

## Notice of Meeting

# Basingstoke Canal Joint Management Committee

**Date & time**

Wednesday, 7 June  
2023 at 11.00 am

**Place**

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

**Contact**

Joss Butler  
joss.butler@surreycc.gov.uk

**Chief Executive**

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**

To be confirmed  
To be confirmed

**Rushmoor Borough Council**

To be confirmed  
Councillor Paul Taylor

**Fleet Town Council**

Councillor Ellie May

**Guildford Borough Council**

To be confirmed

**Runnymede Borough Council**

Councillor Steve Ringham

**Surrey Heath Borough Council**

To be confirmed

**Woking Borough Council**

Councillor Kevin Davis  
Councillor Rob Leach

**Special Interest Groups****Basingstoke Canal Society**

Mr Ian Moore/Mr John Turner

**Hart District Association of Parish Councils**

Councillor David Jackson

**Basingstoke and Deane Borough Council**

Councillor Kate Tuck

**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 AND VICE-CHAIRMAN

To elect a Chairman and Vice-Chairman of the Joint Management Committee.

### 2 APOLOGIES FOR ABSENCE

### 3 MINUTES OF PREVIOUS MEETING: 3 NOVEMBER 2023

(Pages 1  
- 10)

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 [1 June 2023].
2. The deadline for public questions is seven days before the meeting [31 May 2023].
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  
11 - 18)

To consider the Action Tracker and Forward Work Programme.

**7 FINAL ACCOUNTS 2022/23, REVISED BUDGET 2023/24, FORECAST  
OUTTURN 2023/24** (Pages  
19 - 34)

The purpose of this report is to present the final accounts of the Basingstoke Canal for the year ended 31 March 2023, and the revised budget and forecast outturn for the year to 31 March 2024 to the Joint Management Committee for approval.

**8 CANAL MANAGEMENT REPORT** (Pages  
35 - 38)

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 1st half of 2023; and to report the work of the Conservation Steering Group.

**9 BASINGSTOKE CANAL SOCIETY UPDATE** (Pages  
39 - 44)

To receive an update from the Basingstoke Canal Joint Management Committee.

**10 DATE OF THE NEXT MEETING**

The next meeting of the Basingstoke Joint Management Committee will be held on 8 November 2023.

Joanna Killian  
**Chief Executive**  
Published: Tuesday, 30 May 2023

### **MOBILE TECHNOLOGY AND FILMING – ACCEPTABLE USE**

Those attending for the purpose of reporting on the meeting may use social media or mobile devices in silent mode to send electronic messages about the progress of the public parts of the meeting.

Anyone is permitted to film, record or take photographs at council meetings with the Chairman's consent. Please liaise with the council officer listed in the agenda prior to the start of the meeting so that the Chairman can grant permission and those attending the meeting can be made aware of any filming taking place.

Use of mobile devices, including for the purpose of recording or filming a meeting, is subject to no interruptions, distractions or interference being caused to the PA or Induction Loop systems, or any general disturbance to proceedings. The Chairman may ask for mobile devices to be switched off in these circumstances.

It is requested that if you are not using your mobile device for any of the activities outlined above, it be switched off or placed in silent mode during the meeting to prevent interruptions and interference with PA and Induction Loop systems.

*Thank you for your co-operation*

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**MINUTES** of the meeting of the **BASINGSTOKE CANAL JOINT MANAGEMENT COMMITTEE** held at Mytchett Canal Centre, Mytchett Place Road, Mytchett, Surrey, GU16 6DD on 3 November 2022  
These minutes are subject to confirmation by the Committee at its next meeting.

## 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 Peter Wildsmith  
Councillor Tim Southern

### **Guildford Borough Council**

Councillor Angela Gunning

### **Rushmoor Borough Council**

Councillor John Marsh  
Councillor Paul Taylor

### **Runnymede Borough Council**

Councillor Scott Lewis

### **Fleet Town Council**

Councillor Ellie May

### **Surrey Heath Borough Council**

Councillor Helen Whitcroft

### **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**

Councillor David Jackson

#### **Basingstoke and Deane Borough Council**

Cllr Hayley Eachus

### **Natural England**

Mr Adam Bates

#### **Inland Waterways Association**

Mrs Verna Smith

#### **Basingstoke Canal Canoe Club**

Mr Bill Hansell

#### **Galleon Marine**

Mr Arthur McCaffrey

## **1422 APOLOGIES FOR ABSENCE [Item 1]**

Apologies were received from Saj Hussain, Adam Bates, Hayley Eachus, Helen Whitcroft, Angela Gunning, Verna Smith, Kate Tuck Ellie May, Tony Balch, Bill Hansell and Marisa Heath. A substitute attending on behalf of Bill Hansell.

It was noted that Jonathan Glen, Vice-Chairman, would act as Chairman for the meeting.

## **1522 MINUTES OF PREVIOUS MEETING: 15 JULY 2022 [Item 2]**

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

**1622 DECLARATIONS OF INTEREST [Item 3]**

There were none.

**1722 QUESTIONS AND PETITIONS [Item 4]**

There were no questions or petitions received.

**1822 ACTION TRACKER AND FORWARD WORK PROGRAMME [Item 5]****Officers:**

None.

**Key points raised during the discussion:**

1. The Chairman introduced the item. No comments were raised.
2. In regard to the Forward Work Programme, members were asked to contact the Chairman, Vice-Chairman or Committee Manager to put forward any suggestions for future items to consider.

**Resolved:**

The Joint Management Committee (JMC) agreed the action tracker and Forward Work Programme.

**1922 RISK REGISTER [Item 8]****Officers:**

James Taylor, Strategic Manager – Basingstoke Canal

**Key points raised during the discussion:**

1. Officers introduced the report and highlighted that the Risk Register was considered by the JMC annually at each November meeting.  
Members noted:
  - a. That three risks had got worse or had become more likely in the past 12 months
  - b. That the risk associated with culvert inspections (BCA53) was now a red risk and that the cost of the inspection was three times higher compared to 10 years ago.
  - c. That a risk associated with the recruitment and retention of staff had declined.
  - d. That the risk associated with earthworks remained a red risk.
  - e. That a key area of risk which had increased was surrounding Reservoir Safety due to increased standards by the Environmental Agency.
  - f. Two risks related to staff had moved in the right direction.
2. The Chairman highlighted that the highest risk related to funding.
3. A Member of the JMC highlighted an issue related to bridges. The Strategic Manager informed Members that the majority of bridges were not managed by the County Councils as part of the Canal and therefore issues related to bridges were not included within the Risk Register. The Strategic Manager however highlighted that there was a



duty of care under the Occupiers' Liability Act to the public using the Canal.

4. In regard to Risk BCA 54, a Member stated that COVID-19 was a declining risk and therefore should be reduced within the Risk Register. The Strategic Manager stated that the risk had declined due to the vaccination programme, increased number of staff, and reduced legal restrictions.
5. A representative from Rushmoor Borough Council stated that they needed to cut funding to the Basingstoke Canal for 2023/24 due to the need to create a balanced budget. The Member state that they did not intend for the funding to be cut permanently. The following comments were made:
  - a. The Chairman noted that, under the Memorandum of Agreement, a year's notice was required to amend agreed funding allocations. Following discussion, it was noted that a letter was sent to the wrong addressee and therefore was not sent to the Canal Authority to provide notification of the change.
  - b. The Chairman asked that a letter be sent to the Leader of Rushmoor Borough Council to highlight the year's notice requirement, to confirm that no letter of notification had been received, and to ask the Leader to reconsider the decision to withdraw funding.
  - c. A Member suggested that a letter be sent to all chief executive officers of council's that provide funding to the Canal to remind of the requirement to provide a year's notice.
  - d. A Member suggested that council's have their voting rights removed from the Basingstoke Canal Joint Management Committee in the event of funding withdrawal.
  - e. The representative from Rushmoor Borough Council stated that he would bring back comments to his council's leadership.
  - f. An officer highlighted the responsibility for council's to provide open spaces to local residents. In response, the representative from Rushmoor Borough Council provide detail on the open spaces already provided by the council.
  - g. The Chairman suggested that a face-to-face meeting be organised with the relevant executive Member, Leader and lead officer at Rushmore Borough Council. This suggestion was later superseded by A6/22 within Minute 1922.
  - h. A Member urged Rushmoor Borough Council to reconsider their decision.
  - i. A Member suggested that boating charges were increased in areas of reduced funding by councils. Following discussion, another Member suggested the introduction of carparking charges in areas of reduced funding by councils.
  - j. The representative from Rushmoor Borough Council said that there was a possibility of providing reduced funding instead of cutting funding altogether. The representative reiterated the need to produce a balanced budget at Rushmoor Borough Council.

