

Foreshore Trust
Business Plan 2012-2016
Revised November 2012

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Executive Summary

1. The Foreshore Trust is a charity registered at the Charity Commission under number 1105649. Hastings Borough Council is the trustee of the charity for all purposes and bound by charity law in the same way as any other charity trustee.
2. The objects of the Charity are to hold and maintain the Charity's land for the common use, benefit and enjoyment of all Her Majesty's subjects and the public for the time being for ever; and, subject to that, such charitable purposes within the area of the Borough of Hastings as the Trustee thinks fit.
3. The first priority for the Trustee is meeting the cost of administration and maintenance and repair of the Trust estate. It can then consider further distribution of income for charitable purposes within the Borough of Hastings & St. Leonards, subject to its responsibility to maintain reasonable reserves for unplanned or unpredictable operational expenses.
4. The Trustee envisages a Foreshore where history and traditional industry are preserved and nurtured whilst events and activities are encouraged along the entire length of trust land and opportunities for income generation are exploited wisely to support the Foreshore and the residents of the borough.
5. **The balance in Trust accounts at 31 March 2012 is 2,023,310 of which £1,812,412 is held in cash. Income for the financial year ended 31 March 2012 was £1,049,688 and total expenditure was £1,018,136, leaving a surplus of £31,552 (after grants and contribution to reserves). The original budget for the current financial year, April 2012 through March 2013, assumed income of £1,037,260 with expenditure forecast at £862,800 thus anticipating a surplus of £174,460 (before consideration of a grants programme and use of reserves). An annual provision for charitable grants has been established at a minimum allocation of 25% of the annual surplus. A reserve has been established to cover planned spending commitments for repairs, renewals and projects.**
6. **During 2011 and 2012, the Trust delivered planned projects alongs the seafront, notably new seafront play areas and a promenade fitness trail. The Trust contributed to the promenade decorative lighting, 'Sticks of Rock', on trust land. Although a proposal for partial reuse of the White Rock Baths was ultimately withdrawn, vital works were completed to bring the building into a more marketable state, cleared of rubbish and asbestos and generally more accessible for inspection by prospective operators. Repaving and expansion of the Pelham Place car park will be completed in early 2013.**

- 7. Advised by the Grants Advisory Panel, the Trust has approved and distributed two rounds of small grants, up to £5,000 each, to local charitable and voluntary groups. The total distribution was £100,000.**
- 8. Projects in the Trust's spending plan for the years 2013-2016 include further refurbishment and new tenancy for the White Rock Baths, improvements to car parking at Rock a Nore, completion of the Stade Hall project with the new seaside kitchen and establishment of a new budget supporting events on the foreshore.**

Background

About the trust

9. The Foreshore Trust is a charity registered at the Charity Commission under number 1105649. Hastings Borough Council is the trustee of the charity for all purposes and bound by charity law in the same way as any other charity trustee. When making decisions relating to or affecting the Charity, it must act in the Charity's best interests.

History of the trust

10. The Charter of Elizabeth I in 1588 bestowed corporation status on Hastings and also gifted its stone beach to the newly incorporated town. In the late 19th century, the Crown sued Hastings Corporation in the High Court in relation to the Foreshore i.e. the area of the beach between high and low water which generally belongs to the Crown. The High Court litigation was settled and on 8 September 1893 the Crown sold the Foreshore between Rock-a-Nore and Grosvenor Gardens to Hastings Corporation. However, unlike the Charter, the conveyance of the Foreshore to Hastings Corporation was on trust to hold the land for the "common use, benefit and enjoyment of Her Majesty's subjects and the public generally for ever". Later in 1925, 1933 and 1934 the Crown sold further areas to Hastings Corporation on the same charitable trusts so that it held the whole of the Foreshore between the town's eastern and western boundaries.
11. In 1947 a Deed of Compromise was agreed between the County Borough of Hastings and representatives of Hastings fishermen over the ownership and use of the area of Foreshore known as The Stade. This agreement confirmed ownership and various rights on the Stade to the County Borough, subject to the terms of the 1893 conveyance, whilst granting irrevocable powers to carry out specified activities there to all registered fishermen.
12. In 1987 Hastings Borough Council promoted a bill which became the Hastings Borough Council Act 1988. The Act had a number of provisions affecting Hastings, some of which related to the Foreshore. The effect of the Act was to vary the original charitable trusts so certain areas of the Foreshore could be used for car parking and other purposes, including leisure. The Act empowered the Council to charge for services provided and to permit others to provide services at a charge. The car parks at Rock a Nore and Pelham are operated under the 1988 Act as was the former car and coach and lorry park at the Stade. The Act also enabled the development of the Stade amusements, boating lake, crazy golf and similar ventures.

13. In August 2004, the Hastings and St Leonards Foreshore Charitable Trust was registered with the Charity Commission. A scheme providing for the appointment of 4 independent trustees and 2 Council nominated trustees was approved in March 2006. The Council held the land as custodian trustee but all management decisions made in relation to the land, including any disposal, were the responsibility of the trustees appointed under the Scheme.
14. In February 2008, a claim made by the Trustees against the Council for an alleged breach of trust was settled with the approval of the Charity Commission with a payment to the Trustees of £1.35 million plus interest. A second claim was also settled regarding land and income from land, providing for redrawn boundaries of the Trust estate to form the basis of a new registered title at the Land Registry.
15. From an early stage the Foreshore Trustees came to a conclusion, following advice from their financial advisors, that it was more beneficial to the Charity for it to be managed by the Council, as sole trustee, rather than by independent trustees. This included the economies of scale the Council could achieve which the Trustees could not. They, therefore, approached the Charity Commission requesting a Scheme to return the trusteeship to the Council.
16. In late 2009 the Charity Commission published such a Scheme proposing that the trusteeship be returned to the Council and seeking public responses to the proposal. A valuable aspect of the Scheme was to broaden the powers of the Trustee to distribute any surpluses, after expenditure on and maintenance of the trust estate, for any charitable purpose within the Borough.
17. As a result of the public responses to consultation on the draft Scheme, the Commission, following further consultation with the Foreshore Trustees and the Council, decided to make an amended Scheme. The Scheme was made on 13 January 2011.

