

# Charity Committee Agenda

**Monday, 28 September 2015 at 6.00 pm**

Town Hall, Queen's Square, Priory Meadow, Hastings, TN34 1QR.

If you are attending the Town Hall for this meeting, please enter the building via the Queens Road entrance opposite the cinema.

For further information, please contact Emily Horne on 01424 451719 or email [ehorne@hastings.gov.uk](mailto:ehorne@hastings.gov.uk)

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# Agenda Item 3

## CHARITY COMMITTEE

27 JULY 2015

Present: Councillors Hodges (Chair), Cartwright and Davies (as the duly appointed substitute for Councillor Forward). Also in attendance Mr Chris May, The Protector.

Apologies for absence were noted for Councillor Forward

### 1. MINUTES OF THE MEETING HELD 23 MARCH 2015

**RESOLVED** – that the minutes of the meeting held on 23 March 2015 be approved and signed by the Chair as a correct record

### 2. WHITE ROCK AREA PROMENADE IMPROVEMENTS

The Assistant Director Regeneration and Culture presented a report which provided background information to a proposed scheme of promenade improvements at the White Rock.

The report noted that a number of significant developments were already underway in this area, including the restoration of Hastings Pier and the redevelopment of the White Rock Baths. The new attractions would result in an increase in footfall in the White Rock area, and it was therefore essential to explore opportunities to improve the area visually and provide for greater community use which would support the economic regeneration of the seafront.

Following a successful bid for Coastal Communities Funding by Hastings Borough Council, a package of improvements for the area had been developed; this included public realm repairs, a new set of access steps to the beach and the creation of decked areas with provision for pop up trading stalls. The promenade would also become a shared use area for cyclists and pedestrians. The area will also be aesthetically improved by the redecoration of the White Rock Baths and additional planting. Further proposals for a new water feature and kiosk may be undertaken separately, if they are affordable to the Foreshore Trust. The funding for the project included contributions from the Foreshore Trust, Hastings Borough Council and the Coastal Communities Fund. The report requested additional funding, above the allocation set out in the business plan, of £18,000 from the Foreshore Trust to cover the cost of surfacing.

The proposals had been well received at a public consultation and unanimously supported by the Coastal Users Group. It was anticipated that a planning application for the works would be submitted in early July 2015, which if approved, would enable works to begin on site in early November 2015.

Councillor Cartwright proposed an amendment to recommendation 5 of the report, seconded by Councillor Davies, as follows “delegated authority be given to the Assistant Director of Financial Services and Revenues, in consultation with the Chair to proceed, or otherwise, with recommendations 3 and 4 once the financial position is confirmed”. The proposed amendment was agreed by the committee.

## CHARITY COMMITTEE

27 JULY 2015

Councillor Cartwright proposed approval of the recommendations, as set out in the resolution below, seconded by Councillor Davies.

**RESOLVED (unanimously) that:**

- 1) Support be given to proposed improvements subject to planning consent;**
- 2) An additional £18k is approved to supplement the existing business plan allocation towards the scheme for surfacing costs;**
- 3) An option to improve the White Rock water feature is considered after the tendered prices are received and there is more certainty over the Trust's financial position;**
- 4) An option for invest to save funding for a kiosk is considered after an independent commercial appraisal and marketing exercise, and;**
- 5) Delegated authority is given to the Assistant Director of Financial Services and Revenues, in consultation with the Chair, to proceed or otherwise with recommendations 3 and 4 once the financial position is confirmed**

The reason for this decision was:

Hastings Borough Council successfully bid for Coastal Communities Fund grant funding for a range of initiatives to promote a cultural trail and support economic growth along the seafront.

The bid included a proposed scheme to make improvements to the public realm on the promenade area of White Rock to support the ongoing investment in the White Rock Baths and Hastings Pier.

Support is required from the Foreshore Trust for the proposal and to provide match funding for parts of the scheme.

### **3. FINANCE REPORT**

The Assistant Director of Financial Services and Revenues presented the finance report to the committee. The report included the draft financial position of the Trust in 2014/15 as well as the current year's financial position. The committee was also required to review the Trust's business plan, risk register and reserves policy.

The committee was advised that the draft accounts for 2014/15 indicated that the Trust had exceeded its operating surplus by £25,000, the final accounts were due to be reported to Charity Committee at its September meeting. The Trust's income and expenditure for 2015/16 remained in line with the budget projections, although it was necessary to update the business plan for 2015/16 to reflect the additional funding from the Trust to the White Rock area promenade improvements project.

Discussion took place regarding the risk register, which the Trust maintained to help inform its reserves policy. The committee agreed that the risk associated with item 10 on the register, loss of key staff, should be the same as the council's corporate risk register. It was agreed to amend the impact of item 12 on the risk register, budget

## CHARITY COMMITTEE

27 JULY 2015

settings, from medium to high. The likelihood of item 16 on the risk register, White Rock Baths, was increased from medium to high, to reflect the complexity of the project. The report recommended continuing to maintain the level of reserves at £690,000.

Councillor Cartwright proposed approval of the recommendations to the report, seconded by Councillor Davies.

**RESOLVED (unanimously) that:**

- 1) The current financial position for 2015/16 be agreed;**
- 2) The risk register be agreed (appendix 4 to the report)**
- 3) The reserves policy be agreed (appendix 5 to the report)**

The reason for this decision was:

The council has the responsibility for the proper management of the financial affairs of the Trust. In doing so it complies with the Accounting Codes of Practice and the high standards required for the accounting of public money.

The reserves policy is reviewed on an annual basis and is undertaken against the uncertainties that are identified within the risk register and the general economic environment.

#### **4. ADVENTURE GOLF AND MARINE PARADE PROMENADE IMPROVEMENTS**

The Assistant Director of Financial Services and Revenues presented a report which sought approval for improvement works to be undertaken by the tenant of the Adventure Golf site, and to grant authority for the necessary agreements to enable the works to happen.

The Trust had been approached by Arnold Palmer Putting Courses Ltd (APPC), the tenants of the Adventure Golf site, with proposals for improvements within the area of lease and adjoining land owned by the Trust. The improvements included resurfacing the promenade area and adding planters and public seating, whilst still maintaining access to the existing cycle route. The existing café would also be extended. The Coastal Users Group had been supportive of the proposals when they considered the matter at their meeting in June 2015.

Councillor Davies proposed approval of the recommendations to the report, seconded by Councillor Cartwright.

**RESOLVED (unanimously) that:**

- 1) Charity Committee agrees to grant consent to the works on the leased area, and;**
- 2) Charity Committee delegates to the Estates Manager the authority to agree terms of a licence to carry out works on Trust land and a maintenance agreement**

The reason for this decision was:

## CHARITY COMMITTEE

27 JULY 2015

The proposals will improve the area for the benefit of the public at no current or future cost to the Trust.

5. **MINUTES OF THE MEETING OF THE COASTAL USERS GROUP HELD ON 9 JUNE 2015**

The extract of Foreshore Trust items from the minutes of the Coastal Users Group meeting held on 9 June 2015 were submitted. Councillor Cartwright proposed that the minutes be received and noted, which was seconded by Councillor Davies.

**RESOLVED (unanimously) that the minutes of the meeting of the Coastal Users Group held on 9 June 2015 be received and noted**

(The Chair declared the meeting closed at. 6.52 pm)

# Agenda Item 5



**Agenda Item No:** 5

**Report to:** Charity Committee Meeting

**Date of Meeting:** 28<sup>th</sup> September 2015

**Report Title:** Foreshore Trust Small Grants Programme 2015/16

**Report By:** Monica Adams-Acton  
Assistant Director for Regeneration and Culture

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## **Purpose of Report**

To present the recommendations of the Grant Advisory Panel (GAP) in respect of applications for Small Grants 2015 – 16.

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## **Recommendation(s)**

That the Charity Committee:

1. Accept the Small Grants recommendations of the GAP as set out in Appendix 1

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## **Reasons for Recommendations**

The Grant Advisory Panel has appraised the merits of the applications received for Small Grant support and has made a number of recommendations for grant awards that can be funded from the 2015 – 16 budgets. These were assessed with detailed discussion on each application at two GAP meetings held during July 2015.

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## Background

1. The Foreshore Trust Small Grants Programme is a small grants scheme to address the Foreshore Trust's stated charitable priorities and obligations.
2. Around £50,000 is available for the 2015/16 financial year for small grants of up to £5,000 each. However, due to a small underspend in the Foreshore Trust's Events Grants Programme announced in April 2016 and additional sum of £3,315 was also made available to be included in the small grants programme.
3. **Small Grants Awards 2015 - 16**
4. The process used to invite and evaluate grant applications was in accordance with the protocols agreed by the Charity Committee in December 2014.
5. The Panel met during July 2015 to discuss the respective merits of each application. Its recommendations are set out in the report from the GAP Chair (Appendix A).
6. All of the applications for funding are assessed in terms of the organisations' ability to deliver their proposals, how closely they match the priorities of the Charity Committee, value for money and a fair distribution funds amongst all members of the community.
7. In total seventeen projects are recommended for approval with some subject to conditions. All the approved projects are to be delivered starting from October 2015 to September 2016. The amount recommended totals £53,315.
8. **Policy Implications**
9. The Foreshore Trust's Small Grants Programme is a funding regime that will impact positively on the social and economic wellbeing of residents in the Borough, and will assist organisations in delivering a range of activities for local people.

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## Wards Affected

Ashdown, Baird, Braybrooke, Castle, Central St. Leonards, Conquest, Gensing, Hollington, Maze Hill, Old Hastings, Ore, Silverhill, St. Helens, Tressell, West St. Leonards, Wishing Tree

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## Area(s) Affected

Central Hastings, East Hastings, North St. Leonards, South St. Leonards

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## Policy Implications

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness	Yes
Crime and Fear of Crime (Section 17)	No
Risk Management	No
Environmental Issues	No
Economic/Financial Implications	Yes
Human Rights Act	No
Organisational Consequences	No
Local People's Views	No

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## Background Information

Appendix 1 – Report by the Chair of the Grants Advisory Panel with the Panel's recommendations.

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## Officer to Contact

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## Appendix 1

**Agenda Item No: 5**

**Report to: Charity Committee**

**Date of Meeting: 28<sup>th</sup> September 2106**

**Report Title: Foreshore Trust Small Grants Recommendations 2015 -16**

**Report By: Andrew Colquhoun**  
Chair, Foreshore Trust Grants Advisory Panel

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### **Purpose of Report**

To make recommendations as to which organisations should be funded under the Foreshore Trust Small Grants Programme 2015 – 16 and the allocations that will be made to each.

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### **Recommendation(s)**

1. To consider the Grant Advisory Panel's (GAP) recommendation to award small grants to the organisations shown in Appendix A.

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### **Reasons for Recommendations**

To recommend organisations for grant funding which have been selected following an open application process and awarded to those considered by the GAP to best meet the Foreshore Trust's aims and objectives.

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## Background

1. The Foreshore Trust Small Grants Programme is a small grants scheme to address the Foreshore Trust's stated charitable priorities and obligations. Around £50,000 is available for the 2015/16 financial year for small grants of up to £5,000 each. However, due to a small underspend in the Foreshore Trust's Events Grants Programme announced in April 2016 and additional sum of £3,315 was also made available to be included in the small grants programme.

