

Cabinet Agenda

Monday, 2 October 2023 at 6.00 pm

Council Chamber, Muriel Matters House, Breeds Place, Hastings, East Sussex, TN34 3UY. Please enter the building through the Contact Centre entrance via the seafront.

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For further information, please contact Democratic Services on 01424 451484 or email: democraticservices@hastings.gov.uk

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4 SEPTEMBER 2023

Present: Councillors Barnett (Chair), Evans (Vice-Chair), Batsford, Rogers and Willis.

In attendance: Jane Hartnell (Chief Executive), Kit Wheeler (Chief Finance Officer), Mary Kilner (Chief Legal Officer), Cameron Morley (Head of Environment and Operations). In attendance remotely: Victoria Conheady (Deputy Chief Executive – Director of Place), and Chris Hancock (Head of Housing).

23. APOLOGIES FOR ABSENCE

Apologies for absence received from Councillors Cannan and Roark.

24. DECLARATION OF INTERESTS

None.

25. MINUTES OF LAST MEETING

RESOLVED – that the minutes of the meeting held on 7th August 2023 be approved as a true record.

26. PUBLIC QUESTION TIME (30 MINUTES)

A question was asked regarding the Council's representation on the board of Sea Change Sussex and subsequent actions since Councillor Barnett resigned from the board in February 2022.

Councillor Barnett replied that he understood that central government were looking into the operation of Sea Change because of the funding they received through the Local Enterprise Partnership towards the cost of the Queensway Gateway road. Councillor Barnett said that he had called for a meeting coordinated by East Sussex County Council into the current position regarding Sea Change and he would follow this up.

27. FINANCIAL MONITORING REPORT

The Chief Finance Officer presented a report to provide a summary of the forecast outturn position at the end of July 2023.

The report provides an update on the current financial position which continues to be challenging. There is a forecast overspend of close to £1.9 million, however there is good news in additional income of £141,000 for properties and estates, and £54,000 from industrial units, due to rent reviews and renewals.

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Housing and homelessness costs continue to present a financial challenge for Hastings and other local authorities. There is a large savings programme underway in the housing department, but this is unlikely to achieve enough to meet growing costs.

In summary the Chief Finance Officer reiterated that the financial situation remains very serious, and savings need to be realised from across the organisation as part of the budget setting process.

Councillor Collins was present and asked about the potential timescales for issuing a Section 114 notice.

The Chief Finance Officer replied that a report will be coming to Cabinet detailing the Section 114 process.

Councillor Barnett proposed approval of the recommendations, seconded by Councillor Batsford.

RESOLVED (unanimously):

To note the contents of the report, and the actions within the conclusion and management action section.

Reasons:

To assist the Council in understanding the financial position and particularly areas of over and under spend. Early indications of emerging overspends can allow management action to be targeted to those areas.

This monitoring assists in identifying areas for review in the production of the 2024/25 budget and the impact of the 2023/24 outturn on the reserves position.

28. APPOINTMENT OF CREMATOR MAINTENANCE CONTRACTOR (PART 1)

The Head of Environment and Operations presented a report to agree the renewal of the cremator maintenance contact for Hastings Crematorium.

The initial period of the contract is five years, with the option to extend for a further five. The cremators have an operating life of around 20 years, and it is likely they will come to the end of their operational life within the period of the contract. A break clause has been agreed so the contract can be terminated if it is no longer appropriate when the cremators are replaced.

Councillor Rogers proposed approval of the recommendations, seconded by Councillor Willis.

RESOLVED (unanimously):

To award Facultatieve Technologies Ltd the contract of providing cremator maintenance for Hastings Borough Council from 1st October 2023 on a term of 5 years, with the option to extend for a further 5 years with an option to

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withdraw on 6 months' notice after the initial 5-year period should we be replacing the equipment.

Reasons:

The current cremator maintenance contract comes to an end on 31st July 2023. This contract has been extended as far as it can, and therefore a new contract is required. Following a tender exercise, Facultatieve Technologies Ltd was selected as the most suitable candidate to provide this essential service from 1st October 2023, with interim arrangement having been put in place to accommodate servicing needs between 31st July 2023 and 1st October 2023.

29. CORNWALLIS STREET HOTEL (PART 1)

The Chief Executive presented an urgent report to seek approval to increase the capital programme budget for the development of a hotel and restaurant at Cornwallis Street.

The project was first discussed in 2019 and a legal agreement was concluded in January 2021. After a tender exercise the cost came back higher than budgeted, therefore the capital budget needs to be increased to secure the services of the contractor. This needs to be agreed as soon as possible to secure the price agreed with the contractor.

Councillor Beaney was present and asked why the report doesn't include the implications of failing to approve the increased budget?

The Chief Executive replied that cabinet members and group leaders have been advised of the implications of not agreeing the budget increase. Full Council will be advised that the authority has entered into a contract and if it chose not to abide by that agreement it would be subject to legal action.

Councillor Collins was present and asked if the forecasts for the hotel development take into account the new hotel in Havelock Road?

The Chief Executive replied that these are separate projects, and the town is significantly below the level of hotel accommodation that would be expected. For example, Hastings has fewer than 1,000 serviced hotel beds, compared to 7,000 in Eastbourne.

Councillor Patmore was present and asked if it is normal practice for a local authority to sign a contract without a break clause for increasing costs?

The Chief Executive replied that projects are determined on a number of factors and the Council needs to consider the position in 2019 and whether this was the best offer available at the time to support tourism in Hastings.

Councillor Barnett proposed approval of the recommendations, seconded by Councillor Evans.

RESOLVED (unanimously):

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- 1. Cabinet recommends Full Council approves the increase in the capital programme budget to £13.601m for the development of the hotel at Cornwallis Street.**
- 2. Full Council approves the use of capital receipts from the land and property disposal programme as a financially prudent approach to help fund the capital programme as set out in the Council's Treasury Management Strategy.**

Reasons:

1. The council entered into an agreement in 2021 to build and lease a hotel on the site at Cornwallis Street as a regeneration project and to address the significant under-provision of hotel bed-spaces in the town.
2. The council tendered for the build work and following two procurement exercises, a preferred contractor has been identified, however the tender price has exceeded the estimated capital programme budget.
3. Decisions regarding increases to the capital programme are required to be made by Full Council.
4. Cabinet is therefore recommending to Full Council that the budget is increased to the sum of £13.601m (including a significant contingency budget).
5. The use of capital receipts (from the sale of surplus assets) to reduce the level of borrowing required and MRP (minimum revenue provision) payable is recommended as part of a prudent and balanced Treasury Management strategy.

30. EXCLUSION OF THE PUBLIC

RESOLVED:

That the public be excluded from the meeting during the consideration of the items of business listed below because it is likely that, if members of the public were present, there would be disclosure to them of 'exempt' information as defined in the paragraphs of Schedule 12A to the Local Government Act 1972 referred to in the relevant report.

The meeting adjourned at 7.18pm to allow the public to leave and resumed at 7.20pm.

31. APPOINTMENT OF CREMATOR MAINTENANCE CONTRACTOR (PART 2)

The Head of Environment and Operations presented a report to agree the renewal of the cremator maintenance contact for Hastings Crematorium.

Councillor Rogers proposed approval of the recommendations, seconded by Councillor Willis.

RESOLVED (unanimously):

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To award Facultatieve Technologies Ltd the contract of providing cremator maintenance for Hastings Borough Council from 1st October 2023 on a term of 5 years, with the option to extend for a further 5 years with an option to withdraw on 6 months' notice after the initial 5-year period should we be replacing the equipment.

Reasons:

The current cremator maintenance contract comes to an end on 31st July 2023. This contract has been extended as far as it can, and therefore a new contract is required. Following a tender exercise, Facultatieve Technologies Ltd was selected as the most suitable candidate to provide this essential service from 1st October 2023, with interim arrangement having been put in place to accommodate servicing needs between 31st July 2023 and 1st October 2023.

32. CORNWALLIS STREET HOTEL (PART 2)

The Chief Executive presented a report to seek approval to increase the capital programme budget for the development of a hotel and restaurant at Cornwallis Street.

Councillor Barnett proposed approval of the recommendations, seconded by Councillor Evans.

RESOLVED (unanimously):

- 1. Cabinet recommends Full Council approves the increase in the capital programme budget to £13.601m for the development of the hotel at Cornwallis Street.**
- 2. Full Council approves the use of capital receipts from the land and property disposal programme as a financially prudent approach to help fund the capital programme as set out in the Council's Treasury Management Strategy.**

Reasons:

1. The council entered into an agreement in 2021 to build and lease a hotel on the site at Cornwallis Street as a regeneration project and to address the significant under-provision of hotel bed-spaces in the town.
2. The council tendered for the build work and following two procurement exercises, a preferred contractor has been identified, however the tender price has exceeded the estimated capital programme budget.
3. Decisions regarding increases to the capital programme are required to be made by Full Council.
4. Cabinet is therefore recommending to Full Council that the budget is increased to the sum of £13.601m (including a significant contingency budget).
5. The use of capital receipts (from the sale of surplus assets) to reduce the level of

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borrowing required and MRP (minimum revenue provision) payable is recommended as part of a prudent and balanced Treasury Management strategy.

(The Chair declared the meeting closed at 7.45pm)

Agenda Item 5



Report To: Cabinet

Date of Meeting: 2 October 2023

Report Title: Reserves Policy 2023-24

Report By: Kit Wheeler
Chief Finance Officer

Key Decision: Yes

Classification: Open

Purpose of Report

An essential part of the financial planning process for Hastings Borough Council is a robust and modern policy on the level and nature of reserves.

The policy document attached updates the Council's approach to Reserves in preparation of its Medium Term Financial Strategy and as part of the budget setting process for 2024-25.

Recommendations

- 1) Cabinet recommends that Full Council agrees the updated Reserves Policy.
- 2) Cabinet recommends to Full Council that the minimum General Reserve balance be reduced from £6m to £4m.

Reasons for Recommendations

1. Sections 31A, 32 42A and 43 of the Local Government Finance Act 1992 require billing and precepting authorities in England and Wales to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement.
2. Hastings Borough Council, like many others at the current time finds itself under considerable financial duress. To ensure that Councils do not fall fail of overcommitting themselves financially there are several safeguards in place to prevent this from occurring. These include;
 - All Councils must set a balanced budget as set out in sections 31A, 42A of the Local Government Finance Act 1992, as amended.
 - The Chief Finance Officers duty to report on the robustness of estimates and adequacy of Reserves (section 25 of the Local Government Act 2003) when the Council is considering its budget requirement.
 - Section 151 of the Local Government Act 1972 states as part of the legislation that each Local Authority must make arrangements for the proper administration of their financial affairs and that the Chief Finance Officer / proper officer has responsibility for the administration of those affairs.
3. The above requirements are reinforced by Section 114 of the Local Government Finance Act 1988 which requires the Chief finance Officer in England and Wales to report to Council if there is or is likely to be unlawful expenditure or an unbalanced budget. This would include situations where reserves have become seriously depleted and it is forecast that the authority will not have the resources to meet its expenditure in a particular financial year.
4. Within the existing statutory and regulatory framework, it is the responsibility of the Chief Financial Officer to advise the Council about the level and nature of reserves to be held. In assessing the adequacy of unallocated general reserves the Chief Financial Officer will take account of the strategic, operational, and financial risks facing the authority. The Chief Financial Officer will also ensure that there are clear protocols for their establishment and use.

Introduction and Background

5. The Department for Levelling Up, Housing and Communities (DLUHC) released a paper on the 25th July 2023 stating the following:

'Reserves are an important part of the resourcing available to local authorities and are held for a variety of purposes. Some reserves are held as a general cushion against uneven cashflows and a contingency against unexpected expenditure; these are referred to in the revenue outturn as unallocated reserves.

Other reserves are earmarked by an authority for specific purposes, such as to mitigate specific risks or to build up funds for known or anticipated future expenditure. These are known as earmarked reserves. The extent to which earmarked reserves can be made available for other purposes varies depending on the reasons a particular reserve is being held. Some reserves are ringfenced by accounting practice or statute and are not available for spend elsewhere.'

6. There is currently no recommended statutory minimum level of General Fund (unallocated) reserves or Earmarked Reserves, and is the responsibility of each authority to determine for themselves individually.

7. Despite there being no specific recommended guidance around reserve balances, the Councils external auditors Grant Thornton produced a public report in 2021 entitled 'lessons from public interest reports' which discussed the issue of reserve balances within the public sector.

In our view, those councils who have, throughout the period of grant reduction, recognised and been committed to maintaining adequate reserves, have not only continued to provide strong services but have also put themselves in a position to ride out the current pandemic storm.

This, we believe, is the absolute and fundamental lesson from the PIRs issued in the last few months. Maintaining sound reserves is absolutely vital and a key indicator of sound financial governance. It should be at the heart of all medium-term financial plans.

In our view, general fund reserves (including earmarked general fund reserves) should be a minimum of 5% of net spending and arguably should be somewhere between 5 and 10%. This level of reserves will provide councils with a vital cushion.