Purpose

18. The objects of the Charity are to hold and maintain the Charity's land for the common use, benefit and enjoyment of all Her Majesty's subjects and the public for the time being for ever; and, subject to that, such charitable purposes within the area of the Borough of Hastings as the Trustee thinks fit.
19. The Trust's income, and, if the Trustee thinks fit, its expendable endowment and, if appropriate, its permanent endowment, will be expended in meeting the proper costs of administering the charity and of managing its assets including repair and insurance of land and buildings. After meeting these costs, the Trustee must apply remaining income in furthering the objects of the Charity.
20. The first priority for the Trustee, therefore, is meeting the cost of administration and maintenance and repair of the Trust estate. It can then consider further distribution of income under the new object, subject to its responsibility to maintain reasonable reserves for unplanned or unpredictable operational expenses.

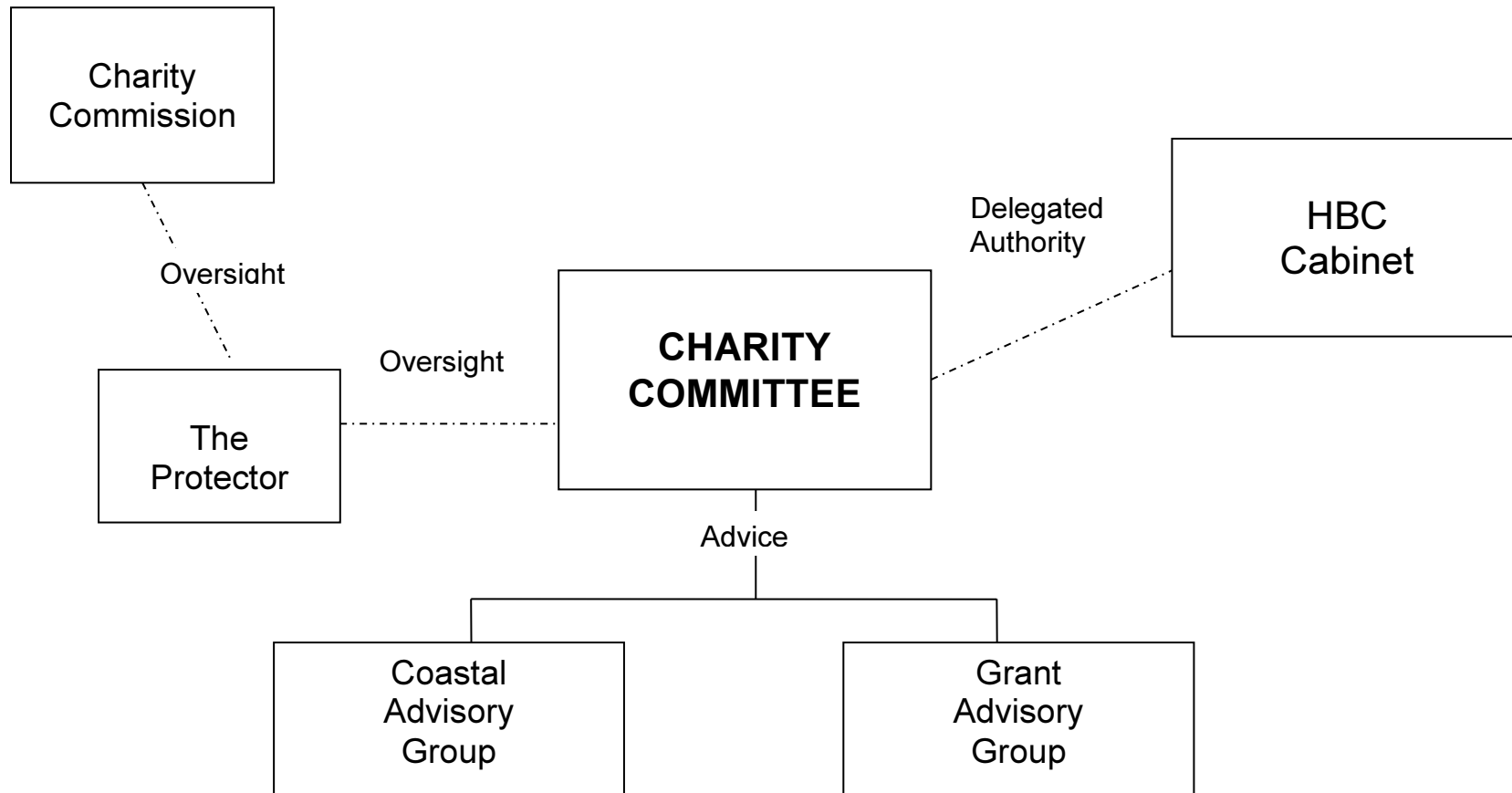
Vision

21. The Foreshore is a tremendous economic and social asset to the Borough of Hastings & St. Leonards as well as the nation. The Trust will work to ensure that this asset is preserved and enhanced for the wellbeing of residents and the economic and social benefits of national tourism. The Trustee envisages a Foreshore where history and traditional industry are preserved and nurtured whilst events and activities are encouraged along the entire length of trust land.
22. The Trust will work in partnership with the Borough and other public bodies, residents' groups and representatives of local businesses and charities, to place the Foreshore in the wider context of the town and region, to focus on the importance of access for everyone and to expand opportunities for a sustainable stream of income to support projects and charitable grants.

