

**Minutes of a Meeting of the Thames Basin Heaths Joint Strategic Partnership Board
5 July 2023**

Present: Councillor Adam Bermange, Royal Borough of Windsor & Maidenhead
Councillor Guy Gillbe, Bracknell Forest Borough Council
Councillor Jonathan Glen, Hampshire County Council
Councillor Jerry Hyman, Waverley Borough Council
Councillor George Potter, Guildford Borough Council
Councillor Ian Pittock, Wokingham Borough Council
Councillor Tim Southern, Hart District Council
Councillor Sylvia Whyte, Runnymede Borough Council

Advisors in Attendance: Sarah Bunce, Natural England
Daria Dadum, Natural England
Victoria Huth, Natural England
Amar Jandoo, Arlingclose
Sonia Lasock, Natural England
Miranda Petty, Natural England
Stephen Rudd, Natural England
Ruth Shelton, Natural England
Jack Thompson, RSPB

Officers in Attendance: Heather Lewis, Rushmoor Borough Council
Simon Cridland, Bracknell Forest Borough Council
John Devonshire, Runnymede Borough Council
Matthew Ellis, Waverley Borough Council
Duncan Fisher, Wokingham Borough Council
Julie Gil, Bracknell Forest Borough Council
Anish Joshi
Dan Knowles, Guildford Borough Council
Sarah Lo
Jane Reeves, Planning Policy Manager
Katharine Simpson, Surrey Heath Borough Council (Democratic Services)
Emma Townsend, Hampshire County Council
Jennifer Wadham, Hampshire County Council

Apologies: Councillor James Radley, Hart District Council
Councillor Liz Townsend, Waverley Borough Council

1 Appointment of Chairman

In the absence of any volunteers for the position it was agreed that the appointment of a Chairman would be deferred to the Board's next meeting.

DEMOCRATIC SERVICES IN THE CHAIR

2 Minutes of Previous Meeting

The minutes of the meeting of the Thames Basin Heaths Joint Strategic Partnership Board held on 16th November 2022 were agreed as being a correct record.

3 Thames Basin Heaths 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 project summarized the project team's key activities since the Board's last meeting and included updates on staffing, wardening activity, educational work and monitoring activity.

Since the Board's last meeting, a further two areas of Suitable Alternative Natural Greenspace (SANG) had been created, Water's Edge in Mychett, Camberley and Folly Heights in Farnham, taking the total number of SANG in the SAMM project area to eighty.

Following an initial recruitment campaign, five seasonal wardens had been employed on contracts running from 27th February 2023 until 15th September 2023. A second round of recruitment had resulted in two further seasonal wardens being appointed on contracts running between 24th April 2023 and 15th September 2023, taking the wardening team to 5.6 full-time equivalents. The Board was informed that this had been the second year running that multiple recruitment exercises had been required to find sufficient seasonal wardens to cover the nesting period and anecdotal evidence from the wider conservation sector was indicating that this situation was not unique to the SAMM project. In contrast, the recently advertised year round warden position had attracted a high number of applications indicating that it was more likely to be the seasonal nature of the contract that was deterring potential applicants rather than pay or conditions.

In an effort to reduce the amount of time and resources expended in recruiting and training sufficient seasonal wardens it was proposed that the wardening team would be restructured and reduced in size from six seasonal wardens to two year round wardens and two seasonal wardens for a trial period of two years. It was recognised that this proposal would reduce the number of wardens active during the nesting season however this would be offset by savings in terms of repeat training and coaching of seasonal staff. In addition there would be more staff available for deployment from the very start of the nesting season and greater levels of knowledge retention. It was noted that the proposed restructure would see no overall increase in salary costs compared to the current structure although there would be an initial overspend in the current year's budget due to increased staffing levels over the winter; this overspend would be offset by the savings made in the Special Protection Area (SPA) Visitor Survey contract which had come in under budget.

