

Notice of Meeting

Basingstoke Canal Joint Management Committee



SURREY
COUNTY COUNCIL

Date & time

Wednesday, 18
November 2020 at
10.05 am

Place

Remote

Contact

Joss Butler
joss.butler@surreycc.gov.uk

Chief Executive

Joanna Killian



We're on Twitter:

@SCCdemocracy

Due to the COVID-19 pandemic, this meeting will be taking place remotely.

**A live webcast of the meeting can be viewed here:
<https://surreycc.public-i.tv/core/portal/webcasts>**

MEMBERS

Hampshire County Council

Councillor Rod Cooper
Councillor Jonathan Glen
Councillor Anna McNair Scott
Councillor Charles Choudhary

Hart District Council

Councillor Simon Ambler
Councillor Wendy Makepeace-Browne

Rushmoor Borough Council

Councillor John Marsh
Councillor Veronica Graham-Green

Fleet Town Council

Councillor Peter Wildsmith

Special Interest Groups**Basingstoke Canal Society**

Mr Ken Sankey/Mr Neil Sutherland

Hart District Association of Parish Councils

Mr Alastair Clark

Basingstoke and Deane Borough Council

Paul Johnston

Surrey County Council

Councillor Natalie Bramhall
Councillor Ben Carasco
Councillor Paul Deach
Councillor Saj Hussain

Guildford Borough Council

Councillor Angela Gunning

Runnymede Borough Council

Councillor Brian Clarke

Surrey Heath Borough Council

Councillor Sarah Jane Croke

Woking Borough Council

Councillor Kevin Davis
Councillor Rob Leach

Natural England

Mr Adam Bates

Inland Waterways Association

Mrs Verna Smith

Basingstoke Canal Canoe Club

Mrs Liz Murnaghan

Galleon Marine

Mr Arthur McCaffrey

TERMS OF REFERENCE

The Committee is responsible for the following areas:

The Committee is responsible for the following areas:

- The oversight of the completion of the restoration of the Basingstoke Canal;
- The management and maintenance of the Basingstoke Canal as an environmental navigational and recreational asset in accordance with the policy and budgetary framework set for the Committee; and
- The balancing of the interests of all users of the Basingstoke Canal and conservation of the natural environment.

AGENDA

1/20 ELECTION OF CHAIRMAN

To elect a new Chairman of the Joint Management Committee.

2/20 APOLOGIES FOR ABSENCE

3/20 MINUTES OF PREVIOUS MEETING: 21 NOVEMBER 2019

(Pages 1
- 8)

To agree the minutes of the previous meeting as a true and accurate record of proceedings.

4/20 DECLARATIONS OF INTEREST

All Members present are required to declare, at this point in the meeting or as soon as possible thereafter

- (i) Any disclosable pecuniary interests and / or
- (ii) Other interests arising under the Code of Conduct in respect of any item(s) of business being considered at this meeting

NOTES:

- Members are reminded that they must not participate in any item where they have a disclosable pecuniary interest
- As well as an interest of the Member, this includes any interest, of which the Member is aware, that relates to the Member's spouse or civil partner (or any person with whom the Member is living as a spouse or civil partner)
- Members with a significant personal interest may participate in the discussion and vote on that matter unless that interest could be reasonably regarded as prejudicial.

5/20 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 – *12 November 2020*
2. The deadline for public questions is seven days before the meeting – *11 November 2020*
3. The deadline for petitions was 14 days before the meeting, and no petitions have been received.

6/20 ACTIONS TRACKER AND FORWARD WORK PROGRAMME

(Pages 9
- 18)

To note the Actions Tracker and Forward Work Programme

7/20	FINAL ACCOUNTS 2019/20	(Pages 19 - 28)
	The purpose of this report is to brief Members on the financial outturn of the Basingstoke Canal Authority. Members are asked to review and agree the outturn position for the year 2019/20. It was emailed in advance to Members in June as the planned meeting was cancelled due to Covid-19.	
8/20	FORECAST OUTTURN 2020/21 AND FORWARD BUDGET 2021/22	(Pages 29 - 44)
	The purpose of this report is to brief Members on the financial outturn of the Basingstoke Canal Authority. Members are asked to:	
	<ul style="list-style-type: none"> • Review and agree the revenue outturn forecast for the current year 2020/21. • Agree the revenue budget for 2021/22. 	
9/20	BOAT LICENCE REVIEW	(Pages 45 - 68)
	To review the existing scheme of Boat licences considering current circumstances of operation, types of boat, levels of use, environmental considerations and impacts on the canal – and propose a new scheme of charging.	
10/20	CANAL MANAGEMENT REPORT	(Pages 69 - 74)
	To inform the Committee of actions taken by the Strategic Manager and BCA Canal Manager in managing, maintaining and operating the Canal since the preceding meeting, and look forward work likely to happen in the 2nd half of 2020; also to report the work of the Conservation Steering Group.	
11/20	BASINGSTOKE CANAL AUTHORITY RISK REGISTER	(Pages 75 - 78)
	To inform the Joint Management Committee (JMC) of the key risks associated to the Basingstoke Canal Authority (BCA) Canal Partnership after annual review and to ensure risks are mitigated as far as possible.	
12/20	BUSINESS DEVELOPMENT PLAN 2021 - 2025	(Pages 79 - 82)
	To present the Basingstoke Canal Business Development Plan for the next 5 years. This has been compiled in response to the recommendations made in the Investment Strategy Phase 1 report produced by TriloByte Land Management in June 2020.	
13/20	REPORT OF THE BASINGSTOKE CANAL SOCIETY	(Pages 83 - 84)
	To provide the Committee with an update of the work of the Basingstoke Canal Society since the last meeting of the Committee.	
14/20	DATE OF THE NEXT MEETING	
	The next meeting of the Basingstoke Joint Management Committee will be held on 23 June 2020.	

Joanna Killian
Chief Executive

Published: Tuesday, 10 November 2020

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MINUTES of the meeting of the **BASINGSTOKE CANAL JOINT MANAGEMENT COMMITTEE** held at Mytchett Canal Centre, Mytchett Place Road, Mytchett, Surrey, GU16 6DD on 21 November 2019
These minutes are subject to confirmation by the Committee at its meeting 24 June 2020

(* = Present)

Hampshire County Council

*Councillor Rod Cooper
*Councillor Jonathan Glen
*Councillor Anna McNair Scott
Councillor Charles Choudhary

Hart District Council

*Councillor Simon Ambler
*Councillor Wendy Makepeace-Browne

Rushmoor Borough Council

Councillor John Marsh
*Councillor Veronica Graham-Green

Fleet Town Council

*Councillor Peter Wildsmith

Special Interest Groups

Basingstoke Canal Society

*Mr Philip Riley
*Mr Ken Sankey

Hart District Association of Parish Councils

Mr Alastair Clark

Surrey County Council

*Councillor Mike Goodman
Councillor Ben Carasco
*Councillor Paul Deach
Councillor Saj Hussain

Guildford Borough Council

*Councillor Angela Gunning

Runnymede Borough Council

Councillor Brian Clarke

Surrey Heath Borough Council

*Councillor Sarah Jane Croke

Woking Borough Council

*Councillor Kevin Davis
*Councillor Rob Leach

Natural England

*Mr Adam Bates

Inland Waterways Association

*Mrs Verna Smith

Basingstoke Canal Canoe Club

Mrs Liz Murnaghan

Galleon Marine

*Mr Arthur McCaffrey

Substitutes:

James Freemanle acted as a substitute for Mrs Liz Murnaghan

Clive Grattan acted as substitute for John Marsh

3518 APOLOGIES FOR ABSENCE [Item 1]

Apologies were received from John Marsh, Ben Carasco, Liz Murnaghan and Alastair Clark.

Clive Grattan acted as substitute for John Marsh and James Freemantle acted as a substitute for Liz Murnaghan.

3618 MINUTES OF PREVIOUS MEETING: 26 JUNE 2019 [Item 2]

Kevin Davis highlighted that he was present at the last meeting was marked absent in the minutes. The Chairman agreed to amend the minutes to correct the error.

Subject to the above amendment, the minutes were agreed as an accurate record of the meeting.

3718 DECLARATIONS OF INTEREST [Item 3]

None received.

3818 QUESTIONS AND PETITIONS [Item 4]

There were no questions or petitions received.

3918 FORWARD WORK PROGRAMME AND ACTIONS TRACKER [Item 5]

Witnesses:

James Taylor, Strategic Manager – Basingstoke Canal

Key points raised during the discussion:

1. In regards to Action A5/19, the Strategic Manager highlighted that a response had now been received from Natural England detailing why the Basingstoke Canal did not receive the Water Environment Grant (WEG). Officers highlighted that letters of support were given more weight than had been expected, but that it was not always possible given short application windows. The representative from Natural England reassured the Committee that there would be other opportunities for funding in the future.
2. The Chairman asked members of the Committee to send any suggestions for future items to the Strategic Manager as soon as possible.

4018 APPOINTMENT OF SPECIAL INTEREST GROUPS [Item 6]

Declarations of interest:

None

Witnesses:

James Taylor, Strategic Manager – Basingstoke Canal

Key points raised during the discussions:

1. The Strategic Manager introduced the item and highlighted that the Committee comprised of 18 voting Members and up to 8 co-opted non-voting representatives of particular special interests, and noted that there were now two vacancies amongst the special interest groups
2. The Strategic Manager first recommended that Galleon Marine LLP, who were at the end of their 4 year appointment, be appointed for a further two years to May 2021 which would bring their membership in line with the other special interest groups. The Strategic Manager

went on to recommend that that Basingstoke and Deane Borough Council were appointed as a Special Interest Group until May 2021. To fill vacancy amongst the special interest groups left by the National Trust, River Wey and Godalming Navigations stepping down.

3. A representative from the Basingstoke Canal Society stated that this was a positive development and that they hoped to work closely with Basingstoke and Deane Borough Council in the future.

Resolved:

That the Committee:

- a) Agreed the re-appointment of Galleon Marine LLP for a further two years until May 2021;
- b) Co-opts Basingstoke and Deane Borough Council as a Special Interest Group until May 2021.

4118 FORECAST OUTTURN 2019/20 AND FORWARD BUDGET 2020/21 [Item 7]

Declarations of interest:

None

Officers:

Jane Lovett, Honorary Treasurer, Hampshire County Council
James Taylor, Strategic Manager, Basingstoke Canal

Key points raised during the discussion:

1. The Honorary Treasurer introduced the report and provided members with a brief summary. It was highlighted that overall the current forecast showed that the Canal would need to make a draw from its reserves of £94,000 rather than the planned balanced budget. Members noted that the budget produced for 2020/21 suggested a draw on reserves of £36,000 which related to tree works which were being rescheduled from 2018/19. Members were pleased to hear of a £30,000 saving in the budget resulting from the good performance of the Local Government Pension Scheme (LGPS) fund which had led to past pension costs now being fully funded. They agreed to use the saving in the budget for the next three years to fund a part-time Canal Project Officer on a three-year fixed term contract. The position will be reviewed in three years' time and hopefully the saving can at that point be permanently repurposed. Members noted that currently staff did not have the capacity to fully support the capital programme and the potential campsite scheme therefore the proposed post would help address the staffing aspect of the delays in delivering the capital programme. Officers concluded by stating that the overall finances of the Canal were currently acceptable but that it would become more strained going forward. There was ongoing work to find alternative sources of income which would be essential to relieve some of the pressure.
2. A representative from Fleet Town Council raised concerns that Surrey Heath Borough Council and Runnymede Borough Council were not

contributing the full amount to the funding formula. The representative from Surrey Heath explained that this was a long standing issue and that there was an appetite at Surrey Heath Borough Council to support the Canal in the best way it could. It was stated that the upcoming General Election was restricting the amount of work being done but that it was likely a meeting to discuss the situation would take place with Surrey Heath Councillors in the new year.

3. In regards to A3/19 of the previous meeting, Members noted that the Leader of Surrey Heath Borough Council had not yet responded to an invitation to visit the Canal Centre. The Committee agreed to resend the invitation as an email and include Cllr Paul Deach and Cllr Sarah Jane Croke.
4. Members noted that Scotland Bridge car park had not been refurbished yet and had remained on the capital programme for some time. Officers informed the Committee that this was due to the lack of staff resource already noted, but highlighted that once the car park was operational there would be an opportunity to implement parking charges for its use as previous agreed. Officers noted that Runnymede Borough Council had offered to pay for parking meters to implement parking charges which would more than make up for the shortfall in their contribution.
5. Members also questioned whether Surrey County Council would be paying the rental income from the houseboats and canal cottages to the Canal Partnership in future. Richard Parkinson, Environment Delivery Group Manager, Surrey County Council, highlighted that, due to Surrey County Council's financial situation, the income accumulated from the canal estate would likely only be allocated to the Canal Partnership to replace the County Council's current contribution and not in addition to it. This way the Canal Partnership would have more control over how the canal estate generated income. Officers also noted that a decision was required as the matter had been outstanding for some time. The Committee requested that confirmation be provided on this before the next meeting. Various members of the Committee expressed concern that Surrey County Council had no justification to receive the revenue that the Canal generated. The Chairman highlighted that the Canal relied on the goodwill of councils to contribute funding and that it was not a statutory duty.
6. Members of the committee stressed the importance of investing in incoming generating opportunities for the Canal.

Actions/ further information to be provided:

1. In regards to A3/19 of the previous meeting, Members noted that the Leader of Surrey Heath Borough Council had not yet responded to an invitation to visit the Canal Centre. The Committee agreed to resend the invitation as an email and include Cllr Paul Deach and Cllr Sarah Jane Croke.
2. Officers highlighted that the income accumulated from the canal estate in Surrey would likely not be paid to the Canal Partnership in addition to its existing funding but in place of it. The Committee requested that confirmation be provided on this before the next meeting.

Resolved:

The Basingstoke Canal Joint Management Committee:

1. reviewed and agreed the revenue outturn forecast for the year 2019/20; and
2. reviewed and agreed the revenue budget for 2020/21; and
3. reviewed and agreed the proposed scheme of charges for 2020/21 set out in Appendix D.

4218 CANAL MANAGEMENT REPORT [Item 8]**Declarations of interest:**

None

Officers:

Fiona Shipp, Canal Manager, Basingstoke Canal Authority
James Taylor, Strategic Manager, Basingstoke Canal

Key points raised during the discussion:

1. The Canal Manager introduced the report and provided members with an overview. Members noted the following:
 - a) The Ranger Team had not been able to conduct all annual inspections on the Canal's assets. One of the Ranger posts will prioritise inspection work going forward to make sure all inspections are achieved.
 - b) Maintenance and inspection work carried out by the Basingstoke Canal Authority since the last meeting.
 - c) Officers highlighted the importance of volunteers supporting the work of the Canal. Members noted that officers were looking to train volunteers to become volunteer leaders to be able to conduct more specialised work.
 - d) The Basingstoke Canal Authority had conducted a detailed boat use survey which revealed that much of the channel was well below the 1300 powered boat movements limit per year, but that Colt Hill and the Canal Centre were already at around the maximum level of use. Officers stated that, in addition to the management of the site, a more detailed boat survey was required because the Department for the Environment, Food and Rural Affairs (Defra) and the Department for Transport (DfT) had issued a call for evidence on carbon emissions from the inland waterway sector .
 - e) Noted developments on the Asset Management Programme as outlined in the report.
 - f) Members noted that planning permission was received in March from Surrey County Council for the Canal Centre Campsite redevelopment and the grant application was submitted at the end of October. It was

stated that If the grant was successful officers hoped to see contractors on-site by early February for a 30 week build.

2. A Member of the Committee asked whether the Canal allowed for schools and corporate teams to spend the day at the Canal to volunteer help and complete activities. Officers explained that in the past they held education programmes but this was stopped due to the strain on resource. There was still an opportunity to do pond dipping and a boat trip which was self-led and required attendees to hire equipment to allow the Canal to make an income.

Actions/ further information to be provided:

None.

Resolved:

The Basingstoke Canal Joint Management Committee noted the report.

4318 BASINGSTOKE CANAL AUTHORITY RISK REGISTER [Item 9]

Declarations of interest:

None

Officers:

James Taylor, Strategic Manager, Basingstoke Canal

Key points raised during the discussion:

1. The Strategic Manager introduced the report and provided a brief summary. Members noted that there was minimal change from the previous year and that the key risks continued to orientate around funding.
2. Members noted that the risk on the failure to comply with the Reservoirs Act leading to enforcement orders and prosecution had been reduced due to a new Supervising Engineer being employed.
3. In regards to the risk on the excessive use of back pumping systems leading to prosecution by the Environment Agency, officers confirmed that this was to be deleted as Legal advice agreed that abstraction licences were not required for backpumps.

Actions/ further information to be provided:

None.

Resolved:

The Basingstoke Canal Joint Management Committee noted the annual revision of the Risk Register.

4418 REPORT OF THE BASINGSTOKE CANAL SOCIETY [Item 10]

Declarations of interest:

None

Officers:

Phillip Riley, Chairman (Basingstoke Canal Society)

Ken Sankey Co-Vice-Chairman (Basingstoke Canal Society)

Key points raised during the discussion:

1. The Chairman of the Basingstoke Canal Society introduced the report and provided Members with an outline of the report. Member noted the following:
 - a. Details of the construction of new permanent boat moorings at Farnborough Road, Aldershot. It was highlighted that the whole cost of the job was being borne by the Canal Society and that the work was being undertaken entirely by volunteers.
 - b. The Canal Society had agreed to provide £12000 (in two annual instalments) to fund training programmes for volunteers. It had been agreed with the Basingstoke Canal Authority that suitably trained volunteers could undertake more skilled tasks in order to release rangers for other duties.
 - c. Members noted details of the two trip boats which Gross receipts from boat operation exceed £57000.
 - d. Members noted that the Canal Society was developing plans to secure alternative sources of funding. These plans include increasing its membership, encouraging members and supporters to leave legacies to the canal, approaching local businesses for support, and pursuing grant opportunities.
2. The Chairman thanked the Basingstoke Canal Society for the positive report and congratulated them on the events of the rafting day which was held in September 2019. It was noted that Galleon Marine sponsored the event.
3. Members of the Committee discussed the positive work of the Accessible Boating Association which was based at the Galleon Marine Boatyard and provided an opportunity for disabled people to enjoy day boat trips on the Canal. The Committee noted that some Council's provide Councillors with a grant which can be used to fund charities like the Accessible Boating Association. Some Members of the Committee considered allocating a portion of their grant to support the work of the Association.
4. The Member from Woking Borough Council provided an outline of the environmental goals of the Borough Council which included promoting the use of electric boats. The Committee noted that pollution caused by canal boats was a national issue and was something that needed to be considered. The Strategic Manager confirmed that a report on the subject would be considered in the new year. Following further discussion, it was noted that every Council present at the meeting had declared a climate emergency.

Actions/ further information to be provided:

None.

Resolved:

The Committee noted the report.

4518 DATE OF THE NEXT MEETING [Item 11]

The Committee noted that its next meeting would be on 24 June 2020.

It was noted that there was a possibility the next meeting would be held on a canal boat on the Basingstoke Canal. The Chairman informed members that they would receive confirmation after the meeting.

Meeting ended at: 12.10 pm

Chairman

Basingstoke Canal Joint Management Committee

18 November 2020

Actions Tracker and Forward Work Programme

1. The Committee is asked to review its Action Tracker and provide comment as necessary.
2. The Forward Work Plan is attached for the Board's reference.

Report contact:

Joss Butler Committee Manager, Democratic Services SCC

Contact details:

Email: joss.butler@surreycc.gov.uk

Annexes

- Annex 1 - Actions Tracker
- Annex 2 - Forward Work Programme

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Annex 1

Basingstoke Canal JMC 2019 / 2020 ACTIONS AND RECOMMENDATIONS TRACKER

The recommendations tracker allows Committee Members to monitor responses, actions and outcomes against their recommendations or requests for further action. The tracker is updated following each Committee meeting. Once an action has been achieved and reported to the Committee meeting it will be removed from the tracker.