Strengths, Weaknesses, Opportunities and Threats

| Strengths | Weaknesses |
|--|---|
| <ul style="list-style-type: none"> • Substantial land holding • Substantial and consistent income streams • Prime seafront location • HBC operational and administrative backing • Historic built environment • Hastings fishing fleet | <ul style="list-style-type: none"> • Derelict buildings • Substantial concrete repairs • Significant cyclical maintenance liabilities (repaving, lighting) |
| Opportunities | Threats |
| <ul style="list-style-type: none"> • National interest in Jerwood development • Pier redevelopment plans • Strong interest in commercial and leisure initiatives • Growing town calendar of events | <ul style="list-style-type: none"> • 2015 introduction of stringent bathing water standards • Tourism affected by weakness of national economy • Environmental risks (weather, pollution incidents) • Climate change (rising sea levels, loss of beach) |

Organisational Structure



The Trustee

23. The Trustee is Hastings Borough Council.

Charity Committee

24. The Cabinet of Hastings Borough Council has delegated all decision-making in relation to the Charity to the Charity Committee, whose primary function is to administer the Charity on behalf of the Council as Trustee in accordance with the Charity's objects. The Charity Committee's membership is taken from executive members who sit on Cabinet. There are three Committee members. The Committee makes decisions on behalf of the Trustee and is advised and served by a number of officers with particular skills and qualification including accountants, solicitors, surveyors as well as those skilled in the day to day management of the Trust estate and interaction with users of the Foreshore.

25. The Charity Committee meets in public quarterly and will add ad hoc meetings as required.

Coastal Advisory Group.

26. The Trustee must consult a Coastal Advisory Group and have regard to the recommendations of the Group on standards or specifications for the maintenance of the Charity's land, the Trust's policy for events and activities permitted on the Charity's land and on any events or activities proposed outside of that policy, the Charity's policy relating to the exercise of any power under the Hastings Borough Council Act 1988 or otherwise to manage, let sell or otherwise dispose of the Charity's property and any proposals outside of that policy. The Coastal Users Group, an existing body which includes interested users of the Foreshore from businesses, clubs and residents' groups, has agreed to act as the Coastal Advisory Group for the time being.

Grant Advisory Panel.

27. The Trustee, after meeting the expenses of the Charity, may apply the surplus income and any surplus expendable endowment to any charitable purposes within the Borough of Hastings. The Trustee must appoint members to a Grant Advisory Panel on the basis of their knowledge and experience of the voluntary and charitable sector in the area of the Borough of Hastings. The Trustee must establish procedures for the conduct of the business of the Grant Advisory Panel. The Grant Advisory Panel must then make recommendations in respect of the Trustee's grant-making criteria, the content and format of grant application forms and the advertisement of grants. In devising policy for the making of grants and determination of individual grant applications, the Trustee is to have regard to the recommendations of the Grant Advisory Panel.

The Protector

28. The Trustee has appointed a protector whose fiduciary duty is to ensure the integrity of the administration of the charity, and who must report to the Commission any matter which he/she has reasonable cause to believe is likely to be relevant for the purposes of the exercise by the Commission of any of its functions. The Protector has to prepare a statement of his/her activities and findings for publication in the Trustee Annual Report.

Financial Information

Assets

The assets of the Trust consist of:

- the land and buildings identified on the attached plan;
- parking and rental income derived from the letting of parts of the Charity's land;
- the sum of £1.35 million which arose under the First Settlement plus interest thereon;
- cash and other investments;
- the income arising out of the land, buildings, cash and other investments;
- any debts due from third parties;

The balance in Trust accounts at 31 March 2012 is £2,023,310 of which £1,812,412 is held in cash.

Income

Income for the financial year ended 31 March 2012 was £1,049,688 and total expenditure was £1,018,136, leaving a surplus of £31,552. The original budget for the current financial year, April 2012 through March 2013, assumed income of £1,037,260 with expenditure forecast at £862,800 thus anticipating a surplus of £174,460 (before consideration of a grants programme and use of reserves).

Income is substantially derived from the Trust's car parks at Pelham Place and Rock-a-Nore and from property leases and licences. Regular annual expenditure is primarily a recharge from Hastings Borough Council of the operating costs of the Stade and Foreshore, public conveniences, car parks, street cleansing and waste removal.

The surplus remaining at the end of each financial year is available for allocation to the Trust's proposed programme of works and for distribution in the form of charitable grants.

Reserves

29. The Trust has identified the need to hold reserves for future projects, repairs, cash flow and any unforeseen events. A reserves policy has been adopted and is included in the appendices to this business plan.
30. The Trust has also established a reserve to fund a provisional 5 year programme of planned spending commitments for repairs, renewals and projects. The Programme is outlined in the next section and a provisional 5 year spending plan is included in the appendices.

