

**Minutes of a Meeting of the Thames Basin Heaths Joint Strategic Partnership Board
18 November 2021**

Present: Councillor Jan Harwood, Guildford Borough Council (Chairman)
Councillor Martin D'Arcy, Waverley Borough Council
Councillor Gary Elson, Woking Borough Council
Councillor Jonathan Glen, Hampshire County Council
Councillor Marisa Heath, Surrey County Council
Councillor David Hilton, Royal Borough of Windsor and Maidenhead
Councillor Marina Munro, Rushmoor Borough Council
Councillor James Radley, Hart District Council
Councillor Angus Ross, Wokingham Borough Council
Councillor Chris Turrell, Bracknell Forest Borough Council

In Attendance: Ernest Amoako, Woking Borough Council
Sarah Bunce, Natural England
Daria Dadum, Natural England
John Devonshire
Duncan Fisher, Wokingham Borough Council
Julie Gil, Bracknell Forest Borough Council
Bethan Griffin, Rushmoor Borough Council
Victoria Huth, Natural England
Benjamin Moye, Guildford Borough Council
Miranda Petty, Natural England
Greg Reading, Arlingclose
Ruth Shelton, Natural England
Jack Thompson, RSPB
Jane Reeves, Surrey Heath Borough Council
Zoe Shorter, Natural England
Jennifer Wadham, Hampshire County Council

Observers: Councillor Jerry Hyman, Waverley Borough Council

9 Minutes of Previous Meeting

RESOLVED that the minutes of the meeting of the Thames Basin Heaths (TBH) Joint Strategic Partnership Board (JSPB) held on 17th June 2021 be approved as a correct record.

10 Strategic Access Management and Monitoring Project Update

Ruth Shelton, Strategic Access Management and Monitoring (SAMM) Project Manager, Natural England gave a presentation in respect of the work taking place as part of the SAMM project. The presentation summarised the project team's activities since the Board's last meeting and included updates on staffing, warden activity, educational work and monitoring activity.

It was reported that two additional areas of SANG had been developed since the Board's last meeting, Runfold Ridge in Tongham and Horsley Meadows in Horsley. This took the

total number of Suitable Alternative Natural Greenspaces (SANGs) across the Thames Basin Heath area to 74.

The Board was informed that, although covid-19 restrictions had impacted on the work of wardens in the early part of the season, wardening of the Special Protection Area (SPA) had continued over the summer and into the autumn. A successful Heathweek had taken place in July with 14 activities delivered by the SAMM Team and a further 13 activities delivered by partners. The activities being well received by those who attended and planning for Heathweek 2022 was underway. One activity 'Zoe's Sensory Scavenger Hunt' had been particularly popular with 110 people taking part and this would be continued outside Heathweek. Pitstop sessions had been resumed enabling wardens to engage with visitors to the SPA on a more regular basis and between June and October a total of 22 Pitstops had been delivered and 47 events had been carried out.

The SAMM Team continued to develop its educational offer with curriculum linked sessions that could be delivered either remotely, in school or out on the heath and sessions were also available to uniformed groups. A short video had been produced and a Heathland Discovery Pack had been developed to help raise awareness of the resources available to educational settings. It was suggested that a copy of the pack and details of the sessions that could be delivered by the SAMM Team should be emailed to the Directors of Education in each local authority area requesting that they forward the information to schools.

Visitor data showed an increase in the number of visitors to the SANG during 2021 when compared to previous years however numbers were lower than during the first period of Government restrictions during the pandemic. In December 2020 a remote SANGS survey accessible via QR codes had been set up at sites across the SPA and by the end of October 2021, a total of 694 replies had been submitted. With 328 responses being received in High Season (March to August 2021) and 366 responses being received during the two low season periods (December 2020 to February 2021 and September to October 2021).

Analysis of the visitor survey responses had found that the top three main reasons given for visiting the SANG were:

<u>Reason</u>	<u>High Season</u>	<u>Low Seasons</u>
Dog Walking	156	176
Walking	100	127
Family outings	34	39

The data collected showed that most visits were of between 30 minutes and 1 hour in duration and that the main way of getting to the SANG during the Low Season was on foot and in the High Season by car. The majority of those answering the survey gave proximity to home as their main reason for selecting a particular SANG to visit. Other draws to a particular SANG included good parking provision, the ability to let dogs off a lead and the choice of routes available. When asked about potential improvements to a SANG, 25% of responders stated that no improvements were required; the most common improvement cited by visitors as being necessary was a need for more bins for dog waste.