2. Hastings Borough Council, as administrator for the Foreshore Small Grants Programme, advertised the programme in June 2015 in the Hastings Voluntary Action newsletter, the Hastings Observer and in East Sussex County Council's external funding newsletter. An e-mail was also circulated to all previous Foreshore Trust grant applicants. The deadline for receipt of applications was 11<sup>th</sup> June 2015.

## Assessment of applications

3. A total of 70 enquiries were received for the small grants, but by the closing date, only 36 applications were actually received. The total amount requested was £146,927.

4. The GAP met on 14<sup>th</sup> and 21<sup>st</sup> July 2015 to review and assess all the applications submitted. In pairs, each of the eight members appraised and assessed a selected number of applications and this was then jointly reviewed at the meeting.

5. All GAP members had previously declared conflicts of interest which precluded them from appraising applications from particular organisations.

6. In assessing the applications, the GAP attempted to ensure the activities and organisations supported were as broad as possible and reflected all the priorities set out by the charity committee.

7. Following a full assessment process, GAP members agreed to the recommendations shown in Appendix A.

8. Of the 36 applications considered, GAP recommends to the Charity Committee that 17 of these be approved for funding at various levels, subject to particular conditions and satisfactory revised budget proposals where required.

9. Not all the approved applicants were awarded the full level of grants requested. There were various reasons for this, including inappropriate budget items, expensive items of equipment, repeat funding requests, and the need to distribute the funds fairly to meet all the various priorities.

10. All the approved projects are to be delivered starting from October 2015 to September 2016. The amount recommended totals £53,315.

## Policy Implications

12. The Foreshore Trust's Small Grants Programme is a funding regime that will impact positively on the economic and financial environment in the Borough, and will assist organisations in delivering a range of activities for local people.

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### Wards Affected

Ashdown, Baird, Braybrooke, Castle, Central St. Leonards, Conquest, Gensing, Hollington, Maze Hill, Old Hastings, Ore, Silverhill, St. Helens, Tressell, West St. Leonards, Wishing Tree

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### Area(s) Affected

Central Hastings, East Hastings, North St. Leonards, South St. Leonards

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### Policy Implications

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness	Yes
Crime and Fear of Crime (Section 17)	No
Risk Management	No
Environmental Issues	Yes
Economic/Financial Implications	Yes
Human Rights Act	No
Organisational Consequences	No
Local People's Views	No

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### Background Information

Appendix A – Foreshore Trust Small Grants Recommended Applications

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## Appendix A – Foreshore Trust Small Grants Recommended Applications

### Foreshore Small Grants Programme Round 2015 / 16

Applicant	Project Name	Funding recommended
Bexleigh, Hythe and Abbey Drive Residents association (BHARA)	<b>Right to play</b> The project aim is to raise enough funds to install a fixed play space next to the football ground adjacent to a land fill site on Bexhill Road. It wants to ensure that there is a lot to do and enjoy for all children wishing to use the space and is requesting funding from the Trust for inclusive play items.	£5,000.00
Citizens Advice 1066	<b>Volunteer Development</b> Citizens Advice would like to develop its volunteers' knowledge base and help them gain new advisory skills. Its training package is focused on building up its volunteers' confidence and experience, and will increase their employability and/or facilitate a return to education. The trained volunteers will strengthen the organisation's capacity in meeting the increased needs of its clients under the current rapid changes of the financial rules and welfare entitlements.	£3,630.00
Counselling Plus Community	<b>Hardship Fund + Valuing clients</b> The project aims to offer affordable, professional counselling service to adults (16+) on benefits or low-income. The funding would help to maintain a 'Hardship Fund' to enable those families to access professional counselling. The organisations also requested funding to update its seating /offices to present as more safe/inviting facility at such a difficult time for our clients.	£2,180.00
Education Futures Trust	<b>The Shore Academy</b> The project engages children & young people with the local beach, sea and marine life, developing a sense of responsibility for & understanding of the natural environment. Underpinned by the Clean Seas Please message, children learn about the environmental impact of their actions and cascade the information to family members, friends and the whole school community. Pupils' experiences include orienteering, scientific study, creative responses, play, exercise, and links to local industry, fishing and tourism.	£1,946.00
Hastings & Rother Mediation Service	<b>Design and development of a new updated mediation website</b> The organisation currently have two separate websites, one for community mediation service, which includes Neighbourhood and Intergenerational mediation, and a community mediation website which is out of date and can no longer be accessed or updated. Its other website covers family mediation (divorce / separation) and is not user-friendly. We wish to create a website which incorporates all our services, is user- friendly and interactive for use by clients and referral agencies.	£2,000.00
Hastings and District Interfaith Forum	<b>Winter Festival of Faiths and Cultures</b> The Festival aims to bring together diverse faith and community groups in Hastings to celebrate Winter Festivals associated with respective faiths and ethnicities and through this to enhance mutual understanding and cooperation resulting in greater community cohesion.	£793.00
HBBS Ltd t/a Hastings Borough Bonfire Society	<b>HBBS Hastings Bonfire Celebration</b> HBBS aim's to provide the community of Hastings & St Leonards with the best and safest Sussex Traditional Bonfire, Effigy and Firework display in the area. It will mark the end of the Hastings week	£3,040.00

	celebrations and reinforce the links between the public and Hastings historical place. It promotes not only the dynamic of Hastings but also attracts many residents and tourists to the town. It also enables agreed local charities to collect much need monies for local causes.	
Hastings Chinese Association (HCA)	<b>Education, Health and Safety</b> The project aims to improve the wellbeing of members of the HCA by holding a series of workshops to include education on domestic abuse, child abuse, advice on children upbringing and fire safety. There will be an old people day where the focus is on physical exercise, and reflexology. The project will also acquire some educational books for the Chinese language school.	£1,420.00
Hastings District Woodcraft Folk	<b>Woodcraft Folk Creative Days</b> Woodcraft Folk propose to join with local artists to set up a drop in creative art studio on Saturdays at The Stade Hall. The studio will be run by in collaboration with Woodcraft Folk and visiting artists. Children from Woodcraft will take part, but the studio will also be open to all children with their families to drop in and join in too.	£2,620.00
Hastings Fat Tuesday Ltd	<b>Umbrella Parade &amp; Preservation Sunday</b> To develop and enhance the spectacle of the "Umbrella Parade/Preservation Sunday" as a Hastings & St Leonards event with national appeal and to increase engagement of the various schools and community groups located in the wards of Hastings and St Leonards	£3,630.00
Hastings Furniture Service	<b>Making it ourselves</b> The project will provide DIY and Craft skills training sessions for people at a local Refuge, through which people make items for their new homes using recycled materials, develop their social skills within the group, build their confidence about taking on a home of their own and increase their hope for the future. There are opportunities to progress to further training once resettled in the community.	£5,000.00
Hastings Intercultural Organisation/ HIO	<b>Hastings Intercultural Organisation/ HIO</b> The grant will be used to build and improve a website and to create membership register and email addresses, administrative support such as establishing connections to internet, printing of headed paper, purchase of consumables, ink, cartridges and office accessories and will buy a modest laptop, printer/scanner and photocopier, telephone handsets.	£2,500.00
Radiator Arts	<b>Hermit, life on the margin</b> The project aims to do the following: 1. Create a film animation and installation to depict the life of John Hancox the former London businessman who lived in the cave in Ecclesbourne Glen from the mid-1890s until he died in 1918. 2. Involve service users of Seaview in the creative process, who have experienced homelessness, are isolated and vulnerable, through economic or personal circumstances and health problems. 3. Open air sculpture event on the Stade, Film screening and installation in Stade Hall.	£4,800.00
Stay Up Late	<b>Gig Buddies</b> Gig Buddies is a volunteer befriending project matching up social isolated people with learning disabilities and autism with a volunteer 'befriender' who shares the same interests in music (or other interests). The project aims to make the act of volunteering easy by enabling people to turn activities they already enjoy doing in to volunteering opportunities whilst also enabling people with learning	£5,000.00

	disabilities to become actively involved in their local communities.	
Trash Cannes	<b>HOWL</b> HOWL is a spoken-word pilot project aimed at disadvantaged young people, aged 18-24, to encourage them to reflect on their life-experiences by developing expressive and artistic skills. It will run workshops, with visiting professional tutors, with a view to mounting a live stage show. The benefit to the young people will be to enhance their confidence, facilitate their personal development and enabling them to channel their voices.	£3,890.00
Treasure Tots Arts Cafe	<b>Who are you? Self-portraits for children up to 12 year olds through creative play</b> It aims to engage, develop and challenge children's sense of self in an increasingly digital world by providing an opportunity for children to explore who they are and how they want to represent themselves through mixed media artwork. By offering a range of sensory and creative art experiences, it will help children explore and develop awareness of themselves and the world around them. Part of Costal Currents 2015 this will allow children to create their own artwork and see varied art forms in Hastings.	£1,486.00
Xtrax Young Peoples Centre	<b>Xtra Xtra</b> Xtrax provides a safe place for young people 16-24. The service is very popular with the young people although often they would much rather be actively 'doing' than just 'being'. The aim of the project is to provide the young people with a weekly group where they can enjoy activities, make new friends and learn new skills. This group will also be supplemented with taster activity sessions and also inspiration days, walks and a camping trips and community projects.	£4,380.00

# Agenda Item 6



**Report to:** Charity Committee

**Date of Meeting:** 28 September 2015

**Report Title:** Foreshore Trust - Annual Report and Financial Accounts 2014-15

**Report By:** Peter Grace  
Assistant Director - Financial Services & Revenues

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## **Purpose of Report**

The purpose of is for members of the Committee to consider the 2014/15 Annual Report and Financial Accounts.

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## **Recommendation(s)**

1. The Annual Report and Financial Accounts for 2014/15 are approved.

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## **Reasons for Recommendations**

The Council has the responsibility for the proper management of the financial affairs of the Trust.

The Council as Trustee, through the Charity Committee, is required to approve the annual report and accounts by the 30 September each year.

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## Introduction

1. The Annual Report and Accounts are attached to this report. The Council has received an unqualified opinion on the accounts from the external auditor, Manningtons.
2. The Committee is recommended to approve the Annual Report and Accounts.

## Financial Position 2014/15

3. A surplus of £251,000 was achieved as detailed in the Statement of Financial Activities section of the Trustee's report, which was slightly above expectations.
4. In terms of net current assets (effectively the cash position), the balance is £1,378,172 at 31 March 2015, whilst total funds (which includes all assets) amount to £2,031,990.
5. The balance sheet note 10 identifies the Cash Reserve as the Contingency Reserve £690,000 and the Main Programme Reserve as £ 688,172. The business plan identifies commitments amounting to £669,000 of which £549,000 would be funded from the Main Programme Reserve with the balance contained in annual revenue expenditure plans.

## Reserves

6. A reserve policy was reviewed at the Committee's 27 July 2015 meeting. It will remain appropriate to consider the reserve policy on a regular basis.