Achievements 2012-13

White Rock Baths

31. **The White Rock Baths is the Trust's most significant building and has been derelict for many years. There have been many attempts to market the building and a number of proposals have been developed but none have come to fruition. Its size and deteriorating condition present significant obstacles to redevelopment on a fully commercial basis.**
32. **Surveys have been undertaken, most recently in 2009, to assess the condition of the building and the ongoing deterioration to the concrete structure. The structure had not been maintained for years before and after it finally closed in the mid-1990s and suffers from water ingress from above and below. In the absence of a viable proposition for reuse, the strategy has been to undertake repairs on a rolling 5 year horizon. At present, it is estimated that £50,000 of concrete repairs would be required to maintain the structure for the next 5 years if the building remains vacant.**

33. However, the Trust views the Baths as a potential catalyst for activities in this area of the foreshore. The Trust wishes to encourage this by bringing at least some sections of the structure back into use. Although the LifeCycle proposal was withdrawn, preliminary works were undertaken at the Baths to create a more marketable site.
34. During 2012, the building was cleared of rubble. A detailed asbestos survey was undertaken and contaminated material removed from the upper floors and encapsulated where it could not be removed from the basement. A monthly air monitoring regime is now in place and the building continues to be safe for access with precautions in place for the basement level. In addition, surveys have been undertaken and quotes obtained for reinstatement of a sewage system. The Trust has allocated funds for further necessary works which are included in the spending plan in the appendices to this business plan. However, the exact specification of any further work is dependent upon the use to be made of the building.

Car Parks

35. The Trust has agreed to resurface and expand the car park at Pelham Place during this financial year. The work is expected to take place from January to March 2013. This will result in 22 additional parking spaces and a new surface with an expected life of 15 to 20 years.

Leisure

36. The Trust has provided a new Seafront Play Area at Pelham Place. This facility fills a gap in play provision for visitors and residents in Hastings town centre and the Old Town
37. New exercise stations have been installed along the length of the promenade.
38. The Trust will invest in an additional 10 chalets for use as seasonal rentals from Summer 2013.

Grounds Maintenance Contract

39. The Trust participated in a joint procurement of grounds maintenance services along with Hastings Borough Council, Rother District Council and Amicus Horizon. The resulting 10 year contract, effective from 6 November 2012, has produced significant savings for the partners. For the Trust, the annual cost of seafront grounds maintenance has been reduced from £44,000 to £20,000.

Grants Programme

40. Two rounds of small community grants (maximum £5,000) have been assessed by the Grants Advisory Panel and approved the Trust. A total of £100,000 has been distributed to community and voluntary groups.

41. Some of the projects supported in 2011 were:

1. Association of Carers

Computer Help at Home

The idea with this service is to offer Carers and their Cared for help learning how to use their PCs and the internet. The grant that you were generous enough to donate has enabled us to keep our service running. Uptake of the service has continued to increase as has the number of volunteers applying to deliver it

At present we have 9 Computer Help at Home volunteers, 7 men and 2 women and there is a further male volunteer in the process of being recruited. So far this year we have provided Computer Help at Home for 23 Carers. Volunteers are matched with Carers according to location, type of help required, versus volunteer skills and availability. The volunteer spends a minimum of six weeks with each Carer, with the option for the help to continue for longer when necessary

The kinds of computer help that the Carers need ranges from setting up Skype, learning how to use Facebook to keep in touch with family and friends, learning how to upload and organise their photographs and learning how to shop and bank online or find out information that benefits them in their caring role over several weeks.

2. XTRAX Young Peoples Access Hub

Young Peoples Community Voice

The aim of the project is to promote the young people offer at Xtrax, improve accessibility to the service, improve the accessibility of provision, raise awareness to other groups and agencies and raise awareness to all townspeople of the service. The accessibility project at Xtrax Young Peoples Centre is really making a difference. New 'young people friendly' promotional materials are ensuring that young people in our area know about the service we offer. Our 2 open days welcomed over 100 new young people, who enjoyed healthy food, fitness activities and a conspiracy cinema and quiz. Young people really enjoyed the days and we have seen many new faces returning during service hours.

Our centre is feeling the benefit of this funding as well; with fabulous new signs to let new users know exactly what facilities are on offer. Our new map of services is great too; we commissioned a young artist to produce the 'collage style' map, which pictures all the services young people may need, we will make great use of this in our daily work.

3. Hastings Street Pastors

Six month support for the Street Pastors service. The grant has enabled us to offer our services on weekend nights, from 10pm to 3am, in the Hastings Town Centre & Old Town to the night time economy needy & vulnerable people, and support special one off events such as the Euro12 Football games and the 2 day Alexander Park Beer & Music Festival.

The grant allowed us to give away over 500 bottles of water, 400 flip flops as well as numerous space blankets, sleeping bags, clothes, first aid support, hot & cold food, signposting literature, and hot drinks.

We have upgraded 5 mobile phones essential to providing our service and paid our coordinator.

We are also updating our Information Leaflet having gained Charity Status in August.

We were also able to offer regular training over 8 Saturdays to 12 new Street Pastors commissioned earlier this year on May 25th.

