

Notice of Meeting

Basingstoke Canal Joint Management Committee

Date & time	Place	Contact	Chief Executive
Friday, 26 November 2021 at 11.00 am	Eastwood Leisure Centre, Albert Dr, Sheerwater, Woking GU21 5RF	Joss Butler Tel 07929745197 joss.butler@surreycc.gov.uk	Joanna Killian

MEMBERS

Hampshire County Council

Councillor Jonathan Glen
Councillor Rod Cooper
Councillor Stephen Parker
Councillor Timothy Davies

Surrey County Council

Councillor Marisa Heath
Councillor Riasat Khan
Councillor Paul Deach
Councillor Saj Hussain

Hart District Council

Councillor Simon Ambler
Councillor Ken Crookes

Guildford Borough Council

Councillor Angela Gunning

Runnymede Borough Council

Councillor Scott Lewis

Rushmoor Borough Council

Councillor John Marsh
Councillor Paul Taylor

Surrey Heath Borough Council

Councillor Helen Whitcroft

Fleet Town Council

Councillor Peter Wildsmith

Woking Borough Council

Councillor Kevin Davis
Councillor Rob Leach

Special Interest Groups

Basingstoke Canal Society

Mr Ian Moore/Mr Tony Balch

Hart District Association of Parish Councils

Mr Alastair Clark

Basingstoke and Deane Borough Council

Mr Mark Ruffell

Natural England

Mr Adam Bates

Inland Waterways Association

Mrs Verna Smith

Basingstoke Canal Canoe Club

Mr Bill Hansell

Galleon Marine

Mr Arthur McCaffrey

TERMS OF REFERENCE

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 ELECTION OF CHAIRMAN

To elect a Chairman of the Joint Management Committee.

2 APOLOGIES FOR ABSENCE

3 MINUTES OF PREVIOUS MEETING: 18 NOVEMBER 2020

(Pages 1
- 8)

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

4 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 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 [22 November 2021].
2. The deadline for public questions is seven days before the meeting [19 November 2021].
3. The deadline for petitions was 14 days before the meeting, and no petitions have been received.

6 ACTIONS TRACKER AND FORWARD WORK PROGRAMME

(Pages 9
- 14)

To note the Actions Tracker and the Forward Work Programme.

7 FINAL ACCOUNTS 2020/21, FORECAST OUTTURN 2021/22, FORWARD BUDGET 2022/23 (Pages 15 - 36)

The purpose of this report is to present the final accounts of the Basingstoke Canal for the year ended 31 March 2021, the forecast outturn for the year ending 31 March 2022 as at September 2021, and the Forward Budget for the year ending 31 March 2023 to the Joint Management Committee for approval.

8 CAPITAL WORKS REPORT (Pages 37 - 42)

To update the Committee on the progress of the asset and risk improvement programme funded by Surrey and Hampshire County Councils.

9 BCA RISK REGISTER (Pages 43 - 48)

To inform the JMC of the key risks associated to the BCA Canal Partnership after annual review and to ensure risks are mitigated as far as possible.

10 CANAL MANAGEMENT REPORT (Pages 49 - 56)

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 second half of 2021; and to report the work of the Conservation Steering Group.

11 BASINGSTOKE CANAL SOCIETY REPORT (Pages 57 - 62)

To note a report from the Basingstoke Canal Society.

12 DATE OF THE NEXT MEETING

The next meeting of the Basingstoke Canal Joint Management Committee will be held on 9 June 2022.

Joanna Killian
Chief Executive

Published: Thursday, 18 November 2021

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MINUTES of the meeting of the **BASINGSTOKE CANAL JOINT MANAGEMENT COMMITTEE** held virtually on 18 November 2020.

These minutes are subject to confirmation by the Committee at its next meeting.

(Surrey County Council)

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

(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*

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*

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*

(Natural England)

Mr Adam Bates

(Inland Waterways Association)

Mrs Verna Smith

(Basingstoke Canal Canoe Club)

Mrs Liz Murnaghan*

Galleon Marine

Mr Arthur McCaffrey

4620 OUTGOING CHAIRMAN'S REMARKS [Item]

Cllr Jonathan Glen made the following remarks as outgoing Chairman of the Joint Management Committee (JMC).

Highlights of the previous two years include:

- Completion of the refurbishment of the Working Wharf.
- A visit from the Duke of Kent to present the Basingstoke Canal Society with the Queen's Award for Voluntary Service.
- Raft races at Odium, Colt Hill Wharf.

- Boat trips on the John Pinkerton canal boat. Cllr Glen also thanked the crew of the John Pinkerton for their work.

Welcomes and thanks on behalf of the JMC:

- Welcomed Paul Johnston who would be representing Basingstoke and Deane Borough Council as a special interest group.
- Welcomed Jennifer Wadham, Principal Accountant, who would be working with the JMC going forward.
- Said farewell and thank you to Jane Lovett, the outgoing finance officer.
- Thanked Mr Philip Riley for all his hard work and contributions towards the JMC and as Chairman of the Basingstoke Canal Society (BCS). It was noted that Co-Vice-Chairmen Ken Sankey and Neil Sutherland would be representing the BCS going forward.

Thanks was given to the following officers:

- Carolyn McKenzie
- Lisa Creaye-Griffin
- Jo Heath
- James Taylor
- Fiona Shipp

4720 ELECTION OF CHAIRMAN [Item 1/20]

The outgoing Chairman, Jonathan Glen, proposed Natalie Bramhall, to be elected Chairman of the Joint Management Committee (JMC). This was seconded by Charles Choudhary. It was agreed unanimously that Natalie Bramhall be elected Chairman of the Committee.

Natalie Bramhall proposed Jonathan Glen to be elected Vice Chairman of the JMC. This was seconded by Rod Cooper. It was agreed unanimously that Jonathan Glen be elected Vice-Chairman of the Committee.

4820 APOLOGIES FOR ABSENCE [Item 2/20]

It was noted that Cllr Kevin Davis would be late to the meeting.

Mr Arthur McCaffrey experienced technology issues and was therefore unable to join the meeting.

4920 MINUTES OF PREVIOUS MEETING: 21 NOVEMBER 2019 [Item 3/20]

The minutes were agreed as an accurate record of the meeting.

5020 DECLARATIONS OF INTEREST [Item 4/20]

None received.

5120 QUESTIONS AND PETITIONS [Item 5/20]

One question was received from Mr Stuart Lanceman. The question and response was published in a supplementary agenda on 17 November 2020.

As a supplementary question, Mr Lanceman asked whether his neighbour had the right to access the garden he currently used under licence and whether he could access the garden his neighbour used under licence. The Chairman confirmed that a response would be provided outside the meeting and that she would request an officer investigate the matter further when appropriate.

5220 ACTIONS TRACKER AND FORWARD WORK PROGRAMME [Item 6/20]

Declarations of interest:

None

Officers:

None.

Key points raised during the discussion:

1. The JMC noted the Actions Tracker and Forward Work Programme.

Actions/ further information to be provided:

None.

Recommendations:

The JMC noted that Actions Tracker and Forward Work Programme.

5320 FINAL ACCOUNTS 2019/20 [Item 7/20]

Declarations of interest:

None

Officers:

Jenny Wadham, Principal Accountant

Key points raised during the discussion:

1. Officers introduced the report and provided a brief summary. Members noted that the report covered the financial outturn of the Basingstoke Canal Authority. Members had previously been asked to review the outturn position for the year 2019/20 following the cancellation of the June planned meeting due to Covid-19.

Actions/ further information to be provided:

None.

Recommendations:

The JMC:

1. Agreed the outturn position for the year 2019/20; and
2. Noted the likely draw on reserves due to slipped expenditure.

5420 FORECAST OUTTURN 2020/21 AND FORWARD BUDGET 2021/22 [Item 8/20]

Declarations of interest:

None

Officers:

Jenny Wadham, Principal Accountant

Key points raised during the discussion:

1. Officers introduced the report and provided Members with a summary of the forecast outturn 2020/21 and the revenue budget for 2021/22. Members noted that the JMC were also asked to review and agree the proposed scheme of charges for 2021/22 set out in Appendix D of the report. Full details were outlined from page 29 of the agenda.

Actions/ further information to be provided:

None.

Resolved:

The JMC:

- agreed the revenue outturn forecast for the year 2020/21; and
- agreed the revenue budget for 2021/22; and
- agreed the proposed scheme of charges for 2021/22 set out in Appendix D of the report.

5520 BOAT LICENCE REVIEW [Item 9/20]

Declarations of interest:

None

Officers:

James Taylor, Strategic Manager

Key points raised during the discussion:

1. Officers introduced the item and provided a brief summary of the report. Members noted that the report was to update the scheme of charging and boat licence categories for boats using the Canal in order to allow for new categories that may be required in the near future. The report could be found from page 45 of the agenda.

2. A Member highlighted that two seater racing canoes and kayaks were over six metres and asked whether they would be classed as larger boats. It was further asked that the Basingstoke Canal remain within the British Canoeing Membership scheme. Officers stated that they would also prefer the agreement to continue however there were ongoing negotiations taking place with British Canoeing on the matter.
3. With regard to electric and hybrid boats, a representative from the BCS highlighted that they were working with the Basingstoke Canal Association to introduce electric charging points along the Canal.
4. A representative from the BCS informed the Committee that the John Pinkerton usually raised around £50,000 a year which was then used to further benefit the Canal.
5. Due to the impact of the pandemic to businesses, a Member asked whether there was the possibility to defer an increase to fees to April 2022. Officers highlighted a proposal within the report which stated that, if difficulties continued, an immediate deferral of all fees would be offered for six months, and where significant hardship could be demonstrated, an agreement would be made with the boat operator on an appropriate level of discount based on the financial situation of the operator.
6. With regards to Swan Cutting, a Member asked if the top-end of the canal was impacted or closed, whether there would be a review of licence fees. Officers said that this would be considered when necessary.

Actions/ further information to be provided:

None.

Resolved:

The JMC:

- a) Approved the new scheme of licensing for Boats using the Canal.
- b) Authorised officers to licence boats according to the proposed scheme.
- c) Authorised officers to charge the revised categories of boat according to the revised license charging scheme.
- d) agreed to 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.

5620 CANAL MANAGEMENT REPORT [Item 10/20]

Declarations of interest:

None

Officers:

Fiona Shipp, Canal Manager
James Taylor, Strategic Manager

Key points raised during the discussion:

1. The Canal Manager and Strategic Manager introduced the item and provided the Committee with a summary of the report. An update was provided on Basingstoke Canal maintenance and inspection works, events/visitor Services, conservation, Volunteers, Management Actions and the Asset Management Programme.
2. A Member asked for clarification on whether there was a 300% increase of cyclists during the lockdown within the Woking area of the Basingstoke Canal. Officers confirmed that this was correct however noted that there had been some complaints from walkers due to cyclists riding at speed on the shared path.
3. A representative from the Basingstoke Canal Society expressed that a 300% increase in cyclists was good news and stated that they wished to reach out to new users and local councils to raise the profile of the Basingstoke Canal and discuss future fund raising. Other Members of the committee agreed that it was important to discuss fund raising opportunities.

Actions/ further information to be provided:

None.

Resolved:

The JMC noted the report.

5720 BASINGSTOKE CANAL AUTHORITY RISK REGISTER [Item 11/20]**Declarations of interest:**

None

Officers:

James Taylor, Strategic Manager

Key points raised during the discussion:

1. The Strategic Manager introduced the report and provided Members with a summary. Members noted that there were two risks specifically related to the pandemic which were BCA 52, a red high risk related to finance, and BCA 53, related to filling sufficient staff. Officers further informed the Committee of changes to the risk register which could be found from page 75 of the agenda.

Actions/ further information to be provided:

None.

Resolved:

The JMC noted the annual revision of the Risk Register.

5820 BUSINESS DEVELOPMENT PLAN 2021 - 2025 [Item 12/20]**Declarations of interest:**

None

Officers:

Jo Heath, Head of Countryside, Hampshire County Council

Key points raised during the discussion:

1. The Head of Countryside introduced the report and provided the Committee with a brief summary. Members noted that the report had been compiled in response to the recommendations made in the Investment Strategy Phase 1 report produced by TriloByte Land Management in June 2020. Members were asked to support the draft development plan approach and agree the projects and initiatives not captured by the consultants, to support the priority list to date while recognising that it was a live document, and to recommend other sources of funding or resources that would assist with the delivery of the Business Development Plan.
2. A Member asked whether it was the intention to work with the M3 Local Enterprise Partnership (LEP). Officers stated that they were aware of the LEP and that they had previously submitted a bid for campsite funding to the M3 LEP however it was not approved because it did not meet certain criteria.

Actions/ further information to be provided:

None.

Resolved:

- a) Agreed the list of projects and the priority allocation.
- b) Authorised 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.