8. Hastings Borough Councils current policy has an agreed minimum level of General Reserve set at **£6m**. This is calculated as follows:

- (i) 15% downturn in income (sales, fees, rents, etc) - £2m (Projection)
- (ii) 5% over run in expenditure (including capital) - £2m
- (iii) Unforeseen events/losses - £2m

9. Having considered the above historical approach and the current financial and economic environment the Council is faced with at present, any number of permutations could be calculated.
10. However, given that the above calculation was made with an expectation of a downturn in Income trends, set at a time when the impact of the Covid pandemic was still largely unknown, and 5% over run in Expenditure in addition to any other unforeseen events and losses. It could be argued that this was correct and prudent at the time but now that there is less uncertainty around some of those areas that this could, and should be potentially reduced.
11. There is also the consideration of the ongoing issue and one of the biggest financial risks to the Council at the present time being around increasing Homelessness costs, something not a factor when originally considering the levels of recommended General Reserve.
12. The 2023/24 budget that was agreed by Full Council in February 2023 showed an expected budget for Net Expenditure to be **£17.8m**. **10%** contingency based on this figure would be **£1.8m**.
13. Given the current and well documented issues the Council is having in relation to tackling the Housing Crisis, an additional provision should be set aside to mitigate these financial demands. The 2023/24 Homelessness budget was set at **£5.2m**. **20%** contingency based on this figure would be **£1.04m**.
14. Included within the 2023/24 budget of **£17.8m** net expenditure, the Council already provides a provision for contingency for unexpected and unforeseen events within the revenue budget which accounts for **£300,000**. Therefore, excluding that contingency figure as well as the already separately accounted for Homelessness risk of **£5.2m** above, the remaining net cost is **£12.3m**. **10%** of this figure is **£1.2m**.
15. Therefore, the re-calculated Minimum General Fund Reserve balance should be as follows:
 - £1.8m (10% contingency of total Net Expenditure based on 2023/24 Budget)
 - £1.04m (20% Homelessness costs fluctuations)
 - £1.2m (Other unexpected / unforeseen events)

Total = £4.04m (say **£4m**).

It is therefore recommended that the minimum level of General Reserve balance is reduced from **£6m** to **£4m**.

Reserves Protocol

16. For each earmarked reserve held by a local authority there should be a clear protocol setting out:
- The reason for/purpose of the reserve;
 - How and when the reserve can be used;
 - Procedures for the reserve's management and control; and
 - A process and timescale for review of the reserve to ensure continuing relevance and adequacy.

Balance of Reserves

17. At the 31st March 2023 the General Reserve balance was **£7.59m** and the Earmarked Reserves balance was **£13.44m**.

Reserves to be released

18. As per the attached Reserves policy, each year all Reserves and their use will be reviewed as part of the budget setting process and if considered no longer necessary or required at the level previously held will be released back into the General Fund.

Conclusion

19. A robust Reserves Policy enables the Council to achieve its Corporate Priorities and Programmes of work. The amending of the General Reserve Balance is due to re-evaluation of, and reflection of the current risks facing the Council.

Timetable of Next Steps

Please include a list of key actions and the scheduled dates for these:

Action	Key milestone	Due date (provisional)	Responsible
Cabinet	Approve Report and Recommendations	2 nd October 2023	Chief Finance Officer / Lead Member for Finance
Full Council	Approve Report and Recommendations	22 nd November 2023	Lead Member for Finance

Budget Cabinet	Approve Report and Recommendations	29 th January 2024	Chief Finance Officer / Lead Member for Finance
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Wards Affected

All

Policy Implications

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

Additional Information

Appendix 1 – Reserves Policy

Officer to Contact

Kit Wheeler
kit.wheeler@hastings.gov.uk

Report Title: 2023/24 Reserves Policy

Report By: Kit Wheeler

Chief Finance Officer

Purpose of Policy

An essential part of the financial planning process for Hastings Borough Council is a robust and modern policy on the level and nature of reserves.

The policy document attached updates the Council's approach to Reserves in preparation of its Medium Term Financial Strategy and as part of the budget setting process.

Reserves Policy

1. Setting the level of reserves is one of several related decisions in the formulation of the Council's Medium Term Financial Strategy.
2. In establishing and approving the Medium Term Financial Strategy, "the Council will ensure that it maintains a prudent level of reserves in line with best practice and relevant guidelines".
3. Any surplus reserves will be considered in the light of the budget forecast and the risks associated with that forecast.

Financial Planning

4. The starting point will always be the minimum level of General Reserve balance and this is calculated as follows:
 - £1.8m (10% contingency of total Net Expenditure based on 2023/24 Budget)
 - £1.04m (20% Homelessness costs fluctuations)
 - £1.2m (Other unexpected / unforeseen events)

Total = £4.04m (say **£4m**).

It is therefore recommended that the minimum level of General Reserve balance is **£4m**.

5. This base figure will be subject to Annual Review by the Chief Finance Officer in the light of risks within the Medium Term Financial Strategy.
6. In making a recommendation as to the level of reserves which should be maintained, the Chief Finance Officer considers carefully:-
 - The overall financial standing of the authority (level of borrowing, debt outstanding, council tax collection rates, etc.);
 - The authority's track record in budget and financial management including the robustness of the Council's Medium Term Financial Strategy;
 - The authority's capacity to manage in-year budget pressures;
 - The strength of the financial information and reporting arrangements;
 - The adequacy of the authority's insurance arrangements to cover major unforeseen risks.

7. The Council will not hold significant balances above those required by the Medium Term Financial Strategy.
8. The level of earmarked reserves will be reviewed in the preparation of the Medium Term Financial Strategy and again as part of the Closure of Accounts process. The creation of any new earmarked reserves will be subject to Member approval.
9. At the 31st March 2023 the General Reserve balance was **£7.59m** and the Earmarked Reserves balance was **£13.44m**.

Reporting

10. Any recommended changes to the level of reserves held will be reported within the Medium Term Financial Strategy or in the consideration of the Annual Accounts and will take account of the strategic, operational and financial risks facing the authority at that time.
11. In making any recommendation the Chief Finance Officer, will provide Members, (in line with the requirements of the Local Government Act 2003) with an opinion on the robustness of the budget estimates and on the adequacy of the Council's reserves.
12. Any changes to this Policy will require approval by Lead Portfolio Holder for Finance.

Ear Marked Reserves

13. Earmarked reserves are a means of voluntary and prudently building up funds to meet known future or predicted liabilities. When establishing reserves the Council must adhere to the Code of Practice on Local Authority Accounting (the CODE) and in particular the need to distinguish between reserves (set aside for future liabilities) and provisions (mandatory set asides for actual liabilities existing).
14. In approving any new earmarked reserves the Council needs to identify the purpose of the reserve, the protocol for its use and the procedures for its management and control.
15. These will be reviewed as part of the budget setting process and any considered no longer necessary will be highlighted for release back into the General Fund and any in need of amending will be agreed through the proper procedures.

Reserve Levels

	Opening Balance at 1 April 2023 £'000
(1) General Reserve	(7,599)
(2) Capital Reserve	(150)
(3) Renewal and Repairs Reserve	(1,656)
(4) Risk Management Reserve	(315)
(5) Information Technology Reserve	(274)
(6) On-Street Car Parking Surplus Reserve	(40)
(7) Section 106 Reserve (Revenue)	(426)
(8) Revenues & Benefits Reserve	(255)
(9) Countryside Stewardship Reserve	(28)
(10) Monuments in perpetuity	(46)
(11) Ore Valley Reserve	(250)
(12) Invest to save and efficiency Reserve	(87)
(13) Resilience and Stability Reserve	(900)
(14) Redundancy Reserve	(565)
(15) Safer Hastings Partnership Reserve	(98)
(16) Disabled Facilities Grant	(1,374)
(17) Housing Licensing reserve	(277)
(18) Community Housing Reserve	(11)
(19) Controlling Migration	(116)
(20) Towns Fund	(236)
(21) Section 31 - Grant Reserve	(6,336)
Total	<u>(21,039)</u>

1. The General Reserve is used to support revenue spending.
2. The Capital Reserve is earmarked to support capital spending.
3. The Renewal and Repairs Reserve is maintained for the purchase of vehicles, plant, equipment and the repair and redecoration of property.
4. The Risk Management Reserve is used to cover excesses on claims and certain small risks. The object is to minimise insurance premiums providing sufficient cover. It is also a reserve in respect of future MMI insurance liabilities.
5. The Information Technology Reserve is for the purpose of financing the purchase of computing equipment and computer systems required by the Council.
6. On-street car parking surpluses are shared with East Sussex County Council. Shares will be spent on traffic management and transportation issues within the borough.
7. Section 106 Reserve – these are the developers’ contributions to be used to finance various projects.
8. Revenues and Benefits Grants as part of New Burdens.
9. Countryside Stewardship Reserve – is money set aside for the protection and stewardship of the Countryside park in relation to received grant.
10. The Monuments in Perpetuity reserve has been set up to maintain burial plots at the Cemetery.
11. Ore Valley reserve has been set up to fund activity in the area.
12. Invest to save Reserve - To provide future funding for projects which will delivery savings but require upfront funding.
13. Resilience and Stability Reserve- To cushion the impact of fluctuations in business rates income and costs of Council tax reduction scheme.
14. Redundancy Reserve - sum put aside to help meet expected redundancy costs arising in future years.
15. Safer Hastings Partnership - is specifically earmarked to reduce crime, disorder and anti-social behaviour in neighbourhoods and on the streets.
16. Disabled Facility Grant - Funding for disabled adaptations
17. Housing Licensing - To smooth the impact of non-refundable license income received up-front but covering several years.
18. Community Housing – Government grant for us over more than one year. Controlling Migration – To support the impact of migration.
- 19 – Controlling Migration – Funding for Migration Control.
20. Towns Fund – To fund and support the Towns Deal.
21. Section 31 Grant Reserve – Grant received that will be needed in future years to fund deficits on the Collection Fund caused by government policy changes granting new reliefs.

Additional Information

N/A

Officer to Contact

Kit Wheeler

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Agenda Item 6



Report To:	Cabinet
Date of Meeting:	2nd October 2023
Report Title:	Call in recommendations
Report By:	Coral Harding (Continuous Improvement and Democratic Services Officer)
Key Decision:	N

Purpose of Report

This report sets out the recommendations of the Overview and Scrutiny committee and management response following a 'Call In' meeting on 15th August 2023. This was regarding the Cabinet decision 'Land and Property Disposal Programme' from the Cabinet meeting held on 7th August 2023.

Recommendation(s)

- 1. Overview and Scrutiny recommend that future reports regarding land and asset disposal contain the following information;**
 - a. As recommended at recent training conducted by CIPFA that reports concerning capital strategy contain the following or an explanation if not relevant;**
 - Legal power for a scheme to be undertaken
 - Evidence of robust option appraisal work
 - Consideration/quantification of sensitivity analysis outcomes
 - Impact on revenue budget and balance sheet resources
 - Section 151 Officer to vouch for skill-sets of external consultants
 - Councillors to be adequately briefed on any material risks
 - b. Before the asset management strategy is completed, future reports should contain a top level assessment against the current RAG system the council uses.**
 - c. That the report demonstrates in line with the Local Government Act 1972 it requires that land and asset disposals be evaluated against 'best consideration'. The definition of this needs to be contained within the report or an appendix.**
 - d. Costs of disposal need to be made explicit and should include an estimate for Officer time to reflect true costs.**
 - e. Any impact on future borrowing costs should include within the report an estimate on the councils MRP as part of the revenue budget.**

f. If the loss of land or assets impacts the objectives of the Corporate Plan.

Reasons for Recommendations

Overview and Scrutiny recognise the council's financial situation and the need for land and asset disposal. Any proposed land and/or assets for disposal must be identified through a robust process and decisions must be made with clear information for both Councillors and the public to view.

Introduction

1. At the Cabinet meeting held on 7th August 2023 the item 'Land and Property Disposal Programme' recommendations were agreed.
2. The decision was to seek approval to sell 4 Council owned sites to generate capital receipts estimated at more than £3 million. The sites included;
 - Land at rear of 419 to 447 Bexhill Road
 - Mayfield E
 - 12/13 York Buildings
 - Land at Upper Wilting Farm
3. Overview and Scrutiny committee 'called in' this decision on 8th August 2023. They believed that the recommendations needed to be reconsidered.

Call In

4. Call In is a procedure that Overview and Scrutiny can use to delay the implementation of a Cabinet key decision. It allows for key decisions to be reconsidered.
5. The legislation that guides Overview and Scrutiny and Call In is contained in the Local Government Act 2000 in section 21 and can be found [here](#).
6. The legislation states that local authorities with Executive arrangements (Cabinet) must have an Overview and Scrutiny committee. Overview and Scrutiny must have the power to review and scrutinise any key decision made by Cabinet.
7. The constitution contains the Councils procedure for Call In in Part 4 section 29.15 and can be found [here](#).
8. As part of the Call In procedure Overview and Scrutiny are required to hold a meeting within 8 working days of the notification of Call In. The Call In meeting took place on 15th August 2023.
9. The agenda, decision notice and minutes for this meeting will be available on the councils website [here](#).