4. HARC

Volunteer Training for Disadvantaged People

Funding will provide additional staff hours, two days a week for 6 months to train and support volunteers working in Hastings and St Leonards to help and advise disadvantaged people with all areas of welfare support. The grant from the Foreshore Trust has enabled HARC to pay for additional staff hours amounting to two days per week. Two part time members of staff have increased their hours enabling them to train and support three volunteers to help local residents to maximise their benefit entitlement thus improving their mental well being, social inclusion and quality of life. To date 118 people have accessed the project, the main beneficiaries being those with disabilities, mental health issues, carers and the elderly. The increased benefit currently stands at £75,874.26, with many still waiting for the outcome of their claims. The volunteers have all learnt new skills which are transferable, a broad knowledge of welfare benefits and improved self esteem. One of the original volunteers has moved into paid work, one had to give up due to her own ill health and the other one is still volunteering. Two new volunteers are set to join us in mid September.

The Programme 2013 and beyond

White Rock Baths

42. The Trust will continue to seek a tenant for the Baths with a new marketing campaign in early 2013. The forward plan includes an allocation of £330,000 for development of the site, likely to include concrete and waterproofing works, reinstatement of utilities and a contribution to the tenant's fitting out of the building.

Expanded Car Parking

43. The Trust maintains an aspiration to surface and mark bays in the remaining unpaved areas at Rock a Nore, which would result in around 45 additional parking spaces. This could produce additional income estimated at around £40,000 annually if a suitable, economic surfacing is identified.

- 44. With a fully marked car park, a pay on exit parking system can be introduced, encouraging visitors to prolong their stay on the seafront and supporting the Introduction of intelligent signs (car park full, xx spaces available etc) to ease the summer weekend congestion on Rock a Nore Road.**
- 45. At present, the car parks are fully used only on a limited number of summer weekends, making it difficult to justify the cost of expansion by an expectation of increased income. However, the impact on future tourism of Stade events and a regenerated Pierand may lend stronger support to the business case for this investment.**

Stade Hall and Open Space

- 46. Ownership of the Stade Hall, built by HBC on trust land within the wider Stade/Jerwood refurbishment project, has been transferred to the Trust. The Trust will operate the building in the short term, until arrangements are agreed with Stade Trustees. The Trust will continue to maintain the fabric of the building; a revenue operating budget has been established to reflect this.**
- 47. The training and demonstration kitchen planned for the Stade Hall was not completed within the original building project. The Trust wishes to complete the kitchen and will allocate £30,000 in 2013 for this purpose, to be matched by a grant from the FLAG sustainable fisheries programme.**

Other Commercial Opportunities

- 48. The Trust derives an annual income in the region of £200,000 from a range of organisations and commercial activities undertaken on the seafront and areas of trust land. Commercial facilities provided include ice creams and catering, adventure golf, amusements and rides, deck chair and sun lounger hire, museums, aquarium, miniature railway. There are also short term commercial activities and events held such as the Sunday Markets.**
- 49. In addition to regular rent reviews, lease terms will be renegotiated with tenants from time to time. The Trust will take external advice when necessary to assess the market value of its leases and to ensure that rents and tenant obligations reflect that value.**
- 50. The Trust has two major tenants, Stade Amusements Limited and Arnold Palmer Putting Courses Limited. Negotiations are underway with Stade Amusements for capital works to be undertaken by the operator in 2013 as consideration for the granting of a new lease. In addition, opportunities often arise for additional trading and catering sites and proposals for equipment hire. There is a strong, continuing demand for beach chalet rentals on a weekly, monthly or seasonal basis.**

51. The Trust is considering a proposal to expand the sites available for commercial and leisure uses, which will require the agreement of the Charities Commission during 2013.

Leisure

52. Leisure activities provide a great opportunity for the development and encouragement of access to the foreshore. This can be provided in an informal way, simply as a place for walking, running, cycling, fishing or swimming as well as attracting a range of different water sports including rowing, canoeing, sailing, windsurfing, kitesurfing, boat angling and diving.
53. A new seafront multi use games area, the 'Pelham Playa' is now complete and in use. This is a great new community facility that has been made possible by the hard work and determination of the Hastings Old Town Residents Association with funding from the Trust. It is jointly managed by the Council and Hastings Adventure Golf. A new volleyball court has also been created by Hastings Adventure Golf.
54. Other proposals for future consideration include a coastal heritage trail and a new lifeguard station at Pelham.

Other Repairs and Renewals

55. Routine inspections, annual and seasonal maintenance and responsive repairs are covered by the operational budget of the Foreshore team and recharged to the Trust in the annual accounting process. This covers general wear and tear to a range of assets including promenade surfacing, railings, shelters, street furniture, signs, steps, groynes, buildings and other structures.
56. In recent years, however, it has become necessary to arrange specialist examinations of the concrete structures along the seafront. From these reports, a picture is emerging of significant concrete repairs and waterproofing that will be required to structures. This will impact upon the Trust at White Rock Baths and the Pier public conveniences.
57. Other assets, particularly railings and wooden steps, are reaching end of life and will need to be replaced gradually. The Foreshore Trust and the Council will share responsibility for these structures depending on their location along the seafront.
58. The Trust will need to consider emerging requests for resurfacing of the Winch Road and maintenance of barriers around the Stade area.

