

**BASINGSTOKE CANAL PARTNERSHIP
MEMORANDUM OF AGREEMENT: FEBRUARY 2014**

Introduction

1. The Basingstoke Canal Partnership is set up to manage the Canal for the benefit of Canal users, navigation, to optimise its biodiversity and conservation value and to provide wider benefits for amenity, drainage and in other appropriate ways. The Partnership consists of the owners and riparian local authorities and a number of other organisations and individuals who are committed to the Canal's conservation, improvement and sustainable use. The Partnership consists of the following local authorities: Hampshire County Council, Surrey County Council, Guildford Borough Council, Hart District Council, Runnymede Borough Council, Rushmoor Borough Council, Surrey Heath Borough Council and Woking Borough Council.
2. The aim of this memorandum of agreement is to set out the governance and management arrangements including roles and responsibilities for the Partnership from [*the date the revised MoA is agreed by the JMC*] onwards. This latest revision is in view of changes particularly in staffing since the last iteration of the agreement in 2008 .
3. The Basingstoke Canal is owned by Surrey and Hampshire County Councils (“the Owners”) but operated on a not for profit basis by the Basingstoke Canal Authority (BCA) for benefit of the community, under the direction of the Partnership.
4. All members of the Partnership will contribute to the operation and success of the Canal as set out in this memorandum.

Strategy

5. The **Strategy** will set out the primary objectives of the Canal Partnership. The Strategy will also establish strategic targets to be achieved by the BCA and the members of the Canal Partnership within the period of the Plan. The strategic targets defined in the Strategy are referred to in this Memorandum of Agreement as ‘Key Results Indicators (KRIs)‘.
6. The **Strategy** is underpinned by a number of operational plans, which are renewed or reviewed at 5 yearly intervals. These plans will include:
 - **Service Plan** - the current Service Plan 2009-2014 is due for revision during 2014, the revision will result in this plan being divided into an **Operational Plan** and a **Recreation Management Plan**:
 - **Operational Plan** – setting out the management and operational objectives and policies and key performance measures - Key Performance Indicators (KPIs) which will be used to feed the strategic measures (KRIs) contained in the Strategy and medium term project targets. This Plan will refer to a number of other operational documents such as the Emergency Plan which set out operational procedures and policies in particular for dealing with emergencies on the Canal to ensure the safety of Canal users, the public and property it will also include the medium term work programme.

- **Recreation Management Plan** – will cover all aspects of managing and enhancing recreation, tourism, boating and canoeing, angling, walking and cycling.
 - **Conservation Management Plan** – setting out the assessment of the Canal’s habitats and natural and semi-natural features, and plans and programmes for the management of those habitats and features. A steering group made up of officers and experts oversees the implementation of the Plan.
 - **Asset Management Plan** – - setting out an assessment of the condition of the structures on the canal and the plans and programmes for the management, restoration and repair of those structures. A steering group made up of officers and experts oversees the implementation of the Plan.
 - **Business Plan** – setting out how the Canal will seek to maximise potential income streams from property, leisure and tourism. The Business Plan will show how the Canal can be managed sustainably on behalf of the owners and partnership to reduce reliance on local authority revenue funding, whilst fulfilling the objectives of the Service, Conservation and Asset Management Plans.
7. Performance will be assessed against KRI’s contained in the Strategy and used to inform the annual budget for the following year – the budget will be set in a report made to the October meeting of the JMC, and confirmed at the February meeting.
 8. Within the 5 year span of the current Strategy the owners have expressed an interest in investigating other forms of management for the Canal, (such as a Trust or Community Interest Company) and if such a situation were to be agreed and established then this memorandum of agreement will be reviewed and revised in line with the agreed new arrangements.

Decision Making

9. The Partnership is governed by a Joint Management Committee [JMC] which comprises 16 elected Members of the constituent local authorities and up to 8 co-opted non-voting members representing particular special interests. This Committee has statutory responsibility, delegated by the owning authorities, for the executive management of the Canal.
10. The Committee has a constitution which was agreed in 1990 and is a joint committee of the constituent Councils operating under Surrey County Council’s procedures and standing orders. The JMC will normally conduct its business in public under the standing orders and procedures of Surrey County Council. The JMC will be supported in terms of secretarial duties and distribution of agenda and minutes by Democratic Services officers of Surrey County Council.
11. The Committee currently comprises four Members each from Surrey and Hampshire County Councils, two Members each from Hart District Council and Rushmoor Borough Council and one Member each from Guildford, Surrey Heath, Woking and Runnymede Borough Councils, one advisory representative each from Natural England and two from the Basingstoke Canal Society. Up to a further 5 advisory co-opted members may be appointed by the Committee from special interest groups. Representatives shall normally

be co-opted for periods of four years but shall be eligible for further periods of co-option. Members of the Joint Committee representing constituent local authorities will be governed by the members' code of conduct relevant to the authority they represent. Co-opted members of the Joint Committee will be governed by the Surrey County Council's members' code of conduct and will include in that Council's register any interests they have which relate to any of the constituent local authorities.