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## Wards Affected - None

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## Policy Implications

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness	No
Crime and Fear of Crime (Section 17)	No
Risk Management	No
Environmental Issues	No
Economic/Financial Implications	Yes
Human Rights Act	No
Organisational Consequences	No
Local People's Views	No
Anti-Poverty	No

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**Additional Information**

Appendix 1 Annual Report and Financial Statements

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**Officer to Contact**

Peter Grace  
pgrace@hastings.gov.uk  
01424 451503

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Charity registration number: 1105649

Hastings and St Leonards Foreshore Charitable Trust  
Annual Report and Financial Statements  
for the Year Ended 31 March 2015

## **Hastings and St Leonards Foreshore Charitable Trust Contents**

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**Hastings and St Leonards Foreshore Charitable Trust**  
**Reference and Administrative Details**

<b>Charity name</b>	Hastings and St Leonards Foreshore Charitable Trust
<b>Charity registration number</b>	1105649
<b>Trustee</b>	Hastings Borough Council The Trustee acts through its Charity Committee, whose members are:
<b>Committee Chair</b>	Councillor John Hodges
<b>Committee Members</b>	Councillor Kim Forward Councillor Jay Kramer (retired 26 May 2014) Councillor Emily Westley (appointed 26 May 2014) (retired 22 October 2014) Councillor Andrew Cartwright (appointed 22 October 2014)
<b>Auditor</b>	Manningtons 7 Wellington Square Hastings East Sussex TN34 1PD
<b>Protector</b>	Christopher May MA, FCA Froghole Oast House Crockham Hill Edenbridge Kent TN8 6TD
<b>Bankers</b>	Co-operative Bank 164/165 Western Road Brighton BN1 2BB

# Hastings and St Leonards Foreshore Charitable Trust

## Trustee's Report

### Structure, Governance and Management

#### *Overview*

The governing documents of the Charity are a conveyance from the Crown to Hastings Corporation dated 8 September 1893 and Charity Commission Scheme ref. no, 981/1011 made on 13 January 2011 (the 2011 Scheme).

The 1893 Conveyance provides that the length of foreshore between Ecclesbourne Glen and Grosvenor Gardens shall be held for the common use, benefit and enjoyment of Her Majesty's subjects and the public generally for ever. Later conveyances in 1925, 1933 and 1934 conveyed the remainder of the foreshore to the Hastings Corporation on the same Trusts.

The Hastings Borough Council Act 1988 varies the Trusts to permit certain uses on delineated areas of land and for the Council to charge for that use, whether provided by the Council itself or by another on the Council's behalf.

The 2011 Scheme extended the objects of the Charity to include such charitable purposes within the Borough of Hastings as the Trustee thinks fit.

The 2011 Scheme had the effect of revoking the Charity Commission Scheme dated 22 March 2006 which appointed independent Trustees and Council nominated Trustees and appointing Hastings Borough Council as the Trustee for all purposes. This report is prepared by the Trustee as required under the 2011 Scheme.

#### *Significant changes*

During the year there has been a new appointment to the Charity Committee of Councillor Andrew Cartwright. Councillor Jay Kramer has retired. Councillor Emily Westley was appointed for a short period in the year.

#### *Governance*

i) 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 Local Government Act 2000 introduced executive decision making and the legislation provided for a split between decisions which are reserved to the Council, to the Executive or according to local choice. Where the function in question is not reserved to Council or a local choice function, the default provision in the legislation is that the function and decision-making relating to it are the preserve of the executive. This represents the position regarding the Council's function or power to administer charities, that is to say that 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.

This means that for the Foreshore Trust, the Council as Trustee acts through the Charity Committee of Cabinet.

#### ii) The Protector

When considering the request of the former independent Trustees to appoint the Council as Trustee, the Commission was concerned regarding the potential conflict of interest between the Council's position as charitable Trustee and as local authority and how to address this. Part of the solution was the requirement in the 2011 Scheme for the appointment of a Protector, who is required to be a qualified accountant. The present Protector is Christopher May MA, FCA, who was appointed as first Protector and has been subsequently reappointed for a further three year term of office. The job of the Protector is essentially to act as whistle blower and watchdog against the Council acting in breach of trust and to guard against situations where a conflict of interest is not being managed properly. As a chartered accountant he is equipped to scrutinise the Council's charity accounts. The Protector is required to report any matters of serious concern to the Charity Commission and must prepare an annual report on his activities for inclusion in the Charity's Annual Report.

#### *Consultation*

The 2011 Scheme makes provision for consultation in two areas of the Charity's operation.

#### i) Coastal Users Group

The Trustee is required to consult with and have regard to the recommendations of the Coastal Users Group (CUG) in relation to certain matters, namely:-

- the standards or specifications for the maintenance of the charity's land
- the Charity's policy relating to events and activities to be held on the Charity's land and any event/activity outside that policy

## Hastings and St Leonards Foreshore Charitable Trust Trustee's Report

- 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
- the exercise of the powers under the previous bullet otherwise than in accordance with the agreed policy.

The CUG was an existing consultative group set up by the Council as local authority to consult with interested parties in relation to matters affecting the front line of the Council's area. It became the Coastal Advisory Group required by the 2011 Scheme after adopting a formal constitution and rules for membership in early 2011. The minutes of its meetings, in so far as they relate to Foreshore Trust matters, are included in the reports submitted to each Charity Committee meeting.

The CUG meets before each Charity Committee meeting (four times a year) to consider and comment on reports being submitted to the Charity Committee. The CUG is consulted each time the Foreshore Trust Business Plan is revised. The CUG has met the full four times over 2014/15. Important decisions that they have been consulted on and supported include the refurbishment of the former White Rock Baths, the White Rock Promenade Area Improvements and proposed developments to the Flamingo Land Amusement Park and lease extensions. The group has also reviewed its 3-year improvement plan and agreed that it would like to be involved where possible and kept up to date on the Seafront Strategy Action plan that covers both Council and Foreshore Trust owned land.

### ii) Grant Advisory Panel

The object to distribute surpluses, after meeting the costs of administering the Charity and managing its assets (including the repair and insurance of its land and buildings), through grants for charitable purposes in the Borough, is subject to consultation with the Grant Advisory Panel. The 2011 Scheme provides that consultation is to take place concerning the grant criteria, grant processes and grant determinations. Andrew Colquhoun replaced Sandra Garner as chair at the Annual General Meeting on 11 November 2014. One other member, Dick Edwards resigned at that time. Charles Sharrod was appointed to the Panel by the Charity Committee in December 2014, bringing the number of Panel members to eight.

The Grants Advisory Panel successfully concluded the process of prioritising the year's round of grant making, resulting in the award of grants totalling £50,000 and grants for events totalling £26,222 during 2014/15 (2013/14 £38,044, events £8,540).

The following grants were awarded in the year:-

	£
Seaview Projects	4,125
Hastings Predators Floorball Club	3,342
Citizens Advice 1066	5,000
Radiator Arta	4,995
Counselling Plus Community	5,000
Hastings Advice & Representation Centre	4,555
Hastings & District Interfaith Forum	1,000
Rhythmix	3,188
AGE UK East Sussex (HHLC)	967
Friends of Alexandra Park	760
Better Braybrooke (PPW&CGP)	3,284
Hastings Philharmonic Choir	2,000
Hastings District Woodcraft Folk	1,903
Hastings Older Peoples Ethnic Group (HOPEG)	840
Hastings Central Townswomen's Guild	692
304 (Hastings) Squadron Air Training Corps	2,137
Hastings and Rother Mediation	1,212
Hastings Fat Tuesdays Mentoring Programme	5,000
Total	50,000

## Hastings and St Leonards Foreshore Charitable Trust Trustee's Report

The following grants for events were awarded in the year:-

	£
Hastings Annual Free Beach Concert	1,980
Hastings & District Canoe Club	1,400
Idolrich Theatre Rotto Productions	2,000
Labyrinth Arts / Community Bicycle Workshop	1,960
Hastings Predators Floorball Club	1,817
St Michaels Hospice	2,000
Hastings Borough Bonfire Society	2,000
18 Hours Ltd	2,000
The Hastings Storytelling Festival	2,000
Central St Leonards Town Team	2,000
Hastings Fat Tuesday	2,000
Respond Academy	2,000
Albion in the Community	1,065
Mermaids on the Beach	2,000
Total	26,222

### *Delegation to Officers*

At its first meeting on 25 January 2011, the Charity Committee agreed a Scheme of Delegation to Officers. From 1 April 2012 the Scheme of Delegations has required amending, replacing the Chief Executive with appropriate Director and his/her nominee as a result of a senior management restructure. The new Scheme of Delegations follows the pattern of the Council's Scheme of Delegations to Officers, in that the appropriate Director or their duly authorised nominee is authorised within the plan and budget agreed by the Charity Committee to undertake the day to day operation and management of the Charity. The authority is general and subject to certain exceptions including the disposal of land, use of the Charity's land for events outside of the agreed policy, grants for charitable purposes and specification for and the award of contracts affecting the Charity, which are all subject to consultation and then the decision of the Charity Committee. The Scheme of Delegation emphasises that the Directors or their nominees acting under the delegations must be mindful that they are acting on behalf of the Charity and not the Council and ensure that at all times they act in the best interests of the Charity.

The officers authorised for most purposes affecting the Charity's day to day operation and management are:-

- Monica Acton Adams, Assistant Director Regeneration and Culture
- Peter Grace, Assistant Director Financial Services and Revenues (Chief Finance Officer)
- Amy Terry, Estates Manager
- Christine Barkshire-Jones is the Monitoring Officer and the Chief Legal Officer and is also the Authorised Signatory on behalf of the Charity

In case of actual or potential conflict of interest for officers, independent advisors are instructed on behalf of the Charity e.g. surveyors.

- Jane Hartnell, Monitoring Officer
- Virginia Gilbert, Head of Leisure and Amenities Services stepped down March 2015

### **Training and Induction for the Trustee**

Training is provided for members and officers covering training on the history of the Trust, the constitutional documentation of the Trust and how to put those into effect.

Training has been offered to all members of the Council to raise awareness and to keep them advised.

### **Risk Management**

The charity maintains a risk register and formally reviews this on an annual basis when determining the reserves policy. Initially this identified the key financial risks facing the Trust, but continues to be developed to include the identification of all significant risks (it also includes the identification of relevant controls to mitigate and responsibilities).

## **Hastings and St Leonards Foreshore Charitable Trust**

### **Trustee's Report**

#### **Objectives**

The 2011 Scheme states the objects of the Charity to be:-

- i) to hold and maintain the charity's land for the objects set out in the trusts of the Charity, namely for the common use, benefit and enjoyment of all Her Majesty's subjects and of the public for the time being for ever; and
- ii) subject to i) above, such charitable purposes within the area of the Borough of Hastings as the Trustee thinks fit.

The Scheme expressly provides that income and capital are first to be applied in meeting the proper costs of administering the Charity and of managing its assets including the repair and insurance of its land and buildings. After payment of these costs, the Trustee must apply the remaining income in furthering the objects of the Charity.