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

That a letter be sent to the Leader of Rushmoor Borough Council to highlight the year's notice requirement, to confirm that no letter of notification had been

received, and to ask the Leader to reconsider the decision to withdraw funding.

**Recommendations:**

The JMC noted the annual revision to the Risk Register.

**2022 REVISED BUDGET 2022/23, FORECAST OUTTURN 2022/23, FORWARD BUDGET 2023/24 [Item 6]**

**Officers:**

Jenny Wadham, Honorary Treasurer  
James Taylor, Strategic Manager Basingstoke Canal  
Katie McDonald, Natural Capital Group Manager (SCC)

**Key points raised during the discussion:**

1. Officers introduced the report and provided a brief summary. It was noted that the the revised budget for the 2022/23 financial year was presented for approval to reflect extra works agreed for 2022/23 at the previous JMC meeting on 15 July. This increased the budgeted draw from reserves for 2022/23 from £30,000 to £82,000. Members further noted that the forecast outturn for the year to 31 March 2023 showed an £121,000 draw on reserves, compared to the revised budget draw of £82,000. Expenditure was forecast to be £21,000 under budget and income was forecast to be £60,000 lower than planned. In regard to the forward budget, officers had tried to create a balanced budget despite the increased pressures on income and expenditure. Issues related to there being no inflationary uplift on Partner contributions and there being a significant inflationary pressure on expenditure. The proposed overall income budget had been reduced by £12,000, primarily reflecting the reduction in Partner contributions. Several fee increases were expected to generate additional income; however, some income sources were suffering reduced demand. The Canal Maintenance Budget had been reduced to reflect the shortfall. Member noted details of the Capital Expenditure Programme and Reserves as outlined in the report. The officers went on to state that it was looking increasingly likely that there would be a need to draw from reserves just to cover annual expenditure and therefore there was need to consider other operating models.
2. The Natural Capital Group Manager informed the JMC that officers were concerned with how they would deliver services as expected and therefore it was agreed to commission consultants to provide advice and identify other possible funding models. The consultants would be speaking with members of the JMC to understand priorities for the Partnership. Members noted that an additional meeting would be scheduled in March 2023 to explore any options.
3. A Member of the JMC raised concerns around the reduction of the maintenance budget and stated that it would likely cause further issues in the long-term.
4. Members noted that consultants would consider all possible options to allow additional revenue to be produced for the Basingstoke Canal Authority.

5. Members asked whether the Authority could use capital funding to produce revenue streams. Officers stated that they would pass the comment on to the consultants however there could be issues related to the use of capital funds as they were usually only used for major maintenance on the Canal.
6. Members noted that the consultants selected had experience working with other waterways. Two meetings had been held between officers and the consultants and they had been signed off to begin work. Stakeholder meetings were expected to begin in December 2022.
7. A Member of the JMC stated that an asset register would be helpful to understand ownership of the assets belonging to the Canal. Furthermore, the Member suggested the creation of a depreciation reserve.
8. The Chairman felt it was important to relay the issues of the Canal back to each respective executive Member and officers.
9. A Member suggested that a face-to-face meeting be organised between all Partner council Leaders and executive Members to highlight the issues currently faced. A representative from the Basingstoke Canal Society (BCS) highlighted that there was ongoing work to create a pitch to highlight the importance of the Canal. It was suggested that the BCS be included within the face-to-face meeting. Furthermore, a representative from the BCS agreed to send photographs of the canal breach in 1968 to the Strategic Manager – Basingstoke Canal.
10. A Member asked whether it was possible to divest the Canal to a charitable trust. Officers stated that the option had been previously considered however it was not financially viable due to the number of significant liabilities.
11. It was noted that the Basingstoke Canal Society would form part of the stakeholder interviews within the consultation.

#### **Actions / Further information to be provided:**

Action A7/22 - To organise a meeting in March 2023 to discuss the outcome of the consultation.

Action A8/22 - That the Chairman send an invitation to all Partner council Leaders and relevant executive Members to attend a face-to-face meeting to highlight the issues currently facing the Basingstoke Canal. It was further agreed that officers and representatives from the Basingstoke Canal Society (BCS) attend the meeting to provide a presentation highlighting the importance of the Basingstoke Canal and its maintenance. All relevant Joint Management Committee members were asked to encourage their respective leaders and executive Members to attend the meeting.

#### **Resolved:**

1. That the Committee approved the revised budget for the 2022/23 financial year.
2. That the Committee noted the forecast outturn for the 2022/23 financial year.
3. That the Committee approved the forward budget for the 2023/24 financial year.

4. That the Committee supported a review by officers of possible alternative operating models to ensure the long term financial sustainability of the Basingstoke Canal.

## **2122 CANAL MANAGEMENT REPORT [Item 7]**

### **Officers:**

Fiona Shipp, BCA Canal Manager

James Taylor, Strategic Manager – Basingstoke Canal

### **Key points raised during the discussion:**

1. The officer introduced the report and provided a brief summary. Members noted details related to:
  - a. That the two key themes were related to water level and staffing.
  - b. In regard to water levels, Members noted that the levels of input from the aquifer held well and were able to continue to pass water down the Canal until on 22nd June when the Deepcut and Brookwood lock flights were closed. Ash Lock was closed on Fri 24th June. There was an unprecedented closure of the Mytchett pound to unpowered boats on 15th August and that this was the first time since restoration that this has had to happen due to drought and lack of water. The BCA were able to maintain powered and unpowered navigation in the Hampshire Pound for the full season. The Mytchett Pound remained extremely low but rainfall at the end of August allowed re opened to unpowered boats on 14th September.
  - c. Officers were concerned with the long-term impact of the recent drought however currently there were no signs of significant harm to either assets or wildlife. Members noted that there was no loss of fish stock.
  - d. In regard to staffing, two Assistant Rangers left in the last 6 months however there was recruitment to one of the vacant Waterway Ranger Posts. Five ranger posts were now filled with two currently undergoing training. One of the lock keeping positions had been moved to a seasonal position rather than a full time permanent position.
  - e. Noted details of the Safer Street Project related to a number of indecent exposure incidents in Woking.
  - f. Noted details related to the income lost due to the drought.
  - g. Noted that a Police Sergeant from Hampshire Police force had a two week placement and would be spending a further two weeks in the Winter. Officers stated that it was important for the Canal Authority to have contact with local police officers.
  - h. Thanked the Basingstoke Canal Society for their work with volunteers.
  - i. Provided an update on the Conservation Steering Group meetings which were held twice a year. An independent company had been asked to review records from the last 20 years to consider any correlations between the different factors that affect the Canal. The outcome of this would be a review of the Conservation Management Plan to try and import the

quality of Special Scientific Interest. Members noted that this was a statutory duty.

- j. In regard to asset management, Members noted details of the Deepcut Towpath Improvement, Swan “cutting” in Hampshire, Weirs and Sluices updates, as noted in the report.
2. The Chairman felt the introduction was very detailed and asked that the Canal Manager attend the meeting held with the Leaders and Executive Members, as noted and agreed earlier in these minutes, to give an overview of the work done by the Canal Authority.
3. In regard to the weed-cutter, Members noted that it had been out of action for around a year due to issues with procuring replacements parts. Work to design a new rake-head had taken place and officers were now close to having the new part made. Officers stressed that the procurement of replacement parts was usually a difficult process.
4. Members asked how long it would take for Deepcut Locks to be reopened. Officers hoped to reopen within the next month, depending on rainfall.
5. The Joint Management Committee congratulated the Canal Manager and her team for their work over the previous six months.
6. In regard to the aquifer, a Member highlighted that a water company’s abstraction licence ended in March 2023 and did not expect for it to be renewed.
7. Members reiterated their thanks to the team for all their efforts and praised their commitment to the Basingstoke.