KEY			
	No Progress Reported	Action In Progress	Action Completed

Date of meeting	Item	Action Ref:	Recommendations/Actions	Achieved/Outstanding?	Deadline /Progress Check	Responsible Cabinet Member/Member/Officer
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KEY			
	No Progress Reported	Action In Progress	Action Completed

28 June 2018	Final accounts 2017/18	A1/18	<p>That a decision from Surrey County Council regarding the status of houseboat income and its allocation to the BCA or Surrey Property Services be made and presented to the Committee in November 2018.</p>	<p>An update has been requested, and a report regarding this will be considered by Cabinet in the near future. A further update will be provided to the Committee in 2019.</p> <p>June 2019- The Countryside Group Manager (SCC) will go back to the Property Services department at Surrey County Council for a written reply on their corporate landlord process. The Vice-Chairman of this Committee, also the Cabinet Member for Environment and Waste (SCC) will contact Property Services and a Member of this Committee (SCC) will refer this to the Communities, Environment and Highways Select Committee.</p> <p>November 2019 – Officers highlighted that the income accumulated from the canal estate in Surrey would likely not be paid to the Canal Partnership in addition to its existing funding but in place of it. The Committee requested that confirmation be provided on this before the next meeting.</p> <p>November 2020 - Please see a response from Surrey County Council below:</p> <p>‘The house boat moorings are managed by Surrey County Council’s property team and both the income and expenditure, including capital maintenance & improvements for the house boat moorings form part of Surrey County Council’s property budget.</p> <p>Due to current financial constraints, Surrey County Council is not in a position to increase its overall capital or revenue expenditure on the canal beyond its current commitments and therefore if responsibility for the house boat moorings were to transfer to the BCA, there would need to be an adjustment to the contributions made to the BCA by</p>	2019/2020 0	<p>Lisa Creaye-Griffin/Richard Parkinson</p> <p>Mike Goodman (SCC)</p> <p>Saj Hussain (SCC)</p>
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KEY

No Progress Reported

Action In Progress

Action Completed

				Surrey County Council to maintain a cost neutral position for the council. ‘		
26 June 2019	Investment Strategy - FWP	A2/19	Officers from Surrey and Hampshire County Councils will collaborate on a “wish list” for future projects as part of the Investment Strategy in the Forward Work Programme and consider the overlap with Basingstoke Canal Society projects.	Addressed within agenda for November 2020 meeting.	2019	SCC/HCC Officers
26 June 2019	Invitation to the Canal Centre	A3/19	The Committee agreed that an invitation to the Canal Centre would be sent to the new leader of Surrey Heath Borough Council.	<p>Completed, letter sent 8 July 2019.</p> <p>November 2019 - Members noted that the Leader of Surrey Heath Borough Council had not yet responded to an invitation to visit the Canal Centre. The Committee agreed to resend the invitation as an email and include Cllr Paul Deach and Cllr Sarah Jane Croke.</p> <p>November 2020 - The new Leader of Surrey Heath Borough Council was happy to accept the invitation however the visit has been delayed due to the coronavirus pandemic.</p>	2019	James Taylor/ Chairman/ DSA- Amelia Christopher (SCC)
26 June 2019	Lotteries/Funding	A4/19	Members (Councillors) to go back to relevant councils to discuss lotteries and funding schemes.	Action to be discussed during meeting in November 2020.	2019	Members of the Committee

KEY			
	No Progress Reported	Action In Progress	Action Completed

26 June 2019	Natural England- Water Environment Grant (WEG)	A5/19	<p>The Committee agreed upon further communication with Natural England on the issue of not receiving the Water Environment Grant (WEG), led by the Strategic Manager.</p> <p>The Vice-Chairman of the Committee would contact Michael Gove the Member of Parliament for Surrey Heath and Secretary of State for Environment, Food and Rural Affairs on the matter of funding.</p>	In November 2019, the Committee heard that a response had been received from Natural England detailing why the Basingstoke Canal did not receive the Water Environment Grant (WEG). Officers highlighted that letters of support were given more weight than had been expected, but that it was not always possible given short application windows. The representative from Natural England reassured the Committee that there would be other opportunities for funding in the future.	2019/20	James Taylor Mike Goodman (SCC)
26 June 2019	Commemorative Bench	A6/19	The Committee agreed to look into the options of providing a commemorative bench for Robin Higgs OBE, a former Basingstoke Canal Society chairman.	In progress.	2019	Fiona Shipp

KEY			
	No Progress Reported	Action In Progress	Action Completed

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Basingstoke Canal Joint Management Committee

Forward Work Programme 2020/21

Basingstoke Canal Joint Management Committee – 23 June 2021

Date of Meeting	Item	Description	Method
Standing Item	Financial Update	To present the financial situation of the Basingstoke Canal Authority to the Committee.	Agenda Item
Standing Item	Risk Register Update	To provide an update of the Basingstoke Canal Authority's key risks	Agenda Item
Standing Item	Canal Society Report	To provide the Committee updates on the work of the Basingstoke Canal Society.	Agenda Item
Standing Item	Canal Management Report	To update the Committee on actions taken by the Strategic Manager and BCA Canal Manager in managing, maintaining and operating the Canal.	Agenda Item
Standing Item	Capital Works Projects Report	To update on the forward programme of capital works funded by Surrey and Hampshire County Councils.	Agenda Item

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HAMPSHIRE COUNTY COUNCIL

Report

Committee/Panel:	Basingstoke Canal - Joint Management Committee
Date:	18 November 2020
Title:	Final Accounts 2019/20
Report from:	Report of Honorary Treasurer and Strategic Manager

7/20

Contact name: Jenny Wadham, Honorary Treasurer, Hampshire County Council
James Taylor, Strategic Manager Basingstoke Canal

Tel: 03707 798929 / 01483 517538 **Email:** jennifer.wadham@hants.gov.uk / james.taylor@surreycc.gov.uk

1 Executive Summary

- 1.1 The purpose of this report is to brief Members on the financial outturn of the Basingstoke Canal Authority. Members are asked to review and agree the outturn position for the year 2019/20. It was emailed in advance to Members in June as the planned meeting was cancelled due to Covid-19.
- 1.2 Net revenue costs are incurred on behalf of the Joint Management Committee by Hampshire County Council (HCC) and financed through partner contributions from both Hampshire and Surrey County Councils (SCC) and the Riparian district councils. Capital expenditure is currently being funded by Hampshire and Surrey County Councils for specific repairs and improvements.
- 1.3 The final position confirms that the Canal made a contribution to reserves of £109,658. This comprises £22,706 from the revenue account, £6,952 from interest received and an £80,000 commuted sum received for Wellesley towpath maintenance works for which a new ring-fenced reserve was created. This is a movement of £199,858 from the mid-year forecast which showed a net £90,200 draw on reserves. Total reserves now stand at £801,167, (see Appendix D).
- 1.4 Apart from the new Wellesley reserve of £80,000, the increased contribution to reserves is mainly due to works totalling £93,128 that were budgeted to be undertaken during the year (see table in Section 5.5) but have slipped into 2020/21. Had this work been undertaken then the revenue account would have overspent by £70,000 which reflects the pressures within the budget.

2 Final Accounts 2019/20

- 2.1 The 2019/20 financial statement is set out in Appendix A alongside the 2020/21 budget which is presented for information.
- 2.2 The final revenue expenditure total shows a reduction of £48,596 from the forecast in the last report. This variance is broken down by category below with underspends shown as negative figures.

- **Employees [-£7,767]**

Pay costs were £5,000 lower than forecast due to the Visitor Services Officer leaving the team in February and the allowance for the Lockkeeper not being fully utilised). Pension costs for current and past employees were £2,441 lower than budgeted.

- **Premises [-£5,787]**

Electricity payments were £2,850 lower than forecast as the Frimley pumping system has not been operational since July 2018. The pumping system was previously blocked which could explain the higher than expected electricity costs last year. Gas spending was £758 under budget due to the more efficient gas boiler installed last year. Water and sewerage costs were also £3,250 below the mid-year projection, a change to the water supply contract late in 2018/19 has resolved the previous billing issues. These savings were partially offset by higher general refuse costs of £1,072 due to unplanned bills for asbestos removal and to clean up pollution and fly-tipping at the Canal.

- **Canal Maintenance [£15,030]**

There was a slippage in planned works and lower than expected spend on repairs and equipment. The Brookwood re-deck £33,000 and safety signage for the towpath £3,427 have been rescheduled to 2020/21 because of capacity issues. Maintenance on the Culvert at Woodham Junction £2,500 has also been deferred. An additional £8,000 was spent on Soft Bank protection works.

Expenditure on minor embankment works cost £2,205 less than the mid-year forecast, and repairs to the play area also cost £1,824 less than expected; purchases of equipment were £5,093 lower than anticipated and planned spend for emergency call-out fees £3,403 was not required.

Expenditure that was incurred by the two Counties in their capital budgets was charged to revenue to meet accounting requirements. Transfers from their capital allocations were made to offset this expenditure so there has not been any financial impact on the BCA revenue budget. The works covered were the equipment for the major refit of the BCA dredger vessel 'Unity' £10,000 (HCC and SCC £5,000 each), engineering works at Ash Lock £26,054 (HCC) and the new set of lock gates at the dry dock £18,211 (SCC).

- **Principal Survey Work [-£59,720]**

The principal inspection for weirs and sluices has taken place and a stage payment of £14,731 has been made. The balance of £21,269 will need to be carried forward to pay for the report when it is received next year. The delay in completing the survey has caused slippage to the Canal capital programme. The principal inspection of locks was completed in-year costing £1,688 more than the original estimate.

A pilot Tree Inspection Survey was undertaken, but due to capacity issues the full survey has been delayed and the remaining funds of £38,859 will need to be carried forward to 2020/21. Tree works at the Canal Centre have taken place at a cost of £3,720, which is £1,280 lower than the mid year forecast.

- **Transport [£533]**

Electric charging points have been installed at the Canal in preparation for the Rangers' new electric vans at a cost of £2,327. This cost was partially offset by lower than

anticipated repair costs of £1,800 as two vehicles at the end of their lease from Hampshire Transport Management (HTM) were not returned this year due to the Covid-19 lockdown.

- **Supplies and Services [£5,528]**

Expenditure of £2,644 on furniture and £4,581 on updating IT equipment was required to create extra desk space to accommodate changes in working and additional members of staff. This was partially offset by the use of funding from the “Share the Space” initiative £2,109 which paid for publicity drops in the local area.

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- **Campsite Development [£3,435]**

This increase in spend represents the fees incurred on the Camping Bid process of £2,695 and the £540 fee for the Construction Environmental Management Plan of the campsite.

2.3 The final outturn for income was £68,110 greater than the forecast in the last report. This variance is broken down by category below. Negative figures reflect additional income over that which was forecast:

- **General Fees and Charges [-£1,631]**

Higher than anticipated campsite fees of £2,616 were received as a good late season made up for a disappointing June, more repeat bookings of the function room resulted in an additional £1,650 (despite losing March income due to Covid-19) and an increase in canoe and kayak licences of £1,836. Receipt of the Reading Road income of £4,000 was delayed due to the Covid-19 lockdown but will be collected in the 2020-21 financial year.

- **Contribution from capital – [-£54,265]**

This is the capital contribution from the two Counties as discussed in the Canal Maintenance section above.

- **Grants & Contributions – Other [-£8,680]**

The new lock gates at the Dry Dock which were funded from the SCC capital budget were initially delivered the incorrect size. A receipt of £4,200 was accepted from the manufacturers to reimburse the delivery costs.

A fee of £2,750 was issued for the tow path closure caused by works on a railway bridge and following a review of the HLS Rural Payments, an accrual of £1,517 was processed to adjust for a 2017-18 payment not yet received from Hampshire County Council.

- **Rental Income [-£1,781]**

Income from mooring fees was higher than the mid-year forecast by £1,781 but have been significantly impacted this year by the ongoing works to complete the Farnborough moorings.

- **Sales Income [-£2,074]**

There was an overachievement of sales income due to higher than anticipated Santa Cruise ticket sales £1,432 and shop sales £168. General events such the use of the towpath for fun runs generated an additional £400.

3 Capital Expenditure Programme

- 3.1 Appendix B shows the final capital outturn for 2019/20 and the budgeted expenditure for 2020/21.

Hampshire County Council

- 3.2 The Hampshire County Council brought forward balance for capital works was £543,469 with an additional £500,000 capital contribution approved by HCC for financial year 2019/20. During the year £88,670 of this allocation was spent against a forecast in the last report of £289,250 (see Appendix B).
- 3.3 £36,929 has been spent on general bank protection works throughout the Hampshire section of the Canal. £32,529 has been spent on engineering consultancy and survey work at Swan Bridge, North Warnborough, and £19,213 was spent on similar survey and engineering costs at the Crookham Deep embankment project.
- 3.4 The underspend of £200,850 compared to September's forecast is due to the combination of factors reported previously including the available relevant staffing resource; the complex technical nature of the projects being undertaken and the permissions and consents that are required from third parties both regulatory (such as Environment Screening, Planning Consent and EA Environment Permits) and from adjoining owners. Furthermore, £55,000 of planned structural works to Weirs and Sluices have not taken place this year due to delays in procuring an appropriate supplier to complete the principal survey (see paragraph 2.2) and the resultant delay in obtaining their final report.
- 3.5 Taking into account the capital budget transferred to cover expenditure classified as revenue, a capital budget of £923,775 will be carried forward into 2020/21. A further £500,000 core capital contribution has been made available to the Canal from HCC in 2020/21. If programmed works do go ahead as planned, a balance of £1,048,150 will remain at the end of 2020/21. However, for the reasons stated in paragraph 3.4 above, it is likely that the Capital Programme will see further slippage. The payments profile will be examined as part of the 2020/21 budget process.

Surrey County Council

- 3.6 The Surrey County Council funded capital programme brought forward a balance of £309,878 in addition to a further core contribution from SCC of £150,000. During the year £254,472 of this allocation was spent against a forecast in the last report of £342,135.
- 3.7 £88,734 has been spent on bank repairs throughout the Surrey section of the Canal. £165,738 has been spent on structural repairs; including £147,082 repairing Locks 24-28 following the principal inspection and Lock 10 following the reoccurrence of a leak in the chamber wall; offsetting this is a contribution of £20,000 from the BCA maintenance budget to offset the works at Lock 10 and other minor items carried out by the SCC lock repair contractor. Engineering resource to cover these programmes cost £39,448.

- 3.8 A number of projects have been deferred in-year for similar reasons to the Hampshire County Council programme. For example, the works on Scotland Bridge car park have been deferred again until 2021, as senior staff have all been required to work on other higher priority projects and the planned Project Officer has not been recruited by the BCA due to the Covid-19 pandemic; the planned expenditure of £40,000 did not take place at Deepcut Depot as SCC Estates have not re-secured the lease of the property; additionally, the planned £55,000 spend for Weirs and Sluices did not take place due to difficulties in procuring an appropriate supplier (see paragraph 2.2).
- 3.9 SCC have changed the methodology for calculating capital budgets and no longer automatically carry forward underspends. For 2020/21 SCC has allocated a capital budget of £285,000 consisting of £41,000 of carry-forward (from the £2m allocated in 2013), a further core contribution of £150,000 and £94,000 reprofiled from items deferred in 2019/20. A further £67,000 of carry-forward from 2019/20 has been deferred until 2021/22, when there will also be a further £150,000 allocation.

4 Special Projects

- 4.1 Odiham Castle – the 2019/20 carried-forward balance was £2,954 and £652 of expenditure was made on hedging during the year. Therefore, £2,302 will be brought forward to 2020/21.
- 4.2 Higher Level Stewardship (HLS) funding

Surrey - HLS Rural Payments Agency

Annual Grassland Maintenance – £2,519 offset staffing costs incurred on grassland maintenance and will be invoiced to Surrey County Council. Maintenance work on the grassland continues under the current agreement until October 2021.

Hampshire - HLS Rural Payments Agency

Annual Grass and Woodland Maintenance – £5,350 was received for 2019/20 and an accrual of £1,518 raised (to adjust for a shortfall of funding from 2017/18) which were offset against the staffing costs incurred by the Canal. Maintenance work on the grassland/woodland continues under the current agreement until November 2022.

5 Reserves

- 5.1 A detailed breakdown of reserves is shown in Appendix D.
- 5.2 The opening balances for the reserves in 2019/20 were an Unallocated Reserve of £667,431 and a Dredging & Silt Disposal Reserve of £24,078, a combined total of £691,509.
- 5.3 A sum of £80,000 for Wellesley towpath maintenance was received from a housing developer for the maintenance of the towpath in the Aldershot/Farnborough area over a 25-year period. A ringfenced reserve has been established for this purpose.
- 5.4 No draw was made against the Dredging & Silt Disposal Reserve during the year and so the closing balance remains at £24,078.

5.5 The mid-year report forecast a draw of £90,200 from the Unallocated Reserve, however the final outturn was a contribution of £29,658. Most of the £119,858 movement can be explained by project slippage (see table below). However, lower than forecast spend in some areas as well as additional income receipts (see Section 2 for details) also contributed to the increase in the reserve.

Slipped expenditure:	£
Survey of sluices and weirs	21,269
Tree inspection survey	38,859
Brookwood re-deck	33,000
Total	93,128

5.6 As at the end of 2019/20 the Unallocated Reserve has a balance of £697,089. with a budgeted draw from the reserve of £36,000 in 2020/21. However, the slipped works above must be undertaken. Should the full £93,128 for these works and the planned draw of £36,000 be required from the reserve during 2020/21, this would bring the projected draw to £129,128. After anticipated interest received of £3,500 this would leave a balance as at 31 March 2021 of £571,461.

5.7 In summary, as at 31st March 2020 total reserves now stand at £801,167.

6 Conclusion

6.1 There is a continued effort made to contain expenditure and increase income. However, as it can be seen from this report the Authority is under financial pressure and if all the works that were planned had been undertaken would have overspent. The impact of Covid 19 will be significant on the 2020/21 budget and the implications of this will be covered in the Forward Budget report.