12. The chairman and vice chairman of the Joint Management Committee will normally rotate alternately between Surrey and Hampshire County Councils on a two year cycle.
13. The JMC meets three times a year – in February, June and in October. The Committee will approve the Strategy (every 5 years), the annual budget, and major issues of policy and direction.
14. The agenda for the JMC will be set by officer representatives from each of the funding local authorities, plus representatives from Natural England and the Basingstoke Canal Society sitting as the **Joint Advisory Group** [JAG]. The JAG meets approximately one month in advance of each meeting of the JMC. The JAG may co-opt representatives of other special interest groups as the need arises at the discretion of the JAG chairman.
15. The JAG will be chaired alternatively by the Countryside officers of Surrey and Hampshire County Councils, who will liaise with Surrey County Council Democratic Services officers over the issuing of the JMC agenda.
16. Between meetings of the JMC any essential urgent strategic decisions which cannot wait for the next meeting of the JMC will be made by a group consisting of the chairman and vice chairman of the JMC, the Heads of Countryside Services and Countryside Client Officers each for Surrey and Hampshire County Councils, plus the BCA Canal Manager. If there are major financial impacts the Hon. Treasurer will be consulted.

Staffing

17. The staff who manage the day-to-day work to look after and operate the Canal are part of the Basingstoke Canal Authority [BCA]. The staff are headed by the BCA Canal Manager. The BCA Canal Manager reports on a day to day basis to the two Countryside Client Officers for Surrey and Hampshire County Councils, although employed by Hampshire County Council with formal line management responsibility resting with the Hampshire County Council Countryside Client Officer.
18. Together the Canal Manager and two Countryside Client Officers make up the **Canal Management Team** who are responsible for all operational decisions on the Canal. The Canal Management Team will make a report of their actions to every JMC, including reports from the Asset Management and Conservation Steering Groups.
19. The BCA staff are currently employed by Hampshire County Council. The staff work under the operational procedures, including financial and health and safety procedures of Hampshire County Council. This applies even where they are working on the Surrey stretch of the Canal and on that part of the Canal owned by Surrey County Council.

Budget

20. The BCA supported by the Canal Management Team will prepare an annual budget plan and work programme for review by the Hon. Treasurer for agreement by the JMC. The budget estimates will be agreed by the Committee at their autumn meeting and recommended to the local authorities for inclusion and approval in their own estimates.
21. The Canal Partnership budgets are governed by the financial standing orders and procedures of the current Hon. Treasurer; this is currently Hampshire County Council. The Partnership budgets will be monitored by finance / audit officers from Hampshire County Council, who will produce a financial statement at each regular meeting of the JMC together with an annual small bodies annual return, and provide an auditing service.
22. The BCA budget estimates will cover core running costs for management of the Canal. These will include staffing costs (including salaries and on costs, travel and subsistence, training and recruitment), office expenses, vehicles, travel, tools and equipment, materials and other work and project costs. Currently the BCA budget is expected to cover all the necessary operational running costs of the Canal, including dredging, bank and towpath repair and repair of elements of the Canal structure, such as lock gates, pointing brickwork, and maintenance of weirs and sluices.
23. The Canal Asset Management Plan makes a long term assessment of the predicted need for repair and replacement of the Canal. All major capital renewal is currently funded by the owners; Phase 1 of a £1.6m capital Rehabilitation Project was carried out 2009-2012, Phase 2 of the project – a further £4m of works – will be conducted over the next 3-4 years.

Landownership and Risk

24. The Canal land remains the property of Surrey and Hampshire County Councils; therefore all associated risks and liabilities arising from the land and built assets remain with those Councils.
25. The Canal Partnership is responsible for the financial risks associated with the running of the Basingstoke Canal Authority only.