Renewal/Replacement of Operational Contracts

59. Waste and street (beach) cleansing services and grounds maintenance on the foreshore are delivered by Hastings Borough Council within town-wide contracts with commercial contractors. The grounds maintenance contract has recently been retendered and a new contract awarded to The Landscape Group from 6 November 2012. The Trust has benefited from savings in the new contract. The waste and street cleansing contract, currently with Veolia, will expire in November 2013. The Foreshore Trust has agreed to be named in the notices of tender to be published in the European Journal and will participate in the tender exercise with the agreement that all Trust costs will be identifiable within the tenders. The Charity Committee will receive a formal report seeking their agreement to the tender process and ultimately to the award of contract. The Committee can, if it is deemed sensible, choose to tender separately for these services for the Foreshore only. Generally, the view of the Charity Commission was that there were advantages to the Trust from inclusion in the operations of the Council such as economies of scale and removing the need and expense of developing another administrative and operational structure. However, each decision will need to be reached on its merits after evaluation of published reports to the Charity Committee.
60. The Trust's car parks are managed by HBC staff who also manage the Council's off-street car parks as well as a parking agreement with the County Council for on-street parking. The current agreement with the County Council for on-street parking management will cease in March 2013. Management of on-street parking regulations will revert to the County Council through a new commercial operator. The Trust is regularly briefed on emerging implications for the remaining off-street parking service and has agreed to continue the arrangement with the Council for the operation of its car parks.

The Grants Programme

61. The Trust considers the provision of charitable grants to be a core element of its activities. In order to ensure consistency and transparency, the Trust pledges to allocate a minimum of 25% of the annual surplus (annual income remaining after all expenditure has been met) each year for the grants programme. The Trust will give due consideration to all opportunities to maximise income, where they are consistent with the purpose of the Trust, so that the grants programme is sustained.

Support for Events

62. **From Summer 2013, the Trust intends to establish a budget of circa £20,000 annually to support events on the foreshore. As with the small grants programme, the amount available will be determined annually depending upon the levels of surplus realised. A selection criteria will be established and the Grants Advisory Panel will be consulted each year before grants are awarded.**

Risk Management

- 63. Following the transfer of the trusteeship to the Council a risk register has been compiled and is included in the appendices of this business plan. This has identified the key financial risks facing the Trust. The risk register is being further developed to include the identification of significant risks along with the identification of relevant controls and responsibilities.
- 64. The risk register will be reviewed regularly by the Trustee, adding and removing risks as circumstances change.

Governance

- 65. The Trustee, Hastings Borough Council, is a principal local authority established under the Local Government Act 1972 and, as such, has corporate status. As a local authority, the Trustee acts through decisions of elected members and delegations to committees, sub-committees and officers. The administration of charities is an executive function and so only the Cabinet, a committee of Cabinet or officers acting under delegations from Cabinet are legally competent to make decisions relating to the Charity. In order to reduce the incidence of conflict of loyalty as much as possible in the situation, Cabinet recommended to Council that Council appoint a further member of Cabinet from the Leading political group on the Council who was to have no portfolio of responsibility for Council services but would be the chair of the Charity Committee. The remaining members of the Committee of three were drawn from those members of Cabinet with the least likelihood of a conflict of loyalties arising.
- 66. The 2011 Scheme required the appointment of a Protector who has been kept informed regarding the Charity and has been active in attending meetings of the Charity Committee and commenting on reports recommending action to the Committee.
- 67. The Trust will publish an annual statement of its accounts and hold an annual public meeting.

Performance measurement / service delivery

- 68. The Trust's obligations for service delivery are carried out by officers of Hastings Borough Council either directly or through external contractors. The main services provided are beach cleansing and monitoring, seasonal lifeguard service, refuse removal, public conveniences and car parks. Performance is monitored through quarterly reporting on a series of performance indicators against targets set annually.
- 69. The public bathing beaches at Pelham Place and Marina are externally assessed by the Keep Britain Tidy organisation and have both been awarded Quality Coast Awards for beach management.

Communications

70. The Charity has a communications plan which includes the publication of agenda and reports for meetings of the Charity Committee and the publication of minutes. These are freely available to the public under the access to information rules which govern local authority information. The documents are accessible on the Council's website or in hard copy from the Borough Solicitor. General information and news about the Charity and its activities can be seen on the Charity's webpage (link). Press releases are presented where appropriate. The Protector has his own website which has a considerable amount of background information and documentation of public interest (link).

Consultation and Accountability

71. The Trust will consult regularly with the Coastal Advisory Group and the Grant Advisory Panel. In addition, wider consultation with local residents will take place through public meetings, including the annual public meeting to present the Trust's annual statement, and through elected representatives who will submit questions to Full Council meetings and receive formal, published responses.

Appendices

72.