7 Recommendations

7.1 To review and agree the outturn position for the year 2019/20.

7.2 To note the likely draw on reserves due to slipped expenditure.

**BASINGSTOKE CANAL
FINANCIAL OUTTURN 2019/20**

APPENDIX A

	Original Budget 2019/20 £	Forecast Outturn Sep-19 £	Final Outturn 2019/20 £	Over/ (Under) Forecast £	Over/ (Under) Orig Budget £	Original Budget 2020/21 £
Expenditure						
Employees	462,000	462,000	454,233	(7,767)	(7,767)	492,000
Premises	33,000	33,000	27,213	(5,787)	(5,787)	32,000
Canal Maintenance	189,000	207,000	222,030	15,030	33,030	161,000
Principal Survey of Sluices & Weirs		87,000	27,280	(59,720)	27,280	61,000
Transport	45,000	42,000	42,533	533	(2,467)	45,000
Supplies & Services	47,000	55,000	60,528	5,528	13,528	51,000
Campsite Development		2,000	5,435	3,435	5,435	0
Shortfall In Partner Contributions	25,000	25,000	25,151	151	151	25,000
Total Revenue Expenditure	801,000	913,000	864,404	(48,596)	63,404	867,000
Income						
General Fees & Charges	105,000	117,000	118,631	1,631	13,631	124,000
Grants & Contributions - Partner	548,000	548,000	547,682	(318)	(318)	548,000
Grants & Contributions - Transfer from Capital	0	0	54,265	54,265	54,265	0
Grants & Contributions - Other	11,000	20,000	28,680	8,680	17,680	18,000
Rental Income	64,000	48,000	49,781	1,781	(14,219)	62,000
Sales Income	73,000	86,000	88,074	2,074	15,074	79,000
Other Miscellaneous Income	0	0	(3)	(3)	(3)	0
Total Revenue Income	801,000	819,000	887,110	68,110	86,110	831,000
Contribution from/(to) Reserves	0	94,000	(22,706)	(116,706)	(22,706)	36,000
Partner Contributions						
Surrey County Council	153,188	153,188	153,188	0	0	153,188
Guildford Borough Council	39,076	39,076	39,076	0	0	39,076
Runnymede Borough Council	16,869	8,000	8,000	0	(8,869)	16,869
Surrey Heath Borough Council	26,282	10,000	10,000	0	(16,282)	26,282
Woking Borough Council	53,276	53,276	53,276	0	0	53,276
Hampshire County Council	153,188	153,188	153,188	0	0	153,188
Hart District Council	30,924	30,924	30,924	0	0	30,924
Crookham Village Parish Council	3,048	3,048	3,048	0	0	3,048
Church Crookham Parish Council	6,750	6,750	6,750	0	0	6,750
Dogmersfield Parish Council	240	240	240	0	0	240
Fleet Town Council	18,309	18,309	18,309	0	0	18,309
Odiham Parish Council	4,036	4,036	4,036	0	0	4,036
Winchfield Parish Council	250	250	250	0	0	250
Rushmoor Borough Council	42,246	42,246	42,246	0	0	42,246
	547,682	522,531	522,531	0	(25,151)	547,682
General Reserves						
Opening Balance	(691,509)	(691,509)	(691,509)	0	0	(601,309)
Contribution from/(to) Reserves	0	94,000	(102,706)	(196,706)	(102,706)	36,000
Interest on Balances	0	(3,800)	(6,952)	(3,152)	(6,952)	(3,500)
Closing Balance	(691,509)	(601,309)	(801,167)	(199,858)	(109,658)	(568,809)

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Basingstoke Canal - Budgeted Capital Projects 2019 - 2021**APPENDIX B**

	Surrey County Council Countryside £	Hampshire County Council Capital Fund £	Total £
Balance as at 31st March 2019	(309,878)	(543,469)	(853,347)
Core Capital Contribution	(150,000)	(500,000)	(650,000)
Transfer to BCA Revenue Budget	23,211	31,054	54,265
Expenditure			
Bank Works	88,734	69,457	158,191
Water Management			0
Equipment			0
Canal Structure	165,738	19,213	184,951
Contingency			0
Total cost of planned starts 2019/20	254,472	88,670	343,142
Balance as at 31st March 2020*	(182,195)	(923,745)	(1,105,940)
<hr/>			
Core Capital Contribution	(285,000)	(500,000)	(785,000)
Expenditure			
Bank Works	64,000	38,500	102,500
Water Management	1,000	48,950	49,950
Equipment	0	0	0
Canal Structure	210,000	243,100	453,100
Contingency	10,000	45,075	55,075
Total cost of planned starts 2020/21	285,000	375,625	660,625
Balance as at 31st March 2021	0	(1,048,120)	(1,048,120)

* SCC y/e Balance not carried forward to 2020/21

	Odiham Castle Scheme	HLS Rural Payments Agency SCC	HLS Rural Payments Agency HCC	Total
	£	£	£	£
Balance as at 31st March 2019	(2,954)	0	0	(2,954)
Expenditure				
Grassland Maintenance	0	2,519	6,868	9,387
Special Projects	0	0	0	0
Bank Repairs	0	0	0	0
Consultancy	0	0	0	0
Tree Work	652	0	0	652
Signage & maintenance	0	0	0	0
HLS Grasslands Income	0	(2,519)	(6,868)	(9,387)
HLS Income	0	0	0	0
HLS Match Funding	0	0	0	0
Balance as at 31st March 2020	(2,302)	0	0	(2,302)

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Basingstoke Canal Reserves 2019/20 & 2020/21

	Unallocated Reserve	Dredging & Silt Disposal	Wellesley Reserve	General Reserves Total
	£	£	£	£
Balance as at 31st March 2019	(667,431)	(24,078)		(691,509)
Income (Interest on Balances)	(6,952)	0		(6,952)
Transfers From/(To) Reserves	(22,706)	0	(80,000)	(102,706)
Balance as at 31st March 2020	(697,089)	(24,078)	(80,000)	(801,167)
Income (Interest on Balances)	(3,500)	0	0	(3,500)
Projected use of reserve	36,000	0	0	36,000
Balance as at 31st March 2021	(664,589)	(24,078)	(80,000)	(768,667)

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HAMPSHIRE COUNTY COUNCIL

Report

Committee/Panel:	Basingstoke Canal Joint Management Committee
Date:	18 November 2020
Title:	Forecast Outturn 2020/21 and Forward Budget 2021/22
Report from:	Report of Honorary Treasurer and Strategic Manager

Contact name: Jenny Wadham, Honorary Treasurer, Hampshire County Council
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1 Executive Summary

- 1.1 The purpose of this report is to brief Members on the financial outturn of the Basingstoke Canal Authority. Members are asked to:
- Review and agree the revenue outturn forecast for the current year 2020/21.
 - Agree the revenue budget for 2021/22.
- 1.2 Net revenue costs are incurred on behalf of the Joint Management Committee by Hampshire County Council (HCC) and financed through partner contributions from both Hampshire and Surrey County Councils and the riparian district councils.
- 1.3 The outturn shows that the Canal will make a draw from reserves of £92,000 compared to a planned draw of £36,000 in the original 2020/21 budget. This was mainly due to £63,000 of project spend which slipped from 2019/20 to be completed in 2020/21. An additional net outlay of £23,000 was also required to implement social distancing measures, additional cleaning and signage around the Canal following the Covid-19 pandemic. Offsetting this additional spend, £30,000 of tree works scheduled for 2020/21 has slipped into next financial year. Further details are set out in section 2 below, and a summary of the revenue position is set out in Appendix A.
- 1.4 The financial impact of Covid on the forecast outturn is summarised in Appendix C3 and discussed in more detail throughout the report.
- 1.5 The budget presented for 2021/22 shows a draw on reserves of £83,000 which relates to the tree inspection survey £30,000 which will be carried out by the newly appointed Tree Officer commencing in January 2021 and throughout 2021/22, as well as the resulting tree works, £30,000 of which has slipped into the 2021/22 budget. Spend on Canal Maintenance projects such as the increased plan for pumping stations will cost £13,000, an additional £5,000 is required for the Canal Project Officer, with the remaining £5,000 draw for additional costs in Supplies and Services following the investment in IT in the Canal Centre and for homeworking. Every effort will be made to reduce this draw if at all possible. Further details are shown in section 3 below, and a summary of the forward budget revenue position is also shown in Appendix A.

- 1.6 Capital expenditure is funded directly by Hampshire and Surrey County Councils for major repairs and improvements to the Canal's assets. Members are also asked to note the progress of the SCC and HCC Capital Programmes.

2 Outturn Forecast 2020/21

- 2.1 The outturn forecast for 2020/21 is set out in Appendix A. Overall the current forecast shows the Canal will make a draw from reserves of £92,000, compared to the budgeted draw of £36,000.
- 2.2 The revenue expenditure forecast shows a reduction of £49,000 in spend. This variance is broken down by category below with underspends shown as negative figures.

- **Employees [-£58,000]**

The 2020/21 pay award has been agreed at 2.75% (compared to the budgeted 2%) increasing the forecast by £3,000. However, a freeze on recruitment initially caused by the lockdown and then the required changes to planned works and events to comply with Covid restrictions have more than offset this additional cost.

Members will recall from the last meeting that the Pension Fund had performed very well and as a result that past service costs are now fully funded and that BCA will not have to pay the budgeted £30,000 for these in 2020/21. At the last fund valuation it was expected that these would take a number of years to reach the point of being fully funded. However to be prudent it was agreed that this budget remain in the base for the next three years in case the next valuation should go the opposite way. Following the next triennial assessment of the pension fund the position can be reviewed. It was agreed that a Project Officer post would be appointed to assist with progressing the capital programme. The role has been evaluated at £35,000 p.a. and will be filled during January at a cost of £8,500 to year-end which will save £21,500 against the £30,000 allowed for in the budget.

The vacant Visitor Services Officer post is planned to be filled in November, a further saving of £18,000 as this post was originally budgeted to be occupied from April 2020.

Overtime and shift allowances are forecast to be £6,000 lower than planned following the closure of the Canal Centre during lockdown and casual staff costs have also reduced by £6,000 following the cancellation of the Santa Cruises due to concerns about social distancing at the event.

The campsite development project is on hold until further funding can be secured and as a result the Campsite Warden post will not be filled this year, saving £18,000.

An additional allowance of £8,500 has been made in the forecast for a full time Tree Officer to carry out the Tree Inspection survey starting in January 2021 (see Canal Maintenance paragraph below).

- **Premises [-£5,000]**

The temporary closure of the Canal Centre during lockdown saved £1,000 in electricity and water costs at the beginning of the year, with a further saving of £4,000 in planned Premises spend due to the delay of the campsite project.

- **Canal Maintenance [-£24,000]**

Repairs to the Brookwood visitor mooring will take place this year (rescheduled from 2019/20), at a cost of £33,000. Additionally, contractors have been tasked with routine tree works costing £1,500 due to Covid-19 restrictions, i.e. the ranger team has been divided into smaller working groups for resilience reasons with the result that they have been unable to take on tasks that would usually be done in-house as a whole team.

These additional costs will be partially offset by the following planned works which will now not go ahead this year, the landscaping of the campsite, £6,000; the Frimley pumping station repairs, £11,000; telemetry costs, £1,000; and soft bank protection works, £10,000.

It had been planned to have the Tree Survey done by a contractor. This however has proved to be difficult to source so the work will now be completed in-house and a temporary Tree Officer post is being created to do the work funded from the money earmarked for the payment that would have been made to a contractor. It is hoped that the post of Tree Officer will be filled in January and that the survey work and the related tree works will follow, continuing into 2021/22. The slippage to tree works is estimated at £30,000 and has been built into the next year's budget.

- **Principal Inspections [£33,000]**

As reported in the final accounts statement elsewhere on the agenda, the cost of the written report on the weirs and sluices inspection slipped into this financial year at a cost of £21,259. There are higher than budgeted costs for the vegetation survey of £2,500 and £9,000 increased expenditure on the Stop Plank works as the ranger team was unable to carry out the task due to Covid 19 restrictions (as explained above) which meant it was necessary to hire a contractor to complete the installation.

- **Transport [-£5,000]**

Reduced staff travel claims and fuel costs during the lockdown resulted in a £2,000 reduction in spend. Repair and maintenance costs are also expected to be £3,000 lower than budget as only two vehicles are being returned to Hampshire Transport Management this year.

- **Supplies and Services [£10,000]**

Additional spend on supplies and services due to Covid-19 include the cost of cleaning supplies, £1,000; contract cleaning spend, £1,000; and personal protective equipment, £2,000 to limit the spread of the virus; as well as additional information and signage, £5,000 to ensure the safety of visitors to the Canal. Additional IT and phone costs £7,000 were partly required so staff could work from home during the lockdown but are also due to increased annual costs following last year's office reorganisation.

These costs were offset by savings in shop stock £3,000; catering provisions £2,000 and stationery £1,000 due to the cancellation of events following Covid 19.

- 2.3 The outturn forecast for revenue income shows a drop in income of £105,000 against the original budget. £88,000 of lost income is due to the impact of Covid-19, while a £29,000 reduction in income can be explained by Business as Usual (BAU) reasons. These reductions are offset by £12,000 of additional income relating to Covid-19 factors. The variances are explained below. Positive figures reflect forecasts below those originally budgeted:

General Fees and Charges [£36,000]

The impact of Covid-19 resulting in the temporary closure of the Canal Centre and subsequent social distancing measures has resulted a loss of bookings for the function room, £9,000 and campsite, £24,000.

Delays with drawing up the lease agreement with Basingstoke Canal Canoe Club have resulted in a risk that the £15,000 one-off premium for the improvement works carried out by the BCA may not be received until next financial year. To be prudent this has been assumed when drawing up the budget

This has been partially offset by a 350% increase in boat licence income amounting to £9,000, as more people holidayed in the UK this year contributing to an increase in demand, as well as an increase in licensing patrols ensuring that licence income was received. £3,000 of parking income delayed from 2019/20 due to the lockdown was also banked in this financial year.

Grants & Contributions – Other [-£1,000]

This is due to an additional donation to the Canal.

Rental Income [£15,000]

The income from mooring fees is still negatively impacted by the ongoing works to complete the Farnborough moorings.

Sales Income [£55,000]

Activities at the Canal (including the flagship Santa Cruises event and Rosebud boat trips) have been canceled due to concerns about social distancing which has had a severe impact on this year's income, £45,000. The lockdown early in the year has also had a detrimental impact on shop sales which have fallen by £10,000.

3 Forward Budget 2021/22

- 3.1 The forward budget for 2021/22 is set out in Appendix A.
- 3.2 Budgets have been thoroughly reviewed to ensure that they reflect accurate assessments of income and expenditure for 2021/22. They have been presented with no Covid-19 implications built in. Potential impacts of Covid-19 on the forward budget are discussed separately below. In addition all the financial impacts of the campsite project have been removed.
- 3.3 A drawdown on reserves of £83,000 is presented for approval. The drawdown of tree inspection monies £30,000 is to fund the tree officer post whose role commences in January 2021, continuing into 2021/22. The related tree management works will also continue next year, £30,000 of expenditure has slipped into the 2021/22 budget due to delays in the implementation of the tree survey. £13,000 is required for additional Canal Maintenance including the increased plan for pumping stations. £5,000 is required for the additional cost of the Canal Project Officer post as explained below, with the remaining drawdown from reserves due to additional costs following investment in IT at the Canal Centre and for homeworking.
- 3.4 A breakdown of expenditure is set out below with changes from 2020/21 highlighted. Reductions in budgets are shown as negative figures:

Employees [£39,000]

An assumed 2% pay award has been added to the 2021/22 budget as well as the increase in employers pension contributions which increases the budget by £10,000. Due to the delay of the Campsite development project, the Campsite warden post has been replaced by casual staff hours, saving £11,000.

The Canal Project Officer post, £35,000 and Tree Officer post, £35,000 have been built into the budget for a full year.

The Canal Project Officer post is funded from the budget saving due to the BCA not being required to make the Hampshire pension fund contribution of £30,000 for 3 years. Although, the Project Officer post will cost £5,000 more than the annual pension fund contribution in 2021/22, the cost of the post will be more than covered over the 3 years saving by not making the contribution. It will be advertised as a 27 month contract (saving £10,500 overall).

The Tree Officer post is funded from the Tree Inspection Survey allocation. A balance of £30,400 has been carried forward into 2021/22, (£8,500 was allocated to the Tree Officer post in 2020/21), resulting in a forecast overspend of £4,200.

Following recruitment to the vacant Visitor Services Officer post in October 2020 the present Seasonal Visitor Services Assistant (SVSA) has been appointed leaving the SVSA role vacant. Instead of recruiting a new SVSA, the role will become a full time role, and it will be ensured that overall this will have no net impact on the budget (currently it is expected that the VSO and VSO will need to recoup a £3,800 increase in staffing spend from additional income generated from Canal Centre activities).

Premises [-£6,000]

The Premises budget has been reduced to reflect a £2,000 saving in general refuse spend due to the secure bin compound (which prevents other people from using these facilities) and following the agreement that the tea room supplies its own refuse services. The budget has also been adjusted down by £4,000 for Campsite premises costs which will not be required until the development project takes place.

Canal Maintenance [£13,000]

The Canal Maintenance provision has risen to allow for an augmented plan for pumping stations £10,000; an increase in fees for the annual reservoir inspection £2,000 and additional equipment for the Tree Officer, £1,000.

Principal Inspections [-£6,000]

Latest estimates for this budget include Principal Inspections of the Reservoir £25,000; Cuttings £20,000 and Footbridges £10,000.

Transport [-£3,000]

The transport budget has been reduced by £3,000 as a result of hiring two vans on the cheaper Surrey County Council contract and the reduction in fuel costs due to one of the vans being powered by electric.

Supplies and Services [£10,000]

This budget has been increased to allow for the additional IT service costs following the office reorganisation and the requirement for staff to be able to work from home.

- 3.5 There are only a few minor changes to the 2021/22 income budget from the previous year and this assumes that Partner Authorities will continue with the current level of contributions to the Canal. However, there are 2 minor offsetting changes in that the Surrey HLS Rural Payments agreement ends in October 2021 resulting in a £1,000 reduction in income from Grant & Contributions - Other, which is balanced by a £1,000 increase in the General Fees & Charges budget. As mentioned above, it is currently expected that an additional £3,800 sales income will need to be generated to offset the employment of a full time Visitor Service Assistant.

4 Capital Expenditure Programme

- 4.1 The HCC and SCC capital plans for 2020/21 and 2021/22 are set out for Members information in Appendix B with further information in the following paragraphs:

Hampshire County Council

- 4.2 The Hampshire County Council brought forward balance for capital works was £923,745 as at 31st March 2020 and a further £500,000 core capital contribution has been added to available funds (the final allocation from the £1.5 million over 3 years).

- 4.3 In 2020/21 so far, expenditure has been just £28,756 for engineering design and investigation costs primarily for Swan Cutting, apart from £1,586 for Crookham Deeps bed lining. Further design costs are expected for both projects during the year, as these are complex involving many consents, technical difficulties and third parties.
- 4.4 The largest area of planned spend for the current year is bank protection works and structural repairs following the Principal Inspection of weirs and sluices, and the Principal Inspection of Ash Lock. A programme of £60,000 of bank protection works are planned for this winter throughout the Hampshire portion of the Canal in conjunction with similar works in Surrey. Following the Principal Inspection of weirs and sluices £60,000 has also been assigned to repair works to Norris Hill and Reading Road sluice/weirs.
- 4.5 A total of £237,500 is expected to be spent in 2020/21 leaving a balance at the end of the year of £1,186,245.
- 4.6 The large schemes left in the HCC programme will be prone to further slippage due to their complex nature, and to date lack of staffing available to develop them. The recruitment of the Project Officer to assist with the capital programme was delayed due to a complete freeze in recruitment in the first quarter and the reopening of visitor services in the second quarter. As mentioned earlier in this report, it is anticipated that a person will be in post in January 2021 and therefore progress will be made.
- 4.7 Due to the slippage of programmes in the current financial year, the HCC programme is now expected to run until at least 2022/23. There are no further capital allocations planned beyond 2020/21.

Surrey County Council

- 4.8 The Surrey County Council funded capital allocation was £285,000 as at 1st April 2020. During 2020/21 £280,911 is expected to be spent leaving a balance of £4,089 at the end of the year.
- 4.9 The majority of expenditure, £125,000, which will take place during the final quarter of 2020/21 will be on structural repairs following on from the Principal Inspection of Locks 1-6 and also similar maintenance arising from the Principal Inspection of weirs and sluices. A further £55,000 is due to be spent on bank protection schemes and £37,000 on lock gates.
- 4.10 A core capital contribution of £150,000 will be received in 2021/22, as well as a carried-forward balance of £67,000 from 2019/20. Therefore, the allocated budget for 2021/22 will be £221,089.

5 Special Projects

- 5.1 The Special Projects reconciliation is set out in Appendix C.1.
- 5.2 Odiham Castle – the carried forward balance of funds as at 1st April 2020 is £2,032. This is forecast to be fully spent by the end of 2021/22 on the interpretation boards which are all end of life and need to be replaced.
- 5.3 Higher Level Stewardship (HLS) funding

Surrey - HLS Rural Payments Agency

Annual Grassland Maintenance – £2,519 to offset staffing costs incurred on grassland maintenance will be invoiced to Surrey County Council in 2020/21. Maintenance work on the grassland continues under the current agreement until October 2021.

Hampshire - HLS Rural Payments Agency

Annual Grass and Woodland Maintenance – receipts of £5,526 are anticipated for 2020/21. Maintenance work on the grassland is expected to continue under the current agreement until November 2022. Receipts will offset the staffing costs incurred by the Canal.

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6 Reserves

- 6.1 A detailed breakdown of reserves is shown in Appendix C.2.
- 6.2 An analysis of the level of general reserve has been undertaken and taking into account factors including unknown costs such as Covid, the National Living Wage, the financial strain on Partner's budgets and any unforeseen expenditure. It is the Treasurer's opinion that the level of general reserve is just adequate.
- 6.3 The opening balances for reserves in 2020/21 were £697,089 Unallocated, £24,078 for Dredging Silt and Disposal and £80,000 for Wellesley Reserve, a combined total of £801,167.
- 6.4 A draw of £92,000 (an increase from the budgeted draw of £36,000) is forecast to be made from the Unallocated Reserve in 2020/21. This relates to £63,000 of projects slipped from 2019/20, and the increased costs of cleaning, signage and social distancing measures at the Canal resulting from the Covid-19 pandemic of £23,000 which is offset by Tree Works slipping into 2021/22 of £30,000.
- 6.5 The impact of slipped projects discussed throughout this report is summarised in the table below:

Additional Expenditure due to projects slipped into 20/21	£	£
Brookwood visitor mooring repairs	33,000	
Weirs & Sluices inspection report	21,259	
Tree Inspection monies – Tree Officer 20/21 cost	8,500	
		62,759
Reduced Expenditure due to projects slipped into 21/22		
Tree Works		(29,750)
Expenditure slipped from 19/20 into 21/22		

Tree Inspection monies – balance of funding		30,359
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6.6 The £56,000 variance from the budgeted draw on reserves is split into Covid factors and Business as Usual factors in the Appendix C.3 and can be summarised as follows:

	£'000	£'000
Covid related:		
Additional costs and lost income	111	
Less reduced expenditure	-61	
Plus additional income	-12	
Net expected Covid cost in 20/21		38
Business as usual:		
Expenditure slipped in 2020/21	63	
Expenditure slipped into 2021/22	-30	
Other variances	-15	
Total BAU variances		18
Variance from budgeted draw on reserve 20/21		56

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6.7 Members can see from the details in this report that the impact of Covid on the reserves is significant and could be potentially worse in 2021/22. Most of the covid related reduced expenditure is as a result of the recruitment freeze and so these savings will not occur next year. If faced with a similar situation in the next financial year it is easy to see that there could quite feasibly be a further £100,000 draw on the reserve.