Call In meeting

10. The Overview and Scrutiny Committee believed that the original report was missing key information for the decision to be made. This included;
 - More financial information. It was appreciated that this would be commercially sensitive and may need to be in a Part 2 report that the public and press would not be able to see.
 - How the 4 sites were selected given the ongoing development of the council's asset management strategy.
 - How the disposal of would impact the objectives of the Corporate Plan including delivering 500 affordable homes

11. Overview and Scrutiny drafted questions prior to the meeting based on the original report. The Property & Commercial Assets Manager and the Chief Executive answered these and the committee's additional questions and queries at the meeting.
12. Overview and Scrutiny were concerned that this report did not contain information recommended by CIPFA (Chartered Institute of Public Finance and Accountancy) in relation to capital strategy. These are;
 - Legal power for a scheme to be undertaken
 - Evidence of robust option appraisal work
 - Consideration/quantification of sensitivity analysis outcomes
 - Impact on revenue budget and balance sheet resources
 - Section 151 Officer to vouch for skill-sets of external consultants
 - Councillors to be adequately briefed on any material risks
13. Officers advised that RAG rating (Red, Amber, Green) has been identified as part of briefing for Asset Management Strategy. Overview and Scrutiny stated they would like to see a top level assessment against these RAG ratings for future reports.
14. Overview and Scrutiny stated they would like to see it made clear that in line with the Local Government Act 1972 land and asset disposals are evaluated against 'best consideration'. Best consideration needs to be made clear that this can involve options such as selling land or an asset at a lower price to a social housing provider. This needs to be contained within the report or an appendix.
15. The original report referred to Homes England grants being paid back. The amounts were substantial at £460,000. Overview and Scrutiny believe that these amounts should have been stated and made clear if the estimated £3 million return was before or after the costs had been deducted.
16. Overview and Scrutiny believe that costs of disposal need to be explicit in future reports and should include an estimate of the amount of officer time involved to reflect the true costs. For example, considerable officer time must have been expended trying to deliver both York buildings and housing on Bexhill Road and Mayfield East.
17. A reason for selling the land at Bexhill Road and Mayfield East is to reduce our future borrowing requirement. Overview and Scrutiny believe there should be a figure to estimate the impact on our MRP (Minimum Revenue Provision) in the revenue budget that results from reducing our borrowing requirement.
18. Overview and Scrutiny would like report to show the impact of any disposal of land and asset has on the Corporate Plan.
19. Overview and Scrutiny were concerned how the loss of 54 affordable homes from disposing of these sites would affect future temporary accommodation costs in case these are not built by the new land owners.

Meeting Outcomes

20. At the meeting Overview and Scrutiny were required by the constitution to choose one of the following options;
 - A. The matter does not need to be referred back and the original Cabinet decision can be implemented;

B. Refer the decision back to Cabinet for reconsideration;

C. Refer the decision to Full Council if they believe the decision is contrary to the Budget and/or Policy Framework

21. Overview and Scrutiny agreed to option A which meant that the original decision could be implemented. In addition, they made recommendations concerning information needed for future asset disposal reports for key decisions. The committee agreed to the proposed recommendations.

Management Response

22. The Chief Executive and Property and Commercial Assets Manager were grateful to the Overview and Scrutiny Committee for their engagement and questions on this item.
23. It was explained at the meeting that the information O&S requested had not been provided in the Cabinet report due to expediency reasons. Whilst officers agree that best practice should be followed, given the immediacy of the financial situation facing the council, the decision was taken to bring forward these assets for disposal based on the information available as a matter of urgency and pace (as advised by the LGA Finance Peer Review) and before the completion of the full asset management strategy.
24. It was acknowledged that this approach had not achieved the desired effect, and the disposal programme had been delayed regardless. Therefore, a better balance will be applied to future disposal recommendations and more time taken to provide information.
25. The Committee were also advised that the CIPFA consultants are undertaking the business analysis and organisational impact analysis of the councils' assets. Any asset disposal recommendations that arise from their work will cover all of the areas recommended by O&S as well as the criteria set out in their brief which assesses a number of calculations including:
- cost of retaining and maintaining the assets
 - if assets were disposed - what investment in new homes could be achieved and what reduction in TA costs could this achieve or borrowing avoided for other capital programme items
 - what the asset loss will mean in terms of additional surplus revenue lost to council
 - what the impact would be of early loan repayment penalties
26. The consultants have also been asked to identify other potential quick wins against the agreed criteria, and the team are using this formula to create a RAG report against each asset which will form the template for any recommendations to be included in their report.
27. Officers answered a number of the committees other detailed questions, however the commercially confidential nature of them meant that these discussions were had in private session.
28. During the meeting, officers accepted the committee's recommendations, and committed to ensure that the information requested is included in future reports on disposals.

Timetable of Next Steps

29.

Action	Key milestone	Due date (provisional)	Responsible
Report for Cabinets consideration	Report to Cabinet	2 nd October 2023	Continuous Improvement and Democratic Services Officer

Wards Affected

N/A

Policy Implications

Reading Ease Score:

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

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

Additional Information

Cabinet 7th August 2023 - Land and Property Disposal Programme report found [here](#).

Overview and Scrutiny 15th August 2023 – Call In- Land and Property Disposal Programme report and minutes found [here](#).

Officer to Contact

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Agenda Item 7



Report To: Cabinet

Date of Meeting: 2nd October 2023

Report Title: Southern Water update

Report By: Victoria Conheady

Key Decision: No

Classification: Open

Purpose of Report

To update cabinet on Southern Water issues and recommend action going forward

Recommendation(s)

Discussions continue with Southern Water (SW), and the Environment Agency (EA), to ensure that the needs of Hastings are understood and, where possible, met. It is imperative that trust is restored.

SW are pressed to provide input to East Sussex County Council Report on town centre flooding, to enable publishing of the report as a matter of urgency

SW are asked to publish detailed plans for all current infrastructure investment taking place in Hastings; to produce a comprehensive plan for the protection of Old Roar Gill; and to provide regular updates on these plans.

SW are asked to continue developing their communications with local residents in conjunction with Hastings Borough Council's communications team.

SW are asked to financially compensate the council for the infrastructure failures which have had a significant impact on the reputation of Hastings as a tourist destination.

If a satisfactory response is not received by 31st December consider what action might be taken, to include the consideration of legal action.

Reasons for Recommendations

It is imperative that trust is restored between Southern Water, Hastings Borough Council and the town's residents and visitors.

Introduction

1. There have been a number of incidents involving Southern Water (SW) in the last two years, and we have worked closely with them and other agencies on these, and on other areas such as bathing water quality and misconnections. This report provides an update on these, and also identifies areas where further work is required.
2. SW is responsible for managing the risks of flooding from water and foul or combined sewer systems providing drainage from buildings and yards.
3. It should be noted that a number of agencies are involved in this area.
4. The Environment Agency (EA), an executive non-departmental public body sponsored by the Department for Environment, Food & Rural Affairs (DEFRA) was established in 1996 to protect and improve the environment. In England they are responsible for regulating major industry and waste; treatment of contaminated land; water quality and resources; fisheries; inland river, estuary and harbour navigations; conservation and ecology. The EA is also responsible for managing the risk of flooding from main rivers, reservoirs, estuaries and the sea.
5. East Sussex County Council (ESCC) is the lead local flood authority (LLFA) responsible for managing the risk of flooding from surface water, groundwater and ordinary watercourses and lead on community recovery. ESCC as the highways authority is also responsible for providing and managing highway drainage and roadside ditches and must ensure that road projects do not increase flood risk.
6. Under the Flood and Water Management Act 2010 all risk management authorities mentioned above have a duty to co-operate with each other and to share data.
7. Ofwat is the Water Services Regulation Authority and is the economic regulator of the water sector, whose duties are set out under the Water Industry Act of 1991 as amended. These are to :- further the consumer objective to protect the interests of consumers, wherever appropriate by promoting effective competition; secure that water companies (meaning water and sewerage undertakers) properly carry out their statutory functions; secure that water companies can (in particular through securing reasonable returns on their capital) finance the proper carrying out of their statutory functions; secure that water supply licensees and sewerage licensees properly carry out their licensed activities and statutory functions; and further the resilience objective to secure the long-term resilience of water companies' water supply and wastewater systems; and to secure that they take steps to enable them, in the long term, to meet the need for water supplies and wastewater services.

Bathing water quality

8. Hastings has two designated bathing beaches, Pelham and Marina. Marina has Blue Flag status, the highest recognition, and both Pelham and Marina have Seaside Award status. Blue Flag status recognises beaches for being clean, safe and having excellent water quality. The Seaside Award is for the high standard of facilities the beaches have to offer visitors to the seafront. The Blue Flag is only held for Marina as the water quality is graded as Excellent, for Pelham the water quality is graded as Good, so it is not eligible at this time for Blue Flag status.

9. There has been considerable media attention on the quality of the bathing water at seaside resorts in recent years. Much of the focus has been on Combined Sewer Overflows (CSOs), these are essentially a failsafe built into the sewer system to prevent flooding in the event of a blockage, allowing foul sewer effluent to pass through the surface water drainage when needed.
10. The bathing water season runs from 15th May to 30th September with the Environment Agency carrying out regular testing of water quality. Throughout the bathing season the EA issues warnings of any forecast pollution risk on its [Swimfo Find a Bathing Water website](#). HBC puts signs up at Pelham and Marina to inform bathers about any forecast possible dips in quality as a result of factors like rainfall, wind and high tides; HBC normally receives this advice just before 0900 daily with the daily forecast displayed on electronic signage, which automatically updates when the daily prediction is issued.
11. In the autumn Defra publishes its classifications – Poor, Sufficient, Good, or Excellent – for each designated bathing water site. Pelham is currently designated good, Marina is currently designated excellent.

Working with SW

12. One of the factors impacting on the water quality at Pelham is the outfall pipe, which discharges into the sea south of Albert Road/The Carlisle public house. This carries water from Alexandra Park and other culverts; it runs under the town centre from Alexandra Park to the beach at Pelham. Ownership of this pipe was disputed for some years, but SW have now taken full responsibility for it.
13. Although ostensibly carrying water from Alexandra Park and other streams it has been found that its discharge contains foul water.
14. Wastewater from appliances such as a washing machine, showers and toilets should be discharged into a foul water sewer and then treated at a wastewater treatment plant, before being released into rivers and streams or the sea.
15. A drain misconnection is essentially when plumbing is accidentally discharged into the wrong sewer; for example, if a dishwasher was plumbed to a surface water sewer.
16. A drain misconnection is the responsibility of the property owner. A misconnection is often found in older properties or is caused by substandard plumbing.
17. Hastings Borough Council (HBC) has worked with SW and the EA for several years to try and reduce the number of misconnections, particularly those which might impact on this outfall. A number have been found, and continue to be found. Clearly discharging waste water from washing machines and dishwashers, and even raw sewage (as has been the case) will impact on the water quality, especially at Pelham. This pollution will continue 24/7 if it is not remedied. This work is ongoing; it must be acknowledged that the misconnection group has worked very well over a number of years, and continues to do so.
18. SW have created a self-reporting tool for releases from CSOs called Beachbuoy. The tool is freely accessible to the public and details release locations, durations, whether the release was confirmed (or a sensor error), and whether there was an impact on the nearest bathing water. Beachbuoy is still in an early version, with SW making continuous improvements to meet the needs of users. HBC sits on the steering group for the system, along with representatives of key user groups, and is able to feedback on the improvements required in an influential way.