| Foreshore Trust Spending Plan | | | 2012-2013 | 2013-2014 | 2014-2015 | 2015-2016 | Total |
|--|------------------------------|---|------------------|----------------|---------------|---------------|------------------|
| Cost centre | PROPERTY | DESCRIPTION OF WORK | REVISED ESTIMATE | ESTIMATE | ESTIMATE | ESTIMATE | REVISED ESTIMATE |
| 5290B020 | Pier Area | area inspections and repairs | 3,000 | 3,000 | 3,000 | 3,000 | 12,000 |
| 5290B020 | White Rock Baths | external redecoration | | 12,000 | | 15,000 | 27,000 |
| 5290B020 | Stade Barriers | annual maintenance | 2,000 | 2,000 | 2,000 | 2,000 | 8,000 |
| 5290B020 | Cycle route | contribution to maintenance | 5,000 | | | | 5,000 |
| 5290B020 | Public Conveniences | maintenance | 6,000 | 6,000 | 6,000 | 6,000 | 24,000 |
| 5290B020 | Public Conveniences - Pelham | Refurbishment | | 60,000 | | | 60,000 |
| 5290B020 | Car Parks Rock a Nore | maintenance | 6,000 | 6,000 | 6,000 | 6,000 | 24,000 |
| 5290B020 | Car Parks - Pelham | maintenance | 6,000 | 6,000 | 6,000 | 6,000 | 24,000 |
| 5290B020 | Winch Road | resurfacing | | 15,000 | | | 15,000 |
| Total of Cyclical Repairs and Redecorations | | | 28,000 | 110,000 | 23,000 | 38,000 | 199,000 |
| | | | | | | | |
| 5290B020 | Pier Area | toilet concrete repairs | 0 | 30,000 | | | 30,000 |
| 5290B020 | Beach steps | replacement | 12,000 | 12,000 | 12,000 | 12,000 | 48,000 |
| 5290B020 | Beachfront Railings | Marina area | | | | 15,000 | 15,000 |
| Total Maintenance Projects | | | 12,000 | 42,000 | 12,000 | 27,000 | 93,000 |
| | | | | | | | |
| 5291B022 | White Rock Baths | reinstatement of sewage | | 60,000 | | | 60,000 |
| 5291B022 | White Rock Baths | Debris clearance & Additional asbestos encapsulating - use of contingency | 20,000 | | | | 20,000 |
| 5291B022 | White Rock Baths | | 50,000 | | | | 50,000 |
| 5291B022 | White Rock Baths | Waterproofing/concrete repairs | 0 | 100,000 | | | 100,000 |
| 5291B022 | White Rock Baths | contribution to tenant fitout | 0 | 170,000 | | | 170,000 |
| 5292B022 | Marina Chalets | Purchase 10 new chalets | 10,000 | | | | 10,000 |
| 5293B022 | Beachfront | new signage to RNLI standard | 40,000 | | | | 40,000 |
| 5293B022 | Beachfront | fitness kit & distance marking | 25,000 | | | | 25,000 |
| 5293B022 | Beachfront | children's play area | 140,000 | | | | 140,000 |
| 5294B022 | Rock a Nore Car Park | surface/line unpaved area | | | 430,000 | | 430,000 |
| 5295B022 | Pelham Place Car Park | repaving + 25 spaces | 220,000 | | | | 220,000 |
| 5296B022 | Contingency | | 30,000 | 25,000 | 25,000 | 25,000 | 105,000 |

| | | | | | | | |
|----------------------|--|--|---------|---------|---------|--------|-----------|
| Total Main Programme | | | 535,000 | 355,000 | 455,000 | 25,000 | 1,370,000 |
|----------------------|--|--|---------|---------|---------|--------|-----------|

Foreshore Trust Land Holdings

73. Title to Foreshore Trust land has been registered at the Land Registry by Hastings Borough Council as Custodian Trustee of the Hastings and St. Leonads Foreshore Charitable Trust under the following Titles:

ESX344554 dated 01 October 2012

ESX345304 dated 09 July 2012

ESX345308 dated 09 July 2012

ESX345239 dated 05 July 2012

ESX344556 dated 31 May 2012

Maps will be available at

Reserves Policy

This policy will be reviewed on a regular basis to take account of changes to the future plans of the Trust and perceived risks. Reserves are maintained for a variety of reasons as identified below. Namely:-

a) An amount might be needed to meet an unforeseen emergency or other unexpected need. This amount is arrived at after considering risks and how much might be needed for such contingencies; this involves judgement of events that may occur and their likelihood.

Whilst all the risks have yet to be fully assessed and reviewed it is suggested that £100,000 be retained to meet an unforeseen emergency or other unexpected event.

b) Expenditure budget - a small contingency fund to meet unforeseen operational costs

The expenditure budget is some £844k. It is suggested that a 10% contingency (say £80,000) be retained in the first year for unexpected and unforeseen operational expenditure.

c) Uncertainty over future income. Most well run organisations retain reserves equivalent to a number of weeks or months of income equivalent to allow time to develop new sources of income or to cut-back on related expenditure.

Potential significant loss of income could result from a downturn in economic activity or an increase in fuel costs resulting in fewer tourists, a major disaster in the area, bad weather, pollution incident, or loss of reputation e.g. bathing water deterioration, etc .

It is recommended that the equivalent of 6 months income be retained to cater for this risk which would amount to around £½ million.

d) Planned spending commitments which cannot be met from future income would imply a need for a specific sum to be set aside - often this amount will be included within designations in the accounts.

The Repairs and Renewals programme has yet to be determined by the Charity Committee and hence the figure required remains to be determined.

Given the predicted surplus for each year there is scope to include some of the recurring planned expenditure within the annual budget. There are higher cost initiatives e.g. resurfacing of car parks, roadways,etc, that will necessitate identification and retention of significant sums within the accounts

e) Cash Flow – organisations require a working balance to cover 'troughs' in the cash budget.

Based on the financial year the cash flow is expected to be positive throughout the year i.e. income generated should exceed expenditure. Where significant one off expenditure is incurred e.g. resurfacing, use of reserves would be used to cover any shortfalls. As such no sum is set aside for this specific purpose – especially given the sums detailed above (a to d).

f) In summary the Reserves to be retained amount to :-

Insert updated figures

| Ref. | Risk Area/ Designated Funds | Amount (£) |
|------|--|-------------------|
| a) | Unforeseen emergency/event | £100,000 |
| b) | Unforeseen operational costs/contingency | £80,000 |
| c) | Uncertainty on Income streams | £500,000 |
| d) | Planned Spending Commitments e.g. R&R | Say £1,000,000 |
| | Total | £1,680,000 |

Grantmaking Criteria

The Trustee has decided that generally the focus of grant making will be on the following areas of charitable purpose:-

The prevention or relief of poverty.

