

Charity Committee Agenda

Monday, 26 June 2017 at 6.00 pm

Council Chamber, Muriel Matters House, Breeds Place, Hastings, TN34 3UY.
Please enter the building via the Tourist Information Centre entrance.

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For further information, please contact Emily Horne on 01424 451719 or email ehorne@hastings.gov.uk

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20 MARCH 2017

Present: Councillors Fitzgerald (Chair), Forward, Cartwright and Chris May
(The Protec)

77. **MINUTES OF THE MEETING HELD ON 12 DECEMBER 2016**

RESOLVED that the minutes of the Charity Committee meeting held on 12 December 2016 be approved and signed by the Chair as a correct record of the meeting

78. **ACCESS AUDIT FOR HASTINGS SEAFRONT**

The Resort Services Administration Officer presented the report of the Resort Services Manager on the findings of a recent audit of access provision for facilities and events on Hastings seafront and foreshore, which had been commissioned jointly by Hastings Borough Council and the Foreshore Trust.

The audit had been undertaken by Disability Inclusion CIC, with support from Hastings Access to Venues and Events (HAVE) and Hastings and Rother Disability Forum (HRDF). Theresa Hodge, Managing Director of Disability Inclusion CIC, gave an overview of the audit process. She explained that the audit had focused on beaches at Pelham in Hastings and Marina in St Leonards, as well as opportunities to encourage greater use of the other parts of the promenade and beach, including specific events and activities. The findings of the audit had been considered by the Coastal Users Group and no further comments had been made.

The audit acknowledged that improvements had been made in access to many areas of the seafront itself as well as information and facilities. Recommendations for further improvements had been made in respect of information, arrangements, facilities and events and placed in priority order. Further consultation will take place between the Foreshore Trust and the council regarding the implementation of the recommendations.

The committee thanked the Disability Inclusion CIC and all those who had contributed to the audit for their efforts.

Councillor Forward proposed approval of the recommendations to the Resort Services Manager's report, which was seconded by Councillor Cartwright.

RESOLVED (unanimously) that the recommendations are explored and costed to allow inclusion in the Foreshore Trust Business Plan where appropriate and subject to necessary funding

The reason for this decision was:

To report the findings of the recently completed audit of access provision for facilities and events on Hastings seafront and foreshore.

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79. FORESHORE TRUST GRANT APPLICATION PROCESS

This item was moved up the agenda with the agreement of the Chair.

The Assistant Director, Regeneration and Culture, submitted a report in response to recommendations by the Grant Advisory Panel (GAP) on suggested changes to the Foreshore Trust small grants and events grants process and the guidelines provided to applicants.

Andrew Colquhoun, the Chair of GAP, presented the panel's recommendations to the committee. Members of the Charity Committee and GAP had formed a working group to review the application process, forms and guidance for the two grant programmes. The changes proposed as a result of the review would be effective from the next round of small grant allocations in April / May 2017. The panel had requested that the Charity Committee extend the area for activities supported by the events grants programme to include venues and locations north of the A259 but facing the sea.

The panel also requested that the Charity Committee increase the funding available for the two grant programmes. The Assistant Director, Financial Services and Revenues, commented that the committee consider this request as part of their budget setting process.

Councillor Cartwright proposed approval of the recommendations to the Assistant Director, Regeneration and Culture's report, which was seconded by Councillor Forward.

RESOLVED (unanimously) that:

- 1. The recommendations of the GAP as set out in Appendix 1 to the Assistant Director, Regeneration and Culture's report, be accepted,**
- 2. The changes to the grant guidance to the Foreshore Trust small grants and events grants programme as set out in Appendix 2 and 3 of the Assistant Director, Regeneration and Culture's report, be accepted,**
- 3. The changes to the grant application form as set out in Appendix 4 and 5 of the Assistant Director, Regeneration and Culture's report, be accepted, and;**
- 4. To consider further if the amount of funding for the two programmes should be increased and if the boundary line for the Foreshore Trust grants should be extended.**

The reason for this decision was:

All the recommendations arise following a joint meeting between members of the Charity Committee and Grant Advisory Panel which took place on 3 January 2017.

80. FORESHORE TRUST EVENTS GRANT 2017-18

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This item was moved up the agenda with the agreement of the Chair.

The Assistant Director, Regeneration and Culture, submitted a report setting out the recommendations of the Grant Advisory Panel in respect of the Foreshore Trust events grant programme 2017/18.

Andrew Colquhoun, the Chair of the Grant Advisory Panel, explained that the applications for funding had been assessed against the Foreshore Trust's priorities. The panel had also considered the applicants capacity to deliver their proposals, value for money and benefit to the local community. The panel recommended 11 projects for approval, and the total value of grants was £20,095.

The committee thanked the panel for their efforts assessing the applications for funding. Members commented that it was pleasing to note the diverse range of events supported by the programme.

Councillor Forward proposed approval of the recommendations to the Assistant Director, Regeneration and Culture's report, which was seconded by Councillor Cartwright.

RESOLVED (unanimously) that:

- 1. The events grants recommendations of the GAP, as set out in Appendix A and B of the Assistant Director, Regeneration and Culture's report, be accepted, and;**
- 2. The Charity Committee approve an additional £95 spend from Foreshore Trust funds to support all the events recommended for approval (total £20,095).**

The reason for this decision was:

The Grant Advisory Panel has appraised the merits of the applications received for events grant support and has made a number of recommendations for grant awards that can be funded from the 2017/18 budgets. These were assessed with detailed discussion on each application at two GAP meetings held during February 2017.

81. SEAFRONT CYCLE HIRE - SERVICE REVIEW

The Facilities Development Officer presented the report of the Assistant Director, Regeneration and Culture, to review the operation of the seaside cycle hire and recommend future arrangements for the service.

The seafront cycle hire service had been set up in 2014, and was managed by the council on behalf of the Foreshore Trust. The initial set-up costs had been covered in part by the FLAG funded Ecostade project. Further funding for the purchase of electric bikes had also been received from the Coastal Communities Fund.

The service currently operates seasonally May to October. However, the income received from the hire of bikes varied significantly depending on the time of year. In

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low season, the income received from the cycle hire was not sufficient to cover the staffing costs for operating the service.

The report recommended that the service should operate seasonally from mid-July until early September, while a sustainable business model for the service was developed. It was also proposed to increase the fees and charges for the service, in line with local market value. Additional funding was also requested from the Foreshore Trust Business Plan for 2017/18 for the purchase of replacement bikes and the repair of current stock.

The proposal had been submitted to the Coastal Users Group for consideration and no comments had been received. Under the terms of the earlier funding arrangements, the council would also be required to notify the Marina Management organisation (MMO) of any amendment to the future operation model.

Councillor Cartwright proposed approval of the recommendations to the Assistant Director, Regeneration and Culture's report, which was seconded by Councillor Forward.

RESOLVED (unanimously) that:

- 1. Alternative options are explored to provide a more sustainable business model. This would include discussion with existing and potential operators,**
- 2. Whilst other options are considered the current service operates seasonally for peak weeks only to coincide with the school summer holiday period, from mid-July to early September,**
- 3. £4.5k is committed from the 2017/18 Business Plan to fund the purchase of replacement bikes and repair of current stock where appropriate, and;**
- 4. Fees and charges are increased in line with local market value.**

The reason for this decision was:

The existing business model is not financially sustainable given staff costs in comparison with the income received. Across the three years of operation, staffing cost an average of £1,300 per month, whilst income averaged at just under £700 per month. Average income during August peak season is £1,300, with an all-time high of £1,650 taken in August 2015.

82. APPOINTMENT OF PROTECTOR

Christopher May left the chamber during the debate on this item.

The Chief Legal Officer presented a report which requested the Charity Committee approve the re-appointment of Christopher May as the Protector of the Hastings and St Leonards Foreshore Charity Trust for a further 3 year period.

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Under the requirements of the scheme, the Charity Committee was required to appoint a Protector to oversee the activities of the Foreshore Trust. The post-holder must be a member of the Consultative Committee of Accountancy Bodies.

The post had been advertised on the council's website for a three week period, Mr May was the only applicant.

Councillor Forward proposed approval of the recommendations to the Chief Legal Officer's report, which was seconded by Councillor Cartwright.

RESOLVED (unanimously) that Christopher May be reappointed as the Protector of Hastings and St Leonards Foreshore Charitable Trust for a period of three years

The reason for this decision was:

On 13 January 2011, the Charity Commission for England and Wales approved Hastings Borough Council as trustee for the Hastings and St Leonards Foreshore Charitable Trust. The scheme required that the trustee must appoint a Protector of the charity "whose fiduciary duty will be to ensure the integrity of the administration of the charity, and who must report to the Charity Commission any matter which he has reasonable cause to believe is likely to be relevant for the purposes of the exercise by the Commission of any of its functions".

83. FORESHORE TRUST 2017/18 BUDGET AND FINANCIAL REPORT

The Assistant Director, Financial Services and Revenues, presented a report which advised members of the committee of the current year's financial position (2016/17) and to determine the budget for 2017/18.

The committee were mindful that the draft budget would need to be amended to reflect the decisions made at this meeting in respect of the seafront cycle hire service review and the Foreshore Trust events grant 2017/18. Members were advised of delays of approximately 6 months in realising savings from the new cleaning services contract. The Charity Commission had also recently accepted a land swap arrangement for a small area of land at West Marina.

Members were advised that both income and expenditure in 2016/17 were above the projections set out in the budget. The projected year-end surplus had also increased by £10,000 to £241,000.

The Protector requested an update on projects to resurface the promenade and install new play equipment. The Assistant Director, Regeneration and Culture, confirmed that the resurfacing works had been completed, an additional update on the installation of new play equipment would be provided by email.

A draft budget for 2017/18 was appended to the report, this included proposed increases to off street pay and display parking charges. The draft budget for 2017/18 forecast a total operating surplus of £361,000. An associated business plan was

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currently under development, and this would be reported to the committee meeting in June. The development of the business plan would provide the committee with the opportunity of reviewing the funding allocated for grant awards, as requested by the Grant Advisory Panel.

Councillor Forward proposed approval of the recommendations to the Assistant Director, Financial Services and Revenues report, subject to amendments in respect of the seafront cycle hire and events grants programme, which was seconded by Councillor Cartwright.

RESOLVED (unanimously) that:

1. The current financial position for 2016/17 be agreed,
2. The allocation of general grants for 2017/18 be set at £50,000 and event grants £20,095,
3. The proposed expenditure funded from reserve – albeit further approval to proceed is required for a few schemes,
4. The budget for 2017/18, subject to the amendment regarding the seafront cycle hire and events grant programme, be approved,
5. Financial monitoring reports continue to be presented to each meeting of the Charity Committee, and;
6. The car park charges for 2017/18 (appendix iv to the Assistant Director, Financial Services and Revenues report) be approved.

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 Accounting Codes of Practice and the high standards required for the accounting of public money.

A surplus slightly above budget expectations is anticipated for 2016/17 in respect of ongoing operations. This enables the committee to establish a prudent level of grant allocation that can be distributed as part of the 2017/18 budget process.

The programmed use of reserves has been determined in accordance with the business plan.

84. HASTINGS OFF-STREET PARKING INFRASTRUCTURE IMPROVEMENTS

The Parking Enforcement Manager presented the report of the Assistant Director, Environment and Place, which requested funding for essential upgrades to off street car parking infrastructure located on Foreshore Trust land.

The report proposed the purchase of 22 new pay and display machines at a total cost of £56,364. Additional funding was also required to update the tariff boards in car parks. The works were necessary because many of the existing model of pay and display machines are no longer manufactured, which makes maintenance works more costly and time consuming. Upgrading the pay and display machines will also enable the use of cashless payment methods and further improvements to customer service.

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The Coastal Users Group had been consulted on the matter and were broadly supportive of the proposal. The council's Cabinet also approved the capital expenditure for this work at their meeting in March.

The Assistant Director, Financial Services and Revenues, commented that the cost of the project would be met from Foreshore Trust funds, rather than borrowing.

Councillor Cartwright proposed approval of the recommendations to the Assistant Director, Environment and Place's report, which was seconded by Councillor Forward.

RESOLVED (unanimously) that the request for funding be approved.

The reason for this decision was:

The infrastructure improvements set out in this report are an essential element of the council's digital transformation and customer first programmes. They will facilitate even greater use of cashless payment options, which will help drive channel shift in line with the council's customer first and digital by design principles, as well as generating efficiency savings as we move from partly paper based parking administration systems to wholly digital systems.

The costs associated with them are amongst those which the council can offset against income generated from the off street parking service.

Improvement of the infrastructure located on Foreshore Trust land is essential and integral to the overall success of these improvements to the whole of the off street parking service operated by the council.

85. PROPOSAL TO WORK WITH THE RNLI (ROYAL NATIONAL LIFEBOAT INSTITUTION)

The Marketing and Major Projects Manager presented a report which updated the Charity Committee on a proposal for the Royal National Lifeboat Institution (RNLI) to run the beach lifeguard service in Hastings for a trial summer season in 2017.

Hastings Borough Council and the Foreshore Trust currently operate an in-house seasonal lifeguard service. The service was scheduled to be reviewed at the end of 2017. However, following changes to the management of the team in early 2017, it was necessary for the council and Trust to make interim arrangements for the upcoming summer season.

The RNLI have already made similar arrangements with neighbouring authorities to provide beach lifeguard services. The service is subsidised by the RNLI and will also enable the Trust to benefit from cost savings, compared to the in-house service, whilst protecting the rate of pay for lifeguards. The Coastal Users Group had been briefed on the proposal and supported the new approach.

The findings of the review to be undertaken at the end of the 2017 season will be reported to the Charity Committee at a later meeting.

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Councillor Forward proposed approval of the recommendations to the Marketing and Major Projects Manager's report, which was seconded by Councillor Cartwright.

RESOLVED (unanimously) that the council and Foreshore Trust enter into a one season agreement with the RNLI for the RNLI to provide a beach lifeguard service at Hastings for the 2017 season, this operation to be reviewed at the end of the season

The reason for this decision was:

Because the RNLI can offer a comparable beach lifeguard service to our in-house provision, directly managed by the RNLI, at a lower price.

86. MINUTES OF THE COASTAL USERS GROUP HELD ON 7 MARCH 2017

The minutes of the Coastal Users Group meeting held on 7 March 2017 were submitted.

RESOLVED that the minutes of the Coastal Users Group meeting held on 7 March 2017 be received and agreed

ANNOUNCEMENTS

The committee thanked the Resort Services Manager, who would be leaving the council in March, for his efforts.

The Chief Legal Officer advised that a public consultation on the proposed Public Space Protection Orders would begin on 27 March 2017. Members of the charity Committee would have the opportunity to comment on the proposals, on behalf of the Foreshore Trust.

Councillor Fitzgerald advised that he would be taking on a new portfolio of Cabinet responsibilities after this meeting, and was therefore standing down as Chair of the Charity Committee. He thanked members of the committee and officers for their support during his time as Chair.

Members of the committee thanked Councillor Fitzgerald for his efforts during his time as Chair.

(The Chair declared the meeting closed at. 6.38 pm)

Agenda Item 5



Report to: Charity Committee

Date of Meeting: 26th June 2017

Report Title: The Landing

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

Purpose of Report

The report describes the current status of “the Landing” sculpture and recommends that the Foreshore Trust accepts ownership of the sculpture.

Recommendation(s)

- 1. That the Charity Committee agrees that the Foreshore Trust will accept ownership of “the Landing” sculpture from September 14th 2017.**

Reasons for Recommendations

The sculpture is located on Foreshore Trust land and was commissioned by Hastings Borough Council to mark 950th anniversary of the Battle of Hastings. It is normal practice for the ownership of public art to pass to the commissioner or landowner.

Introduction

1. “The Landing” is a sculpture designed by Hastings based artist Leigh Dyer and was commissioned by Hastings Borough Council as part of the Root 1066 Festival and celebration to mark the 950th anniversary of the Battle of Hastings in 2016.
2. The sculpture was built and installed by Leigh Dyer and the British Artist Blacksmiths Association (BABA) who generously gave time and resources to the project.
3. The proposal for the sculpture received planning permission on 18 June 2016 under application number HS/FA/16/00151 and was installed in September 2016.
4. The sculpture is located on the Hastings seafront pebble beach well below the high tide mark at a point which is adjacent to the Carlisle public house (see appendices for map), therefore on land owned by Hastings Foreshore Trust.
5. The sculpture is made from galvanised mild steel with an electro polished stainless steel 316 figurehead.

Background

6. When an art piece has been installed in the public realm, it is usual for the ownership of the piece to be retained by the artist for a 12 month “settling” period in order to establish any issues of maintenance which may not have been anticipated at the time of design or fabrication. For this reason, a licence was issued which ascertained the continued ownership of “the Landing” as being retained by the artist Leigh Dyer while permitting the artwork to be sited on Foreshore Trust land.
7. This meant that all responsibilities for the sculpture were retained by Leigh Dyer, including maintenance and public liability insurance.
8. Since the installation bi-monthly inspections of the sculpture have been conducted by the artist and Council officers and there has been no evidence of degradation or any indication of a need for maintenance work either now or in the foreseeable future.
9. The sculpture is secured beneath the shingle by a steel substructural foundation 2 m x 1 m x 0.8 m at a depth of 1m and filled with pebbles, with a loading weight of 4 tons. There has been no movement in the position of the sculpture which might indicate a possibility of long term movement of the installation on the shingle. Its location remains firmly fixed and it is situated on a stable shingle bank.
10. A report by certified structural engineers Steve Evans Associates confirms that the sculpture is securely fixed in situ and will not be subject to any movement caused by wind or natural pebble movement.

Proposed Action

11. The sculpture is sited on land owned by the Foreshore Trust and, as previously agreed in principle, it is proposed that the ownership of the sculpture be transferred to the Trust permanently.
12. Inspections of the sculpture will be conducted by HBC seafront services officers in the company of the artist every six months, but it is not anticipated that the sculpture will have any maintenance needs as this was a deliberate facet of the original design.

Risk and Policy Implications

13. Including the subterranean base, the materials comprising the sculpture are worth approximately £4k although the sculpture would cost in total a minimum of £40k to remake and re-install like for like.
14. For the sculpture to be insured against damage, fire and theft, the cost to the Foreshore Trust would be £229.95 + Insurance Premium Tax per annum. It is the opinion of the Finance Officer that as the sculpture is highly unlikely to suffer damage or theft, this would not be money well spent and the Trust should not take out this insurance.
15. The sculpture will be included in the Foreshore Trust's £10 million public liability insurance from the time that the transfer of the ownership of the sculpture from the artist to the Foreshore Trust.