5920 REPORT OF THE BASINGSTOKE CANAL SOCIETY [Item 13/20]**Declarations of interest:**

None

Officers:

James Taylor, Strategic Manager

Jo Heath, Head of Countryside, Hampshire County Council

Key points raised during the discussion:

1. The representative from the BCS thanked Cllr Glen, Vice-Chairman, for his support to the BCS over previous years. It was noted that the

BCS had a constructive meeting with Cllr Glenn, Jo Heath and James Taylor at which it was agreed that they would work more closely together going forward. Contact would also be made with all borough councils to increase cooperation going forward. The representative also raised concerns related to the impact of swan cutting on the John Pinkerton and asked for clarification on future plans. Officers stated that they were currently not in a position to share information on the swan cutting matter however details would be available when appropriate.

2. The representatives from the BCS were thanked for their input to the JMC.

Actions/ further information to be provided:

None.

Resolved:

The report was noted.

6020 DATE OF THE NEXT MEETING [Item 14/20]

The Committee noted that its next meeting would be on 23 June 2021.

Meeting ended at: 11.45 am

Chairman

Basingstoke Canal Joint Management Committee

26 November 2021

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
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.	Completed, letter sent 8 July 2019. 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. 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.	2019	James Taylor/Chairman
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 2021.	2019	Members of the Committee
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



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Basingstoke Canal Joint Management Committee

Forward Work Programme 2021

Basingstoke Canal Joint Management Committee			
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:	26 November 2021
Title:	Final Accounts 2020/21, Forecast Outturn 2021/22, Forward Budget 2022/23
Report from:	Report of Honorary Treasurer and Strategic Manager

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

Purpose of this Report

1. The purpose of this report is to present the final accounts of the Basingstoke Canal for the year ended 31 March 2021, the forecast outturn for the year ending 31 March 2022 as at September 2021, and the Forward Budget for the year ending 31 March 2023 to the Joint Management Committee for approval.

Recommendations

2. That the final accounts for the 2020/21 financial year be approved by the Committee.
3. That the Committee approves the revised budget for the 2021/22 financial year.
4. That the Committee notes the forecast outturn for the 2021/22 financial year.
5. That the Committee approves the forward budget for the 2022/23 financial year.

Executive Summary

6. The net revenue costs of the Basingstoke Canal are incurred on behalf of the Joint Management Committee by Hampshire County Council (HCC) and financed through partner contributions from 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.

7. The final outturn position for the year to 31 March 2021 shows a contribution to reserves of £32,336, comprising of a £31,325 surplus on revenue activities and £1,011 from interest received.
8. The £32,336 contribution represents a significant improvement on the budgeted £36,000 draw and £92,000 draw forecast as of September 2020, however, this is mainly due to further delays to works totalling £92,000 that were expected to be undertaken during the year (in addition to £30,000 tree works that had already been pushed back to 2021/22). Income from the Canal has not been as badly impacted by Covid-19 as was feared in the September forecast but is still £82,000 lower than originally budgeted pre-Covid.
9. A revised budget for the 2021/22 financial year is presented for approval, to reflect the delays to the works as above, and slippage expected into 2022/23. This increases the budgeted draw from reserves for 2021/22 from £83,000 to £145,000.
10. The forecast outturn for the year to 31 March 2022 shows a £149,000 draw on reserves, compared to a revised budgeted draw of £145,000. Expenditure is forecast to be £1,000 under budget, with various small pressures and savings including lower than expected costs for the reservoir inspection, and the unbudgeted purchase of four new bell tents. Income is forecast to be £5,000 lower than planned, with the continuing impact of Covid-19 on sales and bookings as well as a shortfall in moorings rental income mostly offset by a considerable increase in unpowered boat income.
11. The proposed forward budget for the 2022/23 financial year provides for a draw from reserves of £30,000, equivalent to the cost of principal surveys works delayed from the current financial year. Significant additions have been made to the staffing budget to address various staffing pressures. These have been offset by an increase in budgeted income to reflect the continuation of additional boat licence income received, but also a reduction to the maintenance budget with lower planned expenditure than in previous years, to ensure that the reserves are not being used to fund ongoing annual expenditure.
12. The balance held in reserves for the Basingstoke Canal as of 31 March 2021 was £833,502, comprising of £729,424 in the general reserve and £24,078 and £80,000 allocated respectively for dredging & silt disposal and Wellesley. The total reserves balance is budgeted to decrease to £689,212 by 31 March 2022, mainly due to the draw required for the slipped works from 2019/20 as above.

Final Accounts 2020/21

13. The final outturn position (as shown in Appendix 1) is a £32,336 contribution to reserves. This represents a £67,000 improvement against the budget which provided for a £36,000 draw from reserves, and a £124,000 improvement against the £92,000 draw forecast as of September.
14. However, the position has been significantly impacted by slippage of works into the following financial year and by lockdown restrictions arising from Covid-19 as shown in the table below. A more detailed summary of the Covid impact is shown in Appendix 7.

	£'000	£'000
Covid related:		
Additional costs and lost income	118	
Less reduced expenditure	(83)	
Less additional income	(21)	
Net budget variance due to Covid		14
Business as usual:		
Expenditure slipped into 2021/22	(122)	
Other variances	41	
Net budget variance due to BAU		(81)
Total net budget variance		(67)

Expenditure

15. Expenditure for the year totalled £693,000, significantly below both the budgeted £842,000 and the £793,000 forecast as of September 2020, primarily due to underspends on Canal Maintenance and Employees.
16. Detailed reasons for the variances are shown in Appendix 8 and summarised below.
17. Staffing costs were underspent by £68,000 mainly due to a number of vacancies throughout the year:
- The Visitor Services Officer was recruited to in November, rather than April as planned, and resulted in a Seasonal Visitor Services Assistant (SVSA) vacancy. This post was upgraded to a temporary full-time VSA position which was not filled until May 2021.
 - The new Project Officer to assist with progressing the capital programme was not appointed until March instead of November as planned.
 - The Tree Officer post planned to undertake the Tree Inspection survey from January was not filled, and in summer 2021 the SCC arboriculture team was contracted to undertake the Canal requirements instead.
 - The Campsite Warden post provided for in the budget is on hold whilst further funding is explored for the campsite development project.
18. Canal Maintenance was £75,000 underspent, primarily relating to £88,000 of works that have been delayed to the 2021/22 financial year, consisting of:
- £33,000 on the Brookwood moorings re-decking,
 - £30,000 tree works arising from the Tree Inspection survey
 - £10,000 on the Barleymow Car Park, and
 - £15,000 on the Coxheath Steps.

These delays are partly as a result of maintenance works being managed in smaller, Covid safe teams, as well as staff sickness and the design phase for some of the projects taking longer than expected. The £30,000 for tree works delay was known by the September forecast

and was therefore built into the 2021/22 budget, however, the others were not known until later in the year and were therefore not included in the original 2021/22 budget.

19. Principal Surveys were expected to be over budget due mainly to expenditure on the Weirs and Sluices Inspection report that had been budgeted for completion in 2019/20. However, £34,000 of planned expenditure on Principal Inspections of Embankments Works has been delayed to future financial years. Again this was not included in the original 2021/22 budget.

7

Income

20. Income for the year totalled £724,000, £82,000 below the budgeted income, although an improvement on the £105,000 shortfall predicted as of September.

21. The shortfall in income is primarily due to the impact of Covid-19 with £33,000 lost bookings income as a result of the temporary closure of the Canal Centre and subsequent social distancing measures, and £51,000 lost income from lower shop sales and the cancellation of activities such as the Santa Cruises event and Rosebud boat trips. However, offsetting these reductions has been a £16,000 increase in boat licence income as more people have holidayed in the UK.

22. Non-Covid related impacts on the income include the works to complete the Farnborough moorings negatively impacting moorings income, and delays in drawing up the lease agreement with the Basingstoke Canal Canoe Club meaning that the £15,000 one-off premium for improvement works carried out by the BCA has been delayed (expected to be received in the 2021/22 financial year).

23. At £523,000 the total partner contributions make up the majority of the Canal's income and are therefore fundamental to the successful running of the Canal.

2021/22 Revised Budget

24. The Committee is asked to approve the revisions to the 2021/22 budget shown in the table below. These changes reflect the slippage of works planned for 2020/21 into the current financial year, works budgeted for 2021/22 that are now expected to be incurred in the 2022/23 financial year (which are therefore included within the forward budget), and the Tree Inspection survey being incurred as a maintenance cost (completed by Surrey County Council) rather than as a staffing cost (with the Tree Officer post being removed from the budget).

25. The above changes result in a budgeted draw from reserves of £137,000, compared to the original budgeted draw of £83,000.

	£'000	£'000
Canal maintenance works slipped from 2020/21 as above		88
Less slipped works already included in 2021/22 budget		(30)
Add Tree Inspection Survey Costs		35
Addition to 2021/22 Canal Maintenance budget		93

Principal Surveys works slipped from 2020/21 as above		34
Less Principal Surveys works delayed to 2022/23:		
Inspections of Cuttings	20	
Inspections of Footpaths	10	
		(30)
Addition to 2021/22 Principal Surveys budget		4
Removal of Tree Officer post		(35)
Reduction to 2021/22 staffing budget		(35)

2021/22 Forecast Outturn

26. The current forecast shows the Canal will make a draw from reserves of £149,000, slightly more than the revised budgeted draw of £145,000, as shown in Appendix 3.

Expenditure

27. Expenditure is forecast to be £950,000, £1,000 below the revised budgeted £951,000, with a number of small variances as set out below.

28. Staffing costs are forecast to be overspent by £5,000 due to pressures from a second lockkeeper recruited in August to help support the ranger team address pressure caused by long-term sick leave at a net additional cost of £3,000; and the upgrading of the Seasonal Visitor Services Assistant (SVSA) role to a full time VSA role for 2 years, at a net cost of £3,800 after the corresponding reduction in seasonal casual hours at the Visitor Centre. However, the VSA post was not filled until May 2021 offsetting most of the pressure for this year.

29. Principal Inspections costs are forecast to be £15,000 under budget due to a saving on the estimated cost of the Reservoir inspection.

30. Canal Maintenance is forecast to spend £4,000 more than planned. The Barleymow car park and Coxheath steps works that slipped from the 2020/21 financial year, are forecast to be completed at a cost of £40,000 this year, £15,000 above the original £25,000 expected cost. The additional cost of these projects has been partially offset by a £12,500 reduction in planned emergency cover this year.

31. Other forecast budget variances include a £6,000 saving against transport costs due to lower fuel and repair costs, partly explained by changes in staff behaviour following Covid 19; and an unbudgeted spend on four new bell-tents at the Campsite, purchased in response to the increased demand for UK holidays resulting from Covid-19 and expected to generate net income for the Basingstoke Canal.

Income

32. Income is forecast to be £801,000, £5,000 below the budgeted £806,000 mainly due to the impact of Covid-19 on sales and bookings and a shortfall of moorings rental income. This has been partially offset by a considerable increase in unpowered boat income and the saving resulting from the reduced VAT rate for hospitality following the Covid-19 pandemic.
33. General Fees and Charges income is set to overachieve the budget by £19,000, with a £27,000 increase in boat licence income as more people are using the Canal, as well as an increase in commercial unpowered boat agreements and the introduction of new boat licence charges resulting from the boat licence review. Although the increase in Canal users began as an effect of Covid-19, it is hoped that this will continue beyond the pandemic.
34. However, function room and campsite bookings continue to be lower than pre-Covid levels, mainly as a result of the Covid-19 restrictions. The function room was closed until July, and subsequent social distancing measures have led to a cap on numbers, reducing bookings by £7,000. Social distancing has also restricted the number of campers using the campsite, which along with the poor weather this summer, has contributed to a predicted £3,000 reduction in income, although this figure has been mitigated to some extent by the reduced VAT rate on hospitality which was applied to camping bookings.
35. The works on the Farnborough moorings are now complete and the sale of mooring space is underway, however there is likely to be an £11,000 impact on rental income this year until the spaces are filled.
36. Sales of Rosebud boat trips are £10,000 under budget this year due to a late start to the season caused by Covid restrictions, and also it was more difficult to find volunteers to run the trips due to their concerns about Covid-19.
37. Finally, a small £2,000 shortfall is predicted in Grants & Contributions income due to the Rural Payments Agency imposing fines for a landowner infringement.

2022/23 Forward Budget

38. The proposed Forward Budget provides for the Canal to make a draw from Reserves of £30,000, equivalent to the budgeted spend on the Principal Inspections for Cuttings and Footbridges that slipped from 2021/22 financial year. A number of significant changes to the budget are proposed as explained below, whilst ensuring that the planned ongoing annual and cyclical expenditure can be met from the expected income and without drawing from reserves.

