



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

A meeting of the **Thames Basin Heaths Joint Strategic Partnership Board** will be held virtually on **Thursday, 19 November 2020 at 10.00 am**. The agenda will be set out as below.

Please note that this meeting will be recorded and live streamed on <https://www.youtube.com/user/SurreyHeathBC>

AGENDA		Pages
1	Election of Chairman	
2	Apologies for Absence	
3	Minutes of Last Meeting	1 - 8
	To receive the minutes of the meeting of the Thames Basin Heaths Joint Strategic Partnership Board held on 19 th September 2019.	
4	Strategic Access Management and Monitoring Project	9 - 28
	To receive an update from the Strategic Access Management and Monitoring Project Team on their work across the partnership area since the Board's last meeting.	
5	Strategic Access Management and Monitoring Tariff Uplift	29 - 30
	To receive an update on work to review the tariff placed on new homes built within the Thames Basin Heaths Special Protection Area.	
6	Financial Update	31 - 42
	To receive a report setting out the current financial position of the Strategic Access Management and Monitoring Project.	
7	Investment Working Group	43 - 60
	To consider a report providing an update on the work of the Board's Investment Working Group.	

If you require further information, please contact: Katharine Simpson
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Email: democratic.services@surreyheath.gov.uk
Published: Thursday, 12 November 2020

8 Financial Advisor's Presentation

To receive a presentation from the Joint Strategic Partnership Board's Financial Advisors Arlingclose.

9 Hart, Rushmoor and Surrey Heath SPA Project Update

To receive an update on the joint Hart, Rushmoor and Surrey Heath SPA Mitigation Project to investigate alternative and complementary avoidance and mitigation measures across the three areas.

10 Dates of Future Meetings

It is proposed that the Thames Basin Heaths Joint Strategic Partnership Board meetings in 2021 are held on the following dates:

- Thursday 3rd June 2021 at 10am
- Thursday 18th November 2021 at 10am

If you require further information, please contact: Katharine Simpson
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Published: Thursday, 12 November 2020

**Minutes of a Meeting of the Thames Basin Heaths Joint Strategic Partnership Board
19 September 2019**

Present: Councillor Martin D'Arcy, Waverley Borough Council
Councillor Sharon Galliford, Surrey Heath Borough Council
Councillor Jonathan Glen, Hampshire County Council
Councillor Edward Hawkins, Surrey Heath Borough Council
Councillor David Hilton, Royal Borough of Windsor and Maidenhead
Councillor Marina Munro, Rushmoor Borough Council
Councillor James Radley, Hart Borough Council
Councillor Angus Ross, Wokingham Borough Council
Councillor Chris Turrell, Bracknell Forest Borough Council

In Attendance: Ken Anckorn, Surrey Wildlife Trust
Ann Conquest, Natural England
Isabel Cordwell, Runnymede Borough Council
Paul Druce, Surrey County Council
Matthew Ellis, Waverley Borough Council
Julie Gil, Bracknell Forest Borough Council
Michael Jones, Natural England
Dan Knowles, Guildford Borough Council
Anna Lucas, Hart, Rushmoor and Surrey Heath SPA Mitigation Project
Jane Reeves, Surrey Heath Borough Council
Andrew Smith, Natural England
John Thorne, Rushmoor Borough Council
John Till, RSPB
Jennifer Wadham, Hampshire County Council
Rob West, Natural England

Apologies: Councillor Mike Goodman, Surrey County Council

1 Election of Chairman

RESOLVED that Councillor Hawkins be elected chairman of the Thames Basin Heaths Joint Strategic Partnership Board for the 2019/20 municipal year.

COUNCILLOR HAWKINS IN THE CHAIR

2 Minutes of Previous Meeting

RESOLVED that the minutes of the meeting of the Thames Basin Heaths Joint strategic Partnership Board held on 8th March 2019 be approved as a correct record.

3 Natural England Hosting Agreement Renewal

The Board received a report setting out proposals to renew the hosting agreement for the Strategic Access Management and Monitoring (SAMM) project.

The hosting fee was an annual fee currently paid to Natural England to cover all the organisational costs of hosting the SAMM project including IT, facilities, human resources, facilities and other corporate and finance costs. However there were a number of

additional direct support staff costs associated with the project which were not currently covered by the £10,160 annual hosting fee including business management, technical input from lead advisors, health and safety, audit, technical support and direct line management support. Analysis of this additional work had found that Natural England was spending approximately £8,000 per annum supporting the SAMM project which was not currently being recouped. To ensure that the costs of the SAMM project were open and transparent it was proposed that these additional costs would in future be billed to the administering authority.

To ensure that the SAMM project was able to cover its costs it was proposed that the hosting agreement fee be adjusted in line with inflation when it was renewed in July 2020. Using the Bank of England inflation calculator it was projected that this would increase the hosting fee to £12,283.

RESOLVED that Natural England continue to host the Strategic Access Management and Monitoring (SAMM) project for a further three years with costings based on the proposed hosting fee and staff costs set out in the report.

4 Strategic Access Management and Monitoring Tariff Uplift

The Board considered a report setting out a proposal to review the tariff currently paid by developers to support the work of the SAMM project.

It was noted that the tariff had been set at £630 per dwelling since the inception of the SAMM Project. The tariff was collected by the relevant Local Planning Authority who then passed it onto Hampshire County Council in their capacity as the administering body for the project.

When the legal agreement was initially signed, it had been agreed that the tariff would be subjected to a 10% increase in 2011/12 and then subsequent tariff increases of 15% would be applied every five years. Discussions at a recent JSPB officers meeting had found a lack of consistency in the way that different Local Planning Authorities (LPAs) had applied these tariff increases with many still basing tariff calculations on the original £630 standard.

The Board was informed that whilst expenditure was relatively straightforward to predict, the tariff income being received each year was much more volatile as developments were completed ahead of schedule. In addition, tariff income was also being received for developments where it was not expected.

It had been acknowledged that each planning authority was at a different stage in their local plan and a supplementary planning document would be required in order to implement changes to the agreed tariffs. It was therefore proposed that Natural England conduct a review of the tariff.

The Board acknowledged that there would be a time when the number of new homes being built would fall to a level where the SAMM tariff received would not be sufficient to maintain the project in perpetuity. Consequently, a clear understanding of what the long term costs of the project would be and how these might be funded in the long term future was required to inform a review of the tariff.

It was suggested that increasing the tariff cost to ensure that it kept pace with inflation could be an initial starting point. It was agreed that reviewing the current situation with regard to the SAMM tariff was appropriate and that a more detailed report would be brought to the Board's next meeting for consideration.

RESOLVED that:

- i. Natural England conduct a review of the tariffs charged to developers by local planning authorities.
- ii. Local Planning Authorities send their revised housing projection to Natural England by 15th November 2019.
- iii. A report setting out the outcomes of the tariff review and a suggested way forward be brought to the Board's next meeting.

5 Strategic Access Management and Monitoring Project Update

The Board received a report providing an update on the work taking place as part of the SAMM project. The report summarised the projects activities and achievements since the Board's meeting on 8th March 2019 and included updates on staffing, warden activity, visitor surveys, educational work and monitoring activities.

Bird Surveys

Surveys of bird territories showed that whilst nightjar numbers had risen since 2017 (366 in 2018 compared to 351 in 2017) the numbers of Woodlarks and Dartford Warblers recorded both showed a decline with woodlark numbers falling from 164 in 2017 to 112 in 2018 and Dartford Warblers falling from 556 in 2017 to 265 in 2018.

It was thought that there were a number of contributory factors to the decline in Woodlark numbers including the quality and availability of appropriate habitat, availability of food, disturbance of nests and the cold weather in February and March coinciding with the start of the birds' breeding season. The decline in Woodlark numbers was reflected nationally and the National Rare Birds Breeding Panel had reinstated the species on its list of rare birds.

The fall in Dartford Warbler numbers was attributed to the cold weather at the start of the year when the birds were at their most vulnerable.

The SAMM project team was keen to carry out comparison work with other areas to ascertain whether the bird populations had reached the natural limits that the habitats available could support and whether there were other factors that could help boost numbers however this would require additional resources.

Staffing

Following the departure of the project's senior warden in April, the SAMM project team had been restructured to better reflect people's workloads and responsibilities.

The restructure would also enable the employment of a Data Officer who would assume responsibility for data collection, monitoring and reporting; work which was currently being done on a piecemeal basis by external consultants.

Engagement Activities

Work to engage with dog walkers through the Heathland Hounds project continued to be positive with dog owner starting to promote the use of different SANGS amongst themselves and to other walkers that they met.

A new SANGS booklet listing the location of all the SANGs available in the Thames Basin Heaths area and the amenities available at each. The booklet continued to gather positive feedback with many residents making a deliberate to visit as many of the SANGs as they could.

After the success of the inaugural Heath Week in 2018, Heath Week 2019 had taken place between 28th July and 3rd August. Over the course of a week, twenty six events involving eighteen partners had taken place across Berkshire, Hampshire and Surrey. The events aimed at raising public awareness of the heathlands diversity had included a variety of natural history walks and talks, arts and crafts, dog behaviour sessions, wild fire awareness and opportunities to meet the cattle and learn about conservation grazing.

To ensure that the aims and objectives of the SAMM project were communicated as effectively as possible, Natural England's Behavioural Insights Team would be carrying out a controlled trial to research the most effective language and means to effect behaviour change and spread the project's key messages. The information gathered during this trial would then be used to determine how future messages and communications work would be framed to ensure that they had the maximum impact possible.

The Board noted the report and commended the enthusiasm of the SAMM Team and everyone involved in delivering the project on the ground.

RESOLVED that:

- i. The restructure of the wardening resource and the recruitment of a project data warden be approved.
- ii. The SPA visitor survey be published.
- iii. SAMM project activity be noted.
- iv. The outcomes of the SANG survey report be noted.
- v. The outcomes of the people counter and car park transect surveys be noted.

6 Finance Update

The Board received a report setting out the current financial position of the Thames Basin Heaths Strategic Access and Monitoring Project.

It was noted that as at 31st March 2019 the balance of the Endowment Fund was £10.597million, of which £5.952million was held in investments under the management of Arlingclose, the Board's independent financial advisor. The remaining £4.645million was being held by Hampshire County Council in its capacity as the Administrative Body. A further £1million was held in the Maintenance Fund to pay for project expenditure.

It was projected that a further £973,000 would be added to the Endowment Fund during the 2019/20 financial year, giving an anticipated £5.619million held as cash balance and available to be invested.

Over the next three financial years it was projected that the Endowment Fund would increase to £7.256million by March 2022.

RESOLVED that:

- i. The financial position for the year end 31 March 2019, as set out in Appendix 1 of the report, be agreed.

- ii. A balance of £1million was the appropriate level for the Maintenance Fund, and that approval be given for any resulting transfers from the Maintenance Fund to the Endowment Fund until the next annual review.
- iii. The projected financial position for the three financial years to 31st March 2022 be noted.
- iv. The actual cash balance held in the Endowment Fund, as at 31st March 2019, of £4.645million and the projected balance of £7.256million by 31st March 2022 be noted.
- v. Arlingclose be asked, in their capacity as the appointed independent financial advisors, to provide further advice on potential future investments to utilise the Endowment Fund balance held by the Administrative Body.

7 Investment Working Group

The Board received a report providing an update on the work of the Investment Working Group, a summary of investment performance to date and the development of an Investment Strategy.

Investment Strategy

The Board was informed that the Investment Strategy had been reviewed by Hampshire County Council's Legal Team and it had been concluded that the Strategy conformed with the SAMM agreement. However, it was made clear that this advice was given to Hampshire County Council (HCC) in respect of HCC's position, and was not intended as legal advice to the JSPB.

It was noted that the Board was investing in pooled funds and would therefore be reliant on the policies that governed those funds to ensure that they did not invest in organisations that exacerbated climate change and any changes to these policies to bring them in line with the stated aims of the Government's Climate Emergency declaration would take time. In the meantime, it was agreed that the matter would be raised with Arlingclose the Board's Advisors.

The Board was reminded that it had agreed that the contract with Arlingclose would be reviewed on an annual basis. If a decision was made to terminate the contract with Arlingclose, then the Board was contractually obliged to provide Arlingclose with written notification of this intent to terminate at least three months before the contract renewal date i.e. by 1st September each year. Consequently, the Board would need to review its contract with Arlingclose at its April meeting.

Investment Performance

It was reported that a total of £6million had been invested across three funds (CCLA property Fund, Kames Diversified Monthly Income Fund and Schroder Income Maximiser Fund) with a return of £84,700 as at 31st March 2019.

It was noted that the loss in the investment made in the CCLA Property Fund was attributed to the need for an initial expenditure on property to be made.

It was agreed that in order to best utilise the balance within the Endowment Fund, the Investment Working Group would meet with Arlingclose to discuss potential future investments. A report outlining these discussions and setting out a proposed way forward would be brought to the Board's next meeting for consideration.

The Board noted that any investments would need to be made in line with the Administering Body's Treasury Management Strategy Statement (TMSS) which was agreed in February each year for the year ahead. Consequently, to enable investments to be incorporated into the TMSS, the Board would need to make a decision on potential investment amounts by November each year.

RESOLVED that:

- i. The investment strategy as set out in Appendix 1 of the report, be approved subject to a review of section 7.
- ii. The Investment Strategy would be reviewed by December 2020.
- iii. The annual timescales for the renewal or termination of the contract with Arlingclose be noted.
- iv. Arlingclose be invited to a future meeting.
- v. The value of the investments made and the dividends due as at 31st March 2019 be noted.
- vi. Arlingclose be asked to provide advice on potential future investments in order to best utilise the balance within the Endowment Fund.
- vii. The requirements surrounding investment decisions before any investments can be made by the Administrative Body on behalf of the Joint Strategic Partnership Board be noted.
- viii. Section 7 of the Investment Strategy to be reviewed to ensure it took climate change mitigation into account.

8 Hart, Rushmoor and Surrey Heath SPA Project Update

The Board received a presentation on the Hart, Rushmoor and Surrey Heath SPA Project. The presentation included an overview of the project and its scope, a summary of the project's methodology, a progress update and the next steps.