Wards Affected

Castle

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
Anti-Poverty

Additional Information

Appendix A Documentation of planning permission

Appendix B Licence for sculpture location on Foreshore Trust land (including map of actual location of sculpture)

Appendix C Maintenance Schedule for “the Landing”

Appendix D Structural Engineers Report

Appendix E BABA Design and Access Statement

Officer to Contact

Michael Hambridge
mhambridge@hastings.gov.uk
01424 451790

Permission with Conditions Town and Country Planning Acts



Development Management Team
Aquila House, Breeds Place
Hastings, East Sussex TN34 3UY

www.hastings.gov.uk/planning

Application Number: HS/FA/16/00151

File Number:

Drawing Numbers: Site Plan 01 and Drawing 01

Applicant: Mr Dyer

Address:

Proposed Sculpture, Beach, Denmark Place, Hastings

Description:

To position a sculpture of the prow of a norman long boat on the shingle bank opposite Denmark Place, to commemorate the 950 anniversary of 1066.

In pursuance of its powers under the Town and Country Planning Acts, and all other powers, the Council hereby permits the development described in the Plans and Application specified above, subject to the following conditions:

1. The development hereby permitted shall be begun before the expiration of three years from the date of this permission.
2. The development hereby permitted shall be carried out in accordance with the following approved plans:

Site Plan 01 and Drawing 01

The reasons for the imposition of the said conditions are:

1. This condition is imposed in accordance with the provisions of Section 91 of the Town and Country Planning Act 1990.
2. For the avoidance of doubt and in the interests of proper planning.

Notes to the Applicant

You are advised:

1. Failure to comply with any condition imposed on this permission may result in enforcement action without further warning.
2. Statement of positive engagement: In dealing with this application Hastings Borough Council has actively sought to work with the applicant in a positive and proactive manner, in accordance with paragraphs 186 and 187 of the National Planning Policy Framework.

include any consent or Approval under any other enactment or under the Building Regulations. Any other consent or approval which is necessary must be obtained from the appropriate authority.

Dated: 18 May 2016

To: Mr Dyer
8-10 West Street
Hastings
TN34 3AN



for Eleanor Evans
Planning Services Manager

Application No. HS/FA/16/00151

DATED

16 November 2016

LICENCE TO OCCUPY

relating to the area known as land on the Beach at Denmark Place, Hastings

between

**HASTINGS BOROUGH COUNCIL AS TRUSTEE OF THE HASTINGS AND ST
LEONARDS FORESHORE CHARITABLE TRUST**

and

LEIGH EDWARD JOHN DYER

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SCHEDULE

SCHEDULE	RIGHTS GRANTED TO LICENSEE	ERROR! BOOKMARK NOT DEFINED.
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THIS LICENCE is dated 16 November 2016

PARTIES

- (1) HASTINGS BOROUGH COUNCIL as Trustee of THE HASTINGS AND ST LEONARDS FORESHORE CHARITABLE TRUST of Aquila House Breeds Place Hastings East Sussex TN34 3UY (**Licensor**).
- (2) LEIGH EDWARD JOHN DYER of 54 Vicarage Road Hastings East Sussex TN34 3LY (**Licensee**).

AGREED TERMS

1. INTERPRETATION

The following definitions and rules of interpretation apply in this licence.

1.1 Definitions:

Competent Authority: any statutory undertaker or any statutory public local or other authority or regulatory body or any court of law or government department or any of them or any of their duly authorised officers.

Licence Fee: the amount of ONE POUND per month.

Licence Fee Commencement Date: 14 September 2016.

Licence Period: the period from and including 14 September 2016 until the date on which this licence is determined in accordance with clause 4.

Necessary Consents: all planning permissions and all other consents, licences, permissions, certificates, authorisations and approvals whether of a public or private nature which shall be required by any Competent Authority for the Permitted Use.

Permitted Use: siting of the Work

Plan: the plan attached to this licence marked "ESAD 1721".

Property: the land on the Beach at Denmark Place Hastings shown coloured pink on the Plan.

Work: the sculpture entitled "The Landing" and more particularly described in the brief attached to this licence marked "Brief".

1.2 Clause and paragraph headings shall not affect the interpretation of this licence.

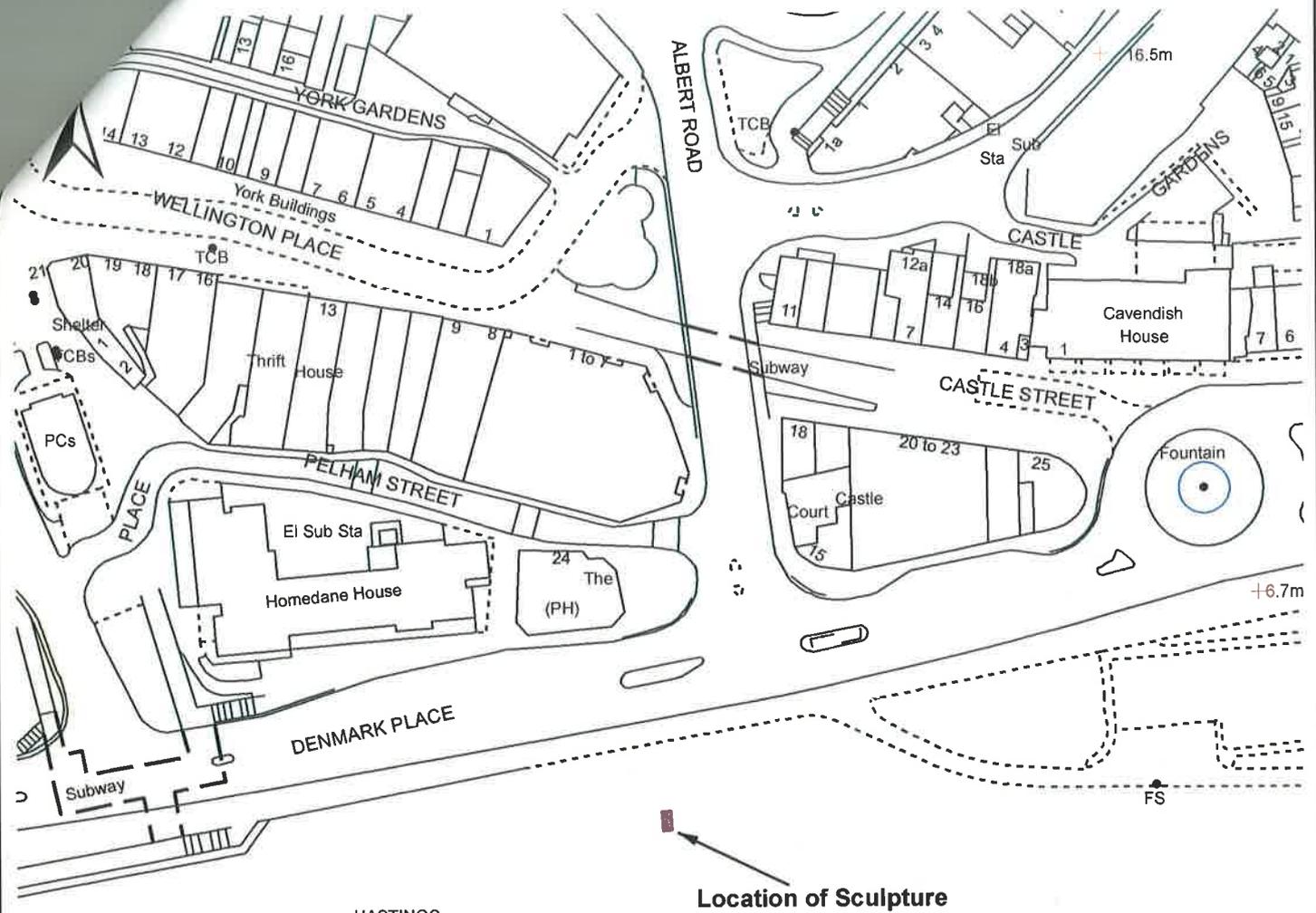
1.3 A **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).

1.4 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.

- 1.5 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.6 A reference to laws in general is a reference to all local, national and directly applicable supra-national laws as amended, extended or re-enacted from time to time and shall include all subordinate laws made from time to time under them and all orders, notices, codes of practice and guidance made under them.
- 1.7 Unless otherwise specified, a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time and shall include all subordinate legislation made from time to time under that statute or statutory provision and all orders, notices, codes of practice and guidance made under it.
- 1.8 A reference to **writing** or **written** excludes fax and e-mail.
- 1.9 Any obligation on a party not to do something includes an obligation not to allow that thing to be done and an obligation to use best endeavours to prevent that thing being done by another person.
- 1.10 References to clauses and Schedules are to the clauses and Schedules of this licence and references to paragraphs are to paragraphs of the relevant Schedule.
- 1.11 Any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.12 A **working day** is any day which is not a Saturday, a Sunday, a bank holiday or a public holiday in England.

2. LICENCE TO OCCUPY

- 2.1 Subject to clause 3 and clause 4, the Licensor permits the Licensee to occupy the Property for the Permitted Use for the Licence Period in common with the Licensor and all others authorised by the Licensor (so far as is not inconsistent with the rights given to the Licensee to use the Property for the Permitted Use).
- 2.2 The Licensee acknowledges that:
- (a) the Licensee shall occupy the Property as a licensee and that no relationship of landlord and tenant is created between the Licensor and the Licensee by this licence;



HASTINGS

Shingle

Mean High Water
Shingle

Location of Sculpture

Outfall

INSERT ADDRESS



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Aquila House, Breeds Place,
Hastings, East Sussex TN34 3UY

- (b) the Licensor retains control, possession and management of the Property and the Licensee has no right to exclude the Licensor from the Property;
- (c) the licence to occupy granted by this agreement is personal to the Licensee and is not assignable and the rights given in clause 2 may only be exercised by the Licensee and its employees; and

3. LICENSEE'S OBLIGATIONS

The Licensee agrees and undertakes:

- (a) to pay to the Licensor the Licence Fee payable without any deduction in advance on the Licence Fee Commencement Date;
- (b) to effect and maintain with a reputable insurance company a policy or policies of insurance providing as a minimum public liability insurance with a limit of indemnity of not less than £5,000,000 in relation to any one claim or series of claims (the Required Insurance);
- (c) that the cover shall be in respect of all risks including death or personal injury, loss of or damage to property or any other loss;
- (d) to give the Licensor upon request, copies of all insurance policies referred to in this clause or a broker's verification of insurance to demonstrate that the Required Insurance is in place, together with receipts or other evidence of payment of the latest premiums due under those policies;
- (e) if, for whatever reason, the Licensee fails to give effect to and maintain the Required Insurances, the Licensor may make alternative arrangements to protect its interests and may recover the costs of such arrangements from the Licensee;
- (f) the terms of any insurance or the amount of cover shall not relieve the Supplier of any liabilities under the agreement;
- (g) to maintain the Work as required and keep it in good and safe condition;
- (h) not to use the Property other than for the Permitted Use;
- (i) not to display any advertisement, signboards, nameplate, inscription, flag, banner, placard, poster, signs or notices at the Property without the prior written consent of the Licensor;
- (j) not to do or permit to be done on the Property anything which is illegal or which may be or become a nuisance (whether actionable or not), annoyance, inconvenience or disturbance to the Licensor or any owner or occupier of neighbouring property;
- (k) not to cause or permit to be caused any damage to:
 - (i) the Property or any neighbouring property; or
 - (ii) any property of the owners or occupiers of the Property, or any neighbouring property;

- (l) not to do anything that will or might constitute a breach of any Necessary Consents affecting the Property or which will or might vitiate in whole or in part any insurance effected in respect of the Property from time to time;
- (m) to observe any rules and regulations the Licensor makes and notifies to the Licensee from time to time governing the Licensee's use of the Property;
- (n) to leave the Property in a clean and tidy condition and to remove the Work from the Property at the end of the Licence Period if so required by the Licensor; and
- (o) to indemnify the Licensor and keep the Licensor indemnified against all losses, claims, demands, actions, proceedings, damages, costs, expenses or other liability in any way arising from:
 - (i) this licence;
 - (ii) any breach of the Licensee's undertakings contained in clause 3; and/or
 - (iii) the exercise of any rights given in clause 2;

4. TERMINATION

4.1 This licence shall end on the earliest of:

- (a) 13 September 2017; and
- (b) the expiry of any notice given by the Licensor to the Licensee at any time on breach of any of the Licensee's obligations contained in clause 3.

4.2 Termination of this licence shall not affect the rights of either party in connection with any breach of any obligation under this licence which existed at or before the date of termination.

5. NOTICES

5.1 Any notice given under this licence shall be in writing and shall be delivered by hand or sent by pre-paid first-class post or other next working day delivery service to the relevant party as follows:

- (a) to the Licensor at: Aquila House Breeds Place Hastings East Sussex TN34 3UY and marked for the attention of the Chief Legal Officer; and
- (b) to the Licensee at: 54 Vicarage Road Hastings East Sussex TN34 3LY,
or as otherwise specified by the relevant party by notice in writing to each other party.

5.2 Any notice given in accordance with clause 5.1 will be deemed to have been received:

- (a) if delivered by hand, on signature of a delivery receipt or at the time the notice is left at the proper address; or
- (b) if sent by pre-paid first-class post or other next working day delivery service, at 9.00 am on the second working day after posting.

5.3 A notice given under this licence shall not be validly given if sent by e-mail.

5.4 This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

6. NO WARRANTIES FOR USE OR CONDITION

6.1 The Licensor gives no warranty that the Property possesses the Necessary Consents for the Permitted Use.

6.2 The Licensor gives no warranty that the Property is physically fit for the purposes specified in clause 2.

6.3 The Licensee acknowledges that it does not rely on, and shall have no remedies in respect of, any representation or warranty (whether made innocently or negligently) that may have been made by or on behalf of the Licensor before the date of this licence as to any of the matters mentioned in clause 6.1 or clause 6.2.

6.4 Nothing in this clause shall limit or exclude any liability for fraud.

7. LIMITATION OF LICENSOR'S LIABILITY

7.1 Subject to clause 7.2, the Licensor is not liable for:

- (a) the death of, or injury to the Licensee, its employees, customers or invitees to the Property; or
- (b) damage to any property of the Licensee or that of the Licensee's employees, customers or other invitees to the Property; or
- (c) any losses, claims, demands, actions, proceedings, damages, costs or expenses or other liability incurred by Licensee or the Licensee's employees, customers or other invitees to the Property in the exercise or purported exercise of the rights granted by clause 2.

7.2 Nothing in clause 7.1 shall limit or exclude the Licensor's liability for:

- (a) death or personal injury or damage to property caused by negligence on the part of the Licensor or its employees or agents; or

- (b) any matter in respect of which it would be unlawful for the Licensor to exclude or restrict liability.

8. THIRD PARTY RIGHTS

A person who is not a party to this licence shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this licence.

9. GOVERNING LAW

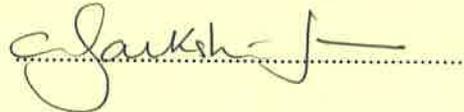
This licence and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

10. JURISDICTION

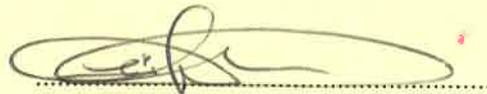
Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this licence or its subject matter or formation (including non-contractual disputes or claims).

This licence has been entered into on the date stated at the beginning of it.

Signed by
for and on behalf of HASTINGS
BOROUGH COUNCIL AS TRUSTEE
OF THE HASTINGS AND ST
LEONARDS FORESHORE
CHARITABLE TRUST



Signed by LEIGH EDWARD JOHN
DYER



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Leigh Dyer
8 West Street
Old Town
TN34 3AN

Maintenance Schedule for the Landing sculpture

**Monthly assessments from the 14th October 2016 -14th October 2017
Assessments made by Leigh Dyer**

Assessment list:

- **Stone chip damage**
- **Fixing points of letters**
- **Alignment of the sculpture**
- **Weld joints**
- **Overall appearance**

Expected changes to the surface of the sculpture due to weathering:

- **Surface colour**
- **Surface rust**
- **Seagull droppings staining**

Assessments required after October 2017 made by Hastings Borough Council

- **Six monthly checks of the list above**

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2 August 2016

Mr T Puddephatt
BABA Events Co-Ordinator

Dear Tim

Millennial Sculpture Hastings Beach

I have had a look at the drawings and pictures you have provided for me of the sculpture and I am happy that the structure is stable. There are a number of elements that I have considered:

The strength of the sculpture.

This only has to support itself which it clearly does. The wind load on it will be negligible compared to the dead load and by inspection it is clearly able to support itself and any wind load.

The strength of the base.

Clearly the base is very robust. Each of the eight columns are able to take four or five times the total weight of the structure. By inspection this is more than capable of taking the load of the structure.

Bearing on the shingle.

I have attached a small calculation on the bearing of the structure. The total ground pressure exerted on the structure is approximately 13 kN/m². This is very low, less than half the pressure exerted by a tracked bulldozer and a third of the pressure exerted by a full grown man. Clearly this is not an issue.