#### **Achievements and Performance**

This has been the fourth full financial year for the Council as Trustee of the Foreshore Trust. The Charity Committee met four times during the year and the main business has been:

- The third annual review of the Trust's rolling five-year Business Plan,
- The fourth round of small grant awards (up to £5,000) to local charitable organisations;
- The second round of grants (up to £2,000) for events on Foreshore Trust land;
- External funding was secured to support the repair and renovation of the White Rock Baths to enable it to be leased to The Source for a BMX and skateboard facility. Works commenced and are due to be completed by the end of 2015.
- Successful promotion of the Stade Hall and Open Space and a programme of cultural events, supported by FLAG funding.
- A series of fish cookery demonstrations and classes in the Classroom on the Coast, also supported by FLAG funding.
- Agreement of the budget for 2015/16 and financial report;

In addition, whilst the Council undertook the role as Trustee from January 2011, it has been operating and managing the Foreshore and its assets without interruption over many years. The operations include:

- keeping the Charity's land safe and clean
- operating the Charity's car parks
- managing its tenanted premises
- arranging and facilitating events on the Foreshore
- undertaking routine maintenance and repair

#### *Stade Development*

The Stade area is partly in Council ownership and partly in Trust ownership. The development is the combination of the Jerwood Gallery and the Stade Open Space, community facilities (the Stade Hall and public toilets with exceptional disabled accommodation) and Stade café. The Jerwood Gallery, on Council owned land, is privately funded but the other facilities result from the Council's application for funding from the Commission for Architecture and the Built Environment (CABE), South East England Development Agency (SEEDA), East Sussex County Council, with significant funding also being provided by Hastings Borough Council. Management of the Stade Open Space (approximately 69% in Trust ownership) and the Stade Hall (wholly Trust owned) is being undertaken by the Council on behalf of the Foreshore Trust. The Stade Open Space was again the venue for the 2014/15 Stade Saturdays programme of cultural performances and activities.

#### *White Rock Baths*

The Trust is keen to see the use, or at least the partial use of the White Rock bath site. To this end it had spent £5,600 of project costs in the year to 31 March 2015 (£207,840, 2013/14) on finishing remedial drainage works and making the promenade building ready for tenant rental. It is expected that further works will be undertaken in the below-promenade spaces in readiness for a new BMX activity facility there, to be opened during 2015/16.

## **Hastings and St Leonards Foreshore Charitable Trust**

### **Trustee's Report**

#### *Leases*

The following leases were completed during the period:

- A new agreement was granted to Classroom on the Coast, Stade Hall to Hastings Voluntary Action on 13 October 2014.
- Terms have been agreed for a lease of the Former Ladies underground toilet at Verulam Place to Hastings Pier Charity.
- Following extended negotiations terms have been agreed with the tenant of the Stade Amusement area to be granted a new lease following the completion of significant improvements to the leased area including the boating lake.

#### **Public Benefit**

The objects of the Charity express clearly that the Foreshore is to be held for the benefit of Her Majesty's subjects and the public generally for ever. Where the land is beach and beach alone, the objects are achieved by ensuring that the public have free and safe access to the Foreshore. However, maintaining land in proper condition has a cost and the Charity requires an income to meet its expenditure. The Hastings Borough Council Act 1988 varied the original Trusts to permit certain uses on defined areas of the Trust's land. For example, paid parking was permissible at Rock a Nore Car Park and at Pelham Car Park and leisure facilities were permitted in the Stade area. These variations to the Trust powers enabled the generation of income to meet the costs of maintaining the Foreshore. The uses permitted under the Act, however, are seen as complementary to the Trust objects and the Trustee will exercise its powers under the Act to satisfy the requirement for the benefit to the public.

So far as is possible and subject to the uses permitted under the Act, the aim of the Trustees is that the Foreshore should be accessible by all members of the public who wish to visit it. At the same time, part of the Foreshore is a working beach and so health and safety considerations apply.

The 2011 Scheme included a new object to distribute surpluses as grants for charitable purposes within the Borough of Hastings. There have been four rounds of small grants the first of which took place in 2011/12. Grants for events on Foreshore Land commenced in 2013/14 and were repeated in 2014/15.

The Trustee has indicated a willingness to undertake further capital works to assets such as the former White Rock Baths if financially sustainable uses which conform to the Trust's objects are identified.

There will be different views on how the public benefit is best achieved and the Charity Committee will continue to consult with the Coastal Users' Group on proposals for the future of the Foreshore and specifications and standards of maintenance and with the Grant Advisory Panel on the grant criteria and grants processes.

This section should be read in conjunction with the preceding paragraph (Achievements and Performance).

#### **Financial Review**

The annual accounts are attached to this report. The presentation of the accounts has been enhanced to include more detail in the reserves, by way of note, and, once again, have received an unqualified audit opinion by external auditors.

The Trust's main sources of income remain that of car parking fees and charges and rental income from property. The expenditure that the Trust incurs is as a result of providing the car parks e.g. operating costs, and the costs of maintaining and developing the foreshore .

Investments – The Trust retains significant cash balances. At 31 March 2015 these were invested as follows:-

CCLA Investment Management - £ 1,845,214 (31 March 2014 £1,837,200)

Co-op Bank- £ 707 (31 March 2014 £742) (the Trust's Bank Account)

The following table compares the major elements of the budget to the actual income and expenditure:-

## Hastings and St Leonards Foreshore Charitable Trust Trustee's Report

### Statement of Financial Activities

	Budget Estimate £000's	Revised Budget £000's	Actual Outturn £000's
<b>Incoming Resources</b>			
Investment Income	7	8	8
Income from Charitable activities	1,080	1,085	1,150
Total Incoming Resources	1,087	1,093	1,158
<b>Resources Expended</b>			
Charitable activities	704	724	763
Maintenance and Cyclical repairs	35	35	36
Governance Costs HBC	57	59	60
Governance Costs (Other)	41	48	47
Total Resources Expended	837	866	906
<b>Surplus before Grants and Reserve Funded items</b>			
	<b>250</b>	<b>227</b>	<b>251</b>
Grants (including p/y underspend)	76	76	76
Projects and Other			
Income	-	-	(196)
Expenditure	-	-	309
Net	273	124	113
<b>Surplus/(Deficit)</b>	<b>(99)</b>	<b>27</b>	<b>62</b>

The surplus before grants and reserve funded items and capital charges was £251,147. In brief, both income and expenditure levels have increased this year, resulting in the outturn (before Grants and projects) being close to the original budget.

The outturn position was a surplus of £185,889 after capitalisation of £169,374 and capital charges of £44,642 (2013/14 saw a deficit of £140,657). The surplus has been added to reserves.

Spend and commitments on projects and other expenditure includes net costs of: £5,600 on White Rock Baths (2013/14 £ 207,870), £41,120 on Fisheries Local Action Group (FLAG), Stade Projects (2013/14 £35,266), £62,970 on Pelham and Rock a Nore car parks (including new signage) (2013/14 £33,901), and £ 36,275 on maintenance and cyclical repairs (2013/14 £77,910).

#### *Future Expenditure Plans 2015/16 and beyond*

In line with the approved Business plan, expenditure on major Projects and Other Expenditure will continue in 2015/16 and will result in an overall deficit for the year, currently budgeted at some £321,000 – this being funded from Reserves.

The 15/16 budget identifies spend on projects and other expenditure amounting to some £549,000. £50,000 of this spend is on cyclical repairs and maintenance and £499,000 is programmed spend, financed from Reserves. The main areas of spend are as follows:-

- £149,000 –Stade FLAG projects capital contributions to Winch Road upgrade and Fisherman's' Winch sheds
- £40,000 – New signage to RNLI standard
- £200,000 – Contribution to £972,000 funding package for the White Rock Baths (£150,000 plus £50,000 allocated for concrete repairs)

## Hastings and St Leonards Foreshore Charitable Trust

### Trustee's Report

The current business plan includes the following for Projects and Other Expenditure for the years 2015/16 to 2017/18:

Business Plan	2014/15 Actual £000's	2015/16 Estimate* £000's	2016/17 Estimate £000's	2017/18 Estimate £000's	2015/18 Total £000's
<b>Projects and other expenditure</b>					
<i>Cyclical Repairs and Redecorations</i>					
Pier Area	-	3	3	3	9
White Rock Baths	2	15	-	-	15
Stade Barriers	2	2	2	2	6
Cycle Route	6	-	-	-	-
Public Conveniences	-	6	6	6	18
Car Parks & Other	9	12	12	12	36
<i>Total of Cyclical Repairs</i>	19	38	23	23	84
<i>Maintenance Projects</i>					
Pier Area	-	-	-	-	-
Beach	17	12	12	12	36
<i>Total Maintenance Projects</i>	17	12	12	12	36
<i>Main Programme</i>					
White Rock Baths	6	200	-	-	200
New Signage	-	40	-	-	40
Big Beach Project	41	149	-	-	149
Beachfront	3	-	-	-	-
Car Parks	63	-	-	-	-
Resurfacing Robertson Street to Pier	-	85	-	-	85
Contingency	-	25	25	25	75
<i>Total Main Programme</i>	113	499	25	25	549
<b>Total Projects and other expenditure</b>	149	549	60	60	669

\* 2015/16 estimate adjusted for 2014/15 actual figures (and revisions to the business plan)

#### *Cost of Professional advice*

Professional advisor fees - £16,516 (2013/14 £21,154) (including Protector's fees)

Auditors/Accountants - £ 3,500 (2013/14 £3,500)

#### *Trustee Expenses and emoluments*

There were no Trustee expenses charged to the Trust in 2014/15.

£6,100 was paid in 2014/15 (2013/14 £6,060) as a special responsibility allowance to the chair of the charity committee and this is shown as Governance costs in the accounts.

#### *Reserves Policy*

The policy is reviewed on a regular basis to take account of changes in the future plans of the Trust and perceived risks; the last review being 27 July 2015. Reserves are maintained for a variety of reasons and the main points of the Policy are reproduced 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 judgment of events that may occur and their likelihood.

Policy: £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.

## Hastings and St Leonards Foreshore Charitable Trust

### Trustee's Report

The expenditure budget is some £950,000. It is suggested that a 10% contingency (say £90,000) be retained 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.

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 :-

<i>Ref</i>	<i>Risk Area/Designated Funds</i>	<i>Amount (£)</i>
a)	Unforeseen emergency/event	100,000
b)	Unforeseen operational costs/contingency	90,000
c)	Uncertainty on income streams	500,000
	Total	690,000

Plus Planned Spending Commitments e.g. repairs and other initiatives identified within the business plan.

The total funds of the Trust, of which the above form a part, amount to £2,031,990 (2014 £1,846,101). The financing of the main programme is dependent upon achieving annual surpluses on the trusts main activities, given the level of Reserves being retained.

#### **Plans for the Future**

The Charity Committee looks to review its Business Plan on a regular basis to take account of known variations in resources and new opportunities and commitments. Subject to the Scheme's predetermination that meeting the cost of the administration and the repair and maintenance of its existing assets is the first priority; this will involve consideration of proposals for enhancing income generation and/or reducing operating expenditure as well as providing better facilities and attractions for the public benefit.

#### **Accountants, Auditors and Bankers**

The Trust has been grateful for the excellent work of Manningtons (Auditors) in meeting the early closedown of the accounts – due to the need to report within 6 months of the end of the financial year.

The Trust's monies are managed by the Council, the same bankers are used (Co-operative Bank), albeit that separate bank accounts are retained. The Council's comprehensive Treasury Management and Investment Policy requirements equally apply when dealing with Trust monies.