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

None.

**Resolved:**

The Joint Management Committee noted the report.

**2222 ALTERATION TO THE PLANNED MEMORIAL BENCH SCHEME [Item 9]**

**Officers:**

Fiona Shipp, Canal Manager

**Key points raised during the discussion:**

1. Officers introduced the report and provided a brief summary. Members noted the current issues with the current bench process and were asked agree an alternative method of bench management on the Basingstoke Canal to be able to better manage the Canal’s bench provision.
2. A Member noted that the benches were well-used along the Canal. In regard to fund-raising, the Member also said that funds needed to be raised to also maintain existing and future benches.
3. Members acknowledged that the bench scheme could be an emotional subject for some people.
4. Members asked whether members of the public could pay for a memorial bench in full. Officers explained that this option was considered however there were additional costs related to administration and maintenance so the option was not viable. A

- Member suggested that, when paying for a memorial bench, additional funds were requested for administration and maintenance.
5. A Member suggested calling the scheme a 'Bench Facilitation Scheme' and framing the scheme around working with the client to find a mutually agreed bench and location. Officers acknowledged that not all benches would be 'in memorial' to something.
  6. The JMC noted issues related to their being preferred locations for benches and other areas less preferred.
  7. Members noted that the provision of benches in memorial was an issue across Surrey and Hampshire.
  8. A Member suggested the use of recycled materials to create benches which had the benefit of reduced maintenance.
  9. Members noted the option to allow members to the public to make donations towards benches in general rather paying to have a specific bench with a plaque placed along the Canal. In response, some members felt that members of the public would not find it as an appropriate option.
  10. A Member stressed the importance of benches to some residents and the issues standardising benches could cause.
  11. A Member stated that the thrust of the paper was to reduce administration for benches which in the scheme of things was a more minor matter given the overall concerns about staffing and funds.

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

None.

**Resolved:**

The JMC agreed to authorise the BCA Canal Manager and Strategic Manager to work with the BCS to implement the alternative bench policy and scheme of provision of benches for the Canal as an alternative to a memorial bench scheme.

The Chairman requested that, if following consideration of the comments raised during the meeting an amended scheme was considered worthwhile, a further report should be brought to the JMC for agreement.

**2322 BASINGSTOKE CANAL SOCIETY REPORT [Item 10]**

**Officers:**

Ian Moore, Basingstoke Canal Society

**Key points raised during the discussion:**

1. The representative introduced the report and provided a brief summary of the Societies achievements. These included:
  - a. Sustained membership numbers at around 1,000 and reached over 8,000 per week followers on social media sites
  - b. Organised and led a number of Corporate Volunteer teams delivering over 850 hours of labour on Hydrocotyle weed, lock gate painting towpath clearing. Members noted the various organisations that had attended.
  - c. Noted various projects to reduce the carbon dioxide produced on the Canal.

- d. Noted details of the Safer Streets Project. The scheme included increased patrolling of Police and Canal Watch Volunteers, and a reduced crime environment, and that the case study of Canal Watch on the Basingstoke Canal had won a public safety award and was now representing the United Kingdom at the international awards held in the United States of America. Members noted that part of the project included the removal of graffiti and the placement of CCTV cameras in some areas.
- e. Members felt it was important to publicise the work of the Safer Streets Project.
- f. A Member raised the possibility of asking asylum seekers to volunteer their time to work on the Canal.

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

None.

**Resolved:**

The JMC noted the report.

**2422 DATE OF THE NEXT MEETING [Item 11]**

The Committee noted that its next meeting would be on 7 June 2023.

Meeting ended at: 12.27 pm

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**Chairman**

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## **Basingstoke Canal Joint Management Committee**

**7 June 2023**

### **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.

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#### **Report contact:**

Joss Butler Committee Manager, Democratic Services SCC

#### **Contact details:**

Email: [joss.butler@surreycc.gov.uk](mailto:joss.butler@surreycc.gov.uk)

#### **Annexes**

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

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## Annex 1

### Basingstoke Canal JMC 2022 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.

<b>KEY</b>			
	No Progress Reported	Action In Progress	Action Completed

Date of meeting	Item	Action Ref:	Recommendations/Actions	Achieved/Outstanding?	Responsible Cabinet Member/Member/Officer
26 June 2019	Invitation to the Canal Centre	<b>A3/19</b>	The Committee agreed that an invitation to the Canal Centre would be sent to the new leader of Surrey Heath Borough Council.	<p>2019 - Completed, letter sent 8 July 2019.</p> <p>November 2019 - Members noted that the Leader of Surrey Heath Borough Council had not yet responded to an invitation to visit the Canal Centre. The Committee agreed to resend the invitation as an email and include Cllr Paul Deach and Cllr Sarah Jane Croke.</p> <p>November 2020 - The new Leader of Surrey Heath Borough Council was happy to accept the invitation however the visit has been delayed due to the coronavirus pandemic.</p> <p><b>November 2022 – verbal update</b></p>	James Taylor/ Chairman
26 June 2019	Commemorative Bench	<b>A6/19</b>	The Committee agreed to look into the options of providing a commemorative bench for Robin Higgs OBE, a former Basingstoke Canal Society chairman.	<p>July 2022 – Due to the staff shortages and other pressing matters this has not been progressed.</p> <p>November 2022 – see memorial bench policy on the agenda</p>	Fiona Shipp

KEY			
	No Progress Reported	Action In Progress	Action Completed

26 Nov 2021	Capital Works Project	<b>A2/21</b>	To form a working group of Surrey County Council, Hampshire County Council and the Basingstoke Canal Society to consider issues around dredging of the Basingstoke Canal and seek to identify any mitigating actions.	July 2022 – A verbal report on dredging was presented at meeting in July 2022.  November 2022 – Senior Officers and BCS Executive meet biannually to discuss a range of topics including dredging	Strategic Manager – Basingstoke Canal
15 July 2022	Potential funding sources for the Canal Partnership	<b>A1/22</b>	To revisit the Planning Guidance document with support from Planning Officers at Hampshire County Council / Surrey County Council, to assist in gaining Section 106 / Community Infrastructure Levy funds from developers.	November 2022 – No current progress due to other priorities	Strategic Manager – Basingstoke Canal
15 July 2022	Potential funding sources for the Canal Partnership	<b>A2/22</b>	That a guidance template be drafted with details on how future funding of organisations, similar to the Basingstoke Canal Authority, could be ensured and possibly be entrenched in statute. That the leadership at county, borough and district level be lobbied once the guidance has been drafted.	November 2022 – to be discussed under Item 6.	Chairman and Vice-Chairman
15 July 2022	Final Accounts	<b>A3/22</b>	An information sheet on the different benefits of the canal to be compiled, which could be used as a lever by members during discussions on funding/membership fees.	November 2022 – Initial workshop held	Strategic Manager – Basingstoke Canal

<b>KEY</b>			
	No Progress Reported	Action In Progress	Action Completed

15 July 2022	Canal Management Report	<b>A4/22</b>	A formal question be put to or a formal complaint be lodged with the Rushmoor Borough Council Executive on their decision to decrease their membership fees to the BCA.	See action A6/22	Chairman and Vice-Chairman
15 July 2022	Canal Management Report	<b>A5/22</b>	Angling Societies/Fishing Associations to be asked to make presentations to the committee on how they police their areas.	November 2022 – Invited to make a representation at the meeting.	Strategic Manager – Basingstoke Canal
3 Nov 2022	Risk Register	<b>A6/22</b>	That a letter be sent to the Leader of Rushmoor Borough Council to highlight the year's notice requirement, to confirm that no letter of notification had been received, and to ask the Leader to reconsider the decision to withdraw funding.	<b>Letter sent on 9 January 2022.</b>	Chairman
3 Nov 2022	Revised Budget 2022/23, Forecast Outturn 2022/23, Forward Budget 2023/24	<b>A7/22</b>	To organise a meeting in March 2023 to discuss the outcome of the consultation.	<b>Private meeting to take place follow June 2023 JMC.</b>	

KEY			
	No Progress Reported	Action In Progress	Action Completed

3 Nov 2022	Revised Budget 2022/23, Forecast Outturn 2022/23, Forward Budget 2023/24	<b>A8/22</b>	That the Chairman send an invitation to all Partner council Leaders and relevant executive Members to attend a face-to-face meeting to highlight the issues currently facing the Basingstoke Canal. It was further agreed that officers and representatives from the Basingstoke Canal Society (BCS) attend the meeting to provide a presentation highlighting the importance of the Basingstoke Canal and its maintenance. All relevant Joint Management Committee members were asked to encourage their respective leaders and executive Members to attend the meeting.		
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# Basingstoke Canal Joint Management Committee Forward Work Programme 2023

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

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## HAMPSHIRE COUNTY COUNCIL

## Report

<b>Committee/Panel:</b>	Basingstoke Canal – Joint Management Committee
<b>Date:</b>	7 <sup>th</sup> June 2023
<b>Title:</b>	Final Accounts 2022/23, Revised Budget 2023/24, Forecast Outturn 2023/24
<b>Report from:</b>	Report of Honorary Treasurer and Strategic Manager

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

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**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 2023, and the revised budget and forecast outturn for the year to 31 March 2024 to the Joint Management Committee for approval.