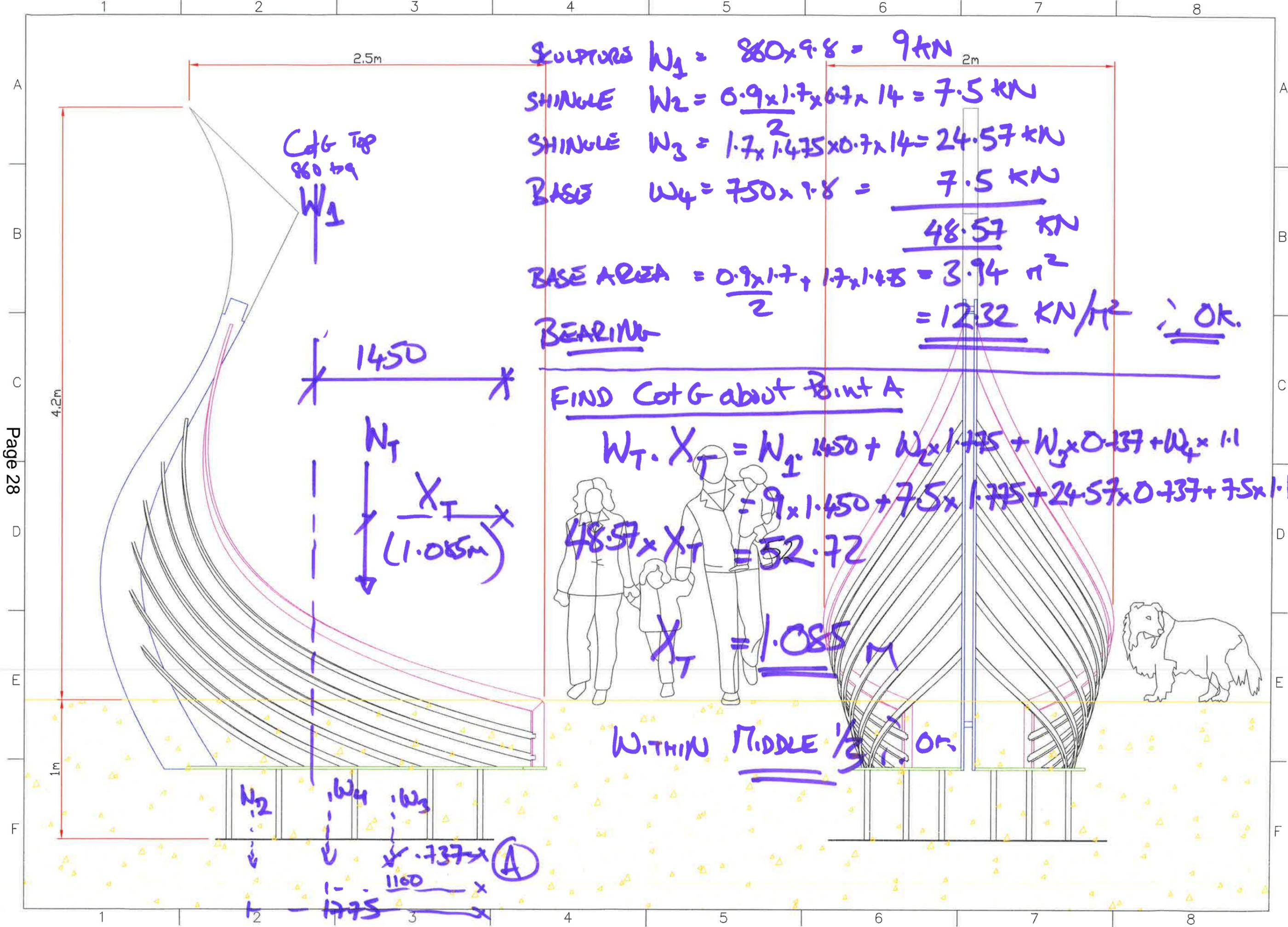
Overturning

I have also attached a calculation for the overall centre of gravity. This lies within the middle third of the base and therefore we can conclude that it is stable and not likely to overturn.

Yours sincerely

Stephen Evans
MICE CEng
For & on behalf of Stephen Evans Associates LLP

Enc



Page 28

SCULPTURE $W_1 = 860 \times 9.8 = 9 \text{ kN}$

SHINGLE $W_2 = 0.9 \times 1.7 \times 0.7 \times 14 = 7.5 \text{ kN}$

SHINGLE $W_3 = 1.7 \times 1.475 \times 0.7 \times 14 = 24.57 \text{ kN}$

BASE $W_4 = 750 \times 9.8 = 7.5 \text{ kN}$

48.57 kN

BASE AREA = $\frac{0.9 \times 1.7 + 1.7 \times 1.475}{2} = 3.94 \text{ m}^2$

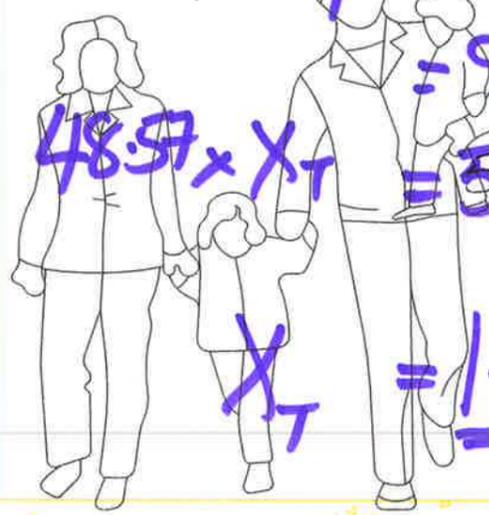
12.32 kN/m² ∴ OK

BEARING

FIND Cot G about Point A

$W_T \cdot X_T = W_1 \cdot 1.450 + W_2 \cdot 1.775 + W_3 \cdot 0.737 + W_4 \cdot 1.1$

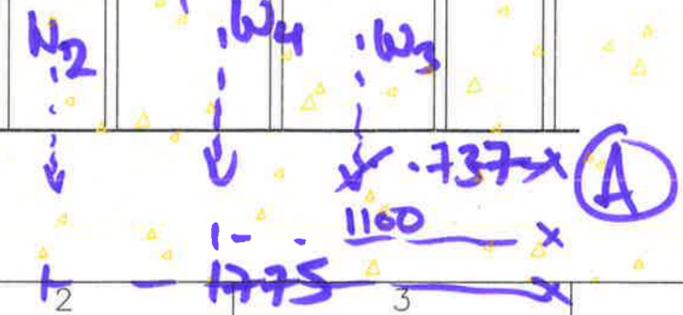
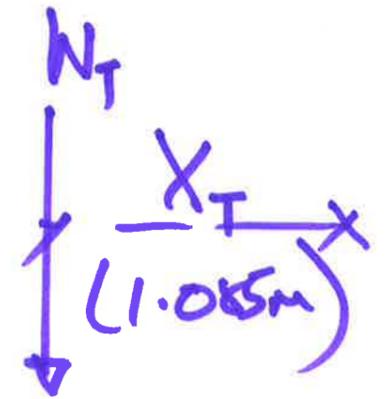
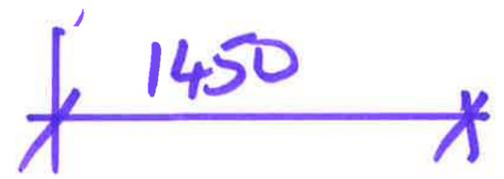
$= 9 \times 1.450 + 7.5 \times 1.775 + 24.57 \times 0.737 + 7.5 \times 1.1$
 $48.57 \times X_T = 52.72$



$X_T = 1.085 \text{ m}$

WITHIN MIDDLE 1/3 OK

Cot G Top
860 kg
 W_1



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Chairman BABA
Anwick Forge
62 Main Road
Anwick
Lincolnshire
NG34 9SU

Tel: 01526 830303
Mobile: 07718 316533
Email: chairman@baba.org.uk

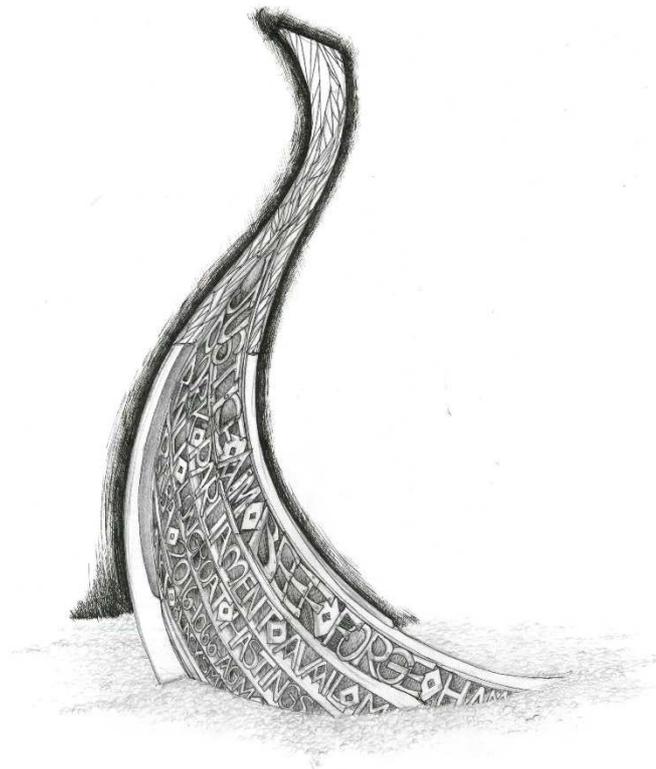
Hastings Sculpture – Design and Access Statement

Introduction

The sculpture project originated from a concept by local sculptor Leigh Dyer and has been developed in collaboration with the British Artist Blacksmiths Association (BABA). Within BABA, the main creative input has come from artist blacksmith and head of BABA's events team, Tim Puddephatt.

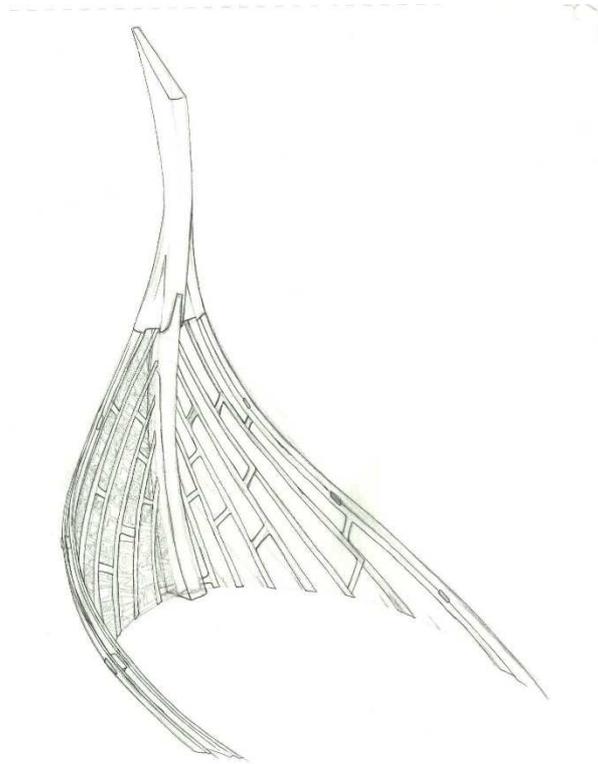
The design evolution:

The initial design is pictured below:



Whilst we were happy with the concept and the aesthetic of the shape of the sculpture, after consideration of the ease with which it could be climbed and the potential for finger traps within the lettering, it was decided that the design needed to be modified to reduce these risks.

Design two:

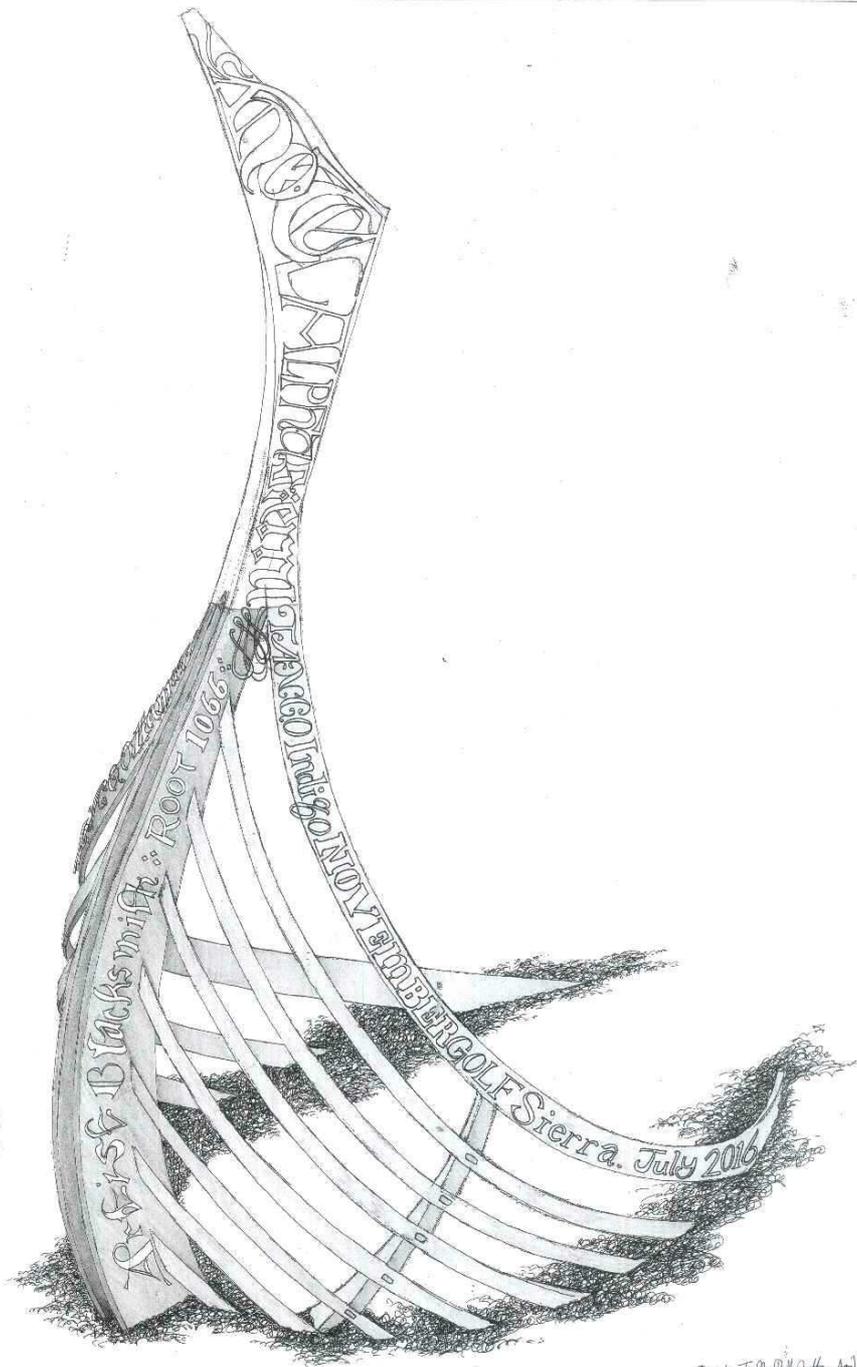


The design evolved so that the lettering would be reduced and raised in relation to the height from ground level at which it would be placed. We considered this to be progress in making the sculpture safer without compromising the overall shape but that there was still further design development work to be undertaken.

The final design: Health and Safety Assessment

The final design evolved from a design team meeting involving Leigh Dyer, BABA's events team and members of the BABA Council. We specifically considered means of further reducing the ease with which the sculpture could be climbed and means of further reducing the potential for the lettering and forged detail to form finger traps. It was decided to:

- Increase the material stock thickness to impart sufficient strength into the sculpture structure to enable the number of interconnecting bars to be significantly reduced with the aim of greatly reducing the ease with which the sculpture could be climbed.
- The stock that the ribs of the sculpture would be forged from was increased to 100mm x 20mm not only to impart structural strength but also as this is too large a section to comfortably enclose in a hand making the sculpture yet more difficult to climb.
- Lettering would be limited to positions where it would be backed by the structure of the sculpture to prevent the letters from becoming finger traps
- The top section of the sculpture, well above reach from ground level, would form the main focus for forged detail and more extravagant lettering.



The resulting design, shares the sculptural elegance of the original concept but is significantly more difficult to climb and doesn't include finder traps that can be reached from ground level.

It was also agreed that attention to detail during the manufacturing process would ensure that the sculpture was carefully fettled to remove and sharp edges.

Furthermore, the sculpture would be blast cleaned before hot dip galvanizing to attract a thicker coating (typically, 140 microns) to ensure that any galvanizing 'spikes' could be fettled before installation, without affecting the galvanizing integrity.

In summary, due diligence has been exercised by the design team to ensure that every effort has been made to reduce the potential for the sculpture to be climbed.

Maintenance

The sculpture is being installed in a harsh environment. However, the Galvanizers Association corrosion rate for Hastings is listed as 1.5 microns a year. Thus, a typical 140 micron coating will last 93 years. The structure is also robust and will withstand the elements for a further period of time should the coating be breached. This does not take into account any damage to the coating through vandalism etc. It is therefore suggested that a maintenance schedule is set up with Leigh Dyer inspecting the sculpture on a bi-annual basis.

The sculpture is bolted to the foundation piece so that it can be removed for maintenance should this become necessary for whatever reason.

A handwritten signature in black ink, appearing to read 'Tim Mackereth', with a stylized flourish at the end.

Tim Mackereth
Chairman BABA

Agenda Item 6



Report to: Charity Committee

Date of Meeting: 26th June 2017

Report Title: Seafront Splash Pad Water Play and Kiosk

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

Purpose of Report

To provide updates on further investigations into the proposed seafront water play and kiosk project and on the outcome of the grant application to the fourth round of the Coastal Communities Fund (CCF4).

Recommendation(s)

1. To cease further work in relation to development of a water play feature at Pelham Place.
2. To note the successful outcome of the CCF4 bid and:
3. Approve a budget of £180,000 for the refurbishment of the redundant fountain and adjacent public space at White Rock. £95,000 of this budget is the CCF4 grant award, and the balance is to come from the Foreshore Trust's reserves and existing budget, as set out in this report.
4. Delegate authority to the Director of Operational Services or his nominee in consultation with the Chair of the Charity Committee to undertake appropriate surveys; secure planning permission; and, subject to the outcome of the surveys, commission contractors to design and complete works, within the approved budget, that will re-animate this area by the installation of a new water feature and associated physical improvements.

Reasons for Recommendations

1. There are significant technical, and potentially costly, issues in relation to the installation of a splash pad and associated facilities on the site at Pelham Place.
2. The bid for funding a programme of projects under the 4th round of the national Coastal Communities Fund was successful, and there is an award of £95,000 within the programme to refurbish the redundant fountain and adjacent area near 'The Source' skate park at White Rock. This is subject to additional investment by the Foreshore Trust (match funding), and completion of the project by December 2019.