It was confirmed that in order to ascertain whether the increase in the use of SANG during the pandemic restrictions was a temporary one or if it was the start of a longer term trend visitor numbers would continue to be monitored.

It was noted that in previous years, similar visitor surveys had been carried out at the SPA sites, and these would be resumed following their suspension during the pandemic.

Whilst proximity to an area was cited as a significant driver for visiting a particular SANG, having spatial data on where new developments were being located would assist Natural England with the planning of new areas of SANG and the improvements that might be needed at existing SANG. It was agreed that Local Planning Authorities would be approached for this information. The Board was reminded that it was not uncommon for SANGS to be developed ahead of the housing development associated with it and this did distort figures to an extent.

The Board was informed that the possibility of using anonymised location data from smart phones to measure visitor numbers had been explored however at the current time the data collected was not yet granular enough to be of much use. The possibility would be revisited as the technology progressed.

It was queried what effect the imposition then subsequent removal of car parking charges on the Surrey County Council owned sites in 2018 and 2020 respectively had had on visitor numbers and whether there was any correlation with the number of visitors visiting SANGs in the vicinity of these sites, for example Chobham, Wisley & Ockham and Whitmoor, during the period.

The success of Healthland Hounds as a way of encouraging responsible dog ownership was acknowledged and the Board questioned whether more could be done to engage dog owners who were not part of the Facebook group. It was noted that signs encouraging responsible dog walking were displayed at the entrances to site between March and June. It was suggested that these could be supplemented by additional signs referencing the Good Dog Guide and information about what a dog under control looks like. The Board was informed that the RSPB had carried out research on signage and this would be shared with the SAMM Team. It was agreed that the matter would be followed up outside the meeting.

It was requested that Natural England provide the Board with an overview of their work to manage the SPA and their aspirations for the SPA in the Thames Basin Heath area at a future meeting.

The Board thanked the SAMM Team for their informative update.

11 Financial Update

The Board received a report summarising the current financial position of the SAMM Project.

It was noted that at the end of the 2020/21 financial year the balance on the Endowment Fund was £14.869million. Of this, £10.101million was held in investments, £730,000 was dividend income to be reinvested and the remaining £4.038million accrued from tariff income and bank interest, was currently held as a cash balance.

Of the £4.768million held as cash £3.2million had been approved for investment by the Board at its meeting on 19th November 2020; however the investment had been delayed by the need to set up a new account with the chosen fund (CCLA Diversified Income Fund).

As at 29th October 2021, a total of £537,071 had been received in tariff income for the 2021/22 financial year. It was projected that a further £2.566million of tariff income and £505,000 of dividend income would be received by the end of the 2021/22 financial year. At year end, it was projected that there would be £3.126million to be added to the

Endowment Fund. Expenditure was projected to be £482,000, this represented an underspend of £83,000 on agreed budgets due to vacancies at Natural England.

Current projections indicated that further income tariff of £1.822million and £2.031million would be received respectively in the 2022/23 and 2023/24 financial years taking the projected total income to March 2024 to £25.921million. By the end of the 2028/29 financial year it was projected that total tariff income would have reached £32.461million with no further tariff income expected after that date.

It was noted that the majority of the income for the SAMM project was received from developer contributions towards housing and this would eventually taper off. A number of planning applications for solar panel farms had recently been approved in Hampshire and it was questioned whether these could have Community Infrastructure Levy payments attached to them.

RESOLVED that:

- i. The actual financial position for the year ended 31st March 2021, as shown in appendix 1 of the report, and previously approved by the Board, be noted.
- ii. The projected financial position or the three financial years to 31st March 2021 be noted.
- iii. The actual cash balance held within the Endowment Fund as at 31st March 2021 of £4.768million, with a £3.2million investment pending, and the projected balance of £8.722million before further investment by 31st March 2024 be noted.

12 Investment Working Group Update

The Board received a report providing an update from the Investment Working Group.

The Board was reminded that Arlingclose had been appointed as independent financial advisors to the Board on 1st December 2018, on an annual rolling contract at a cost of £10,000 plus VAT per annum (subject to an annual inflationary uplift in line with RPI). If the Board was minded to terminate the contract with Arlingclose then notice had to be given to Arlingclose by 1st September for the year ahead.

It was noted that any investments undertaken on behalf of the Board were made in accordance with the agreed Investment Strategy and based on the following key principles:

- Annual expenditure needed to be funded was expected to be in the region of £500,000, rising with inflation.
- A balance of £1.5million should be kept within the Maintenance Fund (approximately 3 years of expected running costs).
- Risk should be kept as low as possible whilst ensuring it was sufficient to meet the expected expenditure.
- A target return of 2-3%above inflation was considered to be appropriate.
- The interest paid on cash balances held by the Administrative Body was unlikely to be sufficient to meet the target return.