Between 1st October 2022 and 31st May 2023, 27 pit stops and 42 events had taken place and 2,440 hours of wardening activity had been delivered across the SAMM Project area. In an effort to raise awareness of the work of the wardening team and the uniqueness of the SPA, a number of new activities had been introduced including mini-pop up sessions and Come and Meet the Warden boards encouraging members of the public to approach wardens whilst they were working, a Halloween Heathland event held at three locations across the SPA which reached 171 people and two new events had been held to celebrate 'World Forestry Day'.

Joint work had taken place over the Easter holiday period with Surrey Fire and Rescue Service to deliver Wildfire Awareness Week when between 250 and 300 people had participated in the five interactive events. Two new pop up events a month were now taking place in partnership with the Defence Infrastructure Organisation across MOD land on the SPA. During November and December 2022, the SAMM Team had worked with Farnham Primary Care Network to deliver five Noticing Nature Walks at Caesars Camp near Farnham; this initial pilot had been considered a success and work was underway to expand the project and identify and train walk leaders.

Between 1st November 2022 and 31st May 2023, events run by the Education and Engagement Officer had been delivered to 6,160 children through activities in schools, sessions with uniformed groups, guided walks and talks.

Heath Week 2023 would be taking place between 24th and 30th July and 26 events had been scheduled to date. Full details of all the planned events were available on the Thames Basin Heath Partnership's website, <https://www.tbhpartnership.org.uk/>. It was agreed that a summary of events would be circulated to the Board.

Over the Winter of 2022/23, a total of 79 SANG visitor surveys had been completed with 256 interviews being conducted with members of the public. Analysis of the visitor survey results showed that 85% of those visiting the SANG during winter months were walking dogs with the next highest ranked reason being walking. The majority of visitors spent between between 30 minutes and one hour at the SANG and 37% of respondents stated that they visited a SANG between one and three times a week, 28% said that they visited most days and 15% stated that they visited the SANG daily with proximity to home being cited as the primary reason for visiting a particular SANG. These visitor surveys would in future be supplemented by more in-depth surveys conducted by an external organisation, Footprint Ecology, and the results of the first surveys would be brought to the Board's next meeting.

Seven car park transects had been completed during the last season. To date this year a further three car park transects had been completed and six more were planned. Completion of the car park transects was a particularly labour intensive piece of work and comparison of the available data collected from the last four years showed that there was no noticeable year on year difference in the total number of vehicles recorded. However a comparison of vehicle numbers at five year intervals showed a significant increase over the five year interval. It was therefore proposed that car park transects would in future be conducted at five yearly intervals to minimize the pressure on resources whilst retaining the benefits of the survey work.

It was noted that the provision of electric vehicle charging points at SANGs was being explored however it was stressed that expanding provision of the charging facilities had to be proportionate and that the car parks not only contained sufficient space for non-electric vehicles but also did not turn into an electric vehicle charging place.

RESOLVED that:

- i. The contents of the report, including the update on recruitment activity, are noted.
- ii. The proposed restructure of the wardening team be approved.
- iii. The proposal to conduct Car Park Transects on a five yearly cycle is approved.

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

The Board received a report summarising the financial position of the SAMM Project at the end of the 2022/23 financial year.

It was reported that as of 31st March 2023, there was £18.848million in the Endowment Fund, of which £13.537million was held in investments and £5.311million as cash balance by Hampshire County council in their capacity as the Administrative Body. Of the £5.311 held as cash, £4million had already been approved for investment by the Board. A further £1.5million was held as cash balance in the Maintenance Fund to pay for project expenditure.

Over the course of 2022/23 the Administrative Body had received a total income of £3.820million, of which £3.069million had been made up of tariff income collected by Local Planning Authorities, £562,075 from dividend income and £188,688 had been received from interest on cash balances held. Costs of £570,124 had been incurred during the 2022/23 financial year.

It was noted that the dividend income combined with the interest received during the 2022/23 financial year had been sufficient to fund 132% of the SAMM project's expenditure for the year, compared to 93% of project expenditure in 2021/22. It was projected that, assuming a 5% return for the 2023/24 financial year and a 4% return thereafter, dividend income and interest would be sufficient to fully fund expenditure going forward.

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.

The Board was informed that across the three years to 2025/26 a further £2,308,521 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 £3,131,993million would be received during this time.