Recent incidents

19. There have been a number of recent incidents involving SW over the past two years or so. The first was a catastrophic failure of a main sewage pipe at West Marina, to the west of Cinque Ports Way and in the centre of the West of Haven beach huts, in late July 2021. This resulted in two prolonged discharges of raw sewage onto the beach in the area within 48 hours, and attracted much media attention and very considerable public (and visitor) reaction. At the time SW said that this had never happened before, but subsequently acknowledged that there was a problem with this part of the network, and several more bursts have been reported since, with varying degrees of impact. SW have spent some time developing plans to replace this pipe, and the latest phase of the remedial work, the installation of a temporary pipe, is due to start on August 21st. SW are currently predicting that all work on the sewer should be completed by May 2024.
20. The Pelham outfall had been the subject of concern for some time; part of the raised section of the pipe had been removed following its earlier failure. Its removal gave us concerns about the pipe being blocked by shingle from the beach, and our fears were realised when flooding took place in Denmark Place on 16th November 2022. At the time SW advised :- *We are aware of flooding which took place in Denmark Place, Hastings, on Wednesday afternoon following heavy rainfall. Initial investigations indicate this happened due to a drainage pipe containing surface water from nearby Alexandra Park being blocked by stones and shingle. Specialist teams attended, and were able to clear the blockage and prevent further flooding.*
21. Further serious flooding took place in the town centre on 16th January 2023 (see below), and there were concerns that shingle obstructing the Pelham pipe was at least a contributory factor. As noted above the ownership of the Alexandra Park – Pelham culvert had been disputed for some time but, following the West Marina sewage pipe failure in July 2021 and subsequent discussions SW agreed to take full responsibility for it.
22. SW's contractors carried out work to partially reinstate this pipe during the first part of 2023, although concerns remain that the raised section may not be long enough to deal with the expected shingle accretion in the short to medium term. This is likely to increase over time due to increasing climate change impacts moving a greater volume of beach material, and the coastal protection improvements carried out in recent years, both on the groynes on Pelham beach and on the harbour arm. We have advised SW to contact our marine works consultants, the East Kent Engineering Partnership, who have access to shoreline data and forecasts in order to inform the future design of the structure.
23. As noted above, very serious flooding took place in Hastings town centre on 16th January 2023, which closed the whole of Priory Meadow shopping centre for several days, causing very extensive damage. HMV only reopened its store in August 2023, and some retailers have not reopened, their stores remaining empty. There was also extensive flooding to Alexandra Park, and South Terrace, the latter leading to the emergency evacuation and temporary rehousing of a number of households. East Sussex Fire and Rescue Service led the emergency service response, although it should be noted that they have no responsibility to respond to floods.
24. As Lead Local Flood Authority, East Sussex County Council commissioned independent consultants to undertake an investigation to gather evidence and facts and identify the causes. However, to date only an interim report has been produced, because the consultants are still awaiting detailed information from SW before they can conclude their investigations. It is understood that this information is still awaited, some seven months after the incident. The uncertainty over the cause is causing considerable concern to local

residents and businesses. It is also impacting some of the design work for our Town Deal garden town project.

- 25 In February 2023 there was a further failure of the sewer at Bulverhythe Road. The failed pipe was not the same pipe as the 2021 burst, but was part of the same network, approx. 150m north. The flooding affected homes and commercial premises, led to contamination of the Combe river and caused a collapse of the river bank and subsidence of the highway and pavement. A repair was promptly carried out to the failed pipe, with further works planned to line the network from Autumn 2023 to Spring 2024. However, the highway adjacent to the failed river bank remains closed to one lane, and no date has been provided by SW for the major repairs needed to be undertaken.
- 26 Significant pollution in Old Roar Gill was noted on May 14th 2023 and this was significant, although it was confined almost entirely to the gill and catch ponds, with little recorded impact below Buckshole Reservoir. SW undertook considerable investigations over several weeks and uncovered several problems that they had not been aware of previously. This included five foul sewer leaks, at least three damaged areas of domestic sewer, three misconnections and at least five unmapped sewers identified. The considerable amount of work done by the SW misconnections team must be recognised. An ecology report on the impact of this incident on the gill is awaited. It is understood that further misconnections have been found very recently
- 27 SW invested £1.5m in a pollution prevention scheme for the gill around eleven years ago and it would be helpful to understand whether that work was completed satisfactorily, or if there are lessons to be learned if things did go wrong.
- 28 SW have recently advised that they will be carrying out significant refurbishment work at Rock-a-Nore Wastewater Pumping Station. We are waiting details on the scale and purpose of this work.

HBC action

- 29 HBC has arranged a number of meetings with SW's senior management, including their CEOs (Ian McAulay at the time of the first Bulverhythe incident, and more recently Lawrence Gosden who took over in July 2022). HBC has also convened a flood agency meeting, and offered SW a slot in our regular residents/community newsletter.
- 30 In July 2023 the council leader sent the following open letter to SW's CEO :-

*Dear Lawrence
Southern Water in Hastings*

Much has happened since we first met in 2021, following the major sewage leak on the beach at Bulverhythe. Your predecessor, who told me this kind of burst had never happened before anywhere in the world, has left and I do appreciate the efforts you have clearly made to be more open and responsive to us, and the public.

However, during these two years we continue to see a series of major disasters in Hastings related to Southern Water. Some of these may well be due to the age of your physical infrastructure, some will be down to the way our town has grown and developed, and others will be because of how you manage the service.

I have come to the conclusion, especially after your two recent letters of apology to me, that a reset is needed in order to help Southern Water regain the trust of our residents.

That won't be easy to achieve, but a start would be to agree that Hastings should be, and is, a priority for SW. We need to see your long-promised investment plan, and then be part of a team regularly assessing progress on delivering this.

Sending us plans of investments in Rother, which you have done twice, doesn't inspire any confidence. Nor does the current well-meaning but scatter gun approach to communications, where I have no idea who has been told what, and I don't suppose you do either.

To remind you, we had four further major bursts to the main sewer that first discharged onto the beach two years ago. And only after these bursts did you commit to replacing this pipe. However, you have spent so much time designing, and then redesigning, the scheme, that only now are you preparing to make the changes we know are needed. And instead of flagging these redesigns and delayed timetable with me, you have taken detailed reports to a couple of community groups, leaving us to deal with the wider pr needed when we finally catch up with you plans.

And on the detail during this time, I found the most direct answers I could get were always from your engineers at the incident sites. As soon as we were back to emails, things were far less clear. For example, I have asked at least three times for your explanation of the very high pollution readings supplied by Clean Water Action at Bulverhythe beach last spring and have had no reply. Your team told me clearly there had been no discharge then into the sea. We find this hard to believe until you provide more evidence.

I was promised maps of your system so we could better understand the complexities. They never arrived. And you often now say you don't really know what is under the ground here. Then we had the major flood in our town centre on January 16th. Having convened a multi-agency meeting, where we all committed to our best efforts to provide the evidence needed to understand the causes, and provide a basis for ensuring future resilience, ESCC has been forced to publish a draft report citing the lack of evidence provided by you.

So we, the council, the residents and the traders are still not clear why the flooding happened. Businesses were lost, people made homeless and confidence from future investors reduced, creating a crisis of confidence for the future of our town centre. The media were told by you that you had complied with the requests, but our consultants and the Flood Defence team clearly don't agree.

You say you are now working to provide this crucial evidence, but this six-month delay has further harmed our position to argue for national resources, slowed down our ability to redesign for the future, and undermined even more confidence in Southern Water.

And for the last two months we have been firefighting a series of environmental disasters in our very special Alexandra Park, starting with another sewage leak which polluted the nature reserve at Old Roar Ghyll. Since then, in a series of frankly confusing statements, we understand you have found and dealt with a dozen mis-connections feeding into the main park stream and repaired other blocked sewage pipes. Only last week, residents alerted me to sewage below the reservoir. Your response was to quickly take measurements and say this wasn't the case. But we have the pictures. It happened.

Instead of the angry residents feeling patronised and ignored, wouldn't it be better to spot the strategic issue and set up a team to work in partnership to understand and resolve the problem. Because this hasn't happened, trust has plummeted further. So we arranged a

residents meeting and now a group has been formed from this to protect the park's water. We need Southern Water as part of that, please.

For me, I was taken back by these events in the park to our last meeting about bathing water quality in January. Your team told me then that the mis-connections work in the park's catchment area had been successful and had been concluded now that the water readings were so good. So I asked why it was that readings at Pelham Beach showed pollution getting significantly worse since 2021. The answer was it must be coming from the Ore stream, not from the park. So the team was due to tackle mis-connections in the Ore Valley this year.

I suggest that the events since May indicate that pollution has been entering the water in the park for months if not years, and needs further prioritisation. You did, after all, commit to protecting the Ghyll ten years ago but we don't know what investment this led to, if any. I asked about the pace of recent mis-connections work, but your team would not answer. It may well be that at the current pace, we won't clear mis-connections for another 20 years. And so pollution levels in the sea will not drop (as the EA says, this is far more important than the outfall discharges after storms, as it is happening every day).

And importantly, perhaps you need to take a more robust position when commenting on planned new development. Can you honestly say your system can cope, whatever is built?

We are of course totally in your hands. You have the expertise and the resources to give Hastings clean water on land and at sea. I ask you to commit to this, and to refocus on how local partnerships with both Hastings Council and community groups can help you both get it right, and keep our residents informed.

Paul

- 31 This was a year after Full Council agreed the following motion (agreed at its meeting on 13th July 2022 :-

Following the appalling sewage leak at Bulverhythe last summer, our residents have been rightly calling for action to ensure that this doesn't happen again. Since then, Hastings BC has been working to hold Southern Water to account.

This Council now calls for:

- * Southern Water to be returned into public ownership*
- * To setup a working group including representatives from groups such as the Coastal Users Group, subject to their agreement, and Clean Water Action to hold regular meetings with Southern Water at the highest level to hear current plans to improve both the sewage system and clean water supply for everyone, everywhere, in Hastings. This to include at least one public meeting a year where residents are able to ask progress on these plans.*
- * Further letters to be sent to both our MP and Government expressing severe reservations about the performance of Southern Water*
- * Stronger action from the Environment Agency, Ofwat and the Consumer Council for water to enforce sea water and domestic water supply standards in Hastings.*

** Residents of Hastings to continue to report concerns about water on the Hastings Borough Council website.*

- 32 In addition, there has been considerable community activity, as has been widely reported in the media. This includes beach protests against SW, CWAG, the Clean Water Action Group and RAPTOR, Residents Against Pollution To Old Roar
- 33 National and local discussions on taking action against all water companies are taking place and HBC will consider joining any group action.

Discussion

- 34 There can be no doubt at all that Hastings has suffered a disproportionate amount of disruption, and damage, from its water assets over the past two years or so. Our concern is that these will continue; the town centre flooding last January had a huge impact on the town's retail economy, and continued bad press on sewage leaks and poor water quality is impacting our reputation and, in turn, the visitor economy.
- 35 Hastings needs to be recognised for the special case it is. With much of the town in poverty, the focus on many of our residents is immediate need, and they are less likely to complain about or challenge poor service. And with tourism so important to the town, supporting an estimated 7000 jobs and contributing around £385m to the local economy, we can ill afford bad stories about the seaside experience. Anecdotally we continue to have concerns raised about the quality of the bathing water. And with a Victorian town centre and seafront we are likely to have a very high level of original Victorian sewage infrastructure which, it appears, is failing and we might expect more serious failures.
- 36 There is a real sense of frustration in the town that SW should do more here, and properly engage with the council and the local communities. That is not to say that there is already some communication :- we note that SW have worked with both the West of Haven Beach Users' Association and the Coastal Users' Group. However, SW themselves have acknowledged that on occasions their communication was not as it should have been, and they could do better in terms of their communication with local residents, particularly during pollution incidents.
- 37 As noted above there is already dialogue between the senior management of SW and HBC's leadership, and we must build on that. We do not believe we are asking for anything unreasonable, simply for our concerns to be heard, listened to, acknowledged and acted upon. If HBC does not get a satisfactory response to its concerns, it will have to consider what other action it can take.
- 38 HBC's leadership is also in active discussion with EA's senior management, and this is also to be welcomed. It is hoped that we can develop better tools for measuring and reacting to pollution levels in streams and watercourses, so that residents can have faith in what they are being told. It might be possible for EA to forecast potential pollution events in streams and watercourses in the way that they currently do for bathing water; this would be a very useful step forward. There is also potential for greater data sharing, which could be of considerable benefit.

Recommendations

39 Discussions continue with SW, and the EA, to ensure that the needs of Hastings are understood and, where possible, met. It is imperative that trust is restored.

SW are pressed to provide input to East Sussex County Council Report on town centre flooding, to enable publishing of the report as a matter of urgency

SW are asked to publish detailed plans for all current infrastructure investment taking place in Hastings; to produce a comprehensive plan for the protection of Old Roar Gill; and to provide regular updates on these plans.

SW are asked to continue developing their communications with local residents in conjunction with Hastings Borough Council's communications team.

SW are asked to financially compensate the council for the infrastructure failures which have had a significant impact on the reputation of Hastings as a tourist destination.

If a satisfactory response is not received by 31st December consider what action might be taken, to include the consideration of legal action.

Wards Affected

All

Policy Implications

Reading Ease Score:

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

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

Additional Information

Officer to Contact

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Agenda Item 8



Report To:	Cabinet
Date of Meeting:	Monday 2nd October 2023
Report Title:	New Countryside Stewardship grant aid for Hastings Country Park Nature Reserve 2024-2034
Report By:	Cameron Morley, Head of Environment and Operations
Key Decision:	Yes
Classification:	Open

Purpose of Report

To outline the process for transferring to a new 10-year Countryside Stewardship grant for Hastings Country Park Nature Reserve from 1st January 2024.

Recommendation(s)

- 1. Cabinet agrees to secure the future management of Hastings Country Park Nature Reserve through a new 10-year Countryside Stewardship grant aid commencing in January 2024.**
- 2. Cabinet delegates authority to the Chief Legal Officer in consultation with the Lead Member for the Environment to sign the new Countryside Steward Agreement 2024-2034, on behalf of Hastings Borough Council at the time of grant offer.**
- 3. Cabinet extends thanks to all the partners and volunteers who have made and continue to make Hastings Country Park Nature Reserve an award winning example of successful sustainable management and habitat restoration.**

Reasons for Recommendations

1. The current 10-year Higher Level Stewardship Agreement at Hastings Country Park Nature Reserve terminates at the end of 2023.
2. A new 10-year Countryside Stewardship Agreement would start on 1st January 2024.
3. The 10-year Countryside Stewardship grant aid is the only funding mechanism open to the council to manage Hastings Country Park Nature Reserve.
4. There is no specific date by which we will receive the new grant for signature, other than before 1st January 2024. Waiting until we receive the grant before arranging a Cabinet decision would potentially delay the start of the grant with the consequential loss of grant income.
5. The grant income is worth between £700,000 and £1,000,000 over the life of the grant period.

