



To: The Members of the **Thames Basin Heaths Joint Strategic Partnership Board**

Committee Members:

Councillor Chris Turrell, Bracknell Forest Borough Council (Chairman)
Councillor Liam Lyons, Woking Borough Council
Councillor Joss Bigmore, Guildford Borough Council
Councillor David Cornish, Wokingham Borough Council
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 Adrian Newell, Rushmoor Borough Council
Councillor James Radley, Hart Borough Council
Councillor Karen Randolph, Elmbridge Borough Council
Councillor Peter Snow, Runnymede Borough Council
Councillor Victoria Wheeler, Surrey Heath Borough Council

A meeting of the **Thames Basin Heaths Joint Strategic Partnership Board** will be held at Virtually - Public Meeting on **Wednesday, 16 November 2022 at 10.00 am**. The agenda will be set out as below.

AGENDA		Pages
1	Apologies for Absence To receive any apologies for absence.	
2	Minutes of Previous Meeting To receive, and confirm as being a correct record, the minutes of the meeting of the Thames Basin Heaths Joint Strategic Partnership Board held on 22 nd June 2022.	1 - 6
3	Strategic Access Management and Monitoring Project Update To receive a presentation from Ruth Shelton, Natural England, on the work of the Strategic Access Management and Monitoring (SAMM) Project Team since the Board's last meeting.	7 - 38

If you require further information, please contact: Katharine Simpson
Telephone: 01276 707157
Email: democratic.services@surreyheath.gov.uk
Published: Wednesday, 9 November 2022

4 Thames Basin Heaths Strategic Access Management and Monitoring Project Financial Update. 39 - 48

To receive a report, from Jenny Wadham Hampshire County Council, setting out the financial position of the Thames Basin Heaths Strategic Access Management and Monitoring Project.

5 Investment Working Group Update 49 - 68

To receive a report from Councillor Jonathan Glen, Hampshire County Council, on the work of the Board's Investment Working Group.

6 Exclusion of Public and Press

To resolve that the press and public be excluded from the meeting during the consideration of the Financial Advisor's presentation as it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12AA of the Local Government Act 1972.

- (3) Information relating to the financial or business affairs of any particular person (including the authority holding that information)

7 Investment Update

To receive an update from Arlingclose, the Board's financial advisors, on the investments made by the Joint Strategic Partnership Board and to consider recommendations on further investments.

8 Dates of Future Meetings

It is proposed that future meetings of the Thames Basin Heaths Joint Strategic Partnership Board be held on the following dates:

- Wednesday 5th July 2023 at 10am
- Wednesday 6th December 2023 at 10am

**Minutes of a Meeting of the Thames Basin Heaths Joint Strategic Partnership Board
22 June 2022**

Present:

Councillor Martin D'Arcy, Waverley Borough Council
Councillor Jonathan Glen, Hampshire County Council
Councillor Marisa Heath, Surrey County Council
Councillor David Hilton, Royal Borough of Windsor and Maidenhead
Councillor James Radley, Hart Borough Council
Councillor Karen Randolph, Elmbridge Borough Council
Councillor Ian Shenton, Wokingham Borough Council
Councillor Peter Snow, Runnymede Borough Council
Councillor Chris Turrell, Bracknell Forest Borough Council

**Advisors In
Attendance:**

Daria Dadum, Natural England
Tom Hayward, BBOWT
Amar Jandoo, Arlingclose
Ruth Shelton, Natural England
Jack Thompson, RSPB
Mark Turner, Natural England

**Officers In
Attendance:**

Ernest Amoako, Woking Borough Council
Simon Cridland, Bracknell Forest Borough Council
Duncan Fisher, Wokingham Borough Council
Julie Gil, Bracknell Forest Borough Council
Heather Lewis, Rushmoor Borough Council
Vincent Maher, Rushmoor Borough Council
Jennifer Wadham, Hampshire County Council

Observers:

Councillor Jerry Hyman, Waverley Borough Council

Apologies:

Councillor Liam Lyons, Woking Borough Council
Councillor Joss Bigmore, Guildford Borough Council
Councillor David Cornish, Wokingham Borough Council
Councillor Adrian Newell, Rushmoor Borough Council

1 Election of Chairman

RESOLVED that Councillor Chris Turrell be elected Chairman of the Thames Basin Heath Joint Strategic Partnership Board for the 2022/23 municipal year.

2 Minutes of Previous Meeting

RESOLVED that the minutes of the meeting of the Thames Basin Heath (TBH) Joint Strategic Partnership Board (JSPB) held on 18th November 2021 be confirmed as a correct record.

3 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 on 18th November 2021 and included updates on staffing, warden activity, educational work and monitoring activity.

It was reported that since the Board's last meeting, a further three areas of Suitable Alternative Natural Green Space (SANGS) had been added to the Thames Basin Heath area taking the total number of SANGS in the area to 77.

It was noted that six seasonal wardens had been successfully recruited and all were now trained and working across the SAMM area. The recruitment process had been a challenging one and in an effort to ensure that these difficulties were reduced in future years work experience placements and job shadowing opportunities had been developed. Links with local colleges offering conservation courses were also being developed further to raise awareness of the Special Protection Area (SPA) and the SAMM project amongst students.

The Board was informed that ahead of her imminent retirement Sarah Bunce, Communications Officer, had indicated that she would in May 2023 like to change from full time work to part time work. The role was considered to be a key one within the SAMM Team and the Board's opinion on recruiting an additional communications officer was sought. If approved the additional role would not only enable a smooth handover of responsibilities but also, on an interim basis, provide additional resource that would enable the SAMM Team's work to be communicated more widely. It was agreed that consideration would be given to the request on the receipt of a fully costed report.

It was reported that with a number of the SAMM project team employed on a part time basis there was sufficient funding in the agreed funding budget to cover the cost of employing an additional year round warden on a full time basis without the need for any additional funding. It was agreed that the recruitment of an additional year round warden should be progressed.

Between December 2021 and March 2022 in person visitor surveys were completed at all 75 SANGS that were open at that time. In total 262 survey sessions were completed with 836 people being counted across all sites. A QR based SANGS survey initiated at 46 SANGS in December 2020 continued to run albeit with much lower response rates than previously observed.

The majority, over 70%, of those surveyed indicated that their main reason for visiting the area was dog walking with most stating that their visit lasted between 30 minutes and one hour. 39% of those surveyed said that they visited SANGS one to three times a week and over 60% stated that the proximity of a SANG was the main driver for choosing one SANG over another.

To improve the robustness of visitor number data, agreement was sought for the installation of six additional visitor counters at locations across the TBH area which were currently not monitored. Subject to approval of the funding it was hoped that satellite counters, which would enable visitor numbers to be monitored in real time, could be installed at six additional locations, at a cost of £15,021.60 plus an annual service charge. It was noted that where visitor numbers were currently monitored a physical visit had to be made to the monitor's location so that the data collected could be physically downloaded, a process that took up a significant amount of time. Furthermore, a number of the visitor monitors currently in use were reaching the end of their expected lifespan and would need to be replaced in the near future. It was suggested that a trial of the new satellite monitors could provide useful information as to the benefits of rolling satellite monitors out across the TBH area. It was agreed that consideration would be given to the approval of funding for the installation of six new satellite monitors on the receipt of a fully costed report which included the costs of the standard monitors.

It was accepted that completing SANG visitor surveys in the summer would give a more accurate picture of their use; however it was acknowledged that this was dependent on having sufficient resources available to capture good quality data.

The Board was informed that the current providers of the bird monitoring surveys had indicated they would be withdrawing from the market sometime within the next five years and it was necessary to go out to tender for a new provider. It was considered an opportune time to revisit the current data collection model, which was reliant on volunteers who did not always survey consistently. Consequently, whilst general year on year trends in bird numbers could be shown the data was insufficiently robust to enable a full statistical analysis to be carried out, something that was considered vital to demonstrating the success or otherwise of the SAMM project. A number of potential options for the future delivery of the bird surveys and a full analysis of these would be brought to the Board's next meeting.

The SAMM Team's primary focus continued to be education and engagement and the number of hours wardened and the number of interactions per hour had now returned to pre-Covid levels. Regular events and pop up sessions were now taking place with team members participating in 33 pop up sessions and 49 events between November 2021 and May 2022. Following reports of large numbers of out of control dogs at Sheets Heath near Brookwood staff had worked in partnership with the local police force to deliver a number of site visits to raise awareness of nesting birds and responsible dog ownership. The education offer continued to be developed and approximately 220 schools within 5km of the SPA had been contacted directly and offered the opportunity to participate in free heathland themed activities including visits to the heathland.

The Team would again be participating in Heath Week. To date 27 heathland related activities had been scheduled to take place between 25th and 31st July 2022 and more were being added each week.

It was noted that although the Board had agreed, at its meeting in November 2020, that tariffs were to be increased annually in line with inflation there had been some confusion over these were being applied. It was agreed that officers would be asked to confirm by email that this increase was being applied.

It was questioned whether there was a blueprint for the creation of an ideal SANG which set out requirements for factors including size, location, habitats, amenities and distance from SANG

RESOLVED that:

- i. The contents of the report on SAMM project activity be noted.
- ii. An additional year round warden be employed.
- iii. A report detailing the implications of employing an additional interim Communications Officer be circulated by email for approval by 15 July 2022.
- iv. A report detailing the implications of the installation of six additional satellite visitor counters on a trial basis be circulated for approval by 15th July 2022.
- v. Officers to be asked to confirm that annual tariff increases in line with inflation were being applied.
- vi. A report setting out the options for future bird surveys to be brought to the Board's next meeting.

4 Natural England Strategic Overview

It was agreed that due to time constraints this item would be deferred to the Board's next meeting.

5 Thames Basin Heaths Strategic Access Management and Monitoring Project Financial Update

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

It was reported that as of 31st March 2022, £1.5million was held in the maintenance Fund and £14.793million in the Endowment Fund. In respect of the Endowment Fund £7.932million was held in investments and £6.862million held as cash. Over the course of the 2021/22 financial year income of £2.602million had been received for the SAMM project, of which £2.130million was tariff income collected by Local Planning Authorities, £459,626 was dividends received on investments and £12,767 was the interest on cash balances held.

In accordance with the Board's agreed investment strategy, the balance on the Maintenance Fund continued to be maintained at £1.5million, with any balances above or below that level being transferred to or from the Endowment Fund as appropriate.

A total of £508,251 of costs had been incurred during the 2021/22, an increase of £26,364 against the projected spend in November 2021 due to the successful recruitment to vacant posts. It was noted that the dividend income combined with the interest received during the 2021/22 financial year had been sufficient to fund 93% of the SAMM project's expenditure for the year. Projections showed that the combination of dividend income and interest would, assuming a 5% dividend return, be sufficient to fully fund SAMM project expenditure from 2023/24 onwards.

The Board was informed that across the three years to 2024/25 a further £7.697million of tariff income was expected. Assuming interest rates remained at their current level and an annual dividend return rate on investments of 5% was received, it was projected that total dividend income of £1.760million and £0.252million of interest would be received over the three year period to 2024/25; giving a total income of £7.933million.

RESOLVED that:

- i. The financial position for the year ended 31st March 2022, as set out in appendix 1 of the report, be agreed.
- ii. The transfer of funds from the Maintenance Fund to the Endowment Fund to maintain a balance of £1.5million in the Maintenance Fund be noted.
- iii. The projected financial position for the three financial years to 31st March 2025 is noted.
- iv. The balance held within the Endowment Fund at 31st March 2022 of £140.793million, held as £7.932 as investments and £6.862million as cash (with investments of £5.7million pending) be noted.

6 Investment Working Group Update

The Board received a report providing an update on the work of the JSPB's Investment Working Group.

The Board was reminded that because it was not a separate legal entity any investments approved by the JSPB were in actuality made by Hampshire County Council in its capacity as the Administrative Body.

At the Board's meetings in December 2020 and December 2021 it had been agreed that a further £3.2million and £2.5million respectively was to be invested, with the investments being made as soon as reasonably possible. It was reported that due to unexpected delays in opening a new account with one of the selected investment funds (CCLA Diversified Income Fund) the December 2020 investments had been delayed. Subsequent changes to the Prudential Code (which prevented Council from accessing external borrowing from the Public Works Loan Board if they were investing for commercial returns) in December 2021 had resulted in further delays as Hampshire County Council sought to assure themselves that these changes did not impact its borrowing eligibility due to investments held or due to be made. It was noted that it was expected that the £5.7million of investments would now be made by the end of July 2022.

The Board was reminded that Arlingclose had been contracted to provide financial advice to the Board on a rolling twelve monthly contract. If the Board was minded to terminate this contract then notice had to be given to Arlingclose by September each year for the contract to end in the December. It was agreed that the advice given to date had been positive and that the contract should be allowed to continue to run for a further twelve month period.

It was clarified that the Responsible Investing Policy developed by the Working Group had been based on the Royal Berkshire Pension Fund's Responsible Investment Policy. The Board's Responsible Investment Policy was currently in the process of being reviewed; as part of this review Arlingclose would be asked to ensure that the policy was deliverable before it was shared with the wider Board for comment. Concerns about the definition of Environmental, Social and Governance factors used in the policy were noted and it was agreed that this would be followed up outside the meeting.

It was noted that a third member of the Working Group was required and it was agreed that Councillor D'Arcy, Waverley Borough Council, would be appointed to the vacancy.

RESOLVED that:

- i. Councillor D'Arcy be appointed to the Investment Working Group.
- ii. The Investment Strategy, set out in Appendix 1 of the report, be noted.
- iii. The Responsible Investing Policy, set out in Appendix 2 of the report, be noted
- iv. The annual timescales for terminating the contract with Arlingclose be noted.
- v. The amounts available for investment as set out in Table 3 and the projected cash flow scenarios set out in Appendix 3 be noted
- vii. The requirements and practical implications, specifically outlined in paragraphs 39-46 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.

7 Exclusion of Public and Press

RESOLVED that the press and public be excluded from the meeting during consideration of Item 9 Investment update as it involves the likely disclose of information relating to the financial and business affairs of any particular person (including the authority holding that information) as defined in paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

8 Investment Update

Amar Jandoo, 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 a total of £10.2 million had been invested since December 2018 as follows:

- £2million – CCLA Local Authorities Property Fund
- £3million – Aegon Diversified Monthly Income Fund
- £3.2million – Ninety One Diversified Income Fund
- £2million – Schroder Income Maximiser

It was reported that to date, the investments had realised a dividend income of £1,300,705 a figure which represented an approximate return of 10% on the Board's investments. A small unrealised capital loss of £281,431 was noted however it was stressed that this was money that would only be lost in the event that the funds were sold.

It was expected that a further round of investments would be made in March 2023 and suggestions as to what these might be would be brought to the Board's next meeting for consideration.

The Board thanked Arlingclose for their work to date.

9 Date of Next Meeting

It was noted that the next scheduled meeting of the Thames Basin Heaths Joint Strategic Partnership Board would take place on Wednesday 16th July 2022 at 10am.

THAMES BASIN HEATHS JOINT STRATEGIC PARTNERSHIP BOARD

Date: 16th November 2022

Subject: Strategic Access Management and Monitoring Project Update

Report of: Strategic Access Management and Monitoring (SAMM) Project

Recommendations:

- To NOTE the contents of the report on SAMM project activity
- To NOTE recruitment updates
- To APPROVE requests for data regarding SANG use from all Local Authority Partners
- To CONFIRM that it is the Boards intention for the tariff to increase in line with inflation on an annual basis as discussed in the November 2020 meeting.

Purpose of the Report:

To provide the JSPB with an update on SAMM activity since the last meeting in June 2022.

Summary

This paper sets out for Members the SAMM project's activities and achievements since the last meeting in June 2022, recent monitoring work and plans for the next 6 months.

Contents of report

1. SAMM project staffing and recruitment	page 2
2. Wardening	page 4
3. Access to Special Protection Area land	page 7
4. Communications and events	page 8
5. Education	page 16
6. SPA and SANGs monitoring	page 24
7. Other news	page 29
8. Looking ahead	page 30

1. SAMM project staffing and recruitment

- 1.1. This summer, from mid-July to September 2022, we had five seasonal wardens in post (four were full time and one was part time). We did have 6 seasonal wardens in post from May to mid-July but unfortunately, we had one warden leave us in July.
- 1.2. One of our seasonal wardens, Louis Harrington-Edmans, was successful in achieving a role with Bug Life after his seasonal role had finished. The SAMM team had been his first role in conservation and so was an important steppingstone in his future career.
- 1.3. We interviewed for our permanent year-round warden role in October and are pleased to say that our previous seasonal warden Ruth Papworth was successful and started her permanent role on 1st November.
- 1.4. We are in the process of recruiting a full-time year-round Communications Officer to work alongside our current Comms Officer Sarah Bunce. The role is currently being advertised and interviews are scheduled for the first week of December.
- 1.5. As recruitment within the SAMM team and the wider conservation sector has been difficult this year (we had to do two rounds of recruitment to get the correct number of seasonals this year) we are hoping to encourage more candidates to apply in future by offering opportunities such as job shadowing and work experience, so they are aware of what the role involves before they formally apply.
- 1.6. Happily, we can report that we have had interest from previous seasonal wardens that they would like to rejoin the team as seasonals once again in 2023.
- 1.7. The process for recruiting next year's seasonal wardens is now underway. We are planning to recruit the equivalent of 6 full-time seasonal wardens from 1st March 2022 – 1st September 2022.