6.8 All local authorities are under significant financial pressures but if at all possible it is imperative that partner contributions do not drop. The JMC is doing everything it can to try and generate income but at a time when there are restrictions on what it can do any reduction in contributions would have a significant financial effect on the Canal.

6.9 Any proposals that the Canal has to generate income will usually come with a need for some up front money to set the scheme up and these would need to come from the reserves.

6.10 The total Reserve is projected to stand at £709,968 at the end of 2020/21 and £627,678 at the end of 2021/22 based on current budget forecasts and a further draw of £83,000.

Interest has been assumed on the balances at 0.1%. As stated earlier in the report this assumes there are no effects of Covid in 2021/22.

7 Scheme of Charges

- 7.1 Attached on Appendix D is the scheme of charges produced by the Canal Manager and which have been used when calculating the forward budgets for income.
- 7.2 Members are asked to agree the proposed Scheme of Charges for 2021/22 as set out in Appendix D .

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8 Conclusion

- 8.1 The Canal is facing an unprecedented position from both an operational and financial perspective due to Covid. The financial effects have been estimated for the current year and incorporated into the budget. No financial effect has been built into the 2021/22 budget as they are simply not known. It is extremely likely that there will be a negative effect on the Canal's finances and a further draw on the reserves will be required.

9 Recommendations

- 9.1 To review and agree the revenue outturn forecast for the year 2020/21; and
- 9.2 To review and agree the revenue budget for 2021/22; and
- 9.3 To review and agree the proposed scheme of charges for 2021/22 set out in Appendix D.

BASINGSTOKE CANAL

APPENDIX A

OUTTURN FORECAST 2020/21 & FORWARD BUDGET 2021/22

Final Outturn 2019/20 £		Original Budget 2020/21 £	Forecast Outturn Sep-20 £	Over/ (Under) Budget £	Actuals Actuals 31/08/2020 £	Forward Budget 2021/22 £
	Expenditure					
454,233	Employees	492,000	434,000	(58,000)	163,464	531,000
27,213	Premises	32,000	27,000	(5,000)	6,992	26,000
222,030	Canal Maintenance	161,000	137,000	(24,000)	29,111	174,000
27,280	Principal Survey Work	61,000	94,000	33,000	0	55,000
42,533	Transport	45,000	40,000	(5,000)	667	42,000
60,528	Supplies & Services	51,000	61,000	10,000	12,646	61,000
5,435	Campsite Development	0	0	0	0	0
25,151	Shortfall In Partner Contributions	25,000	25,000	0	0	25,000
864,404	Total Revenue Expenditure	867,000	818,000	(49,000)	212,880	914,000
	Income					
118,631	General Fees & Charges	124,000	88,000	(36,000)	63,191	125,000
547,682	Grants & Contributions - Partner	548,000	548,000	0	522,531	548,000
54,265	Grants & Contributions - Transfer from C:	0	0	0	0	0
28,680	Grants & Contributions - other	18,000	19,000	1,000	368	17,000
49,781	Rental Income	62,000	47,000	(15,000)	40,000	62,000
88,074	Sales Income	79,000	24,000	(55,000)	17,842	79,000
(3)	Other Miscellaneous Income	0	0	0	163	0
	Campsite Development	0	0	0	0	0
887,110	Total Revenue Income	831,000	726,000	(105,000)	644,094	831,000
(22,706)	Contribution from/(to) Reserves	36,000	92,000	56,000	(431,213)	83,000
	Partner Contributions					
153,188	Surrey County Council	153,188	153,188	0	153,188	153,188
39,076	Guildford Borough Council	39,076	39,076	0	39,076	39,076
8,000	Runnymede Borough Council	16,869	8,000	(8,869)	8,000	16,869
10,000	Surrey Heath Borough Council	26,282	10,000	(16,282)	10,000	26,282
53,276	Woking Borough Council	53,276	53,276	0	53,276	53,276
153,188	Hampshire County Council	153,188	153,188	0	153,188	153,188
30,924	Hart District Council	30,924	30,924	0	30,924	30,924
3,048	Crookham Village Parish Council	3,048	3,048	0	3,048	3,048
6,750	Church Crookham Parish Council	6,750	6,750	0	6,750	6,750
240	Dogmersfield Parish Council	240	240	0	240	240
18,309	Fleet Town Council	18,309	18,309	0	18,309	18,309
4,036	Odiham Parish Council	4,036	4,036	0	4,036	4,036
250	Winchfield Parish Council	250	250	0	250	250
42,246	Rushmoor Borough Council	42,246	42,246	0	42,246	42,246
522,531		547,682	522,531	(25,151)	522,531	547,682
	General Reserves					
(691,509)	Opening Balance	(601,309)	(801,167)	(199,858)	(801,167)	(709,968)
(102,706)	Contribution from/(to) Reserves	36,000	92,000	56,000	0	83,000
(6,952)	Interest on Balances	(3,500)	(801)	2,699	0	(710)
(801,167)	Closing Balance	(568,809)	(709,968)	(141,159)	(801,167)	(627,678)

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	Surrey County Council Countryside £	Hampshire County Council Capital Fund £	Total £
Balance as at 31st March 2020*	(182,195)	(923,745)	(1,105,940)
<hr/>			
Core Capital Contribution	(285,000)	(500,000)	(785,000)
Expenditure			
Bank Works	64,396	104,500	168,896
Water Management	0	0	0
Equipment	0	0	0
Canal Structure	210,310	104,500	314,810
Contingency	6,205	28,500	34,705
Total cost of planned starts 2020/21	280,911	237,500	518,411
Balance as at 31st March 2021	(4,089)	(1,186,245)	(1,190,334)
Core Capital Contribution	(150,000)	-	(150,000)
C/F from 2019/20	(67,000)	-	(67,000)
Expenditure			
Bank Works	163,000	0	163,000
Water Management		510,950	510,950
Equipment			0
Canal Structure	48,810	204,600	253,410
Contingency	4,900	97,575	102,475
Total cost of planned starts 2021/22	216,710	813,125	1,029,835
Balance as at 31st March 2022	(4,379)	(373,120)	(377,499)

	Odiham Castle Scheme	HLS Rural Payments Agency SCC	HLS Rural Payments Agency HCC	Total
	£	£	£	£
Balance as at 31st March 2020	(2,302)	0	0	(2,302)
Expenditure				
Grassland Maintenance	0	2,519	5,526	8,045
Special Projects	0	0	0	0
Bank Repairs	0	0	0	0
Consultancy	0	0	0	0
Tree Work	0	0	0	0
Signage & maintenance	0	0	0	0
HLS Grasslands Income	0	(2,519)	(5,526)	(8,045)
HLS Income	0	0	0	0
HLS Match Funding	0	0	0	0
Balance as at 31st March 2021	(2,302)	0	0	(2,302)
Expenditure				
Grassland Maintenance	0	1,408	5,526	6,934
Special Projects	0	0	0	0
Bank Repairs	0	0	0	0
Consultancy	0	0	0	0
Tree Work	0	0	0	0
Signage & maintenance	2,302	0	0	2,302
HLS Grasslands Income	0	(1,408)	(5,526)	(6,934)
HLS Income	0	0	0	0
HLS Match Funding	0	0	0	0
Balance as at 31st March 2022	0	0	0	0

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	Unallocated Reserve	Dredging & Silt Disposal	Wellesley Reserve	General Reserves Total
	£	£	£	£
Balance as at 31 st March 2020	(697,089)	(24,078)	(80,000)	(801,167)
Income (Interest on Balances)	(801)	0	0	(801)
Projected use of reserve	92,000	0	0	92,000
Balance as at 31st March 2021	(605,890)	(24,078)	(80,000)	(709,968)
Income (Interest on Balances)	(710)	0	0	(710)
Projected use of reserve	83,000	0	0	83,000
Balance as at 31st March 2022	(523,600)	(24,078)	(80,000)	(627,678)

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APPENDIX C.3									
	Covid-19 impact								
	Budget Variance	Additional Covid-19 Costs	Lost income due to Covid-19	Savings/Additional Income as a direct consequence of Covid-19	Covid-19 Impact Sub-total	BAU Savings	BAU Additional Spend	BAU Sub-total	
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Basingstoke Canal - Variance from Budget (-) Favourable (+)	56	23	88	(73)	38	(84)	102	18	
Expenditure	(49)	23	0	(61)	(38)	(83)	72	(11)	
Employees	(58)			(52)	(52)	(18)	12	(6)	
Premises	(5)			(1)	(1)	(4)		(4)	
Canal Maintenance	(24)	1			1	(58)	33	(25)	
Principal Survey Work	33	9			9		24	24	
Transport	(5)			(2)	(2)	(3)		(3)	
Supplies & Services	10	13		(6)	7		3	3	
Shortfall in Partner Contributions	0				0			0	
Income	105	0	88	(12)	76	(1)	30	29	
General Fees & Charges	36		33	(12)	21		15	15	
Grants & Contributions - Partner	0				0			0	
Grants & Contributions - Other	(1)				0	(1)		(1)	
Rental Income	15				0		15	15	
Sales Income	55		55		55			0	
Other Miscellaneous Income	0				0			0	

SCHEME OF PRICES, CHARGES AND FEES 2020/2021 for 2021/2022

No changes		
Item	2020/21	2021/22
Dry dock - per day	£ 45.00	£ 45.00
Pump out per use	£ 10.00	£ 10.00
Car park charges	As Hart DC scheme	As Hart DC scheme
Camping charge per person per night (13 yrs +)	£ 4.00	£ 4.00
Camping charge per person per night (6-12 yrs)	£ 2.00	£ 2.00
Camping charge per person per night (under 5 yrs)	FREE	FREE
Camping rallies (additional units) per unit per night	£ 9.50	£ 9.50
Camping rallies less than 20 units per unit per night	£ 11.00	£ 11.00
Camping - Tent 1-3 berth per night	£ 7.50	£ 7.50
Camping - Tent 4-6 berth per night	£ 8.50	£ 8.50
Camping - Tent 7+ berth per night	£ 10.50	£ 10.50
Camping - Motorhome or caravan per night	£ 9.00	£ 9.00
Camping rallies (up to 20 units) per night	£ 190.00	£ 190.00
Yurt hire - day hire	£ 40.00	£ 40.00
Yurt hire - 1 nights hire	£ 50.00	£ 50.00
Yurt hire - 2 or more nights hire	£ 40.00	£ 40.00
Seasonal trails - per trail	£ 3.00	£ 3.00
Pond dipping - per hour hire	£ 5.00	£ 5.00
Public boat trips - Child (under 1 yrs) per trip	FREE	FREE
Public boat trips - Child (1-12 yrs) per trip	£ 4.00	£ 4.00
Public boat trips - Adult over 13 yrs) per trip	£ 6.50	£ 6.50
Public boat trips - Family (2 adults + 2 children) per trip	£ 19.00	£ 19.00
Public boat trips - cream tea experience per trip	£ 14.00	£ 14.00
Public boat trips - charter hire whole boat per hour (daytime)	£ 60.00	£ 60.00
Public boat trips - charter hire whole boat per hour (evening)	£ 70.00	£ 70.00
Santa cruise - Band A per person	£ 16.00	£ 16.00
Santa cruise - Band B per person	£ 15.50	£ 15.50
Santa cruise - Band C per person	£ 12.50	£ 12.50
Boat hire - single kayak per hour	£ 10.00	£ 10.00
Boat hire - canadian canoe per hour	£ 12.50	£ 12.50
Boat hire - pedalo per 30 minutes	£ 9.00	£ 9.00
Boat hire - double kayak per hour	£ 13.00	£ 13.00
Boat hire - rowing boat per hour	£ 15.50	£ 15.50
Canal Centre function room - per hour - weekends etc	£ 15.50	£ 15.50

Canal Centre function room - per hour - weekdays etc	£ 12.00	£ 12.00
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Changes (not CPI)

Item	2020/21	2021/22	
Large towpath based events - up to 49 participants	FREE	FREE	Participant number has changed from 100 to 49
Large towpath based events - up to 50-100 participants		£50	New charge for new participant level of 50 to 100

Changes (CPI Increase)

CPI rate increase	2020/21	2021/2022
	2.10%	0.20%
Item	2020/21	2021/2022
Mooring fees - Private (per m/pa)	£80.70	£80.90
Mooring fees - Standard (per m/pa)	£140.00	£140.30
Mooring fees - Premium (per m/pa)	£161.30	£161.60
Undertaking searches, etc per hour (inc VAT)	£53.80	£53.90
Large towpath based events - up to 101-499 participants	£102.10	£102.30
Large towpath based events - up to 500-999 participants	£204.20	£204.60
Large towpath based events - over 1000 participants	£408.40	£409.20

CPI - Consumer Price Index.

CPI is based on the difference from August 2019 CPI index at 108.4 and August 2020 CPI index at 108.6, which is a percentage change of 0.2.

All % increases have been rounded to the nearest whole 10p.

Where VAT is inclusive this is set at standard rate (current rate 20%) as required by HMRC



Basingstoke Canal Joint Management Committee - 18 November 2020

Boat Licence Review - Decision Paper

Lead officer: James Taylor

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9/20

Key Issue

To review the existing scheme of Boat licences considering current circumstances of operation, types of boat, levels of use, environmental considerations and impacts on the canal – and propose a new scheme of charging.

Summary

To update the scheme of charging and boat licence categories for boats using the Canal. This is to allow for new categories that may be required in the near future and to review existing categories to allow these to be managed more appropriately and keep charging more in line with other canals where appropriate. The new licensing scheme will generate at least an additional £8000 per annum and redress issues around certain types of boats having a bigger negative effect on the canal while also rewarding other boats by offering discount to those that have a lesser environmental impact, in accordance with the owning authorities having declared a climate emergency.

Officer's recommendation

Officers recommend that the Committee:

- a) Approve the new scheme of licensing for Boats using the Canal
- b) Authorise officers to licence boats according to the proposed scheme
- c) Authorise officers to charge the revised categories of boat according to the revised license charging scheme
- d) Review the scheme annually and add up to and no more than the cost of inflation (CPI) to individual charges without further reference to the Committee

1. Introduction & background

The current system of Boat Licensing for the Basingstoke Canal was last reviewed in detail in 2013, at a time when the Deepcut locks had only just reopened following a 4 year closure due to deferred maintenance.

The key thrust of the changes then were to make changes to the boat licensing system that reflected the lack of availability boaters had experienced in the previous 6 years. Since 2013 the availability of locks has increased with the adoption of an assisted system of lock-keeping. The St Johns and Woodham Locks have not been taken out of service for lack of water – only for short periods during the “boating season¹” for works unrelated to water management. Only the Deepcut/Brookwood flight remains the Canal’s weak point with most years seeing at least a 2 weeks stoppage in summer due to lack of water in the canal above the flight.

The Canal is an SSSI for aquatic flora and invertebrates; the Canal’s Conservation Management Plan (CMP) adopted by Natural England is based on research done by Dr John Eaton – a leading botanist studying canal flora. Dr Eaton’s research suggests that a number of vessel movements between 750-1300 per year is not harmful and may be beneficial to the environment. However, this is based on some assumptions about the size and speed of the craft and the dimensions of the waterway. If any one of those factors change then the assumptions may no longer be true. The CMP has set the upper limit of boat movements at 1300 (the maximum recommended) in any year, and there is already a 4mph speed limit for all powered craft on the waterway.

The limits on boat movements for conservation reasons, and the ongoing summer shortages of sufficient water above the Deepcut lock flight, mean that a large increase in boat numbers is unlikely. The costs of maintaining and managing the waterway is lower than other comparable operations, but not by a significant amount – this became obvious during the due diligence work carried alongside CRT in 2015/16. This means that every boat using the water has to bear a higher proportion of the costs associated with maintenance.

Both owning County Councils have declared a Climate Emergency. This is considered to consist of interlinked challenges to climate change caused by carbon / greenhouse gas emissions, environmental pollution (plastics, pesticides, poor air quality) and loss of species.

During the operation of the waterway the BCA are sometimes presented with new categories of use of the water. This is particularly true of commercial operations.

The Canal bylaws require that all vessels on the water are licensed, and where they remain on the water for more than 72 hours hold a mooring agreement with the Canal’s owners. The BCA administer both licensing and mooring agreements on behalf of the owners.

The BCA has been mindful of what the industry leader for inland waterways (CRT) has done with its licensing, both in terms of categories and rates, whilst also being mindful of rates set by neighbouring and other local authority owned waterways.

2. Proposed new categories of licence

To fully cover the type of boats which may operate on the Canal the proposed revised categories of licensing are recommended:

¹ Easter – end October

Unpowered craft

- Private boat unpowered licence
- Club boat unpowered licence
- Private large boat unpowered licence
- Hire boat unpowered licence
- Commercial unpowered boat licence

Visiting² powered boat licences

- Model boat licence
- Trail boat licence
- Visiting private boat licence
- Trading boat visiting licence
- Passenger boat visiting licence
- Workboat licence

Resident³ boat licences

- Private boat licence
- Hire boat licence
- Trading boat licence
- Passenger boat licence
- Workboat licence

The major changes to this from the previous scheme of licensing is dividing the commercial category into different sectors of Cargo (including roving / fixed trading), Passenger, Hire and Workboats. Also new is the introduction of a Model Boat category, and Club and Hire boat categories for unpowered boats. This will enable different rates and terms to be charged for each category, and to alter the terms and conditions more easily to reflect the different uses. See Appendix 1 for the proposed Model Boat Policy and Terms of Use

2.1. Minimum licence requirements

In order to issue a licence for each category of boat the BCA have devised a table of minimum licensing requirements which need to be met before a license is issued. Many of these requirements are based on maritime law, regulations, Canal bylaws or industry best practice – for example by requiring compliance with the Boat Safety Scheme designed to protect third parties on the waterway.

The Minimum Licensing Requirements Policy is attached as Appendix 2.

2.2. Proposed scheme of licensing

The scheme of licensing has been proposed by studying other licensing authority's schemes – most notably that of Canal & River Trust (the largest inland navigation authority in the UK).

² Not exceeding 30 days in any 12-calendar month period

³ Those boats registered with the BCA as staying for more than 30 days in any 12-calendar month period

Unpowered boats

The major change here is the introduction of a club boat category. Currently clubs affiliated to British Canoeing (BC) are able to use canoes and kayaks belonging to the club free of charge as part of recognised club activities. There is some evidence that at best this scheme is being stretched by some clubs and societies, whilst the support from British Canoeing (approx. £4000 per year) does not adequately compensate for the high use by both their individual members and clubs with additional “affiliates”. The fee paid by British Canoeing is also substantially lower than surrounding independent waterways. The BCA proposes to engage with British Canoeing for a better annual settlement in the light of more evidence concerning the disproportionate use of the waterway by unpowered boaters (compared to other waterways).

Whilst there is no wish to withdraw from the BC scheme the introduction of a club boat category will allow the BCA to do so if a suitable settlement is not reached whilst still supporting and recognising organised paddle sport on the Canal. Recognised clubs and societies would instead be charged a fixed fee per boat they own, and BC individual members would instead need to purchase a BCA licence.

Type	Day	Week	Month	Month	Annual
Private boat unpowered licence	£5	£15			£40
Club boat unpowered licence					£16
Large private unpowered boat	£7.50	£22.50			£60
Hire-boat unpowered licence	£12.50 ⁴				£100
Commercial unpowered boat		£56.25	£81.25	£125	£150 ⁵

Visiting powered craft licences

Revision of the private visiting craft licences are rounded to the nearest £5 after adding inflation to the existing rates, no further changes are considered necessary. Visiting hire craft from yards off the Canal will now be treated as visiting private craft, with some additional safeguards in the Minimum Terms of Licensing – this is not a particularly frequent occurrence.

⁴ Day rate fees are only applicable to additional craft temporarily placed in the water in addition to craft with an annual licence within a commercial operating agreement.

⁵ Mooring agreement also required

A new category of Trading boat has been introduced, although instances of such visiting vessels has been very rare this is to allow a different manner of charging for Passenger boats. Passenger boats are now to be charged per passenger place (not per passenger) rather than as a fixed fee.