Introduction

1. Hastings Country Park Nature Reserve is the largest area of publicly owned and managed land in the Borough. It is a designated Local Nature Reserve which includes a nationally designated Site of Special Scientific Interest (SSSI), an internationally designated Special Area of Conservation (SAC), farmland, ancient woodland, and a Country Park. It is one of the most important coastal cliff nature reserves in the UK.
2. In 2000, the Council terminated the farm tenancy agreement with the tenant farmer at the council owned Fairlight Place Farm to:
 - a. Bring together the separate but publicly owned land uses of farm, country park and SSSI into one long-term biodiversity and habitat restoration focused management strategy.
 - b. Declare the area a Local Nature Reserve (LNR) under the National Parks and Access to the Countryside Act.
 - c. Underpin future management through UK/EU Countryside Stewardship grant aid.
3. Since 2000, the council has successfully implemented the above objectives. Through successive countryside stewardship agreements, the reserve has gone from over-intensive dairy farm and neglected country park, to a high-quality, award-winning nature reserve, exemplifying habitat restoration and biodiversity recovery in the face of a UK and global biodiversity crisis.
4. This report sets out the background and recommendations to adopt a third successive 10-year Countryside Stewardship management agreement for Hastings Country Park Nature Reserve, starting in January 2024.
5. In addition, the report includes three appendices which aim to provide further detail and context around the management of the reserve and its habitats.
 - a) Appendix 1 Hastings Country Park Nature Reserve Management Strategy Review 2022
 - b) Appendix 2 Countryside Stewardship grant aid - Key management principles for Hastings Country Park Nature Reserve 2024-2034
 - c) Appendix 3 Nationally and internationally threatened and important habitats at Hastings Country Park Nature Reserve

Countryside Stewardship grants for Hastings Country Park Nature Reserve

6. The funding to manage Hastings Country Park Nature Reserve has come from UK/EU funded agricultural/land management grants. The grants are determined and set by Natural England, the Government body responsible for nature conservation and biodiversity.
7. Natural England awarded the council its first ten-year countryside stewardship grant in 2004, and a second ten-year stewardship grant in 2013. Both those grants were allocated under the EU Common Agricultural Policy, CAP. Following Brexit, the UK government has been developing successor payment schemes for farmers and land managers.

8. Natural England set management objectives for countryside stewardship grants based on the habitat priorities and biodiversity outcomes for sites. Natural England's priority for Hastings Country Park Nature Reserve, is the restoration and management of nationally rare and declining habitats through conservation grazing.
9. Our current Countryside Stewardship grant ends in October 2023. It is proposed a new 10-year agreement will start on 1st of January 2024 and run until December 2034.
10. Officers have been working closely with Natural England to ensure the new 10-year Countryside Stewardship grant can start from 1st January 2024. In the unlikely event of the grant being delayed, Natural England have agreed an extension to our current grant for up to five years or until the new grant starts.
11. Natural England anticipate awarding the council its new 10-year grant before the end of this calendar year, 2023. The outcomes from the new grant will be to increase and safeguard biodiversity with public engagement and understanding of how natural ecosystems and landscapes are managed.
12. Although the council does not have the detailed final grant award, a summary of the key management principles and priorities of the new grant are included as Appendix 2.
13. It is important to note that the management priorities and principles are set by Natural England as the lead national body for nature conservation, in conjunction with the council, based on best practice management for habitat and biodiversity recovery on the reserve. A summary of key habitats at the reserve is included as Appendix 3.

Reviewing our management since 2000

14. In 2000, following the repossession of Fairlight Place Farm, the council commissioned Dolphin Ecological Surveys to prepare a management options strategy to help the council make informed decisions on future management. Officers felt it would be helpful to invite Dolphin Ecology back again to assess progress over the last twenty years and provide independent advice on the management priorities and structures required for the reserve over the next 20– 50 years. Their report helped shape the third countryside stewardship grant management priorities.
15. The Hastings Country Park Nature Reserve Management Strategy Review 2022, by Dolphin Ecological Surveys, is attached as Appendix 1.
16. The strategy:
 - a. Highlights and celebrates the council's success, innovation, and ambition in being a leading player in nature conservation management and taking a failing farm and designated sites and turning them into an award winning nature reserve.
 - b. Is particularly enthusiastic about the innovative conservation grazing techniques at the reserve and highlights the support and dedication from councillors and partners that have been crucial in achieving this success.
 - c. Highlights key priorities for the council to consider for future management and highlights opportunities and risks.

- d. Recognises that the council has explored third party management of the reserve but highlights that as a public body, the council is best placed to continue to manage the reserve through grant aid and dedicated staff and appropriate management structures.
 - e. Highlights this is a decades long project which is proving an overwhelming success and exemplar in habitat restoration and helping reverse the national trend in biodiversity loss.
17. The report concludes that Hastings Borough Council should be very proud of its successful management of Hastings Country Park Nature Reserve since the original report in 2000 and outlines key management principles to continue that success.

Financial Implications

18. As the details of the new grant have not been finalised, it is not possible to provide the exact annual grant income figures. However, given the management priorities officers have been discussing with Natural England, it is estimated the management grant will be in the region of £70,000 annually. In addition, there will be a three-year capital works fund, some of which will be 100% funded. Any capital works that are not 100% funded will be matched through the revenue grant. There will be no net cost to the council.
19. The estimated income from the new grant will be between £700,000 and £1 million over the life of the agreement.
20. As there is no core council budget to manage Hastings Country Park Nature Reserve, retaining this grant aid is critical. Furthermore, as the agreements are for 10-year periods, it provides the council with long-term financial stability and assurance to manage the site.

Legal Implications

21. Hastings Country Park Nature Reserve is a Local Nature Reserve, designated by the council under the National Parks and Access to the Countryside Act 1948. The reserve also includes the nationally designated Hastings Cliffs to Pett Beach Site of Special Scientific Interest [1002885 \(naturalengland.org.uk\)](https://www.naturalengland.org.uk) and internationally designated Hastings Cliffs Special Area of Conservation, [Hastings Cliffs - Special Areas of Conservation \(jncc.gov.uk\)](https://www.jncc.gov.uk).
22. The Wildlife and Countryside Act 1981 (as amended) places a duty on public bodies to take reasonable steps, consistent with the proper exercise of their functions, to further the conservation and enhancement of Sites of Special Scientific Interest.
23. The protection and management of internationally designated sites are governed under provisions in the Habitats Regulations and section 28 of the Wildlife and Countryside Act 1981, as amended by the Countryside and Rights of Way Act 2000. The Environment Act 2021 further strengthened the duty for local authorities to conserve and enhance biodiversity.
24. Government awarded countryside stewardship agreements are legally binding agreements. They require the council to implement the terms of the agreement as detailed by management prescriptions and objectives set out in the grant unless derogations are agreed with Natural England. Penalties for not implementing the terms of the grant can result in repayment of all funds received over the life of the grant.
25. Previous stewardship legal agreements have been signed by the Chief Legal Officer on behalf of the authority. Should cabinet agree to a new 10-year agreement, it is

recommended the Chief Legal Officer, in consultation with the Lead Member for the Environment, sign the new agreement on behalf of the authority.

Risk Management

26. Although this is the third long term land management grant the council has received for Hastings Country Park Nature Reserve, it does not come without some identifiable risks. Some of those risks are clearly set out in the Management Strategy Review by Dolphin Ecology, in Appendix 3. The key risks can be summarised as follows:
- a. The grant is subject to the council having the management resources in place to implement the grant. Natural England have the authority to withdraw or postpone the grant award if they conclude recipients are not adequately prepared to implement the grant.
 - b. Should Natural England postpone or withdraw the grant, there would be no funding to manage the reserve. This could lead to habitat decline, neglect of our statutory obligations, and reputational damage.
 - c. The council contracts an external consultant with specialist expertise in farming, land management and countryside stewardship grant administration, paid for from the stewardship grant, at no cost to the council. They provide advice and expertise on complying with and implementing the grant, land, and livestock management, and applies for the council's annual payments. The stewardship advisor liaises with senior management and Natural England to ensure the grant is being properly implemented on site.
 - d. The services of an external consultant with this range of expertise is critical to the council. However, they can withdraw their services and/or decline to sign a further contract for the period of the new grant. Without the services of a specialist countryside stewardship advisor, the council would struggle to implement and administer the grant. Any loss of the external advisor would present other partners such as Natural England and our grazier farming partner with serious concerns.
 - e. A local farmer provides the livestock required to implement the conservation grazing elements of the agreement. The new grant will require greater emphasis on habitat management by livestock grazing. Loss of the farming partner would present the council with serious difficulties in managing the reserve and fulfilling the terms of the grant.
 - f. Unscheduled inspections are undertaken throughout the grant period to ensure the terms of the grant are being implemented. There are financial penalties for not implementing the prescriptions in the agreement. The financial penalties are cumulative through the life of the grant, meaning an inspection in year 9 which finds a prescription has not been implemented but grant aided, will be subject to a 9 year pay-back. To date, the council has never been in breach of any its grants.
27. The above risks can be mitigated by the council having the required capacity and structure to implement the grant whilst continuing to cultivate good working relationships with Natural England, the stewardship advisor, volunteers, and grazier.

Options

28. There are two principal options for the council to consider:
- a. To transition to a new 10-year agreement and continue the long-term habitat and biodiversity management of Hastings Country Park Nature Reserve,
 - b. Decline or postpone further grant aid funding to manage Hastings Country Park Nature Reserve.
29. It is recommended option (a) is adopted for the following reasons:
- i. There is no core council revenue budget to manage the reserve,
 - ii. There are no other known, external long-term funding opportunities for the council to manage Hastings Country Park Nature Reserve,
 - iii. The grant is part of the council's continuing long term successful management of the reserve that started in 2000.
30. It is noted that the council has previously explored options for third sector or trust management and partnerships to manage all or parts of the reserve. However, as Dolphin Ecology point out in their management strategy report, the council has been extremely successful in managing the nature reserve since 2000, and they do not identify any material benefits to outsourcing management. Retaining in-house control of the site allows faster decision making, greater flexibility to respond to changing circumstances and allows the council to retain long-term grant income.

Environmental Issues & Climate Change implications

31. The new management prescriptions will prioritise habitat restoration and transformation through greater use of conservation grazing and changing the management of the existing arable fields to wood and scrub pasture, managed by livestock. Managing the reserve with livestock reduces the need for mechanical management and promotes a sustainably managed nature reserve that positively addresses the climate and biodiversity crises.

Conclusions

32. The nature reserve is entering a new and significant era for habitat management and restoration. The major work to transition from a working dairy farm and country park to a sustainably managed nature reserve has been achieved through our previous agreements.
33. Management priorities are now about sustainable management of threatened and scarce habitats through conservation grazing with public engagement and understanding of how natural ecosystems and landscapes are managed.
34. By managing this irreplaceable coastal nature reserve, Hastings Brough Council is fulfilling its legal obligations and helping positively address the biodiversity and climate crises, and protect and manage this spectacular landscape for wildlife, visitors, and the people of Hastings and St Leonards.

Wards Affected

(All Wards);

Policy Implications

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

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

Additional Information

- Appendix 1 Hastings Country Park Nature Reserve Management Strategy Review 2022
- Appendix 2 Countryside Stewardship grant aid - Key management principles for Hastings Country Park Nature Reserve 2024-2034
- Appendix 3 Nationally and internationally threatened and important habitats at Hastings Country Park Nature Reserve

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Appendix 2 **Countryside Stewardship grant aid - Key management principles for Hastings Country Park Nature Reserve 2024-2034**

35. Following Brexit, the UK government has designed the new land management payment scheme to deliver greater benefits for biodiversity and nature. It has prioritised public funds to deliver public goods. This means prioritising grant applications that demonstrate clear and beneficial biodiversity outcomes.
36. The ten-year agreements provide land managers with financial stability over a reasonably long timeframe, allowing meaningful forward planning to implement the management prescriptions and achieve greater gains for biodiversity, helping reverse the decline in biodiversity in the UK today.
37. Countryside Stewardship management prescriptions are developed by Natural England in conjunction with the landowners/managers. For over 20 years, Hastings Borough Council has had a continued partnership with Natural England and could not have progressed its management and restoration of the reserve or been successful with our 10-year countryside stewardship agreements without their help and support.
38. Our agreements are part of a decades long management strategy to transition from an intensive dairy farm and country park to an integrated, well balanced and thriving nature reserve. Each successive agreement builds on the last to extend the management into different areas of the reserve, change our management priorities and build on the successes gained through previous agreements. In summary we have:
 - a. Extended conservation grazing into hard-to-reach habitats with native breed cattle and wild ponies.
 - b. Reduced large areas of bracken dominated landscape using traditional heavy horses and rolling techniques and livestock grazing.
 - c. Restored heathland habitats on the coastal cliffs by reducing excessive gorse cover.
 - d. Planted new hedgerows and allowed existing hedgerows to grow out to create greater biodiversity.
 - e. Sown specialist wildflower seeds to create diverse meadows and fields.
 - f. Used livestock to manage fields sustainably, creating more diverse grassland flora.
 - g. Used the innovative Nofence system of virtual fencing to track and move cattle, for which the council was awarded a special award for innovative conservation management by Green Flag.
39. The previous two agreements have retained fields of arable crops. The new agreement will remove all arable crop management and replace it with an evolving grassland, scrub, and wood pasture habitat. The new habitats will be managed by conservation grazing, reducing use of heavy machinery.
40. Overall, the aim of the new agreement will be to manage the reserve and its priority habitats through a mixture of conservation grazing, habitat management and

restoration, and biodiversity enhancement. The management principles have been fully informed by the independent Dolphin Ecology management strategy report attached as Appendix 2.