2. Wardening

- 2.1. The project provides a warden service on the SPA. During the September to April season we cover 5 days a week, and from March to mid-September we work 7 days per week from 07.00 to 19:00 (daylight permitting).
- 2.2. This year we made an extra effort to roll out our wardening presence evenly across the counties and have done so considerably well, despite access issues. We had an excellent Heath Week 2022 (25th-31st July), with 27 events in total! We are grateful to all our partners for their help and support over this very busy week, especially partners who helped to publicize and who went the extra mile leading their own events.
- 2.3. We held all our usual events and repeated popular new events from last year, including 'Heathland Herbivores'. The 'Reptile Roadshow' at Ockham has been increasingly well attended so we decided

to branch out. With the help of HIWARG we repeated the event in Yateley Common, Hampshire. The only improvement that could have been made would be extra parking for the hordes of attendees. At that event alone we spoke to 251 people.

- 2.4. In late October we will be hosting the new 'Halloween Heathland' event in Wildmoor, Yateley & Lightwater Country Park which will include lots of fungi and spiderweb spotting on a spooky nature trail.
- 2.5. We are preparing for Christmas Wreath Making with SCC and hope to repeat this activity across the SPA. We are already in conversations with our partners about next year's Heath Week (24th-20th July 2023) and are working with Surrey Fire & Rescue on a new venture; Easter Fire Week!
- 2.6. We have been hosting lots of pop-ups this year and have brought back the theme of poo pop-ups after listening to our partners about increasing issues with dog fouling. With permission from land managers, we spray painted poo to make a point about the sheer amount being left on site. This was a very effective visual statement particularly within close proximity to car parks. This allowed us to elaborate on the detrimental effect of nutrification on the nutrient poo soils of heathland, the negative impact on invertebrates and the risk of toxicariasis to humans.
- 2.7. We made a new goal at the start of the season for each seasonal warden to attend or host two pop-ups or events per month on the weekend which some wardens exceeded.
- 2.8. We are rolling out the SANG surveys again this winter season. Last year we surveyed 75 SANGs over 4 months. This year we will have 78 SANGs to survey and we have started earlier in the season. We will survey each SANG for one hour, counting and interviewing people.
- 2.9. We restarted our car park surveys again after a 3-year hiatus and completed 7 transects between June and September, covering a total of 6 routes. We plan to do this again next year.
- 2.10. Over winter 2022, we will volunteer with numerous partners across the SPA. We are already booked in with Hampshire County Council Countryside Services at Yateley, Surrey Wildlife Trust at Whitmoor and Ockham, Horsell Common Preservation Society Surrey and Surrey Countryside Partnerships at Bullswater.
- 2.11. One of our seasonal wardens Louis organised a SAMM team day litter pick at Bisley after complaints of open container bins from the nearby prison distributing litter across the Common. Louis raised the issue and as a result, the prison Governor informed us of the plan to; remove the flip top bins and

place them inside prison fence-line, employ a full-time litter picker for all external areas and net the large open container after each refuse tip.

2.12. We participated in the Yateley, Blackwater & Derby Green ‘Great Big Green Week’ and attended a Sustainability Fair at Yateley Green. We were able to talk to a large amount of SPA users for the first time and get them excited to explore new ‘Greenspace on your Doorstep’

2.13. The following table (Table 1) sets out the number of hours of warden activity delivered on the SPA between June and September 2022, inclusive:

Table 1. Wardening activity delivered on the SPA between June 2022 and September 2022.

June 2022	Total hours warded	596.52	July 2022	Total hours warded	627.96
	Number of interactions	1428		Number of interactions	2415
	Interactions per hour	2.39		Interactions per hour	3.85
	Number already spoken to	320		Number already spoken to	296
	Leaflets handed out	2219		Leaflets handed out	2913
	Number of dogs	685		Number of dogs	603
	Number of dog walkers (5+ dogs)	13		Number of dog walkers (5+ dogs)	13
	Average % already spoken to	22.41		Average % already spoken to	12.26

August 2022	Total hours warded	470.39	September 2022	Total hours warded	131.85
	Number of interactions	1407		Number of interactions	287
	Interactions per hour	2.99		Interactions per hour	2.18
	Number already spoken to	228		Number already spoken to	42
	Leaflets handed out	2394		Leaflets handed out	456
	Number of dogs	813		Number of dogs	176
	Number of dog walkers (5+ dogs)	7		Number of dog walkers (5+ dogs)	6
	Average % already spoken to	16.20		Average % already spoken to	14.63

2.14. The number of hours warded has exceeded the levels from before the onset of the pandemic. The number of interactions per hour (Fig. 1) were close or exceeding the highest number achieved pre-pandemic (two interactions per hour) throughout summer 2022, a testament to the dedication of our wardens, especially in light of the reduced seasonal staff this summer (see section 1. SAMM Project Staffing and recruitment).

2.15. Twenty-seven pitstops/pop-ups and 49 events were possible between June and September 2022.

2.16. The Team carried interacted with 729 people during pitstops/pop-ups (418 of whom were met as part of Heathland Hounds pop-ups), and 2,236 during the TBH events. In July in particular, the number of interactions were almost double those in 2019 (2,415 vs 1,311), with only 12% more hours wardened in 2022 in July compared to the same time in July 2019.

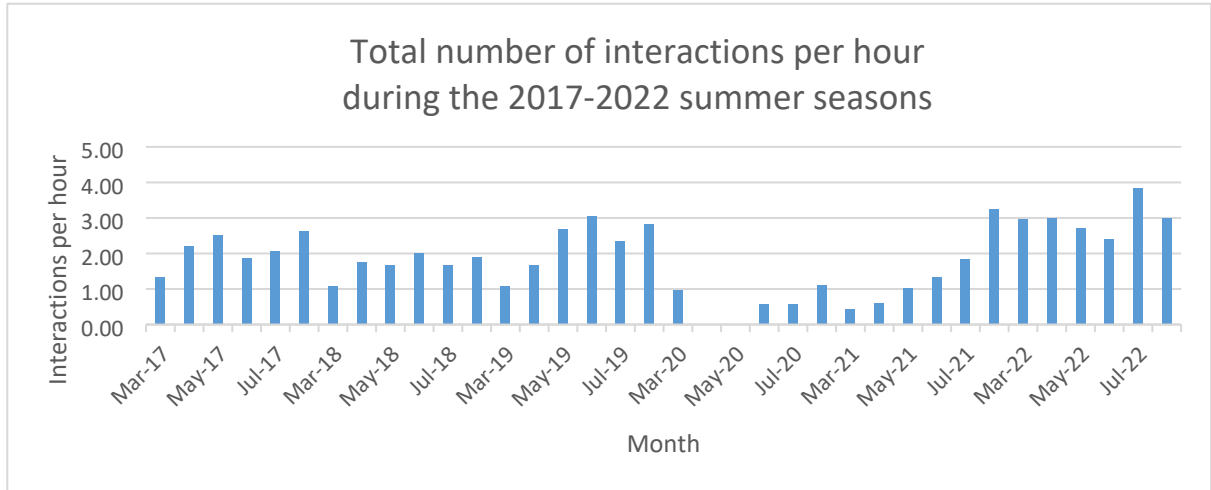


Figure 1. Total number of interactions per hour during the sensitive period (March to August) between 2017 and 2022.

2.17. Figure 2 shows the percentage of monthly interactions on the SPA with members of the public that were already aware of the SAMM project since March 2018. On average, 25.3% of individuals encountered whilst ‘normal wardening’ said that they were already aware of the project. This figure was unchanged from the period to May 2022, but still lower than pre-pandemic average of 35% between March 2018 and February 2020. However, with an increase in the number of users to the SPA since the Pandemic began, it is not surprising that a lower proportion of people had previously interacted with the Team.

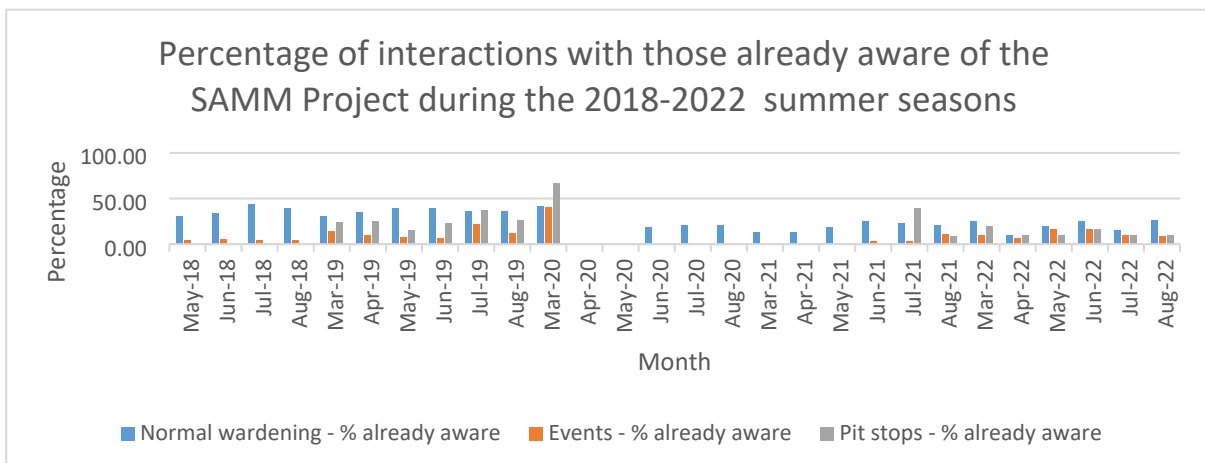


Figure 2. Average percentage of monthly interactions with members of the public that were already aware of the SAMM project during the sensitive period (March to August) between 2018 and 2022.

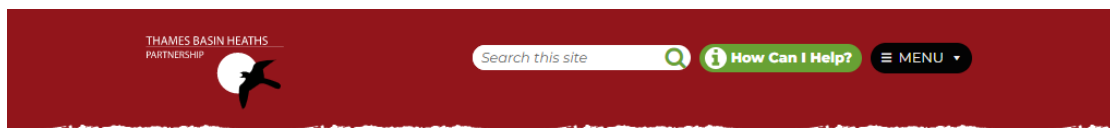
3. Access to Special Protection Area land

- 3.1. There have been no issues or changes. Feedback from landowners remains very positive and we thank all partners for their ongoing support.
- 3.2. Extensions to our existing access agreements have been agreed by all Partners. The agreements have been renewed through to 30th June 2023.

4. Communications

Website

- 4.1. As regulars will know, we have revamped the branding of our leaflets and materials in recent years. The last piece of this jigsaw was completed in May 2022, with the refresh of the project's website. The website has not been rebuilt or redesigned, but the visual aspects, such as artwork, colours and fonts have been updated to bring them into line with other materials. These fairly minor changes have made an enormous difference to the look and feel of the website and we're extremely pleased with the results.



Halloween events



Join us to celebrate Halloween! Use our FREE spooky spotter sheet to explore the heath. Free arts & crafts too! Do now or take away!

More details on our [What's On](#) page.

Figure 1 - Example screen from new look website

4.2. The website can be found at www.tbhpartnership.org.uk and continues to be used to promote our key messages. The website content is designed to inform and inspire visitors and to promote usage of Suitable Alternative Natural Greenspaces (SANGs).

4.3. Looking at the period since the last report, since 1st June 2022 there have been **43,479** page views across the whole website. Almost steady, compared to **42,724** in the same period in 2021. The number of visits to the homepage were up 49.5%, visits to the Heath Week page were up 46.4% and to event listings up 27.8%. There were **17,849** page views of the ‘Greenspace on your doorstep’ SANG listings, slightly lower than the same period in 2021 (-4.8%).

4.4. Top 10 most visited areas of the website since 1st June 2022 have been:

- Greenspace on your doorstep 17,849
- Event listings 7,046
- News & blogs 5,948
- Home page 3,854
- Heath Week 3,189
- Wildlife Gallery 1,073
- About us 769
- Heathland Hounds 464
- Downloadable content 340
- Free activities for kids 249

Social media

4.5. We continue to use social media platforms to spread our key messages. We are on Facebook, Twitter and Instagram.

4.6. Social media statistics as of 27th October 2022 (Table 2) show our following is gradually increasing as we become better known.

Table 2. Social media followers as of 27 October 2022.

	Oct 20	May 21	Oct 21	May 22	Oct 22
Facebook	1,031	1,188	1,315	1,482	1,662

Twitter	644	751	793	872	932
Instagram	260	340	399	505	592

The number of followers (Table 2) does not adequately reflect our reach on social media (Table 3).

Table 3. Social media reach as of 27 October 2022.

<u>Reach</u>	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Facebook	9,815	35,492	13,079	42,848	13,483	21,275	39,351	15,088	9,502
Twitter	11,200	16,200	16,900	23,400	10,600	19,400	58,000	10,500	8,284
Instagram	760	1,446	486	903	736	929	2,776	636	520

A few examples of recent high-performing posts:

- A post in June, a reminder about ground-nesting birds with the caption “Would you see me, before I saw you?” was the top tweet in June (see below) and reached 3,435 on Twitter and 6,086 on Facebook.
- The first post about Heath Week with the caption “The FREE fun starts on Monday” was the top tweet in July. It reached 12,500 people on Twitter.

Top Tweet earned 3,435 impressions
 Would you see me, before I saw you?
 Please avoid disturbing my little nest on the ground by keeping to main paths. We Woodlarks only have a few short weeks to raise our chicks 🐣
[#ThamesBasinHeaths](#)
[#GroundNestingBirds](#) [#GiveNatureSpace](#)
[#ProtectRespectEnjoy](#)
[#PawsOnPathsPlease](#)
pic.twitter.com/VYKYRkSJNm



↩ 1 🔄 20 ❤️ 51

[View Tweet activity](#)

[View all Tweet activity](#)

Top Tweet earned 12.5K impressions
 The FREE fun starts on Monday!
[#HeathWeek2022](#) kicks-off with a chance to meet the Surrey Fire & Rescue Service and clamber onto one of their fire engines! (emergencies permitting)

 Details at:
tbhpartnership.org.uk/event/wildfire...
[#ThamesBasinHeaths](#) [#BeWildfireAware](#)
[@SurreyFRS](#) [@ExploreSurreyUK](#)
pic.twitter.com/vH3SFB7g7r



↩ 1 ❤️ 5

[View Tweet activity](#)

[View all Tweet activity](#)

- One of the most successful posts during Heath Week as a picture taken by Warden Tim (below left). It reached 5,520 on Facebook.

Thames Basin Heaths Partnership
 Published by Sarah Bunce · 25 July ·

Sadly no fire engine was available for the Wildfire Roadshow at Chobham Common today, they're all busy with the ongoing incident at Hankley Common. But we had a very affectionate fire investigation dog called Chester. Thanks so much to Baz from [Surrey Fire and Rescue Service](#). Thank you also to the [Surrey Heath Beat \(Surrey Police\)](#) for calling in and letting everyone try out your car for size!

More pictures from today on the [#HeathWeek2022](#) gallery at: www.tbhpartnership.org.uk/gallery/



5,520 People reached 101 Engagements +7.8x higher Distribution score [Boost post](#)

Thames Basin Heaths Partnership
 Published by Sarah Bunce · 25 July ·

A great start to [#HeathWeek2022](#)! Mike & Michael have so enjoyed the arts & crafts and butterfly walks at Chobham Common! A big thank you to all the families that came out to see them today! On the list of butterflies spotted are the Gatekeeper, Peacock, Red Admiral, Comma and the much rarer Grayling 🦋

Loads more activities to come:
www.tbhpartnership.org.uk/heath-week/
[#ThamesBasinHeaths](#) [#Surrey](#) [#Hampshire](#) [#Berkshire](#)



2,301 People reached 72 Engagements [Boost post](#)

- Fire prevention was a constant concern and several posts did well, including this one (see below left) with Warden Mike and a new sign from Surrey County Council. It reached 5,312 on Twitter and 4,443 on Facebook.

Thames Basin Heaths Partnership
 @TBHPartnership

Is this the best sign ever? Warden Mike definitely thinks so! It's sure to get noticed and will spread the [#BeWildfireAware](#) message to everyone visiting the [#ThamesBasinHeaths](#) this summer ☀️
[@ExploreSurreyUK](#) [@SurreyFRS](#) [#HeathWaveUK](#)
[#HeathWave2022](#)



Thames Basin Heaths Partnership
 @TBHPartnership

Could we ask for [#PawsOnPathsPlease](#) and boots on main paths for just a little while longer please? The birds may not be nesting, but they're resting!

The Nightjars in particular have a long flight back to Africa and will need all their energy. Thank you 🙏
[#ThamesBasinHeaths](#)



- A late season reminder about birds on the ground (above right) reached 2,395 on Twitter and 7,341 on Facebook.

- 4.7. We run 'Heath Week' at the start of the school summer holidays every year, with family-oriented activities across the Thames Basin Heaths Special Protection Area to raise awareness of how rare and fragile heathland is. This is our flagship week and a great chance to make a splash about heathland locally. Heath Week ran from Monday 25th to Sunday 31st July.
- 4.8. With the help of our partners, we hosted 27 events over the week including fire awareness events, sensory scavenger hunts and Nightjar walks. Among the many highlights were visits from Amphibian & Reptile Conservation to Ockham Common and Hampshire & Isle of Wight Amphibian & Reptile Group to Yateley Common. Such activities are always popular and are perfect opportunities to spread the word about heathland.