It was clarified that the income figures in Appendix 1 were based on the tariff income received from developers in each local authority area, consequently these would fluctuate according to the amount of development taking place in each area. It was thought that the negative value attributed to Runnymede in 2022/23 was due to timing, with Officers from Runnymede submitting a return but the money not yet having been transferred across to the Administrative Body at year end. It was agreed that this would be followed up outside the meeting.

It was confirmed that the tariff income level was led by Natural England who worked in partnership with local authorities to ensure inflation was taken into account when calculating income levies.

RESOLVED that:

- i. The financial position for the year ended 31st March 2023, 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 2026 be noted.
- iv. The balance held within the Endowment Fund at 31st March 2023 of £18.848million, held as £13.537million in investments and £5.311million cash, be noted.

5 Investment Working Group Update

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

The current Investment Strategy had been based on the following principles:

- Annual expenditure which needed to be funded was expected to be in the region of £500,000, rising with inflation.

- A balance of £1.5million should be kept in the Maintenance Fund, this equated to approximately 3 years of expected running costs.
- Risk should be kept as low as possible whilst ensuring it was sufficient to meet expected expenditure.
- A target return of 2-3% above inflation was considered to be an appropriate return.
- Interest paid on cash balances held by the Administrative Body were unlikely to be sufficient to meet the target return.

The Board was reminded that Arlingclose had been contracted to provide financial advice to the JSPB on a twelve month rolling contract until the Board gave written notice to terminate the contract at least three months prior to the contract renewal date, i.e. by 1st September each year.

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 and any investments would need to comply with Hampshire County Council's approved Treasury Management Strategy.

It was noted that following the recent elections there were now two vacancies on the Investment Working Group and it was agreed that Councillor Adam Bermange, Royal Borough of Windsor and Maidenhead, and Councillor Ian Pittock, Woking Borough Council would sit on the Investment Working Group.

It was confirmed that the Investment and Endowment Funds were ring-fenced by the Administering Body, Hampshire County Council, and they did not form any part of the Council's general funds.

RESOLVED that:

- Councillor Adam Bermange, Royal Borough of Windsor and Maidenhead, and Councillor Ian Pittock, Woking Borough Council would join the Investment Working Group.
- The Investment Strategy, as set out in Appendix 1 of the report, be noted.
- The Responsible Investing Policy, as set out in Appendix 2, of the report be noted.
- The annual timescales for terminating the contract with Arlingclose be noted.
- The pending investments, as set out in Table 2 in the report, be noted.
- The amounts available for investment, as set out in Table 3, and the projected cash flow scenarios, set out in Appendix 3 of the report, be noted.
- The requirements and practical implications and limitations specifically outlines in paragraphs 40-47 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 Board are noted.

6 Exclusion of Public and Press

RESOLVED that, pursuant to Part 1 of Schedule 12A of the Local Government Act 1972, the press and public be excluded from the meeting for the consideration of Item 7 Investment Update as it involves the likely disclosure of exempt information as defined in paragraph 3:

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

7 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.

It was noted that both inflation and interest rate rises were impacting on investments and it was thought that, in view of the current economic climate, interest rates would increase to between 5.5% and 6% before they started decreasing.

The Board was reminded that to date a total of £15million had been invested in a variety of funds on the advice of Arlingclose in their capacity as financial advisors to the Board. A total of £1,934,492 had been received in income from these investments over the investment period to date. It was stressed that whilst there were currently £1,340,442 of unrealised losses associated with these investments, the loss would only be realised if the Board made a decision to liquidate the investments.

At its meeting on 16th November 2022 the Board had agreed that a further £4.0million would be invested subject to the year-end position and cash balance in the Endowment Fund on 31st March 2023. As of 31st March 2023, there was a total of £5.311million held as a cash balance in the Endowment Fund and therefore available for investment. In view of the recent increase in interest rates it was agreed that the pending investment would be suspended.

RESOLVED that the pending investment of £4.0million, previously agreed by the Joint Strategic Partnership Board on 16th November 2022, be suspended.

8 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 6th December 2023 at 10am.