Workboats not carrying out work for the BCA/owners (eg; contractors working for utility companies or neighbouring landowners) will now be charged a fee per month.

The 22 unpowered houseboats are unlicensed whilst on their designated moorings instead complying with other safety conditions in their leases, but once off the mooring require to be licensed as a navigating craft and comply with all other Canal bylaws. Houseboats will typically need to move off their moorings for periodic maintenance at a boatyard. A new consolidated “transit licence” rate is proposed to include the licence for the unpowered houseboat, a powered tug and a return journey through the locks. This licence will be for one return journey rather than 1 month.

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Type	Day	Week	Fortnight	Month
Model boat licence	£5			
Trail boat licence	£10			
Visiting private boat licence		£45	£65	£100
Cargo boat visiting licence		£112.50	£162.50	£250
Passenger boat visiting licence		£ 14.06 per passenger place	£ 20.31 per passenger place	£ 31.25 per passenger place
Workboat licence				£ 25
Houseboat transit licence				£40

“Resident” boat licences

The rates for private vessels declaring the Canal as their home mooring is simplified with just two new rates – for those with a home mooring above the Deepcut locks, and those below. The previous scheme was designed to redress the balance caused by lack of availability of the locks flights and the perception that the Canal was continually closed; although there is much less canal below Deepcut there has been no lack of availability of the Woking pound or the Woodham and St John’s locks due to back pumping. The two licences fees are set accordingly.

The rates charged by other waterways for vessels available for public hire⁶ are generally much higher than those charged by the BCA (in some cases 4 or 5 times the amount). Whilst this might reflect a larger network available for them to use and operator being able to offer attractive round trip journeys, hire vessels to be economically viable need to keep moving and therefore contribute

⁶ Where these are published and in the public domain

significantly to the overall number of boat movements on the canal. They are also often skipped by novice helmsmen and as a result account for additional wear and tear. The proposed rate is therefore set at 3x the rate for private vessels to account for these factors.

There are currently no commercial cargo carrying or roving / fixed trading vessels on the canal, but expressions of interest have been received for trading operations. The rate for such operations is proposed to be set at 2.5x the private rate should any operations commence.

Passenger vessels contribute the most towards boat movements on the canal, whilst on the other hand allowing the greatest number of people to enjoy the waterway from the water. The proposal is to align the charging mechanism with that of CRT where boats are charged by passenger place.

A large passenger boat will therefore pay significantly more than it does now, but it is argued that this accounts for the much greater wear and tear that they cause on the waterway through frequent use of a large vessel. The proposal will see a 12-seat passenger boat pay the same 2.5x private rate that it does now, whilst larger boats will now pay more. In comparing to other navigation authorities, the length of network is not an issue for passenger boats, as they will operate repeatedly over the same route and return to base.

Workboats not owned by the BCA will now be charged an annual fee if they are kept on the Canal. This is the same as the fee charged by CRT in 2019 for this type of vessel.

Type	Day	Week	Month	Annual
Private boat licence				£170 above Deepcut / £85 below Deepcut
Hire boat licence				£510
Cargo boat licence				£425
Passenger boat licence				£42.50 per passenger place
Workboat licence				£75

3. Supplements / reductions to standard charges

Lock use

In addition to the core licence fee, the BCA has isolated the cost of providing a lock keeper to help conserve water in summer, and charges this as a “lock use” charge. This is required because of the shortage of inflow into the Canal from above the Deepcut flight – a construction defect that will not readily be resolved. The scheme offers boaters the option to pay an upfront lock use charge for the use of the controlled lock flights, or to pay a one-off fee for every time they pass through a lock. This saves boat owners who travel little, whilst giving those that move on and off the waterway regularly a cost-effective option.

No change - £107.70 for fair use annual lock use payment and £10.80 per return lock flight – increases by CPI in future years

Trail boats

The vast majority of trail boats use the waterway on a daily basis, few stay on the canal for more than 48h hours. Most trail boats are small open craft with an outboard engine, but the provision of power means that additional safety checks and the provision of third-party insurance is a requirement. Trail boaters are therefore required to register their boat so that the details can be checked and held on file.

No change - £15 annual registration fee (plus day licence for each day on the water)

Low emissions

A reduction in costs on the licence fee for boats that produce low or zero emissions. This includes boats fitted with hybrid diesel/electric drives (where the diesel engine meets as a minimum RCD2 or Euro VI requirements), hydrogen (as either ICE fuel, or as a fuel cell), or battery-electric only propulsion drive trains.

New proposal: -20% discount for low emission hybrid, hydrogen or battery electric powered boats.

Discount for charity operators

No change – 60% discount on all fees for registered charities, where their aims are compatible with the aims and objectives of the owners.

3.1. Mooring charges

No changes are proposed to the scheme of mooring fees which is index linked and is still comparable to other waterways. Should there be a significant drop in demand for leisure moorings then this will need to be revisited.

No change – mooring fees as per 2013 scheme, then reviewed annually index linked to CPI

3.2. Covid 19

Commercial and quasi-commercial operators (i.e. charities that operate commercial type vessels) that can't trade due to national or local Covid pandemic restrictions whilst still incurring operating costs and navigation charges may apply to the BCA for financial relief from fees in the 2021/22 financial year. The BCA will consider each application for financial relief on a case by case basis taking into account its own financial position. Assistance will be offered upon request by:

- Initially deferring payment of all navigation and mooring fees owing from Period 1 to Period 6
- where significant hardship can be demonstrated agree with the boat operator an appropriate level of discount based on the financial situation of the operator

In the case that such agreement cannot be reached the decision of the Strategic Manager will be final

4. Discussion

The limits on boat movements for conservation reasons, and the ongoing summer shortages of sufficient water above the Deepcut lock flight, mean that a large increase in boat numbers is unlikely. The costs of maintaining and managing the waterway is lower than other comparable operations, but not by a significant amount – this became obvious during the due diligence work carried alongside CRT in 2015/16. This means that every boat using the water has to bear a higher proportion of the costs associated with maintenance than a waterway with say double the amount of craft.

However, raising boating fees to cover the total costs of maintaining the navigation would make the cost of boating prohibitive – and would be many times above prices charged even by the large navigation authorities. In turn this would be counterproductive and would lead to a loss of income as boaters move off the waterway. A balance has to be struck between meeting the costs of maintaining the waterway in a safe and useable condition and ensuring that boating pays its fair share of the revenues required.

The review and increased monitoring of boat licenses shows that the waterway also is exceptionally well used by unpowered boats compared to many other waterways. Therefore, the proportion of the waterway's maintenance costs paid by unpowered boating (both directly paid licence fees and the arrangement with British Canoeing) need to reflect this increased share.

Some of the changes in this scheme are aimed at redressing a balance between low use private craft and frequently used craft such as hire boats and passenger trip boats. In 2019 a movement survey revealed the relationship between private and commercial vessels. This showed that commercial vessels⁷ contributed 61% of the total amount of boat movements on the canal, whereas they represented just 14% of the total boats registered on the waterway. This demonstrates that private boats move relatively little and is a strong argument to shifting the balance of contribution towards waterway operating costs towards commercial craft.

The proposed scheme of charging sets out to charge those vessels that have greater impact more, and charge those that do less damage less.

As both owners have declared climate emergency, and the canal is managed to try to protect against loss of species, it is appropriate to offer a scheme of charges that encourage use of low emission propulsion and services on boats used on the waterway. Discussion with British Marine indicates that technology is not yet ready to offer the boating industry a widespread safe, sustainable, and useable switch to plug-in battery-operated boats for most purposes, so hybrid and other low emission fuels are included in this proposal. By allowing a discount for low emission vessels this will encourage boaters to consider low emission drive trains when they update their vessels (boat hulls tend to have a life expectancy many times that of a comparable road vehicle – say 70-100 years) or choose battery power for smaller trailable boats.

⁷ Self-drive hire and passenger boats

Conversely, and for similar reasons, wide beam and deep drafted boats can be calculated to cause more damage to the canal bed and the flora that the batters (sloping sides) that support many of the rare species of aquatic plants. Challenging loss of species is an important part of tackling the climate emergency. Increasing wide beam and deep boat charges was considered a step towards encourage boat owners to carefully consider the boats they are choosing to use on the waterway. However, during consultation there was significant opposition to the introduction of the additional wide-beam charge from local boaters, and the original proposal of a 20% levy has been instead replaced by a management proposal for decreasing the 2.5mph speed limit (down from 4mph) for categories of vessel or sensitive areas of the Canal. This will be dealt with by altering the Boaters’ Guide, and sections with a reduced speed limit will reviewed by the Conservation Management Steering Group.

5. Financial and value for money implications

The table below indicates how the new scheme of licensing will impact the Canal financially. It shows that overall, the new licensing scheme will generate at least an additional £8000 per annum.

Alongside this the BCA will be presenting evidence to British Canoeing concerning use of the waterway by their members, and arguing for a significantly increased fee over the existing arrangements. Should negotiations not prove successful then the unpowered boat licensing element may increase by up to double the current amount – showing the true proportion of use is heavily weighted towards many unpowered boat users.

Licence category	Current	Proposed	Comments
Private boat unpowered licence	£6,324.00	£7,706.65	
Club boat unpowered licence		£2,880.00	Currently a proportion of British Canoeing members' access package
Large unpowered		£238.35	Estimate that 2% of unpowered craft are "large"
Hire-boat unpowered licence	£3,600.00	£3,600.00	
Commercial unpowered boat licence			Rare occurrences only - estimate not possible
Model boat licence			Not previously offered - unknown market estimate not possible
Trail boat licence	£647.80	£790.00	
Trail boat registration	£555.00	£555.00	
Visiting private boat licence	£2,734.00	£2,810.00	
Trading boat visiting licence			Rare occurrences only - estimate not possible
Passenger boat visiting licence	£161.25	£162.48	
Workboat visiting licence		£125.00	
Private boat annual licence (Below Deepcut)	£305.10	£765.00	
Private boat annual licence (Above Deepcut)	£9,638.70	£9,690.00	
Self-drive hire boat annual licence	£2,536.50	£3,060.00	
Trading boat annual licence			Enquiries made, but no traders have made firm proposal - no estimate possible
Passenger boat annual licence	£2,113.75	£4,461.66	
Workboat annual licence		£525.00	
Houseboat transit licence		£150.00	
Subtotal	£28,616.10	£37,369.14	
5% of fleet uses reduced carbon fuels (less 20%)		-£224.21	
13% of fleet is charity operated (less 60%)	-£2,232.06	-£2,914.79	
	£26,384.04	£34,230.13	

Figure 1 - Effect on licensing income

6. Consultation

A full public consultation has not been undertaken; however, it has been consulted on with all the key partners and boating groups for the canal.

The proposed new policies and charging scheme was presented to the Joint Advisory Group for partnership member's officers to discuss.

The proposed new policies and charging scheme was also presented Boat Users Group with representatives from each of the main boating groups who use the canal, both powered and unpowered. This also included the Inland Waterways Association, British Canoeing, commercial users and the Canal Society

It was also presented at the Conservation Management Steering Group. This group includes Natural England, the Environment Agency and the Angling Club as well as ecologists representing Hampshire and Surrey County Councils.

Key outcomes of this consultation were:

Conservation Management Steering Group and **Joint Advisory Group** unanimously supported the scheme as originally proposed to include increased fees for more damaging boat operations and increased subsidies for those boat owners who choose more environmentally friendly methods of propulsion.

The **Boating User Group** disagreed with the premise that deeper and wider vessels can cause harm and wanted "scientific proof"; they did not support the introduction of the 20% levy for such vessels – but were prepared to accept lowering speeds to safeguard fragile species in the SSSI. There was no consensus amongst consultees on the benefits of introducing a 20% discount for alternative fuel vessels. Unpowered boat groups wished to ensure that negotiations between the BCA and British Canoeing were expedited to ensure that the current membership scheme can continue, as there would otherwise be a significant cost to clubs wanting to use their boats on other waterways. Consultees would have liked a much longer consultation period.

7. Equalities & Diversity implications

The charges are in keeping with other waterways and where they differ are generally cheaper recognizing the different circumstances of the Basingstoke at the end of the inland waterway network. Leisure boating in itself is a relatively expensive pastime and the costs of boating are reasonable in relation to the cost of the boats themselves. Prices for unpowered boats and trail boats are accessible to people with lower incomes with options for annual licences for unpowered boats as a cheaper option than multiple day licences. The use of the canal towpath remains free.

Houseboats on the canal are only affected by the new charges if they wish to move their boat which is usually not a regular occurrence. If they wished to move their boat more often then they could purchase an annual navigation licence.

To put charging into perspective for visiting boats, a visiting boat could be seen as a floating caravan or motorhome which would be considered to be a cheap holiday. A narrowboat only pays £45 for a week-long visit to the canal. This is equivalent to less than 2 nights stay on a typically priced caravan site.

8. Crime & disorder implications

There are no known crime and disorder implications to the proposed new rates of charging for Boat licensing.

9. Conclusion and recommendation

The proposed scheme of charging reflects the environmental urgency of protecting the environment set by the owners and partners in declaring a climate emergency, whilst being financially stable.

Officers recommend that the Committee:

- a) Approve the new scheme of licensing for Boats using the Canal
- b) Authorise officers to licence boats according to the proposed scheme
- c) Authorise officers to charge the revised categories of boat according to the revised license charging scheme
- d) Review the scheme annually and add up to and no more than the cost of inflation (CPI) to individual charges without further reference to the Committee

10. What happens next

Officers will conclude the consultation exercise on Model boating and incorporate any minor amendments into a final policy, which will then be adopted. If no consensus exists amongst existing users, then a further report will be made to this Committee with an officer's recommendation.

The new scheme of charging and new boat categories as outlined will come into effect on 1st April 2021 and boat owners charged accordingly.

List of Appendices

10.1. Appendix 1: Model Boat Policy & Terms of Use – consultation draft

10.2. Appendix 2: Minimum Boat Licensing Requirements Policy

Appendix 1 - Model Boat Policy & Terms of Use – consultation draft

Introduction

It has been proposed that the Basingstoke Canal offers a licence to Model Boats Operators to be able to access and use the canal to operate their boats. Previously there has been little demand for this and operating or sailing fuel driven model boats is prohibited under the byelaws.

To consider this proposal the Basingstoke Canal Authority must consider how this new activity could be introduced giving consideration to the byelaws and wide variety of activities and user groups already using the canal. Considering the Health and Safety of those users and any potential environmental impact new activities such as model boats may have on the canal and its status as a Site of Special Scientific Interest (SSSI). Outlined below are the proposed terms of use felt necessary to mitigate against potential negative effects from noise, pollution, disturbance, damage and nuisance.

Proposed Model Boat Terms of Use

Permitted craft

- Battery powered model boats only.
- Boats up to 1 metre in length.
- Boats fitted with sails for display purposes only.

(NOTE: This will ensure that current byelaws are adhered to and that the size of model boat does not interfere with current water users and does not allow for the carrying of passengers. It also helps to minimise the speed and the resulting noise from the boats which could disturb wildlife.)

Permissible locations

- Farnborough Road car park and slipway.
- Coal Pens wharf Crookham Road.
- Woking Wharf.
- Frimley lodge park mooring.
- Any other areas as may be agreed in writing at the discretion of the canal manager.

(NOTE: These locations have been chosen to cause the least multiuser conflict, avoiding the busier areas.)

Restrictions

- Sail (wind powered) boats are prohibited under the current Basingstoke Canal Bylaws.
- Boats requiring any liquid state fuel to generate propulsion commonly referred to as IC powered boats are strictly prohibited. (Due to known environmental concerns and excessive noise)
- Boats requiring solid state fuels to generate propulsion directly or indirectly are prohibited. Such craft require independent certification for the installed boiler and pose a risk the owner of such craft and other canal users.
- Boats should not be of sufficient size to carry a passenger.

- Boats cannot be used to transport or deliver any type of cargo or load (such as angling bait boats).
- Boats must not be used to race or undertake any timed activity or event.
- Boats should not be used at excessive speed. Excessive as to cause the boat to skim, aquaplane or leave the water's surface.
- Model boats capable of submerging, partially or fully below the water's surface are not permitted as this may cause a hidden obstruction to other users and the craft not being visible to the user.
- Boats using the permitted propulsion system should not be audible from the canal bank when the boat is mid canal channel and in use.
- A maximum of 1 model boat can be operated at a time by any one person.
- No boats may be operated during the dark.
- No boats may be used to harass or follow wildlife and should not be operated if birdlife is present.
- Model boats should not be operated within 50m of any dwelling or houseboat.

(NOTE: These restrictions largely are restricting the impacts of size and propulsion methods, physically, visually and from noise. They will also minimise the impact on the wildlife and for the towpath users)

Use of the canal

- The use of model boats at the above locations only are permitted subject to, not causing a nuisance or hinderance to other canal users including but not limited to, boating, angling, and paddle sports.
- Model boats must give way to other water sports users.
- The use of model boats at the above locations only are permitted subject to, not causing a nuisance or disturbance to wildlife. This includes potential damage to water-based plants.
- Model boat users are required to relocate or pause their activity should powered or unpowered craft wish to launch or moor at the formal facilities provided to them.
- Model boat owners are solely responsible for the recovery of their boat from the water and must bring with them the means to do so, without the need to enter the water.
- Model boats must always remain in direct line of sight of the controller.
- The controller of the boat must control the boat from the towpath or bank and not enter the water at any time.
- Launching and recovery of model boats must not hinder use of the navigation or towpath including any facilities provided such as moorings, water, or waste disposal points.
- The user of any model boat does so in the full knowledge that large powered and unpowered craft use the canal and they have priority at all times.
- Liability for loss or damage of a model craft whilst using the Basingstoke canal shall remain solely with the user of that craft.
- Liability for damage caused directly by a model boat or that can be attributed as to being caused by the model boat to any canal structures or other vessel or water user's equipment shall remain solely with the user of that craft.
- To prevent the introduction and spread of invasive species all craft must be clean and dry prior to use. All craft must also be cleaned and dried immediately after use.
- Any model boat clubs/groups whether informal or formal who wish to meet regularly on the canal to operate boats should gain permission in writing from the BCA

manager. Further licensing requirements may apply at this time including but not limited to the proposed location, number of boats and operators, times of operation.

Controller = The person who is currently operating the boat.

All model boats users must confirm that they will adhere to the terms and conditions of licensing when obtaining a Model Boat Licence.

A Model Boat Licence is payable on a day rate of £5/day (2021/22) 1 licence allows for only 1 boat to be in the water at any one time.

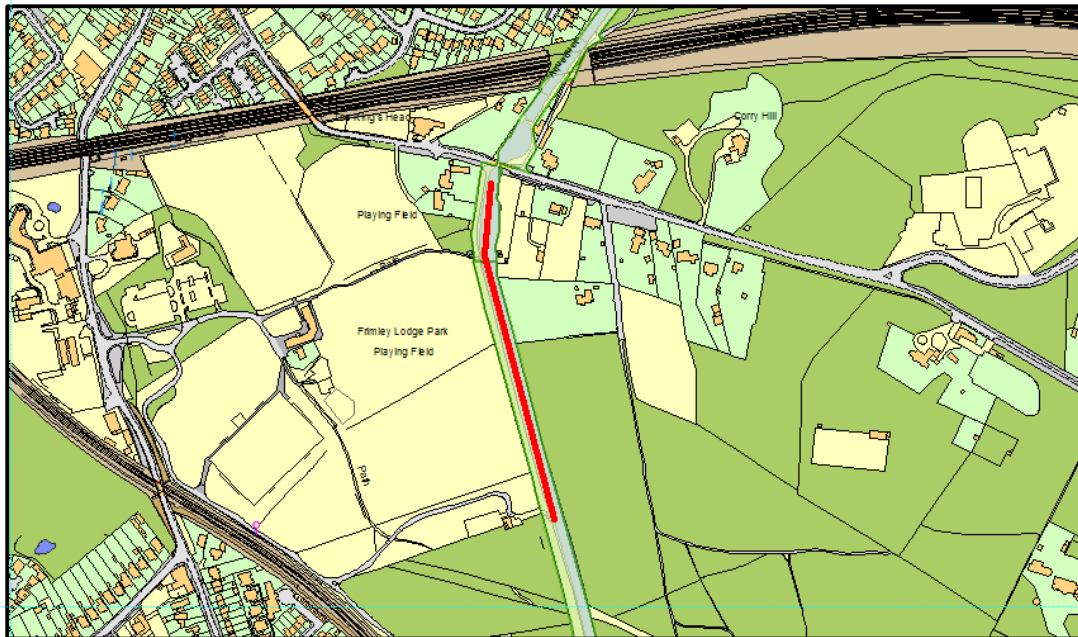
Policy Statement on Model Boat use on the Basingstoke Canal

Model boat operation on the Basingstoke Canal will only be allowed in compliance with the Model Boat Terms of Use. The Terms of Use aim to minimise the impact on all aspects of the Canal as a Site of Special Scientific Interest and potential impacts on other canal users, recognising that the canal is a place for quiet enjoyment of the countryside.