Pelham Place water play

1. The Charity Committee granted approval in principle in December 2016 for officers to procure a seafront splash pad water play facility, associated seating and kiosk building (to house the plant room and potential refreshment kiosk) at Pelham Place, with a nominal budget of £225,000. This tendering exercise and additional investigations into likely operating and ongoing maintenance costs were considered essential prior to the Charity Committee making a final decision to approve the project.
2. The favoured position for the water play was the grassed landscaped area to the far west of Pelham car park.
3. A national water play company has produced initial outline designs with an indicative cost of £250K for the installation and equipment.
4. Quotes have been obtained for electrical and fresh water connections.
5. However, further site investigations have revealed the presence of a main sewer directly underneath the site. Southern Water has expressed concerns about construction above this sewer and is unwilling to confirm technical details or engage in further discussion prior to planning permission.
6. It is not considered to be prudent to tender the works without a good understanding of the required site preparation works, including any work that Southern Water might require in order to permit construction above the sewer.
7. Completion of a successful tender process is necessary to inform a planning application.
8. Given the above difficulties, officers have been considering other potential locations for the project but no potentially suitable alternative discrete sites have yet been identified.

White Rock water fountain

9. The Council, as trustee, was successful in securing funding from CCF4 to support further improvement of the promenade in the White Rock area and to promote increased use and enjoyment of the Hastings seafront. A total of £75,000 has been awarded for works to refurbish the redundant fountain and adjacent public space, and a further £20,000 for project management of these works.
10. Match-funding of £50,000 has already been earmarked in the Trust's 2017/18 budget for this project, in anticipation of works costing approximately £145,000.
11. However, the fountain pool has not been used for some considerable time and a structural survey, as well as a test of its watertightness, is warranted before work to develop design options is commissioned. The cost of the initial surveys and design work is estimated to be an additional £35,000. This initial phase would be completed by December 2018. The outcome of the design work would inform the scale of the project, as well as likely future running and maintenance costs.
12. It is proposed that a potential water play facility be considered, and costed, as part of the site investigations and tendering process.

Policy Implications

13. Risk Management – there are risks associated with the reanimation of the White Rock fountain area. These arise from the condition of the structure and the buildings below. These risks will be carefully managed by carrying out appropriate structural surveys as part of the design process when restoring the water feature.
14. Environmental Issues: the water fountain at White Rock has not been in use for over two years and is regarded as an eye-sore. Other environmental issues will be taken into account as part of the design process.
15. Economic/Financial Implications: delaying the original water play project at Pelham Place will save funds for the trust. Reanimation of the water fountain will have a positive impact in terms of attracting tourism and encouraging promenading in the area.

Wards Affected

Castle

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 Yes

Environmental Issues Yes

Economic/Financial Implications Yes

Human Rights Act

Organisational Consequences

Local People's Views

Anti-Poverty

Additional Information

None required

Officer to Contact

Hannah Brookshaw

hbrookshaw@hastings.gov.uk

01424 451337

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Agenda Item 7



Report to: Charity Committee

Date of Meeting: 26th June 2017

Report Title: Foreshore Trust Business Plan 2017 - 2022

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

Purpose of Report

To present a five year Business Plan for the period 2017/18 – 2021/22.

Recommendation(s)

- 1. That the Business Plan as appended to this report be approved.**
- 2. That the Committee delegate authority for any minor modifications to the Assistant Director of Regeneration and Culture in consultation with the Chair of the Charity Committee.**

Reasons for Recommendations

The Charity Committee requires a business plan to support its decision-making on the use of Trust assets and surpluses.

Background

1. The business plan follows on from the earlier five year plan and is based upon our current knowledge of maintenance, income, required capital works and proposals for new activities. It will be subject to review and modification as developing proposals and investigations are completed, most significantly in relation to the Stade facilities and the White Rock Baths area.
2. The plan should be reviewed annually.

Summary

3. The main aspects of the plan appear in pages 12 through 23 where the achievements of 2016/17 and the plans for 2017 onwards are explained.
4. The Spending Plan (page 26), Indicative Forward Plan (page 27) and Reserves Policy (pages 28, 29) set out the financial forecasts and policies. Based on the Spending Plan an additional £710,000 will be needed to meet the expenditure plans over the period of the business plan.

Consultation

5. Views on the revised document will be sought from the Coastal Users Group and the Protector.
6. The Coastal Users Group's comments will be contained in the minutes of their 13th June meeting.
7. The Protector's comments will be considered at your meeting.

Financial Implications

8. Based on the Spending Plan included in the business plan, an additional sum of £710,000 will be needed to meet the expenditure plans in the period 2017/18 to 2021/22.
9. The financial forecasts predict a surplus for each year, providing scope to include some of the recurring planned expenditure within annual budgets. There are higher cost initiatives, such as resurfacing of car parks, roadways, and so on that will necessitate identification and retention of significant sums within the accounts.

Wards Affected

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

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	x
Environmental Issues	
Economic/Financial Implications	x
Human Rights Act	
Organisational Consequences	
Local People's Views	x
Anti-Poverty	

Additional Information

Appendix 1: Foreshore Trust Business Plan 2017/18 – 2021/22.

Foreshore Trust Business Plan 2011-2016:

[http://hastings.moderngov.co.uk/Data/Charity%20Committee/20110907/Agenda/\\$FT%20Business%20Plan%20Appdx%20\(07%2009%2011\).doc.pdf](http://hastings.moderngov.co.uk/Data/Charity%20Committee/20110907/Agenda/$FT%20Business%20Plan%20Appdx%20(07%2009%2011).doc.pdf)

Officer to Contact

Monica Adams-Acton
madams-acton@hastings.gov.uk
01424 451749

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Foreshore Trust Business Plan
2017/18 – 2021/22

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Executive Summary

1. The Foreshore Trust is a charity registered with the Charity Commission under number 1105649. Hastings Borough Council is the trustee and is bound by charity law in the same way as any other charity trustee.
2. The objects of the Charity are to hold and maintain the Charity's land for the common use, benefit and enjoyment of all Her Majesty's subjects and the public for the time being forever; and, subject to that, such charitable purposes within the area of the Borough of Hastings as the Trustee thinks fit.
3. The first priority for the Trustee is meeting the cost of administration and maintenance and repair of the Trust estate. It can then consider further distribution of income for charitable purposes within the Borough of Hastings, subject to its responsibility to maintain reasonable reserves for unplanned or unpredictable operational expenses.
4. The Trustee envisages a Foreshore where history and traditional industry are preserved and nurtured whilst events and activities are encouraged along the entire length of trust land and opportunities for income generation are exploited wisely to support the Foreshore and the residents of the borough.
5. The Trust agreed and published its previous five-year plan in 2012. This plan covers the period 2017/18 – 2021/22, and will be reviewed by the charity committee annually.
6. The balance on the Trust's accounts at 31 March 2017 is forecast to be £1.422m, of which £1.4225m is forecast as cash. Income for the financial year ended 31 March 2017 is projected to be £1.444m (including £127,000 on disposal of a parcel of land to Hastings Borough Council). Total expenditure is forecast to be £1.050m, leaving a surplus of £394,000 after grants and project costs. An annual provision for charitable grants has been established which currently amounts to some £70,000. (This level was established on the basis that it represented some 25% of the estimated annual trading surplus). The Trust maintains sufficient balances to cover planned spending commitments for repairs, renewals and projects. It also has a reserves policy which determines the minimum level of resources that should be maintained at any one time.
7. During the 2016/17 financial year, the Trust delivered a number of planned projects along the seafront, notably improvements to the promenade between the White Rock Baths and Hastings Pier. These included resurfacing, landscaping and the installation of a wooden deck area and kiosk beside the White Rock Baths.
8. The Source officially opened its state of the art BMX and skateboard venue in the refurbished White Rock Baths in the spring

of 2016, and the company also took a tenancy of the kiosk which opened in March 2017. This exciting new lease of life for the White Rock Baths and the promenade improvements has reanimated what was formerly an unattractive and dilapidated part of the seafront, and also enhanced the impact of the re-opening of Hastings Pier later in 2016.

9. A major project to improve the town's defences against beach erosion and marine flooding commenced with the repair of one rock groyne and the building of a new rock groyne on the beach between White Rock Baths and Hastings Pier. The second phase of this project, which involves repairs to the Harbour Arm, will be completed in 2017/18.
10. Works to improve the Winch Road at the Stade were completed, and involved significant improvements to the road surface and lighting.
11. Advised by the Grants Advisory Panel, the Trust approved and distributed two rounds of grants in 2016/17. Fifteen organisations were supported by grants to the value of £50,000 under the Trust's Small Grants scheme, and £19,786 was awarded in respect of eleven events in the town under the Events Grants scheme. The total allocation was £69,786.
12. Projects in the Trust's spending plan for the years 2017-2021 include: repairs, replacement and improvements to the Trust's existing assets; and development of new assets that will enhance the public's enjoyment of the foreshore and the use of existing assets, as well as some projects that will bring in new income for the Trust.
13. The Trust will continue to maintain sufficient resources for the effective management of its assets and implementation of its plans, and will ensure safe operations and timely monitoring and mitigation of risks.

Background

About the Trust

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

History of the Trust

15. The Charter of Elizabeth I in 1588 bestowed corporation status on Hastings and also gifted its stone beach to the newly incorporated town. In the late 19th century, the Crown sued Hastings Corporation in the High Court in relation to the Foreshore, i.e. the area of the beach between high and low water which generally belongs to the Crown. The High Court litigation was settled and on 8 September 1893 the Crown sold the Foreshore between Rock-a-Nore and Grosvenor Gardens to Hastings Corporation. However, unlike the Charter, the conveyance of the Foreshore to Hastings Corporation was on trust to hold the land for the "common use, benefit and enjoyment of Her Majesty's subjects and the public generally for ever". Later in 1925, 1933 and 1934 the Crown sold further areas to Hastings Corporation on the same charitable trusts so that it held the whole of the Foreshore between the town's eastern and western boundaries.
16. Changes to the high and low water mark since 1893, primarily because of the construction of the harbor arm, mean that a considerable amount of land which was below the high water mark in 1893, is now well above the current high water mark. This means the Foreshore Trust now owns a significant amount of real estate, particularly towards the eastern end of the town.
17. In 1947 a Deed of Compromise was agreed between the County Borough of Hastings and representatives of Hastings fishermen over the ownership and use of the area of Foreshore known as The Stade. This agreement confirmed ownership and various rights on the Stade to the County Borough, subject to the terms of the 1893 conveyance, whilst granting irrevocable powers to carry out specified activities there to all registered fishermen.
18. In 1987 Hastings Borough Council promoted a bill which became the Hastings Borough Council Act 1988. The Act had a number of provisions affecting Hastings, some of which related to the Foreshore. The effect of the Act was to vary the original charitable trusts so certain areas of the Foreshore could be used for car parking and other purposes, including leisure. The Act empowered the Council to charge for services provided and to permit others to provide services at a charge.

The car parks at Rock a Nore and Pelham are operated under the 1988 Act as was the former car, coach and lorry park at the Stade. The Act also enabled the development of the Stade amusements, boating lake, crazy golf and similar ventures.

19. In August 2004, the Hastings and St Leonards Foreshore Charitable Trust was registered with the Charity Commission. A scheme providing for the appointment of four independent trustees and two Council nominated trustees was approved in March 2006. The Council held the land as custodian trustee but all management decisions made in relation to the land, including any disposal, were the responsibility of the trustees appointed under the Scheme.
20. In February 2008, a claim made by the Trustees against the Council for an alleged breach of trust was settled with the approval of the Charity Commission with a payment to the Trustees of £1.35 million plus interest. A second claim was also settled regarding land and income from land, providing for redrawn boundaries of the Trust estate to form the basis of a new registered title at the Land Registry.
21. From an early stage the Foreshore Trustees determined, following advice from their financial advisors, that it was more beneficial to the Charity for it to be managed by the Council, as sole trustee, rather than by independent trustees. The benefits included the economies of scale the Council could achieve which the Trustees could not. They, therefore, approached the Charity Commission requesting a Scheme to return the trusteeship to the Council.
22. In late 2009 the Charity Commission published such a Scheme proposing that the trusteeship be returned to the Council and seeking public responses to the proposal. A valuable aspect of the Scheme was to broaden the powers of the Trustee to distribute any surpluses, after expenditure on and maintenance of the trust estate, for any charitable purpose within the Borough.
23. As a result of the public responses to consultation on the draft Scheme, the Commission, following further consultation with the Foreshore Trustees and the Council, made an amended Scheme on 13 January 2011.
24. The Trust is managed by Hastings Borough Council's charity committee, comprising three members of the council's cabinet. All charity committee meetings are also attended by an independent 'Protector', a chartered accountant. 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 interests is not being managed properly.

Purpose

25. The objects of the Charity are to hold and maintain the Charity's land for the common use, benefit and enjoyment of all Her Majesty's subjects and the public for the time being forever; and, subject to that, such charitable purposes within the area of the Borough of Hastings as the Trustee thinks fit.

26. The Trust is responsible for meeting the proper costs of administering the charity and for managing its assets including repair and insurance of land and buildings. After meeting these costs, the Trustee must apply remaining income in furthering the objects of the Charity.
27. The first priority for the Trustee, therefore, is meeting the cost of administration and maintenance and repair of the Trust estate. It can then consider further distribution of income, subject to its responsibility to maintain reasonable reserves for unplanned or unpredictable operational expenses.

Vision

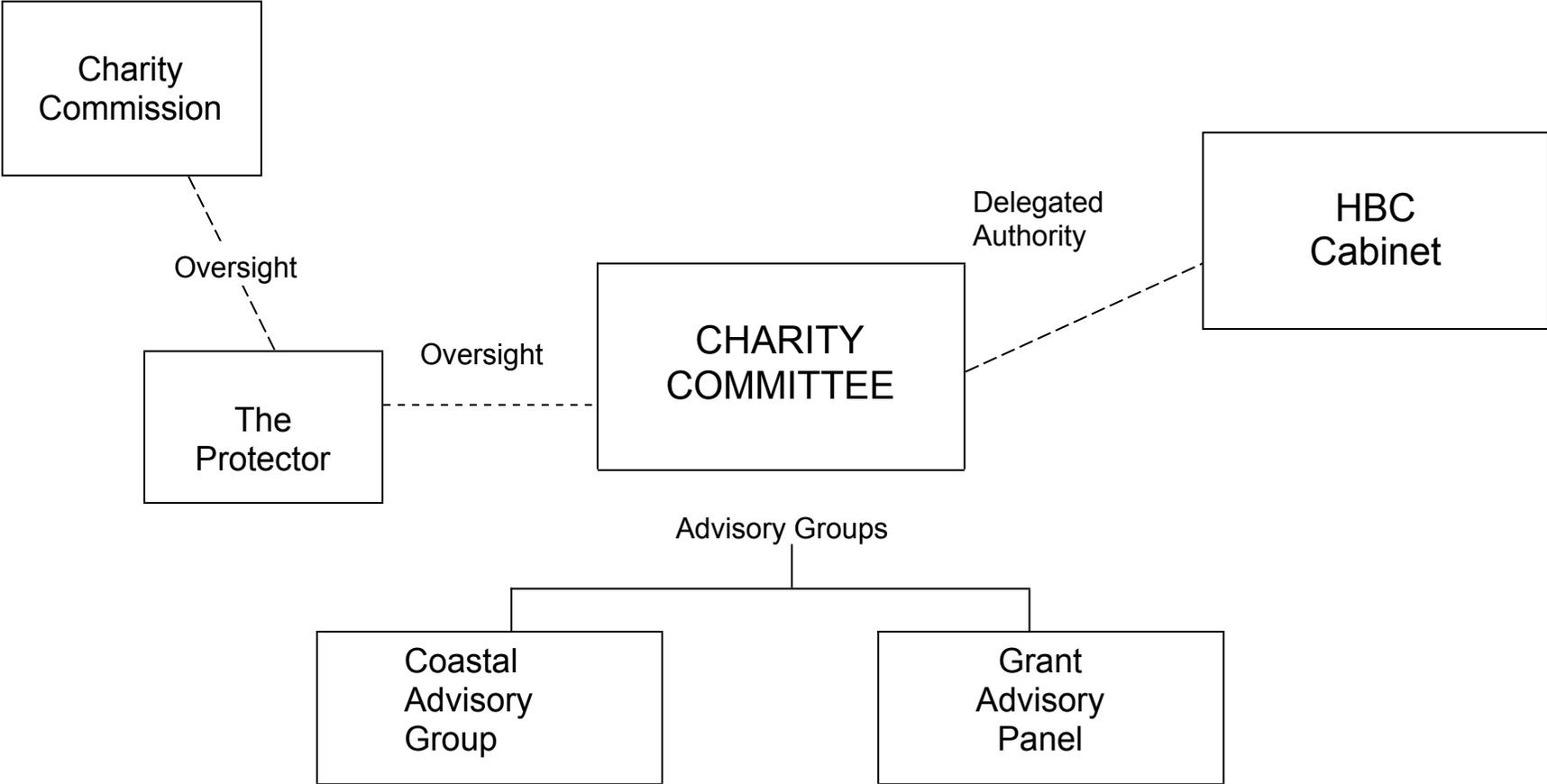
28. The Foreshore is a tremendous economic and social asset to the Borough of Hastings as well as the nation. The Trust will work to ensure that this asset is preserved and enhanced for the wellbeing of residents and the economic and social benefits of national tourism. The Trustee envisages a Foreshore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

Strengths, Weaknesses, Opportunities and Threats

Strengths	Weaknesses
<ul style="list-style-type: none"> • Substantial land holding • Substantial and consistent income streams • Prime seafront location • HBC operational and administrative backing • Historic built environment • Hastings fishing fleet 	<ul style="list-style-type: none"> • Derelict buildings and ageing structures • Substantial concrete repairs • Significant cyclical maintenance liabilities (repaving, lighting) • Limitations on commercial activity affecting optimum use of some assets – eg Stade Hall, Open Space and Classroom on Coast
Opportunities	Threats
<ul style="list-style-type: none"> • Strong interest in commercial and leisure initiatives • Growing town calendar of events • Further development of White Rock Baths • Income from new chalets • Coastal Communities Fund 	<ul style="list-style-type: none"> • 2015 introduction of stringent bathing water standards • Tourism affected by weakness of national economy and Brexit • Environmental risks (weather, pollution incidents) • Climate change (rising sea levels, coastal erosion and loss of beach)

Organisational Structure

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The Trustee

30. The Trustee is Hastings Borough Council.

Charity Committee

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

Coastal Advisory Group

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

Grant Advisory Panel

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

The Protector

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

Financial Information

Net Assets

35. The assets of the Trust at 31st March 2016 consisted of:
- a. The land and buildings which are recorded in the Financial Statements at cost to the Trust less accumulated depreciation amounted to a net book value of £1million.
 - b. Plant and equipment which had a net book value £0.391m.
 - c. Cash and other investments were held with the CCLA (£1,388,578) and the Co-op Bank (£678).
 - d. Current liabilities falling due with one year of £152,793 (of which £148,685 was owed to Hastings Borough Council).
 - e. There were also long term liabilities of £387,492 which were the amounts due on loans made by Hastings Borough Council where the payments were due in over one year.
 - f. The above gave a net asset figure of £2,240,192 which represents the total funds of the Trust.
36. The balance in Trust accounts at 31 March 2017 is forecast to be £1,422,000 of which £1,394,000 is held in cash.