The Board was informed that the project had been initiated by Rushmoor Borough Council after encountering difficulties with the identification of appropriate land for SANG and the recognition that an informed approach needed to be taken in relation to exploring potential alternatives. Working with Surrey Heath and Hart, Rushmoor's Housing Market Area partners, the two year evidence based project would investigate alternative and complementary avoidance and mitigation measures and then explore the practicalities of implementing each of the identified measures. It was stressed that any implementation work would be carried out post project and require the agreement of the relevant authorities.

To date, the project's terms of reference had been agreed and a proforma that would be used to review and assess each of the identified alternative options had been developed. The following alternative options had been identified:

- i. SANG Networks
- ii. Linear SANG
- iii. Enhancement or creation of recreational routes
- iv. Smaller SANG/facilities with smaller catchments
- v. Larger/Enhanced SANG with larger catchments
- vi. Habitat Management/Restoration
- vii. Expansion of SAMM project – wardening
- viii. Expansion of SAMM Project – Education and Communication
- ix. Car parking availability/access
- x. Dog control/wardening
- xi. Access restriction

Assessment of how each option might be used to mitigate any adverse effects, how the measure might be secured and implemented, a view of the degree of confidence in its success, timescales for delivery, monitoring and enforcement and costs and impact on viability would now take place.

The Board noted the update.

9 Any Other Business

SANG Delivery Framework

It was noted that under the terms of the SANG Delivery Framework developments of ten or more dwellings required the SANG to be provided within a set distance of the development; however, the Framework was not specific on where SANG for developments of less than ten dwellings should be located. It was noted that the intention was that SANG should be provided within the designated SPA area however clarification on the matter would be sought.

For clarification on this point, the Thames Basin Heath SPA Delivery Framework sets out:

Developments of less than 10 dwellings do not need to be within a specified distance of SANG provided that a sufficient quantity and quality of SANG land to cater for the consequent increase in population is identified and available in that district or agreed in an adjoining district, and functional in advance of completion

The reason for the approach taken is set out in the following footnote:

The Assessor recommended that only new residential development of 10 dwellings or more would have an impact on the SPA. The Board considers that this approach fails to recognise the longer term cumulative effect of small-scale developments, however accepts his conclusion that individually developments of less than 10 dwellings will not have a significant impact on the SPA. Thus this Delivery Framework recommends a more flexible approach to the provision of SANG in relation to smaller developments. The threshold of 10 is identified on the basis of the definition of major development in the GDPO 1995.

10 Date of Next Meeting

It was noted that the next meeting of the Thames Basin Heaths Joint Strategic Partnership board would take place on Thursday 30th April 2020 at 10am.

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THAMES BASIN HEATHS JOINT STRATEGIC PARTNERSHIP BOARD

Date: 19th November 2019

Subject: Strategic Access Management and Monitoring Project Update

Report Author: Ruth Shelton, Project Manager

Recommendations:

- To NOTE the contents of the report on SAMM project activity
- To give GUIDANCE regarding the number of seasonal wardens in the current COVID situation
- To APPROVE the Tariff uplift detailed in the accompanying paper

Purpose of the Report:

To provide the Joint Strategic Partnership Board with an update on Strategic Access Management and Monitoring (SAMM) project activity since the last meeting in September 2019, including during the COVID-19 lockdown, recent monitoring work and plans for the next six months.

1. SAMM project staffing and recruitment

Seasonal wardens

1.1. After a successful recruitment, seven seasonal wardens started with the SAMM project on 1st March 2020, making 6.6 FTE wardens. Six completed the season, with one being offered an alternative position closer to home in March. Of the six that completed the season, only one was new to the project. One returned from the 2017 cohort and five returned from the 2019 cohort.

Year-round team

1.2. The new team structure, approved at the meeting in September 2019, is now in place.

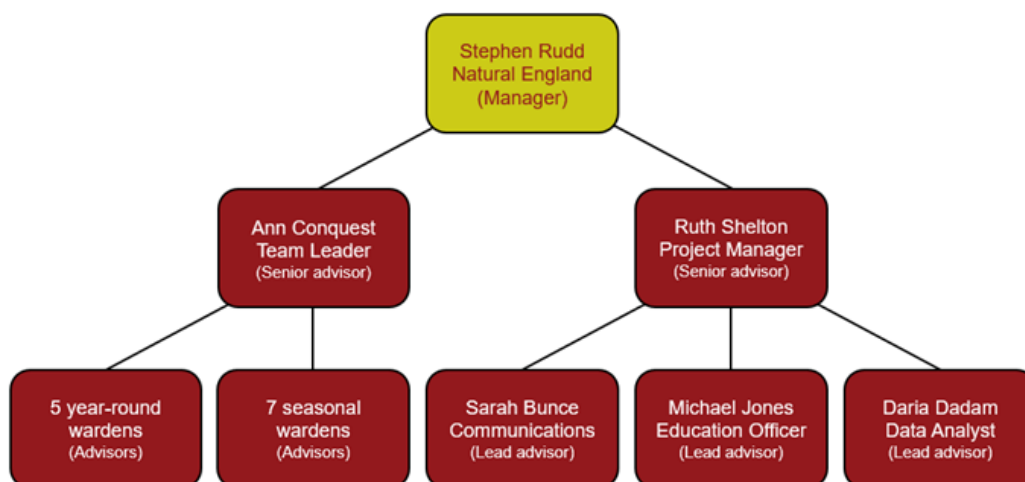


Figure 1 - SAMM Team Structure as of October 2020
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- 1.3. We are delighted to introduce Ruth Shelton, who joins us as SAMM Project Manager. Ruth brings a wealth of experience from a wide variety of landscape focused projects and is very much looking forward to meeting you all and working together to protect our heathlands.
- 1.4. The SAMM Project Manager role was made vacant in early 2020 by Ann Conquest's appointment as SAMM Team Leader. Ann covered both roles until Easter 2020. Simon Thompson (former SAMM Project Manager) covered the project management role from Easter 2020 until 18th June 2020. Sarah Bunce (SAMM Communications Officer) then covered the period from 22nd June 2020 to 30th September 2020 on a temporary promotion to senior advisor grade. Ruth Shelton's appointment to the role began on 5th October 2020 and Sarah Bunce stayed on as senior advisor until 31st October to help with her transition.
- 1.5. Ann Conquest was unfortunately unwell from Easter 2020 until 30th September 2020. Michael Jones (SAMM Education & Engagement Officer) covered the role from 22nd June 2020 to 30th September 2020 on a temporary promotion to senior advisor grade. Ann is now fully recovered and has returned to the project as Team Leader.
- 1.6. We are also delighted to introduce Daria Dadam, who joined as SAMM Data Analyst in April 2020. Daria joins us from the British Trust for Ornithology, where she was research ecologist for ten years. Her background is in large-scale data modelling and survey organisation at local and national levels, and she has worked on projects focusing on urbanisation, habitat fragmentation and population trends.
- 1.7. We currently have approvals to recruit six seasonal wardens for the 2021 season. We would appreciate some feedback whether the board want to continue with this level of resource under the current circumstances.
- 1.8. We have five year-round wardens currently.
- 1.9. Ann Conquest and Sarah Bunce are on permanent contracts. The rest of the team have had contract extensions to 2023.

2. COVID-19

- 2.1. Natural England's national operational guidance halted all site visits and suspended wardening throughout the COVID-19 lockdown. The warden team were recalled from site on 17th March 2020 and wardening didn't begin again until early June 2020. Despite the less-than-ideal circumstances, the project made the best use of the time and were able to keep all team members engaged throughout.
- 2.2. Here are some examples of our achievements during lockdown:
 - Wildfire awareness campaign via social media and our website
 - Built a directory of local publications including local newsletters and parish magazines to improve local communications going forward
 - Species profiles written ready for the website
 - Activity sheets for children including a heathland-themed crossword and wordsearch, a heathland nature trail, four new craft activities and four colouring sheets
 - Twenty blog posts published on our website
 - Social media posts throughout June for the Wildlife Trusts' annual campaign to connect people with nature, #30DaysWild

- Kept the public up to date about the status of SANGs via our online directory “Greenspace on your doorstep”
 - Collaborated with other mitigation projects to share ideas
- 2.3. Simon Thompson and Sarah Bunce began working on a COVID-19 risk assessment and working protocol in mid-May, with a view to allowing the team to return to site visits safely. These documents were peer-reviewed by everyone in the team and by our Natural England area health and safety representative, before going for director level approval. Approval was granted in early June and wardening resumed. We were the first Natural England team to resume site visits. Some of the wardens were extremely relieved to be outside again, while others were more cautious, including those with elderly relatives at home or personal concerns.
 - 2.4. Each team member was supplied with a health and safety pack, including hand sanitiser and wipes. We took the decision not to use masks, so as not to invite close interaction. We have stuck to rigorous social distancing, lone working and hand hygiene protocols ever since.
 - 2.5. The working protocol forbids the handing out of leaflets, but our website now has all our publications available as free downloads. We have also been experimenting with a QR code that takes the scanner to our website.
 - 2.6. Under the current restrictions we reviewed our risk assessments again and have halted our engagement activities. The wardens are undertaking tasks which do not involve the general public such as ensuring the GPS mapped locations for all signage opportunities are accurate and building on our ViewRanger walks linking SANGS. More information on the ViewRanger walks can be found in section 5.6.
 - 2.7. No one in the team has tested positive for COVID-19.
 - 2.8. On only one occasion has a health and safety incident been logged involving a member of the public who did not observe social distancing.
 - 2.9. The office at Heather Farm remains closed.
 - 2.10. Our pitstop activities (public engagement using a gazebo), education work, guided walks, car park surveys and winter SANG surveys have been put on hold until further notice. The activities that had been planned for Heath Week 2020 were all cancelled, but in collaboration with Surrey Wildlife Trust, we were able to run a very successful ‘Virtual’ Heath Week 2020 at the end of July (see sections 5.28 and 5.29 for more details).

Monitoring during COVID-19 restrictions

- 2.11. People counter data have been collected as usual and the results are presented in section 7.4
- 2.12. The monthly car park surveys have not been conducted. In 2019, Rob West (Team Leader September 2019 to December 2019) conducted a health and safety review and made the decision to conduct our car park survey work in pairs. We had previously conducted these alone, with the driver following the transect route and recording the data. While we advised drivers to pull over safely to record the data, Rob identified a health and safety risk that could easily be mitigated by working in pairs. Having made this decision, we could not put people at risk by resuming lone working during the COVID-19 restrictions.

2.13. We also took the decision not to conduct any SANG visitor surveys over the autumn of 2020. Not only to protect the health of SAMM staff, but also due to the difficulty of approaching visitors politely while maintaining a safe distance. It also seemed unlikely that visitors would want to engage in this type of interaction.

3. Wardening

3.1. The project provides a warden service on the SPA. During the March to August season we cover seven days a week, from 07:00 to 19:00 (daylight permitting).

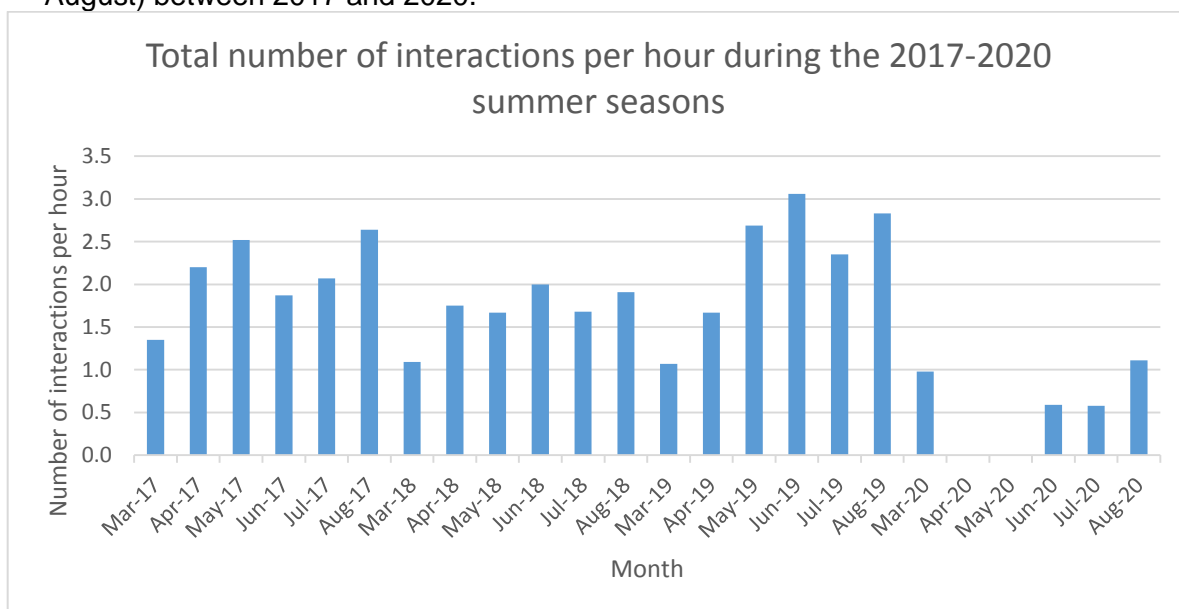
3.2. The following tables set out the number of hours of warden activity delivered on the SPA during (part of) March, June, July and August 2020.

3.3. **Table 1.** Wardening activity delivered on the SPA during 2020.