Permitted Locations

Permitted Model Boat Use Area - Frimley Lodge Park

Scale: 1:4,107.48



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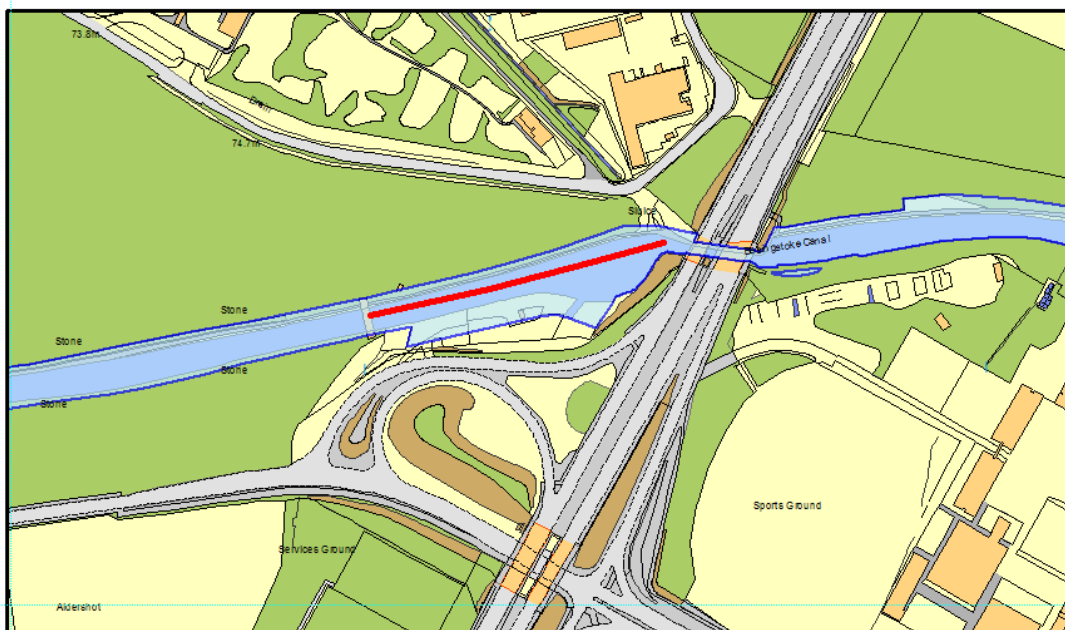


Prepared by: F Shipb
Basingstoke Canal Authority
Date: 9/10/2020

9/20

Permitted Model Boat Use Area - Farnborough Rd Car Park

Scale: 1:2,053.74



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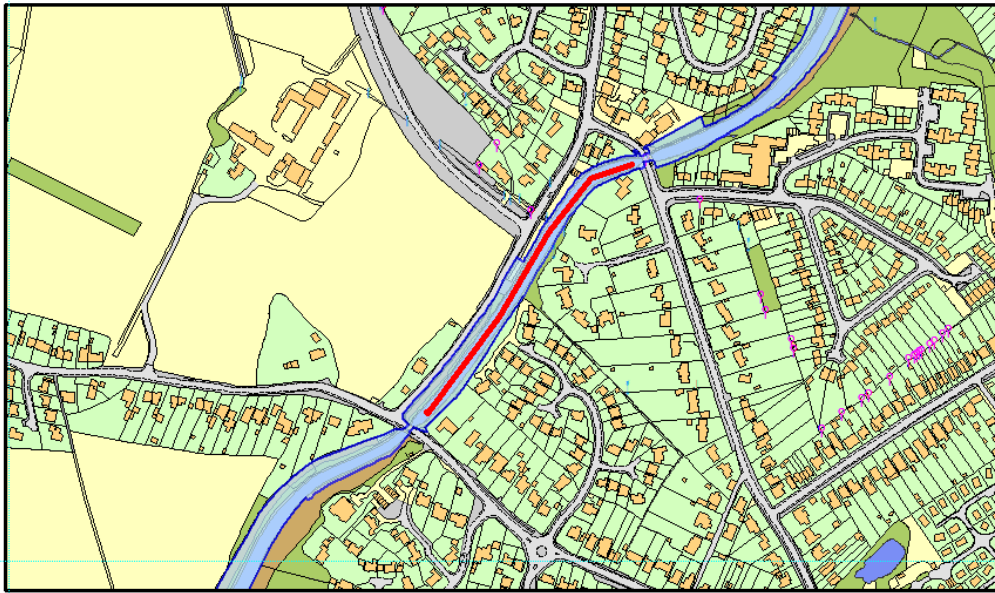
0 30 60 120 Meters



Prepared by: F Shipb
Basingstoke Canal Authority
Date: 9/10/2020

Permitted Model Boat Use Area - Coal Pens - Coxheath Bridge to Malthouse Bridge

Scale: 1:3,422.9



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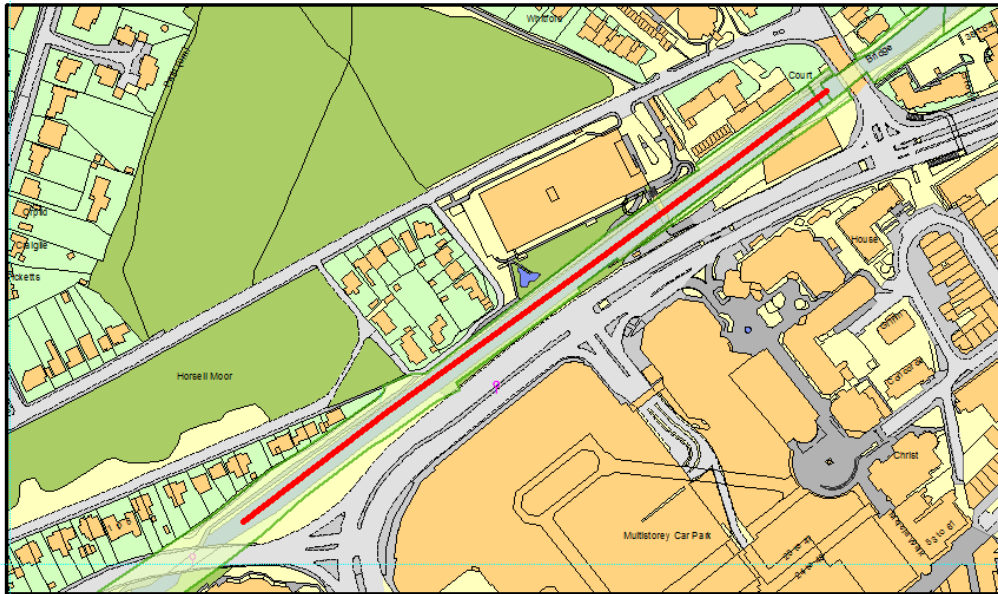


Prepared by: F. Ship
Basingstoke Canal Authority
Date: 9/10/2020

9/20

Permitted Model Boat Use Area - Woking Wharf - Chobham Rd Bridge to Skew Bridge

Scale: 1:2,053.74



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Prepared by: F. Ship
Basingstoke Canal Authority
Date: 9/10/2020

Appendix 2 Minimum Boat Licensing Requirements Policy



Policy – minimum requirements for boat licensing

The BCA issue licences for all craft applying to use the waterway on behalf of the Canal's owners – Surrey and Hampshire County Councils.

It is an offence under the Bylaws to use any craft on the Canal without a valid licence.

Maritime regulations, codes of practice, and guidance also extend to inland waterways.

Under the bylaws vessels mooring anywhere on the Canal for more than 72 hours in one place must have a mooring agreement with the Canal's owners.

Licenses are issued at the discretion of the Canal Manager or Strategic Manager.

9/20

Unpowered craft

<i>Type of craft</i>	<i>Minimum pre- licence requirements</i>	<i>Licence which may be issued</i>
Any sailing vessel	N/A	None - prohibited under bylaws
Private leisure – canoe / kayak / stand-up paddle board, rowing boat As above but belonging to <i>bona fide</i> amateur club	<ul style="list-style-type: none"> Understanding of rules of navigation including unpowered boats use of locks policy 	Private unpowered boat licence ⁸ Club unpowered boat licence
Large private leisure – skiffs or gigs and towed canal boats ⁹	<ul style="list-style-type: none"> Legible name or number affixed to vessel Undertaking that vessel complies or with Boat Safety Scheme (and has a certificate if required to do so under the BSC scheme) or a self-certification exemption certificate. Understanding of rules of navigation. 	Private large unpowered boat licence <i>Canal Manager's special consent to use locks on payment of lock use fee</i>

⁸ A current “on the water” British Canoeing membership is also deemed to be equivalent to BCA unpowered boat license for canoes / kayaks / SUPS, but not other types of boat

⁹ Manually propelled boats exceeding three rowers or capable of taking 6 persons in total on board, all other boats over 20ft (6m) overall length

	<ul style="list-style-type: none"> • Mooring agreement (for annual licences). 	
Unpowered boat for commercial hire / supplied as part of a commercial training course	<ul style="list-style-type: none"> • Legible name or number affixed to vessel • Undertaking that vessel complies or with Boat Safety Scheme (and has a certificate if required to do so under the BSC scheme) or a self-certification exemption certificate. • Understanding of rules of navigation. • Mooring agreement. 	Hire boat unpowered licence
Commercial unpowered vessel - carrying cargo or passengers (eg; horse drawn canal boat, or "butty" accompanying a powered vessel)	<ul style="list-style-type: none"> • Legible name or number affixed to vessel • Undertaking that vessel complies or with Boat Safety Scheme (and has a certificate if required to do so under the BSC scheme) or a self-certification exemption certificate. • Understanding of rules of navigation. • Mooring agreement for annual licence. • Third party liability insurance to £3million • Skipper has Boat Master's Licence (or equivalent as required by maritime regulations) • Name and address of skipper 	Commercial unpowered boat licence <i>Canal Manager's special consent to use locks on payment of lock use fee</i>

Powered craft visiting

<i>Type of craft</i>	<i>Minimum pre- licence requirements</i>	<i>Licence which may be issued</i>
Electric or mechanical powered model boat	Scheme of terms and conditions to be consulted upon	Model Boat Licence
Fuel or sail powered model boat	Prohibited under bylaws	None
Private leisure boat	<ul style="list-style-type: none"> • Understanding of rules of navigation. • Legible name or number affixed to vessel • Valid Boat Safety Certificate issued under Boat Safety Scheme, RCD certificate if under 3 years old, or self-certification of exemption. 	Trail-boat registration and Trail boat licence for up to 30 days in any one year Private boat visiting licence for up to 30 days

	<ul style="list-style-type: none"> • Evidence of home mooring / kept out of water, or declaration as continuous cruiser with current licence for another waterway • Third party liability insurance to £3million • Name and address of skipper • Name and address of owner 	
Hired leisure boat	<ul style="list-style-type: none"> • Evidence of compliance with the Hire Boat Code • Understanding of rules of navigation. • Legible name or number affixed to vessel • Valid Hire Boat Safety Certificate issued under Boat Safety Scheme, or RCD certificate if under 3 years old. • Evidence of hire base and authorisation from hire company to visit the Basingstoke Canal • Third party liability insurance to £3million • Name and address of skipper • Name and address of owner / operator 	Private boat visiting licence for up to 30 days
Cargo carrying or roving trading vessel	<ul style="list-style-type: none"> • Understanding of rules of navigation. • Legible name or number affixed to vessel • Valid Boat Safety Certificate for non-private vessels issued under Boat Safety Scheme, or self-certification of exemption. • Evidence of home mooring or declaration as continuous cruiser with current licence for another waterway • Third party liability insurance to £3million • Name and address of skipper • Evidence skipper holds Boat Master's Licence (or equivalent as required by maritime regulations) 	Trading boat visitor licence
Commercial passenger carrying boat (up to 12 persons + 3 crew)	<ul style="list-style-type: none"> • Understanding of rules of navigation. • Legible name or number affixed to vessel • Valid Boat Safety Certificate for non-private vessels issued under 	Passenger boat visitor licence

	<p>Boat Safety Scheme, or self-certification of exemption.</p> <ul style="list-style-type: none"> • Evidence of home mooring with current licence for another waterway • Third party liability insurance to £3million • Name and address of skipper • Skipper has Boat Master's Licence (or equivalent as required by maritime regulations) • Evidence of compliance with the Inland Waters Small Passenger Boat Code 	
Commercial passenger carrying boat (over 12 persons) including all hotel boats	<ul style="list-style-type: none"> • Understanding of rules of navigation. • Legible name or number affixed to vessel • Valid Boat Safety Certificate issued under Boat Safety Scheme for non-private vessels • Evidence of home mooring with current licence for another waterway • Third party liability insurance to £3million • Name and address of skipper • Evidence skipper holds Boat Master's Licence (or equivalent as required by maritime regulations) • Evidence of compliance with MCA Class IV/ V / VI passenger ship regulations 	Passenger boat visitor licence
Work boat ¹⁰	<ul style="list-style-type: none"> • Understanding of rules of navigation. • Legible name or number affixed to vessel • Valid Boat Safety Certificate for non-private vessels issued under Boat Safety Scheme, or self-certification of exemption. • Evidence of kept out of water or a home mooring with current licence for another waterway • Third party liability insurance to £3million • Name and address of skipper 	Work boat licence

¹⁰ Any vessel powered or unpowered designed or to be used for approved works to the waterway for any third-party client other than the BCA / Owners. Such vessels may only be moored at the approved worksite for the duration of the approved works.

	<ul style="list-style-type: none"> • Skipper holds Boat Master's Licence (or equivalent as required by maritime regulations) 	
Houseboat transit licence (including tow vessel) ¹¹	<ul style="list-style-type: none"> • Understanding of rules of navigation. • Legible name or number affixed to both houseboat and tow vessel • Both vessels to hold valid Boat Safety Certificate¹² issued under Boat Safety Scheme, or self-certification of exemption. • Third party liability insurance to £3million covering both vessels • Name and address of master / owner of both vessels • Evidence skipper of tow vessel holds Boat Master's Licence (or equivalent as required by maritime regulations) 	Houseboat transit licence

Powered craft – resident and registered on waterway

<i>Type of craft</i>	<i>Minimum pre- licence requirements</i>	<i>Licence which may be issued</i>
Private leisure boat	<ul style="list-style-type: none"> • Understanding of rules of navigation. • Legible name or number affixed to vessel • Valid Boat Safety Certificate issued under Boat Safety Scheme, RCD certificate if under 3 years old, or self-certification of BSC exemption. • Third party liability insurance to £3million • Name and address of skipper • Mooring agreement (or evidence boat kept out of water) 	Trail-boat registration and Trail boat licence for up to 30 days in any one year Private boat licence
Leisure boat for hire	<ul style="list-style-type: none"> • Evidence of compliance with the Hire Boat Code • Understanding of rules of navigation. • Legible name or number affixed to vessel • Valid Boat Safety Certificate issued under Boat Safety Scheme for Hire Boats, RCD certificate if under 3 years old, or 	Hire boat licence

¹¹ Includes a single return journey through Locks 1 and 2 for any houseboat moored at the Woodham houseboat moorings for a houseboat and a tow vessel. Also includes lock usage fees.

¹² The tow vessel will require a BSC for non-private vessels

	<p>self-certification of BSC exemption.</p> <ul style="list-style-type: none"> • Third party liability insurance to £3million per boat • Name and address of hire fleet owner • Mooring agreement 	
Cargo carrying, roving or fixed trader vessel	<ul style="list-style-type: none"> • Understanding of rules of navigation. • Legible name or number affixed to vessel • Valid Boat Safety Certificate for non-private vessels issued under Boat Safety Scheme, or self-certification of exemption. • Third party liability insurance to £3million • Name and address of master • Evidence skipper has Boat Master's Licence (or equivalent as required by maritime regulations) • Mooring agreement 	Trading boat licence
Commercial passenger carrying vessel (up to 12 persons + 3 crew)	<ul style="list-style-type: none"> • Understanding of rules of navigation. • Legible name or number affixed to vessel • Valid Boat Safety Certificate for non-private vessels issued under Boat Safety Scheme, or self-certification of exemption. • Third party liability insurance to £3million • Name and address of master • Skipper has Boat Master's Licence (or equivalent as required by maritime regulations) • Evidence of compliance with the Inland Waters Small Passenger Boat Code • Mooring agreement 	Passenger boat licence
Commercial passenger carrying vessel (over 12 persons)	<ul style="list-style-type: none"> • Understanding of rules of navigation. • Legible name or number affixed to vessel • Valid Enhanced Boat Safety Certificate issued under Boat Safety Scheme for non-private vessels • Evidence of home mooring or declaration as continuous cruiser with current licence for another waterway 	Passenger boat licence

	<ul style="list-style-type: none"> • Third party liability insurance to £3million • Name and address of master • Evidence skipper holds Boat Master's Licence (or equivalent as required by maritime regulations) • Evidence of compliance with MCA Class IV / V / VI passenger ship regulations • Mooring agreement 	
Work boat ¹³	<ul style="list-style-type: none"> • Understanding of rules of navigation. • Legible name or number affixed to vessel • Valid Boat Safety Certificate for non-private vessels issued under Boat Safety Scheme, or self-certification of exemption. • Third party liability insurance to £3million • Name and address of master • Evidence skipper holds Boat Master's Licence (or equivalent as required by maritime regulations) • Mooring agreement 	Work boat licence

¹³ Any vessel designed (eg: a dredger) or primarily used for carrying out approved works on the waterway that is not owned by BCA / canal owners

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**BASINGSTOKE CANAL JOINT MANAGEMENT
COMMITTEE**

Date: 18 November 2020

Canal Management Report

Lead Officers: James Taylor / Fiona Shipp

Tel: 01252 370073

Email: james.taylor@surreycc.gov.uk / fiona.shipp@hants.gov.uk

Key Issue

To inform the Committee of actions taken by the Strategic Manager and BCA Canal Manager in managing, maintaining and operating the Canal since the preceding meeting, and look forward work likely to happen in the 2nd half of 2020; also to report the work of the Conservation Steering Group.

10/20

1. Operation & Maintenance

1.1. BCA Maintenance & Inspection Works

- Repairs to Ash Vale Sluice as result of weir and sluices Principle Inspection.
- New boat licence signs installed at all main entrances & car parks on the canal.
- Lock 28 chamber was suction pumped out to remove the build-up of material in the bottom of the chamber.
- Annual lock inspections carried out and follow-up minor works started.
- Clearance of 37 fallen trees from towpath and navigation since the middle of May, mainly as a result of high winds and rainfall while the trees are heavy in full leaf.
- Navigation through Deepcut and Brookwood locks stopped due to summer water shortage on 25th July, re-opening on 12th October.
- Lock 26 sluice chamber unblocked by contractors.
- Leak found at Lousey Moor embankment on 27th May. Emergency contractors Land and Water attended site and leak stopped. Two Leaks found by River Whitewater aqueduct on 15th Oct. Rangers attended site and temporarily stopped both leaks. Land and Water attending site to carry out follow up emergency softbank works planned for week beginning 9th Nov.
- Length Inspections, Supplemental Inspections, Reservoir Surveillance Inspections / Reservoir Inspection by the Supervising Engineer, and the Lock General Inspections were all conducted

1.2. Events/Visitor Services

- The canal campsite re-opened on 4th July well in time for the school summer holidays. This was for people who were self-sufficient, having their own toilet as a minimum requirement. The toilet and shower facilities have not yet been re-opened to campers.
- The canal centre toilets re-opened to the public for the school holidays and in time for the re-opening of the onsite café.
- The Canal Visitor Centre re-opened in July and with many special measures in place was able to run a profitable boat hire business from the 4th July, if at a reduced capacity with additional staffing costs.