Expenditure

39. Several changes are planned in the Canal staffing team which will increase staffing expenditure by £46,000:
- The second lockkeeper role has been permanently built into the budget and the original lockkeeper post will be reprofiled to a full-year position costing an additional £33,000.
 - The temporary upgrade to the Visitor Services Assistant role is now budgeted, partially offset by a reduction in casual hours, at a net additional cost of £4,000.
 - Additional provision of £7,000 has been made in the Casual budget for unpowered boat seasonal staff.
 - An uplift for a 2% pay increase as well as an allowance for the recent increase to NI has been built into the 2022/23 budget at £11,000.
 - These costs have been partly offset by a restructure of the ranger team saving £9,000.

40. The budgeted spend on Canal Maintenance has been reduced to £133,000 in order to balance the budget. Planned expenditure is reduced in areas such as soft bank protection, towpath resurfacing, lock repairs and equipment compared to previous years.
41. The Principal Surveys budget includes the principal inspections for Cuttings at £20,000 and Footbridges £10,000 delayed from the 2021/22 financial year, as well as a new principal inspection for culverts at £30,000.
42. Other small changes consist of reductions of £2,000 to the Premises budget to reflect improvements in general refuse management, and a £1,000 reduction to the Transport budget to reflect the change in staff travel culture following the Covid pandemic.

Income

43. The overall income budget has been increased by £25,000, primarily a £27,000 uplift for the expected continued increase in boat licence income.
44. The net increase to the General Fees and Charges budget is £18,000, consisting of the boat licence income as above; £3,000 additional income expected from the coffee boat and ad hoc licence fees, and dry dock fees; and additional campsite income of £2,000 from the impact of the Farnborough Airshow. These increases are offset by a one-off reduction in income from the Canoe Club for the recovery of the cost of a portacabin.
45. Other changes consist of a £2,000 CPI increase to the Moorings income budget and £5,000 increase to the Sales budget to reflect the expected continuation of additional unpowered boat hire income.

Capital Expenditure Programme

46. Appendix 5 shows the final capital outturn for 2020/21 and the budgeted expenditure for 2021/22.
47. Capital expenditure for the Canal is managed as two separate capital programmes by Hampshire County Council and Surrey County Council.

Hampshire County Council

48. In 2020/21 the third and final £500,000 instalment was received of the further £1.5m capital funding allocated by Hampshire County Council in 2017. No further capital funding additions have been agreed by HCC, and the remaining capital balance will roll forward each year until fully spent.
49. As of 1st April 2020, the balance available in the Hampshire County Council capital programme was £1.424m, consisting of a £923,745 brought forward balance and the additional £500,000 capital contribution approved by HCC for the 2020/21 financial year.
50. Due to the complex nature of the schemes in the HCC programme, combined with the delay in recruiting to the Project Officer post, only £52,000 of the planned £238,000 was actually spent in the 2020/21 financial year, giving carried forward available funds for 2021/22 of £1.372m.

51. A separate report is being presented to Committee on the capital programme for the next five years, which includes plans for £360,000 to be spent on projects in the 2021/22 year leaving £1.012m remaining at the end of the year.

Surrey County Council

52. Surrey County Council agreed an annual allocation of £150,000 per annum for their capital programme for five years up to and including 2023/24. An annual allocation of £100,000 per annum from 2024/25 to the end of their current Medium Term Financial Plan is now proposed.

53. The Surrey County Council capital programme for 2020/21 has been completed largely as planned, with only £14,000 of the £285,000 capital allocation still to be spent. This balance relates to the improvements to the Deepcut Depot, and will be carried forward to 2021/22.

54. The total budget for 2021/22 is £231,000, consisting of the core capital contribution of £150,000, plus £67,000 reprofiled from previous allocations and the £14,000 rolled forward from 2020/21. The full budget is expected to be spent, as set out in the separate five year capital programme report to Committee.

Special Projects

55. In addition to the main revenue budget for the Basingstoke Canal there are a number of special projects with ringfenced budgets related to the Canal.

Odiham Castle

Funding of £2,302 remains from the historic HLF project to restore Odiham Castle, with this balance available to refresh the signs and paths. There was no spend against this fund in the 2020/21 financial year, but it is planned to be fully spent in the 2021/22 financial year on replacing the interpretation boards.

Higher Level Stewardship funding

56. Higher Level Stewardship (HLS) funding is received from the Rural Payments Agency by both Hampshire and Surrey County Councils for grassland maintenance. The funding is used to offset staffing costs of the Canal, with the amounts for the 2020/21 and 2021/22 financial years shown in the table below.

	Surrey County Council £'000	Hampshire County Council £'000	Total £'000
2020/21 financial year	2,519	8,015	10,534
2021/22 financial year	1,408	5,526	6,934

57. Within the Hampshire amount for 2020/21 is £2,627 relating to a missing payment from 2017/18, with the actual back payment for that year of £4,145 being much higher than the £1,518 that had been provided for in the accounts.

58. Maintenance work on the grassland/woodlands continues under the current agreements with Surrey County Council until October 2021 and with Hampshire County Council until November 2022, when the funding will cease.

Hampshire County Council Path Recovery programme

59. Although entirely separate to the Basingstoke Canal, the establishment of a £500,000 Path Recovery programme has been agreed by Hampshire County Council to carry out remedial works to improve the condition of the worst affected rights of way and countryside paths in Hampshire affected by the Covid 19 pandemic. £30,000 of this sum has been allocated to spend along the Basingstoke Canal towpath.

Reserves

60. The Basingstoke Canal reserves consist of three reserve funds as follows:

- Unallocated Reserve – the general reserve to hold annual revenue surpluses
- Dredging & Silt Disposal reserve – specifically to cover cyclical dredging works
- Wellesley Reserve – established from a commuted sum from the Ministry of Defence and Grainger (Aldershot) Ltd specifically for keeping the improved area of towpath between Aldershot and Farnborough in repair.

61. The total reserves for the Basingstoke Canal Authority were £833,502 as of 31 March 2021, an increase of £32,336 on the position at the end of 2019/20. A detailed breakdown of the reserves is shown in Appendix 6.

62. The balance on the Unallocated Reserve as at 31 March 2021 was £729,424, which equates to just under ten months budgeted expenditure.

63. In 2020/21 interest of £1,011 was received on the reserves balances, paid at the agreed rate of 0.1% on all reserve balances.

64. There was no draw from either the Dredging & Silt Disposal reserve or the Wellesley reserve, which remained at £24,078 and £80,000 respectively.

65. For 2021/22 the original budget provided for an £83,000 draw from the Unallocated Reserve, however, with further slipped maintenance and principal surveys expenditure the revised budget provides for a draw of £145,000. After allowing for anticipated interest receivable of £710, the Unallocated Reserve balance as of 31 March 2022 is budgeted to reduce to £585,134, and is currently forecast to reduce to £581,134, equating to approximately eight months of budgeted expenditure.

66. The proposed 2022/23 budget provides for a further draw from the Unallocated Reserve of £30,000, leaving a budgeted balance as of 31 March 2023 of £555,634, again equating to approximately eight months of budgeted expenditure.

67. There are no planned draws from the other reserves for either 2021/22 or 2022/23.

Conclusion

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68. The final outturn for 2020/21 is better than budgeted and forecast, with a £36,000 contribution to reserves rather than an expected draw. However, this improved position is due mainly to the slippage of £122,000 of expenditure into the following year.

69. Covid-19 has had a significant impact on the sales and bookings income of the Canal. However, there have been offsetting reductions in expenditure and increased boat licence income as more people are using the Canal, which has meant the net Covid financial impact has been fairly small. It is hoped that as well as the sales and bookings income recovering to pre-Covid levels, the additional boat licence income will continue.

70. The forecast for the 2021/22 financial year is £4,000 over budget with a slight underspend on expenditure (including a saving on the reservoir inspection, but the unbudgeted purchase of four new bell tents) and a small overall pressure on income (mainly resulting from the impact of Covid restrictions).

71. The Forward budget provides for a £30,000 draw to meet slipped principal survey works, but has otherwise been set as a balanced budget. Changes have been made to enable staffing pressures to be met, partly funded from the expected continuation of increased boat licence income, but also from reducing planned maintenance expenditure to a minimum.

72. Whilst the Surrey Capital Programme has progressed largely as planned, the Hampshire Capital Programme has been delayed due to its complexity and reduced staffing resource resulting from the pandemic. A separate report is being presented to Committee on the five year capital programme for the Basingstoke Canal.

73. The total balances within reserves at £833,502 as of 31 March 2021, and budgeted to fall to £659,712 at 31 March 2023, appear relatively healthy. However, the balance within the Unallocated Reserve equates to only eight months of budgeted expenditure, which is considered a reasonable but not excessive level.

Appendix 1 – Final Outturn for the Year Ended 31 March 2021

	Original Budget 2020/21 £'000	Forecast Outturn September £'000	Final Outturn 2020/21 £'000	Over / (Under) Forecast £'000	Over / (Under) Budget £'000
Expenditure					
Employees	492	434	424	(10)	(68)
Premises	32	27	18	(9)	(14)
Canal Maintenance	161	137	86	(51)	(75)
Principal Survey of Sluices & Weirs	61	94	63	(31)	2
Transport	45	40	39	(1)	(6)
Supplies & Services	51	61	63	2	12
Total Expenditure	842	793	693	(100)	(149)
Income					
General Fees & Charges	124	88	97	9	(27)
Partner Contributions	523	523	523	0	0
Other Grants & Contributions	18	19	25	6	7
Rental Income	62	47	51	4	(11)
Sales Income	79	24	28	4	(51)
Other Miscellaneous Income	0	0	0	0	0
Total Income	806	701	724	23	(82)
Contribution from / (to)					
Reserves	36	92	(31)	(123)	(67)
General Reserves					
Opening Balance	601	801	801	0	200
Contribution from/(to) revenue	(36)	(92)	31	123	67
Interest on balances	4	1	1	0	(3)
Closing Balance	569	710	833	123	264

Appendix 2 – Partners Contributions for the Year Ended 31 March 2021

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	Contributions per the Original Agreement £	Notified & Actual Contributions £	Variance £
Partner Contributions			
Hampshire County Council	153,188	153,188	0
Surrey County Council	153,188	153,188	0
Guildford Borough Council	39,076	39,076	0
Hart District Council	30,924	30,924	0
Runnymede Borough Council	16,869	8,000	(8,869)
Rushmoor Borough Council	42,246	42,246	0
Surrey Heath Borough Council	26,282	10,000	(16,282)
Woking Borough Council	53,276	53,276	0
Church Crookham Parish Council	6,750	6,750	0
Crookham Village Parish Council	3,048	3,048	0
Dogmersfield Parish Council	240	240	0
Fleet Town Council	18,309	18,309	0
Odiham Parish Council	4,036	4,036	0
Winchfield Parish Council	250	250	0
Total Partner Contributions	547,682	522,531	(25,151)

Appendix 3 – Forecast Outturn for the Year Ended 31 March 2022

	Revised Budget 2021/22 £'000	Forecast Outturn September £'000	Over / (Under) Budget £'000	Variance due to Covid £'000	Business as usual variance £'000
Expenditure					
Employees	496	501	5	0	5
Premises	26	26	0	0	0
Canal Maintenance	267	271	4	0	
Principal Survey of Sluices & Weirs	59	44	(15)	0	(15)
Transport	42	36	(6)	(2)	(4)
Supplies & Services	61	72	11	2	9
Total Expenditure	951	950	(1)	0	(1)
Income					
General Fees & Charges	125	144	(19)	(4)	(15)
Partner Contributions	523	523	0	0	0
Other Grants & Contributions	17	15	2	0	2
Rental Income	62	51	11	0	11
Sales Income	79	68	11	11	0
Other Miscellaneous Income	0	0	0	0	0
Total Income	806	801	5	7	(2)
Contribution from / (to)					
Reserves	145	149	4	7	3
General Reserves					
Opening Balance	833	833	0		
Contribution from/(to) revenue	(145)	(149)	(4)		
Interest on balances	1	1	0		
Closing Balance	689	685	(4)		

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Appendix 4 – Proposed Forward Budget for the 2022/23 Financial Year

	Revised Budget 2021/22 £'000	Forecast Outturn September £'000	Increase / (Decrease) to Budget £'000	Proposed Budget 2022/23 £'000
Expenditure				
Employees	496	501	46	542
Premises	26	26	(2)	24
Canal Maintenance	267	271	(134)	133
Principal Survey of Sluices & Weirs	59	44	1	60
Transport	42	36	(1)	41
Supplies & Services	61	72		61
Total Expenditure	951	950	(90)	861
Income				
General Fees & Charges	125	144	18	143
Partner Contributions	523	523		523
Other Grants & Contributions	17	15		17
Rental Income	62	51	2	64
Sales Income	79	68	5	84
Other Miscellaneous Income	0	0		
Total Income	806	801	25	831
Contribution from / (to) Reserves	145	149	(115)	30
General Reserves				
Opening Balance	833	833		689
Contribution from/(to) revenue	(145)	(149)		(30)
Interest on balances	1	1		1
Closing Balance	689	685		660