The Board was informed that projections indicated that at the end of the 2021/22 financial year there would be £4.7million in the Endowment Fund. A figure that was projected to have risen to £6.6million in 2022/23 and £8.7million in 2023/24.

Financial modelling, using current income projections and various scenarios with different rates of investment returns and inflation indicated that the current investment returns were

at an appropriate level to enable the project to continue in perpetuity, noting the uncertainties surrounding long term projections.

RESOLVED that:

- i. The Investment Strategy, as set out in appendix 1, of the report be noted.
- ii. The Responsible Investing Policy, as set out in appendix 2 of the report, be noted.
- iii. The annual timescales for terminating the contract with Arlingclose be noted.
- iv. The amounts available for investments, as set out in Table 1 of the report, and the projected cash flow scenarios, detailed in Appendix 3 of the report, be noted
- v. The requirements and practical implications limitations specifically outlined in paragraphs 36-42 of the report, surrounding any investment decisions made by the JSPB before any investments can be made by the Administrative Body on behalf of the JSPB be noted.

13 Exclusion of Public and Press

RESOLVED that the press and public be excluded from the meeting during consideration of the Financial Advisor's presentation as it involves the likely disclosure of exempt information relating to the financial and business affairs of any particular person (including the authority hold that information) as defined in paragraph 3 of Part 1 the Schedule 12A the Local Government Act 1972.

14 Financial Advisor's Presentation

Greg Readings, Arlingclose, gave a presentation in respect of the performance of the investments made by the Board to ensure the long term financial security of the SAMM project.

The Board was reminded that to date £10.2million had been invested on their behalf and a further £3.2million would be invested by the end of the current financial year. To date, the Board had benefitted from an annualised income rate of 4.8% and received £1,008,087 in income from these investments.

The Board was informed that Arlingclose had prepared their advice on the basis that there was £1.5million available to invest in the current financial year and approximately £2.3million would be available to invest during the next financial year. It was proposed that the £1.5million available for investment should be split; with £0.5million being invested in the Aegon Diversified Monthly Income Fund and £1million being invested in the M&G Global Dividend Fund. Looking ahead into the new financial year it was proposed that up to £3million be invested in the Fidelity Global Enhanced Income Fund. It was noted that Hampshire County Council, the Administrative Body for any investments, did not currently hold any investments with the Fidelity Global Enhanced Income Fund and it would be necessary to set up an account with the Fund in advance of an investment being made.

A precis of the implications for the financial industry that were emerging following the recent COP26 environmental summit and the Government's UK Green Finance Roadmap was provided.

RESOLVED that:

The Thames Basin Heaths Joint Strategic Partnership Board (JSPB) agrees:

- i. To instruct Hampshire County Council, in their capacity as the Administrative Body to make on the JSPB's behalf the following investments as recommended by Arlingclose as soon as practicably possible within the constraints of the Administrative Body's own governance:
 - a. £500,000 in the Aegon Diversified Monthly Income Fund
 - b. £1million in the M&G Global Dividend Fund
 - c. The remaining balance, currently projected at approximately £3million, available within the Endowment Fund as at 31st March 2022 be invested in the Fidelity Global Enhanced Income Fund, subject to a minimum investment of £500,000 and maximum investment of £3million.

The Board notes that:

- i. The Administrative Body (Hampshire County Council) cannot provide financial advice and will not be involved in decision making and therefore accepts no responsibility for any decisions made by the JSPB.
- ii. The Administrative Body (Hampshire County Council) will not progress making the investment until the minutes documenting the instructions have been approved by the JSPB. Approval by email from a majority of the JSPB members will be taken as sufficient evidence that the minutes accurately reflect the instructions of the JSPB.

N.B. Councillor Jonathan Glen, Hampshire County Council, abstained from the vote due to his being a representative of the Administrative Body.

15 Dates of Future Meetings

It was agreed that meetings of the Thames Basin Heath Joint Strategic Partnership Board would be held on the following dates in 2022:

- Wednesday 22nd June 2022 at 10am
- Wednesday 16th November 2022 at 10am

16 Any Other Business

The Board was informed that Councillor Angus Ross, Wokingham Borough Council, would not be standing for re-election when his current term of office came to an end in May 2022. The Board thanked Councillor Ross for the support that he had given to the partnership's work and wished him well for the future.