- 4.9. The full event line-up can be viewed on our website at: <https://www.tbhpartnership.org.uk/heath-week/>.
- 4.10. We talked to 1,474 people face to face across the week, with Sunday (429) and Friday (298) being the busiest in terms of new interactions, and Sunday (279) and Tuesday/Wednesday (235) seeing the most leaflets distributed.
- 4.11. As well as speaking to people face to face, we have the opportunity to reach an even larger audience via social media. Reaching many thousands, particularly during July (Fig. 3).

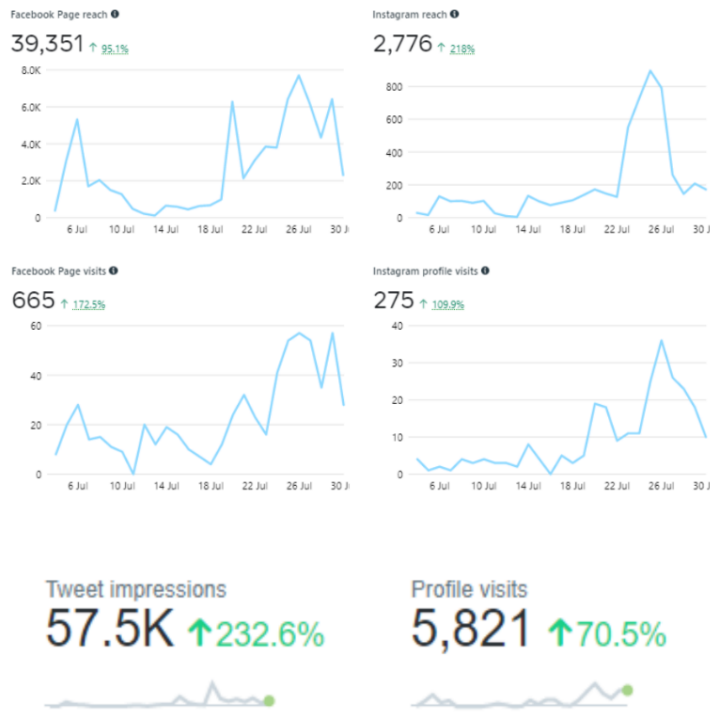


Figure 3. Social media reach trend for July.

4.12. Information about Heath Week also goes out to local parish magazines and is included in the free publication “Round&About” and the Woking and Chobham editions of the News & Mail.



CHATTY – Two young visitors to Whitmore Common made higher needs of the TBSP craft tent

LISTEN CAREFULLY – Members of the public with Thames Basin Heath Partnership education officer Michael to hear the clearing of nightjars on Horsell Common

PROMPTING INTEREST – Warden Zoe with the checklist for her sensory scavenger hunt on Horsell Common

Family events instil a love of our heathland

THIS magic of Surrey's heathland entranced people of all ages during a series of events aimed at highlighting the importance of threatened countryside and wildlife.

Walks and roadshows were staged during Heath Week by the Thames Basin Heath Partnership (TBHP), to celebrate heathland and locations such as Chobham, Horsell, Uckham and West End commons.

"Our team of warden and volunteer guides set out to make as much noise as possible with a week of free family events," said the partnership's communications officer, Sarah Jones.

"Heaths and commons across this part of Surrey are under threat from several directions, from air pollution to nearby development, wildfire to global warming. One of the best ways to make sure they're protected for the future is to tell everyone about them."

Heath Week included sessions to introduce butterflies, insects, reptiles, birds and other creatures to the public, as well as a history walk on Chobham commons.

"If you missed out, we'll be doing it all again next year, so put a date in your diary now," said Sarah.

"Heath Week 2022 in the last week of July, when you can have more fun and inspire our children to love the heaths, so they'll be here for future generations."

TBHP is a partnership of local authorities, land managers and nature conservation bodies. Its work covers a special protection area for wildlife that covers more than 20,000 acres of heathland in Surrey, Hampshire and Berkshire.

AWARENESS IS KEY – Wardens Tim, Mike and Ruth and a member of the Surrey Fire and Rescue Service K9 Fire Patrol volunteers ready to engage the public

ENGAGING INTEREST – Horsell Common Preservation Society insect expert Andrew Habbard leading a walk to teach people about heathland's smaller creatures

STARTING EARLY – Entertaining a young visitor during the reptile and amphibian roadshow



PROTECTING THE FUTURE – Warden Ruth spreads the word about rare heathland wildlife

MAKING A NEW FRIEND – Chester, the Surrey Fire and Rescue Service Pit Investigation dog, was a big hit during the the WBP's Roadshow in Roundabout Car park on Chobham Common

Fantastic Services NOW IN WOKING AND SURROUNDING AREAS

Cleaning your home has never been this easy!

✓ Jet Wash	✓ End of Tenancy Cleaning
✓ Gutter cleaning	✓ Carpet & Upholstery Cleaning
✓ Window Cleaning	✓ One-Off Cleaning
✓ After Builders Cleaning	✓ Oven & BBQ Cleaning

Get £15 OFF your first booking!

Code: **OUFANTASTIC15**

Valid for all bookings made up to 31 December 2022. Cannot be used in conjunction with any other offer or discount.

What makes us oh-so-fantastic for your home?

- ✓ All work done by experienced technicians
- ✓ Effective nature-friendly methods
- ✓ Flexible booking options (weekends and holidays too)
- ✓ Following Covid-secure procedures

To book, please visit:
www.fantasticservices.com/guildford or call 01483 492125

5. Education

5.1 During the period of this update, “Our Amazing Heathlands” schools programme continued to reach more schools and their children. Word is spreading about our educational offering and feedback has been incredibly positive.

5.2. From 1st January to 31st October, the activities of the Education and Engagement Officer engaged with **3145** children and adults through the schools programme (Table 4), sessions for uniformed groups, guided walks and talks.

5.3. During this time, **90 sessions** have been delivered – including **60** to children of primary school age (including uniformed groups). The remaining sessions included heathland talks to local groups, guided walks and a conservation-careers talk to students.

Table 4. Number of monthly engagements in 2022.

Month	Number of engagements
January	107
February	203
March	369
April	333
May	301
June	460
July	520
August	25
September	46
October	771

5.4. These are high-quality engagements, taking place in sessions ranging between one-hour and up to three-hours. There is time for a deep level of engagement and considerable nature connections.

Schools – Our Amazing Heathlands

5.5 The goal of our schools programme is to meaningfully connect school children and their teachers to wildlife and their local heathlands through fun and engaging activities. Sessions focus on:

1. Nature connections
2. Heathland and its species
3. Threats to heathland
4. How to help look after heathland and its species

5.6. These curriculum-linked sessions can be delivered remotely, in school or out on the heath and are designed to introduce fantastic plants and animals (including rare ground-nesting birds) and cover threats to the landscape – including wildfire and disturbance.

5.7. The aim is for children to go home after a session inspired by their nature experiences and tell their family and friends about our amazing heathlands and what everyone can do to look after them. This helps to spread our key messages about responsible heathland beyond the direct interactions.

5.8. There are onward opportunities for the children to join in with '*Help the Heath*' and design posters encouraging visitors to do the right thing when visiting. (*#BeWildfireAware*, avoid disturbance, pick up dog waste and not littering)

Advertising our offering

5.9. A total of 220 primary schools have been identified within 5km of the SPA (62 within 1km) and contact is being made with them as and when possible – identifying the best teachers to contact. Schools are offered a range of curriculum heathland-themed engagement and learning opportunities for the children. This offering takes the form of assemblies, classroom sessions and heathland visits, if possible. A number of schools are within walking distance of their local heath, with these children often visiting in the company of their teachers.

5.10. Articles have been written for community magazines raising awareness about learning.

Sessions available

5.11 Several curriculum-linked sessions aimed at a KS1 and KS2 audience have been developed to provide teachers with something that caters for all their needs, including:

- Introduction to heathland
- Heathland discovery
- Heathland seasons
- Heathland wildfire
- Heathland in the dark
- Heathland species: classification
- Heathland species: adaptation
- Heathland species: food chains
- Heathland - physical and human features
- Heathland plants
- Threats to heathland

Sessions delivered – examples

5.12 We are developing some excellent ongoing relationships with local schools and continue to add new schools to the list.

We always encourage teachers to get their children to help spread the word about how amazing heathland is, but also how fragile it is and how they can raise awareness of issues like wildfire and disturbance. This often takes the form of designing posters to 'Help the Heath'

This summer, for example, children from Horsell Village School designed posters to encourage visitors to be wildfire aware. These posters were put up on the Common's noticeboard. Another group, from St Michael's C of E School, Sunninghill, designed posters to encourage them to minimise disturbance to ground-nesting birds

We took part in New Scotland Hill School's (Little Sandhurst) outdoor learning day and introduced the whole school to the wonders of their local heathland

an engagement opportunities and this has proved a good way to spread the word and create awareness of the Thames Basin Heaths Partnership within the local community.

5.13 An introductory [video](#) to highlight the benefits of learning about heathland can be viewed by teachers is used to explain the benefits of the sessions in a quick and engaging format.

5.14 Educational and engagement opportunities and celebrations of success are regularly promoted via social media and blogs on the website. A recent example of a blog post can be found at [My Heath Week](#).

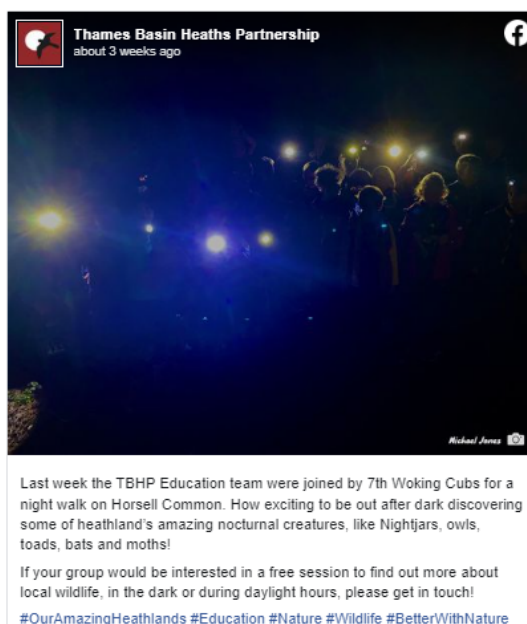
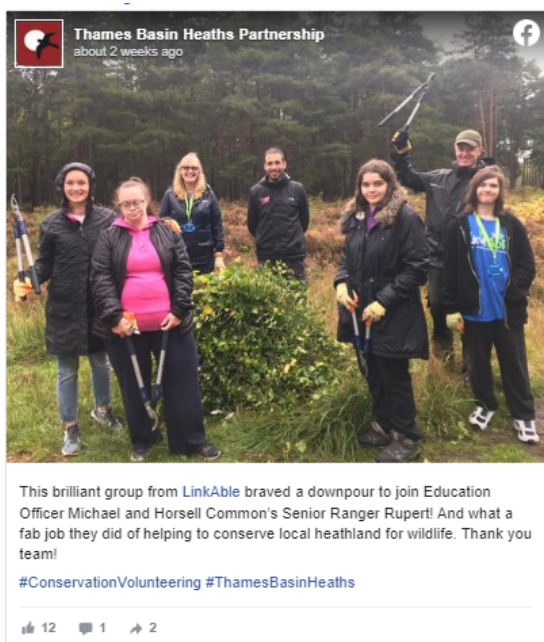




Figure 4. Year 3s from St Michael’s School designed posters to encourage people to help protect ground-nesting birds and Horsell Village Schools School Council designed #BeWildfireAware posters.

Heathland as an outdoor classroom

5.15 We currently have agreements with partners in place to be able to run educational sessions on the following heathlands: -

- Chobham Common (Surrey CC)
- Whitmoor Common (Surrey CC)
- Ockham and Wisley Commons (Surrey CC)
- Bramshill (Forestry England)
- Wildmoor Heath (BBOWT)
- Lightwater Country Park (Surrey Heath BC)
- Horsell Common (Horsell Common Preservation)

5.16 We have also assisted with sessions at Yateley Common Country Park (Hampshire County Council) and were going to co-run a session at Elvetham Heath (Hart District Council) before the school cancelled.

5.17 We are always looking to add to this list to make it easier for schools across the Special Protection Area to visit – often without the need to arrange transport (the cost of which is often a barrier to participation).

Resources

5.18 We continually develop our resources (based on feedback and research) and also produce new ones to expand our offering. These resources are designed to be used during sessions to provide focus and give the children something to take away with them as a reminder of their learning. Other resources are available to provide teachers with activities to embed learning after the event and provide extra value to the experience.

Feedback

5.19 Feedback has been incredibly positive from children and teachers alike. Teachers are rebooking sessions when they get a new class each academic year and are happy to act as referees for new schools that are interested in recommendations.

Here is a selection of feedback: -

Teacher (Horsell Village School)

"We really enjoyed the session. When the children returned to their classes they were 'buzzing' about it. It is amazing to help the children realise the way living things can live in harmony AND to preserve that!"

Teacher (New Scotland Hill School)

"THANK YOU for such a fabulous day. Amazing response from teachers and children alike who have said things like...

- *'The best day ever'*
- *'I always want to learn outside'*
- *'We learnt about Dartford Warblers and saw them flying together'*
- *'Nightjars sleep on the ground and chuurr'*
- *'We saw a slow worm slither'*
- *Plus, feedback from teachers who said you were so knowledgeable and had a lovely way of explaining things to the children... and they are all keen to have you back in the Autumn!"*

Teacher (New Scotland Hill School)

"The nursery really enjoyed the session so a big THANK YOU. The children were enthusiastic and parents too were impressed with your workshop. Lots of talk and questions from the children in the afternoon and they also liked the colouring sheets."

Parent (Home-school group)

“Thank you so much for running such an amazing session today. The children were so engaged they loved it. Such a fantastic couple of hours with so much learning, we all really appreciated all the effort, time and enthusiasm you put into passing on your love of the Heath. A huge thank you from all of us. We heard stonechats when having our picnic and several of the children and adults picked it out, very exciting! Some children had a go at the quiz sheet together too. Rowan took the leftovers to give to his friends. I think you really inspired him today, his mum said it was really nice to have a male role model enthusiastic about nature.

Here’s a few feedback comments so far from the children...

- *‘I liked the wasp spider’*
- *‘Learning that Dartford warblers fly low down’*
- *‘Seeing the gorse mites, now I know what they are’*
- *‘I liked hearing the stonechats on the button so we knew what it sounded like at lunchtime’*
- *‘I want to look out for the sundew’*

Teacher (St Michael’s C of E School, Sunninghill)

“I highly recommend booking a school visit with Michael. My class and I had a fabulous time.”

Parent (Home-school group)

“Thank you for another fantastic afternoon. It is honestly our new favourite thing and it’s amazing how much the children are remembering. I’ve heard so many sentences start with ‘Michael said/ showed us/ told us...’ you’ve really made a huge impression thank you.

We found a cluster of galls on an oak leaf the following day and Jessie remembered that they were ‘oak apple’ galls. She then put them to one side off the path as ‘wasps were developing inside’. We’re already really looking forward to the next session. The leaf sheet sketching was fab, it inspired some mushroom sketching today at Rowhills nature reserve and using all the senses to look at something more closely.”

Parent (Home-school group)

“I just wanted to say thank you so much for running the home educator sessions at Horsell Common. Both Rowan and Laurie thoroughly enjoyed both sessions and came away so fulfilled. I can’t tell you how nice it is to come across an educator that is passionate about such an important topic. Rowan is at an impressionable age (just turning 10) and sometimes I worry he will start to lose/hide his deep passion for nature because of pressure from his peers and society itself. Educational sessions like these fill me with hope, making nature cool...”

Rowan was very excited at the beach today sat high up in a Scots Pine talking about the reasons why it would thrive at a beach and a heath - I love it. The children soaked up so much knowledge and enjoyed your passion, but most importantly they came away inspired which is more valuable than anything."

Parent (Home-school group)

"I just wanted to pop you a quick email to say a massive thank you for the heathland sessions you have run for our home ed group. The children and adults have thoroughly enjoyed them and we all feel like we are learning so much. It is wonderful for the children to learn from someone who listens to them and speaks to them respectfully, and who is so enthusiastic in sharing their knowledge. I am really grateful for the time and energy that you are putting into the sessions.

For families like ours who are very invested in environmental education it's great for the children to see an adult as passionate and curious about the natural world as they are. Thank you!

Thank you again for the opportunity you have given our little community."



New Scotland Hill @newscotthill · 4h

A brilliant outdoor learning day. Fantastic experiences all round and the chance to take our learning outdoors. Thanks to Michael from @TBHPartnership for inspiring our children's love of their neighbouring heathland. #NSHproudHT



Explore Surrey's Countryside

@ExploreSurreyUK

'Well Done' to St Michael's C of E School Sunninghill, Year 5 for designing & installing posters on noticeboards around Chobham Common spreading the message - keep dogs under control - stick to paths during bird breeding season - be wildfire aware @StMichaels_CE @TBHPartnership



Uniformed Groups

5.20 There continues to good demand from uniformed groups and we have sessions designed to introduce children to their local heathlands and enable them to work towards badges. In order to meet further badge requirements, the on-heath activities can be supplemented with the 'Help the Heath' poster challenge.