Appendix 5 – Basingstoke Canal Capital Programme 2020 – 2022

	Surrey County Council Programme £'000	Hampshire County Council Programme £'000	Basingstoke Canal Total £'000
Balance at 31 March 2020	n/a	924	924
Funds in:			
Core capital contribution	285	500	785
Total Funds in	285	500	785
Funds out:			
General bank works	(48)	(8)	(56)
Swan Bridge – engineering consultancy and survey work		(39)	(39)
Lock gates cyclical replacement	(34)		(34)
Structural repairs, primarily on works arising from the Principal Inspections of Locks 1-6 and Lower Wilderness Weir	(189)		(189)
Crookham Deep embankment project		(5)	(5)
Total Funds out	(271)	(52)	(323)
Unutilised funds	(14)	n/a	(14)
Balance as at 31 March 2021	0	1,372	1,372
Funds in:			
Core capital contribution	150	0	150
C/fwd from 2019/20	67	0	67
C/fwd from 2020/21 – Deepcut Depot	14	0	14
Total Funds in	231	0	231
Bank works	(130)	(80)	(210)
Canal structure	(74)	(280)	(354)
Contingency	(27)	0	(27)
Total Funds out	(231)	(360)	(591)
Balance as at 31 March 2022	0	1,012	1,012

Appendix 6 – Basingstoke Canal Budgeted Reserves

	Unallocated Reserve £	Dredging & Silt Disposal £	Wellesley Reserve £	Reserves Total £'000
Balance at 31 March 2020	697,088	24,078	80,000	801,166
Income (interest on balances)	1,011	0	0	1,011
Transfers To / (From) Reserves	31,325	0	0	31,325
Balance at 31 March 2021	729,424	24,078	80,000	833,502
Income (interest on balances)	710	0	0	710
Budgeted Transfers To / (From) Reserves	(145,000)	0	0	145,000
Projected Balance at 31 March 2022	585,134	24,078	80,000	689,212
Income (interest on balances)	500	0	0	500
Budgeted Transfers To / (From) Reserves	(30,000)	0	0	(30,000)
Projected Balance at 31 March 2023	555,634	24,078	80,000	659,712

Appendix 7 - Revenue impact of Covid-19 for the 2020/21 Financial Year

	£'000	£'000
Lost income		
Campsite and function room bookings income	33	
Cancelled activities such as the Santa Cruises and Rosebud boat trips	45	
Reduced shop sales	10	
Total lost income		88
Additional costs		
Canal maintenance and principal surveys – additional costs including the hire of contractors due to staff working in smaller, Covid safe teams	15	
Additional cleaning supplies and contract cleaning, personal protective equipment, additional information and signage for visitor safety, and additional IT/phone costs to support staff homeworking	15	
Total additional costs		30
Additional income		
Increased boat licence income due to more people holidaying in the UK	(16)	
New coffee van licence agreement	(1)	
Increased sales of online books and guides	(4)	
Total additional income		(21)
Reduced expenditure		
Staffing savings from delays in recruitment; lower overtime and shift allowances whilst the Canal Centre was closed; lower casual staff costs due to cancelled events; and lower staff training costs as a result of social distancing requirements.	(66)	
Electricity and water savings as a result of the Visitor Centre, campsite and tearooms being closed during lockdowns, and the toilets being open for a shorter number of hours	(8)	
Reduced staff mileage	(3)	
Shop stock, catering provisions and stationery	(6)	
Total reduced expenditure		(83)
Net Covid-19 impact pressure / (saving)		14

Appendix 8 - Notes to the 2020/21 final outturn

Employees - £68,000 underspend against the budget

1. The majority of the underspend relates to a number of staff vacancies throughout the year, which is partly as a result of a freeze on recruitment initially caused by the lockdown and then the required changes to planned works and events to comply with Covid restrictions.
2. The new Project Officer post to assist with progressing the Capital Programme, which was planned to be filled from January, was not actually recruited until March. This post at a cost of £35,000 per annum and temporary for 2.5 years, is being funded from the £30,000 per annum budget previously allocated for the contribution to the Pension Fund past services costs, but no longer required due to the good performance of the Pension Fund. To be prudent it was agreed that the £30,000 would remain in the base budget for three years and be reviewed after the next actuarial valuation of the Pension Fund, in case the contributions need to be reinstated. The March recruitment has led to a £6,000 saving against the £30,000 budget.
3. The Visitor Services Officer post was vacant from April to November, resulting in a saving of £18,000. The recruitment resulted in a vacant Visitor Services Assistant post, which was not filled until May 2021 giving rise to a further overall saving of £8,000.
4. Due to the campsite development project being on hold until further funding can be secured, the Campsite Warden post has purposely not been filled all year leading to an £18,000 saving.
5. The new Tree Officer post planned to start in January to carry out the Tree Inspection survey was not filled, resulting in a saving of £9,000 for the 2020/21 financial year. SCC has been contracted to carry out the work for both counties in 2021/22.
6. There were some pressures on the staffing budget including £3,000 re the actual pay award being agreed at 2.75% rather than the 2% provided for in the budget; £4,000 as the lockkeeper's contract was extended by 2 months following a delayed start due to the first lockdown and he took on additional casual hours to cover staff sick leave; and a £9,000 increase in allowances caused by the adverse weather this winter which resulted in more ranger callouts while the team also had to provide additional standby duty cover for a member of staff on long-term sick leave.
7. However, these pressures have been more than offset by other savings due to lockdown with overtime and shift allowances lower than planned whilst the Canal Centre was closed; lower casual staff costs following the cancellation of the Santa Cruises due to concerns about social distancing at the event; and lower staff training costs with face-to face training unable to take place during lockdown.

Premises - £14,000 underspend against the budget

8. Savings arose as a result of the Visitor Centre, campsite and tearooms being closed during lockdowns, and the toilets being open for a shorter number of hours with lower spend on electricity and water.
9. The cost of refuse collection was £4,000 less than planned which can be explained partly by the closure of the campsite and Visitor Centre during lockdown but also by the secure bin compound which has discouraged the public from using the facility.

Canal Maintenance - £75,000 underspend against the budget

10. The underspend mainly relates to the slippage of planned works, which will now take place in the 2021/22 financial year.
11. The Brookwood moorings re-decking, originally scheduled to take place in 2019/20 at a cost of £33,000, has been delayed to 2021/22 due to insufficient staffing levels. The Ranger team has been one person short this year due to long-term sick leave and they have been managing the maintenance work in smaller Covid safe teams. Quotes have now been received for the required materials and the work will take place next financial year.
12. Works at the Barleymow car park £10,000 and Coxheath Steps £15,000 have also been delayed as the design phase for these projects took longer than expected.
13. Other planned maintenance works that have been delayed until next year and are expected to be absorbed in the 2021/22 budget include the Frimley pumping station repairs £11,000, soft bank protection works £10,000, works at the Canal Centre £7,000, landscaping of the campsite £6,000 and telemetry costs £1,000.
14. An unbudgeted £9,000 was initially forecast for the Tree Survey work to be undertaken by a contractor (slipped cost from the 2019/20 financial year), however as above, this was later planned to be covered by recruitment to a new Tree Officer post.
15. With fewer boat trips taking place due to the lockdown, the septic tanks did not require emptying this winter, saving £1,000, and a further £4,000 of savings were made against the contingency budgets for clearing culverts, equipment, and emergency callouts.
16. Partially offsetting these savings were unplanned costs including erecting security fencing at Ash Lock £2,000; clearing a blockage in the ground paddle sluice at lock 26 and clearing debris at lock 28 £11,000; the fee for reservoir engineer works was also £1,000 more than planned. Additionally, reactive tree works cost £5,000 more than budgeted due to the need to hire contractors for works that could not be completed by the Covid safe ranger teams.

Principal Survey Work - £2,000 overspend against the budget

17. Total spend on Principal Survey work was expected to be £94,000, exceeding the budget by £29,000, due mainly to the cost of the written report on the weirs and sluices inspection slipping from the 2019/20 financial year into the current financial year at a cost of £21,259. However, the final spend for the year was only £63,000, mainly as the first tranche of repeat Principal Inspections for embankments didn't begin until the winter, meaning that only £6,000 of the planned £40,000 expenditure on this was incurred in this financial year. The remaining £34,000 of works are now due to be completed in 2021/22
18. There were higher than budgeted costs for the vegetation survey, increased expenditure on the Stop Plank works as a contractor was required (as explained above the smaller Covid-safe ranger team was unable to carry out the task), and the latest tranche of lock Principal Inspections took longer than planned, resulting in additional spend.

Transport - £6,000 underspend against the budget

19. This reduction in spend is mainly due to a reduction in staff mileage claims caused by the Covid restrictions on travel this year, and additionally savings on repair and maintenance costs as only two vehicles are being returned to Hampshire Transport Management this year (saving on end of lease repair costs).

Supplies and Services - £12,000 overspend against the budget

20. The overspend mainly relates to net additional costs due to Covid-19, including extra cleaning supplies, contract cleaning, and personal protective equipment to limit the spread of the virus at a total additional cost of £4,000; £5,000 on additional information and signage to ensure the safety of visitors to the Canal, and £9,000 additional IT and phone costs were required partly so that staff could work from home during the lockdown but are also due to increased annual costs following last year's office reorganisation.

21. These additional Covid related costs were partly offset by £6,000 Covid related savings in shop stock, catering provisions and stationery £1,000 due to the cancellation of events following Covid 19.

General Fees and Charges - £27,000 shortfall against the budget

22. The temporary closure of the Canal Centre and subsequent social distancing measures due to Covid-19 resulted in lost income from bookings of £9,000 and £24,000 for the function room and campsite respectively.

23. Furthermore, delays in drawing up the lease agreement with the Basingstoke Canal Canoe Club meant the £15,000 one-off premium for the improvement works carried out by the BCA was not received in the 2020/21 financial year, and this agreement continues to be worked on.

24. However, offsetting these reductions there has been a significant £16,000 increase in boat licence income as more people have holidayed in the UK this year, contributing to an increase in demand, as well as an increase in licensing patrols to ensure licence income was received. A further £5,000 unbudgeted income was received in total for the delayed banking due to lockdown of parking income from 2019/20, fee income for advice on the Wellesley development and from an agreement permitting a coffee van to trade on the Canal site.

Grants & contributions - £7,000 overachievement against the budget

25. Recovered costs mainly from the hire of a boat to a contractor and from accidental damage at Lock 2 contributed £2,000 of additional income, donations totalling £2,000 were received, and the backdated Higher Level Stewardship payment relating to financial year 2017/18 from HCC which was £3,000 more than expected.

Rental income - £11,000 shortfall against the budget

26. The income from mooring fees has been negatively impacted by the ongoing works to complete the Farnborough moorings, although this has been partly offset by additional rental income from two winter moorings and increased garden licence fees.

Sales income - £51,000 shortfall against the budget

27. Activities at the Canal (including the flagship Santa Cruises event and Rosebud boat trips) were cancelled due to concerns about social distancing, leading to a £45,000 loss

of income. Shop sales were £7,000 lower than expected, with lockdown having a significant impact, although this was mitigated to some extent by online sales of guides and books about the Canal proving very popular.

28. Halloween ticket sales were able to bring in £1,000 more income than expected following the easing of lockdown restrictions at this time.

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Basingstoke Canal Joint Management Committee

Capital Works Report

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Lead officer: James Taylor, Strategic Manager - Basingstoke Canal

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Key Issue

To update the Committee on the progress of the asset and risk improvement programme funded by Surrey and Hampshire County Councils.

Summary

The County Councils' Capital Programme to date has significantly reduced the backlog of asset maintenance on the Canal. Continued inspection and cyclical maintenance should reduce the risk of unforeseen failures. The forward capital programme sets out the completion of two major backlog items in Hampshire and a moving towards a more cyclical maintenance phase in Surrey.

Officer's recommendation

That the Committee note the contents of the report, and delegates final approval of the programmes in each County to the Assistant Director of Natural Environment & Recreation for Hampshire County Council, and the Natural Capital Group Manager for Surrey County Council.