Income

37. Income for the financial year ended 31 March 2017 is projected t at £1,444,000 (including profit on disposal of Land to Hastings Borough Council, which had no recorded cost, of £127,000). Total expenditure is projected to be £1,050,000 before distribution of grants and projects, leaving a surplus of £394,000.
38. Income is substantially derived from the Trust's car parks at Pelham Place and Rock-a-Nore, and from property leases and

licences. Regular annual expenditure is primarily a recharge from Hastings Borough Council of the operating costs of the Stade and Foreshore, public conveniences, car parks, street cleansing and waste removal.

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

Reserves

40. The Trust has identified the need to hold reserves for future projects, repairs, cash flow and any unforeseen events. A reserves policy has been adopted and is included in the appendices to this business plan.
41. The Trust maintains balances in order to fund the 5-year programme of planned spending commitments for repairs, renewals and projects, and any known or likely expenditure commitments after this period. The adequacy or otherwise of these balances forms a major consideration when developing the Trust's annual budget strategy. The Programme, which is already agreed in part, is outlined in the next section. A provisional rolling 5 year spending plan is included in the appendices, and will be reviewed and updated annually.

Achievements 2016-17

White Rock Baths

42. The White Rock Baths is the Trust's most significant building and was derelict for many years. The turnaround of this building began with the refurbishment of a small portion of the above-ground structure and its fit-out for use by the Hastings Pier Charity as a centre for their educational and promotional activities. Following this, a number of successful funding applications by the Council on behalf of the Trust enabled major repairs and refurbishment of the former main and smaller pool halls and ancillary areas for occupation by The Source under a ten year lease. The Source opened its new BMX and skateboard venue in White Rock Baths in early 2016. Many original features have been retained as part of the refurbishment, including some of the mosaic tiling for the Turkish baths that were part of the original underground complex built in the late 1800s. The venue has had positive national and international press attention, and is attracting a new, younger range of visitors to this part of the seafront. The re-use of this historic building has already generated a new vibrancy and increased footfall to this formerly underused part of the seafront.

Car Parks

43. The project to upgrade the Council's CCTV network and control room was completed in spring 2017. The extensive CCTV network we now have was originally developed to improve security and deter car crime in the Council's off-street car parks in the 1990s. Whilst that original work was extremely successful, by 2015 the system was obsolete and almost impossible to maintain. This was replaced by a modern system that provides much better quality images, and is significantly more resilient. It is monitored from a brand new CCTV control room in the lower ground floor of Muriel Matters House, which is a much better working environment for the staff than the previous control room in the Carlisle underground car park complex.

Grounds Maintenance

44. The Trust participated with Hastings Borough Council, Rother District Council and Amicus Horizon in a joint procurement of grounds maintenance services. The resulting 10 year contract, effective from 6 November 2012, has produced significant savings for the partners. For the Trust, the annual cost of seafront grounds maintenance has reduced. No significant changes to the foreshore grounds maintenance contract have occurred since 2012. The original grounds maintenance contractor, The Landscape Group, was taken over by French company idverde in the autumn of 2016.

The Stade

45. Resurfacing of the Winch Road and lighting improvements have reduced the risk of flooding and increased safety and security in an area that is in constant pedestrian use by the public and an important access route for the fishing community. The Stade Open Space was again a highly accessible and attractive venue for public events, including the three annual fish fairs and the Stade Saturdays' eclectic cultural program. The Stade Open Space also hosted a classic car show, a commercial vehicle show, and a community celebration marking the 950th anniversary of the Battle of Hastings, as well as a number of events associated with the ROOT1066 International Contemporary Arts Festival, including a mass forging!
46. The Stade Hall continued to be a popular venue for community activities, hosting all sorts of events including charity, exhibitions and ROOT1066. Classroom on the Coast project officers worked with Billingsgate Seafood Training to introduce demonstrations and paid-for fish cookery classes which, alongside other private booking, stimulated some interest in the facility as a cookery training venue. The establishment of the Stade Hall, the Classroom on the Coast and the Open Space was made possible by a series of grants, and on the basis that that these community oriented facilities become self-sustaining. Further European Maritime Fisheries Fund grants provided dedicated resources to market the facilities and develop a sustainable cookery school.

Promenade and Beach

47. Following on the refurbishment and occupation of White Rock Baths, and supported by a grant from a successful Coastal Communities Fund bid, improvements were made to the promenade around the building which included attractive wooden decking and the creation of a kiosk which has been let to the Source.
48. The Trust approved plans for the establishment of 12 chalets on the beach in the White Rock area east of Hastings Pier. These will be let on a rolling basis from 2017/18 onwards.
49. Disability Inclusion CC was commissioned by the Council to undertake an access audit of the seafront in 2016/17, which also involved consultation with local disability groups. The outcome of this audit will inform future Foreshore Trust business plans.
50. The beach at the Marina achieved Blue Flag status and Pelham achieved Seaside award status. Significantly, following a high profile multi-agency Council-led project involving Southern Water Services and the Environment Agency, the quality of the bathing water at Pelham beach was significantly improved. It had been predicted that the Pelham beach bathing water would fail the new EU standards starting in 2015. This very successful project resulted in the following: Pelham Beach achieved 'Good', and St Leonards Beach achieved 'Excellent'.

Grants Programme

51. Projects supported by the Trust's Grants programmes in 2016-17 were:

Organisation	Project	Grant Awarded
18 Hours Ltd	Free dance festival	£2,000
Creating Community	Hastings and 1066 Country Cartoon Festival	£1,986
Disability Inclusion	Accessible cookery, poetry and storytelling workshop	£2,000
Hastings Fat Tuesday	Umbrella Parade and Preservation Sunday 2017	£1,000
Hastings Storytelling Festival	Children's Parade 2016	£2,000
Horizons Community Learning	Horizons 'Up and Running' walking and running groups	£2,000

CIC		
Hastings Voluntary Action	1066 cycling Festival	£2,000
Idolrich Theatre Rotto	Danny Fishbone's Dainty Dinners	£2,000
In2Play CIC	Beach Explorers	£1,800
Seaview	The Big Sleep	£2,000
Vocal Explosion Community Choir	Performance and workshop	£1,000
Age UK	Healthy Living Club in St Leonards	£3,293
Bagladeshi Association Hastings and Rother	International Mother Language Day and Bengali New Year Celebrations	£2,250
Counselling Plus Community	Hardship Fund	£2,500
Fellowship of St Nicholas	Robsack Offering Brilliant Opportunities to Train (ROBOTT)	£3,000
Hastings and St Leonards Christians Against Poverty	Debt Advice Centre	£5,000
Hastings Arts Forum	The Big Draw 2016 'Steam Powered'	£1,115
Hastings Street Pastors	Town centre night time care and support service	£2,500
Hastings Bonfire Society	Hastings Celebrates 950 th	£2,500
Hastings Furniture Service	Support for volunteers with complex needs	£5,000
Hastings and St Leonards Voluntary Lifeguard Club	Open water activity and water safety	£905
Seaview	Women Only Shower Project	£4,900
Sussex Prisoners' Families	Inside Outside support group	£4,600

The Conservation Volunteers	The School SHED Project	£4,937
The Sara Lee Trust	Specialist counselling and complementary therapy service	£5,000
Trash Cans	HOWL! Spoken word project	£2,500

The Programme 2017 - 2022

White Rock Area

52. The Council, as trustee, has been successful in securing funding from the fourth round of the national Coastal Communities Fund (CCF) to support further improvement of the promenade in the White Rock area and to promote increased use and enjoyment of the Hastings seafront. A total of £75,000 has been allocated for the physical refurbishment of the currently redundant water feature and adjacent public space, and a further £20,000 for project management of the works. Match-funding of £50,000 has already been allocated within the Trust's budget for this project in anticipation of works costing approximately £145,000. However, the fountain pool has not been used for some considerable time and a structural survey, as well as a test of its watertightness would be prudent before the development of design options is commissioned. The cost of the initial surveys and design work is estimated to be an additional £35,000. This initial phase would be completed by December 2018. The outcome of the design work should inform the scale of the project and the future running and maintenance costs. The project must be completed by December 2019 in order to draw down the CCF funding.

Car Parks

53. The Trust's car parks are managed by HBC staff, who also manage the Council's off-street car parks. The Trust is regularly briefed on emerging implications for the remaining off-street parking service and has agreed to continue the arrangement with the Council for the operation of its car parks. In recent years there have been significant developments in the use of cashless payment methods, and the Trust agreed in 2016/17 to replace outdated pay and display machines and associated signage in Pelham Place and Rock a Nore car parks.

The Stade

54. There are automatic bollards on the entrance to the Stade Open Space and two others on entrances to the Winch Road which require annual maintenance and ad hoc repairs as faults arise.
55. The automotive barrier providing access to the RLNI lifeboat station is likely to require replacement within the lifetime of this business plan at an estimated cost of £5,000.
56. The Stade Open Space, the Stade Hall and, to a lesser extent, Classroom on the Coast (Stade facilities), continue to be popular venues for a range of community activity. The original aim was that these facilities would become self-sustaining, but this has not proved to be the case. Although bookings of the Stade Hall and the Classroom on the Coast bring in some income for the Foreshore Trust, this income by no means covers the ongoing operational and repair costs.
57. These facilities are important venues for many of the events funded by the Trust's grants programme. The Stade Hall is the only indoor venue owned by the Trust.
58. The Trust wants to reduce the ongoing financial burden of these facilities, while retaining them for as much community-based use as possible. The majority of the Stade Open Space and the whole of the Stade Hall and Classroom on the Coast lie outside the provisions of the HBC Act, and so options to increase the income earning potential of these facilities are limited.
59. Grant conditions attached to the CABE and FLAG grants impose some restrictions. One of the conditions of the CABE funding agreement is to maintain appropriate public access to the facilities in accordance with the purposes for which the grant was intended for the lifetime of the agreement. This condition lapses in January 2019. The conditions attached to the FLAG funding for fitting out and equipping the Classroom on the Coast as a training kitchen prevent any modification before September 2020 without approval by the managing authority (Marine Management Organisation).
60. A thorough examination of the income and costs related to these facilities was undertaken and informs this plan.

Stade Open Space

61. Annual revenue costs are comparatively small particularly given the importance of the Stade Open Space as an accessible venue for festivals and other events that attract tens of thousands of visitors to the area throughout the year. There may be some potential for deriving additional income from bookings, and this will be further explored during 2017/18. A costed plan to improve the amenity of the space will be developed in the second year of this business plan. It is anticipated that there will be some requirement for potentially significant repairs to the hard surface within the next five years.

Stade Hall

62. This venue has accommodated a wide range of events and activities that are primarily community based. It was booked for approximately 32% of the available time in 2016/17, so there is clear scope for additional use. Income represented

approximately 54% of running costs in 2016/17. Additional marketing may increase usage, but there would be an associated cost, and would not be worth undertaking without being informed by a detailed analysis of other local venues and potential demand. An analysis of the booking tariffs, which were increased 10% across the board for 2017/18, revealed that the hourly tariffs are broadly in line with a break-even position, but that a further review of the daily and weekly tariffs should be undertaken to inform decisions on future tariffs. This review will also take into consideration the charges at other local facilities.

Classroom on the Coast

63. A number of grant-aided projects to promote and sustain the Classroom on the Coast have been carried out since the facility was built. None of them have resulted in a self-sustaining model, although they have engaged a large number of local people (including children), in healthy eating programmes, building greater awareness of Hastings' fishing fleet and stimulating an interest in preparing and eating seafood.
64. Based on the outcome of these projects and an analysis of recent income and costs it is clear that there is no obviously sustainable model without additional and significant investment. The facility was booked for less than 7% of the available time in 2016/17, and income represented just 35% of the costs incurred in maintaining the facility. Furthermore, the facility can only accommodate a maximum of ten students using individual workstations (twenty if family sessions, or up to thirty for cookery demonstrations), thereby limiting its community reach.
65. The facility was the subject of a FLAG grant to fit out and equip the space as a seafood training kitchen, and the conditions attached to this funding remain in force until 20 September 2020. These conditions effectively prevent any alternative use of the facility. In light of the failure of at least three projects to develop a sustainable model and the continuing drain on the Trust's resources, an application will be made to the FLAG managing authority to remove the conditions, thus enabling the Trust to secure a use that will engage with a wider community.
66. In the meantime, the Trust will seek proposals from charitable or not-for-profit organisations interested in taking on the operations of the Stade Hall and Classroom on the Coast. In the event that no proposals are forthcoming, the Classroom on the Coast will only be used for seafood and other cookery demonstrations during the three fish festivals, thus minimising the revenue cost to the Trust.

Disability Access

67. An audit of access provision for facilities and events on the seafront, including Foreshore Trust land, was completed in 2016/17. The aim of the audit was to identify current access arrangements and improvements that could encourage wider use of the promenade and foreshore. The findings identified a number of potential improvements that could be made, subject to funding and practical solutions being found. The improvements and recommendations were set out under four categories:

- a. Information: rationalisation and updating of existing information; use of new technology for more effective communication
- b. Arrangements: access improvements to public/private toilets
- c. Facilities: adaptation of some existing physical assets and potential trialing of new equipment
- d. Events: promotion of accessible events; event organisers to be encouraged to consider access issues, such as use of temporary matting.

68. The recommendations will be further explored and costed during the first year of this business plan. The outcome of this work will be a prioritised series of actions that will be included in future budgets, where appropriate and subject to sufficient available funding.

Income generation opportunities

69. The Trust derives an annual income in the region of £210,000 from a range of commercial and other organisations' activities undertaken on the seafront and areas of Trust land. Commercial facilities provided include catering kiosks, adventure golf, amusements and rides including boating lake, go karts, talking telescopes, underground BMX and skateboard facilities, deck chair and sun lounger hire, and the miniature railway. There are also short-term commercial activities and events held such as occasional markets and exhibitions.

70. In addition to regular rent reviews, lease terms will be renegotiated with tenants from time to time. The Trust will take external advice when necessary to assess the market value of its leases and to ensure that rents and tenant obligations reflect that value.

71. Planning permission was granted for banners to be installed on lighting columns in various parts of Hastings. Permanent fixings have already been installed on the three lighting columns that border the Stade Open Space that could be used for banners, and planning permission will be sought to use these columns for promotional banners which will provide opportunity to derive additional income for the Trust.

72. There is a strong, continuing demand for beach chalet rentals on the seafront, and in 2016/17 the Trust agreed to invest funds in the building and installation of twelve chalets at White Rock. The installation of these chalets supports the ongoing regeneration of this part of the seafront and will produce income for the Trust. Further options to expand the Trust's portfolio of beach chalets will be explored in the first two years of this business plan.

73. The Trust's ability to derive additional income from new commercial and leisure leases on its land outside the area covered by the Hastings Borough Council Act 1988 (HBC Act) is subject to the restrictions on disposition imposed by the Charities Act

2011. Within the lifetime of this business plan, the Trust will: i) examine opportunities for new commercial and leisure uses on land outside the HBC Act that would enhance public enjoyment and produce new income for the Trust that could be invested in the maintenance and enhancement of the Trust's estate; and if appropriate, ii) either seek the necessary approval from the Courts or the Charity Commission to lease land for such uses or, alternatively, consider a land swap.

Leisure

74. Leisure activities provide a great opportunity for the development and encouragement of access to the foreshore. This can be provided in an informal way, simply as a place for walking, running, cycling, fishing or swimming as well as attracting a range of different water sports including rowing, canoeing, sailing, windsurfing, kitesurfing, boat angling and diving.
75. In addition to informal public use there are also two water sport leisure providers who operate within the borough. These operators provide regular sessions, including for beginners, drawing new users to the promenade and foreshore.
76. The 'Pelham Playa' and the volleyball court continue to be well used. It is anticipated that the Pelham Playa will require additional maintenance of the netted roof during the five year business plan duration. This will be investigated and reported back to the charity committee in the event that significant cost will need to be incurred. The public exercise stations that have been installed at various places further animate the seafront and have also proved to be very popular.
77. In 2016/17 the Trust commenced plans for the potential development of a water play facility on a landscaped area adjacent to the Pelham Place car park. Further examination of the initial options have revealed the need for more a detailed and potentially lengthy investigation into a number of aspects, including water management and treatment options, ongoing revenue implications, site suitability and technical practicalities. A number of towns with similar facilities have experienced unforeseen problems which we would want to avoid. Nevertheless, water play installations are very popular and enable children to engage in multi-sensory and imaginative play close to the sea, so further investigation will continue with the aim of developing costed options during the first half of this plan's period.

Play facilities

78. The Pelham Play Area was constructed and opened to the public in 2012. Since its opening the site has proven extremely popular with local residents and with tourists visiting the town. The site is maintained by HBC Foreshore for routine repairs. Larger repairs are managed through the minor works contract and with the equipment supplier EIBE on an ad hoc basis.
79. A small sand play area is also maintained adjacent to the seafront volleyball court with routine maintenance being carried out through the Council's foreshore team.

Cycle Hire

80. The seafront cycle hire service was set up in 2014, funded partly by a European Maritime Fisheries Fund grant through the

Hastings Fisheries Local Action Group (FLAG). The income produced by this service is insufficient to cover the operating costs on an ongoing basis. In 16/17 the Trust committed funds to purchase new equipment to enable the scheme to run during the peak summer 2017 period between mid-July and early September. Alternative options for a more sustainable model will be explored in 17/18.

Lifeguard service

81. In the latter part of 2016/17, the Trust entered into a one-season agreement with the Royal National Lifeboat Institution (RNLI) to operate a lifeguard service from May until September. The agreement will include an audit of signage and a sharing of the costs of necessary replacement. This service will be reviewed at the end of the season in time for decisions on future lifeguard services. Prior to the 2017 season, the Council as trustee, recruited, trained and managed the lifeguards through the services of an independent contractor. The RNLI is providing a comparable service at a lower cost in 2017. The RNLI currently also provides a 24/7 on-call lifeboat service to cover search and rescue requirements within 100 nautical miles from the coast of the UK and the Republic of Ireland, and provides beach lifeguard services on many south coast beaches, including for the first time this year Camber Sands and Bexhill.

