Expenditure	0	0	0	0	0	0
Income	0	0	0	0	0	0
Reserve Transfers	0	0	0	0	0	0
Plus Estimated Net Surplus For The Year	(73,645)	0	0	0	0	<b>(73,645)</b>
<b>Balance as at 31st March 2013</b>	<b>(116,428)</b>	<b>(22,888)</b>	<b>(1,753)</b>	<b>(24,078)</b>	<b>(4,924)</b>	<b>(170,071)</b>
Expenditure	0	0	0	0	0	0
Income	0	0	0	0	0	0
Reserve Transfers	0	0	0	0	0	0
Plus Estimated Net Surplus For The Year	(53,447)	0	0	0	0	<b>(53,447)</b>
<b>Balance as at 31st March 2014</b>	<b>(169,875)</b>	<b>(22,888)</b>	<b>(1,753)</b>	<b>(24,078)</b>	<b>(4,924)</b>	<b>(223,518)</b>

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**Basingstoke Canal Joint Management  
Committee**



**Canal Status Report [Item 11]**

**31 October 2012**

Lead officer(s): James Taylor / Fiona Shipp / Phil Allen

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**Purpose**

A brief update on management of the Basingstoke Canal

**1. Staff**

1.1. BCA Canal Director post has been abolished; Fiona Shipp has been appointed as Canal Manager, and commenced work on the 22<sup>nd</sup> October. James Taylor (SCC) and Phil Allen (HCC) will be working closely with Fiona as a Canal Management Team.

**2. Infrastructure**

2.1. Rapid Improvement Project [Phase 1] "capital works" is on-going - see separate report [item 9]

2.2. Canal pounds in the Deepcut flight are being gradually refilled, and water levels managed in full condition. Ranger team is monitoring condition Deepcut flight and advising SCC team of additional issues as they are identified.

2.3. Re-filling of Deepcut and the re-use of Brookwood locks has highlighted poor condition of a number of lock gate sets. BCA and Canal Management Team developing maintenance programme for additional works by the BCA and/or volunteers outside "rapid improvement project".

2.4. Jack-head replacement programme to be completed by ranger team.

2.5. Volunteers from Waterways Recovery Group carried out hard bank protection in the Deepcut flight over the summer

**3. Emergencies**

3.1. On the 12<sup>th</sup> October a breach occurred at West Hart. This was successfully contained, and more permanent repairs made in the following week by the term contractor. This incident illustrated the benefits of having volunteers as lookouts, and staff/contractors on a call out system.

3.2. A sluice gate at Ash was severely and deliberately vandalised, compromising the ability to release water in times of flood risk.

**4. Access**

4.1. Towpath repairs have been effected by volunteers at Ash Lock and Frimley Park

4.2. The works at Woking linked to the WWF building are on-going with a temporary towpath closure and diversion in place until the spring of 2013

**5. Navigation**

5.1. The Canal is available for navigation from Woodham to Brookwood, and from Frimley Lock to Greywell. Staff continue to caulk-up the locks after boat movements in order to conserve water, especially on shorter pounds which drain readily.

5.2. A Navigation Policy has been developed and is submitted to the JMC as a separate paper for discussion. The detail of any policy agreed will need to be developed by the Canal Management Team and BCA in conjunction with stakeholders.

5.3. Navigation is unlikely to re-commence through the Deepcut flight until a number of lock gate structural faults have been addressed

## **6. Biodiversity**

6.1. Higher Level Stewardship on the Hampshire section has been submitted to Natural England.

6.2. SCC / BCA officers meeting with Natural England to discuss work programme of HLS already submitted for Surrey section.

6.3. Giles Groome has been commissioned to survey the vegetation of the canal, which will allow assessment of native and non-native species, their extent, and the actions required to improve the SSSI

## **7. Events**

7.1. The highly popular Santa Cruises will be running again this year at the Canal Centre

## **8. Building the future**

8.1. The Vision document is being presented to the JMC [item 8]. This document will give a focus for the future actions to improve the Canal.

8.2. Colliers International have produced a draft report on the Mytchett Canal Centre for SCC, no major changes will be implemented at the Canal Centre until this review is complete

8.3. A consultant has been engaged by HCC to work with a small group of partner representatives to assess the scope of a potential HLF bid.

8.4. Water Strategy Group (John How) have engaged Southampton University to develop and verify the water balance model, and have engaged British Geological Survey to prepare a water prognosis report on a number of borehole sites. The Canal Management Team continues to work closely with the Water Strategy Group on a range of water supply related topics – an example of excellent collaborative working between the owners and voluntary sector.

8.5. Canal Management Team have begun a bench marking exercise with neighbouring waterways

8.6. The Canal Management team will seek to include reporting of performance against key indicators in future Canal Status Reports, and include information given by other stakeholders.