- A new coffee van venture was set up by third party licensee *Kiwi and Scott* at the beginning of July and is based at Woking Wharf. A licence agreement is in place for this with the BCA receiving a percentage share of the profits. This appears to have been successful and well received in Woking. BCA are considering what other areas a similar venture might work in.
- We now have 5,632 followers on our Facebook page, 1,813 followers on Twitter and 915 on Instagram (as of 7th Oct 2020).
- Interviews are being held in October for the Visitor Services Officer position which has been vacant this summer.
- The decision has been taken to cancel the popular Santa Cruises event for this December due to restrictions for Covid 19 and uncertainly over how this will continue to develop, making it near impossible to run the event. Santa is also quite vulnerable, and we don't wish to be the cause of a no presents Christmas this year!
- At end of season 4 of the canoes that form part of the canoe hire fleet were sold off. Income from these will go towards replacing these boats with new ones. This is part of a planned on-going replacement of a proportion of boats at the end of each season to keep the hire fleet in good condition.

10/20

1.3. Conservation

- The full canal wetland flora survey was carried out by Hampshire Biological Information Centre (HBIC) during July. Awaiting final report due in late November.
- The commercial Crayfish trapper on the canal managed to be included in a licence issued under the new Invasive Alien Species (Enforcement and Permitting) Order 2019 to trap and transport crayfish directly to a licensed distributor. So, we have managed to continue trapping Crayfish this year with approximately 4 tonnes removed from the canal. This is a temporary licence which we hope will continue to be renewed by Natural England.
- In conjunction with the vegetation survey a Turbidity Survey of the canal was carried out in July by a special task force of boat-based volunteers with readings taken every 250m along the canal. These results are now being considered alongside the wetland flora survey results and will be presented as part of that report.
- The annual Japanese Knotweed herbicide injection programme has taken place along the canal.
- New Non-Native Invasive Species signs (sponsored by RAPID LIFE & managed by the Yorkshire Dales Rivers Trust) have been installed at main paddlesports and trail boat launch areas along the canal to encourage boaters to clean their boats before and after use on waterways to stop the spread of unwelcome species.

1.4. Volunteers

- Volunteers are now operational in groups of 6 with up to 2 groups out each Tuesday. Volunteers are also very active with the weedcutter boat getting on top of the floating pennywort in Woking and also volunteers have been working on this with small groups using a canoe around the houseboats below lock 3.
- Volunteers helped with preparation of the towpath survey points in preparation for the flora survey.
- A new system has been introduced by HCC Countryside for recording volunteer hours. Volunteers have re-registered and now enter their own hours online. This system is in early stages and we are still working with volunteers to ensure they record their hours accurately; no figures are available as yet while the new system beds in.
- A new booking system has also been introduced to allow us to better manage volunteer numbers on volunteer days which also allows us to control numbers to comply with Covid 19 restrictions.
- The patrol boat has been out and about as well and assisting (along with many Lengthsmen and staff) in checking boat licences which there has been a crack down on this year, reaping large additional benefits in income and an enviable 74% licence compliance rate.

2. Management Actions

The Canal Manager and Strategic Manager have been working on the following matters:

- 2.1. **Canal Centre Campsite Redevelopment** – Unfortunately we were unsuccessful in our bid for grant funding for this project. We are now sourcing alternative funding. This will however mean the timescale of this project has been extended and put back.
- 2.2. **Chobham Road turnover bridge** –The new “turnover” footbridge near the Lightbox in Woking has now been completed by Woking BC .
- 2.3. **Covid 19** – This has changed significantly how the canal is operating since the lock down as a result of the pandemic. The team has continued to be split into isolated cells to ensure there is a minimum of 2 people available to manage water levels which is a key critical function. Rangers are still out on site managing the canal while the rest of the team are supporting and working either from the Canal centre office or from home as much as possible.

While the first few weeks were daily responses to the changes from government and interpretation of these on the ground, the second phase was replying to complaints and issues around this and managing the high levels of additional use the canal was experiencing. We are still in the third phase which is about planning for long term recovery from Covid 19, whilst keeping abreast of remaining Covid compliant and adjusting procedures and risk assessment based on ever changing government guidelines.

While the summer holidays allowed opening of the visitor centre and limited income generation through unpowered boat hire and camping. The lack of income generation in the early part of 2020 will have a significant impact on the canal’s generated income during this financial year 2020/21. Two staff are suspected to have contracted Covid 19 early in March, both undertook periods of isolation while recovering and returning to work. As there was no testing available at that time this has not been confirmed.

- 2.4. **Lock Gate Re-Tender** -The lock gate procurement framework was re-tendered this summer, with a contractor now in place ready for lock gate replacement works this winter.
- 2.5. **Paddle Guide to the Basingstoke Canal** – A new paddle guide to the canal was written by the Canal Manager over the summer to help to promote positive paddlesport use of the canal and help to increase income from both the book and licence sales. This was kindly designed and printed by the Canal Society to form part of their series of publications available on the canal. Available to purchase online from both the Canal Society and BCA websites. (BCA on-line shop <https://www.hants.gov.uk/shop/home.php?cat=339>)
- 2.6. **Boat Licence Review** – A review of boat licensing was undertaken, and consideration given to pricing on waterways, resulting in the paper presented to the Committee as a separate item.
- 2.7. **Accident Investigation** – Unfortunately, a number of incidents were reported regarding accidents to members of the public on the towpath this summer. These have been investigated and no links have been found between the incidents other than there being more than usual number of people using the site. It has however prompted the need for a more detailed Principle Inspection of the towpath and

access points in the next 12 months, and additional elements to be added to the Canal Rangers' 6 monthly Length Inspections.

- 2.8. Staffing** – The BCA's Visitor Services Officer retired in February 2020, and the post has been held vacant as there was a recruitment freeze during the spring and summer; this helped offsetting some of the lost income but resulted in the need for additional casual staff for the Visitor Centre during the summer. The post has now been advertised with interviews in late October.

The recruitment freeze also affected the employment of the Project Officer to support the delivery of the capital programme and assist in developing developments identified as part of the business plan. The post will be advertised shortly.

3. Asset Management Programme

The following works from the County Councils' "capital" asset management programme were planned for the winter 2019/20 programme:

Surrey

- 3.1. **Bank protection** – a prioritised list of sites to repair erosion and minor seepage have been identified and this along with some works that were not able to be completed last winter are now being procured with the aim to start as soon as possible. The Canal Engineer reports that the backlog of bank protection works from the "low funding" era (1991-2010) in Surrey will, on the conclusion of this year's programme, have been largely caught up with.

- 3.2. **Lock inspections / repair** Locks 1- 6 will receive their Principle Inspections (PI) this winter starting in late November, followed by any required repairs in January – March 2021.

Lower gates at lock 28 and upper gates at lock 27 will be replaced this winter as part of the cyclical gate replacement programme.

- 3.3. **Weirs & sluices** – Atkins (the professional services supplier for both HCC and SCC) conducted the PI of Weirs & Sluices across the whole of the Canal; with the main item of repair being noted at Lower Wilderness weir. Civil engineering works as a result of this report are now being planned with the same contractor carrying out the lock repairs due to be deployed. Smaller scale works, such as repairing sluice winding gear, are being tackled in-house by BCA Ranger Team.

Hampshire

- 3.4. **Crookham Deeps** – the bed lining project due for the winter of 2019/20 is delayed by a further 12 months as the planning consent necessary for the silt lagoon has not been obtained, this was due to lack of availability of staff to project manage this, and delays in engineering investigations and design which has now been largely solved.

- 3.5. **Swan "Cutting"** – The Canal Manager and Strategic Manager together with Engineering and other professional colleagues at HCC continue to work on this project. Data from soil investigation is still being analysed and will provide sufficient data to enable a sustainable design solution for the slopes above the canal channel and the towpath. There is no quick fix to this long-term project involving many adjoining landowners.

- 3.6. **Bank protection** – work sites have been identified and this along with some previously identified works that were not able to be procured last winter, are now being procured with the aim to start as soon as possible in parallel with similar works in Surrey.

3.7. **Weirs & sluices** – Works as a result of the Atkins PI report are now being considered and procurement planned, with the main issues being noted at Reading Road Weir and Norris Sluice (both near Fleet); again with any smaller scale works are being tackled in-house by BCA Team. Due to previous procurement decisions by both County Councils the same civil engineering contractor used in Surrey cannot now also be deployed in Hampshire, and a separate procurement will be required using an HCC framework.

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Basingstoke Canal Joint Management Committee

Basingstoke Canal Authority Risk Register

Date: 18 November 2020

Lead officers: James Taylor
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Key Issue

To inform the Joint Management Committee (JMC) of the key risks associated to the Basingstoke Canal Authority (BCA) Canal Partnership after annual review and to ensure risks are mitigated as far as possible.

Summary

A Risk Register is maintained highlighting that the key risks relate to the partnership ceasing to function properly through partners withdrawing funding, or if the BCA fail to inspect critical infrastructure correctly. The annual review has highlighted a small increase in risk especially surrounding funding and staffing levels.

11/20

Officer's recommendation

That the JMC note the annual revision of the Risk Register

1 Introduction & background

- 1.1 A Risk Register was prepared and reported to Committee in June 2015, building on a register prepared by Officers in 2011.
- 1.2 The register has now been updated following its annual review by the Strategic Manager.

2 Discussion

- 2.1 The majority of risks have not changed with the mitigated risk score remaining static since the first reviewed in 2016.
- 2.2 This year there are two specific risks relating to the Covid 19 pandemic – these are risks BCA52 and BCA53. These respectively deal with the financial risks of the BCA being restricted in trading leading ultimately to an inability to employ sufficient staff to manage the waterway safely; and secondly the majority of staff being off sick due to the virus. BCA52 is showing as high (red) risk, as there has already been a significant financial impact from Covid-19 during 2020, and there are only weak mitigations possible. BCA53 however is a much less severe risk when mitigated, as there are robust mitigations in place to combat all staff being off at once.
- 2.3 Four risks have increased this year, of which three remain medium (yellow) risks. These are BCA 17 (Tree management), BCA 20 (Management of structures eg: bridges), and BCA28 (Emergency Plan). BCA 28 relates to delays caused by the new Supervising Engineer for Reservoirs requiring specific additions to the plan – this appears to be a one-off and the risk is expected to revert to previous year's assessments once that is completed. BCA 20 relates to the retrenchment of both SCC and HCC Structures teams onto

concentrating on Highway assets, and BCA 17 relates to the delays in the BCA obtaining sufficient trained staff expertise to inspect its tree stock in line with policy timings. Along with BCA 15 and 30 which increased last year there is a general theme about the BCA but also other SCC and HCC departments being able to employ sufficient staff resources given budget requirements. Covid-19 has not helped the BCA speed up the recruitment of additional staff resources.

- 2.4 The highest risks remain around funding of the partnership, both from funding partners being unable to continue grants and from Covid-19 restrictions causing income generating activity to be curtailed.

3 Equalities & diversity implications

- 3.1 The risks associated with reduced funding and increasing income may make it more likely that those on low incomes feel less able to use Canal facilities as more charges have to be made.
- 3.2 Any reduction in revenue maintenance for facilities may impact on the provision of facilities, well maintained level towpath, for less able people.

4 Crime & disorder implications

- 4.1 The risks associated with Crime & Disorder on the Canal are not significant, and there are no associated risks in the risk register.
- 4.2 Reducing funding and therefore Canal staffing further would make the on the ground presence even less than at present, with anti-social behaviour and associated crimes, such as graffiti or vandalism, likely to rise.

5 Conclusion and recommendation

- 5.1 The highest risk remains around funding. Despite officers having already increased directly generated income to around 35% of the partnership's budget, it is important for the BCA to continue to seek to reduce reliance on revenue grants further and replace it with more directly generated income streams. However, Covid restrictions during 2020 have shown the fragility of the tourism and leisure sector and demonstrated the need to keep an adequate reserve to ensure the BCA does not fail, and for all funding partners to maintain their grant funding as long as possible.
- 5.2 The Strategic Manager recommends that:
 - That the JMC note the annual revision of the Risk Register

6 What happens next

- 6.1 JMC Members note the risks and take action to mitigate them, principally through securing funding.

Risk ref.	Risk Description	Risk Owner	Impact							Total risk score	Mitigation	Action by who	Revised L'hood	2019 Mitigated Risk Score	2020 Mitigated Risk Score	Date of review	Movement of risk since previous assessment	Notes
			Fin	Service	Safety	Rep'n	Total	L'hood										
BCA 44	The current financial state of local government may lead to a reduction or cessation in funding from partners resulting in inability to safely manage the canal with sufficient staff and therefore meet statutory obligations and compromise public safety	JMC	3	3	3	4	13	4	52	Raise political profile of Canal and awareness of AMP / CMP / (BP) to secure adequate funding to meet statutory responsibilities whilst owners review future management options. Analysis undertaken as to cuts in service required at reduced levels of funding	JMC Members	4	52	52	Nov-20	➔		
BCA 52	Inability for the BCA to operate income generating activities due to Covid 19 restrictions, resulting in inability to retain sufficient staff to maintain the Canal effectively.	JMC	4	3	3	4	14	4	56	BCA hold a reserve which may need to be deployed to cover continuing restrictions. Gvt policies are to adapt visitor services rather than shutting them down except in the highest risk areas.	JMC Members	3		42	Nov-20	✘	New risk	
BCA 31	Failure to effectively implement a Canal-wide Business Plan leads to inability to finance the management of the canal in the event of revenue grant cuts	JMC	3	3	2	3	11	3	33	Business Plan developed to demonstrate how the BCA can decrease reliance on Revenue Grants and replace it with income.	James Taylor / Fiona Shipp	3	33	33	Nov-20	➔		
BCA 17	Failure to adequately manage trees leads to adverse impact on water quality, potential embankment breach, third party damage and loss of habitat resulting in injury and prosecution	BCA	3	3	3	2	11	3	33	Set up and maintain an adequate monitoring and inspection regime. Detailed inventory found tree stock to be in generally good condition. Implement a prioritised maintenance programme in conjunction with the Conservation Management Plan ..	James Taylor / Fiona Shipp / Jon Green	3	22	33	Nov-20	✘	BCA slow to implement HCC tree management policy - reinspections now overdue, implications of Ash Dieback unknown	
BCA 21	Failure of earthworks, due to extreme weather, falling trees, etc., leads to loss of service, flooding, death or injury.	SCC and HCC	4	4	4	4	16	3	48	Adhere to robust inspection monitoring and recording protocols in AMP. Implement a prioritised maintenance programme (partially implemented). BCA to develop prioritised 5 year work programme	James Taylor / Fiona Shipp	2	32	32	Nov-20	➔	Despite CRT review of risks from failure suggesting lower than expected values, risks remain very significant. Mitigations remain appropriate.	
BCA20	Failure to adequately manage bridges leads to structural failure and loss of service, flooding, death or injury	SCC and HCC / BCA / third parties	4	3	4	3	14	2	28	Liase with County Council bridge clients to ensure Highway and Rights of Way bridges are maintained in accordance with engineering best practice. Ensure the AMP inspection and monitoring regime is implemented for BCA and third party bridges. Where	SCC & HCC Bridge clients / James Taylor / Fiona Shipp	2	14	28	Nov-20	✘	Both HCC and SCC Structures Groups are concentrating on core highway assets only	
BCA 53	Inability for the BCA to field sufficient staff to maintain the Canal effectively due to Covid 19 infections or isolation requirements.	JMC	2	4	3	4	13	4	52	BCA have divided staff into a cell structure to protect cross infection between members of staff. BCA have identified critical operations which need to continue and staff resources required as part of HCC CS continuity plan.	James Taylor / Fiona Shipp / HCC Countryside Service	2		26	Nov-20	✘	New risk	
BCA 32	Lack of investment in the camp site leads to loss of potential additional income and inability to fulfill aims of Business Plan	SCC (BCA)	3	1	1	3	8	4	32	SCC to implement Canal Centre redevelopment or support BCA in making sustainable improvements	James Taylor / Jane Lovett / SCC	3	16	24	Nov-19	✘	Grant bid failed - seeking alternative funding	
BCA 15	Failure to employ sufficient adequately trained staff leads to inability to provide agreed levels of service (including inspection data and emergency cover) and difficulties in implementing the various business plans.	BCA	2	3	4	3	12	2	24	BCA to recruit staff in accordance with HCC policies and systems.	James Taylor / Fiona Shipp	2	24	24	Nov-20	➔	Project Officer delayed due to Covid 19 but now in recruitment	
BCA 28	Failure to prepare and implement a comprehensive emergency plan leads to loss of service, closure of the canal, death or injury, and/or prosecution under H&S law.	BCA / HCC & SCC	3	3	3	3	12	2	24	Keep Emergency Response Plan up to date and ensure Emergency Planning Teams have the most up to date copy	James Taylor / Fiona Shipp	2	12	24	Nov-20	✘	Publication of Emergency Plan review overdue due to requirements of the Reservoir Supervising Engineer	
BCA 30	Failure to adequately manage capital maintenance programme leads to problems with delivery creating disruption, increased costs and potential prolonged closure of the canal and loss of reputation with stakeholders	SCC & HCC	3	3	2	3	11	2	22	Ensure capital works are planned in advanced and delivered in accordance with the financial standing orders of HCC / SCC.	James Taylor	2	22	22	Nov-20	➔	Note slippage in programme due to increasing complexity of projects and regulatory framework	
BCA 24	Failure to carry out length inspections in an appropriate manner results in initial signs of leaks being missed leading to a breach of the canal	BCA	2	3	3	2	10	3	30	Set up and maintain an adequate monitoring and inspection regime.	Fiona Shipp / Jon Green	2	20	20	Nov-20	➔	Audited annually by senior HCC & SCC officers.	
BCA 26	Unauthorised intervention by third parties (vandalism terrorism etc) causes damage to canal infrastructure creating leaks and possible loss of service, flooding, injury or death	HCC and SCC	3	2	2	2	9	3	27	Implement and monitor BCA compliance with the Emergency Response Plan including test exercises.	James Taylor / Emergency Planning Officers	2	18	18	Nov-20	➔		
BCA 25	Failure to adequately manage canal boundaries can lead to loss of canal estate which impacts on the ability to maintain the canal.	BCA	2	1	1	2	6	4	24	SCC & HCC Estates / Legal to confirm accurate boundaries. BCA to inform HCC and SCC when encroachments are noted	Fiona Shipp / James Taylor / SCC & HCC Estates	3	18	18	Nov-20	➔		
BCA 45	Failure to provide consistent navigation opportunities due to prolonged maintenance activities leads to reduction in income from boat users and potential closure of the Canal.	JMC	2	2	1	3	8	4	32	Priority maintenance carried out 2011-17 generally much improved asset conditions. Managed navigation policy improves access to Canal year round	James Taylor / Fiona Shipp	2	16	16	Nov-20	➔	Maintenance carried out in winter	
BCA 41	Failure to effectively implement the Conservation Management Plan leads to adverse impact on the SSSI and potential for prosecution	BCA / HCC & SCC	2	2	1	3	8	2	16	BCA to report actions to Conservation Steering Group and JMC	Fiona Shipp	2	16	16	Nov-20	➔		
BCA 19	Failure to adequately manage lock walls, bywash culverts, wing walls leads to structural failure and loss of service, flooding, death or injury	SCC and HCC	4	3	4	3	14	3	42	Adhere to robust inspection monitoring and recording protocols in AMP. Implement a prioritised maintenance programme (partially implemented).	James Taylor / Fiona Shipp	1	28	14	Nov-20	✔	2020 will see the completion of the cycle of Principle Inspection for Locks with all major defects remedied	
BCA 22	Failure of lock gates or ancillary equipment leads to loss of service, flooding, death or injury	SCC and HCC	4	3	4	3	14	3	42	Inventory completed. Priority maintenance carried out. AMP cyclical maintenance regime adopted. Ensure AMP inspection regime continues to be implemented.	James Taylor / Fiona Shipp	1	14	14	Nov-20	➔		
BCA 53	Failure to adequately manage culverts leads to loss of service, flooding, death or injury.	SCC and HCC	4	3	4	3	14	3	42	Inventory completed. Set up, maintain and record adequate monitoring, inspection. Prioritised maintenance programme partial complete.	James Taylor / Fiona Shipp	1	14	14	Nov-20	➔	Culverts due for re-inspection in 2021/22	
BCA 12	Failure to adequately manage school visits, events (including santa cruises) and camp site leads to death or injury and prosecution	BCA	4	2	4	4	14	2	28	Complete and implement adequate risk assessments.	Dean Wall	1	14	14	Nov-20	➔		