Feedback example: *"Thank you for taking the time to show the Brownies around Wildmoor Heath a few weeks ago. I have to admit that it's been a long time since I've seen the entire group that engaged in a subject for a whole meeting, it was great to see. Thank you."*

Wildfire Education – www.tbhpartnership.org.uk/wildfire

5.21 Wildfire education is covered in all sessions, so all participants learn about the causes and consequences of a fire. They also find out about what to do if they discover a fire.

5.22 In October we participated in [Junior Citizen](#) for the first time and engaged with almost 700 children teaching them about being safe in the countryside. These sessions introduced the causes and consequences of wildfire and what action to take on the discovery of a fire.

5.23 These events are a great way to engage with a large number of local children about one of our key messages. We aim to attend similar events in Guildford and Woking next year.

Our Amazing Heathlands – Education Webpage – www.tbhpartnership.org.uk/schools

5.24 The [education webpage](#) continues to be updated.

It provides information for local teachers about free educational offerings and how they can get involved.

Citizen Science

5.25 As part of efforts to boost the nature connectedness of visitors to the heathland, we continue to encourage visitors to take a closer look at the nature around them. A big part of this is to encourage them to get involved in [citizen science](#).

5.26 Silver-studded Blue Watch has returned in 2022, and we asked people to keep an eye out for this amazing butterfly, let us know using #SilverStuddedBlue and also report it via iRecord. More information can be found [here](#).

5.27 We arranged for Surrey Butterfly Conservation volunteers to survey Ash Ranges on a flag-down day. They were looking for Silver-studded Blues and Graylings in an area of the SPA with very few historical records.

Guided walks

5.28 Guided walks provide an excellent opportunity to connect local people with their heathlands. The Education Officer ran a number of events across a range of topics, including nightjars, using your phone to ID and record wildlife, introduction to heathland and bird-spotting.

To show people just how amazing their nearby heathlands really resonates with people and encourages them to be responsible visitors. Here's a case in point: -

“Thank you very much for an enjoyable and informative walk last evening. I often walk on Horsell common with my two dogs and I want to know more about the nature and wildlife of this special place. In particular, which places to avoid with my dogs during these important breeding months!”



Figure 5. Year 4s from Horsell Junior School designed posters after a heath walk.

6 SPA and SANGs monitoring People counter data from 22 counters were modelled to understand the overall trend in visitor passes to September 2022. The only site that could not be included was Crowthorne, as its reader had failed during the period, and hence the data could not be considered reliable.

6.2 Generalised linear mixed models were used, modelling visitor passes as a function of year, taking into account pseudo replication at the level of site and month, controlling for overdispersion, and specifying a Poisson error family and log-link function. The variable number of people counters contributing to the data each year (Table 5), and the number of months contributing to each site-year total were also controlled for. Analyses were conducted with R. 4.2.2¹.

6.3 In the case of multiple readers for a single site, the reader with the highest number of reliable passes was considered. In the case of Chobham Common and Horsell Common, the highest readings were due to a known fault in the reader, which had since been returned to be serviced, hence the people counter with the second-highest readings was selected in both cases.

6.4 The models were based on all data available (January 2016 to September 2022), and then replicated for the period considered as lacking pandemic restrictions (“non-pandemic”), based on the Government decisions at the time: from January 2016 to March 2020, between July 2021² and November³ 2021, and finally between February⁴ and September 2022.

6.5 Six models were run: a year-round one, another covering the peak season (March to August) and a third off-peak season (September to February) model, for data from January 2016 to September 2022, as well as the same three models only considering data covering the non-pandemic period. For the off-peak season during non-pandemic years, only the period between January 2016 to February 2020 was considered because from the beginning of the pandemic to September 2022 there were not enough non-pandemic off-peak months to produce a reliable analysis. Overall, removing years from a dataset, as done here, is not normal practice, and more sophisticated modelling techniques will be used to account for that in the future, as more data from post-pandemic years are available; results for the non-pandemic period should, therefore, be considered as preliminary. Details of all six models are presented in Table 6 below.

Year	Number of people counters	Sites considered
2016	11	Brentmoor Heath, Broadmoor Bottom, Bullswater Common, Chobham Common, Heath Warren, Horsell Common, Lightwater CP, Ockham Common, Whitmoor Common, Wildmoor, Wildmoor Heath.

2017	17	Ash Ranges, Barossa, Bisley Common, Brentmoor, Brentmoor Heath, Broadmoor Bottom, Bullswater Common, Chobham Common, Forest of Eversely, Heath Warren, Horsell Common, Lightwater CP, Ockham Common, Whitmoor Common, Wildmoor, Wildmoor Heath, Yateley Common.
2018	17	Ash Ranges, Barossa, Bisley Common, Brentmoor, Brentmoor Heath, Broadmoor Bottom, Bullswater Common, Chobham Common, Forest of Eversely, Heath Warren, Horsell Common, Lightwater CP, Ockham Common, Whitmoor Common, Wildmoor, Wildmoor Heath, Yateley Common.
2019	22	Ash Ranges, Barossa, Bisley Common, Brentmoor, Brentmoor Heath, Broadmoor Bottom, Bullswater Common, Caesar's Camp, Castle Bottom, Chobham Common, Forest of Eversely, Hazeley Heath, Heath Warren, Horsell Common, Lightwater CP, Ockham Common, Whitmoor Common, Wildmoor, Wildmoor Heath, Yateley Common.
2020	22	Ash Ranges, Barossa, Bisley Common, Brentmoor, Brentmoor Heath, Broadmoor Bottom, Bullswater Common, Chobham Common, Forest of Eversely, Heath Warren, Horsell Common, Lightwater CP, Ockham Common, Sheet's Heath, Whitmoor Common, Wildmoor, Wildmoor Heath, Wisley Common, Yateley Common.
2021	22	Ash Ranges, Barossa, Bisley Common, Brentmoor, Brentmoor Heath, Broadmoor Bottom, Bullswater Common, Chobham Common, Forest of Eversely, Heath Warren, Horsell Common, Lightwater CP, Ockham Common, Sheet's Heath, Whitmoor Common, Wildmoor, Wildmoor Heath, Wisley Common, Yateley Common.
2022	22	Ash Ranges, Barossa, Bisley Common, Brentmoor, Brentmoor Heath, Broadmoor Bottom, Bullswater Common, Chobham Common, Forest of Eversely, Heath Warren, Horsell Common, Lightwater CP, Ockham Common, Sheet's Heath, Whitmoor Common, Wildmoor, Wildmoor Heath, Wisley Common, Yateley Common.

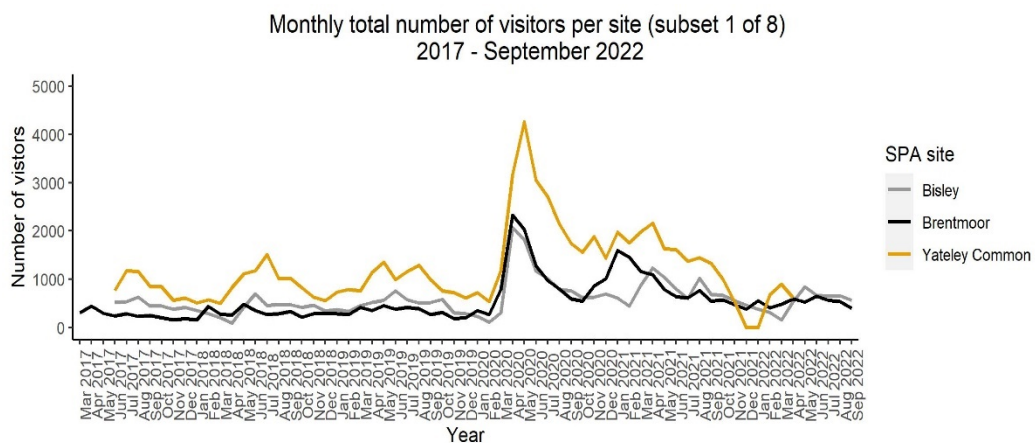
Table 6. Summary of linear mixed effect models run on all data available (2016 to 2022), as well as non-pandemic period only (January 2016 to March 2020, between July 2021² and November 2021, and finally between February and September 2022). For further details on the models please see sections 6.1 to 6.5 above. The direction of the trend is based on a significance level of $p < 0.05$, and annual rate of change is specified as a percentage. Peak season spans from March to August, whilst the off-peak season from September to February. [±] January 2016 to February 2020 only.

Model	Trend	Rate of annual change (%)
Jan 2016 to Sept 2022 – all year-round	increasing	12.1
Jan 2016 to Sept 2022 – peak season	increasing	9.7
Jan 2016 to Sept 2022 – off-peak season	increasing	11
Non-pandemic period* – all year-round	increasing	10.8
Non-pandemic period* – peak season	increasing	6
Non-pandemic period [±] – off-peak season	increasing	10.7

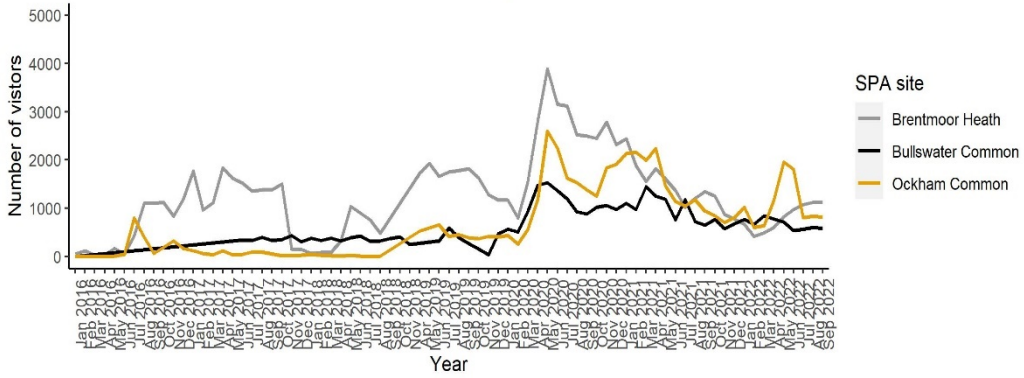
6.6 The emerging picture from all models is suggesting an increased trend in number of passes, with the annual rate varying greatly between periods. The lowest rate of change (6%) was recorded for the peak season when the pandemic period was excluded, a positive result because the time coincides with the breeding of the three Annex1 species. Overall, the non-pandemic period had lower rates of increase than when the Covid-19 years were also included, which was expected given the peaks in passes at virtually all sites in relation to lockdowns and restrictions (see 6.8 for more details). The same graphs show that the post-pandemic number of passes have not reverted back to pre-March-2020 levels, which is very likely to have influenced the results of the non-pandemic models towards a high rate of annual change. The continuing monitoring of visitor numbers through people counters will inform this emerging picture further.

6.7 One of the key questions that we need to address is whether rates of annual change are driven by increased number of individuals visiting the SPA, or whether they are due to a change in behaviour (e.g. repeat visits from certain individuals). The SPA visitor survey planned for summer 2023 will help to answer this question.

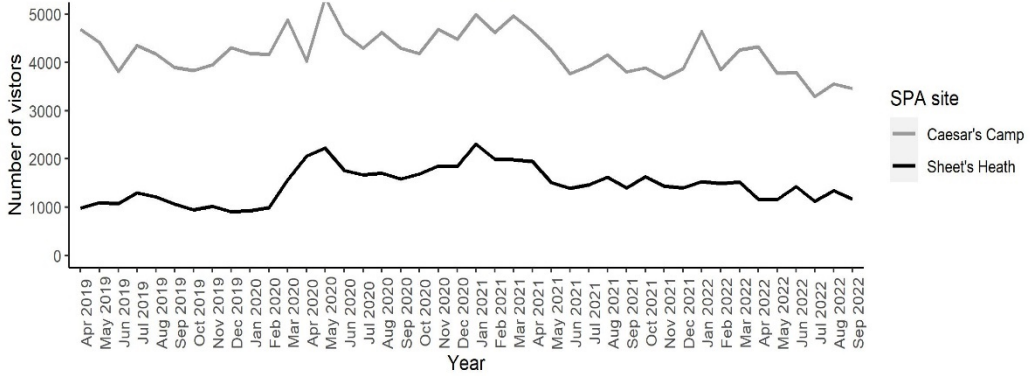
6.8 The representation of the number of passes over time for each SPA site is shown in Fig. 6. For all but three sites (Caesar’s Camp, Sheet’s Heath and Lightwater CP) there is a clear peak in number of passes during the pandemic period (March 2020 to July 2021).



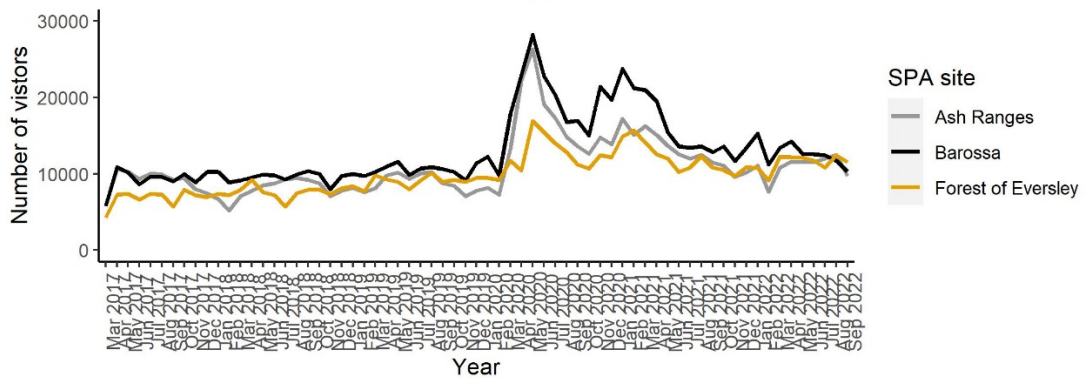
Monthly total number of visitors per site (subset 2 of 8)
2016 - September 2022



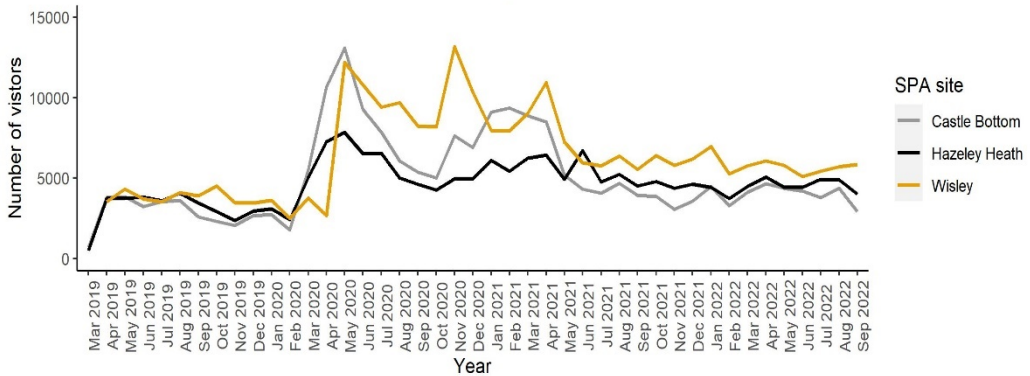
Monthly total number of visitors per site (subset 3 of 8)
2019 - September 2022



Monthly total number of visitors per site (subset 4 of 8)
2017 - September 2022



Monthly total number of visitors per site (subset 5 of 8)
2019 - September 2022



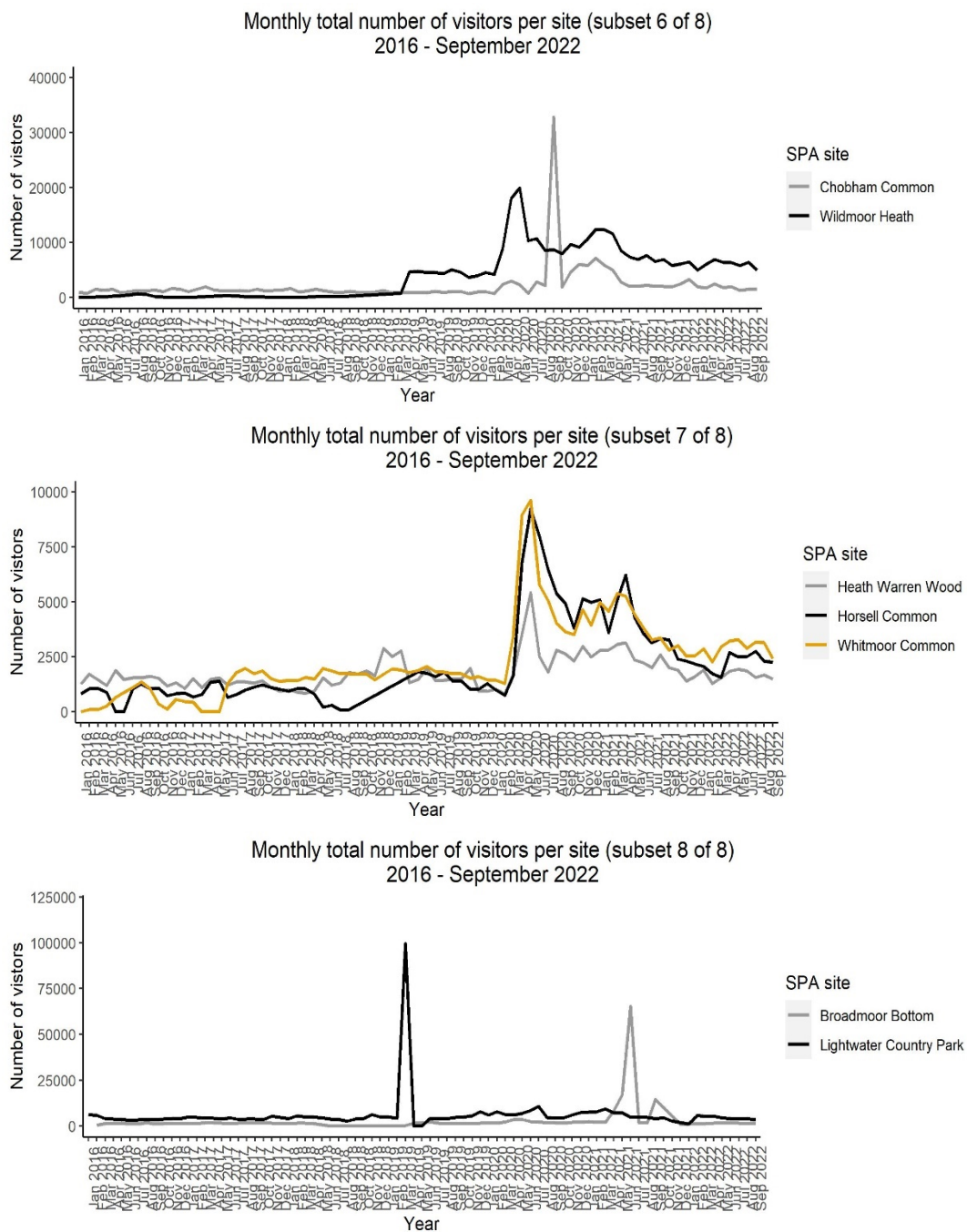


Fig. 6. Monthly total number of passes in front of people counters per site.