1. Introduction & background

- 1.1. In 2010 Surrey and Hampshire County Councils allocated a capital budget of £700k each to address a serious backlog of heavy maintenance which had built up since the opening of the restored Canal in 1991. This build up of deferred maintenance along with poor knowledge of asset condition resulted in the closure of the Deepcut flight of locks for safety reasons and a near breach in Hampshire in 2009. The first three-year capital programme was completed under a joint term contract in 2013. This helped with works following the completion of a first Principal Engineering Inspections for most assets, immediate safety issues in the Deepcut locks and carried out safety related works on embanked sections of Canal in Hampshire – but there was still a substantial backlog of outstanding works.
- 1.2. A further £2m was allocated by each of the owning authorities in 2013, with Hampshire initially allocating the funding over 3 years and Surrey 4 years. However, half of the Hampshire County Council funding was consumed repairing the unforeseen landslip at Dogmersfield.
- 1.3. In 2017 Hampshire County allocated a further £1.5m in instalments over a three-year period. Surrey County Council allocated £750k over a 5-year period, SCC have now allocated an additional £100k per annum to the end of their current Medium Term Financial Plan.

2. Discussion

2.1. Since the Committee was last updated on the capital programme works have progressed to address many of the items identified; the initial paragraphs highlight the works undertaken in each County:

2.2. Surrey

- 2.3. In Surrey the works have progressed well, with a scheme of “Works in the Interest of Public Safety” under the Reservoirs Act carried out on Mytchett Lake Embankment (2013), a series of projects to address canal seepage and bank erosion each year, bed lining of sections of Ash Embankment (a cross border scheme with HCC), the completion of works to improve culvert condition, and the complete second Principal Inspection of all 28 Locks and resulting repair works.
- 2.4. In the last three years Surrey’s programme has largely gone to plan, with the main expenditure in each of the last three years being repairs to a tranche of locks following Principal Inspection alongside ongoing bank protection work to combat erosion.
- 2.5. SCC Countryside have continued to employ a part time Canal Engineer, on a complete time and cost recovery basis, to lead the design and supervision of works – and his experience has proved essential to cost effective delivery of schemes. The SCC Canal Engineer has been working on schemes for both Counties and the Canal Authority with time charged to the schemes as appropriate.
- 2.6. The Engineer reports that in Surrey the backlog of works have largely been eliminated with ongoing cyclical maintenance following reinspection now becoming the priority. The capital budget allocated by Surrey is expected to be able to delivery this over the next 5 years and maintain the current level of maintenance.

2.7. Hampshire

- 2.8. The early portion of the Hampshire programme was dominated by the repairs to the landslip which occurred at Tundry Hill, Dogmersfield in March 2013 and worsened in March 2014 and took until 2017 to complete. As well as being an engineering challenge to repair, the site is complicated by fragmentation of ownership, with much of the cutting sides now being in private ownership.
- 2.9. Except for an annual programme of bank protection to combat sudden leaks, seepage and bank erosion the principal expenditure has been works following the Principal Inspection of culverts (most notably a replacement culvert at Barley Mow, Winchfield)
- 2.10. A number of Hampshire projects are related to earthworks. These are large schemes and due to the protected nature of the Canal have proved much more time consuming to progress due the requirement to gain consents and deal with adjoining landowners where assets are not wholly in canal ownership. The schemes at Crookham Deeps and Swan Bridge, North Warnborough remain outstanding, with much of the residue of the £1.5m allocated in 2017 assigned to these projects. The employment within the BCA of a Canal Project Officer for two years is expected to help deliver these projects.

3. Forward Programme to 2025

- 3.1. **Appendix 1** – sets out the **Hampshire County Council** forward capital programme. The principal areas of spend will be on the two large earthwork related projects at Crookham and North Warnborough. The remaining budget will pick up items identified in the Principal Inspection of Weirs & Sluices, and will have been expended in 2023/24 with the completion of works arising from the Principal Inspection of culverts due in 2022/23.
- 3.2. **Appendix 2** – sets out the **Surrey County Council** forward capital programme. The main areas of work are now associated with cyclical maintenance such ongoing bank protections schemes, lock gate replacement. There is also funding for essential maintenance such as the overhaul of the back-pumping equipment and the surfacing of the last section of towpath which has not had a surface.
- 3.3. In both Counties not all schemes are fully funded, with works to aid safety in both Counties being prioritised. There is a shortfall of approx. £2m in each county to fully fund all works – however some of the identified projects could be considered desirable rather than essential.

3.4. Dredging

- 3.5. No funding is now allocated to systematic dredging of the channel in either County, although the whole channel depth survey in 2015 noted that systematic dredging was required in several areas in each County; systematic dredging will be required for both navigation and conservation reasons soon – but systematic dredging is a very expensive business, with the disposal of the waste being the major cost. Additional funding will be required in the medium term, and serious consideration will need to be given to the carbon capture implications of this type of operation.
- 3.6. The BCA's maintenance dredger *Unity* is expected to be back in operation before the Autumn and will be used to deal with some spot dredging where there are localised shallows around drainage inlets and bridges, etc.

3.7. Trees

- 3.8. Following the delays set out previously to Committee in the inspections of the tree stock, work has commenced in Surrey, and SCC arborists have agreed to inspect the Hampshire section thereafter. It is not expected that there will need to be a call on the capital programmes, although this will need to be kept under review. Should additional funding be required a lower priority capital item such as the improvement may need be deferred to pay for essential tree maintenance, or there be an extra call on the BCA's reserve.

3.9. Special Capital Projects

- 3.10. Surrey County Council's Property Department have secured an additional £500k of funding to renew the mooring at the upper houseboat mooring at Scotland Bridge, West Byfleet. The mooring was constructed during the restoration phase of the Canal with a cost-conscious form of construction, after over 30 years this is now life expired and requires wholesale replacement. With the upper moorings on a raised embankment replacement is more urgent than in other areas due to potential for a failure if there remained ongoing leakage. The works are expected to take place in winter 2021/22 with the Strategic Manager, Canal Engineer and Canal Project officer working alongside other SCC colleagues.
- 3.11. Surrey County Council have also received s.106 funding of £536k from the developers of the Deepcut Barracks scheme now called Mindenhurst. This funding is ring fenced to the provision of a paved 3m wide pedestrian / cycle route from Lock 28 to Lock 15, with any funding left thereafter to be expended on the towpath west of Lock 28 towards the Canal Centre. The Strategic Manager has programmed the development of a design for the present 2021/22 financial year, with expected delivery during the 2022/23 year – but this may slip to the following year depending on the consents required.
- 3.12. Hampshire County Council have allocated £30k from their Covid Path Recovery Fund towards repairing paths which were significantly damaged by high use during the Covid lock-down period. The BCA will be leading on the implementation of works for the two identified areas at Ash Lock and Norris Hill cutting, Fleet.

4. Financial and value for money implications

- 4.1. The funded schemes of works will be undertaken by contractors drawn from the appropriate procurement frameworks in the respective County Council or as stand-alone tenders.
- 4.2. The funded areas of work do not fully cover the identified works required, additional funding will need to be sought to fund safety improvements such as lock ladder replacement, and overdue major maintenance such as dredging. Currently the Principal Inspection of High Risk Embankments is being undertaken, and during the next 2 years Principal Inspections of Public Access (i.e. towpath and adjoining routes) and Culverts are due. Although some funding has been allocated in the capital programme for work to culverts, a major deterioration in asset condition of any asset within these groups could lead to further pressures on the capital programme.

5. Equalities & diversity implications

5.1. The works are targeted at making the Canal safer for all residents and visitors, there are considered to be no significant equalities and diversity impacts.

6. Crime & disorder implications

6.1. There are considered to be no major Crime and Disorder implications for the capital works programme.

7. Conclusion and recommendation

- 7.1. Under the County Councils capital programme since 2010 the Canal has been transformed; the Deepcut locks have reopened and stayed open, high risk embankments and cutting failures have been repaired, all of the culverts and locks improved following Principal Inspections and the BCA re-equipped with appropriate equipment.
- 7.2. The programme especially within Surrey has moved from one of dealing with a major 25-year backlog of deferred maintenance to an ongoing cyclical maintenance programme dealing with overhauls on a planned basis. The only major item of deferment is of a systematic dredging programme – which is currently not funded.
- 7.3. Given that unplanned failures have the biggest impact on budget one of the keys must be to ensure that the unexpected failures are kept to a minimum. It is essential that the BCA's regular inspection programme detailed in the Asset Management Plan continues to be followed going forward, and areas of concern are highlighted.

8. Officer's recommendation

8.1. That the Committee note the contents of the report, and delegates final approval of the programmes in each County to the Assistant Director of Natural Environment & Recreation for Hampshire County Council, and the Natural Capital Group Manager for Surrey County Council.

What happens next

- The JMC will be provided updates of officer's actions in completing the remaining capital programme.

Appendix 1 - Hampshire County Council capital works programme

Budget				£1,371,635	£991,635	£81,635	£1,635	£1,635	
Project name	Project ID	Priority	Project estimate	2021/22	2022/23	2023/24	2024/25	Additional funding required	
Totals			£3,615,000	£380,000	£910,000	£80,000	£0	£2,245,000	
Works following PI of Artillery sluice	C130	1	£10,000		£10,000			£0	
Works following PI of Farnborough Rd sluice	C131	1	£25,000		£25,000			£0	
Works following PI of Norris sluice	C132	1	£50,000		£50,000			£0	
Works following PI of Reading Road weir	C133	1	£50,000	£50,000				£0	
Swan cutting bank stabilisation	C62	2	£1,000,000	£25,000	£750,000			£225,000	
Bank protection / towpath reinstatement - repairing erosion	C64	2	£500,000		£50,000	£50,000		£400,000	
North Warnborough sluice & repairs to outfall	C70	2	£25,000		£25,000			£0	
Crookham Deeps o/s Embankment - bed lining	C141	2	£315,000	£305,000				£10,000	
Repairs to culverts following PI Hants	C149	2	£30,000			£30,000		£0	
Culvert repair: Wilks Water Culvert (resolve leaks)**	C68	3	£20,000					£20,000	
Potential land purchase to make towpath wider / safer	C145	3	£50,000					£50,000	
Towpath improvements west of Fleet (5km)	C146	3	£400,000					£400,000	
Connecting paths	C147	3	£50,000					£50,000	
Reinstate Broadoak sluice	C135	4	£50,000					£50,000	
Dredging	C83	4	£1,000,000					£1,000,000	
New car park at Penny Bridge, Up Natley	C137	5	£5,000					£5,000	
Hard bank boat moorings work boat moorings: Ash Lock	C138	5	£35,000					£35,000	



Appendix 2 - Surrey County Council capital works programme

Budget				£231,000	£150,000	£150,000	£100,000	£100,000	
Project name	Project ID	Priority	Project estimate	2021/22	2022/23	2023/24	2024/25	2025/26	Additional funding required
Totals			£3,127,000	£231,000	£150,000	£150,000	£100,000	£100,000	£2,569,000
Engineering costs				£27,000	£18,000	£14,000	£14,000	£14,000	
Works following PI of Horsell sluice Bank protection / Towpath reinstatement - repairing erosion	C114	1	£5,000	£1,000					£4,000
Lock gate cyclical replacement programme	C23	2	£200,000	£50,000	£25,000	£40,000	£50,000		£35,000
10 year overhaul of backpumping equipment	C139	2	£144,000	£18,000	£18,000	£36,000	£36,000	£36,000	£36,000
Repairs to culverts following PI	C43	2	£25,000	£25,000					£0
Dredging	C148	2	£30,000		£27,000				£3,000
Repairs and security improvements at Deepcut Depot	C26	3	£800,000						£800,000
Scotland Bridge Road car park improvement	C40	3	£14,000	£14,000					£0
Reinstate stop gates at Frimley Aqueduct	C41	3	£55,000		£55,000				£0
Amend existing ladders in chambers 1,3-9,11-15, 17,18, 20-26 (22 locks / £7k)	C42	3	£60,000			£60,000			£0
Deepcut High Bridge to Kings Head Bridge flash path re-surface	C94	3	£154,000	£7,000	£7,000				£140,000
Renewing paved towpath surfaces	C44	3	£80,000	£80,000					£0
Gratings at Junction Culverts	C142	3	£500,000					£50,000	£500,000
Ash aqueduct winch improvements	C143	3	£10,000	£9,000					£1,000
Ash wharf renew pile edging	C24	4	£10,000						£10,000
Towpath resurface - Kingshead Bridge to Great Bottom Flash	C09	4	£60,000						£60,000
	C144	4	£980,000						£980,000



Basingstoke Canal Joint Management Committee

BCA Risk Register

Date: 6 October 2021

Lead officers: James Taylor

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9

Key Issue

To inform the JMC of the key risks associated to the 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 significant increase in risk especially surrounding staffing levels.