**Recommendations**

2. That the final accounts for the 2022/23 financial year be approved by the Committee.
3. That the revised budget for the 2023/24 financial year be approved by the Committee.
4. That the forecast outturn for the 2023/24 financial year be noted by the Committee.
5. That the Committee approves the proposal that a minimum unallocated reserve balance of £200,000 be added to the reserves policy.
6. That the Committee notes the forward look position.

**Executive Summary**

7. 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.

8. The final outturn position for the year to 31 March 2023 is a draw from reserves of £149,094 being the net expenditure on revenue activities, however interest received of £20,648 has meant a net reduction in the reserves balance of £128,446.
9. The £149,094 draw represents a significant increase on the £82,000 budgeted draw, primarily as a result of unplanned maintenance works, energy price inflation, the impact of the summer drought which negatively affected both visitor income and energy usage, and a reduction in partner contributions.
10. Pressures were partly offset by savings from staff vacancies, and delayed principal survey works, although the delayed works will instead impact the 2023/24 budget.
11. Additional donations from the Basingstoke Canal Society and Crookham Village Parish Council totalling £92,000 have funded towpath works, spot dredging and the purchase of a weed cutter that would not otherwise have been possible.
12. Since the 2023/24 forward budget was approved, a number of pressures have arisen from further reductions in partner contributions and increased maintenance and premises spend. A revised budget is therefore proposed for approval, which includes a £99,000 draw from reserves compared to a £nil draw in the original approved budget.
13. The current forecast outturn for 2023/24 predicts a slightly favourable position against the proposed revised budget, but still a draw from reserves of £93,000.
14. A number of capital projects were completed during the 2022/23 financial year, however, the majority of capital funding has been carried forward for spend in future years, although a significant amount of preparatory work for Swan cutting has been undertaken.
15. The balance held in reserves for Basingstoke Canal as of 31 March 2023 was £673,406, consisting of £593,406 in the general reserve and £80,000 ringfenced for towpath maintenance at Wellesley. The Dredging and Silt Disposal reserve was fully depleted in year. After allowing for interest receivable, the total reserves balance is budgeted to decrease to £590,037 by 31 March 2024.
16. It is proposed that the reserves policy be amended to include a minimum balance of £200,000 be held in the unallocated reserve to cover any exit costs including possible redundancy costs in the event of the Partnership being dissolved.
17. Reductions in partner contributions have created an ongoing budgetary pressure that means the current operating model is not financially sustainable, and if expenditure and income continue at current known levels, the unallocated reserve will be fully depleted by the end of March 2028.

## Final Accounts 2022/23

18. The final outturn position (as shown in Appendix 1) is a £149,000 draw from reserves – £125,000 from the general reserve and £24,000 from the dredging reserve. The total draw from reserves is £67,000 higher than the budgeted £82,000 and primarily reflects increased canal maintenance, energy price inflation and an underachievement of income, due partly to a reduction in partner contributions and partly as a result of the summer drought affecting visitor income.

### Expenditure

19. Expenditure for the year totalled £1.028m, £115,000 above the £913,000 budget, primarily due to significant overspends on canal maintenance and utilities, partially offset by underspends on staffing and principal surveys as detailed below.

20. Spend on canal maintenance was £195,000 higher than budgeted, however, £92,000 of this spend was funded from additional grants / donations and £24,000 by a specific draw from the dredging reserve. The underlying £79,000 pressure against the budget was due to unplanned works required for health and safety reasons and crucial canal operations, including £41,000 works arising from the tree inspection survey costs relating to the Surrey section of the canal.

21. The £116,000 additional maintenance works funded from grants, donations and reserves consisted of:

- £45,000 for spot dredging, which was funded by a £21,000 donation from the Canal Society and by drawing the remaining £24,000 balance in the dredging reserve.
- £21,000 for towpath repairs funded by a grant from Crookham Village Parish Council.
- £50,000 for a new weed cutter funded by the Canal Society.

22. The rise in electricity prices and increased electricity use as a result of back pumping at Woodham Pumping station to sustain water levels for houseboats during the drought, resulted in a £28,000 pressure on the premises budget. This pressure is expected to continue for at least the short term.

23. Also due to the dry weather, the £30,000 culvert survey works weren't able to be completed and have been delayed until the summer 2023. Tree and cutting inspections originally provided for in the Principal Surveys budget have been charged to maintenance (and came in at the lower cost of £17,500), giving rise to a £60,000 underspend against the Principal Surveys budget. The delayed surveys will become a pressure on the 2023/24 budget instead.

24. The staffing budget was underspent by £41,000 due to an Assistant Ranger position that is not being filled, as well as two other posts - a Visitor Services Assistant and a Lock Keeper - which became vacant in year and have not yet been recruited to.

25. Other budget variances include a £7,000 saving on transport costs, and a £17,000 pressure on supplies and services due to inflation and one-off costs such as new covers for Rosebud.

### Income

26. Income for the year was £879,000, £48,000 higher than the revised budget of £831,000. However, as set out above, £92,000 of this income was due to additional grants / donations to fund specific maintenance works. The underlying position is therefore a £44,000 underachievement of income arising mainly from the £22,000 reduction in partner contributions, as well as lost visitor income due to the drought conditions in the summer.
27. The £75,000 overachievement on the other grants and contributions budget reflects the additional funding received for the extra maintenance works. The Canal Society contributed a total of £71,000 to the dredging operations and for a new weed cutter, and Crookham Village Parish Council contributed £21,000 for towpath works. However, £5,000 of anticipated Higher Level Stewardship funding will not be received due to a late claim.
28. Rushmoor Borough Council reduced their contribution by £22,000 in year, creating a pressure on the budget, and further reductions in contributions from Rushmoor and Woking Borough Councils have been notified for future years, which will further increase the pressure. Nonetheless, at £500,000 the total partner contributions still make up the majority of the Canal's income and are therefore fundamental to the successful running of the Canal.
29. As a result of the dry weather, sales were £19,000 below budget. Rosebud Cruise sales were impacted due to low water levels making stretches of the canal unusable, resulting in a £10,000 shortfall. There was a £13,000 loss of income in unpowered boat hire for the same reason. However, the losses in income were partially offset by £4,000 increased Santa Cruise sales later in the year, with the Santa Cruises again proving to be incredibly popular.
30. Other smaller variances against the income budgets include reduced fishing fees and rental income pressures due to vacancies on the Farnborough moorings, partly offset by increased income from filming, and boat licences and camping which did benefit from the warm, dry weather.