41. The partnership the council has with a local farmer is crucial to the successful implementation of our legal agreements. All livestock are provided by the farmer.
42. In addition, the management of the reserve could not be wholly implemented without the dedicated and hard work of conservation volunteers who undertake most of the scrub habitat management we would otherwise have to pay contractors to do.
43. Without the various partnerships at the reserve, the council would not have the skills or capacity to manage the reserve and implement the countryside stewardship agreements.

Transition from arable crops to wood pasture creation

44. For the last 20 years the council has sown and harvested spring sown crops as part of its agreements. Experience has shown this to be expensive and increasingly problematic to manage due to unpredictable weather patterns brought about by climate change. The drier spring and summers can mean we are in drought situations as early as April. On the other hand, wet winters can result in colder, wet conditions lasting well beyond sowing times.
45. Sowing and harvesting is very weather dependant. If the soils are too dry, the seeds don't germinate. If the weather remains wet and cold, the seeds rot. Harvest time can be equally problematic and weather dependant. Too wet for too long and the crop rots in the field, too dry and the crops don't produce a viable seed head. The arable fields can also suffer excessive weed growth. Weed species interfere with the combine harvester's ability to harvest the crop. If a crop is seriously contaminated by weed species, it may not be accepted for sale.
46. Essentially it costs the council more to sow and harvest than it gets back through grant aid and sale of the harvest.
47. The new agreement will prioritise the reversion of the arable fields to a grazed wood pasture landscape with mature hedgerows and trees with will be more in keeping with the landscape of the wider nature reserve.

Managing livestock at the reserve.

48. For the last seven years the council has owned its own cattle for conservation grazing. Whilst this has been extremely successful in introducing the concept of conservation grazing to manage habitats, it has proved difficult in terms of managing public expectations around how cattle should be managed on the reserve. Livestock management is not a core function of the council. The council has relied on our farming partner to manage the welfare and movements of the council's cattle. With the advent of the new agreement there is an opportunity to rethink how the livestock are owned and managed at the reserve.
49. From the start, and over the life of the new agreement, all livestock at the reserve will be owned and managed by our farming partner who will rotate the cattle around the

fields, manage their welfare and ensure our agreement is complied with. The council will no longer own cattle. This is a more efficient management option for the council.

50. It is anticipated native Sussex breed cattle will be the main conservation grazing livestock breed at the reserve. These cattle are suited to the challenging terrain at the reserve and the climate of the southeast.
51. The number of cattle at the reserve will fluctuate and be dependant on the food resource and the areas to be managed. As the arable fields transition to grazed pasture, there will be a need for more cattle to manage those new habitats.

The Nofence virtual fencing system

52. Nofence is the world's first virtual fencing system for grazing animals. The technology consists of a solar-powered GPS collar and a virtual boundary. The collar communicates with a phone app and web portal.
53. The system allows animals to access different pastures and targets grazing at different habitats. It saves time and money by not having to build and maintain physical fences. Animal movements are tracked in real-time and notifications on animal movements are sent to the phone.
54. This system of virtual fencing is used widely across the UK and Europe on both traditional farms and on nature reserves. It is used by The National Trust, the City of London at major sites such as Epping Forest and closer to home it is used at Seven Sisters Country Park and other sites in the South Downs National Park. In addition, virtual fencing has had significant positive coverage on the BBC's Countryfile.
55. At Hastings Country Park Nature Reserve the council have been using the Nofence system since 2020, particularly at Warren Glen, where its use has transformed our ability to manage the habitats in the glen.
56. Cattle will be grazing throughout the reserve at different times of the year, depending on the management priorities for these areas. They will, in the main, be grazing within farm fields such as the ex-arable fields and the fields towards Ecclesbourne meadow. The Nofence system will continue to be used to allow the council to target grazing in different areas for maximum biodiversity outcomes.
57. Since 2013 there has been the intention that a small number of cattle will graze the Firehills for a limited period from the Autumn through to Spring, dependant on weather and ground conditions to manage the nationally scarce and declining clifftop heathland habitat.

Grazing the Firehills

58. The Firehills represents a clifftop lowland heathland habitat, unique to this part of the UK. The habitat is one of the rarest in the UK.
59. As a public body, the council has a duty to conserve biodiversity and an obligation to conserve and enhance the Site of Special Scientific Interest of which the Firehills is part. The council therefore has a special obligation to ensure the habitats and biodiversity of the area is managed appropriately.

60. Prior to the 2013 Higher Level Stewardship agreement, the Firehills was covered in old and even age planted gorse. The heathland habitat was declining and in danger of being lost. In the 2013 stewardship agreement, Natural England required the council put in place management prescriptions to restore the heathland habitat by removing areas of invasive scrub and to manage the area with cattle.
61. It was recognised this was likely to be one of the most contentious areas of management at the reserve. The council discussed the proposals directly with Fairlight Parish Council, the Friends of Hastings Country Park Nature Reserve, and a representative of the local disability forum. The council put up a series of posters and signs to inform visitors and users what was happening and why.
62. The gorse blocks were removed, and in 2018 a system of underground fencing installed in various areas of the Firehills. The underground fencing system was a precursor to the Nofence system. It uses a buried underground cable to delineate the grazed area. It is not as sophisticated or versatile as the Nofence system, but it was the only system available at the time. The only alternative was to install new stock proof fencing, which, it was concluded, would adversely alter the landscape character of the area, and was not considered appropriate.
63. However, repeated vandalism to the underground cable meant that grazing was continually delayed. The cable was deliberately pulled up and sections cut out. After a series of repairs and continued vandalism, the system had to be abandoned.
64. As a result of the delays in bringing cattle onto the site to manage the area, the council has had to employ contractors to cut the regrowing gorse and remove the cuttings annually. This has not only been expensive but is not achieving the habitat results required to restore the heathland habitat. Repeated mechanical cutting without grazing is resulting in a dominance of low growing even-age gorse. This provides no ecology and biodiversity benefits and is not an appropriate management for the threatened heathland habitats.
65. Natural England continue to advise that grazing by small numbers of cattle in the autumn/winter/spring period is the most sustainable management for this type of habitat. Whilst the Firehills is a very public area, other nature reserves such as Epping Forest and Seven Sisters Country Park successfully use cattle and the Nofence system on areas which are regularly used by the public without incident or concern.
66. Officers are aware some members of the public are opposed to grazing the Firehills as a management tool to restore the heathland habitats and protect and enhance biodiversity. A key component of the new stewardship grant will be to raise public awareness about biodiversity management. The council will therefore ensure it has disseminated widely information about the positive impacts of grazing on habitats before cattle are put on the Firehills.
67. There is no sustainable alternative to grazing with cattle to restore the threatened heathland habitats of the Firehills area of the reserve whilst also discharging our legal obligations to conserve biodiversity.

Exmoor ponies

68. The wild Exmore ponies will remain at the reserve. Ponies browse differently from cattle and are an added benefit to the management of the reserve and its biodiversity.
69. The ponies are currently owned by the council. However, officers are looking at ways to engage a specific third party with their own herd of Exmoor ponies which can be used on the reserve. Having the ponies owned by a third party ensures they are managed by experts in Exmoor pony welfare and management. Officers will continue to explore this option whilst the existing ponies remain at the reserve and are continually welfare checked by our grazier.

Rights of way and footpaths

70. There will be no changes to public footpaths or Definitive Public Rights of Way in the new agreement. Public access is not allowed inside defined fields unless there is a legal or permissive footpath within it. The fields where the public are excluded are identified in the byelaws for Hastings Country Park Nature Reserve. There will be no change to access permissions in the new agreement.

Appendix 3 **Nationally and internationally threatened and important habitats at Hastings Country Park Nature Reserve**

71. In 2019, a State of Nature report by the UK State of Nature Partnership presented an overview of how UK wildlife is faring, looking back over 50 years of monitoring. It found the UK to be one of the most nature-depleted countries in the world where 41% of all UK species surveyed have declined, with 15% of species in the UK threatened with extinction.
72. Hastings Country Park Nature Reserve is the largest area of publicly managed land in the borough and home to many rare, threatened, and important habitats and species. It is a Site of Special Scientific Interest, a Special Area of Conservation and Local Nature Reserve.
73. All the habitats of the reserve require appropriate management to ensure they retain their biodiversity and ecological importance within an irreplaceable coastal ecosystem. Some of the most important habitats and their management priorities are listed below.

Lowland Heathland

74. Lowland Heathland is a habitat type found in the lowlands of the UK. It occurs on acidic, impoverished, dry sandy or wet peaty soils, and is characterised by the presence of a range of dwarf-shrubs including various types of heather and gorse.
75. The coastal cliff top lowland heathland habitat at Hastings Country Park Nature Reserve is unique in the southeast. The habitat is home to numerous highly specialised plants and animals. It is particularly important for reptiles, such as adders and lizards. Many rare and threatened invertebrates and plants are found on lowland heathland habitats and nowhere else. Several scarce birds such as Dartford warbler use lowland heathland as their primary habitat.
76. Lowland heathland is classed as a priority habitat in the UK Biodiversity Action Plan. It is a rare and threatened habitat, with the UK supporting about 20% of the lowland heath in Europe. In England it is estimated that only one sixth of the heathland present in 1800 remains – and it still faces major pressures.
77. The most significant area of coastal cliff top heathland at the reserve occurs at the Firehills. The management priorities for this habitat are to form a complex habitat mosaic with heather, dwarf and mature scrub and acid grassland.
78. The management prescription for this habitat in our previous and new countryside stewardship agreement is grazing with cattle. Grazing with small numbers of cattle at appropriate times of the year retains a varied habitat structure that allows the rare and threatened species associated with the habitat to thrive.
79. The main pressures associated with the decline of this habitat are neglect, inappropriate mechanical management, and disturbance to wildlife from dogs off leads.

Ancient Woodland

80. Ancient woods are areas of woodland that have persisted since 1600 in England, Wales, and Northern Ireland. They are the richest and most complex terrestrial habitat in the UK, and home to more threatened species than any other habitat type, yet only 2.5% of the UK land is covered in ancient woodland. They are the oldest and least disturbed woodlands in the Southeast, supporting communities of plants and rare invertebrates, found nowhere else in Europe.
81. The unique gill stream ancient woodland habitat type of deeply incised wooded ravines with humid and relatively stable micro-climates are characteristic of the High Weald Area of Outstanding Natural Beauty, AONB, and Hastings Country Park Nature Reserve.
82. The coastal nature of the ancient gill woodlands in the reserve makes them wholly unique and invaluable in a UK and international biodiversity context. There are three ancient gill woodlands in the Reserve, Ecclesbourne Glen, Fairlight Glen and Warren Glen.
83. There are no specific management interventions required for the ancient woodland in the reserve.

Vegetated Sea Cliffs and clifftop habitats

84. Vegetated sea cliffs are steep slopes fringing hard or soft coasts, created by past or present marine erosion, and supporting a wide diversity of vegetation types with variable maritime influence.
85. The cliffs at the reserve and other parts of Hastings and St Leonards are 'soft' cliffs that have a sloping or slumped profile, often with a distinct undercliff or vegetated toe. Soft cliffs may be subject to mudslides or landslips, which create complex habitats of pioneer and mature vegetation.
86. The cliffs at Hastings Country Park Nature Reserve are an area of actively eroding soft cliff where the High Weald Area of Outstanding Natural Beauty, AONB, is exposed at the sea. Wooded ancient gill valleys, maritime scrub, and coastal heathland are characteristic of vegetated sea cliff and clifftop habitats.
87. Clifftop grassland occurs the length of the coastal reserve. The grassland is characteristically short on well drained soils and is a unique habitat type in the southeast. Several very rare invertebrate species are found on the clifftop grassland habitats of the reserve.
88. Clifftop grassland occurs the length of the coastal reserve. The main threats to the habitat are from cliff erosion and successional scrub encroachment. Where appropriate, the management priority is livestock grazing.