Car Park Transect

6.9 Seven car park transects were carried out in the summer. We achieved equal coverage between week-days and weekends, as well as overall spread of the time of day (Table 7).

Table 7. Summary of timing of each of the seven car park transects carried out in summer 2022.

Date	Day of the week	Start Time
29/06/2022	WED	14:00
03/07/2022	SUN	10:00

11/07/2022	MON	18:00
09/08/2022	TUE	07:00
14/08/2022	SUN	16:00
08/09/2022	THU	15:00
11/09/2022	SUN	16:00

6.10 The total number of all vehicle types that was recorded on each visit is presented in Fig. 7. The three highest counts correspond to the weekend visits, all on Sundays. The other visits were carried out on Wednesday, Monday, Tuesday and Thursday, respectively. The average number of vehicles per car park on weekday visits was 2.9, compared to 5.9 on weekends. During the week, Wednesday was the day with the highest average number of vehicles per car park (3.6), with the other days showing a similar number (Monday: 2.8; Tuesday: 2.7; Thursday: 2.6).

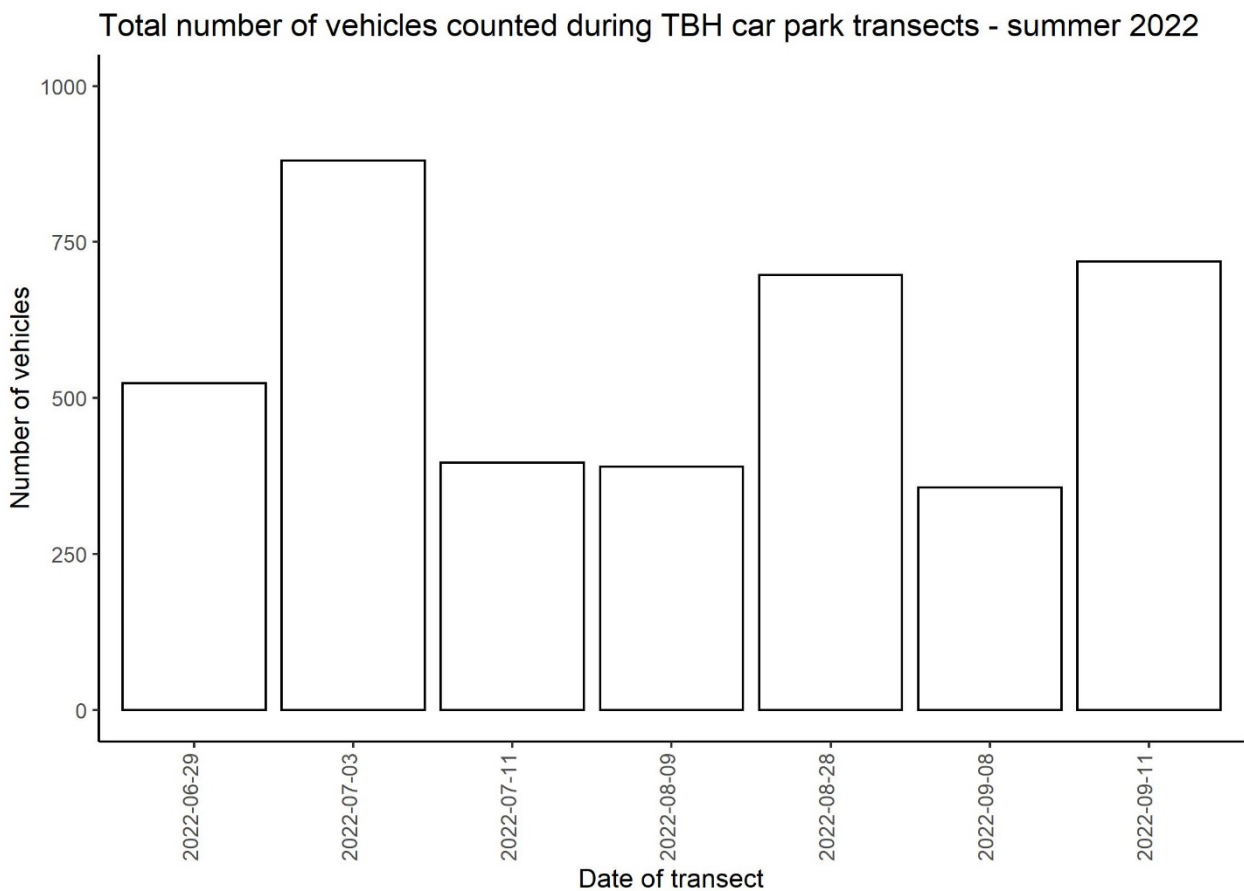


Figure 7. Total number of all vehicle types that was recorded on each visit of the TBH SPA car park transect 2022. For day of the week associated with each date, see Table 7.

6.11 We also recorded vehicles by category (Fig. 8). The most common vehicle was of the “commercial” type (vans), whether marked or unmarked (apart from dog-walker’s van, which we captured in a separate category) (Fig. 8). The second most common category recorded was vehicles with a bike rack, which were most numerous during the Sunday transects (3/7/22, 28/8/22 and 11/9/22). This result was perhaps expected as most people would have more time on the weekend to go for an off-round bike-ride. Dog-walker-branded vehicles were recorded only on Wednesday, Tuesday and Thursday, but not on the weekend, perhaps reflecting time when dog-owners are not at home to walk their dogs themselves, compared to the weekend.

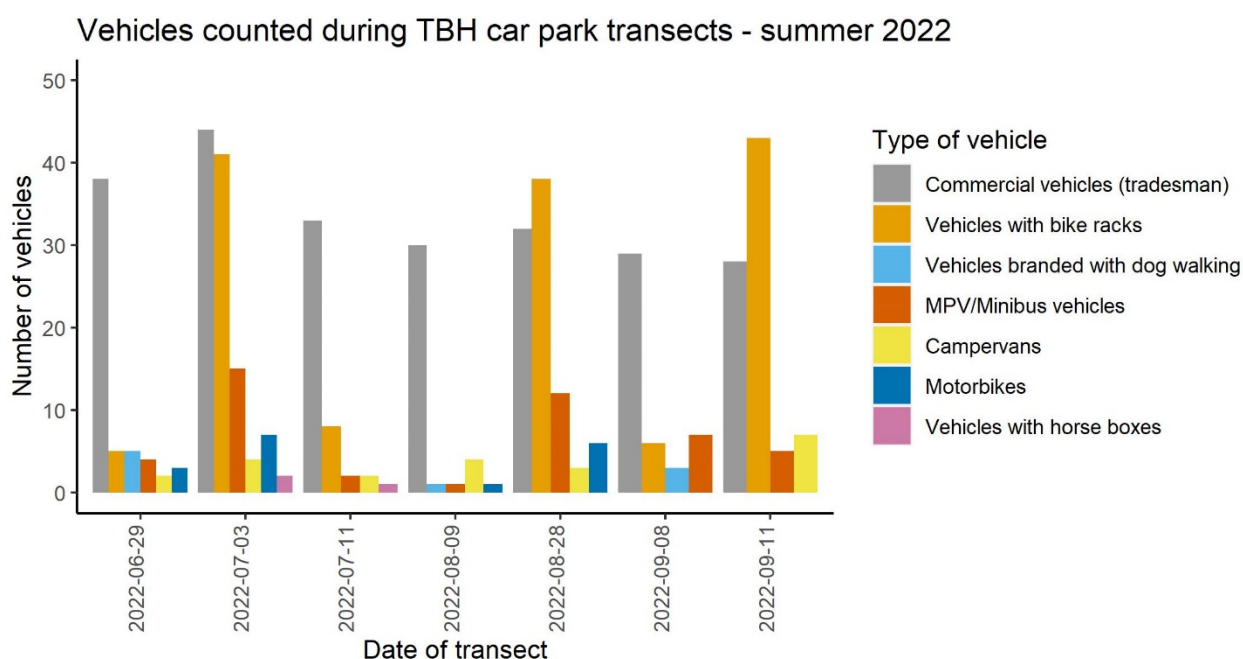


Figure 8. Categories of vehicles recorded on each visit of the TBH SPA car park transect 2022. For day of the week associated with each date, see Table 7.

References

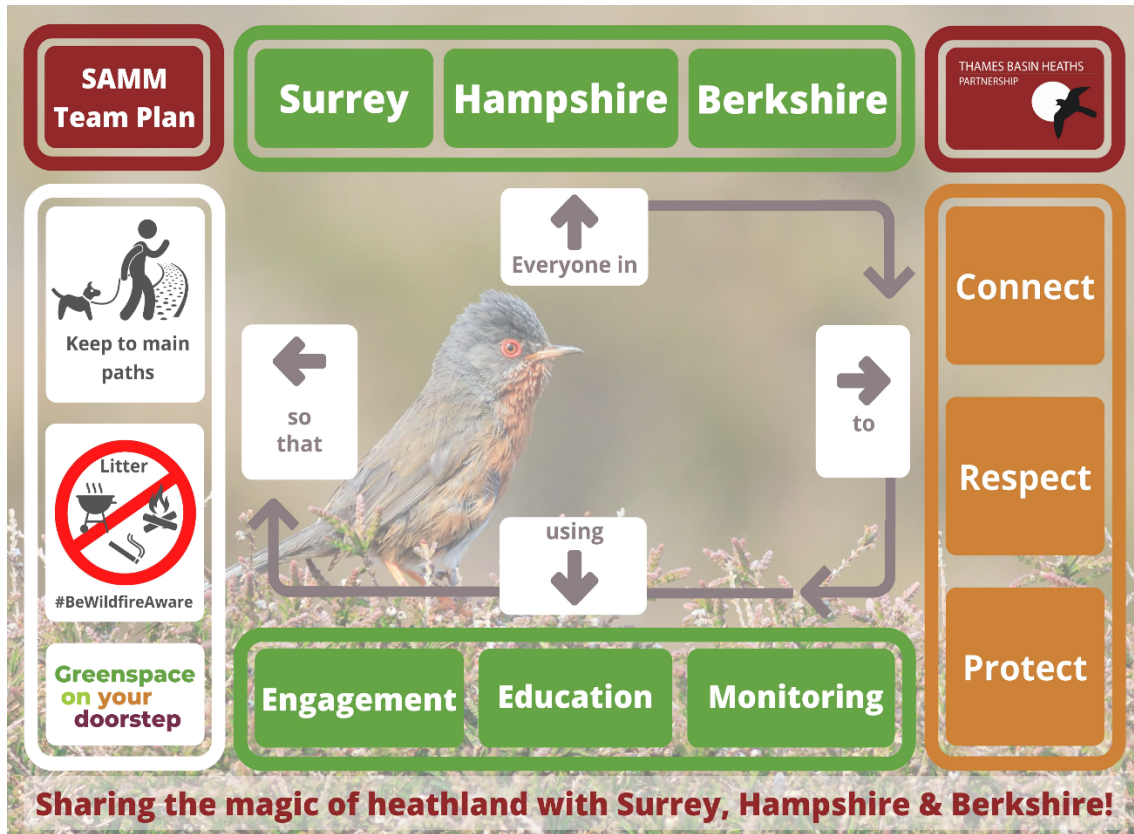
1. R Core Team (2020). R: A language and environment for statistical computing. R Foundation for Statistical Computing, Vienna, Austria. URL <https://www.R-project.org/>.
2. BBC (2021). Covid: England lockdown rules to end on 19 July, PM confirms. Available at www.bbc.co.uk/news/uk-57809691 [Accessed 20 October 2022].
3. BBC (2021). Covid: New Plan B rules on working from home and masks announced for England. Available at www.bbc.co.uk/news/uk-59585307 [Accessed 20 October 2022].
4. BBC (2022). Covid: England ending isolation laws and mass free testing. Available at www.bbc.co.uk/news/uk-60467183 [Accessed 20 October 2022].

5. Southgate J., Brookbank R., Cammack K. and Mitchell, J. (2018). Visitor Access Patterns on the Thames Basin Heaths SPA: Visitor Questionnaire Survey 2018. Natural England Commissioned Report. Ecological Planning & Research Ltd, Winchester.

7. Other news

- 7.1. Our Access Management and Monitoring Partner (AMMP) meetings continue quarterly and are well attended. We are meeting again in person and it's great to hear the room buzzing with thoughts and ideas about how to look after our heathland. We are moving towards having a focus for each meeting. In October we had a presentation from a company called No Fence relating to grazing stock and James Herd from Surrey Wildlife Trust gave us his insights.
- 7.2. Our next AMMP meeting is in January and by common consensus in the October meeting the focus will be habitat management to accommodate butterflies with a speaker from the Butterfly Conversation Trust joining us.
- 7.3. In response to this years terrible wildfires the AMMP attendees have agreed that next Aprils AMMP meeting will be the perfect time to focus on wildfire and wildfire prevention.
- 7.4. Our Heathland Hounds group continues to be lively and active. Started in 2016 we currently have over 1,400 members with 5 new members joining just this week. This group are key to delivering our messages to dog owners and are strong supporters of the SANG network. More details will be given in the presentation.
- 7.5. The winter months are our chance to spend some time planning our strategy for the coming season. We're always keen to ensure we are as effective and efficient as we can be and these strategy

sessions help us to ensure we are. Previous year's strategy sessions produced our Team Plan



- 7.6. This year we held our first strategy session in October and explored the questions 'What went well?' 'What could we do better?' 'What questions do we have?' 'What do we need to focus on?'
- 7.7. We will continue this work over the winter to ensure we have a clear strategy for the coming season. Early observations show a strong need and desire to increase our efforts in relation to wildfire
- 7.8. The team continue to work incredibly hard and very effectively despite the challenges we all face as a result of living with *COVID-19*
- 7.9. It has not been possible to separate out the impact of *COVID-19* and its variants from the body of this report, rather it forms an integral part.
- 7.10. Some of the team members have tested positive for the virus. The source of the infections appears to have been outside of work in each case and we have been effective in not transmitting it amongst the team. Most have now fully recovered however Project manager Ruth Shelton is battling 'Long Covid'. At the time of writing this report we are pleased to say that we are all testing negative. The team have coped well with the extra pressures these illnesses has placed on them particularly during the induction periods.
- 7.11. The office at Heathland House is well used by the team. We are operating under a DEFRA approved Room Ventilation Assessment (RVA) which has proven to be very effective in containing any

infections. The DEFRA supplied CO2 monitor is helping us monitor air quality and we are acting in accordance with guidelines. We continue to work remotely and meet outdoors where possible.

- 7.12. We have had some communications with the various planning departments involved in this project and intend to do more. We would like in particular to know more about activity in the SANGs, how much the housing stock has gone up in recent years and when new developments come on line. The addition of our new year round warden will allow us capacity to make progress in these areas
- 7.13. We ask the board to please confirm that it is their intention that the tariff paid by developers within the buffer zone be increased annually in line with inflation in order to avoid any further large increases as discussed in the November 2020 meeting and in the June 2021.

8. Looking ahead

- 8.1. The Communications Officer role is live and we expect to have our new team member in post by the time of the next meeting.
- 8.2. We are making good progress with the installation of new remote access people counters and expect this element of the project to be live by the next meeting also
- 8.3. The new method of collecting the bird data has been developed and is in train with Defra procurement. The request to quote go live in 2023 with a start of Feb 2024
- 8.4. Similarly the SPA visitor questionnaire specification has been produced and is in train with Defra procurement. The request to quote will go live in 2023 with a start date of July 2023
- 8.5. The cost of both these projects have been included in the budget projections supplied to HCC
- 8.6. Two new Heathland related groups have been initiated in recent months, The Western Thames Basin Landscape Partnership hosted by RSPB and 'Heathland Connected' also hosted by Natural England
- 8.7. We are working with both projects to help share our experience and knowledge and look to enable a uniform message across the region outside of the TBHP
- 8.8. We are always keen advocates of Equality, Diversity and Inclusivity. We are looking to find ways to get our core messages across to diverse audiences we have not yet reached. We will update on any
- 8.9. We will continue with our core message of asking heathland visitors to stick to main paths and keep dogs out of vegetation.