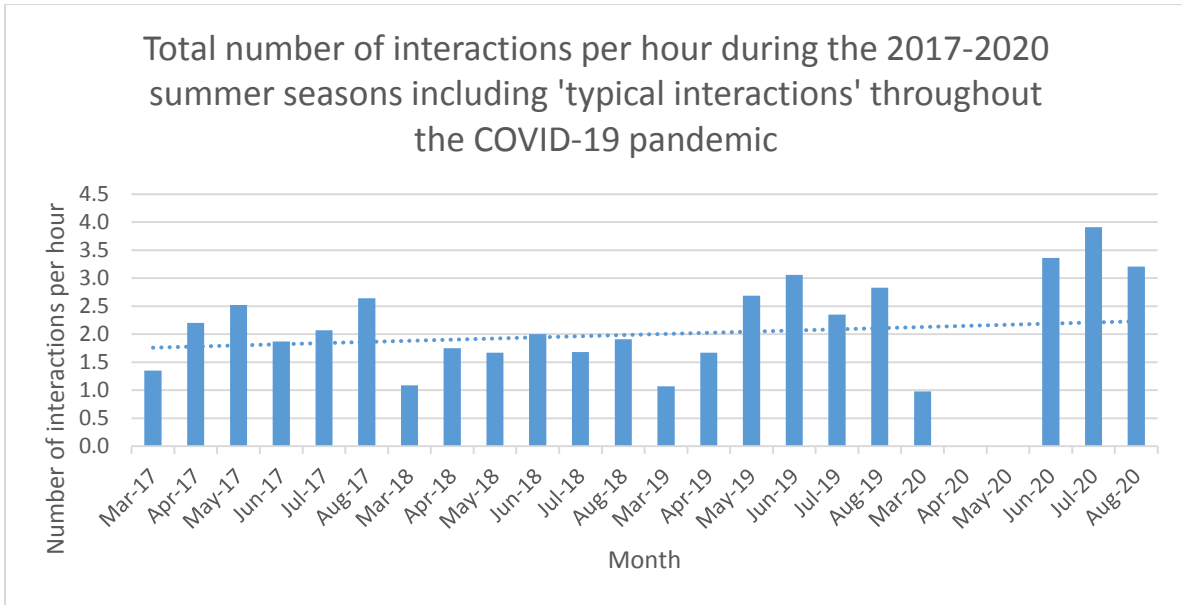
March 2020	Total hours wardened	292.75	July 2020	Total hours wardened	805
	Number of interactions	288		Number of interactions	467
	Interactions per hour	0.98		Interactions per hour	0.58
	Number already spoken to	122		Number already spoken to	96
	Leaflets handed out	272		Leaflets handed out	0
	Number of dogs	285		Number of dogs	533
	Number of dog walkers (5+ dogs)	8		Number of dog walkers (5+ dogs)	49
	Average already spoken to	42.4%		Average already spoken to	20.6%
	Total people count (inc. typical interactions*)	N/A		Total people count (inc. typical interactions*)	3149
	Typical interactions* per hour	N/A		Typical interactions* per hour	3.91
	Total dog count (inc. typical interactions*)	N/A		Total dog count (inc. typical interactions*)	1580
June 2020	Total hours wardened	433.95	August 2020	Total hours wardened	409.2
	Number of interactions	256		Number of interactions	454
	Interactions per hour	0.59		Interactions per hour	1.11
	Number already spoken to	46		Number already spoken to	92
	Leaflets handed out	0		Leaflets handed out	0
	Number of dogs	196		Number of dogs	389
	Number of dog walkers (5+ dogs)	2		Number of dog walkers (5+ dogs)	11
	Average already spoken to	18.0%		Average already spoken to	20.3%
	Total people count (inc. typical interactions*)	1460		Total people count (inc. typical interactions*)	1312
	Typical interactions* per hour	3.36		Typical interactions* per hour	3.21
	Total dog count (inc. typical interactions*)	767		Total dog count (inc. typical interactions*)	786

* Typical interactions estimate the number of interactions that would have taken place if not following COVID-19 guidelines.

- 3.4. As expected, the number of wardening hours for March was reduced compared to 2019, as all activities ceased on 17 March due to the COVID-19 pandemic (see section 2 for further details). Conversely, the number of wardening hours in June and August 2020 were comparable to those of 2019, whilst the effort in July had exceeded previous achievements, with 800 hours of wardening compared to 558 carried out in 2019.
- 3.5. No events or pitstops were possible between March and August 2020 due to the COVID-19 pandemic restrictions.
- 3.6. The total number of interactions per hour have remained relatively stable between 2017 and 2019, with a decrease in the spring and summer months in 2020 due to the COVID-19 pandemic restrictions (Fig. 2).
- 3.7. **Figure 2.** Total number of interactions per hour during the sensitive period (March to August) between 2017 and 2020.

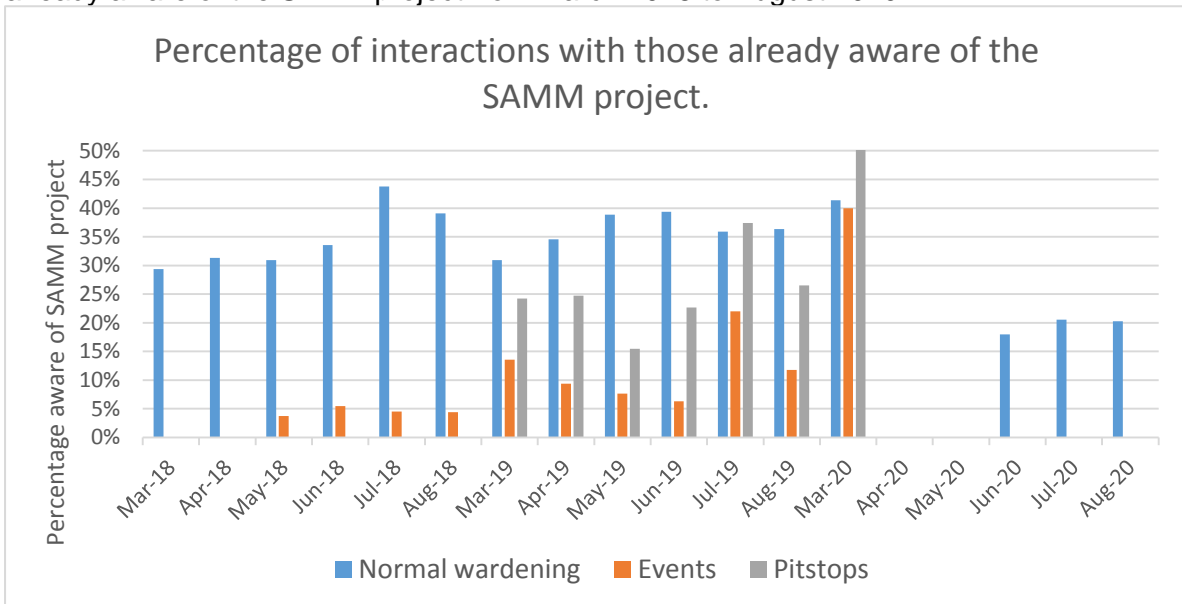


- 3.8. However, when considering the number of interactions, including ‘typical’ ones, there was a suggestion of an increase over time, with the three highest figures, 3.91 (July), 3.36 (June) and 3.21 (August) all recorded during the 2020 summer season. In the absence of pitstops and events, the increase is likely to reflect the higher number of visitors to the SPA recorded in the summer 2020 (see section 7.4 for more details).
- 3.9. **Figure 3.** Total number of interactions per hour during the sensitive period (March to August), including ‘typical interactions’ throughout the COVID-19 pandemic in 2020, between 2017 and 2020.



3.10. Figure 4 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, 32.7% of individuals encountered whilst 'normal wardening' said that they were already aware of the project. This figure was slightly down from the 35.8% to August 2019, but it was to be expected given the restrictions on wardening and interactions with members of the public between March and August 2020. Pitstops and events were not possible during the spring and summer 2020, due to restrictions considering the COVID-19 epidemic, therefore no data were available for that period.

Figure 4. Average percentage of monthly interactions with members of the public that were already aware of the SAMM project from March 2018 to August 2020.



4. Access to Special Protection Area land

4.1. There have been no issues or changes. Feedback from landowners remains very positive and we thank all partners for their ongoing support.

4.2. Extensions to our existing access agreements have been agreed by all Partners. The agreements have been renewed through to 30th June 2023.

5. **Communications, promotions and events**

Website

- 5.1. 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).
- 5.2. Recent enhancements to the website have improved usability on mobile phones, made searching across content possible and allowed us to display bespoke messaging on the home page. A new configurable menu has allowed us to structure our pages and draw attention to key campaigns.
- 5.3. Recent additions to the website content include a dedicated wildfire awareness page, leaflet downloads, a page of free activities for kids, volunteering opportunities and an archive of key blog posts.
- 5.4. The new wildfire awareness page was launched in June 2020. Covering causes, consequences and reporting, the page provides written information, infographics and hard-hitting photographs of the damage caused by wildfires. Visitors to the page can also download the wildfire-related newsletter and find links to local fire services, wildfire blogs and interesting research papers on the subject. Judy Rice - Education Manager at Hants FRS - has directly linked to this page from the education section of the Fire Service's website to spread the messages further.
- 5.5. The news and blogs page features regular entries from the team, including a wide range of articles about our work and the wildlife and history of the heaths. Recent articles have included a celebration of the SPA's 15th birthday, a rundown of countryside law, the best SANGs to see bluebells, public access enhancements at Ash Ranges, memorable moments with nature, recording silver-studded blue butterflies, Butterfly Conservation's 'Big Butterfly Count', a new countryside code, promotion for our free kids activities, Heath Week, Countryfile's visit to Ockham, the wildfire at Chobham Common and a celebration for the seventieth SANG.
- 5.6. The online directory of SANGs, 'Greenspace on your doorstep', has long been an important part of the website and is the most visited section. Since the September 2019 booklet edition of 'Greenspace on your doorstep' was published, eight more have been listed online, bringing the total to seventy. The seventieth entry was Chertsey Meads in Runnymede. Each entry has a section on parking and how to find it, a description and a photograph gallery.
- 5.7. A new addition to many of the entries is a link to ViewRanger, a website that allows users to download maps and trail guides to follow on their smartphones using the ViewRanger app. 56 routes have been recorded so far, including single SANGs and connecting multiple SANGs. Users can browse these walks on a map, which has great potential as a tool for publicising SANGs.

5.8. The five most downloaded ViewRanger routes are:

- Naishes Wood at Crookham Park (Hart District Council) – 74 downloads
- Ottershaw Circular (Connecting Ether Hill, Timber Hill & Ottershaw Chase) (Runnymede Borough Council) – 43 downloads
- Chantry Wood (Guildford Borough Council) – 37 downloads
- Hawley Meadows and Blackwater Park (Rushmoor Borough Council / Surrey Heath Borough Council) – 34 downloads
- Wellesley Woodlands Willow Trail (Rushmoor Borough Council) – 34 downloads

5.9. In the period 1st March to 31st August 2020 there were **65,061** page views across the whole website.

5.10. The top performing page, with 5,444 page views, was Warden Nicholas Izzard's article about the difference between swifts, swallows and martins. Part of a long running guide to heathland birds called Birding Beginnings.

5.11. Top 10 most visited pages and the number of page views in the period 1st March to 31st August 2020:

• Swift, swallow or martin?	5,444
• Home page	3,694
• 'Greenspace on your doorstep' home page	3,049
• Buckler's Forest SANG	2,853
• Frost Folly Park SANG	2,283
• Edenbrook Country Park SANG	1,786
• Naishes Wood at Crookham Park SANG	1,724
• Cabbage Hill SANG	1,507
• 'About us' page	1,398
• Free activities for kids	1,339

5.12. The peak number of active users was in June, which may have coincided with our participation in #30DaysWild. The peak can be seen to extend into July and early August, the period in which Virtual Heath Week 2020 ran:

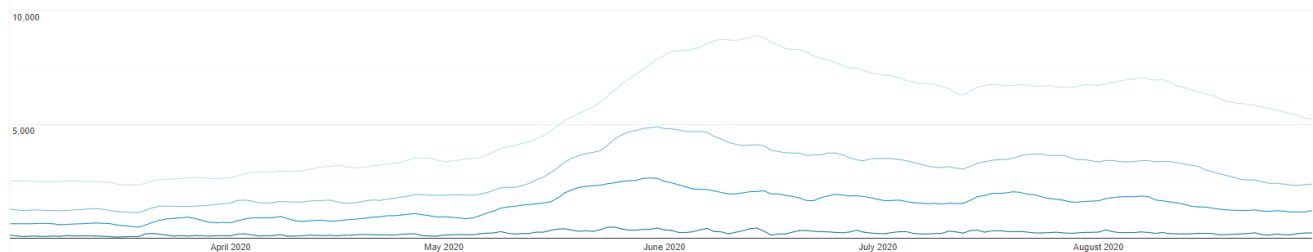


Figure 5 - Active user analysis (source Google Analytics)

Social media

5.13. Our social media platforms continue to spread our key messages and to reach members of the public we were unable to reach during the COVID-19 restrictions.

5.14. We have continued to promote virtual events, our blog posts, and have encouraged users to connect with nature and heathland conservation through downloadable guides and craft activities. Alongside virtual Heath Week 2020, we again promoted

and participated in the Wildlife Trust's 30 Days Wild campaign throughout June. Posts encouraged people to get involved with wildlife and nature, whether in their gardens, local spaces, heathland or virtually.

- 5.15. Alongside core messages about ground-nesting birds and responsible walking on heathlands, two novel campaigns have been run this year, #BeWildfireAware and #HeathlandAtHome. Launching during the main lockdown period, Heathland at Home provided fun and free downloadable craft and wellbeing activities for children and adults, both promoting heathland conservation and serving as an education tool. Wildfire awareness has always been at the forefront of our communication strategy, and this year we have run several #BeWildfireAware posts, with a post always pinned to the top of our Facebook wall to reach all visitors to our page. Our most viewed post this year was about wildfire prevention, reaching over 30,000 people, with other fire posts consistently reaching thousands.
- 5.16. Our Facebook page has 1,031 followers (up by 217 since the last meeting) and 916 likes, with post engagement regularly far exceeding these numbers.
- 5.17. Our Twitter account now has 644 followers (up by 108 since the last meeting). We continue to use this social media platform to spread key messages and engage people about heathlands, SANGs and promote tweets by partners.
- 5.18. This year has seen an increase in content and engagement across platforms, with a new Instagram page debuting in February 2020. This has acquired a following of 260 that we will build on in coming seasons.
- 5.19. Since September 2019, content on Facebook has had 126,858 reaches, with 5,814 since Instagram began.