Hedgerows and scrub

89. Scrub and mature hedgerows are found throughout the reserve and connect all other habitats. Scrub is characterised by gorse, blackthorn and bramble, and the hedges are mainly hawthorn and blackthorn with a range of native hedgerow species.

90. Scrub and hedgerows are some of the most diverse and important habitats in the UK. The habitat can be rich in flowering plants, providing nectar, food, shelter and nesting sites for a range of birds, insects, and small mammals. It is the lifeline habitat that connects all other habitats throughout the reserve and makes the nature reserve function as an interconnected and well-functioning ecosystem.
91. Over the years new hedgerows have been planted which provide new field boundaries and habitats for wildlife. The aim of the new stewardship agreement will be to replace the existing arable fields with a mixed grassland and wood pasture habitat characterised by emerging and mature scrub. This new wood pasture habitat will be managed by livestock.
- 92. Open and running water**
93. There are two small ponds at the reserve, one with full public access, the other sheltered with no public access. Water bodies are invaluable for wildlife, where specialist aquatic plants and animals can thrive.
94. The streams that run through the wooded gills are spring fed and are essential for the rare plants and invertebrates that survive within the shaded gill stream habitats. The streams in the glens are essential for some very rare species that have their UK stronghold here and are rarely found anywhere else in the country.
95. One of the main threats to small ponds is from invasive, non-native plants which can quickly proliferate to the detriment of native plants and animals. Ponds require monitoring and intervention to clear non-native plants.

Hastings Country Park Nature Reserve Management Strategy Review November 2022

Dolphin Ecological Surveys
on behalf of
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1.0 INTRODUCTION

The first management strategy report for the Hastings Country Park was prepared in 2000 by independent ecologist Kate Ryland on behalf of Hastings Borough Council. The same author carried out the current strategy review.

This review looks back on 22 years of progress, and forward to how management of the Hastings Country Park Nature Reserve could be structured and delivered in the future.

This review comprises;

- A brief recap of key points from the original management strategy report.
- A review of some outstanding achievements at the Country Park nature reserve.
- An outline strategy for the future that builds on progress made over the last 22 years. Key risks to the Council are identified as well as suggestions for ways to mitigate those risks.

2.0 THE FIRST MANAGEMENT STRATEGY

Twenty-two years ago Hastings Borough Council (HBC) faced some difficult decisions over the future of their largest landholding, 850 acres (345ha) on the cliffs above the town at Fairlight.

Most of the site comprised a popular Country Park that lay within a Site of Special Scientific Interest (SSSI) of very high ecological and geological importance but which had no formal management plan.

Then, as now, Council resources for land management were limited. The special coastal heath and acid grassland vegetation of the Firehills was vanishing under dense stands of Gorse and Bracken whilst information about the fauna and flora of the gill woodland, sea cliffs, coastal heath, sandstone outcrops and acid grassland was patchy and incomplete.

The remainder of the site was Fairlight Place Farm, a tenanted and intensively managed dairy farm which had a long history of allowing slurry and polluted water to run off the farm into the Country Park. For decades pollution from the farm had been affecting watercourses and sensitive habitats within the SSSI, causing ongoing conflict between the Council and the tenant.

By 2000, English Nature (now Natural England) and the Environment Agency were on the verge of taking legal action against the Council over its failure to address the chronic pollution from the farm. As custodian of an internationally important wildlife site, HBC needed to find a new approach that would resolve the long-standing conflicts and enable it to meet its statutory obligations.

Together with English Nature, the Council commissioned an independent ecologist to prepare a management strategy report. The aim was to provide Councillors with an objective overview of current threats to the site and to present a series of options and recommendations for a way forward.

The strategy report made it clear that long-standing conflicts between the Council and tenant were unlikely to be resolved whilst the land was farmed intensively for dairy production. It called for Councillors to make

significant, informed and bold decisions that would resolve a difficult and unsatisfactory situation in order to secure a more positive and sustainable future for the Country Park and the farmland.

2.1 Key Points from the Strategy Report

- The primary recommendation was that HBC should end the farm tenancy, take the farmland back in-hand and move towards a more integrated and sustainable management model, encompassing both the Country Park and the farmland.
- Grant aid should be sought from agri-environment schemes to support a more extensive farming system combining conservation grazing and some arable production.
- The Country Park should be declared a Local Nature Reserve (LNR). This would emphasise its ecological importance, prompt the formation of a steering group to oversee its management and potentially attract grant aid.
- Options for a new management structure included using in-house resources or a partnership/lease agreement with an external conservation body.
- A five-year management plan to guide work across the whole site was essential.
- A formal programme of biological surveys and monitoring was needed to support much greater focus on the scientific importance and biodiversity value of the Country Park.
- Research and educational opportunities on the site were under-exploited and there was a need for a new visitor centre.
- Maximising the Natural Capital value of the Country Park was seen as a fundamental part of future decision making.

The 2000 Management Strategy report concluded that the Council had a unique opportunity to bring together management of the Country Park and Fairlight Place Farm under a new management model.

The enlarged Country Park Local Nature Reserve could be used to demonstrate best practice management by a local authority on a SSSI (and potential SAC) for nature conservation, sustainability and people.

Using this model, the Council could meet its legal obligations and its moral duties by safeguarding and enhancing an irreplaceable part of the natural heritage of Hastings on behalf of the local community.

3.0 ACHIEVEMENTS SINCE 2000

In 2000 Councillors made a series of significant and bold decisions which paved the way for an extraordinary project to take shape. The first, and perhaps the most courageous, decision was to terminate the farm tenancy and consolidate all the HBC land into a single Local Nature Reserve.

This major shift in direction allowed all the key recommendations from the strategy report to be taken forward. Over the years the combined landholding that is now Hastings Country Park Nature Reserve has been transformed from its previous state as degraded farmland and semi-natural habitats blighted by invasive

species. The progress that has been made towards restoring biodiversity and thriving ecosystems across the reserve through sustainable management is outstanding.

The most recent Hastings Country Park Nature Reserve Management Plan covers the period from 2020 to 2030. It is a comprehensive document that sets out strategic and habitat management objectives for the reserve and describes in some detail the work that has been carried out since 2000 to restore biodiversity on the farmland and semi-natural habitats on the reserve.

Invasive species control has been a fundamental part of restoration management, particularly large-scale removal of Gorse scrub and Bracken to restore coastal heathland, acid grassland and bare ground habitats. Conservation grazing with free-roaming, native breed cattle and Exmoor ponies has been enormously successful in sustaining and enhancing the mosaic of habitats on the clifftops.

Water quality in the fragile gill woodland habitats has improved immensely now that the chronic farm pollution has ended, allowing rare mosses, ferns, liverworts and invertebrates to thrive. The retained arable fields are managed by an arable contractor, much less intensively than in the past, with uncropped wildflower margins and areas sown specifically to support pollinating insects.

The long-term programme of biological surveys and monitoring has shown that the reserve supports high levels of biodiversity including a multitude of rare and threatened species, important invertebrate assemblages, diverse breeding bird populations.

The wildlife and habitats of the Country Park nature reserve are now thriving whilst at the same time it remains an extremely popular amenity resource, providing all the public health benefits that access to nature and opportunities for volunteering can offer.

There is a robust reserve management structure in place, supported by agreed habitat management plans for heathland, grassland, scrub arable areas and grazing, which are updated every five years. Funding for reserve management has been secured via grant aid from a Countryside Stewardship agreement.

More than two decades of hard work have resulted in an award-winning nature reserve, a recipient of the Green Flag award every year since 2006. Some of the most imaginative and innovative management practices introduced by HBC on the reserve have informed and inspired other landowners and local authorities, many of whom face the same challenges of limited resources, conflicting demands on their open spaces and the legal obligations of good land stewardship on protected sites.

Since 2000 there has been a cascade of successful outcomes at the Hastings Country Park nature reserve, for biodiversity, sustainability, good practice management, public health and visitor enjoyment. These have only been possible through the sustained support of dedicated HBC staff, Councillors, external partners and volunteers.

3.1 Reserve Funding

- HBC allocated significant capital sums to renovate the old Fairlight Place Farm buildings into the management hub that is in place today.

- The primary source of funding to manage the reserve has been Countryside Stewardship and Higher-Level Stewardship agreements. These have provided the financial support for extensive landscape and site management changes over the last two decades.
- HBC core revenue funding has focused staff resources at the reserve through the Environment and Natural Resources Manager and other posts within the parks service.
- The Council has been very successful in attracting grants and new funding streams from the High Weald Unit, Natural England (NE), DEFRA and others, to support management and improvements on the reserve.

3.2 Reserve Management Structure

- Strategic guidance for the reserve is provided by a cross-party, Councillor-led Management Forum. The Forum includes Councillors, Council officers and representatives of Natural England, Groundwork South and the Friends of Hastings Country Park Nature Reserve.
- Strategic and operational management of the Country Park is coordinated by the Environment and Natural Resources Manager from the on-site management hub.
- An independent agricultural/Stewardship adviser is contracted by HBC to provide management advice, agri-environment scheme administration and compliance monitoring. The adviser's remit also includes liaising between HBC, the grazier and the arable contractor over management along with regular on-site monitoring.
- Operational management follows a strategic management plan for the whole site. This runs in parallel with detailed management plans for individual semi-natural habitats and the arable land.
- External partners and contractors deliver specialist management services for conservation grazing, grounds maintenance and arable production on different parts of the reserve.

3.3 Management Planning

- Initially five-year management plans were prepared for the Country Park nature reserve.
- The current ten-year reserve management plan (covering the period 2020-2030) is a strategic, guiding document that also contains information about habitats and key species.
- Individual five-year habitat management plans set out in more detail prescriptions for the extensive grazing on coastal heath, invasive species control, pasture restoration and areas where natural processes and minimal intervention will be most beneficial.
- A programme of annual wildlife surveys and monitoring provides robust, scientific evidence to support land management decisions. Over the years these surveys have revealed just how many extraordinary and uncommon species inhabit the reserve.

- The commitment to increase the sustainability of management across the reserve is driving a move away from maintaining the farmed, arable habitats towards creating much lower input wood pasture habitat that can be sustained by a combination of extensive conservation grazing and natural processes.

3.4 Creative & Innovative Solutions

- Conservation grazing to drive habitat management and landscape restoration is now a core feature of management at the Country Park.
- In partnership with a local grazier, HBC has acquired their own Exmoor ponies and Belted Galloway cattle. Grazing by these hardy animals since 2006 has promoted the recovery and restoration of precious areas of acid grassland and heathland vegetation in parts the Country Park .
- The No Fence virtual pasture system is an exciting recent innovation in the grazing programme. This ground-breaking and high tech solution allows cattle grazing where any kind of physical fence is impractical or inappropriate.
- The success and flexibility of the No Fence system at the Country Park reserve is already generating interest from other site managers. HBC is able to demonstrate how this new technological solution works in practice on land with public access. Sharing knowledge of this kind has important implications for conservation grazing schemes across the region and enhances the reputation of HBC as a land manager.
- A popular innovation has been to deploy heavy horses rather than tractors to tackle the dense, encroaching Bracken on steep and inaccessible slopes in the reserve. Using horses minimises adverse impacts on thin, fragile soils and allows the public to watch these charismatic animals carrying out vital habitat management.
- In an inspired use of the farm’s old silage clamps, a green waste composting facility has been built at the management hub. Creating in-house facilities to process green waste that is generated on the reserve increases sustainability and reduces the cost of “cut and collect” grassland management. Green waste from grounds maintenance work elsewhere in the Borough can also be recycled here, leading to a further cost saving for HBC.

3.5 Partnerships

- HBC has been extremely fortunate to cultivate an unusual and very successful partnership with a local farmer/grazier. Most councils face significant costs for conservation grazing on nature reserves but this partnership comes at no material cost to HBC.
- Working with a partner who is sympathetic to HBC management aims and is responsive to changing circumstances has been crucial to the success of the conservation grazing scheme at the reserve.
- A newly formed partnership with the charity Groundwork Trust South led to the completion of a low carbon, sustainably built, hay bale visitor centre for the Country Park reserve in 2022. Another landmark achievement that fulfils a recommendation made in 2000.

- The new visitor centre and café will act as an important focus for visitors to the reserve. Groundwork South will continue working with the Friends of Hastings Country Park Nature Reserve and volunteers, helping to engage the local community and allowing them to feel part of the site's future.

The Country Park is cherished by local people, and visitors from further afield, for its health and well-being benefits as well as for its extraordinary wildlife and landscape. Precisely because it means so much to so many people there will always be conflicting views on how it should be managed.

With backing from Natural England, the members of the Management Forum, together with dedicated HBC staff and partners, will undoubtedly continue to navigate these difficulties using the skill and sensitivity they have displayed so successfully to date.

The Hastings Country Park Management Forum has set out an ambitious vision in the 2020-2030 management plan;

"...to have the best managed and accessible coastal nature reserve in South East England; recognising and enhancing its biodiversity importance and its significance within the cultural and historic landscape of the town".

