

Basingstoke Canal Joint Management Committee**Memorandum of Agreement - Decision Paper****14 February 2014**

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County Council**Key Issue**

To approve an updated Memorandum of Agreement for the Basingstoke Canal Partnership.

Summary

A number of changes have occurred in the operation of the partnership since the Memorandum was last agreed in October 2008. The Memorandum has been updated to reflect those changes.

Officer's recommendation

The Committee is asked to approve the updated Draft Memorandum and require Partner Authorities to seek ratification under each partners own standing orders.

1 Introduction & background

1.1 Since the last Memorandum of Agreement in 2008 a number of changes have been made to the operation of the Basingstoke Canal Authority, particularly in terms of personnel and structure.

2 Consultation

2.1 Officers from the partner authorities, the Basingstoke Canal Society and Natural England have been consulted as part of the Joint Advisory Group.

2.2 The Hon Treasurer has made comments from a financial perspective, and Surrey County Council as the Hon Secretary has sought legal advice to ensure the proposed revisions are lawful.

3 Discussion

3.1 The MoA has been revised to reflect changes in staffing. Most prominently the removal of the Canal Director post and replacement of that role by a Canal Manager to lead the BCA, and the extension of the role of Countryside officers from the owning County Councils into strategic management.

3.2 A number of proposed plans were not produced under the previous Canal management; the opportunity has been taken to update the strategic documents for the Canal. Most notably the Strategic Plan was never produced, and has been replaced by a Strategy covering roughly the same areas. The Strategy was approved at the last meeting of the Committee to run for a period of five years.

3.3 The Service Plan will run out in 2014 and will be replaced by two new plans covering roughly the same ground;

- the **Operations Plan** will cover most of the same issues covered in the Service Plan - the operational policies, key operational objectives, and performance measures and a medium term work plan.
- a **Recreation Management Plan** will cover all management policies for all recreational uses of the Canal including tourism, navigation and canoeing, angling, walking, cycling and education.

3.4 A new **Business Plan** will cover increasing revenue and reducing reliance on partner funding will inform a marketing strategy. The Business Plan is already in draft form and is expected to be presented to the JMC during 2014.

3.5 The idea of the Canal being managed in a different way, perhaps as an independent body (Trust or CIC), or being incorporated into another appropriate body is retained as a possible option for the future. This idea was examined by HCC Treasurers in 2006 and 2010 and by Planning Solutions in 2012 and will not be without significant cost.

4 Financial and value for money implications

4.1 The Canal Partnership currently relies heavily on local authority revenue funding. It is recognised that the current financial climate makes continuing revenue funding a challenge for partners. The MoA has therefore been amended to ensure that the BCA and Canal Management Team develop a business plan and practices which maximise income.

4.2 As a result of this a further paragraph requesting partners to enhance the Canal through seeking out and taking all appropriate opportunities with adjacent property developments has been added to the agreement (para 30).

4.3 There was a consensus amongst all of the partner's officers, the Basingstoke Canal Society and the Hon. Treasurer that the Financial Formula used to calculate the partner's contributions should not be amended, even to update demographic information. The original 2008 formula is therefore attached as an Appendix to the revised Agreement. It is important to note that the formula is a method of sharing the revenue support necessary to run the canal; and the contribution of members will vary from year to year, but always in the proportion set out by the formula. It should be noted that the figures for 2008/9 included with the original formula will not necessarily be those which partners are obliged to contribute in the future; the precise contribution will be set in the annual budget.

4.4 Failure of partners to contribute in line with the formula may lead to the canal declining again, with the associated increase of risk to residents and businesses.

5 Equalities & diversity implications

5.1 A fully funded BCA will enable them to maintain the towpath and access ramps, as well as wharfs and landing areas to a good standard enabling easier use for those with mobility impairments to have greater enjoyment of the Canal.

6 Crime & disorder implications

6.1 A fully funded BCA will keep the Canal in good order and help prevent opportunities for vandalism or anti-social behaviour from developing.

7 Conclusion and recommendation

7.1 The attached Memorandum is a basic revision to reflect changes in staffing and procedures only.

7.2 A more comprehensive review of the governance is expected in 2-5 years time as the Canal begins to head towards a more sustainable financial position.

8 What happens next

- 8.1 Partner authorities will seek ratification of the Draft Memorandum from their executives or committees in accordance with their standing orders

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