Heathland Hounds

- 5.20. Heathland Hounds, our dog-focused initiative continues apace. It is based around a popular Facebook group at www.facebook.com/groups/HeathlandHounds.
- 5.21. Group membership has grown to 1,135 (up by 261 since the last meeting). It features regular posts about responsible dog walking, updates on the ground-nesting season, promotion of SANGs, relevant information from partners e.g. Ash Ranges fencing, as well as more general information about dogs and dog ownership.
- 5.22. We see Heathland Hounds as a key part of our strategy and a key communication channel to a key audience. We are really pleased with the level of interactive within the group. It's reaching the stage where we can use it to gain insight into how our messaging is received. For example, we have solicited useful member feedback on designs for next season's ground-nesting bird signage. It is very useful and interesting to hear from the potential audience and we shall be taking this feedback on board.
- 5.23. The focus of posts changed during the COVID-19 lockdown and we were able to ask members to keep in touch with their experiences out on the SPA and SANGs. Members are fantastic 'eyes and ears' and unofficial ambassadors.
- 5.24. For Virtual Heath Week 2020 we created a short video to explain what Heathland Hounds is about. We asked group members to submit their own videos of responsible dog walking on the SPA or having fun on a SANG. We had two members volunteer to be filmed on their walks – we filmed one on Horsell Common and

another on Barossa. We also shared a range of celebratory posts focussing on members and their dogs – on Instagram and Twitter too.

- 5.25. The members clearly enjoyed the new Heath Week content and we had 131 new members during that week!
- 5.26. Since Sep 2019 we have led seven group walks for members on SANGs – Whitewater Meadows (Sep 2019), Crookham Park (Oct 2019), a Halloween walk at Heather Farm (Oct 2019), a Christmas walk at Farnham Park (Dec 2019), Wellesley Water Meadows (Jan 2020), Chobham Water Meadows, (Feb 2020) and Rowhill Nature Reserve (Mar 2020). We welcomed several new faces these.
- 5.27. We ran public engagement pitstops at Yateley Common (two), Barossa, Ash Ranges (two), Bramshill Forest (two), Velmead, Horsell Common (two), Hazeley Heath and attended a Hart District Council event at Edenbrook Country Park and an event at Wellesley Woodlands SANG with accompanying group walk.
- 5.28. Facebook metrics 20th October 2019 to 18th Oct 2020 show 1,018 active members, 1,091 posts, 3,577 comments and 8,733 reactions.
- 5.29. Feedback from members:

“I’ve learnt a lot from some of our experienced dog owners and ‘Heathland Hounds’ – a local Facebook group you may enjoy following.”

“Love this group. You’ve been a godsend for us!”

“We definitely go for more walks in new places thanks to this page and the very useful booklet. Me and woofers are very grateful x”

“Love the positivity of this group and all the information it gives.”

Virtual Heath Week 2020

- 5.30. We have run an annual week of enhanced public engagement since 2018, and it’s building to become our flagship event.
- 5.31. This year’s annual Heath Week celebrations took place online in collaboration with Surrey Wildlife Trust. Running over nine days from Saturday 25th July to Sunday 2nd August. We produced a variety of videos and social media posts promoting interactive competitions, craft activities, and our key heathland conservation messages – including species spotlights, wildfire prevention and responsible dog walking. Coordinating posts on both the SAMM and Surrey Wildlife Trust social media platforms led to over 25,000 views of videos, with one video about adders, made by Warden Jamie Neaves, reaching over 4,500 views. Even during COVID-19 restrictions, Heath Week managed to raise public awareness of our amazing heathland, with our videos providing an excellent and accessible way of displaying rare species such as Dartford warblers and nightjars to people unable to see them in the wild.

Be Wildfire Aware

- 5.32. We regularly use social media to spread messages around wildfire prevention. The aim is to raise awareness of the causes of wildfires, highlight the significant damage

they cause and provide people with the information about what to do if they discovered a fire. We also share partner posts and other relevant information

- 5.33. We published 17 wildfire prevention social media posts across the season (March to September) and these were some of our most shared posts, helping to spread messages further. One of these posts reached over 30,000 people and generated a lot of engagement. Another wildfire post reached 11,400 and two others reached more than 7000 each.
- 5.34. Warden Florence Cordner did an Instagram story about the large wildfire at Chobham Common that took hold in August, highlighting the scale of the devastation and introduced ways to avoid this happening again in the future. This reached more than 2000 people.
- 5.35. Warden Henry Howells contributed to a video about heathland wildfire prevention. The video was edited by Surrey Wildlife Trust, with additional information from their staff, and was shown regularly during Virtual Heath Week 2020.

K9 Fire Patrol

- 5.36. K9 Fire Patrol is a joint initiative with Surrey Fire & Rescue Service to encourage dog walkers to keep an eye on their local heaths. Members record time spent on the heaths, reporting any fires, fly-tips & anti-social behaviour and spreading information about what to do in the event of a fire. Members' dogs are presented with a hi-viz jacket to promote the scheme and to create a talking point.
- 5.37. Due to COVID-19, and our key staff doubling up on roles, our involvement in the K9 Fire Patrol has hit a lull in during 2020. Our main point of contact at Surrey Fire & Rescue Service has also been helping to run PPE distribution for Surrey.
- 5.38. The patrol is something we remain committed to. Surrey Fire & Rescue Service have recently recruited two dedicated officers for a Wildfire and Rural Partnership and we are keen to work with them next season to make the most of the opportunity presented by the K9 Fire Patrol and the #BeWildfireAware campaign.

New MOD dog walking leaflet

- 5.39. Over the summer of 2019 we worked closely with Defence Infrastructure Organisation (DIO) to produce a new leaflet specific to dog walking on the Defence Training Estate / Thames Basin Heaths Special Protection Area. Fifty percent of the SPA is training estate and it is helpful to have the relevant information to hand out. The leaflet, 'Dog Walking on MOD Land', was published in February 2020 and is available to download from our website.

Partnership Newsletter

- 5.40. May 2019 saw the publication of the inaugural quarterly Thames Basin Heaths Partnership Newsletter, a web-based newsletter for partners. Since then, wardens Rupert Millican, Nicholas Izard and Jamie Neaves have done a great job of continuing this publication. They have shared a variety of news stories around the partnership, some contributed by ourselves, but many contributed by the partners themselves. The next edition is due to come out later this month.

Partnership events

- 5.41. The SPA Warden Team assisted Surrey Wildlife Trust with their habitat management at Poors Allotment and Chobham Common in November 2019 and January 2020
- 5.42. Wild Moor Heath 'Bash 'n' Burn' event saw lots of groups coming together. These included BBOWT, Bracknell Forest, The National Trust, Wokingham Borough Council, Horsell Common Preservation Society and the Canal and River Trust amongst others.
- 5.43. We helped Surrey Wildlife Trust to run a Families 'Pull-a-Pine' event at Poors allotments.
- 5.44. Chobham Common and Whitmoor Common saw two pop up animal magic events in 2019, one for Halloween and one for Christmas. We ran an Autumn walk and talk at Brookwood Country Park SANG and a Christmas wreath-making event at Farnham Park SANG.
- 5.45. August 2020 saw us giving a socially distant introduction to SAMM wardening to the Friends of Thursley Common group.

6. Education

Heathland education

- 6.1. Our Education Officer, Michael Jones, has developed resources and lesson plans that link heathland into the curriculum for Key Stage 1 and Key Stage 2. These can be delivered out on the heath or in the classroom. All cover key project messages.
- 6.2. Sadly, the arrival of COVID-19 saw the cancellation of several planned sessions with schools across the SPA and curtailed further face-to-face outreach.
- 6.3. Before lockdown, however, we were able to deliver 19 sessions to a variety of local schools and community groups, on the heath, in classrooms and in school grounds. These sessions all included the project's key messages around responsible heathland use, but also covered subjects like reptiles, hibernation, seasons, threats (including wildfire), some practical habitat management, litter-picking, classification, conservation careers advice and, of course, lots about ground-nesting birds.
- 6.4. Overall, 650 children took part in these sessions, ranging from reception age to Year 12 students.

Heathland engagement activities - online

- 6.5. To counteract the loss of engagement opportunity, we launched an activities page on the website in April 2020. This includes free downloads of arts, crafts, games and educational resources, designed to take heathland and its amazing species to people's homes. These activities were advertised through social media using the hashtag #HeathlandAtHome, via TBH Partners and local schools.
- 6.6. We introduced the world to #HeathlandAtHome in April 2020. We ran a series of 29 social media posts throughout lockdown and for a period afterwards, as restrictions were lifted. We encouraged followers to join in with salt dough modelling, a green tiger beetle game, a heathland crossword, lots of colouring-in and even learning about the structure of heathland plants. Plus many more.

- 6.7. Activities were widely shared (Facebook Insights indicates that over 18,000 people were reached by these posts) and people contributed to our Heathland at Home art gallery.
- 6.8. As restrictions lifted, we were able to encourage people to download resources like the heathland nature trail and a guide to seek out different heathland plants. These resources encourage people to get to know their local heaths better and reinforce some of our key messages.
- 6.9. Many of these activities were promoted with videos during Virtual Heath Week 2020.

Wildfire education

- 6.10. We continue to spread the word about heathland wildfires to local schools and further develop links with fire services. We promote responsible use of heathland via social media to raise awareness of the destructiveness of wildfires.
- 6.11. 'Our Amazing Heathlands' is a newsletter written to connect schoolchildren with their local heaths and help raise awareness of wildfire.
- 6.12. Issue #1 covered a general introduction to what heathland is, its rarity and some of the fascinating species that live there (with a direct reference to ground-nesting birds). The focus of page 2 was wildfire. Messages centred around what wildfires are, what causes them, the damage they cause (to habitats, species and local communities) and what people can do if they discover a fire. These key messages were aimed to educate and reduce the incidence of fires. It also provided a link to the new wildfire awareness page on the website.
- 6.13. The newsletter's wildfire content was fact-checked and endorsed by the three local fire services (Surrey FRS, Hampshire FRS and Royal Berkshire FRS). All three were happy to have their badges on the publication to help give the messages added weight. It was a good opportunity to further forge relationships with those responsible for fire and safety education across the three counties, which will help with joint educational provision going forward.
- 6.14. Issue #1 was distributed in July 2020 to all secondary schools within 5km of the SPA (x 43) and all primary schools within 1km (x 59). Schools were asked to help spread awareness to students, parents and teachers and advertise the wildfire awareness page, with information on some of the assemblies/classroom sessions available for free.
- 6.15. We have developed a wildfire-themed assembly and separate classroom session and sessions delivered out of the heath introduce students to wildfire as a threat to heathlands.
- 6.16. Additionally, we have now designed two wildfire worksheets, aimed at Key Stage 2, that can be used to support the subject of wildfire with local school children. Again, the contents have been checked with fire services and local teachers.
- 6.17. These worksheets can be used during or after a classroom session (or assembly) on wildfire or a heathland session that introduces the threats to the habitat to embed the messages around responsible use. They can also be used by teachers as a standalone resource.

- 6.18. Again, as with all our wildfire messaging, the themes centre around causes, consequences and reporting fires.
- 6.19. In the future, we aim to do some joint delivery of sessions with local fire services and contribute heathland-specific materials for them to use elsewhere.

Butterfly recording

- 6.20. The silver-studded blue butterfly is a top priority species on the Thames Basin Heaths, so in June and July, we encouraged heathland visitors to turn citizen scientists and record them. A blog post introduced this under-recorded butterfly and included a downloadable guide to separating it from other blue butterflies so would-be recorders could be confident with their identification. This was supported by social media posts to encourage participation. People were asked to report sightings through the iRecord butterflies app and a number of people got in contact to tell us about their sightings.
- 6.21. Next summer will see this citizen science project expand with the proposed launch of 'Silver-Studded Blue Watch 2021', with guided walks, butterfly ID sessions and blog posts designed to raise the profile of heathland butterflies and inspire the local community to get involved in wildlife recording.

Volunteering

- 6.22. In October 2019, we launched a volunteering opportunities webpage to encourage local people to contribute their time to the conservation efforts of our partners. Entries for partners included an overview of activities, contact details and weblinks. This formed part of our promotion of the Year of Green Action - a year-long national campaign designed to get people to connect with and take action to protect and enhance their local greenspaces. We continue to update this information and have supported it via social media and blog posts.

Feedback

- 6.23. Judy Rice – Education Manager (HFRS) – “I love the attached worksheets – would you allow us to share these on our Home Learning Pages for you? Obviously with acknowledgement this is done with your permission?”
- 6.24. Rich Munday – Fire Prevention Lead (Surrey FRS) – “I've taken the time to print off your worksheets and show them to my kids at home (ages 8-15) and they thought that both were very easy to read and also put out a strong message with clear advice on basic actions on what to do if they find a fire. So you have the thumbs up from them”.
- 6.25. Caroline Hutchings – Head of Science (Halstead School) – “Fire on the Heath! - I love this one. Three short scenarios that require thinking it through, rather than telling them what happened. Also, it makes them think about how to get it right.”
- 6.26. Steve Wheatley – Butterfly Conservation South-East England Regional Conservation Manager – “The butterfly will remain a top priority species for the Thames Basin Heaths and an important indicator for heathland condition and for a wide range of other invertebrates. We're lucky to have a strong network of important partners in this area including the three Wildlife Trusts, Natural England and the TBH Partnership, RSPB, Forestry England, MOD, Crown Estate and of course, Butterfly Conservation.

Michael's done a brilliant job of promoting the butterfly through the TBH Partnership e.g. www.tbhpartnership.org.uk/news/ssb-can-you-help/.

7. SPA and SANGs monitoring

Winter 2019/2020 Visitor Surveys on SANGs

- 7.1. Winter surveys were conducted at ten SANGs in order to analyse footfall, public opinion and usage. Across the sites, wardens spent 180 hours conducting 341 surveys between September 2019 and February 2020. Data will be collated and analysed in due course. All strategic SANGs have now been surveyed and some of the newest bespoke SANGs.

The SANGs surveyed were:

- Ash Green Meadows (Guildford Borough Council)
- Bisley Common (Surrey Heath Borough Council)
- Buckler's Forest (Bracknell Forest Council)
- Cabbage Hill (Bracknell Forest Council)
- Chertsey Common, Longcross (Runnymede Borough Council)
- Clare's Green Field (Wokingham Borough Council)
- Effingham Common (Guildford Borough Council)
- Frost Folly (Bracknell Forest Council)
- Great Hollands Wood (Bracknell Forest Council)
- Swan Lake Park (Hart District Council)

Ground-nesting breeding bird surveys

- 7.2. The Annex 1 2020 breeding bird report has not yet been received.