- 8.10. We will continue to build on our 'Be Wildfire Aware' messaging and build our relationship with Surrey Fire & Rescue Service's Wildfire and Rural Partnership. We will also continue to work with Berkshire and Hampshire fire services.
- 8.11. We will continue to update 'Greenspace on your doorstep' with new SANGs opening and continue to promote these through wardening, social media and the Heathland Hounds website. [Heathland Hounds - Thames Basin Heaths \(tbhpartnership.org.uk\)](http://tbhpartnership.org.uk)
- 8.12. We will be updating our 'Greenspace on your doorstep' leaflet over this winter season and plan to have the new version ready for the new season. The current leaflet has 64 SANGs in it and this new one will have at least 80. Of course the website is kept bang up to date with new SANGS listed as soon as they open.
- 8.13. We will be continuing to build a range of educational activities that can be used by a teacher to introduce heathland into further subject areas with the aim of encouraging them to embed heathland into their curriculum, rather than heathland making a one-off appearance in the students' lives and then disappearing.

Committee/Panel:	Thames Basin Heaths Joint Strategic Partnership Board
Date:	16 th November 2022
Title:	Thames Basin Heaths Financial Statement
Report From:	Administrative Body

Contact name: Jenny Wadham, Principal Accountant, Hampshire County Council

Tel: 03707 798929

Email: Jennifer.wadham@hants.gov.uk

Purpose of the Report

1. The purpose of this report is to present an update to the Joint Strategic Partnership Board (JSPB) on the financial position of the Thames Basin Heaths Strategic Access Management and Monitoring (SAMM).
2. The report includes the projected financial position for the three years to 31st March 2025.

Recommendations

3. That the projected financial position for the three financial years to 31st March 2025 is noted.
4. That the projected balance held within the Endowment Fund at 31st March 2023 of £17.279m, consisting of £13.632m held as investments and £3.647m as cash, and the projected cash balance of £8.678m before any further investment by 31st March 2025 is noted.

Executive Summary

5. The projected outturn for the year ended 31st March 2023 is net income after project expenditure of £2.486m, which will be added to the Endowment Fund balance. Across the three years up to and including 2024/25, total net income is projected of £7.516m.

6. Projected dividend and interest income for the 2022/23 financial year is expected to fund 69% of the project expenditure, with the balance being met from tariff income. Although future income projections are by their nature subject to a degree of uncertainty, dividend and interest income is expected to fully fund project expenditure at the current levels from the 2023/24 financial year.
7. Tariff income is forecast to continue for several years, increasing the Endowment Fund balance and enabling further investment to provide the income necessary to offset the expected growth in future annual expenditure and fund these costs in perpetuity, thereby achieving the financial aims of the partnership.
8. The projected balance in the Endowment Fund as at 31st March 2023 is £17.279m, of which £3.647m is anticipated to be held as a cash balance by the Administrative Body, available to be invested.
9. Based on current projections of income and expenditure, the balance on the Endowment Fund would increase to £22.309m by 31st March 2025, of which £8.678m is projected to be held as a cash balance by the Administrative Body.
10. As per the current investment strategy, the balance on the maintenance fund is being maintained at £1.5m, with any balances above or below that level transferred to or from the Endowment Fund.

Projected Financial Position for the Year Ended 31 March 2022

11. The projected financial position at 31st March 2023, as shown in Appendix 1, is net income after project expenditure of £2.486m.
12. Total income expected to be received by the Administrative Body for the year is £3.061m, consisting of £2.666m forecast tariff income collected by the Local Planning Authorities (LPAs), £317,264 forecast dividend income and £78,000 forecast interest on cash balances held. To date (end of September), £1.365m tariff income has actually been received in the financial year, equating to just over half the full year forecast.
13. Expenditure of £575,768 is forecast for the year, being slightly over budget due to the impact of rising inflation on fees paid which are index linked.

14. The expenditure for the current year is expected to be funded 69% from investment income (dividends and interest on cash balances) and 31% from tariff income, based on an assumed 4% dividend return.

Projected Financial Position for the 2022/23 to 2024/25 Financial Years

15. A summary of the projected financial position for the three years to 31st March 2025 is shown in Appendix 3.

16. These projections are based upon the tariff income forecasts provided by partner LPAs and expenditure forecasts provided by Natural England. Interest is assumed on cash balances at the current rate and dividends are projected at an annual rate of 4% of investment market values.

17. Across these three years, total net income is projected of £7.516m, consisting of £7.697m tariff income, £1.408m dividend income and £0.2m interest, offset by £1.792m expenditure. However, these future projections should be viewed with caution given the relatively high degree of uncertainty in relation to future income.

Future Financial Sustainability of the SAMM

18. The original SAMM business plan and tariff income calculations considered that a total of approximately £30m in tariff income would be needed (over an assumed period of 17 years in which developments would be built) to provide a capital sum sufficient to generate income to fund the anticipated annual expenditure in perpetuity.

19. Since the commencement in April 2011, to the end of March 2022 a total of £20.927m in tariff income has been received. Based on information provided by each of the partners, it is projected that £2.7m tariff income will be received in the 2022/23 financial year, with further projected tariff income of £2.5m in each of the 2023/24 and 2024/25 financial years, taking the projected total tariff income to March 2025 to £28.623m.

20. Current projections for future years would potentially increase the total tariff income receivable by a further £6.535m to £35.158m by 2028/29, with no further tariff income receipts expected after that date. However, again an element of caution is required when viewing these income projections over future years.

21. In addition to the tariff income, to the end of March 2022 £1.371m has been received in dividend income and interest on the cash balances, with £0.395m dividend income and

interest projected for the 2022/23 financial year, rising to a projected annual total of £0.617m by the 2024/ 25 financial year.

22. Although the dividend income and interest is currently projected to fund only 69% of expenditure in the current financial year, a dip on the 93% for the previous year, it is still projected that dividend income and interest will be sufficient to fully fund expenditure from the 2023/24 financial year onwards. These projections are on the basis that pending investments will be made; assumes a 4% dividend return; and assumes that further tariff income will be received and invested to generate the additional income required to cover future costs including inflation.
23. The SAMM business plan also allowed for expenditure of approximately £500,000 per annum on an ongoing basis, increasing with inflation each year. Actual ongoing expenditure (with inflation) is expected to be £575,768 for 2022/23, rising to £617,761 by 2024/25, based on current approved staffing and activity levels. Although the current rate of inflation is significantly higher than the long-term average included within the modelling, this is expected to be only temporary and therefore taking a long-term view, expenditure projections remain broadly in line with the original business plan.

Endowment Fund and Maintenance Funds

24. As at 31st March 2022, £1.5m was held in the Maintenance Fund and a total of £14.793m was held in the Endowment Fund - £7.932m as investments and £6.862m as a cash balance, as shown in Appendix 4.
25. The original SAMM agreement provided for the income to be divided 30% to the Maintenance Fund to pay for project expenditure, and 70% to the Endowment Fund to accumulate sufficient balances to fund future project expenditure and the cost of long-term maintenance and protection of the SPA. However, the JSPB subsequently agreed that the Maintenance Fund should be kept at £1.5m (being equivalent to approximately three years of annual expenditure) with any balance above or below that level transferred to or from the Endowment Fund.
26. Based on the current projections of income and expenditure, it is expected that a further £2.486m will be added to the Endowment Fund in the 2022/23 financial year, which (after the pending investments) would give a total of £3.647m held as a cash balance.
27. Over the next three financial years the Endowment Fund held as a cash balance is expected to increase to £8.678m by March 2025. This is on the assumption that the balance within the Maintenance Fund will be maintained at £1.5m.

28. Under section 5.3 of the SAMM agreement, the JSPB is responsible for reviewing the value and performance of the Endowment Fund on a regular basis. The agreement envisaged that the management of the balance in the Endowment Fund would be undertaken by an Independent Financial Advisor, and under the direction of the JSPB, Arlingclose were appointed as the Independent Financial Advisors from 1st December 2018 on a rolling annual contract.
29. To date total investments of £11.7m have been made, with an additional £4.2m approved by the Board and pending investment. A full review of the performance of the investments is considered separately on the agenda, in the presentation by Arlingclose.
30. Cash fund balances are held by the Administrative Body and receive interest under the terms of the SAMM agreement at not less than 0.25% below the Bank of England base rate, although interest has actually been paid at the base rate.
31. Given the significant fluctuations in the base rate this year, an assumed rate of 0.75% has been used for the current financial year for the purposes of this report, being the Bank of England base rate at the start of the year. However, an average rate will be applied at year end, which is likely to be higher than this.

Conclusions

32. The project is still in the phase of adding significant sums to the Endowment Fund each year, to enable the funding of future expenditure, and this is expected to continue for the next five years or so, with overall tariff income receivable projected to potentially exceed the original SAMM business plan.
33. The project has not yet reached the point where investment income is sufficient to fully fund current annual expenditure, but this point is expected to be reached from the next financial year. Tariff income is expected to continue for several years beyond this point, allowing the Endowment Fund balance to grow further, which will be required to provide increased investment year on year to offset the expected growth in future annual expenditure and fund these costs in perpetuity to achieve the financial aims of the partnership.
34. A prudent approach has been taken towards the cash balance within the Maintenance Fund, which is being kept at a level sufficient to fund annual maintenance for several years should there be an unexpected downturn in income.

35. The cash balance held within the Endowment Fund is kept under review by the JSPB and investments are being made periodically under advice from Arlingclose as independent financial advisors and under instruction from the JSPB, to adhere to the principle of maximising the return within investment guidelines set by the JSPB as envisaged by the SAMM agreement.

Appendix 1 – Projected Financial Summary for the year to 31 March 2023

2022/23	Budget	Actuals to date	Outturn Forecast	Variance to Budget
Income	£	£	£	£
Bracknell Forest BC	250,000	21,303	250,000	0
Elmbridge BC	86,000	4,628	86,000	0
Guildford BC	500,000	51,227	500,000	0
Hart DC	441,510	247,859	441,510	0
Runnymede BC	200,372	(49,986)	200,372	0
Rushmoor BC	583,640	76,822	583,640	0
Surrey Heath BC	120,000	16,344	120,000	0
Waverley BC	99,510	0	99,510	0
Windsor & Maidenhead RB	56,595	2,251	56,595	0
Woking BC	248,492	0	248,492	0
Wokingham BC	80,005	994,819	80,005	0
Total tariff income	2,666,124	1,365,267	2,666,124	0
Interest on Cash Balances	78,000	0	78,000	0
Dividend Income	317,264	0	317,264	0
Investment Income	395,264	0	395,264	0
Total Income	3,061,388	1,365,267	3,061,388	0
Expenditure				
Natural England Staff Costs	495,009	138,088	495,009	0
Natural England Project Costs	24,947	2,691	24,947	0
Natural England Admin Fee	20,894	0	20,894	0
HCC Admin Fee	21,648	0	23,500	1,852
Investment Advice Cost	11,243	7,312	11,418	175
Total Expenditure	573,741	148,091	575,768	2,027
Net Income/(Expenditure)	2,487,647	1,217,176	2,485,620	(2,027)

Appendix 2 – Detailed Income Summary

Page 46

	2022/23						
	Previous years	Budget	Actuals to date	Notified contributions	Forecast for remaining months	Projected total	Variance
	£	£	£	£	£	£	£
INCOME							
Bracknell Forest BC	3,484,952	250,000	21,303	0	228,697	250,000	0
Elmbridge BC	651,981	86,000	4,628	(2,583)	83,955	86,000	0
Guildford BC	2,588,362	500,000	51,227	0	448,773	500,000	0
Hart DC	3,297,174	441,510	247,859	(3)	193,654	441,510	0
Runnymede BC	814,295	200,372	(49,986)	0	250,358	200,372	0
Rushmoor BC	1,896,949	583,640	76,822	0	506,818	583,640	0
Surrey Heath BC	1,846,886	120,000	16,344	0	103,656	120,000	0
Waverley BC	714,423	99,510	0	24,475	75,035	99,510	0
Windsor & Maidenhead RB	404,666	56,595	2,251	0	54,344	56,595	0
Woking BC	1,804,933	248,492	0	0	248,492	248,492	0
Wokingham BC*	3,421,907	80,005	994,819	(25,061)	(889,753)	80,005	0
Interest	181,030	78,000	0	0	78,000	78,000	0
Dividends	1,189,608	317,264	0	0	317,264	317,264	0
Total Income	22,297,166	3,061,388	1,365,267	(3,172)	1,699,293	3,061,388	0

**actuals received significantly higher than forecast provided, for prudence overall forecasts have not been amended.*

Appendix 3 – Projected Income and Expenditure 2022/23 to 2024/25

	Previous years	Projected 2022/23	Projected 2023/24	Projected 2024/25
Income	£	£	£	£
Bracknell Forest BC	3,484,952	250,000	250,000	250,000
Elmbridge BC	651,981	86,000	86,000	86,000
Guildford BC	2,588,362	500,000	500,000	-
Hart BC	3,297,174	441,510	307,623	296,206
Runnymede BC	814,295	200,372	364,181	801,065
Rushmoor BC	1,896,949	583,640	451,454	643,259
Surrey Heath BC	1,846,886	120,000	120,000	120,000
Waverley BC	714,423	99,510	19,910	2,230
Windsor & Maidenhead RB	404,666	56,595	56,595	19,320
Woking BC	1,804,933	248,492	248,492	248,492
Wokingham BC	3,421,907	80,005	80,005	80,005
Total Tariff Income	20,926,528	2,666,124	2,484,260	2,546,577
Interest on cash balances	181,030	78,000	53,000	72,000
Dividend Income	1,189,608	317,264	545,264	545,264
Investment Income	1,370,637	395,264	598,264	617,264
Total Income	22,297,166	3,061,388	3,082,524	3,163,841
Total Expenditure	3,735,349	575,768	598,175	617,761
Net Income/(Expenditure)	18,561,817	2,485,620	2,484,349	2,546,080

Appendix 4 – Projected Endowment Fund Balance

	2022/23	2023/24	2024/25
	Projected	Projected	Projected
	£	£	£
Net Income/(Expenditure)	2,485,620	2,484,349	2,546,080
Maintenance Fund:			
Balance brought forward	1,500,000	1,500,000	1,500,000
Transfer (from)/to income	0	0	0
Transfer (to)/from endowment fund	0	0	0
Balance carried forward	1,500,000	1,500,000	1,500,000
Endowment Fund:			
Balance brought forward	6,861,817	3,647,437	6,131,786
Transfer (from)/to income	2,485,620	2,484,349	2,546,080
Investment	(5,700,000)	0	0
Transfer (to)/from maintenance fund	0	0	0
Balance carried forward	3,647,437	6,131,786	8,677,866
<i>Held in investments</i>			
Balance brought forward	7,931,600	13,631,600	13,631,600
Investment made	5,700,000	0	0
Profit/(Loss) on investment	0	0	0
Balance carried forward	13,631,600	13,631,600	13,631,600
TOTAL ENDOWMENT FUND	17,279,037	19,763,386	22,309,466

THAMES BASIN HEATHS**Decision Report**

Decision Maker:	Thames Basin Heaths Joint Strategic Partnership Board
Date:	16 th November 2022
Title:	Update on behalf of the Investment Working Group
Report From:	Administrative Body

Contact name: Jenny Wadham, Principal Accountant, Hampshire County Council

Tel: 03707 798929

Email: Jennifer.Wadham@hants.gov.uk

Purpose of the Report

1. The purpose of this report is to present an update to the Joint Strategic Partnership Board (JSPB) on the investments made and the investment strategy.

Recommendations

2. That the existing Investment Strategy as presented by the Investment Working Group (IWG) in Appendix 1 be noted.
3. That the existing Responsible Investing policy as presented by the IWG in Appendix 2 be noted.
4. That the annual timescales for terminating the contract with Arlingclose be noted.
5. That the amounts available for investment as set out in Table 3 and the projected cashflow scenarios set out in Appendix 3 be noted.
6. That the JSPB notes the requirements and practical implications and limitations specifically outlined in paragraphs 37-44, surrounding any investment decisions made by the JSPB before any investments can be made by the Administrative Body on behalf of the JSPB.

Executive Summary

7. The IWG was set up to review and recommend appropriate policies / actions to the JSPB in respect of matters relevant to managing the investments of

the JSPB, with final decisions being taken by the JSPB as set out in the SAMM agreement.