#### **Concluding Remarks**

The transfer of the trusteeship to the Council in January 2011 concluded a long and difficult process. The Council has previously thanked the former trustees who were involved in the trust immediately before it transferred to the Council. The Trust and Council also owes a debt of gratitude to Councillor Jay Kramer who has served on the Charity Committee since the transfer of the Trust to the Council in January 2011 until May 2014 and has been instrumental in ensuring the trust operates on a sound footing, with effective governance arrangements in place.

**Hastings and St Leonards Foreshore Charitable Trust  
Trustee's Report**

The Trust continues to concentrate efforts on ensuring a secure and viable future for the Trust, especially in terms of maintaining and improving its assets, managing its available resources for the long term benefit of the community, and also in the distribution of grants to the benefit of the Community - as resources permit.

Approved by the Trustee on 28 September 2015

.....  
**Councillor John Hodges**  
**Chair of Charity Committee**

## **Hastings and St Leonards Foreshore Charitable Trust Protector's Report**

This is my fifth Annual Report as Protector of The Hastings and St Leonards Foreshore Charitable Trust ("Foreshore Trust" for short). It covers my activities from September 2014 to the date of this report.

The rules of the Foreshore Trust call for the appointment of a Protector to safeguard the proper management of this charitable trust and, in particular, the resolution of any conflicts of interest that may arise from time to time between Hastings Borough Council ("HBC") acting as Trustee of this charity and HBC acting in its capacity as local authority. To this end, the rules provide that the general duty of the Protector is "to ensure the integrity of the administration of the charity", in other words to act as a watchdog over the activities of HBC's Charity Committee in managing the affairs of the Foreshore Trust.

I have attended all meetings of the Charity Committee.

Under the constitution of the Foreshore Trust the Trustee must consult two advisory bodies: (1) a nominated consultative and advisory group (currently the Coastal Users' Group) in relation to major foreshore management issues, and (2) the Grant Advisory Panel ("GAP") which deals with the detailed process of recommending grants to be made by the Trustee under powers given in the Scheme. A further advisory committee was formed in 2012, dealing with the management of the Stade Hall. The Protector is entitled to attend the meetings of these groups, though in practice I do not routinely do so. I do however receive notices and minutes of their meetings.

I note that there has recently been a streamlining of the process required of applicants for grants administered by the GAP. This used to be highly bureaucratic and difficult to follow for the (mostly small) organisations applying for grants. I am glad to note that following this change the most recent round of applications has proceeded much more smoothly for all concerned.

In my report last year I referred to the proposal to make the White Rock Baths site available for a BMX and skateboard park, with financial involvement shared between the Foreshore Trust, Hastings Borough Council, East Sussex County Council and The Source (the company that will operate the business). Work is already well under way and it is hoped that it will become operational in 2016. However the financing structure requires the Foreshore Trust to make borrowings, for which there are at present no explicit powers in its constitution document (the Charity Commission Scheme dated 15 January 2011). The Trust has recently consulted the Commission on this issue and is awaiting a ruling as to the action which needs to be taken.

During the year I have been satisfied that the Trustee (Hastings Borough Council), acting through its Charity Committee, has satisfactorily ensured the integrity of the administration the affairs of the Foreshore Trust, as required by the current Scheme of constitution.

**Christopher May FCA**

Protector

11 September 2015

## **Hastings and St Leonards Foreshore Charitable Trust**

### **Trustee's Responsibilities in relation to the Financial Statements**

The trustee is responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable him to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. He is responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection fraud and other irregularities.

The trustee is responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **Independent Auditors' Report to the Trustee of Hastings and St Leonards Foreshore Charitable Trust**

We have audited the financial statements of Hastings and St Leonards Foreshore Charitable Trust for the year ended 31 March 2015, set out on pages 15 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustee, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our work has been undertaken so that we might state to the trustee those matters we are required to state to trustee in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustee as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditors**

As explained more fully in the Trustee's Responsibilities Statement set out on page 12, the trustees are responsible for the preparation of the financial statements which give a true and fair view.

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustee's Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2015 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**Independent Auditors' Report to the Trustee of  
Hastings and St Leonards Foreshore Charitable Trust**

..... *continued*

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

.....

Manningtons  
Statutory Auditor

Date:.....

7 Wellington Square  
Hastings  
East Sussex  
TN34 1PD

Manningtons is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

**Hastings and St Leonards Foreshore Charitable Trust**  
**Statement of Financial Activities for the Year Ended 31 March 2015**

	Note	Unrestricted Funds £	Total Funds 2015 £	Total Funds 2014 £
<b>Incoming resources</b>				
Incoming resources from generated funds				
Voluntary income	2	196,310	196,310	-
Investment income	3	8,014	8,014	7,741
Incoming resources from charitable activities	4	1,176,210	1,176,210	1,092,720
Total incoming resources		<u>1,380,534</u>	<u>1,380,534</u>	<u>1,100,461</u>
<b>Resources expended</b>				
Charitable activities	5	1,106,233	1,106,233	1,153,317
Governance costs	6	88,412	88,412	87,801
Total resources expended		<u>1,194,645</u>	<u>1,194,645</u>	<u>1,241,118</u>
Net incoming/(outgoing) resources before transfers		185,889	185,889	(140,657)
<b>Transfers</b>				
Gross transfers between funds		-	-	-
Net movements in funds		185,889	185,889	(140,657)
<b>Reconciliation of funds</b>				
Total funds brought forward		1,846,101	1,846,101	1,986,758
Total funds carried forward		<u>2,031,990</u>	<u>2,031,990</u>	<u>1,846,101</u>

All incoming resources and resources expended derive from continuing activities.

The charity has no recognised gains or losses for the year other than the results above.

The notes on pages 17 to 21 form an integral part of these financial statements.

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**Hastings and St Leonards Foreshore Charitable Trust**  
**Balance Sheet as at 31 March 2015**

		2015		2014	
	Note	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	8		653,818		529,086
<b>Current assets</b>					
Bank balances		1,845,921		1,837,943	
<b>Creditors: Amounts falling due within one year</b>	9	<u>(467,749)</u>		<u>(520,928)</u>	
<b>Net current assets</b>			<u>1,378,172</u>		<u>1,317,015</u>
<b>Net assets</b>			<u><u>2,031,990</u></u>		<u><u>1,846,101</u></u>
<b>The funds of the charity:</b>					
<b>Unrestricted funds</b>					
Unrestricted income funds	10		<u>2,031,990</u>		<u>1,846,101</u>
<b>Total charity funds</b>			<u><u>2,031,990</u></u>		<u><u>1,846,101</u></u>

These accounts were approved by the Trustee on 28 September 2015

.....  
**Councillor John Hodges**  
**Chair of Charity Committee**

The notes on pages 17 to 21 form an integral part of these financial statements.  
Page 16

**Hastings and St Leonards Foreshore Charitable Trust**  
**Notes to the Financial Statements for the Year Ended 31 March 2015**

**1 Accounting policies**

**Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities (SORP 2005)', issued in March 2005, applicable accounting standards and the Charities Act 2011.

**Fund accounting policy**

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside at the discretion of the trustees for specific purposes.

Further details of each fund are disclosed in note 10.

**Incoming resources**

Grants that provide core funding or are of a general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

**Resources expended**

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grants payable are payments made to third parties in the furtherance of the charitable objectives. Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specific service or output.

Grants payable without performance conditions are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

**Governance costs**

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

**Hastings and St Leonards Foreshore Charitable Trust**  
**Notes to the Financial Statements for the Year Ended 31 March 2015**

..... continued

**Fixed assets**

Individual fixed assets costing £500 or more are initially recorded at cost.

The land comprising the foreshore of Hastings and St Leonards was sold to the Trust by the Crown in September 1893 for £400 and subsequent purchases between 1925 and 1934 for a further £630. No valuation of this land has ever been carried out and it is recorded at cost. Land valued at £95,000 was acquired in 2010 as part of a land swap with Hastings Borough Council. Additional expenditure of £119,490 in 2013 represents the cost of creating additional car parking spaces within the Pelham Place car park. This is being depreciated over 15 years, being the estimated time before re-surfacing becomes necessary. The trustee is of the opinion that the open market value is materially in excess of the carrying value of the land.

**Depreciation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Land	not depreciated
Pelham Place car park additional spaces	over 15 years straight line
Plant and equipment	over 5 and 15 years straight line

**Staff and pension schemes**

The charity has no employees but is charged the relevant portion of those undertaking work in pursuance of the charity's objectives. These are employed by Hastings Borough Council and have the choice of being in the relevant defined benefit local government pension scheme.

**2 Voluntary income**

	<b>Unrestricted Funds £</b>	<b>Total Funds 2015 £</b>	<b>Total Funds 2014 £</b>
<b>Grants</b>			
European Fisheries Fund	196,310	196,310	-

**3 Investment income**

	<b>Unrestricted Funds £</b>	<b>Total Funds 2015 £</b>	<b>Total Funds 2014 £</b>
Interest on cash deposits	8,014	8,014	7,741

**Hastings and St Leonards Foreshore Charitable Trust**  
**Notes to the Financial Statements for the Year Ended 31 March 2015**

..... continued

**4 Incoming resources from charitable activities**

	Unrestricted Funds £	Total Funds 2015 £	Total Funds 2014 £
<b>Car parking</b>			
Car parking	977,450	977,450	914,830
Other income	410	410	630
	<u>977,860</u>	<u>977,860</u>	<u>915,460</u>
<b>Foreshore management</b>			
Rents	172,250	172,250	162,910
Other income	24,950	24,950	13,200
	<u>197,200</u>	<u>197,200</u>	<u>176,110</u>
<b>Street cleansing</b>			
Other income	1,150	1,150	1,150
	<u>1,176,210</u>	<u>1,176,210</u>	<u>1,092,720</u>

**5 Details of charitable activities**

	Activities undertaken directly £	Grant funding of activities £	2015 £	2014 £
Car parking	303,507	-	303,507	260,462
Foreshore management	489,207	-	489,207	356,137
Street cleansing	82,270	-	82,270	87,770
Public conveniences	144,720	-	144,720	192,384
White Rock Baths	9,719	-	9,719	213,104
Grant making	-	76,810	76,810	43,460
	<u>1,029,423</u>	<u>76,810</u>	<u>1,106,233</u>	<u>1,153,317</u>

**Hastings and St Leonards Foreshore Charitable Trust**  
**Notes to the Financial Statements for the Year Ended 31 March 2015**

..... continued

**6 Governance costs**

	<b>Unrestricted Funds £</b>	<b>Total Funds 2015 £</b>	<b>Total Funds 2014 £</b>
Employment costs	6,100	6,100	6,060
Sundry and other costs	2,636	2,636	1,107
HBC management charges	59,660	59,660	55,980
Auditors' remuneration	3,500	3,500	3,500
Legal and professional costs	16,516	16,516	21,154
	<u>88,412</u>	<u>88,412</u>	<u>87,801</u>

**7 Trustee's remuneration and expenses**

Payments to the Trustee related entirely to recharges of costs incurred by HBC on behalf of the charity. These included a payment by HBC to the Chair of the Charity Committee of HBC by way of a responsibility allowance from the Council of £6,100 (2014 - £6,060), included in Governance costs.