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 The highest risk remains around funding of the partnership (BCA 44) with funding partners being unable to continue grants. Officers are concerned that there is an imminent risk of some partners withdrawing some or all of the funds due to the position their authorities have been placed in due to the Covid pandemic.
- 2.3 A further seven (7) risks have got worse or have become more likely in the past 12 months, of these 6 are rooted in the lack of staff highlighted in risk BCA 15 (ability to maintain a trained staff). As stated in other reports the BCA ranger team has not been at full performance for over 12 months and now due to staff leaving for a variety of reasons are at half capacity. For the first time the risk associated with an embankment failure due to an undetected fault (BCA21) is now a **red risk**, whereas risks BCA 15 (staffing levels), BCA 24 (inability to carryout site inspections), BCA53 (culvert inspections), BCA 23 (boundaries) and BCA 25 (maintaining sluices and weirs) remain amber risks but much more likely to occur. There is no quick fix available trained staff are required to perform these functions, however all of these risks will

decline over the next 12 months providing that adequate staff of suitable calibre can be recruited. These risks will continue heighten if staff cannot be recruited (eg: if funding levels decline).

- 2.4 The other risk which has deteriorated is the inability to expand and improve the campsite operation to secure additional revenues for the partnership (BCA 32) – this is due to a capital funding source not being found, nor agreement between the two County Councils as to a way forward.
- 2.5 A further two risks should be highlighted that declined last time and have not improved; these are BCA 17 (Tree management) and BCA 20 (Management of structures eg: bridges). A tree risk improvement plan is proposed to tackle issues surrounding BCA 17 and is appended to this report.
- 2.6 Of the two new specific risks relating to the Covid 19 pandemic reported last year (risks BCA52 and BCA54) – both have improved with the risk reducing due to the national picture improving.
- 2.7 As predicted BCA 28 (Emergency Management Plan) was a one-off decline for specific reasons and the risk has reverted to previous levels.

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 Whilst the concerns over physical inspection of the canal assets due to lack of staffing are all serious, the situation can be cured providing replacement staff of suitable calibre can be recruited.
- 5.2 The highest risk therefore remains around funding, as this might mean that staff cannot be recruited. The Strategic Manager is concerned that developments which could generate more income for the partnership such as the campsite at the Canal Centre have not been approved for funding by either County Council or agreement reached between them on a way forward. This means that the BCA still rely on grants from funding partners for around 65% of their funding at a time when funding cuts look inevitable.
- 5.3 The Strategic Manager recommends that:
- That the JMC note the annual revision of the Risk Register
 - Approve the officer's actions in improving tree risk contained in the Tree Risk Improvement Plan.

6 What happens next

- 6.1 JMC Members note the risks and take action to mitigate them, principally through securing funding.
- 6.2

Risk ref.	Risk Description	Risk Owner	Impact							Total risk score	Mitigation	Action by who	Revised L'hood	2020 Mitigated Risk Score	2021 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	Oct-21	➔		
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	3	32	48	Oct-21	✗	Despite CRT review of risks from failure suggesting lower than expected values, risks remain very significant. Mitigations remain appropriate. Lack of staffing means mitigations are weakened.	
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	3	24	36	Oct-21	✗	Staff resignations have left the Ranger team extremely short staffed. Recruitment under way	
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	33	33	Nov-20	➔	BCA slow to implement HCC tree management policy - re-inspections now overdue, implications of Ash Dieback unknown. BCA proposal to employ inspector rejected - SCC have carried out inspection but not to policy standards.	
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	Oct-21	➔		
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 / Jenny Wadham / SCC	4	24	32	Oct-21	✗	Alternative funding source not found, planning consent at risk of being lost due to elapse of time	
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	3	20	30	Oct-21	✗	Links to risk BCA 15 due to resignation of staff. Recruitment under way but loss of knowledge is concerning.	
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	2	14	28	Oct-21	✗	Culverts re-inspection slipped 12 months due to lack of staffing to support contractor	
BCA 20	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	Liaise 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	28	28	Oct-21	➔	Both HCC and SCC Structures Groups are concentrating on core highway assets only - concern that inspection levels are dropping.	
BCA 54	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	James Taylor / Fiona Shipp / HCC Countryside	2	26	26	Oct-21	➔	Risk declining due to vaccination programme	
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	4	18	24	Oct-21	✗	Lack of staff impacts inspection and reaction times	
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	2	11	22	Oct-21	✗	Lack of staff impacts inspection and reaction times	
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	Oct-21	➔	Note slippage in programme due to increasing complexity of projects and regulatory framework	
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	Oct-21	➔		
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	Oct-21	➔		
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	Oct-21	➔	Maintenance carried out in winter	
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	Oct-21	➔		
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	Oct-21	➔	School visits largely not happening	
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	14	14	Oct-21	➔	2020 saw 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	Oct-21	➔		

Risk ref	Risk Description	Risk Owner	Impact							Total risk score	Mitigation	Action by who	Revised L'hood	2020 Mitigated Risk Score	2021 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	Oct-21	➔		
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	JMC	4	3	3	4	14	3	42	BCA hold a reserve which may need to be deployed to cover continuing restrictions. Gvt policies are to adapt visitor services	JMC Members	1	42	14	Oct-21	✓	Some activities have recovered well - others not so well. Risk much reduced.	
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	Oct-21	➔		
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	Oct-21	➔		
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	1	12	12	Oct-21	➔		
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	Oct-21	➔	Volunteer numbers have rebounded well after Covid restrictions lift	
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	1	24	12	Oct-21	✓	Plan published	
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	Oct-21	➔		
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	Oct-21	➔		
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	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	Oct-21	➔		
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	Oct-21	➔		
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 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 BC means staff recruitment is uniform (if very slow)	Fiona Shipp	1	8	8	Oct-21	➔		
BCA 27	Disruption to canal navigation and towpath use caused by external maintenance works leading to loss of income and	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	James Taylor / HCC & SCC Estates	1	8	8	Oct-21	➔		
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	Oct-21	➔		
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	Fiona Shipp / Jon Green	1	8	8	Oct-21	➔	Risk previously deleted - but reinstated as it is reduced but not eliminated 2 out of 3 pumping schemes no longer	
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	Oct-21	➔		
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	Fiona Shipp / EA / Emergency Planning	1	8	8	Oct-21	➔		
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	Oct-21	➔		
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	Oct-21	➔		
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 lengthsman scheme	Fiona Shipp / Jon Green	1	7	7	Oct-21	➔		
BCA 48	Failure to adequately maintain water levels in certain pounds 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		1	7	7	Oct-21	➔		
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	Oct-21	➔		
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	Oct-21	➔		
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	Oct-21	➔		

Tree risk improvement plan

Background

Prior to 2018 the BCA inspected trees in line with proposals contained in the Canal's Asset Management Plan. The proposal was for inspection of the entire canal estate on a 3 yearly cycle by a professional arborist. The first whole canal inspection was carried out by Parson Brinkerhoff in 2014, during procurement of this it became obvious that inspection of the canal estate to inventory standards were not a good use of scarce resources. PB therefore inspected the tree stock to a reactive standard noting only and tagging trees with observed defects.

In 2017 HCC proposed a new tree policy (CSTREES) which proposed zoning all countryside sites for risk. Inspection was then done for medium and low risk zones on reactive basis at either 3- or 5-year intervals noting defects and an overall inspection of an area, but inspecting all high-risk zones to a full inventory standard every other year by a fully qualified arborist.

The policy was adopted in September 2018 with the Canal included –but unfortunately the Canal was already due its next inspection. HCC's Environment arborists who had undertaken work on the remainder of the HCC countryside estate inspected a sample site of the canal estate in March 2019 but then declined to carryout further inspections of the canal trees stock citing disagreement with the policy and lack of resource. Contractors were instead sought to inspect the high-risk zones –with the professional services contractors for both HCC and SCC returning a very high value and long lead times.

Further attempts to employ other contractors or directly employ staff all yielded no results.

In early 2021 SCC decided it would not wait further and instructed its arboriculture service to inspect the Surrey half of the canal using their standard methodology, which differs significantly from CSTREES and is closer to the reactive standard deployed by the BCA prior to 2018.

Issues

The Canal is perhaps unusual amongst countryside sites in that it is predominately either low risk or high-risk zones with very little medium risk. The high-risk zones are high risk generally due to the potential for a wind thrown tree to cause damage to water retaining assets and therefore causing a breach leading to flooding –a secondary rather than primary consequence. This is different to the conventional reasons for zoning an area “high risk” for trees; i.e. because they over hanging a busy visitor centre, car park or very high use path where there is immediate threat to life on a failure.

The Canal is a unique site and inspecting large areas of rural high-risk zones to an inventory standard has simply not proved affordable or even possible.

Whilst it is understood that CSTREES is a defensible system –a regular inspection by a trained arborist noting defects and ensuring that there are records of the areas inspected would also be defensible.

A noted risk is that the BCA does not have a term contractor for trees relying on a panel of local contractor in frameworks prepared by Rushmoor Borough and Surrey County Councils –contractor turnaround and availability for works can therefore vary. Currently, only one BCA Ranger has advanced felling skills and none are qualified to carryout climbing arboriculture. All current BCA Rangers have basic LANTRA tree inspection qualifications.

Proposals

Policy

- The Canal should adopt a separate policy to suit the needs of the particular site and of both owning authorities.
- A revised policy taking the best of the SCC approach and HCC CSTREES should be drafted and approved by the JMC.
- The policy needs to contain proposals which are readily obtainable by the BCA or County Councils, and are an effective use of public resources. A full inventory of all high-risk zones on the canal has been demonstrated to be outside of existing resources, and is argued not a good use of resources.
- The policy should contain a defensible system for inspecting and recording the canal's tree stock.

Inspection

- An initial inspection of the whole site by a qualified arborist reporting by exception with notable trees should be undertaken in the interim to ensure that risks to the owning authorities are minimised. The Surrey half of the Canal having already been inspected to this standard the Hampshire half should be inspected to the same standard by the end of the Financial Year.
- This should be repeated at regular intervals to be determined during the development of the policy.
- Inspection records should be kept on a cloud-based IT system accessible to staff from HCC, SCC and the BCA.

Works

- All high priority (SCC standard "P2") tree works should be instructed immediately by BCA officers, with a normally expected 7–14 day turnaround from local contractors.
- All lower risk works should be packaged and tendered having first received necessary consents such as Felling Licence and Conservation Area Consent where required.
- Records of works carried out should be recorded by the contractor or BCA Ranger team carrying out the work directly into the on-line recording system.

Conservation

- Where trees are removed, they should not be replaced on the canal site where they shade the water – this is the "right tree, right place" approach.
- Not only is there a climate emergency but there is a biodiversity emergency with an unprecedented number of species extinctions; the Canal's Conservation Management Plan requires a reduction in tree shade and leaf fall into the canal channel – both are seen as key reasons for the decline in the condition and loss of botanical biodiversity within the canal SSSI.



BASINGSTOKE CANAL JOINT MANAGEMENT COMMITTEE

Date: November 2021

Canal Management Report

Lead Officers: Fiona Shipp / James Taylor / Katie MacDonald

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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 2021; and to report the work of the Conservation Steering Group.

Operation & Maintenance

BCA Maintenance & Inspection Works

- Summer reactive tree works
- Length Inspections, Supplemental Inspections, Reservoir Surveillance Inspections / Reservoir Inspection by the Supervising Engineer, and the Lock General Inspections were all conducted.
- Summer mowing on towpath edges and in picnic areas/car parks/moorings.
- Installation of security fence at Ash Lock Depot.
- A leak was discovered between Locks 27 to 26 after large oak tree self-felled on the embankment during heavy rain. Emergency Contractors were called out to make good temporary repair, and subsequently followed up with more permanent repair by contractors since.
- Minor overtopping from the lock 1 by-pass channel occurred due to excessive vegetation caught on bypass weir during a summer storm – there was no reported damage to third party property.
- Lock 2 upper gates were lifted again by a boater again; contractors attended and assisted ranger team to re-sit gate.
- Regular reactive call out to neighbouring landowners to assess, trees, embankments, land ownership issues.
- Ongoing increased inspection/monitoring of Mytchett Lake reservoir due to seepage. This now reduced back to standard inspections.
- High priority tree works arising out of the programmed inspection by SCC Arborists have been contracted out. A large number of lower priority matters arising from the tree inspection are now being procured.

Staffing

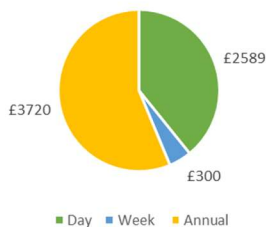
- Canal Ranger Steve Bennett who was on long term sick for over 6 months, returned to work but has subsequently now applied for retirement and will leave shortly. We would like to thank Steve for his service to the Canal and wish him well in his retirement.
- Canal Ranger Andy Foster has now handed in his notice with the intention of retiring after over 34 years' service at the end of October. We would like to formally thank Andy for his service to the Canal for so many years. His fountain of knowledge will be sorely missed and his impact on the Canal has been immense.