Revenue

26. Licences and permits to use the Canal, in the following ways, will be issued on behalf of The Owners by the Canal Manager, or either of the Countryside Client Officers:
- boat and fishing licences,
 - permits and agreements to use the campsite
 - trips, special events, and education visits
27. The fees from these licences together with sales from the visitor centre shop or the sale of timber or other natural arisings from Canal land, or recycled materials (e.g. salvaged timbers from old lock gates) will be collected by BCA staff and the proceeds will be used towards funding the operation of the Canal. Other leases and licences relating to the Canal will be dealt with by the owners and any fees collected directly by the owners, some of which may be returned to the Canal. The BCA and Canal Management Team will in accordance with the Business Plan seek out opportunities to maximise income and develop the Canal as an appropriate tourism and leisure business, with due regard to the

heritage and conservation interest of the Canal.

28. To remain viable whilst the Business Plan is implemented and meet the target works budget set by the Asset Management Plan revenue support contributions from the Partnership local authorities towards the budget requirements are necessary and are determined annually according to an agreed formula (Appendix A). From 2009 onwards this formula has been computed by length of Canal bank in each local authority's area multiplied by the local authority's population within 5 miles of the Canal. Hampshire County Council administers the financial arrangements including gathering in financial contributions and paying invoices and costs.
29. In addition to revenue support costs the partners will be asked to contribute as appropriate to any specific project costs within their jurisdiction.
30. The partners will co-operate and work together in order to identify and exploit opportunities to obtain direct and in-direct benefits for the Canal, in cash or in kind, from developments on land adjacent to the canal. The partners will also ensure that any developments proposed in the canal corridor or adjoining the canal enhance the environment and setting of the canal. In particular, the partners will jointly collaborate in the preparation of supplementary planning guidance in order to protect the heritage and ecological value of the canal and to safeguard landscape and historic structures..

Community Engagement

31. The BCA will continue to foster good relations with voluntary sector organisations such as the Basingstoke Canal Society, Inland Waterways Association, and Surrey / Hampshire Wildlife Trusts to encourage social "ownership" of the Canal and take advantage of any funding or grant opportunities working with these organisations may bring. The BCA will cooperate in voluntary projects which help sustain or enhance the Canal where possible and appropriate, and encourage volunteers to become involved in the running of the waterway in as many ways as possible.
32. The BCA and Canal Management Team will engage with stakeholder groups at regular intervals throughout the year to discuss specific topics (these will be themed – navigation, towpath users, fishing, etc), and will also hold an annual public review.

Termination and Review

33. If for any reason, any partner wishes to withdraw from the arrangements they will give at least 12 months notice.
34. This memorandum of agreement will be reviewed every five years, the next review is due [*five years from the date the JMC approves this revised MoA*]

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BASINGSTOKE CANAL: FORMULA FOR PARTNER CONTRIBUTIONS 2009/10**A) Basic Calculations**

i) Total contributions 2008/09 £559,800
 2009/10 £573,800 (2008/9 total contributions inflated by
 2.50%)

ii) Apportionment of contributions:

Surrey and Hampshire County Council contribute 55.92% of the total contribution:-

Surrey County Council share 27.96% = £160,434
 Hampshire County Council share 27.96% = £160,434

The riparian partners (district and borough councils) contribute 44.08% of the total contribution. This is weighted equally between the population numbers and the bank mileage:

Population within 5 miles: 22.04% = £126,466
 Bank mileage: 22.04% = £126,466

B) Table

	Population within 5 miles			Bank Mileage			Total
	Number	%	£	Number	%	£	£
Guildford BC	97,294	19.86	£25,126	4.00	12.50	£15,808	£40,925
Runnymede BC	49,300	10.06	£12,727	1.25	3.91	£4,940	£17,667
Surrey Heath BC	79,836	16.30	£20,610	1.75	5.47	£6,916	£27,526
Woking BC	89,840	18.34	£23,192	8.25	25.78	£32,604	£55,796
Hart DC	82,607	16.86	£21,325	11.50	35.94	£45,449	£66,773
Rushmoor BC	91,017	18.58	£23,496	5.25	16.41	£20,748	£44,244
	489,894	100.00	£126,466	32.00	100.00	£126,466	£252,931
Surrey CC							£160,434
Hampshire CC							£160,434
							£320,869
Total Contributions:							£573,800

Agreed by the Basingstoke Canal Joint Management Committee: 17 October 2008

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