Repairs and Renewals

82. Routine inspections, annual and seasonal maintenance and responsive repairs are covered by the operational budget of the Foreshore team and recharged to the Trust in the annual accounting process. This covers general wear and tear to a range of assets including promenade surfacing, railings, shelters, street furniture, signs, steps, groynes, buildings and other structures. Specialist examinations of the concrete structures along the seafront are carried out on a regular basis, and repairs are scheduled in response to the specialists' recommended prioritisation of required work.
83. The landscaped area near the Boating Lake requires upgrading, and it is proposed that £15,000 be invested in improvements in 2017/18, and a further £6,000 annually for the following two years.

Renewal/Replacement of Operational Contracts

84. Waste and street (beach) cleansing services and grounds maintenance on the foreshore are delivered by Hastings Borough Council within town-wide contracts with commercial contractors. The Trust has benefited from savings in the new contract.
85. The waste and street cleansing contract was re-let in 2012 to Kier Environmental Services. This contract will end in June 2019, and work is underway to ensure that a service provider is in place at the end of the contract. Nearer the time the Charity Committee will be consulted to establish whether it agrees that the Council's new waste and cleansing service providers will also provide these services to the Trust.

86. The Trust's car parks will continue to be managed by Council staff who also manage the Council's off-street car parks.

The Grants Programme

87. The Trust considers the provision of charitable grants to be a core element of its activities. These are currently divided between the small grants programme (£50,000) and the events programme (£20,000). The level of grants that can be distributed prudently in any one year will be dependent upon the financial position of the Trust and will be determined as part of the annual budget process. For practical purposes the overall level is often determined in advance of the annual budget meeting based on the forecast surplus for the year ahead. At the outset of the Council acting as Trustee, the Trust based the level of distribution on the basis of 25% of the annual projected trading surplus. The Trust will consider changes to the level of funding for the grant programmes within the first year of this business plan. It will also review the area of eligibility for grant funding.

Risk Management

88. Following the transfer of the trusteeship to the Council a risk register is maintained and is included in the appendices of this business plan. This has identified the key financial risks facing the Trust as well as other significant risks along with the identification of relevant controls and responsibilities.
89. The risk register is reviewed annually by the Trust, adding and removing risks as circumstances change. The reserves policy is reviewed at the same time and is informed by the level of risks faced.

Governance

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

Performance measurement / service delivery

93. The Trust's obligations for service delivery are carried out by officers of Hastings Borough Council, either directly or through external contractors. The main services provided are beach cleansing and monitoring, seasonal lifeguard service, refuse removal, public conveniences and car parks. Performance is monitored through quarterly reporting and a finance report is presented at each Charity Committee meeting
94. The public bathing beaches at Pelham Place and Marina are externally assessed by the Keep Britain Tidy organisation and have both been awarded Quality Coast Awards for beach management. The improved quality of the bathing beach at Marina was reflected in the Blue Flag status awarded to it in 2016.

Communications

95. The Charity has a communications plan which includes the publication of agenda and reports for meetings of the Charity Committee and the publication of minutes. These are freely available to the public under the access to information rules which govern local authority information. The documents are accessible on the Council's website or in hard copy from the Chief Legal Officer. General information and news about the Charity and its activities can be seen on the Charity's webpage (https://www.hastings.gov.uk/my_community/foreshoretrust/). Press releases are presented where appropriate.

Consultation and Accountability

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

2017 -2022 Spending Plan

Foreshore Trust Spending Plan			2016-2017	2016-2017	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	Total
Cost centre	PROPERTY	DESCRIPTION OF WORK	BUDGET	REVISED BUDGET	UNAUDITED OUTTURN	ESTIMATE	ESTIMATE	ESTIMATE	ESTIMATE	ESTIMATE	ESTIMATE 2017- 2022
			£	£	£	£	£	£	£	£	£
Maintenance projects											
5290B020	Pier Area	Area inspections and repairs	3,000	3,000	862	0	0	0	0	0	0
5290B020	White Rock Baths	External redecoration/ Building maintenance	27,000	27,000	27,225.86	10,000	25,000	10,000	10,000	10,000	65,000
5290B020	White Rock Baths	Alleviate water ingress		40,850	40,850	10,000					10,000
5290B020	Stade Barriers	Annual maintenance	2,000	2,000	1,486	2,000	2,000	2,000	5,000	2,000	13,000
5290B020	Cycle route	Contribution to maintenance	5,000	5,000	881		5,000				5,000
5290B020	Public Conveniences	Maintenance	6,000	6,000	2,050	6,000	6,000	6,000	6,000	6,000	30,000
5290B020	Car Parks Rock a Nore	Maintenance	6,000	6,000	6,025	6,000	6,000	6,000	6,000	6,000	30,000
5290B020	Car Parks - Pelham	Maintenance	6,000	6,000	2,683	6,000	6,000	6,000	6,000	6,000	30,000
5290B020	Chalets - White Rock & Marina	Maintenance				2,000	2,000	2,000	2,000	2,000	10,000
5290B020	Play Areas and Exercise Equipment	Maintenance of equipment				5,000	5,000	15,000	15,000	15,000	55,000
5290B020	Water Play *	Maintenance & operation				12,000	12,000	12,000	12,000	12,000	60,000
5290B020	Winch Road	Maintenance & lighting				2,000	2,000	2,000	2,000	2,000	10,000
5290B020	White Rock Promenade Kiosk	Maintenance					3,000				3,000
5290B020	Signage repairs	Maintenance					1,000	1,000	1,000	1,000	4,000
5290B020	Stade and Stade Kitchen	Maintenance				3,000	3,000	3,000	3,000	3,000	15,000
5290B020	Cycle Hire	Replacement bikes				4,500					4,500
Total of Cyclical Repairs and Redecorations			55,000	95,850	82,068	68,500	78,000	65,000	68,000	65,000	344,500
0											
5290B020	Beach - Other	Other repairs and renewals beachfront area	12,000	12,000	10,644	12,000	12,000	12,000	12,000	12,000	60,000
Total Maintenance Projects			12,000	12,000	10,644	12,000	12,000	12,000	12,000	12,000	60,000
0											
Projects (main programme)			£	£	£	£	£	£	£	£	£
5291B022	White Rock Promenade Kiosk	Kiosk to be operated by The Source	53,630	53,630	2,410						0
5292B022	White Rock Chalets	Purchase 12 new chalets		14,000	0	14,000					14,000
5293B022	Beachfront	New signage to RNLI standard potential 50% contribution from RNLI	40,000	40,000		40,000					40,000
5287B020	Winch road	Winch road upgrade**		3,000							0
5293B022	Beachfront	Children's play area	25,000	25,000	13,330	5,010					5,010
5293B022	Stade Open Space Landscaping		5,000	1,000		5,000					5,000
5293B022	Marine litter project*		20,000			20,000					20,000
5287B020	Soskways re Winch project			10,000	3,630						0
	Access Audit	Implement prioritised actions				10,000	10,000				20,000
5298B022	Resurfacing Robertson Street to Pier/White Rock Promenade improvements	Work with potential Coastal Communities Fund match - additional surveys to complete		103,000	103,000	25,000	25,000	25,000	25,000	25,000	125,000
5293B022	Landscaping - adj. to boating lake						15,000	6,000	6,000		27,000
5294B020	Parking machine Upgrades	Upgrade of new machines to cater for new coins and new signage		21,000		21,100					21,100
5298B022	Landscaping/Water Feature* (Water Feature only)	Work to enhance Coastal Communities funded 4 landscaping. Total costs £180,000 of which the Trust has approved £50,000 and CCF £35,000. A further £35,000 is being sought*.	50,000		3,000	82,000					82,000
5296B022	Contingency		25,000			25,000	25,000	25,000	25,000	25,000	125,000
Total Programme			218,630	270,630	138,030	247,110	75,000	56,000	56,000	50,000	484,110

*Further Charity Committee Approval before additional spend

**Fisheries Local Action Group (FLAG) projects

Indicative Forward Plan	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Outturn	Budget	Budget	Budget	Budget	Budget
	Unaudited	Estimate	Estimate	Estimate	Estimate	Estimate
	£'000	£'000	£'000	£'000	£'000	£'000
Incoming Resources						
Investment Income	(5)	(6)	(9)	(10)	(11)	(13)
Incoming resources	(1,312)	(1,329)	(1,329)	(1,329)	(1,329)	(1,329)
Profit on disposal of fixed assets	(127)					
Total incoming resources	(1,444)	(1,335)	(1,338)	(1,339)	(1,340)	(1,342)
Resources Expended						
Loan repayments	33	33	33	33	33	33
Charitable activities (exc capital charges)	818	738	753	768	783	799
Maintenance projects and cyclical repairs	93	81	90	77	80	77
Governance costs	106	108	110	112	114	116
Total Resources Expended	1,050	960	986	990	1,010	1,025
Total Operating Surplus	(394)	(375)	(352)	(349)	(330)	(317)
Grants	50	50	50	50	50	50
Events	20	20	20	20	20	20
Projects (Main programme)	138	247	75	56	56	50
(Surplus)/Deficit	(186)	(58)	(207)	(223)	(204)	(197)
Usable current assets	1,236	1,422	1,480	1,687	1,910	2,114
Usable current assets carried forward	1,422	1,480	1,687	1,910	2,114	2,311
Minimum reserves	690	900	900	900	900	900

Appendices

Foreshore Trust Land Holdings

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

ESX344554 dated 01 October 2012

ESX345304 dated 09 July 2012

ESX345308 dated 09 July 2012

ESX345239 dated 05 July 2012

ESX344556 dated 31 May 2012

98. Maps are available at: http://www.hastings.gov.uk/my_council/transparency/assets/

Reserves Policy

99. This policy is reviewed on an annual basis to take account of changes to the future plans of the Trust and perceived risks. Reserves are maintained for a variety of reasons as identified below:-

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

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

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

The expenditure budget is £960,000. It is suggested that a 10% contingency (say £100,000) 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, such as bathing water deterioration, and so on.

It is recommended that the equivalent of 6 months income be retained to cater for this risk which would amount to around £700K.

- 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, such as resurfacing of car parks, roadways, toilet refurbishments, that will necessitate identification and retention of significant sums within the accounts.

Based upon the spending plans (draft) included in this business plan an additional sum of £710,000 will be needed to meet the expenditure plans in the period 2017/18 to 2021/22.

- 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, that is, income generated should exceed expenditure. Where significant one-off expenditure is incurred, such as resurfacing, 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).

100. In summary, the minimum level of reserves to be retained should currently amount to :

Ref.	Risk Area/ Designated Funds	Amount (£)
a)	Unforeseen emergency/event	£100,000
b)	Unforeseen operational costs/contingency	£100,000
c)	Uncertainty on income streams	£700,000
	Total	£900,000

Grant making Criteria

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

- a. The prevention or relief of poverty.
- b. The advancement of health or the saving of lives
- c. The advancement of citizenship or community development
- d. The advancement of the arts, culture, heritage or science
- e. The advancement of amateur sport
- f. The advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity.
- g. The relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage.
- h. Any other purposes currently recognised as charitable and any new charitable purposes which are similar to another charitable purpose.

Strategic Risk Register

Below is the latest approved risk register. This will be reviewed in July 2017.

	Service	Potential Risk	Risk Rating (Likelihood / Impact)	Potential Impact	Responsibility for controls	Steps to mitigate risk, time frame for implementation and latest position
1	FT	Corporate Governance non – compliance with articles of association or Charity Commission rules	Medium / High	- Failure to deliver on priorities (reputational and financial) - Financial – legal challenge and costs of that	- Chief Legal Officer	- Protector attendance at Charity Committee. - Providing legal advice as appropriate - Training for Charity Committee members - All on-going

	Service	Potential Risk	Risk Rating (Likelihood / Impact)	Potential Impact	Responsibility for controls	Steps to mitigate risk, time frame for implementation and latest position
2	FT	Charity Committee administration Statutory publication deadlines missed for agendas and the Forward Plan and meetings have to be cancelled delaying key decisions. Officers/Services miss deadlines for reports.	Low / High	- Legal - Leaves HBC open to challenge, for example if Planning Applications are delayed or budget deadlines missed. - Financial – costs of legal challenges. - Reputational – High risk of bad media and public profile.	- Chief Legal Officer	- Professionally trained staff with flexible approach. - Officers frequently chased and reminded about report deadlines.
3	FT	Income Loss of Visitors to Hastings e.g. Major Pollution incident, water quality, major disaster elsewhere in Hastings.	Medium / High	- Budget deficit - Loss of 6 months income would equate to around £700,000	Assistant Director – Financial Services and Revenues Chief Accountant	- ensure regular budget monitoring reports distributed followed up by meetings - report variances to Charity Committee so any budget deficits can be addressed - report variances at each meeting - Maintain adequate Reserves
4	FT	Maintain Buildings and Infrastructure - Need for a long term repair and renewal programme	Low/Medium	- Build up of urgent and costly repairs (Planned maintenance reduces costs)	Assistant Director Regeneration & Culture	Production, maintenance and regular review of repair and Renewal programme – based on regular inspection of assets. Ensure compliance of lease obligations Maintain and accumulate sufficient funds to finance agreed programme
5	FT	Unforeseen operational expenditure	Medium/High	- Reputation damage - Unable to meet commitments - Legal liabilities	- Assistant Director Regeneration & Culture	- Maintain adequate Reserves

	Service	Potential Risk	Risk Rating (Likelihood / Impact)	Potential Impact	Responsibility for controls	Steps to mitigate risk, time frame for implementation and latest position
6	FT	Treasury Management - cash flow - Loss of money/fraud/theft - Reduction of investment Interest - Cost of borrowing	Low/Medium Low / High Low / Low Low / Low	- Trust balances of (cash) £1.42m	Assistant Director – Financial Services and Revenues	- Use of External Advisers – Capita Asset Services - Ensure staff are well trained - Insurance cover in place for potential fraud and dishonesty and theft - Insurance cover in place for loss of Money - Maintain adequate Reserves
7	FT	Cash collection contract - Firm collapses - Theft by company	Low / Low Low / Low	- Loss of money (up to £200k)	Assistant Director – Financial Services and Revenues	- Continue daily monitoring of cash banked - Regular communication with supplier if the contract is not complied with Insurance (A new cash Collection company was employed from November 2013)
8	FT	Uninsured properties / risks	Low / Medium	- Properties not Insured - Loss of money in the event of uninsured loss	Assistant Director – Financial Services and Revenues	- Ensure thorough renewals process each year - Make sure we liaise with estates/building services to ensure all properties are properly insured.
9	FT	Business Continuity	Low/ High	- Loss of Income, - Payments not made, - Treasury Management – financial loss	Assistant Director – Financial Services and Revenues - Chief Accountant	- Robust HBC financial systems - HBC business continuity planning
10	FT	Loss of key staff	Medium / High	- Stress - Errors / omissions - Financial loss - Poor advice	Chief Accountant Assistant Director – Financial Services and Revenues Chief Legal Officer Executive	- Keep staff motivated - Ensure knowledge is shared - Terms and Conditions

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

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Agenda Item 8



Report to: Charity Committee

Date of Meeting: 26 June 2017

Report Title: Finance Report

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

Purpose of Report

To advise members of the Committee on the draft financial position for 2016/17 and the current year's financial position, agree revisions to the Trust's business plan and review the Risk Register and Reserves Policy.

Recommendation(s)

1. To agree the current financial positions for 2016/17 and 2017/18.
2. The Risk Register be agreed (Appendix 4)
3. The Reserves Policy be agreed (Appendix 5)

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.

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.

Introduction

1. The Foreshore Trust derives its income mainly from car parking and property leases/licences, the former income stream being quite variable.
2. Appendix 1 attached provides a summarised financial position for 2016/17 and budget 2017/18 adjusted by proposed changes to the capital programme. The figures identify the annual operating surplus, and thereafter a deficit /surplus for the year once the distribution of grants and other programmed expenditure (financed from reserves) is taken into account.

Final Accounts 2016/17

3. The draft accounts (unaudited) identify that in 2016/17 the operating surplus as £394,000, thus exceeding the £241,000 revised estimate by £153,000. Income was £155,000 more due mainly to £127,000 in respect of the disposal of a parcel of land and increased parking income over the revised budget. The final accounts are due to be considered by the Committee at its meeting on 26th September 2017.

Financial Position 2017/18

4. The budget agreed in March 2017 identified budgeted income at £1,335,000 and expenditure at £978,000. The estimated surplus for the year being £357,000, after direct governance costs, but before distribution of grants, capital charges and before use of Reserves. The estimated surplus has increased to £371,000 due to a decrease in anticipated loan repayments, this results from the forgiving of the £127,000 loan as consideration for the parcel of land transferred to the Council.
5. Income and expenditure projections are currently in line with the budget with the exception of the change to loan repayments.

Business Plan 2017/18

6. The Charity Committee on 20 March 2017, approved the rescheduling commencement of certain schemes (i) Marine Litter project (ii) landscaping/water feature project. The March Committee also approved a £10,000 access audit, £25,000 for Pier/White rock improvements (e.g. resurfacing) and also approved £4,500 for replacement cycles. Further rescheduling to 2017/18 is proposed (iii) Parking machine upgrades £21,100 (iv) New signage to RNLI standard £40,000 (v) the purchase of 12 new chalets £14,000. Also the balance on the Beachfront Children's Play Area Improvements and the Stade Open Space landscaping. The Business plan has been amended to reflect this slippage.
7. This level of programmed spend continues to reduce the cash balances held by the Trust for this financial year. Whilst it is the case that the level of reserves will decrease, the Trust will still retain reserves above the minimum level identified within the revised Reserves Policy (£900,000) –see appendix 5 – this is subject to no unexpected calls on the reserves and no reduction in the expected levels of car parking and fee income.

8. The current programme of works is identified in Appendix 2. The Committee has approved expenditure on all these schemes (subject to further reports in respect of asterisked items).

Reserves

9. The total cash balances of the Trust at the 31 March 2017 amount to £1.42m (unaudited).
10. With the revised business plan (attached), the revised cash balances for future years are estimated as follows :-
 - £1.48m as at 31st March 2018,
 - £1.69m as at 31st March 2019,
 - £1.91m as at 31st March 2020.
 - £2.11m as at 31st March 2021.
 - £2.31m as at 31st March 2022.