Risk ref.	Risk Description	Risk Owner	Impact							Total risk score	Mitigation	Action by who	Revised L'hood	2019 Mitigated Risk Score	2020 Mitigated Risk Score	Date of review	Movement of risk since previous assessment	Notes
			Fin	Service	Safety	Rep'n	Total	L'hood										
BCA 38	Failure to comply with Client responsibilities of CDM Regulations and other Health and Safety legislation leads to injury or death and/or prosecution by HSE	BCA / SCC & HCC	4	3	4	3	14	2	28	Ensure all works are conducted in accordance with CDM Regulations including the keeping of records and ensuring staff and volunteers are suitably qualified for the tasks they undertake.	James Taylor / Fiona Shipp / Jon Green	1	14	14	Nov-20	➔		
BCA 10	Failure to effectively implement and monitor the HCC Safety Manual or BCA documentation leads to death or injury and prosecution.	BCA	4	2	4	4	14	1	14	BCA to be regularly assessed for compliance with standards	James Taylor	1	14	14	Nov-20	➔		
BCA 11	Failure to adequately manage the children's play area or picnic site leads to death or injury and prosecution	BCA	4	2	4	3	13	2	26	Complete and implement adequate risk assessments.	Fiona Shipp / Dean Wall	1	13	13	Nov-20	➔		
BCA 18	Failure to manage animals (rats, crayfish etc) leads to breach of embankments resulting in damage to property, injury and death	BCA	3	3	4	3	13	2	26	Implement length inspection regime in AMP. Carryout regular trapping of crayfish to reduce population.	Fiona Shipp / Jon Green	1	13	13	Nov-20	➔		
BCA 37	Failure to comply with the Reservoirs Act could lead to enforcement orders and prosecution	SCC	3	3	2	4	12	3	36	Works in the interest of public safety completed. Regular inspections conducted by Inspecting Engineer.	James Taylor	1	12	12	Nov-20	➔		
BCA 13	Failure to adequately manage the volunteer work force leads to death or injury and possible prosecution	BCA	4	1	4	3	12	2	24	Follow HCC H&S policies to adequately risk assess and supervise works.	Fiona Shipp / Jon Green / Dean Wall	1	12	12	Nov-20	➔		
BCA 1	Loss of Canal Centre through fire, flooding or other major event leads to inability to manage the BCA.	BCA / HCC & SCC	3	3	3	3	12	2	24	Implement HCC Business Continuity Plan. SCC to carryout repairs quickly and efficiently	Jo Heath / James Taylor / Fiona Shipp / SCC Estates	1	12	12	Nov-20	➔		
BCA 3	Loss of equipment through failure to maintain or theft from buildings, stores and vans results in loss of service and increased costs.	BCA	2	1	2	1	6	2	12	BCA to maintain inventory of equipment and keep up to date maintenance schedules in accordance with HCC systems. Store valuable equipment securely in accordance with Police advice. CCTV and alarms installed.	Fiona Shipp / Jon Green	2	12	12	Nov-20	➔		
BCA 23	Failure to maintain or operate sluices effectively leads to flooding and third party damage	BCA	4	2	2	3	11	2	22	Implement and review winter, summer and extreme weather protocols. Ensure telemetry system is installed and working correctly	Jon Green	1	11	11	Nov-20	➔		
BCA 42	Failure to effectively implement the overall Asset Management Plan, Conservation Management Plan, Emergency Response Plan and Business Plan leads to weak management of the canal, ineffective use of resources and inability to manage risk.	JMC	3	3	2	3	11	2	22	JMC to review officer's actions through monitoring reports offered to the JMC. KPI indicators added to Operational Plan	James Taylor / Fiona Shipp	1	11	11	Nov-20	➔		
BCA 47	Leakage from canal creates problems for adjacent land owners.	BCA / SCC & HCC	3	2	2	3	10	2	20	BCA to comply with AMP robust inspection regime (BCA 24) and develop 5 year prioritised works programme	Fiona Shipp / Jon Green	1	10	10	Nov-20	➔		
BCA 2	Loss of workshop or store through fire, flooding or other major event leads to loss of maintenance capacity and / or archive material.	BCA / HCC & SCC	2	2	3	2	9	1	9	Implement HCC Business Continuity Plan. SCC or HCC to carryout repairs quickly and efficiently	Jo Heath / James Taylor / Fiona Shipp / HCC and SCC Estates	1	9	9	Nov-20	➔		
BCA 27	Disruption to canal navigation and towpath use caused by external maintenance works leading to loss of income and reputation	HCC & SCC / BCA	2	2	1	3	8	3	24	Ensure works agreements are entered into with third parties doing work on Canal property, and contain penalties for extensions to agreed programmes of work.	James Taylor / HCC & SCC Estates Officers	1	8	8	Nov-20	➔		
BCA 51	Failure to effectively manage media, including website, leads to loss of reputation, funding and complaints from user groups.	BCA	2	2	1	3	8	2	16	BCA to develop a Marketing Strategy, branding and extensive use of social media	Fiona Shipp / Dean Wall	1	8	8	Nov-20	➔		
BCA 29	Failure to provide a robust and resilient ICT system leads to loss of service and increased costs.	HCC	2	2	2	2	8	2	16		HCC IT	1	8	8	Nov-20	➔		
BCA 39	Failure to adequately manage works in vicinity of the fibre optic cable leads to claim and financial difficulties	BCA / SCC & HCC	3	1	2	2	8	2	16	Ensure all works comply with CDM Regulations (BCA 38) and safe working practices	Fiona Shipp / Jon Green	1	8	8	Nov-20	➔		
BCA 5	Third party pollution incidents lead to damage to wildlife and habitat.	BCA / Environment Agency	1	1	3	3	8	2	16	BCA to inform EA and Natural England (Emergency Planning) promptly. Ensure pollution doesn't spread.	Fiona Shipp / EA / Emergency Planning officers	1	8	8	Nov-20	➔		
BCA 14	Failure to adequately implement HCC HR policies leads to staffing issues and reduced level of service	BCA	2	1	2	3	8	1	8	BCA to adhere to HCC HR policies. Implementation of IBC means staff recruitment is uniform (if very slow)	Fiona Shipp	1	8	8	Nov-20	➔		
BCA 36	Excessive use of back pumping system could lead to prosecution by the Environment Agency.	BCA / SCC	2	1	1	4	8	1	8	BCA to ensure compliance with Abstraction Licence and make statutory returns. Implement telemetry system to semi-automate pump control.	Fiona Shipp / Jon Green	1	0	8	Nov-20	✗	Risk previously deleted - but reinstated as it is reduced but not eliminated 2 out of 3 pumping schemes no longer require licensing / reporting.	
BCA 49	Prolonged maintenance works requiring closure of tow path creates disruption for recreational users.	BCA / HCC & SCC	1	2	1	3	7	2	14	Legal requirement to keep towpath closures as short as possible. Maintenance works to be properly planned and comply with relevant standards and procedures.	James Taylor / Fiona Shipp	1	7	7	Nov-20	➔		
BCA 48	Failure to adequately maintain water levels in certain ponds leads to stability problems with house boats and claims from owners.	BCA	2	1	2	2	7	2	14	Comply with water level protocols in AMP / CMP / ERP. Carryout regular maintenance of weirs and sluices. Install telemetry system		1	7	7	Nov-20	➔		
BCA 4	Failure to control fly tipping and litter on the towpath damages boats, wildlife and habitat and could result in loss of SSSI status	BCA	2	1	2	2	7	2	14	Implementation of volunteer lengthman scheme	Fiona Shipp / Jon Green	1	7	7	Nov-20	➔		
BCA 34	Failure to maximise the potential use of volunteers leads to reduction in levels of service and increased costs	BCA	2	2	2	1	7	2	14	BCA to ensure good relations with user groups and volunteers through regular meaningful engagement	Fiona Shipp	1	7	7	Nov-20	➔		
BCA 6	Failure to manage invasive species leads to additional costs and potential for prosecution	BCA	2	1	1	3	7	1	7	BCA to comply with CMP	Fiona Shipp / Jon Green	1	7	7	Nov-20	➔		
BCA 43	Conflict of interest between various user groups (recreation / conservation / navigation) leads to failure to effectively manage the canal	BCA	1	1	1	2	5	2	10	BCA to ensure good relations with user groups through regular meaningful engagement	Fiona Shipp	1	5	5	Nov-20	➔		



Basingstoke Canal Joint Management Committee - 18 November 2020

Business Development Plan 2021 - 2025 - Decision Paper

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Key Issue

To present the Basingstoke Canal Business Development Plan for the next 5 years. This has been compiled in response to the recommendations made in the Investment Strategy Phase 1 report produced by TriloByte Land Management in June 2020.

Summary

An investment strategy was commissioned in 2019 by Hampshire County Council and Surrey County Council in support of the Basingstoke Canal Authority. The aim of the strategy was primarily to identify projects and initiatives that would assist the Canal Authority in generating new income thereby reducing the reliance on the partnership funding.

Over the past 5 years the Canal Authority has successfully developed commercial activity and has managed to increase the income from 5% of operating costs to 30% met through income. This has enabled the Canal to operate safely without requiring additional funding from the funding partners. However, the Canal does not have a sustainable financial future without the continuation of local authority funding.

In compiling the Investment Strategy a number of workshops were held with a range of stakeholders and staff to create a list of potential business and investment opportunities that would contribute to the running of the Canal and that might be supported or delivered through the planning system or by other organisations.

The Basingstoke Canal Business Development Plan 2021 – 2025 reflects the priority projects that were identified by the Investment Strategy Phase 1 and indicates the timescales for delivery, the costs and benefits of each of the proposals. This Development Plan should form the basis of all projects that aim to generate income from the Basingstoke Canal and its assets irrespective of the lead organisation.

It is important to recognise that this does not include any of the business as usual activity or the capital work programme that are vital to the safe operation of the Canal.

Officer's recommendation

Officers recommend that the Committee:

- a) Agree the list of projects and the priority allocation.
- b) Authorise officers to identify any other projects and initiatives, especially those that other organisations will be leading on, that aim to generate an income and add them to the Plan.

- c) Recommend other sources of funding or resources that would assist with the delivery of the Business Development Plan.

1. Discussion

- 1.1. An investment strategy was commissioned in 2019 by Hampshire County Council and Surrey County Council in support of the Basingstoke Canal Authority. The aim of the strategy was primarily to identify projects and initiatives that would assist the Canal Authority in generating new income thereby reducing the reliance on the partnership funding, making the partnership more financially stable in the future as pressure grows on local authority budgets.
- 1.2. In compiling the Investment Strategy, a number of workshops were held with a range of stakeholders - this included neighbours, local businesses, voluntary groups and not least staff who have many years' experience of working on the Canal. This process showed that there was no single quick win scheme waiting to deliver a rapid return for the BCA but instead a range of more modest projects which may generate income. This generated a list of potential business and investment opportunities that would contribute to the running of the Canal and that might be supported or delivered through the planning system or by other organisations. The consultant analysed these and made some recommendations about which project should be prioritised.
- 1.3. This work was completed prior to the Covid 19 Pandemic. Changes to the pattern of use of the Canal and countryside sites in general as more people have stayed close to home during 2020 and seem set to do so during at least the early part of 2021 has suggested that some of the suggestions are re-ordered to take account of the upsurge of use.
- 1.4. **Appendix A** shows a draft Business Development Plan for the BCA – showing the list of projects which might be delivered within a 5-year time window of 2021-2025. The list does not currently include projects that might be delivered by partners such as the Basingstoke Canal Society, but before adoption it will be key to ensure that any such business development projects that support the business development of the Canal Partnership are included. It is essential that resources are not diverted onto projects that either do not fit the objective of the Canal owners or partnership, or do not deliver sufficient return given the limited property resources of the Canal.
- 1.5. This Business Development Plan also does not, nor is intended to, include the core business as usual activity of the Canal Authority in maintaining the waterway nor of the Canal owners' capital programmes for renewal of the built assets. These instead form part of the BCA's Operations Plan and Asset Management Plan.

2. Financial and value for money implications

Whilst the overall objective of the Business Development Plan is that the BCA generates more income to cover its operating costs, each of the development projects and initiatives identified will require a sound business case to demonstrate the value for money and return on investment.

3. Consultation

In the preparation of the Investment Strategy two workshops were held with stakeholders, staff, local authority partners, greenspace managers and planners and other partners. In addition, a short survey was sent to businesses along the Canal to test interest in being involved and develop ideas.

The findings from this consultation are included in the Investment Strategy that forms the basis of this report.

4. Equalities & Diversity implications

The aim of the Business Development Plan is to increase the financial sustainability of the Canal through the delivery of a range of projects and initiatives. Many are aimed at improving the customer/visitor experience or extending the current provision. Some of these will require further consultation and decisions regarding introducing new charges or charging structures if relevant.

5. Crime & disorder implications

There are no known crime and disorder implications to the proposed Business Development Plan; individual business cases will look at any crime & disorder issues.

6. Conclusion and recommendation

With increased stress on local authority resources it is important to ensure that the BCA can be more financially independent for the future. The Plan sets out to develop the canal, in the context of its vision, as a countryside attraction in a sensitive way building on its charm and unique character as a place of quiet enjoyment of the countryside. It is important to agree that all development opportunities on the canal estate are harnessed to ensure that they contribute directly to the operation of the canal and form part of the Plan.

Officers recommend that the Committee

- a) Agree the list of projects and the priority allocation.
- b) Authorise officers to identify any other projects and initiatives, especially those that other organisations will be leading on, that aim to generate an income and add them to the Plan.
- c) Recommend other sources of funding or resources that would assist with the delivery of the Business Development Plan.

List of Appendices

Appendix A - BCA Draft Business Development Plan 2021-2025

Background Documents

Basingstoke Canal Investment Strategy Phase 1 -Trilobyte Land Management Services

No	Action/Project	Description	Lead	Priority	Time Line	Outcome	Level of investment	Level of annual return	Comments
6	Campsite redevelopment	New facilities, hard standings, electric hook up and landscaping	BCA	Critical	2021- 2022	Increase income	£100k +	£31k - £100k	Awaiting decision on capital bids from both County Councils
1	Fleet Visitor Kiosk	New takeaway café and visitor facility	BCA	Important	2021- 2022	Increase income	£31k - £100k	£11k - £30k	Both Actions 1 & 2 would be delivered at the same time
2	Fleet Rowing Boat Hire	New rowing boat hire	BCA	Important	2021- 2022	Increase income	£11k - £30k	£11k - £30k	Both Actions 1 & 2 would be delivered at the same time
11	Winter short term moorings	Use of space at Canal Centre for winter mooring	BCA	Important	2021- 2022	Improves income	Under £10k	Under £10k	Add power to two moorings
16	Barley Mow Car Park refresh and pop-up facility	Refresh car parking design and include space for pop-up facilities	BCA	Important	2021- 2022	Improves visitor experience / increases income	Under £10k	Under £10k	In conjunction with #4, but 12 months earlier to take advantage of Covid "staycations"
9	Visitor signage	Visitor welcome and info signing	BCA	Desirable	2021- 2022	Improves visitor experience / promotes brand	£11k - £30k	Under £10k	BCS are leading on visitor info signs
12	New Houseboat moorings	Add moorings to existing	SCC	Desirable	2021- 2022				Will only add income if issues with SCC Corporate Landlord policy are resolved
3	Car Parking Charges (Scotland Bridge)	Car park refresh and introducing pay and display	BCA	Important	2022 - 2023	Increase income	£31k - £100k	£11k - £30k	
10	Dry Dock improvements	New cover, signage, handrails and electrical cabinet	BCA	Important	2022 - 2023	Improves visitor safety and promotes brand	£11k - £30k	Under £10k	
4	Car Parking Charges (Rural - Barley Mow, Colt Hill, Crookham, Coal Pens, L15)	Pay and display or pay by phone	BCA	Desirable	2022 - 2023	Increase income	£31k - £100k	£26k - £50k	
5	Car Parking Charges (Canal Centre)	ANPR?	BCA	Desirable	2024-2025	Increase income	£31k - £100k	£11k - £30k	
7	Canal Centre & café reprovision	New purpose-built visitor centre/café	BCA	Desirable	2024-2025	Increase income	£100k +	£31k - £100k	
8	Frimley Lock Cottage tearoom	Re-purpose cottage as visitor facilities and tearoom	BCA	Desirable	2024-2025	Increase income	£100k +	£11k - £30k	Will only add income if issues with SCC Corporate Landlord policy are resolved
14	Fleet Trip Boat	New passenger trip	BCA	Desirable	2024-2025		£31k - £100k	Under £10k	
17	Mytchett Lake	Acquire Lake from MoD then develop for canal water supply and residential boat use	SCC	Desirable	2024-2025	Improves canal availability, generates income	£100k +		Will only add income if issues with SCC Corporate Landlord policy are resolved
18	Ash Lock	Provide new offices for BCA and additional visitor info / facilities	HCC	Desirable	2024-2025	Improves visitor experience, removes functional element from Visitor Centre site			In conjunction with #7
13	Bike Hire								Towpath already has very high cycle use on narrow space. Pause pending review of access.
15	Refreshment Boat	Provision of floating refreshment facility				Improves income			Precise nature of offer to be firmed up. Franchise agreement with third party most likely. Pause unless third party steps forward.

November 2020 Basingstoke Canal Society report to JMCActivity in 2020:

The COVID pandemic continues to affect us all. Compared the 27,700 volunteer hours that we did in 2019, our boating and work party work has been impacted:

- we have lost £50k trip boat income with very limited operations of the trip boats, despite considerable work to ensure COVID compliance when trips were possible
- the BCA Tuesday work parties and weekend work parties were closed down during the lockdowns. Pleasingly weekend work party is now able to work and finish off Farnborough Moorings
- Other smaller work parties have been out including the weedcutter to help control in the invasive hydrocotyle weed

In the meantime the society continues to modernise and put in place a sound organisational structure to support the canal going forward. This includes:

- People: 30 people recruited 'behind the scenes' with specialisms ranging from planning, project work, marketing and fundraising
- Website: the new website is live with online membership and sales. Already we have approaching a 100 new members and there is 200% increase in the sales of books (including Fiona's Paddleboard book!). This includes the 2021 Calendar which was produced from a photography competition. Boat bookings will also be online for 2021
- Communications: with the electronic Bulletin, Facebook reaching over 10,000 each month, and links out to local clubs and societies, we have channels to quickly and easily reach the local community.
- Campaigns: Indeed our first major marketing campaign is now in progress to help increase membership and to raise funds for our projects (see Information Points below). This campaign is being delivered through our Facebook page, press releases, Bulletin
- Volunteer Leaders: we now have around 8 volunteer leaders trained to help run volunteer work groups, thereby giving the BCA further flexibility for working parties and in time corporate volunteer days

Key Plans in place and going forward:

1) working with the BCA/Councils:

Recognising that the BCS can really help the Canal with Volunteers, project management, expertise and funds, we had a very constructive meeting with Cllr Glenn, Jo Heath and James Taylor 28/10, at which it was agreed that we will work more closely together going forward.

A Memorandum of Understanding (MOU) will be signed asap and we will allocate projects where the BCS can lead, with regular joint meetings to track progress. WE SEE THIS AS A VERY IMPORTANT STEP FORWARD

2) Particular projects already underway/planned:

- Information Points along Canal: we kicked off this campaign a month ago to raise £20k to provide more info signs. Already we have raised £5k from donations and pledges. BCA have also mentioned the idea of making better use of the Pill Boxes along the Canal to engage canal users
- Moorings at Farnborough Road: the Week End Work Party plan to finish these moorings in the next couple of months which have cost £80k with the revenue of £25k to be received by the BCA, along with the benefit of increasing boat mooring facilities
- Odiham Moorings: we are looking at a similar mooring project at Odiham with potential £15k income to the BCA. The BCA are keen for us to discuss and identify other suitable mooring locations
- An eco friendly trip boat, including disabled access, to replace our Woking trip boat
- Our planners are doing work to investigate the possibility of getting a 'Right of Way' foot-path along the last 5 miles of the canal to Basingstoke

3) Swan Cutting:

The Society remains very concerned about Swan cutting and the potential closure of the upper reach of the canal due to land slippage. This, unless rectified, could cause severe limitations to boating including potentially reduced use of the top end of the canal (and access to King John's Castle), including a dramatic loss of income to the society, and therefore to the Canal. The BCS is keen to get closer to understanding the work underway and the progress being made as this has run on for several years

4) Other BCS support to the Canal (via the BCA):

The BCS continues to support with an annual £6k contribution to the BCA towards volunteer training and equipment. Plus we have recently we donated nearly 300 of our Canal books to the BCA for sale in their shop along with hedge trimmers and strimmers to help with the volunteer maintenance work.

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