## **2023/24 Revised Budget**

31. The forward budget for the 2023/24 financial year was formally approved by the Committee at the meeting of 3 November 2022. The budget approved was a balanced budget with no planned draws from, or planned contribution to, reserves.
32. After the forward budget had been approved, the Basingstoke Canal Strategic Manager was notified of a further reduction of £20,000 in Partners' contributions for the 2023/24 financial year. In response to this reduction in funding, an urgent review was undertaken to identify possible areas of savings that could be made to offset the reduced funding.
33. However, the review concluded that further reductions were not possible without compromising public safety, and furthermore, the review identified £45,000 additional expenditure required, consisting of engineering advice for maintenance projects expected to cost £15,000, and £30,000 for additional tree works required in Hampshire. The combination of the reduced funding and these further costs would result in a forecast pressure of £65,000 against the approved forward budget.
34. A report was taken to the Chair and Vice-Chair of the Joint Management Committee on 16 February 2023 seeking approval to incur the additional expenditure, knowing that this would

result in a £65,000 draw from reserves, with the intention of presenting a revised budget to the Committee for approval at the next meeting.

35. Following the finalised 2022/23 position, further additional pressures of £34,000 have been identified as follows:

- £26,000 for increased energy costs
- £8,000 to increase the principal surveys budget to £30,000 to complete the deferred culvert survey.

36. A proposed revised budget for the 2023/24 financial year to reflect the increased planned spend and reduction in contributions set out above is included at Appendix 3 for the Committee's approval.

37. The unallocated reserve balance had been projected at £630,000 by 31 March 2024, and therefore with the final 2022/23 year end position and revised budgeted £99,000 draw in 2023/24 (equating to 17% of the unallocated balance), the projected balance would reduce to £510,000.

### **2023/24 Forecast Outturn**

38. The forecast outturn is presented in comparison to the proposed revised budget at Appendix 4.

39. At this early stage of the financial year, a small overspend on the expenditure budget is forecast due to spend on shop stock and people safe devices and an increase in cleaning costs due to inflation and cleaning of an extra site. However, additional income is forecast from recovery of the higher electricity costs from the Canal Café and project officer time recharged for working on HCC/SCC capital projects. The net forecast is therefore a small £6,000 reduction in the budgeted draw from reserves to £93,000.

### **Capital Expenditure Programme**

40. Appendix 5 shows the final capital outturn for 2022/23 and the budgeted expenditure for 2023/24.

41. Capital expenditure for the Canal is managed as two separate capital programmes by Hampshire County Council and Surrey County Council.

42. The slippage of revenue culvert principal inspections will affect both programmes in future years, with any works needed as a result of the inspections now happening later than originally planned.

### **Hampshire County Council**

43. The Hampshire County Council capital programme is managed through one-off lump sum contributions for specific projects, with any remaining capital balance rolling forward each year until fully spent.

44. As of 1<sup>st</sup> April 2022, the balance available in the Hampshire County Council capital programme was £1.242m.
45. During the 2022/23 financial year, £183,000 was spent on projects with the major spend on bank protection projects which include works at Crookham and the combined dredging and bank protection work over winter in the Odiham / Winchfield area.
46. £69,000 was spent on the design and purchase of replacement sluice gates with the old gates having reached the end of their useful life. The gates were delivered in the 2022/23 financial year but will be fitted in the 2023/24 financial year.
47. A great deal of preparatory work has been ongoing for the proposed Swan “Cutting” project including engineering design and checking, preparatory surveys and initial meetings with regulators.

### **Surrey County Council**

48. 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. There was also £39,000 carried forward from 2021/22 giving a total of £189,000.
49. During the 2022/23 financial year, £85,000 was spent on projects including £47,000 on lock gates and £22,000 on bank repairs surrounding locks.
50. This was considerably less than forecast, with several projects slipping due to low officer availability and reliance on external resources, particularly notable for the projects relating to buildings or with a mechanical / electrical aspect where specific external expertise is required.
51. Of the remaining £104,000 balance, £89,000 will be spent on works reprofiled to 2023/24 and £15,000 will be carried forward to future years.

### **Special Projects**

52. 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**

53. This project relates to one-off Heritage Lottery funding to restore Odiham Castle, with the remaining balance being used to refresh the signs and paths. Of the £2,211 balance at the start of the 2022/23 financial year, £1,697 was spent on installing signs. The remaining £514 is planned to be spent in the 2023/24 financial year on replacing the interpretation boards, bringing an end to this project.

#### **Higher Level Stewardship funding**

54. Higher Level Stewardship (HLS) funding was historically received from the Rural Payments Agency by both Hampshire and Surrey County Councils for grassland maintenance and was used to offset staffing costs of the Canal. However, the agreement with Surrey County Council ended in October 2021 and Hampshire County Council's agreement ended in November 2022, and no future HLS work will be undertaken in future.

55. Funding of £5,226 had been anticipated in 2022/23 for the final year of Hampshire's agreement, however, the claim was refused due to late submission as a result of long-term staff absence.

#### Hampshire County Council Path Recovery programme

56. Although entirely separate to the Basingstoke Canal, the establishment of a £500,000 Path Recovery programme was agreed by Hampshire County Council in 2021/22 to carry out remedial works to improve the condition of the worst affected rights of way and countryside paths in Hampshire after the increased usage during the Covid 19 pandemic. £30,000 of this sum was allocated to spend along the Basingstoke Canal towpath, with £13,000 spent in the 2021/22 financial year on improvements to the Ash Lock towpath, and the remaining £17,000 spent within Hampshire County Council's Countryside service in 2022/23, completing the works.

#### **Reserves**

57. The Basingstoke Canal reserves consisted 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.

58. The total reserves for the Basingstoke Canal Authority were £673,406 as of 31 March 2023, a reduction of £128,446 from the position at the end of 2021/22. A detailed breakdown of the reserves is shown in Appendix 6.

59. The balance on the Unallocated Reserve as at 31 March 2023 was £593,406 which equates to over 7 months of budgeted expenditure.

60. In 2022/23 interest of £20,648 was received, paid at an average rate of 2.29% on all reserve balances.

61. The £24,000 opening balance in the Dredging reserve was fully drawn to contribute towards the cost of spot dredging in year, and this reserve is therefore now depleted. No draws were made from the Wellesley reserve, which remains at £80,000.

62. The 2023/24 proposed revised budget provides for a further draw from the Unallocated Reserve of £99,000, reducing the budgeted balance to £510,037, which equates to just over 6 months of budgeted expenditure.

63. The reserves policy has not previously specifically referenced a minimum balance to be maintained, to cover any exit costs including possible redundancy costs in the event of the Partnership being dissolved. Given the financial position of the Canal and the expected draws from reserves, it is recommended a minimum balance is set at a proposed level of at least £200,000 (which equates to three months of budgeted annual expenditure). However, the aim would continue to be to maintain the unallocated reserves at a higher level to also provide suitable contingency for unexpected expenditure or an unexpected drop in income.

7 64. Adopting this proposed minimum reserve balance would reduce the expected available unallocated reserve balance as at 31 March 2024 to £310,037.

## **Forward look**

65. In 2023/24 the funding from Rushmoor Borough Council will cease, reducing partner contributions by £20,000, which is factored into the proposed revised 2023/24 budget. From 2024/25, partner contributions will reduce by a further £27,000, with Woking Borough Council halving their contribution.

66. As mentioned above, in February a review was undertaken of the financial position, and at that time on the assumption that funding remains at current known levels and that annual expenditure remains at similar levels to that expected for 2023/24, it was concluded that annual draws in the region of £92,000 would be required from the unallocated reserve. The additional pressures highlighted from the final outturn position have increased this to an expected annual draw of £126,000. This would result in the unallocated reserve dropping below the proposed minimum balance in the 2026/27 financial year and being fully depleted by the end of the 2027/28 financial year.

67. The Committee had previously confirmed its support for a review by officers of possible alternative operating models to ensure the long-term financial sustainability of the Basingstoke Canal. The Basingstoke Canal management team instructed independent consultants to assist with this review over December/January, with the outcomes and proposed actions covered in a separate, confidential report.

68. The Canal is in the position of having time to transition to a new, more financially sustainable operating model, due to its history of good budget management leading to a reasonable balance within reserves. However, given the further deterioration in the financial position of the Canal, the window for action is narrowing.

## **Conclusion**

69. The final outturn for 2022/23 is worse than budgeted and forecast, with a £149,000 draw from reserves rather than the budgeted draw of £82,000.

70. However, despite the worsened financial position, towpath works, spot dredging and the purchase of a weed cutter were all possible due to contributions from the Basingstoke Canal Society and Crookham Village Parish Council.