Risk Register

11. The Risk Register is included in Appendix 4. This seeks to identify the potential risks to the Foreshore Trust that could have financial implications, and which necessitate the maintenance of reserves. The White Rock Baths risk has been amended to reflect that it is now a revenue stream risk rather than one of construction. Members are asked to agree the risk register.

Reserves Policy

12. The proposed reserves policy identifies £900,000 as the suitable level of Reserves to maintain – given the potential risks faced by the Trust.
13. The Reserves Policy is included in Appendix 5 and this will continue to be considered by the Trust on an annual basis in conjunction with the review of risk (more often if circumstances require).
14. Appendix 3 attached provides background information on determining a Reserves policy. This is based on extracts of the Charity Commission guidance on this issue.

Key points about charity reserves:-

- Charity law requires any income received by a charity to be spent within a reasonable period of receipt.
- Trustees should be able to justify the holding of income as reserves.

- Reserves are that part of a charity's unrestricted income funds that is freely available to spend.
 - Where the trustees have a reserves policy, this policy must be set out in the trustees' annual report.
 - If the trustees have not set a reserves policy, this should be stated in the trustees' annual report.
 - A good reserves policy takes into account the charity's financial circumstances and other relevant factors.
 - It is good practice to monitor the level of reserves held throughout the year.
 - It is good practice to keep the reserves policy under review to ensure it meets a charity's changing needs and circumstances.
15. In summary the Reserves policy (Appendix 5) effectively recommends that Cash Reserves of £900,000 be retained, plus sufficient funds to meet the Repairs and Renewals programme - which remains subject to regular amendment. It is also recommended that the Reserves policy continue to be regularly reviewed.

Wards Affected

None

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	Yes
Environmental Issues	No
Economic/Financial Implications	Yes
Human Rights Act	No
Organisational Consequences	No
Local People's Views	No
Anti-Poverty	No

Additional Information

Appendix 1 - Financial Monitoring Report
 Appendix 2 - Business Plan - Financial Summary
 Appendix 3 - Reserves Policy (Charity Commission guidance)
 Appendix 4 - Risk Register - Foreshore Trust
 Appendix 5 - Reserves

Officer to Contact

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Actual expenditure to 31st March 2017

SUMMARY - MONITORING REPORT

	Outturn 2015-16	Budget 2016-17	Revised Budget 2016-17	Unaudited Outturn 2016-17	Variance to Revised Budget	Estimated Budget 2017-18
	£'000	£'000	£'000	£'000	£'000	£'000
Incoming Resources						
Investment Income	(8)	(6)	(6)	(5)	1	(6)
Incoming resources from Charitable activities	(1,057)	(980)	(1,070)	(1,102)	(32)	(1,099)
Rental income	(167)	(202)	(212)	(210)	2	(230)
Profit on disposal of Fixed Asset				(127)	(127)	0
Total incoming resources	(1,232)	(1,188)	(1,289)	(1,444)	(155)	(1,335)
Resources Expended						
Loan repayments	4	47	47	33	(14)	33
Charitable Activities* (excluding Capital charges)	749	739	788	818	30	738
Maintenance projects and cyclical repairs	48	67	108	93	(15)	81
Governance costs	110	103	105	106	1	108
Total resources expended	911	956	1,047	1,050	2	960
Total Operating (Surplus)/Deficit	(321)	(232)	(241)	(394)	(153)	(375)
Grants	53	50	50	50	0	50
Events	17	20	20	20	(0)	20
Projects**	357	219	271	138	(81)	247
(Surplus)/Deficit	106	57	100	(186)	(234)	(58)
Interest Income non HBC	(8)			(5)		
Transfer to/(from) HBC account						
Total Funds (cash) brought forward		1,236	1,236	1,236		1,422
Total funds carried forward		1,179	1,136	1,422		1,480

*Mainly parking income

** Budget 2016-17- projects original budget £219K Budget Book

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Foreshore Trust Spending Plan			2016-2017	2016-2017	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	Total
Cost centre	PROPERTY	DESCRIPTION OF WORK	BUDGET	REVISED BUDGET	UNAUDITED OUTTURN	ESTIMATE	ESTIMATE	ESTIMATE	ESTIMATE	ESTIMATE	ESTIMATE 2017- 2022
			£	£	£	£	£	£	£	£	£
Maintenance projects											
5290B020	Pier Area	Area inspections and repairs	3,000	3,000	862	0	0	0	0	0	0
5290B020	White Rock Baths	External redecoration/ Building maintenance	27,000	27,000	27,225.86	10,000	25,000	10,000	10,000	10,000	65,000
5290B020	White Rock Baths	Alleviate Water ingress		40,850	40,850	10,000					10,000
5290B020	Stade Barriers	Annual maintenance	2,000	2,000	1,486	2,000	2,000	2,000	5,000	2,000	13,000
5290B020	Cycle route	Contribution to maintenance	5,000	5,000	881		5,000				5,000
5290B020	Public Conveniences	Maintenance	6,000	6,000	2,050	6,000	6,000	6,000	6,000	6,000	30,000
5290B020	Car Parks Rock a Nore	Maintenance	6,000	6,000	6,025	6,000	6,000	6,000	6,000	6,000	30,000
5290B020	Car Parks - Pelham	Maintenance	6,000	6,000	2,689	6,000	6,000	6,000	6,000	6,000	30,000
5290B020	Chalets - White Rock & Marina	Maintenance				2,000	2,000	2,000	2,000	2,000	10,000
5290B020	Play Areas and Exercise Equipment	Maintenance of equipment				5,000	5,000	15,000	15,000	15,000	55,000
5290B020	Water Play *	Maintenance & operation				12,000	12,000	12,000	12,000	12,000	60,000
5290B020	Winch Road	Maintenance & lighting				2,000	2,000	2,000	2,000	2,000	10,000
5290B020	White Rock Promenade Kiosk	Maintenance					3,000				3,000
5290B020	Signage repairs	Maintenance					1,000	1,000	1,000	1,000	4,000
5290B020	Stade and Stade Kitchen	Maintenance				3,000	3,000	3,000	3,000	3,000	15,000
5290B020	Cycle Hire	Replacement bikes				4,500					4,500
Total of Cyclical Repairs and Redecorations			55,000	95,850	82,068	68,500	78,000	65,000	68,000	65,000	344,500
0											
5290B020	Beach - Other	Other repairs and renewals beachfront area	12,000	12,000	10,644	12,000	12,000	12,000	12,000	12,000	60,000
Total Maintenance Projects			12,000	12,000	10,644	12,000	12,000	12,000	12,000	12,000	60,000
Projects (main programme)											
			£	£	£	£	£	£	£	£	£
5291B022	White Rock Promenade Kiosk	Kiosk to be operated by The Source	53,630	53,630	2,410						0
5292B022	White Rock Chalets	Purchase 12 new chalets		14,000	0	14,000					14,000
5293B022	Beachfront	New signage to RNLI standard potential 50% contribution from RNLI	40,000	40,000		40,000					40,000
5287B020	Winch road	Winch road upgrade**		3,000							0
5293B022	Beachfront	Children's play area	25,000	25,000	19,990	5,010					5,010
5293B022	Stade Open Space Landscaping		5,000	1,000		5,000					5,000
5293B022	Marine litter project*		20,000			20,000					20,000
5287B020	Soakaways re Winch project			10,000	9,630						0
	Access Audit	Implement prioritised actions				10,000	10,000				20,000
5298B022	Resurfacing Robertson Street to Pier/White Rock Promenade improvements	Work with potential Coastal Communities Fund match - additional surveys to complete		103,000	103,000	25,000	25,000	25,000	25,000	25,000	125,000
5293B022	Landscaping - adj. to boating lake						15,000	6,000	6,000		27,000
5294B020	Parking machine Upgrades	Upgrade of new machines to cate for new coins and new signage		21,000		21,100					21,100
5298B022	Landscaping/Water Feature* (Water Feature only)	Work to enhance Coastal Communities funded 4 landscaping. Total costs £180,000 of which the Trust has approved £50,000 and CCF £95,000 .A further £35,000 is being sought*.	50,000		3,000	82,000					82,000
5296B022	Contingency		25,000			25,000	25,000	25,000	25,000	25,000	125,000
Total Programme			218,630	270,630	138,030	247,110	75,000	56,000	56,000	50,000	484,110

*Further Charity Committee Approval before additional spend

**Fisheries Local Action Group (FLAG) projects

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Reserves Policy (Charity Commission Guidance)

1. Introduction

In determining the policy in Appendix 5 of this report due recognition has been taken of the Charity Commission guidance on this area (Charities and Reserves (CC19), June 2010). This guidance is written for trustees of all types of charities, whether they are companies, trusts or associations. It explains what is meant by the term reserves, the trustees' responsibility to consider whether their charity needs reserves, and what to bear in mind when developing a policy on reserves.

2. Common Terminology

To understand the rules surrounding the establishment and use of reserves there is a need to understand the terminology used in accounting for charities.

Designated funds are part of the unrestricted funds which trustees have earmarked for a particular project or use, without restricting or committing the funds legally. The designation may be cancelled by the trustees if they later decide that the charity should not proceed or continue with the use or project for which the funds were designated.

Income and income funds means all incoming resources that become available to a charity and that the trustees are legally required to spend in furtherance of its charitable purposes within a reasonable time of receipt. Income funds may be unrestricted or restricted to a particular purpose of the charity.

Programme related or social investment is not 'investment' in the conventional sense of a financial investment. Conventional investments involve the acquisition of an asset with the sole aim of financial return which will be applied to the charity's objects. Programme related or social investments, by contrast, are made directly in pursuit of the organisation's charitable purposes. Although they can generate some financial return, the primary motivation for making them is not financial but the actual furtherance of the charity's objects.

Restricted funds: Restricted funds are funds subject to specific trusts, which may be declared by the donor(s) or with their authority (eg in a public appeal) or created through legal process, but still within the wider objects of the charity. Restricted funds may be restricted income funds, which are spent at the discretion of the trustees in furtherance of some particular aspect(s) of the objects of the charity, or they may be endowment funds, where the assets are required to be invested, or retained for actual use, rather than spent.

Risk is used in this guidance to describe the uncertainty surrounding events and their outcomes that may have a significant financial impact. Risk may either enhance or inhibit any area of a charity's operations.

Unrestricted funds (including designated funds): Unrestricted income funds are income or income funds which can be spent at the discretion of the trustees in furtherance of

any of the charity's objects. If part of an unrestricted income fund is earmarked for a particular project it may be designated as a separate fund, but the designation has an administrative purpose only, and does not legally restrict the trustees' discretion to spend the fund.

3. Understanding reserves and the need for a reserves policy

What are reserves?

Reserves are that part of a charity's unrestricted funds that is freely available to spend on any of the charity's purposes. This definition excludes restricted income funds and endowment funds, although holding such funds may influence a charity's reserves policy. Reserves will also normally exclude tangible fixed assets held for the charity's use and amounts designated for essential future spending.

The Charities SORP defines reserves as that part of a charity's income funds that is freely available to spend. Reserves therefore exclude endowment or restricted income funds which have particular restrictions on how the funds may be used. Trustees need to consider how the funds of the charity are held and how they are being used in order to identify those resources that are freely available to spend.

Unrestricted funds

The starting point for calculating the amount of reserves held will normally be the amount of unrestricted funds held by a charity. However, part of the unrestricted funds of a charity may not always be readily available for spending. Examples of this are:

- **Tangible fixed assets:** the Charities SORP specifically allows funds held as tangible fixed assets for charity use to be excluded from reserves. This recognises that certain assets will be used operationally and their disposal may adversely impact on a charity's ability to deliver its aims.
- **Programme-related investments:** where a charity makes programme-related investments solely to further its charitable purposes, then such investments can be excluded from reserves.
- **Designated funds:** where unrestricted funds are earmarked or designated for essential future spending, for example, to fund a project that could not be met from future income alone they can be excluded from reserves. In such cases the reserves policy should explain the nature and amount of the designation and when the funds set aside are likely to be spent. It is never acceptable to set up designations simply to reduce the stated level of reserves.

Why is a reserves policy important?

Deciding the level of reserves that a charity needs to hold is an important part of financial management and forward financial planning. Reserves levels which are higher than necessary may tie up money unnecessarily. Holding excessive reserves can unnecessarily limit the amount spent on charitable activities, reducing the potential

benefits a charity can provide. However, if reserves are too low then the charity's solvency and its future activities can be put at risk.

All charities need to develop a policy on reserves which establishes a level of reserves that is right for the charity and clearly explains to its stakeholders why holding these reserves is necessary.

A good reserves policy will explain how reserves are used to manage uncertainty and, if reserves are held to fund future purchases or activities, it will explain how and when the reserves will be spent. A reserves policy provides assurance that the finances of the charity are actively managed and its activities are sustainable. In particular, a reserves policy can help to:

- give confidence to funders by demonstrating good stewardship and financial management;
- demonstrate the charity's sustainability and capacity to manage unforeseen financial difficulties;
- give voluntary funders, such as grant-makers, an understanding of why funding is needed to undertake a particular project or activity;
- give assurance to lenders and creditors that the charity can meet its financial commitments; and
- manage the risk to a charity's reputation from holding substantial unspent funds at the year-end without explanation.

Developing a reserves policy is also an important part of the internal financial management of a charity. Developing a reserves policy is likely to:

- Assist in strategic planning, for example, considering how new projects or activities will be funded.
- Inform the budget process, for example, is it a balanced budget or do reserves need to be drawn down or built up?
- Inform the budget and risk management process by identifying any uncertainty in future income streams.

The reserves policy will develop in an integrated manner, recognising that strategic and financial planning informs the development of reserves policies and vice versa. For example, the budgets will identify peaks and troughs in cash flow and the reserves policy will need to ensure the troughs in funding can be met from reserves held.

How should a reserves policy be developed?

Trustees need to understand the nature of any restrictions on the use of the charity's funds they hold. Budgets and future plans need to be considered, in particular any

uncertainty over future income or the risk of unexpected calls on the charity's funds. In looking at future plans, projects or other spending needs might be identified that cannot be met from the income of a single year's budget alone. Having identified why reserves might be needed, trustees then need to think about how much might be required and how much is currently held as reserves. The decision made on these matters and the quantification of the amounts that need to be set aside forms a charity's reserves policy.

In more detail

There is no single method or approach to setting a reserves policy. The approach adopted will vary with the size, the nature and complexity of activities and the nature of funds received and held by a charity. However, for all charities, setting a reserves policy will involve:

- Consideration of the nature of the funds received and held by the charity - are the funds unrestricted or restricted income, or expendable or permanent endowment? This understanding allows trustees to identify unrestricted funds which can be spent on any purposes of the charity.
- Larger charities are likely to have a formal risk management process. But all charities need to think about uncertainties they may face in the future and the need to hold some reserves to meet an unexpected call on funds or opportunities that may present themselves.
- Larger charities are likely to have strategic and operational plans. But all charities need to think about their future budgets and future projects or spending plans that cannot be met from the income of a single year.

By working through these steps the trustees will be well placed to identify why reserves might need to be held and to quantify the amounts of reserves needed to operate effectively.

Once a reserves policy is set, it should not be regarded as a static policy. The circumstances of a charity will change with time and we recommend that the policy should be reviewed at least annually as part of a charity's planning processes. The amount held in reserves should also be monitored during the course of the year as part of a charity's budgetary processes.

What level or range of reserves is required?

The charity's target level of reserves can be expressed as a target figure or a target range and should be informed by:

- its forecasts for levels of income for the current and future years, taking into account the reliability of each source of income and the prospects for developing new income sources;
- its forecasts for expenditure for the current and future years on the basis of planned activity;

- its analysis of any future needs, opportunities, commitments or risks, where future income alone is unlikely to be able to meet anticipated costs; and
- its assessment, on the best evidence reasonably available, of the likelihood of each of those needs that justify having reserves arising and the potential consequences for the charity of not being able to meet them.

Trustees who hold reserves without attempting to relate their need for reserves to factors such as these will have difficulty in satisfactorily explaining why they hold the amount of reserves that they do.

What steps should trustees take to maintain and monitor reserves at the target level?

Having set the reserves level or range in which it is desirable to operate, it is important to monitor the reserves actually held to establish the reason for any significant difference with the target level set. If reserves during the year are below target or exceed target, the trustees should consider whether this is due to a short-term situation or a longer-term issue. Action may be needed to replenish or spend reserves.

The trustees' monitoring of reserves should not just be a year-end procedure. How the level of reserves changes during the year can be a good indicator of the underlying financial health of the charity and can be an indicator of potential problems. The level of reserves should be monitored throughout the year as part of the normal monitoring and budgetary reporting processes.

In particular, trustees should:

- identify when reserves are drawn on so that they understand the reasons and can consider the corrective action, if any, that needs to be taken;
- identify when reserve levels rise significantly above target so that they understand the reasons and can consider the corrective action, if any, that needs to be taken;
- identify where the reserves level is below target, consider whether this is due to short-term circumstance or longer term reasons which might trigger a broader review of finances and reserves;
- regard the ongoing review of the reserves level, target and policy as part of managing the charity;
- ensure that the reserves policy continues to be relevant as the charity develops or changes its strategy and activities;
- review the statement on reserves in the trustees' annual report where there have been significant changes in the reserves policy or level of reserves held.

Explaining reserves in the annual report

The Charities SORP requires trustees to include in their annual report:

- a statement of their policy on reserves;
- the level of reserves held and an explanation of why they are held;
- where material funds have been designated, the amount and the purpose of the designation should be explained;
- where designated funds are set aside for future expenditure, the likely timing of that expenditure.

Why might you need reserves for the charity to be effective?

The basis of a good reserves policy is thinking through exactly why you might need to hold back some funds as reserves. In a small charity, with a simple structure and uncomplicated activities, the reasons might include:

- a) The risk of unforeseen emergency or other unexpected need for funds, eg an unexpected large repair bill or finding 'seed-funding' for an urgent project.
- b) Covering unforeseen day-to-day operational costs, e.g. employing temporary staff to cover a long-term sick absence.
- c) A source of income, eg a grant, not being renewed. Funds might be needed to give the trustees time to take action if income falls below expectations.
- d) Planned commitments, or designations, that cannot be met by future income alone, eg plans for a major asset purchase or to a significant project that requires the charity to provide 'matched funding'.
- e) The need to fund short-term deficits in a cash budget, e.g. money may need to be spent before a funding grant is received.