8. Membership of the IWG is reviewed biannually. The next review would normally be due at the current (November 2022) JSPB meeting, however, membership of the IWG was reviewed at the 22 June 2022 meeting, with Councillor D'Arcy being appointed to the IWG.
9. The current Investment Strategy is presented in Appendix 1, and the current Responsible Investing policy is presented in Appendix 2.
10. Arlingclose were appointed as independent financial advisors to the Board from 1st December 2018, on an annual rolling contract basis, at a cost of £10,000 plus VAT per annum subject to an annual RPI inflationary uplift. Should the JSPB wish to terminate the contract, notice must be given to Arlingclose by 1st September for the year ahead.
11. A total of £11.7m has been invested to date. A further £4.2m has been approved for investment by the JSPB, with those investments due to be made by the Accounting Body on behalf of the JSPB imminently. The performance of those investments is considered separately to this report in the presentation by Arlingclose.
12. After adjusting for pending investments, there is currently a total of £1.162m held as a cash balance in the Endowment Fund and therefore available to be invested. It is anticipated that this amount will increase to £3.647m by 31st March 2023, based on tariff income projections provided by the Local Planning Authority (LPA) partners.
13. Any investment decisions made by the JSPB are solely at its own risk, and the Administrative Body accepts no responsibility for the decisions made. There are a number of requirements that must be met before any investments will actually be made by the Administrative Body on the JSPB's behalf, including that the JSPB's instructions are both clearly documented and in accordance with the independent financial advice, and the JSPB must ensure that these requirements are fully complied with.
14. There are also practical implications and limitations that must be taken into consideration, arising from the arrangement used to make the investments, as the JSPB is not a separate legal entity. These are set out in more detail later in this report.

Investment Working Group

15. The IWG was set up to review and recommend appropriate policies / actions to the JSPB in respect of matters relevant to managing the investments of

the JSPB, with final decisions being taken by the JSPB as set out in the SAMM agreement.

16. The terms of reference for the IWG are included within the Investment Strategy (Appendix 1), and provide for a minimum of three Board members plus a representative of the independent financial advisors. Membership of the IWG is reviewed biannually. The next review would normally be due at the current (November 2022) JSPB meeting, however, membership of the IWG was reviewed at the 22 June 2022 meeting, with Councillor D'Arcy being appointed to the IWG.
17. The IWG currently consists of three Board Members as follows:
 - Councillor Jonathan Glen, Hampshire County Council
 - Councillor David Hilton, Royal Borough of Windsor and Maidenhead
 - Councillor Martin D'Arcy, Waverley Borough Council (appointed to the IWG June 2022).

Investment Strategy Statement

18. The current Investment Strategy of the JSPB is shown in Appendix 1.
19. The Investment Strategy is based on the following broad principles:
 - Annual expenditure needing to be funded is expected to be in the region of £500,000, rising with inflation.
 - A balance of £1.5m (increased from £1m at the November 2020 JSPB) should be kept within the Maintenance fund, equating to approximately three years of expected running costs.
 - Keeping risk as low as possible whilst ensuring it is sufficient to meet the expected expenditure – a “sensible risk”.
 - A target return of 2-3% above inflation was considered to be appropriate.
 - The interest paid on cash balances held by the Administrative Body (currently 2.25%) is unlikely to be sufficient to meet the target return.
20. The Investment Strategy also includes a Responsible Investment Policy, which is included as Appendix 2 to this report.

Independent financial advisors – contract management

21. At the JSPB meeting on 21 September 2018, the JSPB voted to appoint Arlingclose as independent financial advisors to the board. As the JSPB is not a separate legal entity, this appointment was made through the Administrative Body to the JSPB, Hampshire County Council, on the JSPB's

behalf through a modification to the existing Treasury Management Advisory Service contract Hampshire County Council holds with Arlingclose.

22. The contract with Arlingclose to provide independent financial advice to the Board began on 1 December 2018, and is renewed annually on a rolling basis until the JSPB gives written notice to the contrary at least 3 months prior to the contract renewal date (i.e. by 1st September each year). The charge for the contract was £10,000 plus VAT for the first year, increasing by RPI inflation each year thereafter, using the RPI figure prevailing at the time of the contract anniversary, with all fees billed annually in advance. The amount payable for this independent financial advice for the 2022/23 financial year is expected to be circa £11,400 based on current RPI data.
23. The JSPB has requested that Arlingclose attend the six monthly JSPB meetings to give an overview of the performance of the investments made and to give advice on future potential investments.

Update on investments made

24. To date, a total of £11.7m has been invested in funds recommended by Arlingclose as shown in Table 1 below:

Table 1 – Investments made			
Date of JSPB meeting where agreed	Fund	£m	Date investment made
06/12/2018	Aegon (was Kames) Diversified Monthly Income Fund	2.0	20/12/2018
19/11/2020	Aegon (was Kames) Diversified Monthly Income Fund	1.0	27/01/2021
18/11/2021	Aegon Diversified Monthly Income Fund	0.5	08/08/2022
06/12/2018	CCLA Property Fund	2.0	28/12/2018
06/12/2018	Schroder Income Maximiser Fund	1.0	21/12/2018
06/12/2018	Schroder Income Maximiser Fund	1.0	19/02/2019
19/11/2020	Ninety One (previously Investec) Diversified Income	3.2	27/01/2021
18/11/2021	M&G Global Dividend Fund	1.0	08/08/2022
	Total Investments	11.7	

25. In addition, a further £4.2m has been approved for investment by the JSPB, with the actual investments due to be made imminently.

Table 2 – Investments pending			
Date of JSPB meeting where agreed	Fund	£m	Date investment made
19/11/2020	CCLA Diversified Income	3.2	pending
18/11/2021	Fidelity Global Enhanced Income Fund*	1.0	pending
	Total Investments	4.2	
*The JSPB approved a minimum of £0.5m and a maximum of £3.0m subject to the final balance in the Endowment Fund as at 31 st March 2022.			

26. The investments are expected to be made as soon as practicably possible, as there will inevitably be a time delay between the JSPB meeting at which the investments are approved and the actual investment date.

27. There have been unexpected delays in opening the account for the CCLA Diversified Income fund, however at the time of writing this report the application has now secured all the necessary approvals and is with CCLA for processing, and therefore this investment is expected imminently.

28. Changes to the Prudential Code in December 2021 (which prevent Councils from accessing external borrowing from the Public Works Loan Board if they have invested for commercial return) also led to delays in making the investments whilst Hampshire County Council fully reviewed the Code changes to satisfy itself that these rule changes had not affected its borrowing eligibility due to investments held / due to be made.

29. The current performance of those investments is considered separately on the agenda, in the presentation by Arlingclose.

Updated Cash Flow Forecast

30. The current projected tariff income and Fund balances for the financial years to 31st March 2025 are shown in Table 3 below. Potential financial modelling scenarios to 2090/91 (being 80 years after the commencement of the SAMM agreement) using the current income projections and various average inflation rates and various average rates of return on investments are shown in Appendix 3.

31. As has been highlighted to the JSPB previously, there are significant difficulties in making accurate long-term projections, and variations in tariff income, project costs, inflation and investment returns could have a significant impact on the long-term financial viability of the partnership.
32. Although inflation is currently running at much higher levels, the modelling continues to use scenarios at 2% and 3% inflation being a long term expected average.

Table 3	2021/22 Actuals £'000	2022/23 Projected £'000	2023/24 Projected £'000	2024/25 Projected £'000
Total tariff income	2,130	2,666	2,484	2,547
Interest	13	78	53	72
Dividend income	460	317	545	545
End of year balances held as cash funds by the Administrative Body				
Maintenance Fund	1,500	1,500	1,500	1,500
Endowment Fund	1.162*	3,647	6,132	8,678

*Adjusted by £5.7m to reflect the pending investments.

33. Tariff income forecasts have been consolidated by the Administrative Body using projections from the respective planning authority partners. It is important that partners ensure their forecasts are as accurate as possible and that the Administrative Body is informed of changes in a timely manner, so that figures can be updated to assist the JSPB in making sound investment decisions.
34. The scenarios modelled in Appendix 3 show a range of the funds being fully depleted by 2063/64, to continuing in perpetuity, as shown in table 4 below. However, this modelling contains a number of assumptions with a very high level of uncertainty and is therefore for indicative purposes only.

Table 4		Rate of investment return		
		2%	3%	4%
Year in which money runs out				
Rate of inflation	2%	2071/72	2085/86	N/A
	3%	2063/64	2071/72	2085/86

Investment Decisions

35. Investment decisions are to be made by the JSPB and all risks associated with these investments rest solely with the JSPB. The Administrative Body cannot provide financial advice and therefore accepts no responsibility for the decisions made.
36. The JSPB is not a separate legal entity, and therefore any investments made by the JSPB are made by Hampshire County Council as the administrative body, however all risks associated with these investments rest with the JSPB and not Hampshire County Council. All income from these investments is attributable to the JSPB, as are any gains or losses in the value of the investments.
37. It is important to note that this arrangement for making the investments does have some practical implications and limitations that the Board has previously been made aware of, but are set out again below.
38. Under accounting standard IFRS 9 introduced in 2019, changes in the fair value of investments during any given financial year must be presented as a revenue gain or loss in that financial year. There is currently a statutory override in place for local authorities that means these gains or losses must then be reversed and charged to reserves. For as long as the statutory override is in place, there is therefore a net nil impact of these gains or losses on the revenue budget unless an investment is sold. The statutory override as currently agreed expires at the end of March 2023 and the JSPB needs to acknowledge that if it is not extended or replaced with a similar alternative, any fair value gains or losses will be an in-year revenue charge to the JSPB.
39. Despite this, any gains or losses will only ever be realised should the JSPB sell any of its investments, which it will only do after taking advice from Arlingclose, and which it does not plan to do at present as a long-term investor.
40. Furthermore, the investments will be subject to Hampshire County Council's Treasury Management Statement limits (the HCC TMSS), which limits both the total amount and types of investment that can be made.
41. The HCC TMSS is approved in February each year for the year ahead and any planned investments made on behalf of the JSPB will need to be included within this. It is therefore recommended that the JSPB determines the expected investment amount for the year ahead at the autumn JSPB meeting each year.
42. Assuming any proposed investments are within the HCC TMSS limits, before any investments will be made by Hampshire County Council on behalf of the JSPB, there are a number of requirements that must be met:

- Any instructions from the JSPB must clearly document the amount to be invested or sold, the investment to be bought or sold, and the date on which the investment is to be made (subject to the practical considerations as set out above)
 - The investment instructions must have fully taken account of, and be in accordance with, written financial advice provided to the JSPB, as required by the SAMM agreement.
43. If these requirements are not met, Hampshire County Council will not make the investments on behalf of the JSPB.
44. The JSPB should also be aware that potential investments would be subject to any relevant minimum/maximum limits and timing restrictions of particular funds.

Conclusions

45. The above report sets out the investment update from the Investment Working Group.

Appendix 1 – The JSPB Investment Strategy Statement

Thames Basin Heath Joint Strategic Partnership Board Investment Strategy Statement

In 2009 the Thames Basin Heath Joint Strategic Partnership Board (JSPB) was formed as part of the Thames Basin Heaths SPA – Strategic Access Management and Monitoring Project Memorandum of agreement.

1. Introduction.

- 1.1. The South East Plan (2009) contained proposals for over 55,000 new residential dwellings around the SPA and includes a specific policy identifying a series of mitigation measures which new developments must provide in order to avoid having an adverse effect on the SPA.
- 1.2. The mitigation to be provided by all new residential dwelling includes the provision of a Strategic Access Management and Monitoring Project. Each Local Authority is required to collect a fixed tariff from developers for each new dwelling and to transfer these as a contribution towards a joint fund for the Project. The contributions will be collected and administered by the Administrative Body.
- 1.3. It was agreed that the first Administrative Body would be Hampshire County Council.
- 1.4. The JSPB was established to provide the vehicle for joint working between local authorities and other organisations responsible for protection of the Thames Basin Heaths SPA. The Contribution Fund provides for:
 - 1.4.1. The provision of a Project Coordinator including any recruitment costs, redundancy costs and other related employment costs.
 - 1.4.2. Wardening of the SPA sites
 - 1.4.3. Survey and monitoring of visitor numbers and patterns, planning applications and the three-bird species on the SPA
 - 1.4.4. Interpretation and education services including the provision of an Education and Communications Officer including any recruitment costs, redundancy costs and other related employment costs associated with this role.
 - 1.4.5. Treasury functions and other management fees
 - 1.4.6. A long-term fund to enable the Project to be funded in perpetuity

This document defines the governance arrangements for the long-term fund.

2. Investment Working group

- 2.1. The Investment Working Group (IWG) will be a Working Group of the JSPB.
- 2.2. The Investment Group will consist of a minimum of three members who are nominated by the JSPB together with the current Independent Financial Advisor (IFA), Arlingclose.

- 2.3. Where a member of the IWG is a Councillor from Hampshire County Council, the member will not be involved in deciding which investments to make.
- 2.4. Any involvement of officers of the Administrative Body will not be in a decision making or advisory capacity and will be purely to support financial administration, as set out in the SAMM Agreement. The Administrative Body cannot provide financial advice.
- 2.5. Membership of the IWG will be reviewed bi-annually.
- 2.6. The Investment Group will meet at least six monthly and, on an ad-hoc basis as required. With a plan of meetings at the beginning of each financial year, taking into account commitments of partners. At least 10 days' notice of any ad-hoc meeting will be given for each meeting. The Working Group may meet "electronically" if required. In such a circumstance it will be made clear by what date members are required to respond.
- 2.7. The JSPB will delegate authority to the IWG, in consultation with the Chairman, to take immediate action to sell an investment should it become apparent that the investment is likely to fail.
- 2.8. The Investment Group will report all recommendations to the JSPB, these will be made by the councillor members having considered the advice of the IFA.
- 2.9. It is proposed that representatives of the IFA should attend the relevant JSPB meetings.
- 2.10. The role of the Group is to review and recommend appropriate policies/actions to the JSPB in respect of the following:
 - 2.10.1. The Strategic Asset Allocation of the Fund.
 - 2.10.2. The investment performance of the Fund.
 - 2.10.3. New investment products/mandates and their suitability for investment by the Fund.
 - 2.10.4. To recommend the appointment or termination of investment mandates.
 - 2.10.5. Such other matters as may be relevant to managing the investments of the Fund.
- 2.11. The final decisions on any proposed investment will be made by the JSPB.

3. Investment Objectives

- 3.1. Investment objective were agreed at the JSPB meeting of the 21st September 2018.
- 3.2. Approximately £1 million should be kept in cash in the Maintenance Account, to fund projected expenditure for a period of two years. This sum will be reviewed annually.
- 3.3. The primary aim would be to generate income, rather than capital growth.
- 3.4. The investment should have the lowest risk possible.
- 3.5. A target rate of return on investment should be calculated using the current balance held within the Endowment Account, plus a reasonable

assumption of the future income (as provided by the Partners) to give a target percentage rate of return required to meet projected costs in perpetuity.

3.6. The IFA would be asked to advise on a recommended mix of investment types anticipated to meet that target rate of return at the lowest risk, and specific funds that would meet these requirements.

3.7. The JSPB should acknowledge that the target rate of return will vary, depending on actual income and expenditure, and that the target percentage rate of return may not be achieved. In either of those circumstances it would be necessary to review and revise the investment strategy, and/or to review and revise both the planned expenditure and the SAMM charges accordingly.

4. Investment strategy statement.

4.1. This is the first such statement published by the JSPB and it will be reviewed regularly by the IWG and at no more than 2 -year intervals. Recommendations will be made to the JSPB who will consider any proposed changes.

A requirement to invest fund money in a wide range of instruments.

4.1.1. The JSPB policy is that the fund should have a highly diversified investment portfolio spread across different asset classes and different asset managers using differing approaches as appropriate. This ensures that the fund money is invested in a wide range of instruments.

4.1.2. JSPB has established an Investment Working Group which meets bi-annually to review the fund's performance, asset allocation and ability to meet its target return. In addition, the Investment Working Group reviews potential new investment ideas and products and opines whether such ideas are consistent with the investment strategy of the fund and a suitable investment.

4.1.3. The Investment Working Group receives advice from suitably qualified Independent Financial Adviser, Arlingclose.

4.1.4. To achieve sufficient diversification the fund divides assets across 4 broad buckets: equities, bonds, real assets and absolute return strategies. The size of each bucket will vary depending on investment conditions.

4.1.5. Any investment strategy will have associated risks, including primarily that of not meeting the returns required to ensure the long-term ability of the fund to pay for the work of Natural England who are currently the project delivery team. To mitigate these risks the Investment Working Group regularly reviews both the performance and the expected returns from the portfolio to measure whether it has met and is likely to continue to meet its return objective,

5. The JSPB's assessment of the suitability of particular investments and types of investments.

- 5.1. In assessing the suitability of investments JSPB takes into account a number of factors including prospective return, risks, concentration or diversification of risk as well as geographic and currency exposures.
- 5.2. Performance benchmarks are set for the fund as a whole (target return UK CPI+3%) as well as for individual allocations.
- 5.3. In ensuring the suitability of investments the JSPB pays regard to both the potential returns and risk (including possible interactions with other investments in the portfolio). JSPB will also consider the reputational risk of being connected with or investing in any investment proposal. JSPB expects its managers to consider Environmental, Social and Governance issues when making an investment.
- 5.4. The IFA will advise the IWG on returns and the volatility of those returns from investments on a quarterly basis.

6. The JSPB's approach to risk, including the ways in which risks are to be measured and managed

- 6.1. The JSPB will seek the lowest risk consistent with meeting the investment objectives.
- 6.2. Looking specifically at investment risk JSPB is of the view that diversification of the fund investment portfolio will help to minimise investment risk (volatility of returns). The fund targets a long-term return of UK CPI+3%; this would be sufficient for it to meet its long-term liabilities. In setting the investment strategy, the JSPB decided that this return should be achieved with a low degree of volatility –the fund targets volatility below 10% per annum over the medium term.
- 6.3. As a patient long-term investor, the fund is prepared to ride-out short-term volatility in investment markets and may, if suitable opportunities arise, adapt its investment strategy accordingly.