71. Although the impact of COVID has receded, new pressures have emerged in increased energy prices and as a result of the drought over the summer months. Furthermore, the actual and notified reduction in partner contributions has created an ongoing pressure, meaning that the Canal is not financially sustainable in its current operating model, and therefore changes are required.
72. The total balance within reserves as of 31 March 2023 is £673,406, budgeted to fall to £590,037 by 31 March 2024. The balance within the Unallocated Reserve equates to six months of budgeted expenditure, which is considered a reasonable level, but cannot be relied upon to address the ongoing budget shortfall.

## Appendix 1 – Final Outturn for the Year Ended 31 March 2023

	Revised Budget 2022/23 £'000	Forecast Outturn September £'000	Final Outturn 2022/23 £'000	Over/ (Under) Budget £'000
<b>Expenditure</b>				
7 Employees	542	526	501	(41)
Premises	24	32	52	28
Canal Maintenance	157	169	352	195
Principal Surveys	60	30	0	(60)
Transport	41	38	34	(7)
Supplies & Services	89	97	89	0
<b>Total Expenditure</b>	<b>913</b>	<b>892</b>	<b>1,028</b>	<b>115</b>
<b>Income</b>				
General Fees & Charges	143	138	142	(1)
Grants & Contributions - Partner	523	501	500	(23)
Specific Partner Grants	0	0	21	21
Grants & Contributions - Other	17	16	92	75
Rental Income	64	56	59	(5)
Sales Income	84	60	65	(19)
Other Miscellaneous Income	0	0	0	0
<b>Total Income</b>	<b>831</b>	<b>771</b>	<b>879</b>	<b>48</b>
<b>Contribution from/(to) Reserves<sup>1</sup></b>	<b>82</b>	<b>121</b>	<b>149</b>	<b>67</b>
<b>General Reserves</b>				
Opening Balance	(802)	(802)	(802)	0
Contribution from/(to) Reserves	82	121	149	67
Interest on balances	(1)	(14)	(21)	(20)
<b>Closing Balance</b>	<b>(721)</b>	<b>(695)</b>	<b>(674)</b>	<b>47</b>

## Appendix 2 – Partners Contributions for the Year Ended 31 March 2023

	Contributions per the Original Agreement £	Notified & Actual Contributions £	Variance £
<b>Partner Contributions</b>			
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	20,000	(22,246)
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
<b>Total Partner Contributions</b>	<b>547,682</b>	<b>500,285</b>	<b>(47,397)</b>

**NB** the table above excludes the additional one-off grant contribution from Crookham Village Parish Council to fund towpath works.

## Appendix 3 – Proposed Revised Budget for the Year Ended 31 March 2024

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	Approved Budget 2023/24 £'000	Increase / (Decrease) to Budget £'000	Revised Budget 2023/24 £'000
<b>Expenditure</b>			
Employees	568	0	568
Premises	26	26	52
Canal Maintenance	107	45	152
Principal Survey Work	22	8	30
Transport	35	0	35
Supplies & Services	61	0	61
<b>Total Revenue Expenditure</b>	<b>819</b>	<b>79</b>	<b>898</b>
<b>Income</b>			
General Fees & Charges	149	0	149
Grants & Contributions - Partner	500	(20)	480
Grants & Contributions - other	12	0	12
Rental Income	70	0	70
Sales Income	88	0	88
<b>Total Revenue Income</b>	<b>819</b>	<b>(20)</b>	<b>799</b>
Contribution from/(to) Reserves	<b>0</b>	<b>99</b>	<b>99</b>
<b>General Reserves</b>			
Opening Balance	695	(22)	673
Contribution (from)/to Reserves	0	(99)	(99)
Interest on Balances	15	0	15
<b>Closing Balance</b>	<b>710</b>	<b>(121)</b>	<b>589</b>

## Appendix 4 – Forward Outturn for the Year Ended 31 March 2024

	Revised Budget 2023/24 £'000	Forecast Outturn 2023/24 £'000	Forecast Variance £'000
<b>Expenditure</b>			
Employees	568	570	2
Premises	52	52	0
Canal Maintenance	152	152	0
Principal Survey Work	30	30	0
Transport	35	35	0
Supplies & Services	61	64	3
<b>Total Revenue Expenditure</b>	<b>898</b>	<b>903</b>	<b>5</b>
<b>Income</b>			
General Fees & Charges	149	149	0
Grants & Contributions - Partner	480	480	0
Grants & Contributions - other	12	23	11
Rental Income	70	70	0
Sales Income	88	88	0
<b>Total Revenue Income</b>	<b>799</b>	<b>810</b>	<b>11</b>
Contribution from/(to) Reserves	<b>99</b>	<b>93</b>	<b>(6)</b>
<b>General Reserves</b>			
Opening Balance	673	673	0
Contribution (from)/to Reserves	(99)	(93)	(6)
Interest on Balances	15	15	0
<b>Closing Balance</b>	<b>589</b>	<b>595</b>	<b>(6)</b>

## Appendix 5 – Basingstoke Canal Capital Programme for the Year Ended 31 March 2023

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	Surrey County Council Programme £'000	Hampshire County Council Programme £'000	Basingstoke Canal Total £'000
<b>Balance as at 31 March 2022</b>	<b>0</b>	<b>1,242</b>	<b>1,242</b>
<b>Funds in:</b>			
Core capital contribution	150		150
Carried forward from 2021/22	39		39
<b>Total Funds in</b>	<b>189</b>		<b>189</b>
<b>Funds out:</b>			
Bank Works	22	113	135
Canal Structure	47	69	116
Buildings	3		3
Engineering Advice	13		13
<b>Total Funds out</b>	<b>85</b>	<b>182</b>	<b>267</b>
<b>Balance as at 31 March 2023</b>	<b>104</b>	<b>1,060</b>	<b>1,164</b>

## Appendix 6 – Basingstoke Canal Budgeted Reserves

	Unallocated Reserve £	Dredging & Silt Disposal £	Wellesley Reserve £	Reserves Total £'000
<b>Balance at 31 March 2022</b>	<b>(697,774)</b>	<b>(24,078)</b>	<b>(80,000)</b>	<b>(801,852)</b>
Income (interest on balances)	(20,648)	0	0	<b>(20,648)</b>
Transfers To / (From) Reserves	125,016	24,078	0	<b>149,094</b>
<b>Balance at 31 March 2023</b>	<b>(593,406)</b>	<b>0</b>	<b>(80,000)</b>	<b>(673,406)</b>
Income (interest on balances)	(15,631)	0	0	<b>(15,631)</b>
Budgeted Transfers To / (From) Reserves	99,000	0	0	<b>99,000</b>
<b>Projected Balance at 31 March 2024</b>	<b>(510,037)</b>	<b>0</b>	<b>(80,000)</b>	<b>(590,037)</b>

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## BASINGSTOKE CANAL JOINT MANAGEMENT COMMITTEE

Date: 7 June 2023

### Canal Management Report

Lead Officers: Fiona Shipp / James Taylor

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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 1st half of 2023; and to report the work of the Conservation Steering Group.

### Officer's Recommendation

That the Committee note the content of the report

### Operation & Maintenance

#### BCA Maintenance & Inspection Works

- Length Inspections, Supplementary Inspections, Reservoir Surveillance Inspections have all been carried out as planned.
- The list of Supplementary Inspections has been reviewed by the Waterway Inspector and Canal Engineer. Several sites that have been monitored for some time following repair works are now deemed to be resolved, and the inspection regime reduced to normal levels.
- During regular inspection small leaks have been found at two locations in Woking which are being monitored by the BCA under the direction of the Canal Engineer. Works may be required to rectify these with funding from the SCC capital programme. A further leak site in Hampshire which had received previous attention started to leak again, and a more permanent solution was required, with "soft bank" restoration works being undertaken by a contractor.
- Crookham Parish Council provided grant funding of £21,000 to improve the towpath surface from Malthouse bridge through to Zebon Copse Swing bridge and a small section under Poulter's bridge.
- There was a major pollution incident in Woking town centre where a delivery truck hit a bollard and ruptured its fuel tank, with the spillage of approximately 650 litres of diesel transferring through the storm drain system into the Basingstoke Canal. The Environment Agency initially led on the clean-up operation, with support from Basingstoke Canal Authority, Woking Borough Council and Thames Water, working to contain the spill by placing oil booms in strategic locations. This was then taken over by a specialist company working on behalf of the polluter. The clean-up took 7 weeks. The incident has damaged the ecology, as well as BCA income and reputation.
- The BCA ranger team have installed a new entrance off Ively road, Fleet to provide easier vehicular access to Norris weir in agreement with Hampshire Highways and the MoD.