If, after considering the above, you think that reserves are needed please go to question 2. If you conclude that your charity does not need to hold any reserves, then you must explain that in your annual report.

Question 2. How much do you need in reserve?

The reserves level may be a target amount or a target range. For example, for each reason set out in question 1:

- a) An amount might be needed to meet an unforeseen emergency or other unexpected need - consider risks and how much might be needed for such contingencies; this will involve judgement of events that may occur and their likelihood.

b) Look at your expenditure budget - do you need a small contingency fund to meet unforeseen operational costs?

c) Uncertainty over future income might mean having reserves equivalent to a number of weeks of income equivalent to a range of £x to £y, to allow time to develop new sources of income or to cut-back on related expenditure.

d) A planned spending commitment 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 accounts.

e) An amount might be needed to cover 'troughs' in the cash budget - review budgets to ascertain how much might be needed.

In summary, the financial risks you identify should influence the amount of reserves you target to hold and be explained in your reserves policy.

Setting a reserves policy is not a task undertaken in isolation. A reserves policy is a product of a charity's strategic planning, budgeting and risk management processes. These processes provide trustees with the information they need to establish exactly why they might need reserves and to help them quantify that need. The steps involved in these processes are interrelated with the outcome of one process informing another. For example, identified financial risks will inform both budgeting and the reserves policy. Setting a reserves policy can be approached in different ways.

[Step 1 - Understanding the nature of charitable funds held;](#)

[Step 2 - Identifying functional assets;](#)

[Step 3 - Understanding the financial impact of risk;](#)

[Step 4 - Reviewing sources of income;](#)

[Step 5 - Impact of future plans and commitments;](#)

[Step 6 - Agreeing a reserves policy.](#)

Risk Register - Foreshore Trust (FST)

	Service	Potential Risk	Risk Rating (Likelihood / Impact)	Potential Impact	Responsibility for controls	Steps to mitigate risk, time frame for implementation and latest position
1	FT	Corporate Governance non – compliance with articles of association or Charity Commission rules	Medium / High	<ul style="list-style-type: none"> - Failure to deliver on priorities (reputational and financial) - Financial – legal challenge and costs of that 	- Chief Legal Officer	<ul style="list-style-type: none"> - Protector attendance at Charity Committee. - Providing legal advice as appropriate - Training for Charity Committee members - All on-going
2	FT	<p>Charity Committee administration</p> <p>Statutory publication deadlines missed for agendas and the Forward Plan and meetings have to be cancelled delaying key decisions.</p> <p>Officers/Services miss deadlines for reports.</p>	Low / High	<ul style="list-style-type: none"> - Legal - Leaves HBC open to challenge, for example if Planning Applications are delayed or budget deadlines missed. - Financial – costs of legal challenges. - Reputational – High risk of bad media and public profile. 	- Chief Legal Officer	<ul style="list-style-type: none"> - Professionally trained staff with flexible approach. - Officers frequently chased and reminded about report deadlines.
3	FT	<p>Income</p> <p>Loss of Visitors to Hastings e.g. Major Pollution incident,</p>	Medium / High	<ul style="list-style-type: none"> - Budget deficit - Loss of 6 months income would equate to around 	Assistant Director – Financial Services and	- ensure regular budget monitoring reports distributed followed up by meetings

	Service	Potential Risk	Risk Rating (Likelihood / Impact)	Potential Impact	Responsibility for controls	Steps to mitigate risk, time frame for implementation and latest position
		water quality, major disaster elsewhere in Hastings.		£700,000	Revenues Chief Accountant	- report variances to Charity Committee so any budget deficits can be addressed - report variances at each meeting - Maintain adequate Reserves
4	FT	Maintain Buildings and Infrastructure - Need for a long term repair and renewal programme	Low/Medium	- Build up of urgent and costly repairs (Planned maintenance reduces costs)	Assistant Director Regeneration & Culture	Production, maintenance and regular review of repair and Renewal programme – based on regular inspection of assets. Ensure compliance of lease obligations Maintain and accumulate sufficient funds to finance agreed programme
5	FT	Unforeseen operational expenditure	Medium/High	- Reputation damage - Unable to meet commitments - Legal liabilities	- Assistant Director Regeneration & Culture	- Maintain adequate Reserves
6	FT	Treasury Management - cash flow - Loss of money/fraud/theft - Reduction of investment Interest - Cost of borrowing	Low/Medium Low / High Low / Low Low / Low	- Trust balances of (cash) £1.42m	Assistant Director – Financial Services and Revenues	- Use of External Advisers – Capita Asset Services - Ensure staff are well trained - Insurance cover in place for potential fraud and dishonesty and theft - Insurance cover in place for loss of Money - Maintain adequate Reserves
7	FT	Cash collection contract - Firm collapses - Theft by company	Low / Low Low / Low	- Loss of money (up to £200k)	Assistant Director – Financial Services and Revenues	- Continue daily monitoring of cash banked - Regular communication with supplier if the contract is not complied with Insurance

	Service	Potential Risk	Risk Rating (Likelihood / Impact)	Potential Impact	Responsibility for controls	Steps to mitigate risk, time frame for implementation and latest position
						(A new cash Collection company was employed from November 2013)
8	FT	Uninsured properties / risks	Low / Medium	<ul style="list-style-type: none"> - Properties not insured Loss of money in the event of uninsured loss 	Assistant Director – Financial Services and Revenues	<ul style="list-style-type: none"> - Ensure thorough renewals process each year - Make sure we liaise with estates/building services to ensure all properties are properly insured.
9	FT	Business Continuity	Low/ High	<ul style="list-style-type: none"> - Loss of Income, - Payments not made, - Treasury Management – financial loss 	<ul style="list-style-type: none"> - Assistant Director – Financial Services and Revenues - Chief Accountant 	<ul style="list-style-type: none"> - Robust HBC financial systems - HBC business continuity planning
10	FT	Loss of key staff	Medium / High	<ul style="list-style-type: none"> - Stress - Errors / omissions - Financial loss - Poor advice 	<ul style="list-style-type: none"> - Chief Accountant - Assistant Director – Financial Services and Revenues - Chief Legal Officer - Executive Manager People and Organisational Development 	<ul style="list-style-type: none"> - Keep staff motivated - Ensure knowledge is shared - Terms and Conditions

	Service	Potential Risk	Risk Rating (Likelihood / Impact)	Potential Impact	Responsibility for controls	Steps to mitigate risk, time frame for implementation and latest position
11	FT	Changes in Financial legislation – Financial accounts compliance with Charity SORP	Low / Medium	<ul style="list-style-type: none"> - Failure to produce accounts - Qualified by auditor - Staff time - Staff costs - Reputation undermined 	Assistant Director – Financial Services and Revenues Chief Accountant	<ul style="list-style-type: none"> - Work with Manningtons experienced firm <ul style="list-style-type: none"> - Regular liaison with HBC external auditors (BDO) and also Foreshore Trust auditors (Manningtons) - Train staff
12	FT	Budget settings <ul style="list-style-type: none"> - No decisions - Late decisions - No processes 	Low / High	<ul style="list-style-type: none"> - Poor Financial management 	Assistant Director – Financial Services and Revenues Chief Accountant	<ul style="list-style-type: none"> - Ensure regular budget monitoring reports distributed. - Report variance reporting through performance review - Provide appropriate financial advice to members and officers - Consider Whole life costing of decisions/ projects <ul style="list-style-type: none"> - Consider Revenue Implications of new projects
13	FT	External suppliers <ul style="list-style-type: none"> - Bankruptcy, Administration 	Medium / High	<ul style="list-style-type: none"> - Depends which Contract 	<ul style="list-style-type: none"> - Chief Accountant 	<ul style="list-style-type: none"> - Financial health checks on contracts
14	FT	Unsafe structures leading to Public Liability Claims e.g. injury on trust land	Medium/Medium	<ul style="list-style-type: none"> - Financial Loss - Reputation 	<ul style="list-style-type: none"> - Assistant Director Regeneration & Culture 	<ul style="list-style-type: none"> - Regular evidenced inspections carried out. <ul style="list-style-type: none"> - Proactive works maintenance programme carried out

	Service	Potential Risk	Risk Rating (Likelihood / Impact)	Potential Impact	Responsibility for controls	Steps to mitigate risk, time frame for implementation and latest position
15	FT	Changes in legislation – Charity Law	Low/Medium	<ul style="list-style-type: none"> - Reputation undermined - Financial penalty 	- Chief Legal Officer	- Professionally trained legal staff

Foreshore Trust - Reserves Policy

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

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

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

The expenditure budget is some £960,000. It is suggested that a 10% contingency (say £100,000) 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 £700,000.

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 :-

Ref.	Risk Area/ Designated Funds	Amount (£)
a)	Unforeseen emergency/event	£100,000
b)	Unforeseen operational costs/contingency	£100,000
c)	Uncertainty on Income streams	£700,000
	Total	£900,000
Plus	Planned Spending Commitments e.g. R&R	

Agenda Item 9

Coastal Users Group 13th June draft notes

NOTES OF

Hastings & St. Leonards Coastal Users' Group Held on Tuesday, 13th June 2017 @ 1800hrs East Hastings Sea Angling Association, Hastings

Present:

Paul Carter (Chair) – East Hastings Sea Angling Association
Cllr Kim Forward – HBC, Deputy Leader / Lead member for regeneration)
Kevin Boorman – Hastings Borough Council
Christine Boulton-Lane – West of Haven Beach Users Association
Alan Care – Hastings and Rother Disability Forum
Di Cooke – Hastings Lifeguards
Dick Edwards – Hastings Old Town Residents Association
Cliff Meaden – Epic Life
Steve Peak – Friends of Hastings Country Park
Andre Palfrey-Martin – Save Our Heritage Group
Anne Scott – Old Hastings Preservation Society
Jacqui Stanford – Shipwreck Museum
Aaron Woods – Hastings Borough Council
Allison Pascual – Hastings Borough Council

1. WELCOME, INTRODUCTION AND APOLOGIES

Apologies have been received from:

Cllr James Bacon – HBC (Old Hastings Ward)
Cllr Sue Beaney – HBC (Charity Committee Chair)
Cllr Mike Howard – HBC (West St Leonards Ward)
Chris Richards – Hastings Adventure Golf
Cllr Judy Rogers – HBC (Castle Ward)
Jan Sellens – Fishermen's Museum
Cllr Trevor Webb – HBC (Central St Leonards Ward)
Yasmin Ornsby – Stade Partnership
Jo Stewart – Hastings Pier Charity

Everyone was welcomed to the meeting and introductions were made. Cllr Forward clarified that following the elections, she is no longer a member of the Charity Committee and that Cllr Poole is to become a member of the committee. This will be ratified at the necessary committee meetings. With regards to the position as co-chair of this group, clarification will be sought as to whether it will transfer to Cllr Forward.

*Note: the recommendations made at the meeting were agreed by those present but the meeting was not quorate with only 10 voting members present.

3. NOTES OF LAST MEETING (7th MARCH) (attached)

Accepted as an accurate record

Matters arising:

- Public Space Protection Orders – have now been adopted following the special HBC Cabinet meeting last month and came into force yesterday. It was confirmed that the Old Town is covered by the orders.
- Storytelling festival / Safety at the Stade Open Space – Kevin discussed the issue with Paul Cosson (Parking Enforcement Manager at HBC). It is understood that the issue is when there is an insufficient number of stewards at events controlling vehicle access. It was recognised that difficulties will always be encountered and it is not possible to discourage vehicles from entering the space. The meeting was assured that the Angling Association keeps an incident file and drivers could lose parking privileges if they were to be involved in incidents and reported.
- Shopmobility – HBC officers will be asked to broker a discussion between Shopmobility and Hastings Voluntary Action to see how they can be assisted to access more funds. **Action: Cllr Forward**

4. FORESHORE TRUST ITEMS

a. Draft Business Plan 2017-2022

Kevin introduced the item and highlighted items 63-66, Classroom on the Coast. He explained that although there is a need to make more use of the classroom and the Stade Hall, legal charity advice has been taken and due to the terms and conditions in place, having a commercial operator making profit is not permitted. The meeting agreed to keep focus on this issue until a way forward can be found.

The meeting agreed that the following recommendations should be put forward to the Charity Committee:

- That consideration be given to increasing grants to voluntary organisations as this has not been done over the last three years
- That a low cost solution for widening of the walk way from Harold Place underpass into Pelham Place should be considered

Due to the delay in circulating the item, it was agreed that further comments from this group should be emailed through to Kevin at kboorman@hastings.gov.uk no later than 25th June, in order that these can be brought to the attention of the Charity Committee meeting the next day. **Action: ALL.**

b. The Landing

The meeting supported the recommendations as set out in the report.

c. Seafront Splash Pad Water Play and Kiosk

The meeting supported the recommendations as set out in the report.

As there are significant issues in relation to the installation of a splash pad and associated facilities at Pelham Place it is being recommended that the redundant fountain at White Rock be refurbished instead. This will be subject to the necessary surveys and tests being carried out successfully.

In terms of the equipment at Pelham Place playground, Aaron confirmed that a site meeting is taking place next week to resolve any issues.

The meeting agreed that the following recommendations should be put forward to the Charity Committee:

- That the Stade Open Space be considered as a potential location for the seafront water play facility should be put forward to the Charity Committee. This option could be considered alongside the repairs to the hard surface that will be needed in the next few years
- That a garden with a small solar fountain should be considered as an option for the White Rock fountain

d. Charity Committee Minutes – 20th March (attached)

The minutes of 20th March were noted.

Minute 84, Hastings Off-Street Parking Infrastructure Improvements – states that “The Coastal Users Group had been consulted on the matter and were broadly supportive of the proposal.” It has to be noted that an increase in parking charges was not discussed, nor agreed by this group at its last meeting.

In addition, the increase in parking charges has made local residents and visitors unhappy. The meeting agreed to register its objection to the increase in the charges and the application of the hours (charging ‘day rates’ after 6pm, and until 9pm). It also has to be noted that parking is becoming increasingly difficult in the Old Town, it is confusing as to where the different parking zones are and the information available online is often confusing and incorrect.

It was suggested that Rock-a-Nore Road be transformed into a shared space road, but it was recognised that this would be difficult and costly.

5. COASTAL ITEMS UPDATE

a. Harbour Arms Works

Kevin advised the meeting that work will be commencing this coming Monday and it is hoped it will be completed by the end of August. 28K tonnes of granite from Norway will be delivered to Hastings, although the boat has been slightly delayed. As

a result, the concrete facing work will be carried out first. Measures will be put place to determine parts of the beach that will not be affected by the works and to ensure that access points will not be blocked. As there is likely to be considerable interest, Kevin will ensure that sufficient publicity is released when the boat is due to arrive. He also confirmed that £1.4M funds had been received from the Department for Environment, Food and Rural Affairs (DEFRA) to carry out the works and that HBC is contributing £30K.

b. Lifeguard Services

Kevin confirmed that the Royal National Lifeboat Institution (RNLI) started its operations in Hastings and Camber Sands during the last Bank Holiday weekend. He further confirmed that there have not been any incidents so far and that he would be happy to circulate any reports if and when they become available and that the portacabins will be stored in the winter. Suitable sites are currently being sought.

6. MEMBER UPDATES / ANY OTHER BUSINESS

West of Haven – Christine raised the issue of a campervan owner being able to get in and out of the site freely, presumably as they know the combination code. There is also a large camper van parked at Cinque Ports Way and problems with a caravan at Grosvenor Gardens, causing unacceptable cleanliness and accessibility issues in the areas. It was recognised that the relevant signage is being prepared, but something needs to be done urgently by the authorities to rectify these problems. It was agreed that this item be kept on the agenda and that this group will provide its support when required.

Hastings Lifeguards – Di alerted the meeting to the fact that the club is struggling to survive. It needs more members and more help with running costs. Unfortunately, she was not given sufficient notice of the RNLI taking on the operations in Hastings, and as it has a good public relations machine, this has affected Hastings Lifeguards. The club needs more support, and the meeting agreed it would do all that is possible to help. Any suggestions should be forwarded to Di.

90 year of cultural and musical experiences in the area – following on from the successful exhibition held at The White Rock Theatre, Andre is now in the process of setting up a database with details of architects, bricklayers and other contractors who helped building the town.

Conservation Area Appraisal consultation – opened yesterday and closes on 21st July. Information available at:

http://www.hastings.gov.uk/planning/policy/consultations/future_developments/

Display boards for St Leonards Pier – Steve is currently drafting these and it is hoped they could be unveiled during Hastings Week in October.

Netshop environment – Steve raised the issue of grass and weeds growing in place of shingle and regret that the issue has still not been dealt with despite being raised months ago.

Beach huts at the pier – Cliff is frequently being asked what is happening. Kevin explained that unfortunately, the prices came in much higher than anticipated but it is still hoped that the huts will be in place before the end of summer.

Shared pedestrian and cycle lane at Pelham Place – is frequently busy and hazardous and it has been suggested that the path is de-segregated. This will be looked into. **Action: Aaron**

Water sports users – Cliff raised the question of whether complaints have been properly recorded. The kayak hire shop at Bottle Alley opened but has not been used in the proper way and kayaks are being hired out to beginners, and users have been going out to sea when they shouldn't have done. There is strong and urgent need for operators to employ properly trained and qualified staff and HBC as a landlord should check this is the case. The meeting expressed its deep concern about the issues raised and agreed that these should be investigated. **Action: Aaron/Kevin**

Rock-a-Nore Road – wheelchair access was supposed to have been sorted but doesn't appear to have been. Issues to be looked into. **Action: Aaron**

Abandoned cars at Winch Road – there are now six that need removing, this will be looked into. **Action: Aaron**

Old Town Carnival Week – taking place from 29th July through to 6th August.

New Resort Manager – Aaron introduced himself once more and assured the meeting that he and the new Beach Inspector, Ken Dullaway, are working closely together to resolve any issues.

Project Management of Stamco site – Paul advised that he has taken on this work alongside Education Futures Trust.

Stamco site near the car wash – believed to be owned by Aldi, clarification will be sought. **Action: Aaron/Kevin**

7. DATE OF NEXT MEETING

6pm, Tuesday, 5th September – Muriel Matters House

Meeting closed 19:40

Distribution:
Hastings & St Leonards Coastal Users Group
Charity Committee

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