Survey year	2006	2007	2008	2009	2010	2011	2012	2013
Nightjar	320	313	298	296	326	337	320	325
Woodlark	216	229	180	157	159	161	202	135
Dartford W.	389	529	633	61	38	47	87	118

Survey year	2014	2015	2016	2017	2018	2019
Nightjar	355	313	332	351	366	353
Woodlark	155	147	124	164	112	143
Dartford W.	292	457	430	556	265	488

Table 2. Estimated totals of Annex 1 bird territories on the Thames Basin Heaths Special Protection Area and peripheral Sites, 2006-2019

Car park surveys

- 7.3. As mentioned in section 2.12, car park surveys have not been conducted this summer due to a new risk assessment.

People counter data

- 7.4. There were 37 active people counters deployed across 22 SPA sites. Seven SPA sites had more than one counter (Ash ranges (eight) (Fig. 6), Chobham Common and

Forest of Eversley (three) (Figs 7 and 8), Heath Warren Wood and Whit moor Common (two) (Figs 9 and 10), as well as Horsell Common and Lightwater Country Park (two) (not illustrated due to high counts on some dates which need to be investigated), whilst the remaining SPA sites had only one people counter each (Fig. 11). All graphs show monthly variation in total number of visitors at each SPA site. There is a clear peak at all sites, with the exception of Crowthorne, during the months of national lockdown due to the COVID-19 pandemic, between March and June 2020, with a suggestion of numbers decreasing from July 2020 when the restrictions to movements were relaxed. This pattern corroborates the sensitivity and data quality provided by people counters.

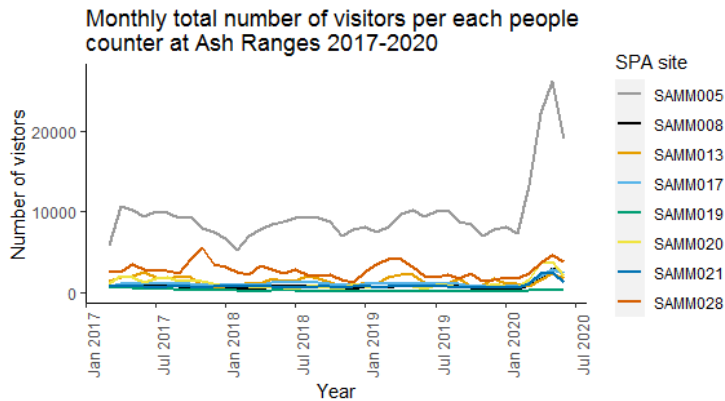


Figure 6. Monthly number of visitors for the eight people counters present at Ash Ranges, between January 2017 and July 2020.

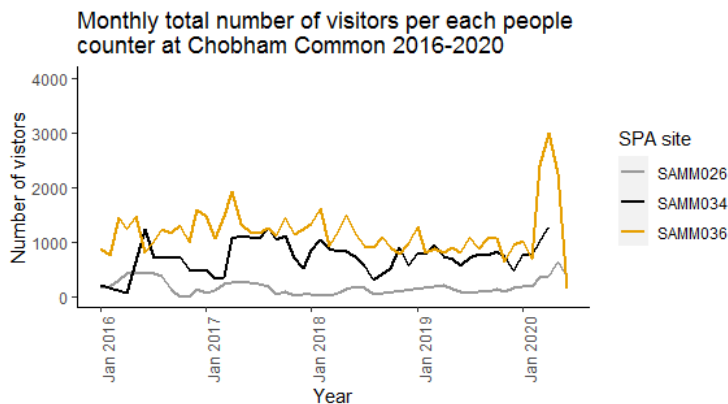


Figure 7. Monthly number of visitors for the three people counters present at Chobham Common, between January 2016 and July 2020.

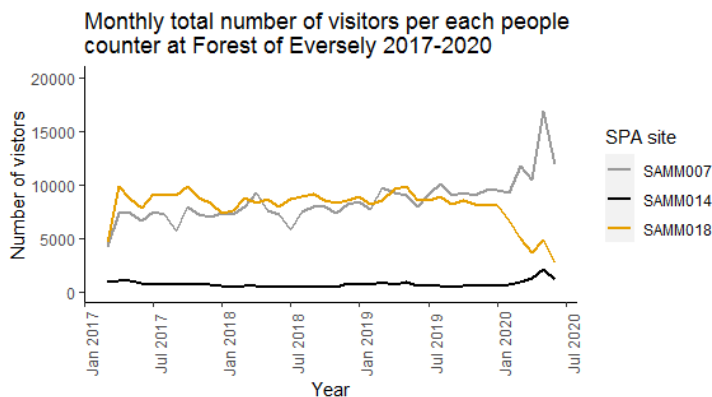


Fig. 8. Monthly number of visitors for the three people counters present at Forest of Eversley, between January 2017 and July 2020.

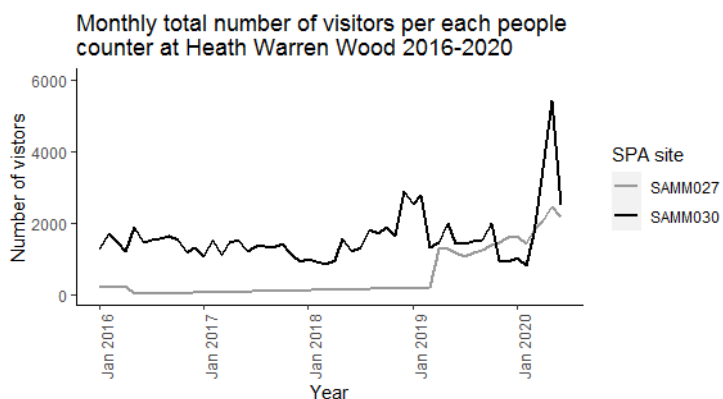


Fig. 9. Monthly number of visitors for the two people counters present at Heath Warren Wood, between January 2016 and July 2020.

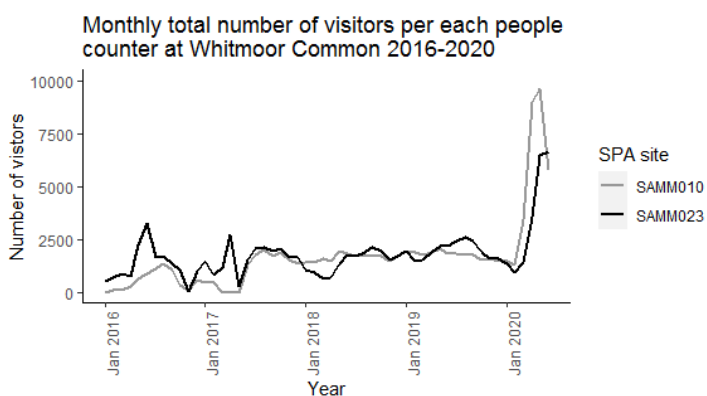


Fig. 10. Monthly number of visitors for the two people counters present at Whitmoor Common, between January 2016 and July 2020.

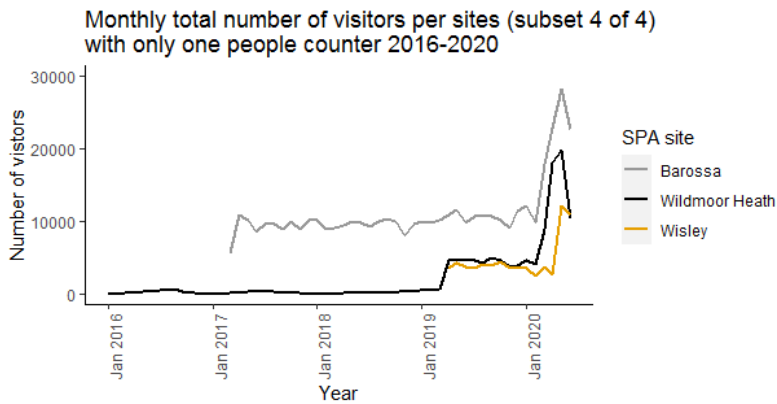
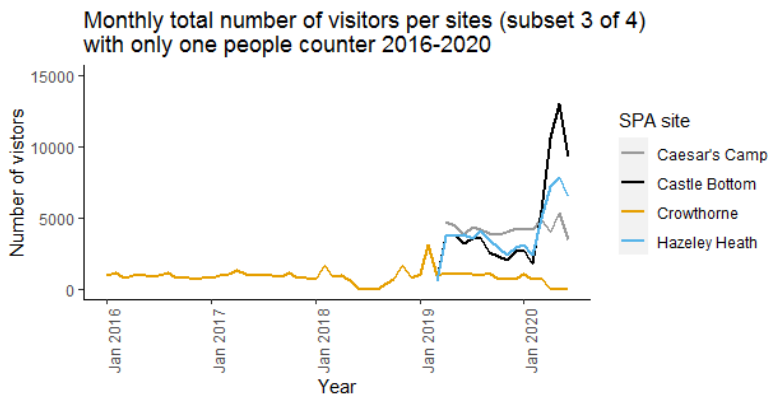
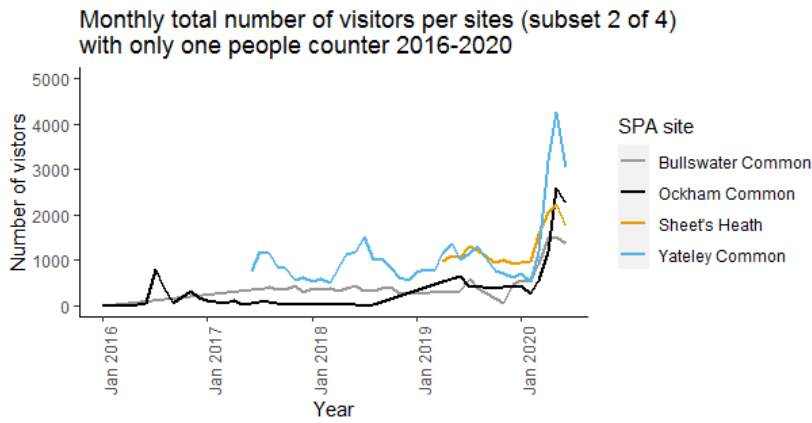
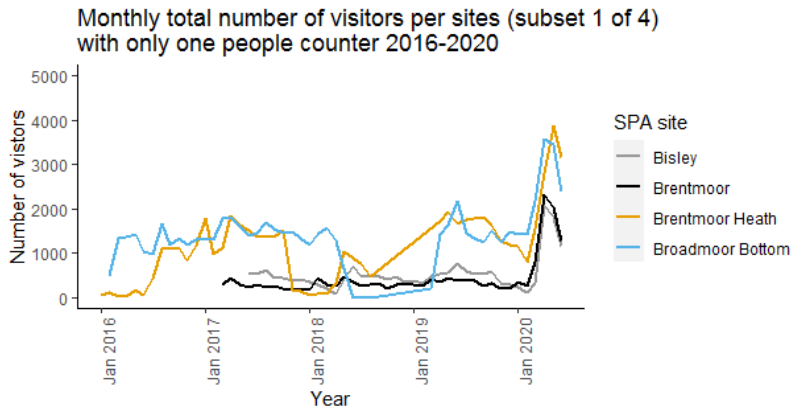


Fig. 11. Monthly number of visitors for people counters present sites with only one people counter, between January 2016 and July 2020.

- 7.5. Future analyses, to be carried out by the next meeting, will be a formal statistical analysis of people counter data to produce a trend over time per site. During the second stage, which will likely be started, but not completed, before the next meeting, trends will be contextualized in relation to the presence of nearby SANGs, for some of which people counter data are being kindly provided by the Local Planning Authorities: the aim will be to understand to what extent the trend in people visiting SANGs and SPA match. The result will be correlative, as cause and effect cannot be established with certainty using the data currently available. The third stage, which will likely not be completed before 2022, will include a statistical model to explain the number of visitors on the SPA in relation to number of visitors at SANGs, as well as distance between each SPA site and the nearest SANG(s), seasonality and other factors that will be identified according to the data available. The aim will be to understand the likely drivers of change, or lack there-of, in visitors on SPA, with the view of drawing recommendations on how to alter visitor numbers if necessary.

8. Other Work

Behavioural insights study

- 8.1. An opportunity arose to work with the Natural England, Bird Aware Solent and the Behavioral Insights Team to determine the most effective strategy to affect behavioural change.
- 8.2. An online randomised controlled trial was undertaken to assess leaflet content and to test the effect of leaflets on people's comprehension of wildlife disturbance. 2,512 dog-owners from across the UK participated in the trial. Some participants were not shown a leaflet, whilst others were shown a usual copy of the leaflet and a third group saw a leaflet developed by the Behavioural Insights Team. Participants were then asked comprehension questions e.g. does a bird flying away when a person comes near constitute a wildlife disturbance? There was strong evidence that leaflets increased participants comprehension of wildlife disturbance relative to the baseline level.
- 8.3. A field-trial was planned to trial methods of redirecting visitors away from favourable nesting habitat. The planned trial consists of placing pawprint signs at decision points (a junction in a path) where visitors can choose between two paths. A pawprint sign acts as an 'affordance cue', where the design of the object can unconsciously influence an individual's behaviour. In this case, the pawprint suggests that "this is the way dog-walkers go".
- 8.4. The planned field-trial was not carried out because of COVID-19 restrictions. In place of this a method has been planned to allow SAMM to conduct the trial in the future. The trial will involve wardens collecting data to measure which route site users take before and after the pawprint signs are installed. If proved successful, the signs could be adopted as a method of directing dog walkers away from sensitive wildlife areas.

SANG best practice guide

- 8.5. Warden Nick Izard has been compiling "SANG: A best practice guide" in collaboration with partners. It includes case studies and good examples of SANG management, and is designed to encourage developers to promote biodiversity and prioritise connecting SANGs to form Nature Recovery Networks.
- 8.6. The guide will be included in the appendix of Natural England's 'SANG Criteria' document that all housing developers must follow.