- An intensive search for the invasive Floating Pennywort was carried out in the Fleet area in April, this was a partnership approach with Loddon catchment group, EA & Fleet Pond working alongside canal staff and volunteers. Approximately half a bin bag of the plant was found and removed.
- The BCA Ranger team assisted by contractors installed a new set of upper lock gates at Lock 3.
- New gaugeboards were installed in the Mytchett Pound following the direction of the Inspecting Engineer for the Reservoir.
- Works were undertaken by contractors at Locks 8 and 26 to deal with a voiding created by a leaks in the lock bypass pipes.
- The older weedcutter (Millie2) is back up and running with a new bespoke rake head manufactured. This is just awaiting its PUWER inspection.

## 8

### Staffing

- A new Assistant Waterway Ranger - Jack Shepherd, joined us in January on a two-year contract.
- All Waterway Ranger posts are now filled, Jayne Raby filling the final post in the autumn of 2022. Jayne has already started 'duty' cover, and this is now on a 1 week in 5 basis.
- The Visitor Services Assistant left in December and this post has not been refilled to try and save costs of running the visitor centre and campsite, but on the basis that an on-line booking system was implemented to deal with the operation of the campsite.
- Unfortunately, we now have a vacant Lock Keeper post which we are currently trying to recruit into and the next round of interviews will be in June.
- Staff have been undertaking training in Brushcutters, Mowers, Woodchipper, Chainsaw, Manual Handling, and Basic Tree Inspection.
- The whole BCA team undertook a conservation-based task at Claycart Flash in March to remove encroaching scrub – this was part works and part team building exercise.

### Events/Visitor Services

- Water levels recovered from the summer drought over the autumn, and we were able to re-open to powered boats on the Mytchett Pound on 2<sup>nd</sup> Nov 2022.
- The reopening was in time to enable the Santa Cruise event to go ahead; this did really well and broke its income target generating £28K gross.
- On social media our number of followers (as of 26/4/22) are:  
     Facebook – 8641 (Sept 2022 - 8367) Followers,  
     Instagram – 1292 (Sept 2022 - 1237) Followers,  
     Twitter – 1837 (Sept 2022 – 1864) Followers
- Travellers returned to the campsite just before Easter. The campsite subsequently lost over £600 income over Easter as a result of cancelled bookings. The BCA were disappointed with support from the Police despite a number of incidents and alleged offences being reported.
- The Visitor Services team are working on an online booking system which initially will be used for camping, with the aim to roll it out for other income generating activities such as boat hire and boat trips if it's successful. This is currently being developed and should be ready by July.

### Conservation

- The Conservation Management Steering Group meeting was held on 19<sup>th</sup> April. The primary business was Thomson Ecology presenting their final report on data analysis, examining relationships between environmental and human interactions to look into the relationships and factors that may be affecting the condition of the Canal SSSI. This report makes recommendations for future management, a key area of this suggesting site focused management on areas with most potential for improvement. This study is the most comprehensive of its kind for similar canals and will likely become a nationally referred to study, informing future management for other canals managing SSSI status alongside other pressures.
- Since the dredging works have been completed a 'Dead Slow' speed limit has been imposed with signage through each of the areas that were dredged to protect plant species which will need to recolonise the dredged areas.

## Volunteers

- Three new volunteers are being trained up as Volunteer Leaders to help manage our volunteer work parties.
- The newly formed Western End Work Party (a volunteer-led group working to BCA's policies/procedures and making use of the Canal Society's work boat on days when she is otherwise not being used) have also been tackling some offside cutting near Lousey Moor and carrying out sign installation for the dredging and some follow-up surveying.
- The Patrol Boat is now back out on regular patrol, fully crewed by volunteers.
- The Tuesday volunteers have had a busy winter;
  - Carrying out sapling management alongside the towpath and water's edge throughout the Canal. Their work clearing the stretch along the Brookwood mile and Brookwood Lye made a significant difference in improving the towpath for cyclists and pedestrians, with many positive comments and thanks from those using it.
  - Clearing the overgrown field at the Broad Oak silt dump, using the cut saplings and branches to make a silt barrier and enabled the deposit of dredgings from this winters spot dredging works.
  - The work boat was used to access and cut back the invasive bamboo near lock 8.
  - Invasive Floating Pennywort clearing took up a few task sessions in the Woking pound through to the junction with the Wey.
  - Earlier in the season a task day at Odiham Castle saw the volunteers cutting back vegetation and laying fresh shingle to keep the site maintained for visitors.
  - More recently 3 weeks of task sessions saw the volunteers replacing old fencing at the Canal Centre campsite ready for the new camping season.
  - Overall, for 2022-2023 financial year the Canal logged 20,633 Volunteer hours.

## Management Actions

**Partnership finance** – following the announcement at the November 2022 JMC that Rushmoor were withdrawing all funding, the budget was reviewed, to see if it could be balanced. However, the review only revealed further pressures especially in terms of health & safety related tree works. The revised budget will therefore be calling on the reserve and is further referenced in the Finance Report.

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

- **Tree Inspections** – SCC's Arborists are currently carrying out the delayed inspection of the Hampshire half of the Canal.
- **Mytchett Lake Reservoir** – The independent Inspecting Engineer has carried out the 10-year assessment of the reservoir and has directed a series of Measures in the Interest Of Safety – it is a legal requirement for these to be carried out. Work has been ongoing on the Draw Down and Flood Study with appropriate consultants and a number of the more practical items such as the releveling of the gauge boards, and management of vegetation on the embankment. The Strategic Manager has written to the EA following the receipt of legal advice regarding responsibility for areas outside of SCC's canal ownership.
- **Regular Liaison Meetings** – Basingstoke Canal Society (BCS), Boat User Group, Basingstoke Canal Angling Association, and regular meetings with a number of commercial/quasi-commercial operators. BCS – Planning group. The Canal Manager gave a talk on Risk Management to members of the Canal Society at their Chobham talk in February.

## Asset Management Programme

The following works from the County Councils' "capital" asset management programme were undertaken from the 2022/23 programme, or have been carried forward to the 23/24 programme:

## Surrey

- **Deepcut Towpath Improvement** – Legal advice was obtained as to whether planning consent was required and if so the determining authority; with it being determined that consent was required and SCC are to be the determining authority. The requirement to gain planning consent has slowed implementation by 12 months due to the number of pre-application surveys and supporting documents that are required. Construction is now expected in summer 2024.
- **Lock gate cyclical replacement programme** – lock gates were purchased for Lock 3 which were installed by the BCA.

## Hampshire

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- **Crookham Deeps** – the interim works to solve the main leak site are being monitored.
- **Swan “cutting”, North Warnborough** – The Canal Manager and Strategic Manager together with Engineering and other professional colleagues at Hampshire County Council continue to work on this project. Hampshire County Council geotechnical engineers are currently drawing up the design for this project.
- **Spot Dredging & bank repairs** – Spot dredging works were carried out between Barley Mow and Broad Oak totalling approx. 583m in length. Areas of bank were also repaired using the arisings from the dredging. Dredging is extremely expensive at around £140k per kilometre, and the HCC capital programme allocation was supported by an additional amount from BCA revenue and a donation from the BCS.
- **Weirs and Sluices** – As a result of the previous principal inspection of weirs and sluices elements at Norris Hill weir/sluice were noted as life expired or needing major attention, with a complete replacement of the sluice gates essential. In order to improve water safety on the Canal and address more minor issues identified at North Warborough and Farnborough Road, Aldershot - three new dual leaf weir penstock gates have been purchased. This style of gate was successfully installed at Hermitage weir in Woking in 2016 and require less staff intervention to manage winter water levels with improved safety for waterway users. Consents and a tender for installation are currently being sought with works expected mid to late summer.