7. The JSPBs policy on how social, environmental or corporate governance considerations are taken into account in the selection, non-selection, retention and realisation of investments.

The JSPB accepts that there are differing views on how social, environmental and corporate governance considerations should be taken into account and believes that no “one size fits all” policy can possibly be implemented across a diverse portfolio. Nevertheless, JSPB seeks to protect its reputation as an institutional investor and ensures that its investment managers take into account these issues when selecting investments for purchase, retention or sale. JSPB will not place social, environmental or corporate governance restrictions on its managers but relies on them to adhere to best practices in the jurisdictions in which they are based, operate and invest. For clarification a separate Responsible Investing policy has been drafted and forms part of this Investment Strategy Statement.

Appendix 2 – Responsible Investment Policy

Thames Basin Heaths Joint Strategic Partnership Board Responsible Investment Policy

1. Introduction

This policy defines the commitment of the Thames Basin Heaths Joint Strategic Partnership Board (TBHJSPB) to Responsible Investment (RI). Its purpose is to detail the approach that TBHJSPB aims to follow in integrating Environmental, Social and Governance (ESG) issues into its investments.

The policy will be reflected in the Investment Strategy Statement.

2. Responsible Investment Values and Principles

The TBHJSPB values and principles reflect the need to deliver long term investment returns in order to secure long term funding for the Boards Access management and Monitoring programme. The values and principles recognise the importance of assessing sources of risk and opportunity over an extended time horizon and emphasise the importance of diligent stewardship as part of engaged asset ownership.

Responsible Investment Values:

Consultative	The RI priorities are a reflection of the views of the members of the Thames Basin Heaths Joint Strategic Partnership Board, and of evolving best practice within the management of Local Government investments.
Being Proactive	A proactive approach to evaluating ESG risks and opportunities is more likely to result in long term benefits for the TBHJSPB and is aligned with fulfilling our fiduciary duty.
Engagement	<p>The TBHJSPB considers engagement to be a route for exerting a positive influence over investee companies and encouraging responsible corporate behaviour.</p> <p>We will be supportive of targeted dialogue by investment managers in situations where positive changes can be brought about to align governance, environmental and social standards with our investment needs.</p>
Collaborative	The TBHJSPB recognises that working collaboratively can achieve greater influence than acting unilaterally. The TBHJSPB seeks to align itself with likeminded investors through collective vehicles in which it is invested.
Flexible	The TBHJSPB considers that its RI policy and approach should be reviewed regularly in order to continue recognising and reflecting best practice where appropriate and addressing emerging priorities.

Responsible Investment Principles

The RI principles translate our values and commitments into responsible investment practices which can help to deliver a sustainable and sufficient return on our investments. Our RI principles inform the stewardship arrangements we have agreed with advisors Arlingclose as our provider of investment management advice.

A summary of the key Responsible Investment principles:

- Effectively manage financially material ESG risks to support the requirement to protect returns over the long term;
- Apply a robust approach to effective stewardship;
- Seek long term returns from well governed assets;
- Responsible investment is core to our skills, knowledge and advice;
- Seek to innovate, demonstrate and promote RI leadership and ESG best practice;
- Achieve improvements in ESG through effective partnerships that have robust oversight by the investment managers.
- Share ideas and best practice to achieve wider and more valuable RI and ESG outcomes.

The implementation of the RI policy is through the advice of Arlingclose who are responsible for provision of investment advice to TBHJSPB.

3. Priorities

Identifying core priorities for RI is an important part of focussing the attention of Arlingclose on the issues of greatest importance to the TBHJSPB. The issues we have identified as being of primary concern to us as asset owners are:

- Climate change – choosing investments where the managers recognise and manage the risks and opportunities investments face from climate change;
- Corporate Governance – promoting the case for well managed companies which implement fair and just employment practices;

The above mentioned are our main priorities. However, there are a number of other RI issues which are of interest to the TBHJSPB and which will be kept under review, including:

- Where possible, reducing investments in products such as fossil fuels, controversial weapons that have an indiscriminate and disproportional impact on civilian populations, tobacco and alcohol.

Climate Change

The TBHJSPB recognises the imperative to address climate change as a systemic and long-term investment concern, as it poses material risks across all asset classes with the potential for loss of shareholder value including via stranded assets.

The TBHJSPB will endeavour to carry out the following:

- Where Investment managers in which the TBHSPB are invested as recommended by Arlingclose have existing investments in fossil fuel companies, we expect the Investment Manager to ensure that those companies are able to demonstrate planning for the global transition to a low-carbon economy and to meet future emissions reduction targets under the Paris Agreement or other appropriate initiatives. Where they are not, and opportunities for engagement by the Investment Manager and reform of the company or project are not possible or do not exist, then the TBHJSPB will make all reasonable efforts to divest provided that this will result in no material financial detriment, either through increased costs or increased investment risk.
- Where our fiduciary duty allows, we will not consider new active investments in fossil fuel companies directly engaged in the extraction of coal, oil and natural gas as sources of energy which are ignoring the risks of climate change. The TBHJSPB expects Arlingclose to take steps to ensure that the level of exposure to climate change investment risks are evaluated and monitored by Investment Managers. This will be through Arlingclose promoting the use of appropriate investigative and analytical tools by Investment Managers to increase information and regular reporting on performance.

Corporate Governance

The TBHJSPB will, principally through Arlingclose, promote high standards of employment practices. This will be done through asking Investment Managers to actively seek companies who demonstrate such practices and engaging effectively to encourage these standards within existing investee companies.

5. Definitions

Responsible Investment	The integration of environmental, social and corporate governance (ESG) considerations into investment management processes and active ownership practices in the belief that these factors can have an impact on financial performance.
ESG	Environmental, social and governance factors which may impact on company performance and therefore investment returns. Examples include resource management and pollution prevention, climate change impacts, labour management, product integrity, executive compensation, board independence, and audit functions.

Governance	The process and principles by which a company or organisation undertakes its business.
-------------------	--

Appendix 3 – Projected cash flows

In the following scenarios, inflation has been set at 2% per annum, interest on cash balances at 0.5% per annum, and capital growth on the investments as 0% with varying rates of dividend returns per annum on the investments.

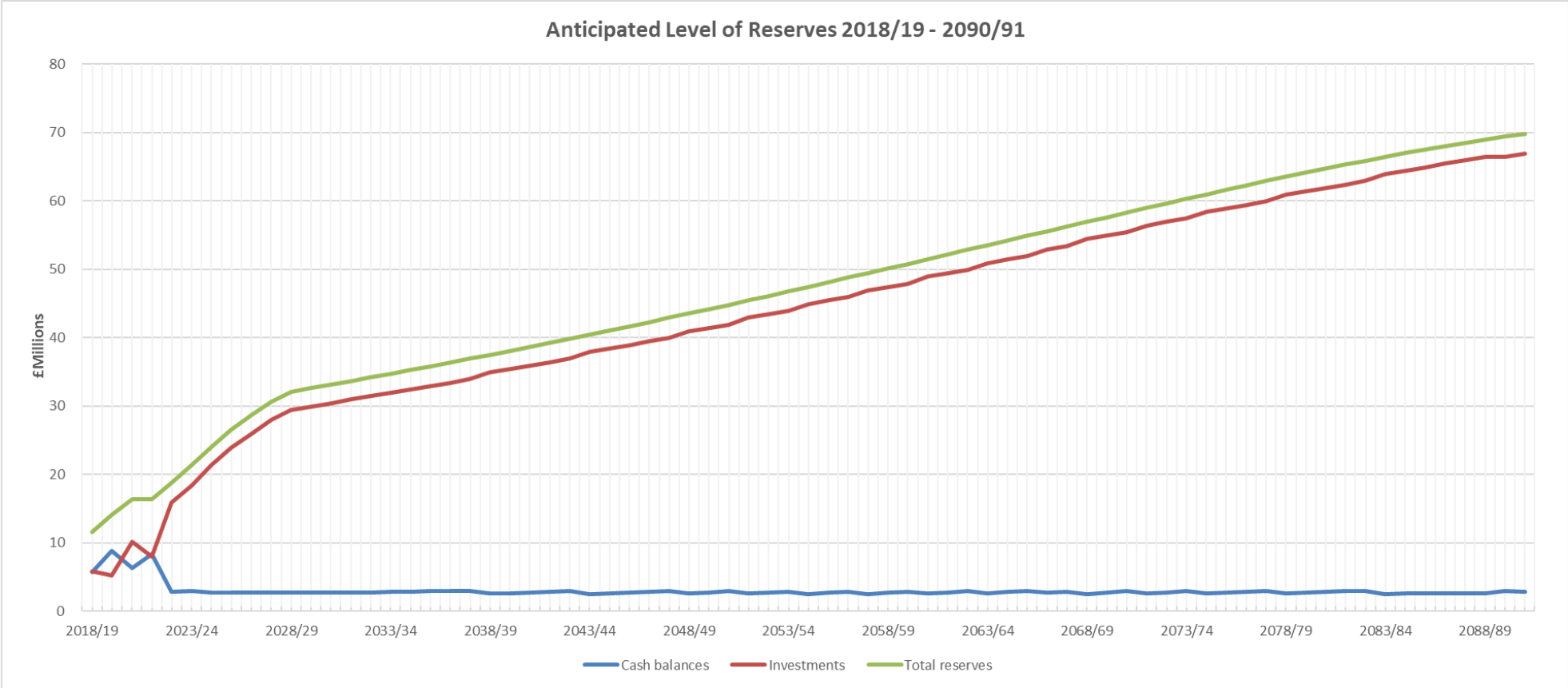
It is assumed that for as long as possible a £1.5m cash balance will be kept in the Maintenance Fund and £1m in the Endowment Fund, with any balance over those amounts being invested.

Projected tariff income has been included as per LPA partner predictions. Expenditure has been included using the 2022/23 forecast, with inflation added for future years.

Year in which money runs out		Rate of investment return		
		2%	3%	4%
Rate of inflation	2%	2071/72	2085/86	N/A
	3%	2063/64	2071/72	2085/86

Appendix 3a – Projected cash flow using 4% dividend return, 2% inflation

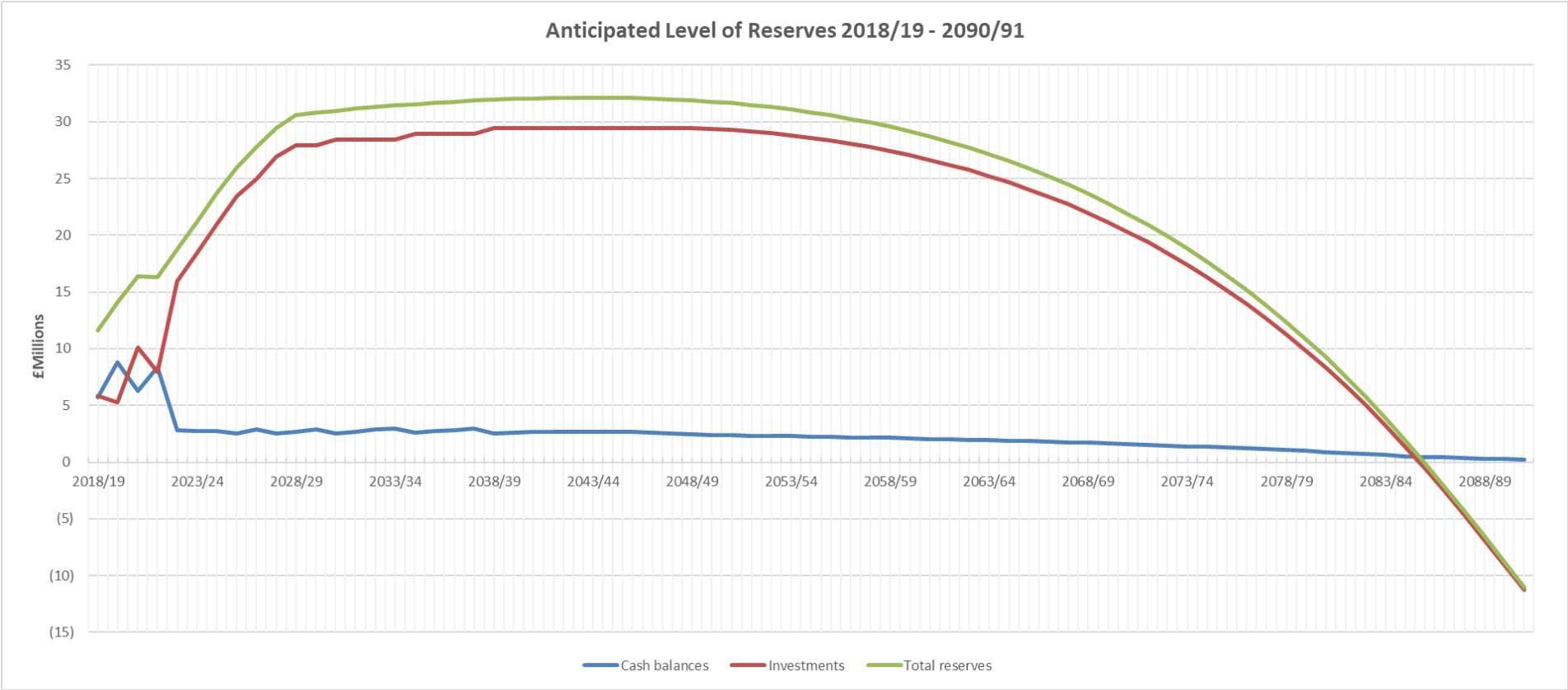
Page 66



If inflation were at **3%** the money would run out in **2085/86**.

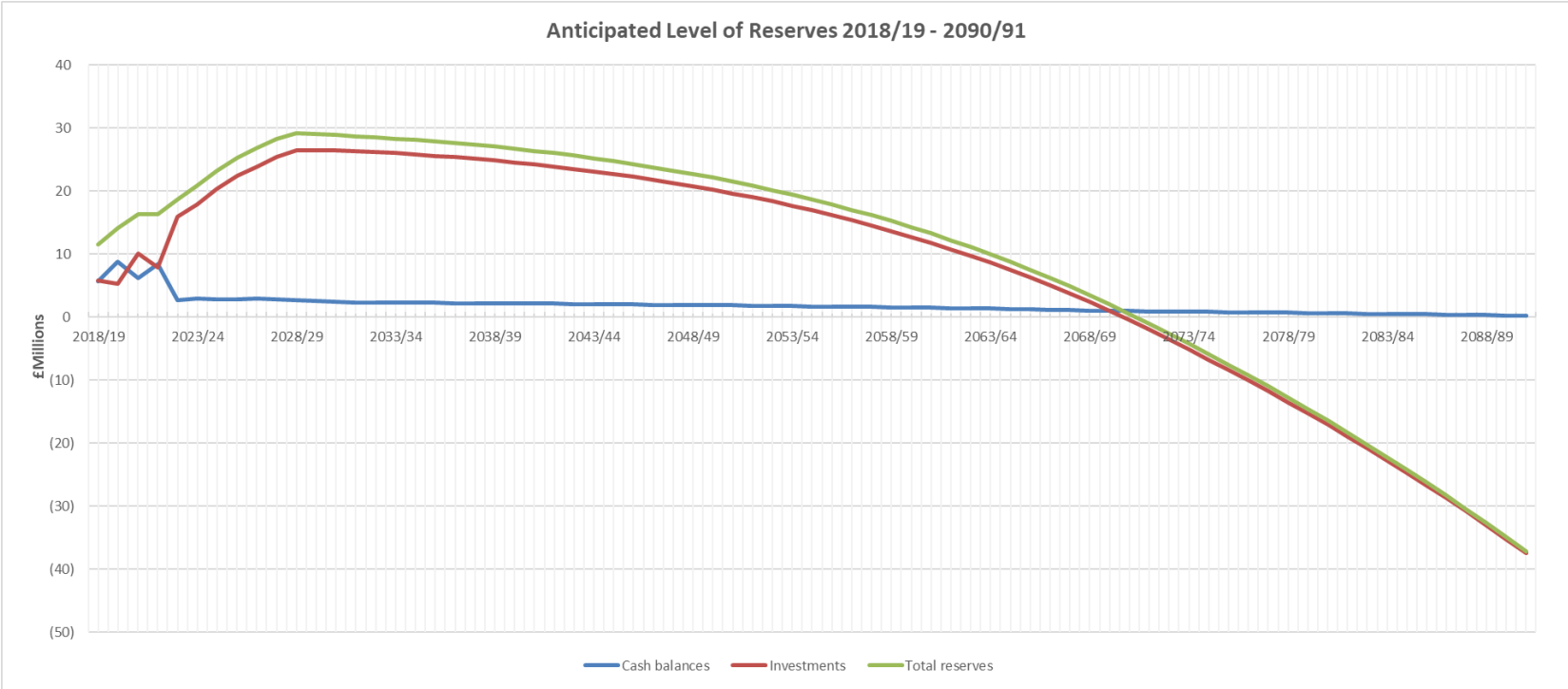
Appendix 3b – Projected cash flow using 3% dividend return, 2% inflation

Page 67



Money runs out in **2085/86**. If inflation were at **3%** the money would run out in **2071/72**.

Appendix 3c – Projected cash flow using 2% dividend return, 2% inflation



Money runs out in **2070/71**. If inflation were at **3%** the money would run out in **2063/64**.