9. Looking ahead

- 9.1. Ruth and her team will be using the winter season to plan for 2021. Assuming a more normal year, we want to take forward several opportunities including the following.
- 9.2. Continue with our core message of asking heathland visitors to stick to main paths and keep dogs out of vegetation. We will be taking a look at our existing signage to see if it can be improved. In September 2020 we ran several sign designs past Heathland Hounds members and the feedback was interesting. We will be looking at the feedback closely and potentially redesigning signage.
- 9.3. We will continue to build on our 'Be Wildfire Aware' messaging and are currently consulting with the Partnership and Surrey Fire & Rescue Service's Wildfire and Rural Partnership, to see how consistent signage across the SPA can be achieved. We'll be allocating a year-round warden to lead on wildfire awareness and to plan a timetable of public engagement activities for 2021.
- 9.4. 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.
- 9.5. 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.
- 9.6. We are investigating ways to engage with schools remotely over the autumn and winter and continue to build relationships with the aim of returning to significant delivery from the spring of 2021. This winter will see the launch of a dedicated education section on the website.
- 9.7. We consider people moving into new dwellings to be a key audience. We are starting to plan a program to deliver our message to people as they move in.
- 9.8. We are looking at further enhancements to the website, to include a directory of heathland wildlife and a revamped webpage for Heathland Hounds.
- 9.9. We are hoping to create more video materials, including a training video on 'How to be a responsible dog owner on the Thames Basin Heaths'.
- 9.10. We will plan for Heath Week 2021 to be a physical event as in previous years. If we find that any Covid related restrictions do not allow for this we will move to our virtual model developed this year.

THAMES BASIN HEATHS JOINT STRATEGIC PARTNERSHIP BOARD

Date: 19th November 2019

Subject: Strategic Access Management and Monitoring Tariff Uplift

Report Author: Ruth Shelton, Project Manager

Recommendations:

It is recommended that the Board:

- i. Notes the contents of this report
- ii. Agrees the tariff uplift detailed in this report; and that
- iii. Local Authorities implement appropriate mechanisms to collect the tariff by January 2021.

1. Background

- 1.1 The Strategic Access Management and Monitoring (SAMM) Legal Agreement was signed in July 2011 by the eleven Local Authorities which make up the Joint Strategic Partnership Board (JSPB). The project was implemented from 14 July 2011.
- 1.2 Schedule 1 of this agreement is the Natural England Guideline Methodology (NEGM) <https://www.surreyheath.gov.uk/sites/default/files/documents/residents/planning/planningpolicy/CIL/sammtariffguidance.pdf>. It sets out the amount that should be collected per dwelling to fund the SAMM element of the strategy.
- 1.3 The tariff was set at £630 per dwelling (section 4.1 of the guidance) and it was agreed that Local Authorities should seek to endorse this tariff and implement mechanisms to collect it by October 2009.
- 1.4 The tariff is be collected by the relevant LPA and passed to an Administrative Body (Hampshire County Council) and the delivery managed by Natural England. The sum provides for £190 towards annual expenditure and £440 to the long-term investment fund. Later in the guidance it states that the tariff will be reviewed as a priority to ensure that housing and cost assumptions are as accurate as possible: (Table 8 - capital fund - Income) this would entail a 10% increase in tariff in 2011/12 and that the tariff subsequently increases every 5th year by 15%.
- 1.5 At the last Joint Strategic Partnership Board (JSPB) meeting it was stated that based on the above, according to the guidelines in the SAMM agreement, the tariff should currently stand at £796.95. If we compare the actual Bank of England inflation rate of 2.6% over the period since 2011, this gives a figure of £773.61 up to December 2019 – a difference of just £23.34 per dwelling, indicating that the original calculations have tracked inflation well over the last 10 years. Unfortunately, this additional inflationary increase has not been included in Local Authorities planning documents and the sum still being collected remains at £630 per dwelling.

2. Tariff Review

- 2.1 Since the last JSPB meeting most Local Authorities have sent over some housing projections to the SAMM project. Figures sent have included all housing projections in some cases, not just houses that fall within the 5km zone where SAMM tariff will apply and some Local Authorities have not sent any data, or data that only relates to certain SANGs. Therefore, we do not currently have the complete suite of data required to recalculate what the increased SAMM tariff would mean with regard to total annual income for the project.
- 2.2 The project budget and the costs going forward will be mainly staffing costs and these will increase year on year. Salary rises greater than inflation are expected in the next few years due to NE staff receiving below inflation pay increases for many years and consequently current salaries being well below those at equivalent grades in Defra and Defra group organisations.
- 2.2 Current total projected costs for the project are around £527,000 for 2020-21 and around £541,000 for 2022-23. In this figure, staff costs make up a significant proportion – around 80% of the spend and these figures have been calculated based on 6 seasonal wardens each year – one less than we have current approval for.
- 2.3 If income does not rise to match expenditure then based on a current seasonal wardens annual cost of around £13,500 (which will also rise with inflation) the warden resource will need to be reduced to match budget, leading to a reduction of 1 more seasonal warden by 2023 and a further seasonal warden approx. every 2 years thereafter. This projection means that unless income is increased in line with inflation then the project will be unable to afford agreed staffing levels from 2021 onwards and this could potentially undermine the whole strategic approach.
- 2.4 A decrease in our level of funding will impact on the project and leave us unable to deliver what was agreed by all the Local Authorities which make up the JSPB as it has only been recently and at current staffing levels that we have been able to deliver all of the agreed outcomes fully.
- 2.5 Therefore, Natural England recommends that the Board approve the collection by Local Authorities of the tariff as originally agreed in 2010 to enable to SAMM project to protect the income of the project against inflation and allow it to continue at current staffing levels in the future. Natural England recommends that the JSPB endorses this uplift and Local Authorities implement mechanisms to collect it by January 2021.

Committee/Panel:	Thames Basin Heaths Joint Strategic Partnership Board
Date:	19 th November 2020
Title:	Thames Basin Heaths Financial Statement
Report From:	Administrative Body

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

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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 actual financial position at the 31st March 2020 and the projected financial position for the three years to 31st March 2023.

Recommendations

3. That the financial position for the year ended 31 March 2020, as shown in Appendix 1, is agreed.
4. That the transfer from the Maintenance Fund to the Endowment Fund to maintain a balance of £1m in the Maintenance Fund is approved.
5. That the projected financial position for the three financial years to 31st March 2023 is noted.
6. That the actual cash balance held within the Endowment Fund as at 31st March 2020 of £7.412m and the projected balance of £13.272m by 31st March 2023 is noted.

Executive Summary

7. As at 31st March 2020 the balance in the Endowment Fund was £13.021m, of which £5.610m is held in investments, with the remaining £7.412m held as a cash balance by the Administrative Body. A further £1.0m was held as a cash balance in the Maintenance Fund as at 31st March 2020, to pay for project expenditure.
8. It is projected that a further £1.840m will be added to Endowment Fund in the 2020/21 financial year, giving an anticipated total of £9.251m held as a cash balance and available to be invested.
9. Based on current projections of income and expenditure, the balance on the Endowment Fund would increase to £19.765m by 31st March 2023, of which £13.272m 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 will be maintained at no more than £1m in the same period, with any balances above that level transferred to the Endowment Fund.

Financial Position for the Year Ended 31 March 2020

11. The financial position as at 31st March 2020 is summarised in the table in Appendix 1, and shows net income for the 2019/20 financial year of £2.766m. The balances in the Endowment Fund and Maintenance Fund as at 31st March 2020 are £13.021m and £1.0m respectively, as shown in Appendix 5.
12. This Endowment Fund balance includes £5.610m held in investments (which consists of the £6m originally invested, dividends reinvested, plus or minus any unrealised profit or loss on the value of the investments), with the remaining £7.412m held as a cash balance by the Administrative Body.
13. A further £1.0m was held in the Maintenance Fund at 31st March 2020, to pay for project expenditure.
14. Actual income received by the Administrative Body for the 2019/20 financial year totalled £3.230m, a £1.445m increase on the £1.785m projection reported to the JSPB in the September 2019 meeting.

15. This takes the total income received for all years to 31 March 2020 to £17.191m. This income is split between the Endowment and Maintenance Funds on a 70%:30% basis, in accordance with the SAMM agreement (section 3.2).
16. In addition, £334,438 was accrued as dividend income on the investments held, representing a 5.50% annual return on the £6.085m investment made. The JSPB has previously agreed that the dividend income on the investments should be reinvested, rather than drawn as income.
17. The value of the investments held had decreased by £809,569 (13%) as at 31 March 2020, however it should be noted that Arlingclose had advised before the investments were made that as the CCLA fund is a property fund, high transaction costs mean an initial reduction in value is to be expected, and a long term investment approach was being taken. This accounts for part of this reduction in value, however, a full review of the performance of the investments is considered separately on the agenda, in the presentation by Arlingclose.
18. Costs of £463,749 were incurred in the 2019/20 financial year, a £44,135 decrease on the projection position, taking total costs incurred to £2.779m costs up to 31 March 2020. The reduction in costs is largely due to held vacancies in staffing (£31,000) and reductions in spend on running costs such as training (£10,000).
19. The net income for the financial year of £2.766m has allowed a further transfer to be made from the Maintenance Fund to the Endowment Fund at the end of March 2020, to maintain the balance in the Maintenance Fund at £1m as per the current investment strategy.

Projected Financial Position for the 2020/21 to 2022/23 Financial Years

20. The projected financial position for the current financial year to 31st March 2021 is shown in Appendix 2, with a more detailed analysis of the projected income for the year shown in Appendix 3. A summary of the projected financial position for the three years to 31st March 2023 is shown in Appendix 4.
21. These projections of income and expenditure are used to inform the financial modelling on future cash flows and provide an indication of the rate of return that would be required to fund the SAMM activity on an in-perpetuity basis, to assist the Board in making decisions on the potential investments. A summary of this financial modelling is included within the Investment Working Group update considered later on the agenda.

22. 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) in order to generate a capital sum that would be sufficient to generate an income that would fund the anticipated annual expenditure in perpetuity.
23. To date, since the commencement in April 2011 £17.191m has been received. Based on information provided by each of the partners, it is projected that £2.4m tariff income will be received in the 2020/21 financial year, with further projected tariff income for the 2021/22 and 2022/23 financial years of £3.3m and £1.9m respectively, taking the projected total income to March 2023 to £24.744m.
24. Current projections for future years would potentially increase the total income receivable by a further £6.157m to £30.901m by 2027/28, with no further tariff income receipts expected after that date. However, it should be noted that as the timescale of the projections increases, the certainty decreases.
25. 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 £557,000 for 2020/21, rising to £572,000 by 2022/23, based on current approved staffing and activity levels.
26. The projections are based on the existing Natural England staffing structure for the project including a recently appointed Data Analyst and temporary promotions within the team to cover staff absences. The appointment of the Data Analyst has allowed data analysis to be done in house, reducing outsourcing costs. A reduction in travel and subsistence costs is expected for 2020/21 reflecting the impact of Covid 19.
27. In previous years, actual annual expenditure has not reached these levels, primarily because fewer wardens have been recruited than initially planned. The project is currently forecast at full approved staffing levels of five full time and seven seasonal wardens, a communication officer, a data analyst, an education officer, a project manager and a team leader.
28. Based on the current projections of income and expenditure, it is expected that a further £1.840m will be added to the Endowment Fund in the 2020/21 financial year, giving a total of £9.251m held as a cash balance available to be invested.

29. Over the next three financial years the Endowment Fund held as a cash balance is expected to increase to £13.272m by March 2023, as shown in Appendix 5. This is on the assumption that the balance within the Maintenance Fund will be maintained at a maximum of £1m.

Investment of the cash balance held in the Endowment Fund

30. Tariff income is collected by LPAs and passed to the Administrative Body. This tariff income is used to fund current project expenditure (the Maintenance Fund) and to accumulate sufficient balances to fund future project expenditure and the cost of long term maintenance and protection of the SPA (the Endowment Fund).
31. Under the terms of the SAMM agreement (section 5.3) the JSPB is given responsibility to review the value and performance of the Endowment Fund on a regular basis and provide direction as to when, how and from whom the services of an Independent Financial Advisor are to be procured, with the agreement envisaging that the management of the balance in the Endowment Fund would be undertaken by an Independent Financial Advisor, to maximise the return achieved within the investment guidelines set by the JSPB.
32. Under the direction of the JSPB, Arlingclose were appointed as the Independent Financial Advisors from 1st December 2018 on a rolling annual contract, and initial investments totalling £6.0m were made. The performance of these investments and future investment recommendations are considered in the presentation by Arlingclose, elsewhere on the agenda.
33. Cash fund balances are currently held by the Administrative Body, receiving interest at an assumed rate of 0.1%. Under the terms of the SAMM agreement, the Administrative Body is required to pay interest at not less than 0.25% below the Bank of England base rate, with that base rate currently standing at 0.1% since 23rd March 2020.

Conclusions

34. The net income received by the Administrative Body on behalf of the JSPB for the year ended 31 March 2020 totaled £2.766m, an improvement on the projected position presented at the previous JSPB meeting on 19th September 2019.

35. This has increased the cash balance held within the Endowment Fund to £7.412m as at 31 March 2020, with this balance projected to increase to £13.272m by 31 March 2023.
36. The value of the investments held and consideration of the investments to ensure the financial sustainability of the partnership in perpetuity are considered elsewhere on the agenda.

Appendix 1 - Financial Summary to 31 March 2020

Income	Cumulative to 2017/18 £	2018/19 £	2019/20 £	Total £
Bracknell Forest BC	1,630,537	943,163	328,844	2,902,544
Elmbridge BC	306,450	90,683	85,612	482,745
Guildford BC	973,231	286,395	841,694	2,101,320
Hart BC	1,939,541	737,515	0	2,677,056
Runnymede BC	392,855	50,400	191,597	634,852
Rushmoor BC	678,539	332,177	490,386	1,501,102
Surrey Heath BC	953,667	317,862	43,632	1,315,161
Waverley BC	336,027	35,998	204,231	576,256
Windsor & Maidenhead RB	145,044	21,524	0	166,568
Woking BC	1,135,214	78,533	352,303	1,566,050
Wokingham BC	1,888,076	569,499	649,310	3,106,885
Interest	65,887	52,150	42,419	160,456
Total Income	10,445,068	3,515,899	3,230,028	17,190,995
Expenditure				
Project costs Natural England	1,643,344	430,142	415,206	2,488,692
Administration fee Natural England	71,061	12,827	18,093	101,981
Financial Administration HCC	135,000	20,000	20,400	175,400
Investment advice		3,333	10,050	13,383
Total Expenditure	1,849,405	466,302	463,749	2,779,456
Net Income/(Expenditure)	8,595,663	3,049,597	2,766,279	14,411,539
Investment income**	0	84,744	334,438	419,182

* Investment income is the projected dividend income receivable on the investments with Arlingclose, which it has been agreed will be reinvested and is therefore shown separately.