The advancement of health or the saving of lives

The advancement of citizenship or community development

The advancement of the arts, culture, heritage or science

The advancement of amateur sport

The advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity

The relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage .

Any other purposes currently recognised as charitable and any new charitable purposes which are similar to another charitable purpose.

Risk Register

| | Service | Potential Risk | Risk Rating (Likelihood / Impact) | Potential Impact | Responsibility for controls | Steps to mitigate risk, time frame for implementation and latest position |
|---|---------|---|--------------------------------------|--|---|---|
| 1 | FT | Corporate Governance non –compliance with articles of association or Charity Commission rules | Medium / High | Failure to deliver on priorities – reputational and financial Financial – legal challenge and costs of that | - Borough Solicitor | - Protector attendance at Charity Committee. - Providing legal advice as appropriate - Training for Charity Committee members - All on-going |
| 2 | FT | Charity Committee administration Statutory publication deadlines missed for agendas and the Forward Plan and meetings have to be cancelled delaying key decisions. Officers/Departments miss deadlines for reports. | Low / High | Legal Leaves HBC open to challenge, for example if Planning Applications are delayed or budget deadlines missed. Financial – costs of legal challenges. Reputational – High risk of bad media and public profile. | - Borough Solicitor | - Professionally trained staff with flexible approach. - Officers frequently chased and reminded about report deadlines. |
| 3 | FT | Income Loss of Visitors to Hastings e.g. Major Pollution incident, water quality, major disaster elsewhere in Hastings. | Medium / High | - Budget deficit - Loss of 6 months income would equate to around £½m | - Head of Financial Service - Chief Accountant | - ensure regular budget monitoring reports distributed followed up by meetings - report variances to Charity Committee so any budget deficits can be addressed - report variances at each meeting - Maintain adequate Reserves |
| 4 | FT | Maintain Buildings and Infrastructure - Need for a long term repair | Low/Medium | - Build up of urgent and costly repairs (Planned maintenance reduces | Building Services | Production, maintenance and regular review of repair and Renewal programme – based on regular inspection of assets. |

| | Service | Potential Risk | Risk Rating (Likelihood / Impact) | Potential Impact | Responsibility for controls | Steps to mitigate risk, time frame for implementation and latest position |
|----|---------|--|--|---|--|---|
| | | and renewal programme | | costs) | | Ensure compliance of lease obligations Maintain and accumulate sufficient funds to finance agreed programme |
| 5 | FT | Unforeseen operational expenditure | Medium/High | - Reputation damage - Unable to meet commitments - Legal liabilities | Environmental Services | - Maintain adequate Reserves |
| 6 | FT | Treasury Management - cash flow - Loss of money/fraud/theft - Reduction of investment Interest - Cost of borrowing | Low/Medium Low / High Low / Low Low / Low | - Trust balances of £2m | Head of Financial Services | - Use of External Advisers - Sector - Ensure staff are well trained - Insurance cover in place for potential fraud and dishonesty and theft - Insurance cover in place for loss of Money - Maintain adequate Reserves |
| 7 | FT | Cash collection contract - Firm collapses - Theft by company | Low / Low low / Low | - Loss of money (up to £200k) | Head of Financial Services | - Continue daily monitoring of cash banked - Regular communication with supplier if the contract is not complied with - Insurance |
| 8 | FT | Uninsured properties / risks | Low / Medium | - Properties not insured - Loss of money in the event of uninsured loss | Head of Financial Services | - Ensure thorough renewals process each year - Make sure we liaise with estates/building services to ensure all properties are properly insured. |
| 9 | FT | Business Continuity | Low/ High | - Loss of Income, - Payments not made, - Treasury Management – financial loss | - Head of Financial Services /Chief Accountant | -Robust HBC financial systems - HBC business continuity planning |
| 10 | FT | Loss of key staff | Low / Medium | - Stress - Errors / omissions - Financial loss - Poor advice | - Chief Accountant - Head of Financial Services - Personnel, Policies and Strategies | - Keep staff motivated - Ensure knowledge is shared - Terms and Conditions |

| | Service | Potential Risk | Risk Rating (Likelihood / Impact) | Potential Impact | Responsibility for controls | Steps to mitigate risk, time frame for implementation and latest position |
|----|---------|--|--------------------------------------|--|---|---|
| | | | | | - CMG | |
| 11 | FT | Changes in legislation - Financial accounts compliance with Charity SORP | Low / Medium | - Failure to produce accounts - Qualified by auditor - Staff time - Staff costs -Reputation undermined | - Head of Financial Services - Chief Accountant | - Work with Manningtons experienced firm - Regular liaison with HBC external auditors (PKF) and also Foreshore Trust auditors (Buzzacotts) - Train staff |
| 12 | FT | Budget settings - No decisions - Late decisions - No processes | Low / Medium | - Poor Financial Management - | - Head of Financial Services - Chief Accountant | - Ensure regular budget monitoring reports distributed. - Report variance reporting through performance review - Provide appropriate financial advice to members and officers - Consider Whole life costing of decisions/ projects - Consider Revenue Implications of new projects |
| 13 | FT | External suppliers - Bankruptcy, Administration | Medium / High | - Depends which contract | - Chief Accountant | - Financial health checks on contracts |
| 14 | FT | Unsafe structures leading to Public Liability Claims e.g. injury on trust land | Medium/Medium | - Financial Loss - Reputation | - Resorts Services Manager | - Regular evidenced inspections carried out. - Proactive works maintenance programme carried out |