**8 Tangible fixed assets**

	<b>Freehold interest in land and buildings £</b>	<b>Plant and equipment £</b>	<b>Total £</b>
<b>Cost</b>			
As at 1 April 2014	215,520	361,838	577,358
Additions	-	169,374	169,374
As at 31 March 2015	<u>215,520</u>	<u>531,212</u>	<u>746,732</u>
<b>Depreciation</b>			
As at 1 April 2014	7,966	40,306	48,272
Charge for the year	7,966	36,676	44,642
As at 31 March 2015	<u>15,932</u>	<u>76,982</u>	<u>92,914</u>
<b>Net book value</b>			
As at 31 March 2015	<u>199,588</u>	<u>454,230</u>	<u>653,818</u>
As at 31 March 2014	<u>207,554</u>	<u>321,532</u>	<u>529,086</u>

**Hastings and St Leonards Foreshore Charitable Trust**  
**Notes to the Financial Statements for the Year Ended 31 March 2015**

..... continued

**9 Creditors: Amounts falling due within one year**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Amounts owed to Hastings Borough Council	464,249	517,428
Accruals and deferred income	3,500	3,500
	467,749	520,928

**10 Analysis of funds**

	<b>At 1 April 2014</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>At 31 March 2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Designated Funds</b>					
Contingency reserve	690,000	-	-	-	690,000
Main programme reserve	627,015	-	-	61,157	688,172
Fixed asset fund	529,086	-	-	124,732	653,818
	1,846,101	-	-	185,889	2,031,990
<b>General Funds</b>					
Unappropriated reserve	-	1,380,534	(1,194,645)	(185,889)	-
	1,846,101	1,380,534	(1,194,645)	-	2,031,990

Purposes of funds:

The Main programme reserve is held to fund the Trust's business plan initiatives and significant items of repair and maintenance that cannot be financed in a single year.

The Fixed asset fund is created to recognise that an equivalent amount of reserves has already been used, and is not available for further use.

The Unappropriated reserve represents all monies for which a specific purpose remains to be determined.

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# Agenda Item 7



**Report to:** Charity Committee

**Date of Meeting:** 28 September 2015

**Report Title:** Finance Report

**Report By:** Peter Grace  
Assistant Director - Financial Services & Revenues

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## **Purpose of Report**

To advise members of the Committee on the current year's financial position.

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## **Recommendation(s)**

1. To agree the current financial position for 2015/16.

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## **Reasons for Recommendations**

The Council has the responsibility for the proper management of the financial affairs of the Trust. In doing so it complies with Accounting Codes of Practice and the high standards required for the accounting of Public money.

A surplus in line with budget expectations is anticipated for 2015/16 in respect of ongoing operations.

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## Introduction

1. The Foreshore Trust derives its income mainly from Car Parking and property leases/licences.
2. Appendix 1 attached provides a summarised financial position for 2015/16.

## Financial Position 2015/16

3. The budget agreed in March 2015 identified budgeted income at £1,136K and expenditure at £888K. The estimated surplus for the year being £248K, after direct governance costs, but before distribution of grants, capital charges and before use of Reserves.
4. Income and expenditure projections are currently in line with the budget.

## Business Plan 2015/16

5. The Charity Committee on 27 July 2015, approved an increase in the funding for resurfacing from Robertson Street to the Pier, which resulted in an increase the main programme project budget from £499k to £519K for 2015/16. There was also agreement to reconsider the landscaping/ fountain works and the establishment of a kiosk when there is more certainty of the Trust's financial position.
6. The level of programmed spend will continue to reduce the cash balances held by the Trust for 2015/16, but the Trust will still retain reserves above the minimum level identified within the Reserves Policy – subject to no unexpected calls on the reserves and no reduction in the expected levels of car parking and fee income.
7. The current programme of works is identified in Appendix 2. The Committee has approved expenditure on all these schemes with the exception of the landscaping/fountain works. The cost of the kiosk has been excluded from the business plan for the present.

## Reserves

8. The total effective cash balances on the Trust accounts at the 31 March 2015 amounted to £1.378m. With the revisions to the business plan, the revised cash balances for future years are estimated as follows :-

£1,04m as at 31st March 2016,  
£1.21m as at 31st March 2017,  
£1.37m as at 31st March 2018.

The reserves policy identifies £690,000 as the suitable level to maintain given the potential risks faced by the Trust.

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## Wards Affected - None

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## Policy Implications

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness	No
Crime and Fear of Crime (Section 17)	No
Risk Management	No
Environmental Issues	No
Economic/Financial Implications	Yes
Human Rights Act	No
Organisational Consequences	No
Local People's Views	No
Anti-Poverty	No

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## Additional Information

Appendix 1 - Financial Monitoring Report  
Appendix 2 - Business Plan - Financial Summary

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## Officer to Contact

Peter Grace  
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01424 451503

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Hastings and St Leonards Foreshore Charitable Trust

Appendix 1

Actual expenditure to 31st July 2015

SUMMARY - MONITORING REPORT

	Revised Budget 2014- 15	Draft Outturn 2014-15	Budget 2015-16	YTD Actual 2015- 16	Estimate to end of year	Estimated Outturn 2015-16	Variance to Budget
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Incoming Resources</b>							
Investment Income	(8)	(8)	(8)	(2)	(6)	(8)	0
Incoming resources from Charitable activities	(924)	(988)	(967)	(420)	(547)	(967)	0
Rental income	(161)	(161)	(161)	(79)	(82)	(161)	0
<b>Total incoming resources</b>	<b>(1,093)</b>	<b>(1,157)</b>	<b>(1,136)</b>	<b>(501)</b>	<b>(635)</b>	<b>(1,136)</b>	<b>0</b>
<b>Resources Expended</b>							
Charitable Activities* (excluding Capital charges)	725	763	735	150	584	735	(0)
Maintenance projects and cyclical repairs	35	36	50	11	39	50	0
Governance costs	107	107	103	(2)	105	103	0
<b>Total resources expended</b>	<b>867</b>	<b>906</b>	<b>888</b>	<b>159</b>	<b>728</b>	<b>888</b>	<b>(0)</b>
<b>Total Operating (Surplus)/Deficit</b>	<b>(226)</b>	<b>(251)</b>	<b>(248)</b>	<b>(342)</b>	<b>93</b>	<b>(248)</b>	<b>(0)</b>
Grants	50	51	53	-2	56	53	0
Events	26	26	17	13	3	17	0
Projects	124	113	519	113	406	519	0
<b>(Surplus)/Deficit</b>	<b>(26)</b>	<b>(61)</b>	<b>341</b>	<b>(218)</b>	<b>558</b>	<b>341</b>	<b>(0)</b>
Total Funds (cash) brought forward			1,378			1,378	
Total funds carried forward			1,037			1,037	

\*Mainly parking income

\*\* Budget 2015-16- projects original budget £499K

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## Appendix 1A

## DETAILED - MONITORING REPORT

	Revised Budget 2014- 15	Outturn 2014-15	Budget 2015-16	YTD Actual 2015- 16	Estimate to end of year	Estimated Outturn 2015-16	Variance to Budget
	£	£	£	£	£	£	£
<b>Cost of Charitable activities - by activity</b>							
Car parking - operating costs	213,360	226,011	215,940	40,091	175,849	215,940	0
Stade & Foreshore - operating costs	217,970	235,680	226,510	57,220	169,290	226,510	0
Stade hall & Stade Open Space MUGA	26,920	32,470	28,550	5,610	22,940	28,550	0
Depreciation**	27,920	27,920	27,920	0	27,920	27,920	0
Other direct premises costs - cleaning	96,490	99,980	101,020	17,330	83,690	101,020	0
Other direct costs	60,810	51,870	63,950	2,890	61,060	63,950	0
Street Cleansing	81,180	81,120	81,270	24,500	56,770	81,270	(0)
Other Recharges	27,390	35,700	17,050	2,280	14,770	17,050	(0)
<b>Total</b>	<b>752,040</b>	<b>790,751</b>	<b>762,210</b>	<b>149,921</b>	<b>612,289</b>	<b>762,210</b>	<b>0</b>
<b>Maintenance projects and cyclical repairs</b>							
Maintenance projects (Direct B020)	35,000	36,270	50,000	11,350	38,650	50,000	0
<b>Governance costs</b>							
Direct HBC costs- estimated	58,750	59,660	58,750	0	58,750	58,750	0
Auditors remuneration	3,500	3,500	3,500	(3,500)	7,000	3,500	0
Proctors fees	10,000	10,000	10,000	(490)	10,490	10,000	0
Legal and Professional fees	15,310	15,350	12,000	1,820	10,180	12,000	0
Responsibility allowance - Chair	6,060	6,100	6,060	1,560	4,500	6,060	0
Insurance	13,000	12,660	13,000	(890)	13,890	13,000	0
Trustees reimbursement & meeting costs	0	0	0	0	0	0	0
<b>Total</b>	<b>106,620</b>	<b>107,270</b>	<b>103,310</b>	<b>(1,500)</b>	<b>104,810</b>	<b>103,310</b>	<b>0</b>
<b>Grants</b>							
Grants - Small	50,000	50,588	53,315	(2,447)	55,762	53,315	0
<b>Total</b>	<b>50,000</b>	<b>50,588</b>	<b>53,315</b>	<b>(2,447)</b>	<b>55,762</b>	<b>53,315</b>	<b>0</b>
Grants- Events	26,240	26,222	0			0	
18 Hours Ltd- Journeys Dance Festival			2,000	1,800	200	2,000	0
Idolrich Theatre Rotto Productions			2,000	1,800	200	2,000	0
Labyrinth Arts / Community Bicycle Workshop			1,050	945	105	1,050	0
Hastings Predators Floorball Club			1,925	1,733	192	1,925	0
St Michaels Hospice			2,000	1,800	200	2,000	0
The Hastings Storytelling Festival			2,000		2,000	2,000	0
Central St Leonards Town Team			2,000	1,800	200	2,000	0
Womens Voice			1,710	1,539	171	1,710	0
Seaview project			2,000	1,800	200	2,000	0
<b>Total</b>	<b>26,240</b>	<b>26,222</b>	<b>16,685</b>	<b>13,217</b>	<b>3,468</b>	<b>16,685</b>	<b>0</b>

\*\* Capital charge are budgeted for but not included as they do not effect the cash position