Appendix 2 – Projected Financial Summary for the year to 31 March 2021

2020/21	Budget	Actuals to date	Outturn Forecast	Variance to Budget
Income	£	£	£	£
Bracknell Forest BC	242,520	112,212	242,520	0
Elmbridge BC	86,000	3,131	86,000	0
Guildford BC	17,475	17,475	17,475	0
Hart DC	460,053	148,653	460,053	0
Runnymede BC	308,000	5,040	308,000	0
Rushmoor BC	229,956	122,539	229,956	0
Surrey Heath BC	372,936	105,278	372,936	0
Waverley BC	234,098	33,243	234,098	0
Windsor & Maidenhead RB	56,595	0	56,595	0
Woking BC	237,849	79,973	237,849	0
Wokingham BC	141,963	39,570	141,963	0
Interest*	10,000	0	10,000	0
Total Income	2,397,445	667,114	2,397,445	0
Expenditure				
Natural England Staff Costs	475,240	223,606	475,240	0
Natural England Project Costs	24,376	1,162	24,376	0
Natural England Admin Fee	27,283	0	27,283	0
HCC Admin Fee	20,502	0	20,502	0
Investment Advice Cost	10,224	0	10,224	0
Total Expenditure	557,625	224,768	557,625	0
Net Income/(Expenditure)	1,839,820	442,346	1,839,820	0
Investment income**	280,481	0	280,481	0

* Interest on cash balances is the projected interest receivable on balances held by the Administrative Body.

** Investment income is the projected dividend income receivable on the investments with Arlingclose, which it has been agreed will be reinvested and is therefore shown separately.

Appendix 3 – Detailed Income Summary

	2020/21						
	Previous years	Budget	Actuals to date	Notified contributions	Forecast for remaining months	Projected total	Variance
	£	£	£	£	£	£	£
INCOME							
Bracknell Forest BC	2,902,544	242,520	112,212	79,236	51,072	242,520	0
Elmbridge BC	482,744	86,000	3,131	28,456	54,413	86,000	0
Guildford BC	2,101,320	17,475	17,475	0	0	17,475	0
Hart DC	2,677,055	460,053	148,653	0	311,400	460,053	0
Runnymede BC	634,852	308,000	5,040	0	302,960	308,000	0
Rushmoor BC	1,501,102	229,956	122,539	0	107,417	229,956	0
Surrey Heath BC	1,315,161	372,936	105,278	127,658	140,000	372,936	0
Waverley BC	576,256	234,098	33,243	0	200,855	234,098	0
Windsor & Maidenhead RB	166,568	56,595	0	0	56,595	56,595	0
Woking BC	1,566,050	237,849	79,973	12,107	145,769	237,849	0
Wokingham BC	3,106,885	141,963	39,570	71,784	30,609	141,963	0
Interest	160,455	10,000	0	0	10,000	10,000	0
Total Income	17,190,992	2,397,445	667,114	319,241	1,411,090	2,397,445	0
Maintenance Fund	5,329,407	719,233	200,134	95,772	423,327	719,233	
Endowment Fund	11,861,585	1,678,212	466,980	223,469	987,763	1,678,212	

NB the above income relates to income received by the Administrative Body only and excludes dividend income.

Appendix 4 – Projected Income and Expenditure 2020/21 to 2022/23

	Previous years	Projected 2020/21	Projected 2021/22	Projected 2022/23
Income	£	£	£	£
Bracknell Forest BC	2,902,544	242,520	190,799	-
Elmbridge BC	482,745	86,000	86,000	86,000
Guildford BC	2,101,320	17,475	-	-
Hart BC	2,677,056	460,053	311,400	-
Runnymede BC	634,852	308,000	797,000	768,000
Rushmoor BC	1,501,102	229,956	318,615	493,146
Surrey Heath BC	1,315,161	372,936	120,000	-
Waverley BC	576,256	234,098	176,238	166,263
Windsor & Maidenhead RB	166,568	56,595	56,595	56,595
Woking BC	1,566,050	237,849	237,849	237,849
Wokingham BC	3,106,885	141,963	946,674	80,005
Interest on cash balances	160,456	10,000	13,000	14,000
Total Income	17,190,995	2,397,445	3,254,170	1,901,858
Total Expenditure	2,779,456	557,625	565,167	572,237
Net Income/(Expenditure)	14,411,539	1,839,820	2,689,003	1,329,621
Investment Income	419,182	280,481	294,505	309,230

* Investment income is the projected dividend income receivable on the investments with Arlingclose, which it has been agreed will be reinvested and is therefore shown separately.

Appendix 5 – Projected Endowment Fund Balance

	2019/20 Actuals £	2020/21 Projected £	2021/22 Projected £	2022/23 Projected £
Income	3,230,028	2,397,445	3,254,170	1,901,858
70% to Endowment Fund	2,266,543	1,678,212	2,277,919	1,331,301
30% to Maintenance Fund	963,485	719,233	976,251	570,557
Expenditure	463,749	557,625	565,167	572,237
Maintenance Fund:				
Balance brought forward	1,000,000	1,000,000	1,000,000	1,000,000
Transfer (from)/to income	499,736	161,609	411,084	(1,680)
Transfer to endowment fund	(499,736)	(161,609)	(411,084)	0
Balance carried forward	1,000,000	1,000,000	1,000,000	998,320
Endowment Fund:				
<i>Held as cash balances by Administrative Body</i>				
Balance brought forward	4,645,257	7,411,536	9,251,357	11,940,360
Transfer (from)/to income	2,266,543	1,678,212	2,277,919	1,331,301
Investment	0	0	0	0
Transfer from maintenance fund	499,736	161,609	411,084	0
Balance carried forward	7,411,536	9,251,357	11,940,360	13,271,661
<i>Held in investments</i>				
Balance brought forward	5,952,417	5,609,613	5,890,094	6,184,599
Investment made	0	0	0	0
Investment income reinvested *	334,438	280,481	294,505	309,230
Profit/(Loss) on investment**	(677,242)	0	0	0
Balance carried forward	5,609,613	5,890,094	6,184,599	6,493,829
TOTAL ENDOWMENT FUND	13,021,149	15,141,451	18,124,959	19,765,490

* the investment income reinvested has been estimated at 5%

** Based on market value at 31st March 2020 and excluding any exit costs

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Decision Maker:	Thames Basin Heaths Joint Strategic Partnership Board
Date:	19 November 2020
Title:	Update from the Investment Working Group
Report From:	The Director of Corporate Resources and Director of Culture, Communities and Business Services

Contact name: Jenny Wadham

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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 Board approves the continuation of the current membership of the Investment Working Group (IWG) and considers any new nominations for membership.
3. That the Investment Strategy as presented by the Investment Working Group in Appendix 1 be approved, subject to a rewording of paragraph 7 which relates to responsible investing.
4. That the Board considers the Investment Working Group's recommendation to increase the balance kept within the Maintenance Fund from £1m to £1.5m.
5. That the annual timescales for terminating the contract with Arlingclose be noted.
6. That the amounts available for investment as set out in Table 1 and the projected cashflow scenarios set out in Appendix 2 be noted.
7. That the JSPB notes the requirements and practical implications and limitations specifically outlined in paragraph 38, surrounding any investment decisions made by the JSPB before any investments can be made by the Administrative Body on behalf of the JSPB.

8. That the JSPB determines the potential investment amounts for the coming year, to enable this to be built into the Hampshire County Council Treasury Management Strategy Statement.

Executive Summary

9. The Investment Working Group 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
10. Membership of the Investment Working Group is reviewed biannually, with the first review due by December 2020. There has been one change to the group's membership since the last JSPB meeting, Councillor Mike Goodman has stepped down with a recommendation that Councillor Natalie Bramhill of Surrey County Council should take his place.
11. The Investment Strategy proposed by the Investment Working Group is presented in Appendix 1. It is recommended that this is approved, subject to a rewording of paragraph 7 which relates to responsible investing. Additionally, Covid-19 has added a level of uncertainty to the rate of house building and therefore tariff income. In view of this, the JSPB is asked to consider increasing the value in the Maintenance Fund to £1.5m to ensure that annual expenditure can be met without the possible need for a forced sale of investments.
12. 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.
13. A total of £6m has been invested to date, with the performance of those investments considered separately to this report in the presentation by Arlingclose.
14. There is currently £7.4m held as a cash balance in the Endowment Fund and available to be invested. It is projected that this amount would rise to £13.3m by March 2023 (less any amounts invested). Tariff income projections are based upon the predictions made by the planning authority partners.
15. Any investment decisions made by the Board are solely at the risk of the JSPB 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, including that the Board's instructions are

clearly documented and in accordance with the independent financial advice, and the Board must ensure that these requirements are fully complied with.

16. 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, but currently there is only scope to invest up to £6m of the available funds before February 2021, and only up to £1m of this could be invested with CCLA.

Investment Working Group

17. The Investment Working Group 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.
18. The terms of reference for the Investment Working Group 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 is to be reviewed bi-annually, with the first review due by December 2020.
19. The Investment Working Group currently consists of three Board Members as follows:
 - Councillor Jonathan Glen, Hampshire County Council
 - Councillor David Hilton, Royal Borough of Windsor and Maidenhead
 - Councillor Natalie Bramhall, Surrey County Council
20. The Board is asked to approve the continuation of this membership and approve any new members to the group.

Investment Strategy Statement

21. The current Investment Strategy of the JSPB is shown in Appendix 1. This was presented to the JSPB by the Investment Working Group at the meeting of 19th September 2019 and agreed in principle, subject to a review with Arlingclose to ensure that climate change mitigation was taken into account.
22. 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 £1m should be kept within the Maintenance fund, equating to two 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 0.1%) is unlikely to be sufficient to meet the target return.
23. It is recommended by the Investment Working Group that the current Investment Strategy be approved, but that a revised Responsible Investing clause be proposed for consideration by the next JSPB meeting.
24. Furthermore, Covid-19 has added a level of uncertainty to the rate of house building and therefore tariff income to the Endowment Fund. Currently this risk is mitigated by holding a Maintenance Fund of £1m. The JSPB is asked to consider increasing this balance to £1.5m to mitigate the risk of the JSPB being a forced seller of investments when values may be less than the original price paid.

Independent financial advisors – contract management

25. 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.
26. 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.
27. At the JSPB meeting on 8 March 2019, as well as agreeing to retaining the services of Arlingclose for the period 1 December 2019 to 30 November 2020, it was also 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

28. At the meeting of 6 December 2018, the JSPB agreed to the investment of £6m from the Endowment Fund to be made on 17 December 2018 (or practically as soon thereafter as possible), to be split equally between the three funds recommended by Arlingclose:
 - CCLA Property Fund - £2m
 - Kames Diversified Monthly Income Fund - £2m
 - Schroder Income Maximiser Fund - £2m
29. These investments were made on behalf of the JSPB by Hampshire County Council (as the Administrative Body) in December 2018 and February 2019.
30. The current performance of those investments is considered separately on the agenda, in the presentation by Arlingclose.

Updated Cash Flow Forecast

31. The current projected tariff income and Fund balances for the financial years to 31st March 2023 are shown in Table 1 below. Potential financial modelling scenarios to 2090/91 (being 80 years after the commencement of the SAMM agreement) using the current income projections and an inflation rate of 2%, with a 4%, 3% and 2% return on investments, as well as a scenario where no further investments are made, are shown in Appendix 2.
32. As has been highlighted 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.
33. Furthermore, as highlighted in para 24 above, Covid-19 has added a level of uncertainty to the rate of house building and therefore further difficulty in projecting the tariff income receivable in the Endowment Fund. Hence a recommendation has been made above for the JSPB to consider increasing the balance in the Maintenance Fund from £1m to £1.5m, to mitigate the risk of the JSPB being a forced seller of investments to cover annual expenditure, at a time when values may be less than the original price paid.

Table 1	2019/20 Actuals £'000	2020/21 Projected £'000	2021/22 Projected £'000	2022/23 Projected £'000
Total tariff income	3,188	2,387	3,241	1,888
End of year balances held as cash funds by the Administrative Body				
Maintenance Fund	1,000	1,000	1,000	1,000
Endowment Fund	7,412	9,251	11,940	13,272

34. 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.
35. The four scenarios modelled in Appendix 2 show a range of the funds being fully depleted by 2068/69, to continuing in perpetuity, as shown in table 2 below. However, this modelling contains a number of assumptions with a very high level of uncertainty, and is therefore for illustrative purposes only.

Table 2 Scenario	Inflation	Investment return	Funds fully depleted
1 - No further investments made	2%	0.5% / 4%	2068/69
2 - Further investments made	2%	4%	N/A
3 - Further investments made	2%	3%	2088/89
4 - Further investments made	2%	2%	2072/73

Investment Decisions

36. 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.

37. 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.
38. It is important to note that this arrangement for making the investments does have some practical implications and limitations that the Board should be aware of.
39. Under the new accounting standard IFRS 9 that was 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.
40. 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.
41. 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.
42. 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 determine the expected investment amount for the year ahead at the autumn JSPB meeting, with the projected amounts available for investment shown in Table 1 above.
43. Currently there is scope within the HCC TMSS to make investments on behalf of the JSPB of up to £6m before February 2021, but of this amount, only £1m could be invested with CCLS. Any amounts over and above these levels would need to be included within the next year HCC TMSS, allowing the investments to be made after February 2021.
44. 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 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.
45. If these requirements are not met, Hampshire County Council will not make the investments on behalf of the JSPB.
46. 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

47. 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.