- One further Canal Ranger has resigned from their post and has now left.
- Our Lock Keeper, Alex Veness, has also resigned to move onto a new job as a Countryside Ranger with another authority – this is an excellent career progression, and we wish him well for the future. Fortunately, we had already recruited to a short-term lock keeper contract to help with us being short staffed. Lock Keeper Roger Jones was able have a hand over from Alex and will now be with us at least until March 2022.
- We trialled temporarily a Campsite Warden position for a few weeks at the end of the summer and showed this role to be valuable and one management would like to continue for the whole of the next summer season.
- There have been quite a few staffing issues particularly in the Waterway Ranger team which has left the BCA extremely stretched for most of the year. As a result, the Strategic Manager and Canal Manger have sought approval for urgent recruitment to some of the now vacant roles – together with changing and introducing new roles to fill skill shortages. A fuller explanation of the staffing changes is made below, and the effect on the BCA’s finances are contained in the Financial Report.

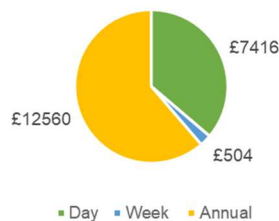
Events/Visitor Services

- “Glamping” Bell Tents were introduced on the Canal Centre campsite as 2-year trial – there has not been as much uptake as we might have expected, possibly due to an oversupply of this type of offer due relaxation in planning rules.
- We now have 7,096 followers on our Facebook page, 1,831 followers on Twitter and 1,130 on Instagram (as of 5th Oct 2021).
- The Canal Centre’s unpowered boat hire did well this summer despite still under some covid restrictions in number of hires and pre booking only, and additional staffing to deal with enhanced cleaning.
- *Rosebud* (the BCA’s trip boat) was operational throughout the summer from July running public trips and the popular cream tea trips staffed entirely by volunteers.
- On the Canal more generally licenses for private unpowered boat are continuing to be at a record high and we are increasing boat licence checking to help improve this further.

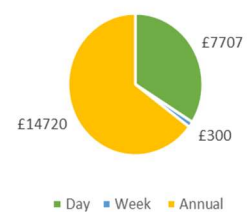
Total income of unpowered licenses sold
2019-2020 £6609



Total income of unpowered licences sold
2020-2021 £20,480



Total income of unpowered boat licences sold
so far 2021-2022 £22,727



- Due to the rainfall throughout the summer water levels were better than usual, with the canal staying open for powered boating with the exception of the Deepcut and Brookwood Locks which had to be closed for 1 week due to water shortage late in the season. Overall, it has been a healthy season for boating with 77 visiting boats from other waterways.
- After a break of a year, Santa Cruise tickets went on sale at the end of Sept and within a week were 99.3% sold out most within the first day and now completely sold out.

Conservation

- The Conservation Management Steering Group meeting was held on 13th October. The Vegetation Survey was discussed further as we have still not accepted the final report or condition assessment from HBIC. Natural England was asked to consider the accuracy of the methodology for water level monitoring in the Common Standards for Assessment which the Strategic Manager did not consider an appropriate measure of draw down levels on canals.
- Other subjects covered included a discussion around dredging and the relative benefits and disbenefits of systematic dredging of longer stretches of canal channel – this includes short term disturbance of aquatic plant species, long term improvement in substrates for aquatic plant species balanced against release of CO₂

from large scale dredging operations. It was noted that despite considerable efforts by volunteers and staff the BCA's maintenance dredger *Unity's* hydraulic system failed in several places on test – there will be no spot dredging programme (the main requirement for navigation) until either the dredger is fixed, or a decision is made to abandon it altogether and the deployment of contractors is built into the canal maintenance budget in future years.

- Other topics include the control of invasive species, particularly floating pennywort, and the national consultation on the wild reintroduction of beavers.

Volunteers

- Volunteers have been operational each Tuesday and some additional days, organised and overseen by a Canal Ranger and Volunteer Leaders who are taking a greater role. We continue to use the online booking system and manage group numbers depending on the task we are undertaking. Winter sapling cutting is now underway, and we continue to work on removal of the floating pennywort in Woking.
- Volunteer Skippers and crew have been taking the Patrol Boat and work boats back out and have been assisting with some weed control work in Woking.
- 11 volunteers undertook canoe training during late summer and early autumn and added to our tally of volunteers able to assist with water-based tasks while also benefiting from a new skill for life and yet another water to enjoy the Canal.

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Management Actions

Staffing

As stated in the Canal Manager's report above the BCA have been very stretched for the last 12 months in terms of staffing. Three Canal Rangers and a Lock Keeper have now left, and the opportunity was taken to examine the staffing structure and skill requirements of the BCA to ensure that it remains effective in all inspection, operations, and regular maintenance activities.

The Strategic Manager has therefore sought approval from the heads of service of both County Councils and the Partnership Treasurer to re-employ but to a revised staff structure.

In order to ensure all planned asset inspections are undertaken on the programmed basis, one of the vacant Ranger positions is to be re-employed as an Inspector/Ranger who will lead on inspection whilst assisting the remainder of the ranger team in fulfilling the 24 hour "duty" cover rota and larger pieces of teamwork. Further one of the other vacant ranger positions will be re-employed as an Assistant Ranger (on a lower grade and without responsibility for duty cover) to work alongside the remaining three Rangers and two new full time Lock Keepers. The Assistant Ranger and Lock Keepers will major on water management (especially in the Surrey half of the Canal) and practical site maintenance aspects of the Ranger role such as vegetation control. The current Seasonal Lock Keeper role will be deleted.

This presents a slight saving in payroll for the new Waterway Operations team, but these savings cannot be banked. It is expected that the current Canal Engineer who is hosted by SCC on a cost recovery type contract will retire within the next 12 -18 months. It would be highly worrying for such a heavily engineered canal to be without a skilled civil or structural engineer to advise on asset management and repair works – at a time when appropriate engineering skills are not now readily available to call off from in either County Council. The proposal is then that a half-time Canal Engineer position is employed within the BCA on the retirement of the current SCC Canal Engineer, this position will also take line management responsibility for the Project Officer and Waterway Inspector/Ranger – until appointment these positions with report to the Strategic Manager and Canal Manager respectively. The creation of this new position within the BCA will have an additional £9000 call on the staff budget when the position is recruited to – this will need to be balanced off by a reduction in the canal maintenance budget that is currently used to pay for the SCC Engineer's time. Where the Canal Engineer and Project Officer work on separately funded asset projects there may also be some opportunity to recover costs.

The existing and proposed staffing structures are appended to this report.

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

- **Regular Liaison Meetings** – Basingstoke Canal Society (BCS), Boat User Group, Basingstoke Canal Angling Association, Woodham Houseboat Tenant engagement sessions and regular meetings with a number of commercial/quasi-commercial operators. The Canal Manger gave a presentation on unpowered boating at BCS AGM.
- **New Commercial Licences** – Kiwi and Scott are now operating their successful takeaway business from a boat at Woking wharf and Galleon Marine are starting a coffee van (a very tasteful converted sheep trailer) at Colt Hill.
- **British Canoeing** – Negotiations were completed, and improved arrangement was made for continuing access to the Canal by BC members. The BCA will now be receiving approximately double the annual fee, but part of this will be based on numbers of canoeists using the waterway.
- **Procurement** – A sizable proportion of the Strategic Manager, Canal Manager and Project Officer’s time has been in dealing with a variety of procurement matters relating to both normal operations and projects – this is a significant disbenefit of the current partnership arrangement as the financial and procurement arrangements of both County Councils which differ (sometime widely) need to be negotiated. Further difficulties with approved contractors being extremely busy and poor availability of some materials have compounded the delays to some projects.
- **Embankment Inspections** – The Principal Inspection of Embankments (10-year cohort) across the entire canal estate was undertaken by a specialist contractor under the supervision of HCC Engineers. This has highlighted a small number of high-risk embankments with defects that need urgent attention most notable are three minor leaks at locations in Woking.
- **Tree Inspections** – SCC carried out a programmed inspection of the tree stock on the Surrey half of the Canal in May – July. This is instead of employing a dedicated arboriculture inspector for the BCA. SCC’s Arborists will now carry out a similar inspection of the Hampshire half of the Canal over winter. The Strategic Manager has been asked to prepare a tree risk improvement plan which is appended to the Risk Register review also being present to the Committee.

Asset Management Programme

The following works from the County Councils’ “capital” asset management programme were planned for the 2021/22 programme:

Surrey

- **Towpath Repair Works** – sections of towpath between Deepcut High Bridge and Frimley Green are now procured, and await a start date from the contractor with completion expected by the end of March 2022.
- **Bank repairs** – the bank protection budget has been used to permanently repair the leak which occurred when a tree self-felled below Lock 27, and the remainder will fund the three minor leak sites identified by the Embankment Principal Inspection in Woking.
- **Houseboat Moorings** – BCA Officers are assisting SCC Officers with implementation of this large project to replace all the sheet piles along the Houseboat Moorings above Lock 2 to prevent the raised embankment deteriorating and to give the residents a safer environment. This is project has separate funding from SCC aside from the normal SCC canal capital budget, due to the way the Houseboat Moorings are managed. However, this project is going to need to be delayed 12 months due to contractors requiring a longer program than anticipated and ecological constraints.

Hampshire

- **Crookham Deeps** – The Project Officer has made good progress with this project to solve long term leaks at a site which has long history of instability and leakage at Crookham. A contractor is expected to be formally appointed shortly, and work due to commence early in January 2022.
- **Swan “cutting”, North Warnborough** – The Canal Manager and Strategic Manager together with Engineering and other professional colleagues at HCC continue to work on this project and are currently in discussion with our neighbouring landowners in the area directly adjacent, to agree a sustainable design solution for

the slopes above the canal channel. This is a long-term project. A narrow strip of land has been purchased by HCC to help enable any future works at this location.

- **Reading Road Weir Repairs** – Procurement is underway for repairs to the weir wall and replacement of handrails on the footbridge with a contractor about to be appointed. Works are expected to be completed by March 2022.
- **Hampshire Path Recovery Programme** The section of towpath between Ash Lock to Ash Embankment Railway Bridge was particularly badly worn during the Covid lockdowns. Part of the HCC Path Recovery fund are due to be spent on the repair of this section – but there have been difficulties obtaining an acceptable quotation from a contractor. Further plans for a section of towpath repairs near Norris Bridge that also suffered during Covid from increased use – this was to be repaired by staff, the BCA dredger and volunteers - but has been delayed by lack of availability of both staff and dredger.

Surrey Property matters

Café at the Canal Centre

Surrey County Council was disappointed negotiations hadn't been completed on the café at the Basingstoke Canal Centre when the tenant decided to close at the end of September. It has been supportive of all its tenants throughout lockdowns over the last 18 months and continues to remain open to discussion on how it can support local business. Council Officers are courteous and professional in their engagement and follow standard business practices in the industry. We are pleased that after further discussion and review the Council and the tenant were able to come to an agreement that worked for both parties.

SCC is obligated to maintain commercial confidentiality and cannot comment further on the details of individual cases.