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Business Plan

Appendix 2

Foreshore Trust Spending Plan			2014 -2015	2014-15	2015-2016	2015-16	2016-2017	2017-2018	Total
Cost centre	PROPERTY	DESCRIPTION OF WORK	REVISED BUDGET ESTIMATE	ACTUAL	ESTIMATE	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE 2014- 2018
			£	£	£	£	£	£	£
<b>Maintenance projects within HBC budget</b>									
5290B020	Pier Area	Area inspections and repairs	3,000		3,000		3,000	3,000	12,000
5290B020	White Rock Baths	External redecoration		2,299	15,000	8,692			15,000
5290B020	Stade Barriers	Annual maintenance	2,000	1,575	2,000		2,000	2,000	8,000
5290B020	Cycle route	Contribution to maintenance		4,720					0
5290B020	Public Conveniences	Maintenance	6,000		6,000		6,000	6,000	24,000
5290B020	Car Parks Rock a Nore	Maintenance	6,000	6,000	6,000	1,078	6,000	6,000	24,000
5290B020	Car Parks - Pelham	Maintenance	6,000	150	6,000	1,585	6,000	6,000	24,000
5290B020	Other Premises	Maintenance		4,850					0
<b>Total of Cyclical Repairs and Redecorations</b>			<b>23,000</b>	<b>19,595</b>	<b>38,000</b>	<b>11,355</b>	<b>23,000</b>	<b>23,000</b>	<b>107,000</b>
									0
5290B020	Beach - Other	Other repairs and renewals beachfront area	12,000	16,680	12,000		12,000	12,000	48,000
<b>Total Maintenance Projects</b>			<b>12,000</b>	<b>16,680</b>	<b>12,000</b>	<b>0</b>	<b>12,000</b>	<b>12,000</b>	<b>48,000</b>
<b>Projects (main programme)</b>									
			2014-2015	2014-15	2015-2016	2015-16	2016-2017	2017-2018	Total
			REVISED BUDGET ESTIMATE	ACTUAL	ESTIMATE	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE 2014 - 2018
			£	£	£	£	£	£	£
5291B022	White Rock Baths	Concrete repairs - general	0		50,000	1,370			50,000
5291B022	White Rock Baths	Contribution to allow rental on Baths total project costs £972k being: FST £150K, ESCC £200K plus HBC Contribution	0	5,600	150,000				150,000
5292B022	Marina Chalets	Purchase 10 new chalets	0	0		(11,660)			0
5293B022	Beachfront	New signage to RNLI standard			40,000				40,000
5289B020	Beachfront	Stade Kitchen** Classroom net grants received		(10,090)		4,660			0
5293B022	Beachfront	Big Beach Project**	0	0					0
5287B020	Winch road	Winch road upgrade**		5,710	100,000	107,650			100,000
5286 B020	Fishermen's Fuel tank	Fishermen's Fuel Tank Replacement**	11,000	11,130		450			11,000
5286 B020	Winch Sheds	Fishermen's Winch Sheds **	0		49,000				49,000
5284B020	Beachfront	Transforming Stade Open Space**	0	0					0
5285B022	Eco Stade	Environmentally Sustainable Tourism**	35,000	34,370		9,470			35,000
5293B022	Beachfront	Children's play area	3,490	3,490					3,490
5293B022	Beachfront	Pelham play ground resurfacing							0
5294B022	Rock a Nore Car Park	Railings at Rock a Nore	40,000	40,000					40,000
5294D293	Car parks	Improved signage	20,000	20,000					20,000
5295B022	Pelham Place Car Park	Repaving + 25 spaces	2,970	2,970					2,970
5298B022	Resurfacing Robertson Street to Pier/White Rock Promade improvements	Work with potential Coastal Communities Fund match			85,000				85,000
5298B022	Landscaping/Fountain*	Work to enhance Coastal Communities funded landscaping			20,000				20,000
5296B022	Contingency		11,540		25,000		25,000	25,000	86,540
<b>Total Programme</b>			<b>124,000</b>	<b>113,180</b>	<b>519,000</b>	<b>111,940</b>	<b>25,000</b>	<b>25,000</b>	<b>693,000</b>

\* Further Charity Committee Approval before additional spend  
 \*\* Fisheries Local Action Group (FLAG) projects

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# Agenda Item 8



**Report to:** Charity Committee

**Date of Meeting:** 28<sup>th</sup> September, 2015

**Report Title:** Future Management Options for the Stade Facilities

**Report By:** Monica Adams-Acton  
Assistant Director for Regeneration and Culture

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## **Purpose of Report**

To advise the Charity Committee on the current position and future options regarding management arrangements for the Stade Hall, Classroom on the Coast and the Stade Open Space (Stade Facilities).

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## **Recommendation(s)**

1. That the Charity Committee approves the interim measures set out in section 20 of this report.
2. That a further report setting out options be brought to the Charity Committee in time for implementation in 2016-17.

---

## **Reasons for Recommendations**

The external funding for promotion and management of these facilities will cease in October, and there is a need to put in place alternative arrangements to ensure that these facilities can continued to be used for the benefit of the general public.

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## Summary, background and context

1. The creation of the StadeFacilities was part of a much bigger project to enhance the Stade as a cultural destination. The entire £8.3m project resulted in the Jerwood Arts Gallery, the Stade Facilities, and other key physical improvements. The project was funded from a variety of sources which included a £2m government grant in January 2009 from the Sea Change programme which was managed by the Commission for Architecture and the Built Environment (CABE). This grant was for the creation of the Stade Open Space and a new community/arts facility (Stade Hall). The creation of the Stade Facilities was approved and supported by the former Hastings and St Leonards Charitable Trust.
2. One of the conditions of the CABE funding agreement was to maintain appropriate public access to the Stade Facilities in accordance with the purposes for which the grant was intended for the lifetime of the agreement. The agreement ends in January 2019.
3. In June 2011, the Charity Committee unanimously approved a proposal to delegate the management of the Stade Facilities to the Stade Community Trust (SCT), under a lease and management agreement. The organisation was comprised of Stade and other local community-based interests and, at that time, was in the process of applying for registration as a charity. The SCT was to be able to retain any income from hiring the spaces and to use this to run SCT operations and maintain the facilities.
4. In July 2013 a report recommending that the proposed lease and devolving of the management of the Stade Facilities to the SCT be halted. Instead, it was proposed that the Council continue to manage the Stade Facilities, operating on behalf of the Foreshore Trust, and that a Management Advisory Committee that included community representatives would oversee the use of the facilities. These changes were proposed following considerable discussion with the SCT trustees, and in view of the fact that a business case for a sustainable operation managed by the SCT would have been impossible without sustained and substantial injections of funding from the Foreshore Trust. These new arrangements were unanimously approved by the Charity Committee. (There were meetings of the Management Advisory Committee during 2013-2014, but it has not met for some time.)
5. Also in July 2013, the Charity Committee unanimously endorsed four applications for European funding through the local Fisheries Local Action Group (FLAG) programme to support capital and revenue projects involving the Stade and related infrastructure and activity. FLAGs are funded by Axis 4 of the European Fisheries Fund, which in the UK is managed by the Marine Management Organisation. Two of the proposals involved the development and promotion of a seafood training kitchen in the Classroom on the Coast, and the promotion and development of cultural and community-based activity on the Open Space and in the Stade Hall.
6. These proposals were successful, and the agreement for the equipping and promotion of the Classroom on the Coast was issued in November 2013. Among the conditions of the agreement is a requirement that the project must not be modified within six years of the grant award.

7. In December 2013 the Charity Committee approved an increase of 3% from April 2014 to all hourly and daily fees for the use of the Stade Hall and the Stade Open Space. There is a sliding scale of fees established for the Stade Hall, with community, voluntary or charity groups paying at the lowest end of the scale and commercial entities at the highest end. In terms of the Stade Open Space, an ad hoc arrangement exists, and it was resolved that free community or charitable events should cover their costs, whilst commercial events would be charged a fee in line with that charged for Council owned spaces.

### **Current uses**

8. There are two essentially separate operational management arrangements currently in place for the Classroom on the Coast, and the Stade Hall/Stade Open Space, both of which are primarily FLAG funded. This funding ceases in October.
9. The promotion and use of the Seafood Kitchen – Classroom on the Coast – is managed by Hastings Voluntary Action (HVA). Earlier this year, HVA contracted with a professional chef to develop and promote a Fish Cookery School. This has proved to be very popular, and the first series of classes was booked out. A second series is about to get underway, finishing in October.
10. The promotion and administration of the Stade Hall and the Stade Open Space is currently managed by the Council's Resorts team through a separate FLAG funded project. The funding pays for a part-time Stade Development Officer who promotes the spaces and manages the bookings. She has also developed and curated several cultural exhibitions and programmes in the Stade Hall.
11. The Council and HVA work collaboratively and in close partnership. However, the dual management arrangements sometimes lead to different uses of the Stade Hall and Classroom on the Coast that are not entirely compatible. Users also regularly request the use of both spaces to host events or receptions, and the different booking processes are not conducive to this. All parties have concluded that a single management structure for the Stade Facilities would resolve booking conflicts and lead to more effective administration and potential cost savings.

### **Stade Facilities costs and income**

12. The different management and accounting arrangements funded by FLAG, combined with the way that some costs are apportioned across Foreshore Trust assets, and the annual variations in activities that have taken place on the Stade Open Space, the Stade Hall and the Classroom on the Coast, make it difficult to accurately predict annual costs and income.
13. Stade Open Space:
  - a. The anticipated 2015-16 cleaning and maintenance costs is approximately £9,490 (£6,550 for Foreshore Trust, £2940 for Hastings Borough Council).
  - b. There is no income from fees anticipated this year.

- c. We have been approached by an antiques market operator who is interested in renting the space in 2016 on regular occasions (together with some parking space). This could generate potentially substantial income.
14. Stade Hall and Classroom on the Coast:
- a. The annual running costs (eg cleaning, utilities, minor repairs and maintenance) is anticipated to be £31,970 for FY2015-16.
  - b. The anticipated income is expected to be in the region of £6,500 (£7,500 in 2014-15).
  - c. Single management arrangements would enable more efficient administration and potentially some cost savings.
15. The total annual running costs, including a small contingency of £3,000, are estimated to be £41,500, not including staffing costs or substantive repair/maintenance costs. The estimated cost of providing a minimal level of staffing to take bookings and administer the hiring of the facilities is £10,500 (0.4 FTE).

### **Legal position**

16. A report to the Charity Committee in December 2013 provided an update on legal advice about permissible uses on Foreshore Trust land. The Stade Facilities are on land that is outside of the Hastings Borough Council Act 1988 (HBC Act), which limits the type of uses and management arrangements. Options available include:
- a. For the Foreshore Trust, through Hastings Borough Council, to directly provide the service, activity or facility.
  - b. For other local charities to provide the service, activity or facility under licence.
  - c. To seek prior Charity Commission consent/approval for a licence to be granted to a commercial body based on evidence that the proposal is reasonably in keeping with existing activities, affordable and provides a facility which is open to the public and that there is no more pressing charitable demand.
  - d. To seek an amendment of the HBC Act to include additional Trust land.
17. There are conditions attached to the Sea Change and FLAG funding that are still extant, and should be taken into account when considering future uses.

### **Future options**

18. There are indications that some existing activities may have potential for generating increased levels of income. For example, the trial Seafood Kitchen, which is currently subsidised by FLAG funding may have potential to be self-sustaining. It is worth examining this in greater detail following the end of the trial in October.
19. The Department for Environment, Fisheries and Rural Affairs (DEFRA) has confirmed that there will be a FLAG II programme, but detailed guidance will not be available and funding applications will not be accepted until the European Commission has approved the Operational Programme. The earliest this may

happen is in autumn this year. The latest advice, however, is that the programme will be similar in many respects to FLAG I, but that there will be an increased focus on FLAG strategies that seek to achieve sustainable economic growth, as well as delivering social and environmental benefits. It is not possible to assess the potential for securing funding for the Stade Facilities at this point in time.