Appendix 2 – Projected cash flows

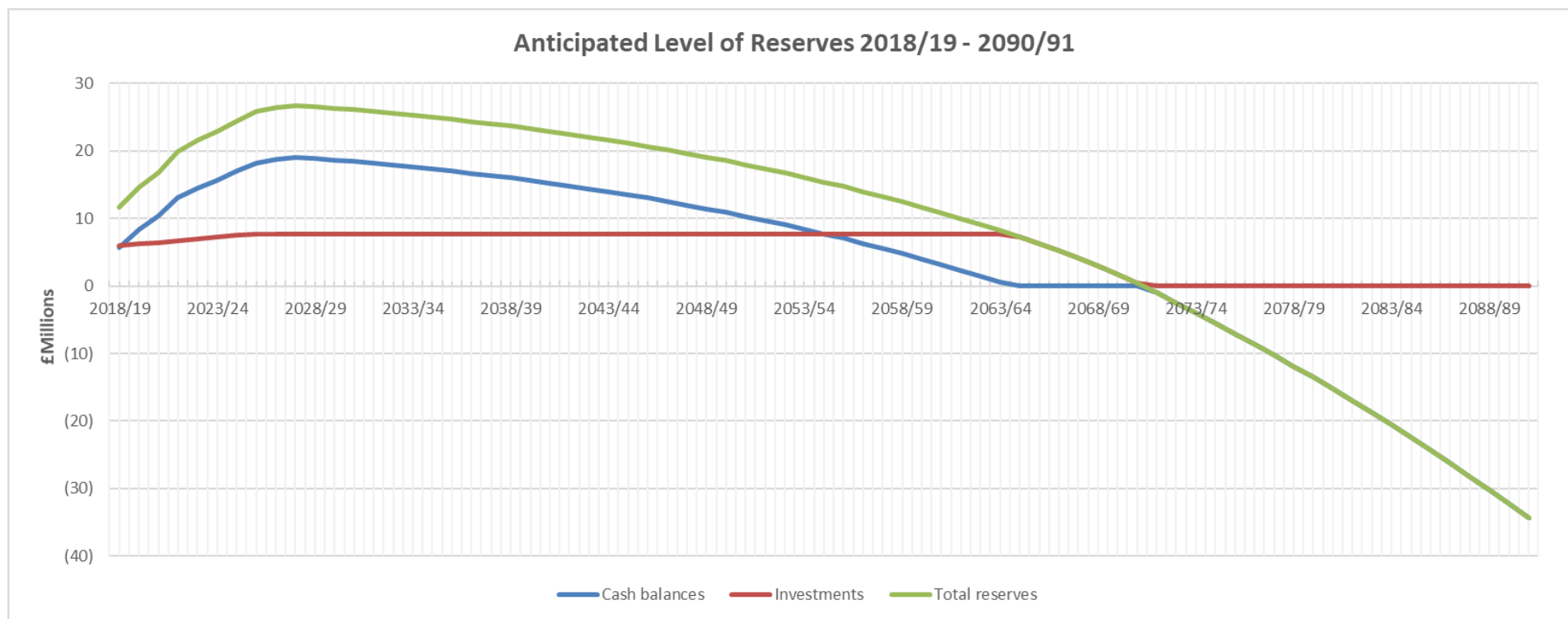
In the following scenarios, inflation has been set at 2% pa, interest on cash balances at 0.5% pa, and capital growth on the investments as 0% with varying rates of dividend returns pa on the investments.

It is assumed that a further £6m is invested in 2020/21, that every year thereafter anything over £1m in the Endowment account is invested, and that all dividend income will be reinvested unless needed to fund annual expenditure.

It is also assumed that for as long as possible a £1m cash balance is kept in both the Maintenance Fund and the Endowment Fund. Projected tariff income has been included as per partner planning authority predictions. Expenditure has been included as per 2020/21 forecasts plus inflation for future years.

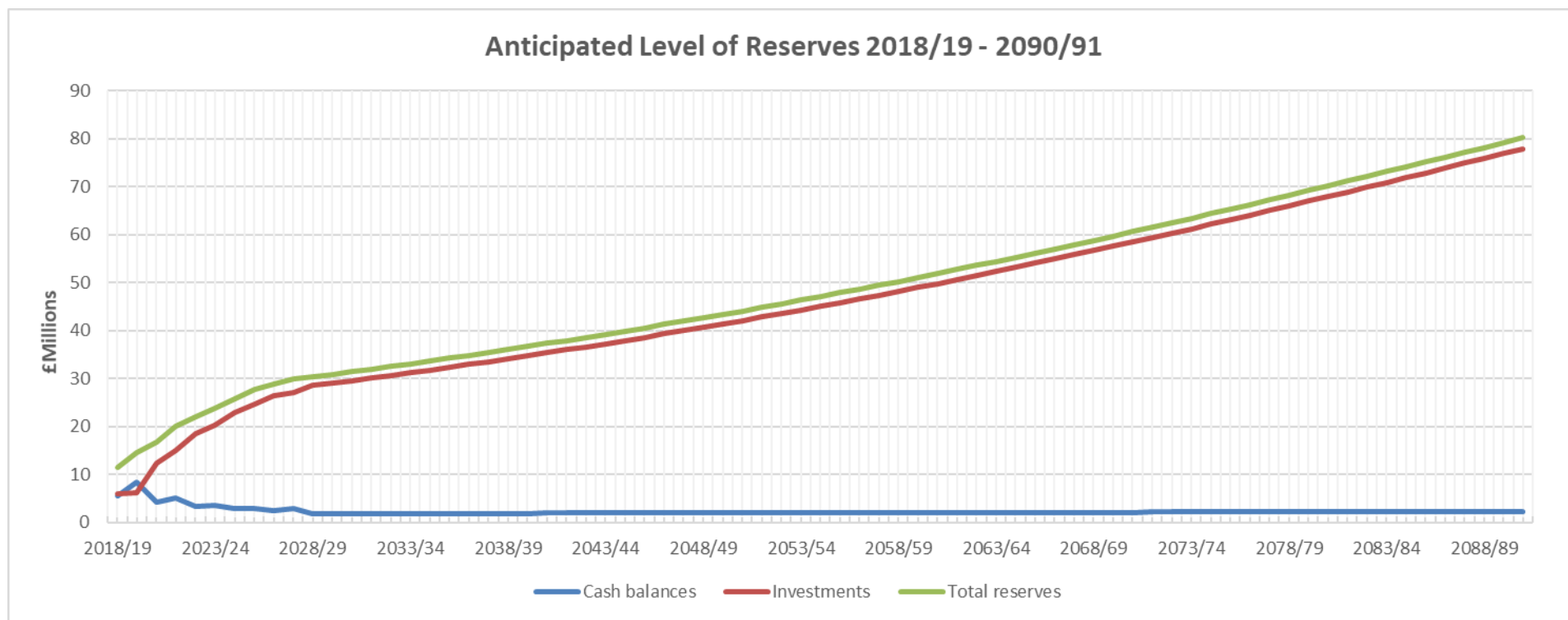
Return on investments	Year in which:				
	Start drawing from dividend income	Start drawing from the Endowment Fund to maintain the £1m balance on the Maintenance Fund	Cash balances drop below £1m	Start drawing the capital from the investments to cover expenditure	Money runs out
Held as cash	2023/24	2026/27	2063/64	2064/65	2068/69
2%	2023/34	2028/29	2034/35	2038/39	2072/73
3%	2023/24	2048/49	2055/56	2060/61	2088/89
4%	2023/24	N/A	N/A	N/A	N/A

Appendix 2a – Projected cash flow using 4% dividend return, 2% inflation but no further investments made



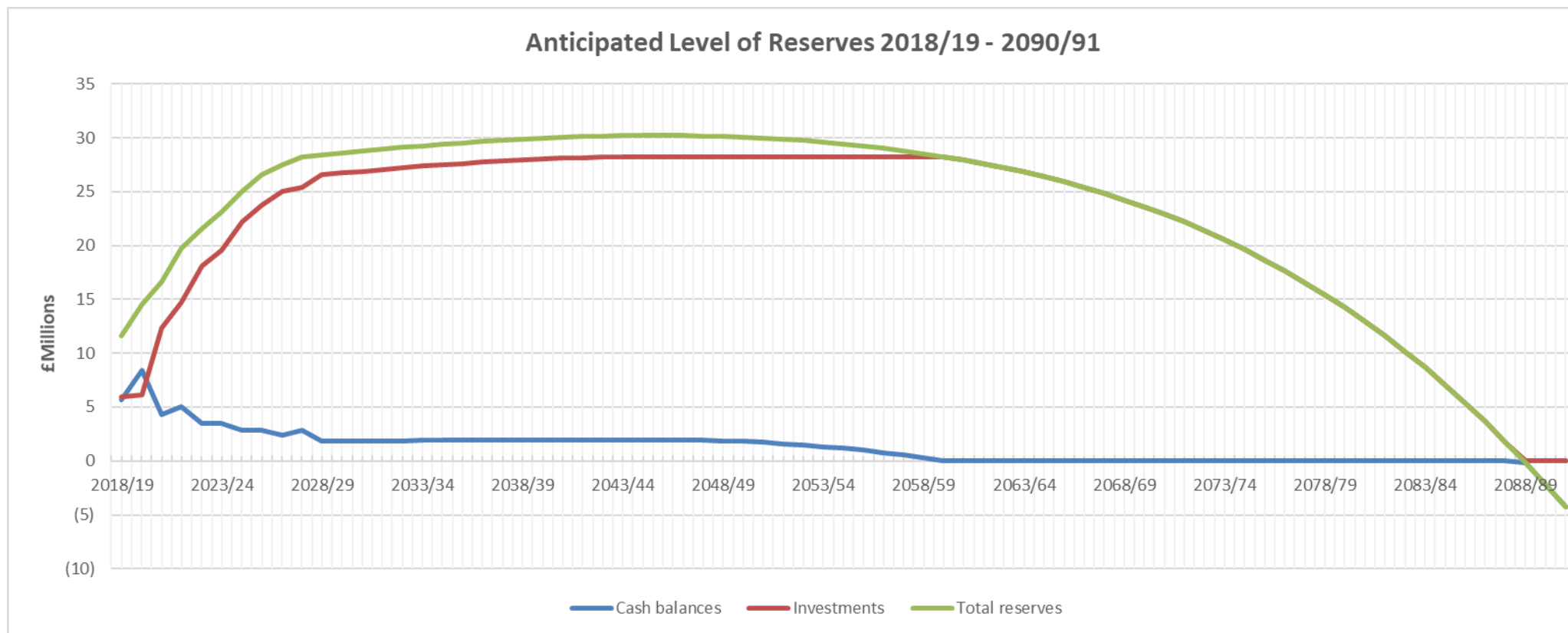
Money runs out in **2068/69**. If inflation were at **3%** the money would run out in **2059/60**

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



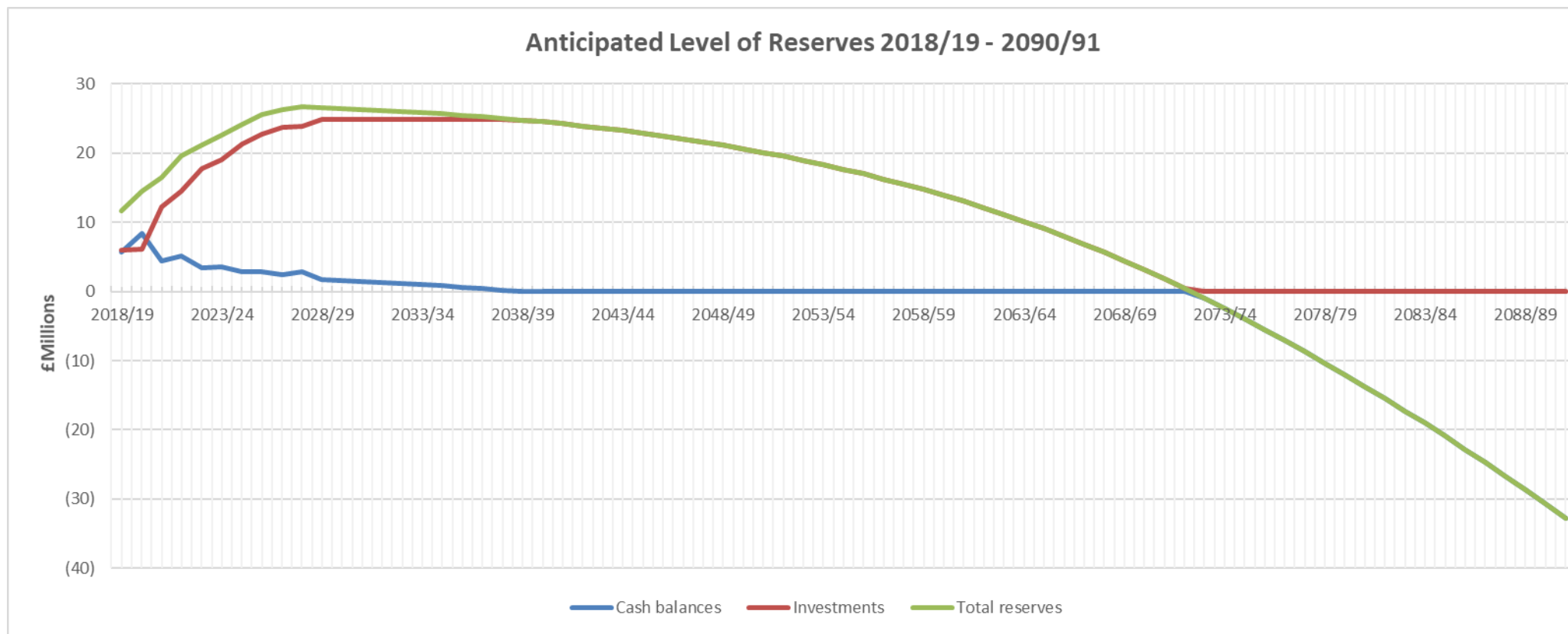
If inflation were at **3%** the money would run out in **2086/87**

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



Money runs out in **2088/89**. If inflation were at **3%** the money would run out in **2070/71**

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



Money runs out in **2072/73**. If inflation were at **3%** the money would run out in **2062/63**.

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