Should you have any enquiries regarding this matter, please avoid emailing officers directly and contact the team using the following email address: property.estatesteam@surreycc.gov.uk

Appendix 1 – BCA staffing structures

Figure 1 - existing structure

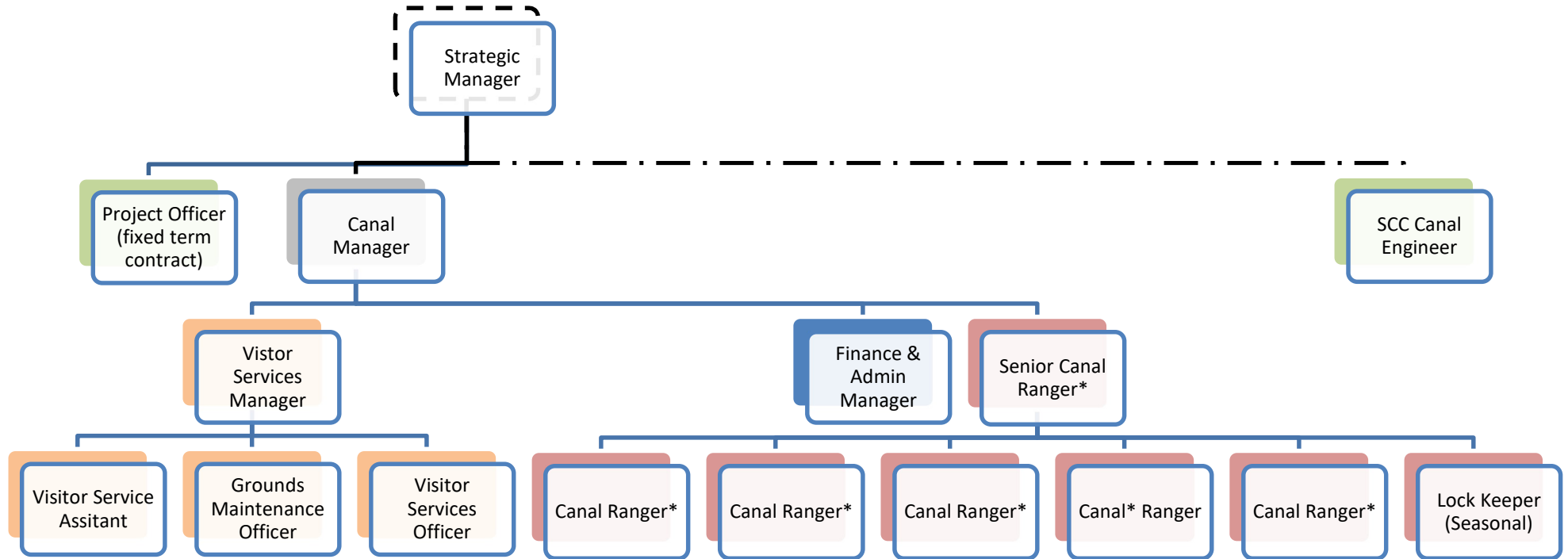
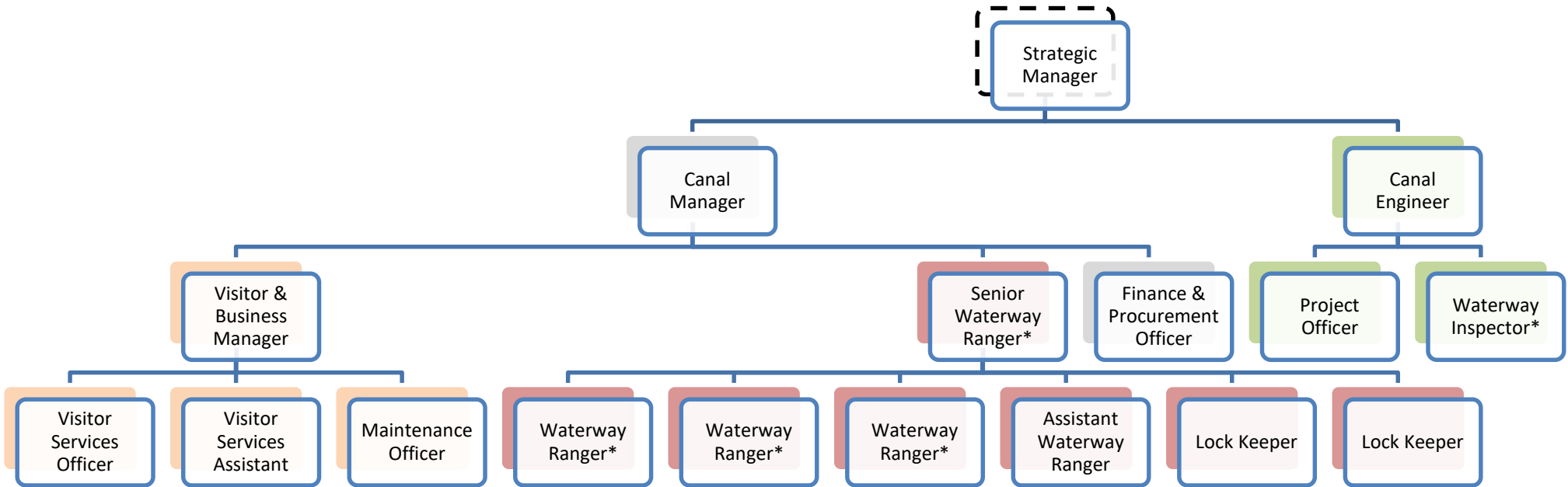


Figure 2 - proposed structure



* Denotes roles undertaking 24-hour duty cover

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November 2021 Basingstoke Canal Society (BCS) Report to JMC



Executive Summary

The BCS has contributed over £400,000 in the last 18 months towards the operation of the Basingstoke Canal, in terms of volunteer labour, projects such as the new Holland moorings in Farnborough and 15 new information signs along the Canal, plus fees, donations and purchases.

The volunteer members of the BCS also provide a source of committed and industry experienced experts in planning, health and wellbeing, marketing and event management, which supplement the BCA's own internal staff resources and helps avoid the costs of engaging outside consultants and contractors.

As the "Guardians of the Canal" and the original instigators of the project to reopen and rejuvenate the Basingstoke Canal (an event that celebrates its 30th anniversary this year), the BCS is committed to the vision of "Keeping the Canal Alive and Vibrant" for the enjoyment of all along its 32 mile length (37 miles, if the last 5 miles between Greywell and Basingstoke is taken into account).



Paddleboards and Boats on the Vibrant Basingstoke Canal

However, the BCS, BCA and the Canal need the riparian Councils to play their part in maintaining this unique and wonderful asset for their residents and ratepayers to continue to enjoy through:

- Financially supporting the Canal at the requested level under the Canal Partnership Agreement
- Direct Council Planning Departments work with BCS / BCA to ensure new developments along or near the Canal make appropriate contributions to mitigate the impact of such developments on the Canal infrastructure or add new facilities along its length for all users to enjoy
- Promote the Canal as a recreational attraction and a source of health and wellbeing for local residents through Councils websites and marketing activities at every opportunity

- And, very importantly, ensure that the JMC pushes for a quick resolution to the navigation issues affecting Swan Cutting so as not to adversely affect the operation of John Pinkerton II Cruises, whos' profits are all recycled back to the Canal / BCA, and the Accessible Boating's operation, who regularly take guests with mobility issues to the tourist attraction of King's John Castle at Odiham

The BCS recognises that in fiscal year 22/23, Councils will come under increased pressure to make cuts to spending on activities deemed non-core / not essential to residents, but we would contend that the health and wellbeing benefits afforded by the Canal to users, both water and land-based at an average **cost of 50p per annum per resident**, is money well spent and should not be subject to cut backs.

The BCS stands ready, willing and able to assist the BCA and the Canal Owners, to protect and maintain the Canal as a viable waterway for the enjoyment of all users along its full length by devoting more volunteer hours and more of its financial resources to the task.

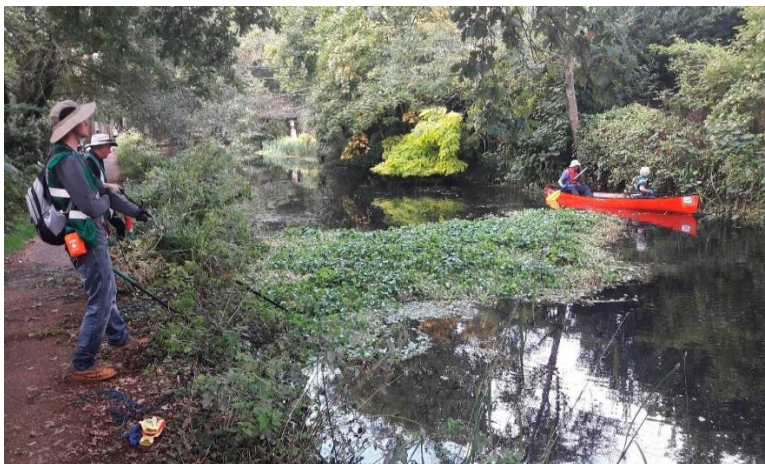
Achievements this year

Like most organisations, the BCS has been affected by Covid, both from a reduced revenue perspective with little or no trip boat activity and volunteer work parties being limited in numbers.

At the same time, funding for the Canal by the riparian Councils and its Owners is coming under increasing pressure, while numbers using the Canal for recreation have in some cases tripled.

However, the BCS has still managed to:

- Increase membership numbers by 30% to over 1,000 and reach over 10,000 per week followers on social media sites
- Undertake 3,500 days of labour on Hydrocotyle weed and towpath clearing at (say) £10/hour – total £280,000



Volunteers removing Hydrocotyle

- Complete the Holland Mooring project at Farnborough Road – total cost £80,000 funded from an endowment by a BCS benefactor and generating potentially £20,000 pa income from extra mooring fees back to BCA



New Holland Moorings at

Farnborough Road

- Raise £20,000 for 15 new information signs along the Canal
- Donate £12,000 to BCA for volunteer training and funding equipment
- Participate in the Last Five Miles project to re-establish the Canal's former path from Greywell to Basingstoke
- Conduct a major research survey of BCS members and the almost 10,000 followers on social media into their usage, attitudes and awareness of the Canal to help better inform the Society's membership offering and communications
- Develop a closer relationship with the BCA for improved co-ordination / broader outcomes for the Canal

A refreshed board of Directors and specialist volunteers, continuing to better organise, plan and execute our programmes and the establishment of a lobbying team based in each riparian Council area means the Society is well structured, resourced and able to support projects of benefit to the Canal and the BCA.

A new vision

A key plank in the Society's work for the last few months has been the development of a new Vision Statement (attached) to better deliver on our mission of "Keeping the Canal Alive and Vibrant", along the four key threads – cultural, social, economic and environment. This is now being translated into action, some examples of which are as follows:

Cultural

- a drive to increase the number of moorings and other facilities, such as a boat basin at Aldershot's Wellesley site, for boats along the Canal.
- the development of a Virtual Museum of archival material, including old photographs and stories, on the Society's website.



Steam dredger “Perseverance”

- a project to return and restore Perseverance, the steam dredger that played a major part in the Canal’s restoration, and to make it a permanent display in a suitable location.
- suitably acknowledging the 30th Anniversary of the re-opening of the Canal in May 2022.

Social

- a series of events, including the very popular Odiham Raft Race September 2022.
- appointing a health & wellbeing volunteer to lobby for the medical benefits that the Canal brings to local residents and users.
- assisting the Surrey Police and local residents in the development of a Canal Watch programme for the Woking stretch.

Economic

- fund raising campaigns) all help to bring additional funds back to
- increased memberships) support the BCA and the Canal
- dedicated BCS planning team assisting the BCA to identify and, where applicable, secure s106 / CIL funding contributions to mitigate the impact of new developments on / near the Canal and / or to develop new facilities on the Canal.

Environment

- all electric trip boat and charging points for Woking section, to be part funded £75,000 by the BCS and the remainder from donations, fundraising in the local area and corporate sponsorship.



Electric canal boat Wey & Arun

- securing volunteer environment and water resource specialists to help the BCS / BCA with these key issues associated with climate change and green energy goals.

Improved working relationship with BCA

The second key plank in the Society's work since the last JMC meeting is a more structured working relationship with the BCA. This includes:

- both organisations are in the final stages of completing the Memorandum of Understanding of roles and responsibilities of each party so as to maximise opportunities to work towards the goals for the Canal whilst minimising duplication of effort.
- running regular meetings for Canal Operations and a separate Strategy meeting to agree a joint projects list.
- the BCS's planning volunteers maintaining a monthly list of developments likely to impact the Canal in order to identify opportunities for s106 / CIL funding contributions to help the BCA with mitigation or new facilities to enhance the Canal.

Key projects for 2021 / 22

- double BCS membership to 2,000 by end 2022 by better understanding their needs through research, membership drives along the Canal and improved marketing of the benefits of joining the Society in social media posts and press releases
- a presentation programme to each riparian Council in the spring of 2022 to be held aboard JP2 / Kitty to improve their understanding of the benefits of the Canal to local residents and to market the Canal as a source of recreation and health and wellbeing to residents at every opportunity
- work with BCA and local Councils Planning Departments to finalise the Planning Guidelines document as a guide for developers undertaking projects along / near the canal
- BCS volunteers continue to help BCA maintenance team maintain and improve the towpath and waterway
- build and operate an all-electric trip boat at Woking and commence the installation of charging points along the Canal
- encourage the Grainger / Wellesley development to create a boat basin in Aldershot
- improve our understanding of water resource and environmental issues on the Canal
- work to develop new moorings at Colt Hill and Ash Wharf

- continuing to push for a resolution to the Swan Cutting navigation issue to mitigate the impact on Accessible Boating / John Pinkerton II trips to King John's Castle



John Pinkerton II canal cruises

The Canal Society, BCA and the Basingstoke Canal need all Councils to play their part in maintaining this unique and wonderful asset for residents and ratepayers to continue to enjoy for the future.

The Society is prepared to place even more emphasis and effort behind securing volunteers to undertake work, such as weed clearing and dredging, that the BCA would otherwise not be able to afford or have the manpower to carry out if budgets are cut further. In addition, the Society is willing to channel some of its financial resources towards viable projects to help maintain and enhance the Canal that would otherwise be cut as non-essential by the BCA.

The Canal's Owners and JMC members are asked to encourage the BCA to consider this offer seriously and work more closely together to implement more joint work programmes in 2022/23.