## Both counties

- **Culvert Inspections** – Allocations for expected repairs following the Principle Inspection of culverts have been carried forward due to the delay to the inspection which is not expected until stream and ditch levels subside in drier weather.

## June 2023 Basingstoke Canal Society (BCS) Report to JMC



### Executive Summary

*The Basingstoke Canal needs all Councils to play their part in maintaining this wonderful world class asset for residents and visitors to continue to enjoy now and in the future. The BCS is actively doing our part - and plan to do more. The councils need to do theirs'*

#### The Canal Society's work in the last year includes:

1) Volunteer support. The BCS has, in terms of volunteers, contributed over £280,000 (28k hours @ £10) in kind in the last 12 months towards the operation of the Basingstoke Canal. This labour, includes vegetation management, lock gate painting, graffiti removal, ongoing maintenance engine repairs to the workboats and weedcutter etc.

2) Hard cash: In hard cash terms we contributed £12,000 to the Basingstoke Canal Authority (BCA) to help out their training budget, over £20,000 for the spot dredging programme around Odiham, and last but not least over £50,000 for the purchase of a brand new Conver weedcutter – launched on 17<sup>th</sup> May from Spantons Wharf in Woking

Therefore, the Canal Society has **donated over £80,000 of hard cash** in recent months.

In addition, we are planning a £175,000 spend on a new electric trip boat (with disabled access) for 2024 along with environmentally friendly electric points along the canal. (The Basingstoke Canal will be leading the way!)

3) New electric equipment: Wherever possible we have been increasing the BCA stock of Stihl electric power tools by purchasing new equipment and donating them to the BCA so that the older petrol engine kit can be retired. Indeed, we are now one of Stihl's chosen charities

4) Our trip boats safely carried over 7,000 passengers in the 2022 season – a remarkable achievement as the country recovers from the pandemic.



**Conver weedcutter in Woking**

5) 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, that supplements the BCA's own internal staff and helps avoid the costs of engaging outside consultants and contractors.

6) work with Surrey Police and local residents in the development of a Canal Watch for the Woking stretch. This initiative meant that Surrey Police won the National Tilley award sponsored by the Home Office. They are now competing in the International Awards event, using the Basingstoke Canal as a successful Police/community crime solving partnership case study.

### **Proactively launched a Campaign to help 'Keep our Canal Alive'**

The BCS are the “ Guardians of the Canal” and the original instigators of the project to reopen and rejuvenate the Basingstoke Canal and **address the real risk caused by some local councils reducing their funding (which in itself has not been inflation adjusted for the last 10 years)**

So despite the action of some councils, our commitment is to protect the canal for the benefits of all users and the community **notably the hundreds of thousands of local council taxpayers who use the canal**

And let’s not forget the real benefits the Canal brings. It is rated as 13<sup>th</sup> in the top 100 waterways in the world – an outstanding achievement. It brings significant benefits:

- Health and Well Being: with the pressures on the NHS and Mental Health, the canal is a vital amenity. We cannot put it at risk and put more pressure on the NHS. Over the last couple of years the numbers using the Canal for recreation have in some cases tripled and caused a degradation of the towpath surface in some areas. Various University studies have demonstrated that access to the waterway network across the whole of UK delivers over £1bn of mental health benefits to the NHS.
- Environment: the canal has SSSI status in view of its unique plant life. Residents value this
- Social: it is used by walkers, cyclists, canoeists, paddleboarders - and frankly people just wanting to find a local place to relax
- Quite simply it is highly valued by the majority of local residents

#### **Our action - The BCS Campaign objectives:**

- 1) **To raise major funds to support agreed projects.**
- 2) **To work with councils to ensure they realise the benefits to their Council Tax payers and actively support the canal.**
- 3) **To raise awareness in the local community of the risks and need to support the canal the canal through donations and membership - and the associated risks if we do not.**

Already we have:

- launched the Campaign via Facebook and other Social Media channels, plus posters..... it will be actively promoted through work parties and all contacts with members of the local public.

The Basingstoke Canal Society

**KEEP YOUR CANAL ALIVE!**  
Help safeguard your and your neighbourhood's health and habitat

Find out more on donating or become a member of the Basingstoke Canal Society

Feel healthier!  
Use the 'green gym' where you can walk, run or cycle for free, taking care of your physical and mental health.

Feel happier!  
Study shows spending time by a canal can make you feel happy\* whether on the footpath or navigating the water.

Feel connected!  
An opportunity to meet people, make new friends or volunteer to make a difference.

Appreciate nature!  
Support the biodiversity and the variety of nature the canal brings to your doorstep for future generations to enjoy.

www.basingstoke-canal.org.uk/keep-your-canal-alive

- we participated in a BBC podcast celebrating the waterways of Surrey in association with Surrey Day
- we were also interviewed by BBC Radio Surrey with regard to our Save our Canal Campaign and the challenges that not only the Basingstoke Canal faces but all the waterways in the UK face due to lack of funding, from Scotland down to the South East.
- the main thrust was essentially if you, the listener, are passionate about the environment and use the canal please put your hand in your pocket and help us help the BCA look after this world class asset.

#### **What we now ask the local councils to do....**

- Local councils to continue to financially support the Canal at the agreed level under the Canal Partnership Agreement
- Councils to recognise the wider real benefits, economic, social and health to the local community
- promote the Canal as a recreational attraction and a source of health and wellbeing through Councils websites and marketing activities at every opportunity

#### **Finally, other BCS achievements this year**

**-Strong working relationship with BCA.** An important plank of the Society work is continuing with a more structured working relationship with the BCA. This includes regular monthly meetings for Canal Operations and a separate Strategy meeting to agree a joint projects list.

- With the decline in the restrictions caused by the pandemic, the Society has been able to safely restart its activities, however trips in Woking were somewhat delayed by a diesel oil spill.

- Sustain our membership numbers at around 1,000 and reach over 20,000 people a week on Facebook along with 5500 Followers on social media sites

- as noted we have already led around 10 Corporate Volunteer teams delivering over 400 hours of labour on Hydrocotyle weed removal, graffiti removal, vegetation management, etc. This includes SC Johnson, AECOM, Ion Group, Yorktel and Discover. We have been working with CMMP, CSR officers of some local councils and Voluntary Services. All done in collaboration with the BCA team. Many of these companies give a donation of upwards of £800 towards the day – which is fed through to the BCA in due course.

-We have coached and mentored youngsters doing their Duke of Edinburgh awards, for example one young person in Woking in over a 6 month period of time collected approximately 200 kg of litter from the towpath. (In these cases they work with their parents and not with a BCS member).

- hosted Nick Wood-Dow (Deputy Lord Lieutenant) onboard Kitty to celebrate Surrey Day

- we plan to purchase defibrillators for installation on all the boats in the BCS and BCA fleet, currently only John Pinkerton has one, as does Dawn (an Accessible Boating Association vessel)

- supporting a series of events, for example, Fleet Coronation Festival, and many more in the pipeline

- appointing a health & wellbeing volunteer to lobby for the medical benefits that the Canal brings to local residents and users.

-dedicated planning team supporting 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.



**Volunteers removing graffiti in Woking (before)**



**Volunteers removing graffiti in Woking (after)**



**Celebrating Surrey Day**





**Removing trolleys (yet again)**



**Replacing the fencing around the Mychett camp site**

**Key projects for 2023/24**

- working with the campaign team to prepare a presentation programme to each riparian Council 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
- BCS volunteers continue to help BCA maintenance team maintain and improve the towpath and waterway
- Work with various partners, BCA, Whitbread, SCC, WBC and UKPN to install electric power infrastructure into Woking
- contract and operate a new £175k all-electric trip boat at Woking; a build slot has been reserved with Brayzel Boats for delivery in Q4 2024. This will reduce our carbon emissions in an urban environment by nearly 4 tonnes.
  - Ensure a resolution to the Swan Cutting navigation issue to mitigate the impact on Accessible Boating/John Pinkerton II trips to King John's Castle.

***To close: The Basingstoke Canal needs all Councils to play their part in maintaining this wonderful and world class asset for residents and ratepayers to continue to enjoy in the future. The BCS is actively doing our part - and by working together we will do a lot more***

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