20. It is recommended that the following arrangements and activities are implemented as an interim measure until there is greater clarity about future options:
  - a. The bookings and associated administration of all of the Stade Facilities be managed on behalf of the Foreshore Trust by the Council's Resort Services team. The costs of this, estimated at £10,500 p.a. would be charged to the Foreshore Trust.
  - b. The usual and/or traditional events continue to be scheduled and operate as they have done, while officers investigate measures to maximise their potential to generate income for the Trust.
  - c. Regular meetings of the Management Advisory Group are re-instigated, and the Group is encouraged to work with Council officers to explore the benefits of other models of governance that are consistent with the Trust's objects and which could open up new sources of funding.
  - d. The potential for funding under a FLAG II programme is investigated and actioned, subject to EU guidance and application timeframes.
  - e. Regeneration officers research new activities/uses and management options that will enable the Facilities to become self-sustaining over the longer term.
21. The above measures include bringing the management of the Facilities together in one place, which will enable officers to examine measures to reduce running costs and maximise income for the Trust.
22. Following these investigations, a further report will be prepared setting out recommendations for more permanent arrangements for the Charity Committee, and including business cases for any new uses and/or management arrangements.

### **Policy Implications**

23. Operating costs that have been supported by FLAG funding will revert back to the Foreshore Trust. However, the report sets out a number of measures that will be pursued to minimise the costs and increase income.
24. The Facilities will continue to operate for the benefit of the general public, and local stakeholders will be involved in monitoring the uses of the Stade through the re-institution of the Stade Management Advisory Group.

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### **Wards Affected**

Castle, Central St. Leonards, Old Hastings, West St. Leonards

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## Policy Implications

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness	
Crime and Fear of Crime (Section 17)	
Risk Management	
Environmental Issues	
Economic/Financial Implications	x
Human Rights Act	
Organisational Consequences	
Local People's Views	x
Anti-Poverty	

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## Additional Information

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### Officer to Contact

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01424 451749

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# Agenda Item 9



**Agenda Item No: 9**

**Report to:** Charity Committee

**Date of Meeting:** 28 September 2015

**Report Title:** **Power to Borrow**

**Report By:** Christine Barkshire-Jones  
Chief Legal Officer and Monitoring Officer

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## **Purpose of Report**

To provide the Hastings and St Leonards Foresore Charitable Trust with an express power to borrow.

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## **Recommendation(s)**

- 1. Charity Committee confirm that they adopt the wording contained in Clause 5(4) of the Charity Commission's model Trust Deed that being "to borrow money and to charge the whole or any part of the property belonging to the Charity as security for repayment of the money borrowed. The Trustees must comply as appropriate with Sections 124-126 of the Charities Act 2011 if they wish to mortgage land owned by the Charity"**

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## **Reasons for Recommendations**

The Hastings and St Leonards Foreshore Charity Trust would benefit from having an express power to borrow money.

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## Background

The question as to whether the Foreshore Trust had an express power to borrow money raised itself when the White Rock Baths Scheme was being developed. Both external legal and financial advice was sought. Currently the Charity Commission are considering the issue. However, we have asked the Charity Commission to consider allowing the Trust an express power to borrow.

## Procedure

The Charity Commission have suggested that the Charity Committee confirm that they are happy to adapt Clause 5(4) of the Charity Commissions model Trust Deed which provides a power to borrow, this is "to borrow money and to charge the whole or any part of the property belonging to the Charity as security for repayment of the money borrowed. The Trustees must comply as appropriate with Sections 124-126 of the Charities Act 2011 if they wish to mortgage land owned by the Charity".

The Charity Commission have agreed that the Trust would benefit from the express power. Once the Committee have agreed the wording the minutes can be sent to the Charity Commission as they need to give their written consent to our proposal.

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## Wards Affected

None

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## Area(s) Affected

None

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## Policy Implications

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness	No
Crime and Fear of Crime (Section 17)	No
Risk Management	No
Environmental Issues	No
Economic/Financial Implications	No
Human Rights Act	No
Organisational Consequences	No
Local People's Views	No

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## Background Information

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## Officer to Contact

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Report Template v25.0

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# Agenda Item 10

## NOTES OF

### Hastings & St. Leonards Coastal Users' Group

Meeting held on Tuesday, 8<sup>th</sup> September @ 1800hrs.

#### Present:

Cllr Dawn Poole (DP) (Chair) – HBC (Old Hastings Ward)  
Laurence Bell (LB) – White Rock and America Ground Business Group  
Kevin Boorman (KB) – Hastings Borough Council  
Christine Boulton-Lane (CBL) – West of Haven Beach Users Association  
Alan Care (AC) – Hastings and Rother Disability Forum  
Paul Carter (PC) – East Hastings Angling Association  
Di Cooke (DC) – Hastings Lifeguards  
Nick Fawcett (NF) – 1066 Board Riders  
Cllr Mike Howard (MH) – HBC (West St Leonards Ward)  
Cliff Meaden (CM) – Epic Life  
Yasmin Ornsby (YO) – Stade Partnership  
Andre Palfrey-Martin (APM) – Save Our Heritage  
Allison Pascual (AP) – Hastings Borough Council  
Steve Peak (SP) – Friends of Hastings Country Park  
Nick Sangster (NS) – Hastings Borough Council  
Anne Scott (AS) – Old Hastings Preservation Society  
Cllr Trevor Webb (TW) – HBC (Central St Leonards Ward)

#### 1. APOLOGIES

Jill Bradley – Hastings Old Town Residents Association  
Paul Joy – Hastings Fisherman's Protection Society  
Simon Opie – Hastings Pier Charity  
Jan Sellers – Fishermen's Museum

#### 2. COASTAL ITEMS UPDATE

##### 2.1 Bathing Water Quality Update (NS)

The Environment Agency (EA) has advised it is confident that with all the testing which has been carried out over the past couple of years we will achieve a sufficient rating for Hastings. A better understanding of the causes of the problems had been found, one being Ore Valley Stream. EA has just embarked on further targeted works on combined sewers in the area and HBC are working on the five major ponds in Alexandra Park.

The final results will be announced in November although early indication is expected to be received at the end of this month.

HBC has employed a consultant to look at options independently. The consultant is planning to meet with this group during October/November to look at the impact of bathing water, which was welcomed by the meeting.

It was confirmed that the water in the boating lake is dyed and confirmed to be organic, not harmful. This water is no longer pumped into the sea.

### **3. FORESHORE TRUST ITEMS**

#### **3.1 White Rock Area Improvements (NS)**

The consultation event back in June resulted in 90% positive feedback. Subsequent to this the planning application has been submitted and it is hoped it will be heard by the Planning Committee this month. It is intended to go out to Tender later this month with a view to start works prior to Christmas. The target is to have the work completed by March 2016.

The intended improvements will entail improving the walking and cycling routes on the prom. HBC and East Sussex County Council (ESCC) have carried out an audit on the cycle routes and the necessary improvements will be made.

The issue of White Rock Hotel not being accessible was discussed and will be taken into account for future consultations events.

The ongoing campaign to change the speed limit to 20 miles per hour outside the White Rock Hotel was discussed. This has been discussed with ESCC which has confirmed that the impact of the imminent opening of the Link Road would have to be taken into account prior to making any modifications along Hastings seafront.

#### **3.2 Big Beach Update (NS)**

NS updated on the FLAG project:

Winch Road – work had been completed as of the end of July.  
Lighting poles – are now in place awaiting completion.  
Electricity supplier – is now being sought.  
Fuel tanks – over half have now been installed.  
Drainage – issues of flooding are still being looked into.

### **4. INFORMATION ITEMS**

Charity Committee minutes 27<sup>th</sup> July 2015 were noted.

### **5. SEAFRONT STRATEGY**

5.1 The action plan will be updated and re-circulated. **Action: NS/AP**

5.2 A separate item will be added for Rock-a-Nore Road. **Action: NS**

5.3 Action 3 – The Disability Forum were invited to a private visit of the White Rock Baths site but was then subsequently advised the slots had been filled. A visit can be arranged by HBC if need be.

5.4 Action 6 – More pro-active initiatives for next year are being looked into, i.e. recycling point for used fishing tackle.

5.5 Action 11 – an update on Hastings Pier to be sought from Simon Opie. Cllr Webb declared an interest as ESCC Councillor. KB explained that 2 bids had been submitted, one for Interreg funding (unsuccessful) and another for Horizons 2020, which will require 15% from HBC; the results are expected in January/February 2016. It was also confirmed that the mini tram will be accessible.

5.6 Action 15 – NS explained that more matting will be put in place at the end of summer. Audits will be carried out in certain areas; AC will be contacted. **Action: NS**

5.7 Action 17 – Signs have been installed and HBC have tendered for another 11 to be put in place along the seafront; it is hoped this could be done by the end of this year.

5.8 Action 21 – Results of the inspection indicated the repair costs are much higher than the available budget. A bid for the Coastal Revival fund has been produced which will provide additional funds. Once the tenders have been received HBC will be in a better position to determine the actual repair costs.

5.9 Action 24 – Confirmation still awaited on funding.

5.10 Action 27 – options still being looked into. A conference is taking place in Dover in October/November which could be useful.

5.11 Action 30 – £6M is has been secured by ESCC to improve the cycle routes in Hastings and Bexhill.

5.12 Action 32 – The feasibility study is about to be carried out, once this has been completed public consultation will start. CUG members will be given the opportunity to view the study prior to public consultation.

## **6. MEMBER UPDATES / ANY OTHER BUSINESS**

6.1 Seafood and Wine Festival – KB informed the meeting that this is taking place on 19<sup>th</sup> and 20<sup>th</sup> September at the Stade.

6.2 The Hastings Herring Festival is taking place on 31<sup>st</sup> October and 1<sup>st</sup> November.

6.3 Multi-purpose cycle track – CBL raised the issue of the track not being fit for purpose and that improvements need to be made. There have been inaccurate reports on how good the track is, these need to be squashed.

6.4 Pirate ship was moved to the West of Haven site yesterday. This is currently covered in unsecure tarpaulin. This creates a possible fire hazard as this is also near some oxygen tanks. **Action: NS to investigate**

6.5 Use of White Rock Hotel – CM thanked the WRH for allowing them to use the venue for interviews and to kick off their apprenticeship scheme.

6.6 Tidal pool in Hastings – NS informed the meeting that there is a Facebook group with around 1700 members which are campaigning for a tidal pool in Hastings. NS had met with them recently where it was confirmed there are no firm plans in place yet. It was agreed a member of the group would be invited to the next CUG meeting to talk about the plans. **Action: NS**

6.7 Shingle outside net shops – SP pointed out that the shingle outside the net shops has now become hard ground which needs ploughing to return it to the original state. It was confirmed that consultation with the owners would be needed before any work could be carried out.

6.8 Heritage Open Days – APM informed the meeting that this is taking place this Thursday, 10<sup>th</sup> until Sunday, 13<sup>th</sup> September across Hastings

## **7. NOTES OF LAST MEETING (9<sup>TH</sup> JUNE 2015)**

The notes of the last meeting were agreed as an accurate record.

## **8. REMAINING SCHEDULE OF MEETINGS 2015/16 (Tuesdays 6pm)**

17th November 2015 (also AGM) – EHSAA  
8th March 2016 – Council Chamber  
7th June 2016 – Council Chamber

## **9. DATE OF NEXT MEETING**

17th November 2015 (also AGM) - EHSAA

Meeting closed: 1930hrs.

### **Distribution:**

Hastings & St Leonards Coastal Users Group  
Charity Committee

AP 140915 / NS 140915  
Cllr Dawn Poole Chair approved – 170915