This level of confidence in the future of the Country Park nature reserve would have been inconceivable in 2000, yet in 2022 such an outcome seems entirely achievable.

4.0 A STRATEGY FOR THE FUTURE

Since the Hastings Country Park Nature Reserve project began in 2000, HBC has pushed boundaries and led by example in their creation and management of the reserve. Their approach has generated high profile benefits and plaudits for Hastings.

Locally, regionally and nationally there are continued and intensifying threats to natural habitats and wildlife, along with rising demand for access to nature. The Hastings Country Park reserve is an invaluable local asset that can, and does, deliver immense benefits for wildlife and for people.

Safeguarding biodiversity on the reserve will continue to be a challenge in the face of major upcoming changes, resulting in particular from government policy and the climate emergency. Meeting this challenge requires increased long-term sustainability of reserve management as a matter of urgency.

Grant aid from the next Stewardship agreement will support proposals to convert the retained farmland (arable) habitats into wood pasture. The structurally complex vegetation of wood pasture can be rich in wildlife whilst requiring much less management input than arable areas demand.

Ultimately more parts of the reserve could be managed by extensive conservation grazing with hardy, native herbivores to promote structurally complex vegetation mosaics and provide the diverse conditions needed to sustain and enhance high levels of biodiversity.

This strategy review suggests ways for the Council to strengthen the reserve management structure, to ensure that it is fit for the future and that it meets the Council's statutory obligations at the reserve whilst continuing to support ongoing, award-winning work.

There are some risks the Council should be fully aware of when considering the next steps and priorities for management of the reserve. These risks are outlined along with suggestions for how they can be mitigated.

A future reserve management strategy can be separated into 2 broad elements:

1. Funding
2. Reserve Management Structure

4.1 Funding

- The current Higher-Level Stewardship (HLS) agreement expires in November 2023.
- Clarity over funding is fundamental to successful management of this highly designated and popular public open space. The Council's top priority for Hastings Country Park nature reserve should be to secure on-going financial support for the reserve through appropriate government grants.
- Being able to call on the services of an independent agricultural/Stewardship adviser who can help to secure funding and guide management of the reserve has been critical to the Council's successful management model.
- A vital part of this highly skilled and specialised role is to steer the Council through the grant application processes and to liaise with Natural England (who oversee and monitor the Countryside Stewardship grant) on behalf of the Council.
- The Council will need to submit a new Countryside Stewardship application in April 2023 for a five-year agreement to start on 1st January 2024. The focus of this should be on extending conservation grazing throughout the reserve with a move away from maintaining arable habitats.
- Once the terms of a new Countryside Stewardship grant are available, discussions with the grazier should take place over extending the partnership into the new grant period and building on its success.
- Current uncertainty and changes in UK agricultural policy and grant aid will have a direct impact on the nature and level of funding available for the reserve. The Council will continue to need expert advice on how to take maximum advantage of the changing situation.
- For future grant applications, the Council will need to decide whether to extend the Countryside Stewardship grant for a further five years or transfer to its proposed successor the Environmental Land Management Scheme (ELMS).
- At present full details of ELMS are sketchy, but there should be more clarity about its payments and management priorities before the five-year CS agreement is due to expire. ELMS may provide a longer term, ten-year, financial management grant.
- The independent adviser may be able to seek additional grant aid from bodies such as the High Weald Unit and Natural England. This is in addition to overseeing the new grant application, joining discussions with the grazier and steering the Council through the implementation of a Stewardship grant.

- Other ways to generate funds to support management of the reserve should be explored. For example, revenue from film companies using the reserve for location work, marketing meat and other products from the conservation grazing operation, provision of training courses and educational opportunities related to the special features of the reserve.

4.2 Key Funding Risks

- Crucially, the 2023 grant application round in the UK is the last opportunity for sites to enter the Countryside Stewardship scheme until the forthcoming Environmental Land Management scheme (ELMS) is rolled out.
- **There is currently no date for the implementation of ELMS across the UK.**
- If the Council were to miss the April 2023 deadline for a Countryside Stewardship application, there will be a significant funding gap that could, potentially, be several years.
- Transition to the new grant in 2024 is not a formality. Countryside Stewardship is a competitive scheme which requires Natural England to scrutinise every application. To be successful, the Council must demonstrate to NE that it has the necessary capacity and a robust reserve management structure in place to manage the site and the new grant.
- NE can delay the implementation date of a new agreement (currently January 2024) if they feel there is an inadequate reserve management structure, or the Council cannot fully demonstrate its capacity to deliver the new scheme. Delays would leave the Council with no grant or budget to manage the site when the current grant ends in November 2023. As management of the site depends on external grant aid, this would be a completely unacceptable position for the Council.
- NE also has the authority to rescind the agreement at any time if they feel the grant is not delivering its objectives or that the Council no longer has adequate capacity to manage the scheme and its priorities. Cancellation of the scheme part way through would require the Council to return all funds received from the start of its new grant.
- Reserve management will simplify over time under current proposals. Without the complexities of arable production the entire site will become a naturally regenerating landscape where grazing animals move around to fulfil ecological priorities. The next grant application will be in 2027 or thereabouts and will need to reflect this progression. At that time the Council will require relevant expertise to help submit a new grant application or transfer to ELMS.

4.3 Mitigating Funding Risks

- The immediate priority is for the Stewardship adviser and HBC senior management to apply for the Countryside Stewardship grant by April 2023, aiming for a January 2024 start.
- Strong engagement with NE by the Council's stewardship adviser and HBC senior management will ensure the Council maximises grant income and is able to meet all necessary grant objectives.

- **It is considered essential that the independent agricultural/Stewardship adviser role should be retained as part of the future reserve management strategy.**

4.4 Reserve Management Structure

Alongside a secure financial basis, the bedrocks of the current, successful reserve management structure are the officers, partners and volunteers that support it. Their importance cannot be over-emphasised.

The Country Park nature reserve project has benefited from an unusually high level of continuity in key personnel since 2000. Notably the Environment and Natural Resources Manager (originally the Borough Ecologist) has been in post for the entire life of the project so far, which has undoubtedly played a significant part in its smooth-running.

It is self-evident that the current reserve management model has been very successful to date, but in changing and uncertain times the need is greater than ever for a clear and robust reserve management structure, underpinned with sufficient funding.

4.4.1 In-house vs Outsourcing Control

- At various points in the site's history, outsourcing reserve management to a third-party organisation has been considered (for example RSPB, National Trust or Sussex Wildlife Trust). Discussions have failed to identify significant benefits for the Council and most recently a potential partner unexpectedly withdrew from such a conversation for external reasons.
- In-house control of reserve management allows faster decision-making and gives greatest flexibility to respond quickly to changing circumstances and opportunities.
- In-house control also allows the Council to retain the entire Stewardship grant to use for its best advantage at the site.
- Over many years the Council has shown itself to be a very successful reserve manager. It is difficult at this stage to identify any material benefits that would accrue from outsourcing management of the reserve.
- Retaining the current model of in-house control of almost all aspects of management on one of the Borough's most important natural assets seems to be a very good fit with overall Council policy. There is clearly an opportunity to link management of the reserve to the new in-house grounds maintenance provision.

4.4.2 Reserve Management Hierarchy & Staffing

- The simplest option is to build on the current highly successful model; a strategic management board, a key officer post and strong partnerships which are supported by grant aid.
- The Councillor-led Management Forum is well-established and provides strategic guidance. It may be appropriate to review its terms of reference to ensure they are fit for purpose to meet future management priorities at the reserve.

- The absence of a Ranger or site-based member of staff is a surprising gap in the current management structure of the reserve. Many large, public access nature reserves depend on highly visible, site-based Rangers, particularly where conservation grazing and amenity uses can sometimes generate conflict.
- Presence of an on-site HBC Ranger is seen as an essential reinforcement of the reserve management structure, with the additional benefit of providing a public face of the Council in one of the most popular open spaces in the Borough. At present there is no clear pathway for visitors to report incidents or voice their concerns at the Country Park. This could result in a slower response time to serious emergencies, such as fires or accidents.
- Funding for a Ranger post could potentially be derived from a combination of HBC core funding and the Stewardship grant.
- **Consideration should be given to strengthening the reserve management structure with a new on-site Ranger post. This role would combine nature conservation, partner liaison and community engagement skills. It would allow a fast response to on-site problems with the potential to nip conflicts in the bud.**

4.4.3 Partnerships

- The Council should endeavour to retain and build upon the strong partnerships it has with contractors and volunteers.
- Strong partnership working has allowed the successful delivery of sometimes complex and specialist reserve management. For example, graziers will generally charge a rate per head of livestock for conservation grazing and Councils can expect to pay significant sums to implement conservation grazing projects. The current grazing partnership is highly unusual and beneficial to HBC because it allows the Council to have grazing on its land at no cost.
- The Council benefits from an excellent working relationship with the local farmer/grazier who provides the conservation grazing service for the reserve. The grazer is engaged, knowledgeable and, most importantly, highly responsive to HBC requirements. This very successful partnership is fundamental to the success of the conservation grazing project and its value must not be underestimated.
- Once the terms of the new Countryside Stewardship grant are available, high priority must be given to holding discussions with the grazer over how to extend the partnership into the new grant period and the potential to build on its success. For example, acquiring a small number of extra cattle of a different hardy breed to the current Belted Galloways could increase the flexibility of the grazing regime on the reserve.
- It may be possible to develop a market for meat from the conservation herd as part of the existing farming partnership. Adding value to conservation grazing projects in this way has been very successful at other high profile wildlife sites (for example Ashdown Forest and the Knepp Wildlands) where sustainably produced, local origin food has found a ready market.
- An exciting new partnership has been forged between HBC and the local Groundwork Trust during construction of the Bale Barn visitor centre. This partnership should be extended to develop the

volunteering, training, community events and educational opportunities that the Country Park reserve offers.

4.5 Key Reserve Management Structure Risks

- Outsourcing management to a third-part organisation carries the risk of leaving the Council without a fully robust reserve management structure in place should the partnership fail.
- A major risk for the Council is that the agricultural/Stewardship adviser is an external consultant and could therefore leave at any time. This specialist role requires a suitably skilled and experienced individual to advise on the Countryside Stewardship grant application process and provide guidance on the practicalities of conservation grazing, biodiversity and farming. High quality guidance from an independent adviser to the Council is an essential part of the management structure.
- Another major risk to the Council is a breakdown of the mutually beneficial partnership with the current farmer/grazier. Successful management of the reserve in the long term requires extended conservation grazing, supported by a new Stewardship grant. This is entirely dependent on continuation of the shared trust, commitment and on-site engagement between the grazier, the Council's Stewardship adviser and HBC staff.
- Should the current grazier lose confidence and terminate their involvement at the reserve it would place significant risk on the Council's ability to fulfil its obligations under a Stewardship agreement. This in turn could result in either termination of the grant or incurring significant costs to pay others to graze the land (currently achieved at no cost to the Council).
- If the focus for reserve management decisions is no longer the HBC Environment and Natural Resources Manager post, there must be sufficient handover time to another member of staff. This will avoid the loss of two decades of expertise and experience built up by the incumbent, along with valuable continuity within the Council.

4.6 Mitigating Reserve Management Structure Risks

- The Council should plan carefully for the transition to a revised, in-house reserve management structure that will ensure its strategic aims for the reserve continue to be met in future.
- The Council must be able to demonstrate to Natural England that it has the capacity to manage any new grant and fulfil its statutory management obligations to the SSSI.
- The focus of a new Countryside Stewardship grant will be on conservation grazing, therefore the Council must also be able to reassure NE that it has strong grazing partnerships in place and adequate on-site management structures.
- The grazier and the Stewardship adviser are external partners and consultants to HBC. The Council should take steps through positive engagement to ensure, as far as possible, that they are part of the longer-term future of the reserve. There should be a contingency plan in place should either of these key partners decide to leave. How the Council would deal with that scenario is beyond the scope of this report.

- A newly defined, site-based Ranger post at the reserve could provide the necessary levels of reassurance to Natural England that the Council has the capability to implement the terms of Stewardship and land management grants. It would also reassure the Council that its on-site activities comply with its statutory obligations and the legal obligations of any grants it receives.
- A site-based Ranger post, responsible for reserve management, would help to mitigate future loss of the Environment and Natural Resources Manager role. A suitable period of transition between these posts would ensure knowledge and skills could be passed on.
- An on-site Ranger could play a pivotal role between the Council and its partners including the Stewardship adviser, the grazier, Groundwork, the Friends, volunteers and the public.

5.0 RECOMMENDATIONS

As a result of this strategy review it is recommended that HBC should:

- Agree and adopt the timetable for submitting a new Countryside Stewardship agreement application by April 2023 as an urgent priority.
- Strengthens the existing, successful model of an essentially in-house reserve management structure with strategic direction provided by a Management Forum and aligned with a more unified Council service.
- Agree the process and timetable for a transition to a strengthened reserve management structure as a priority.
- Recognise and value the crucial roles played by the independent agricultural/Stewardship adviser and the grazier as central to the success of future reserve management.
- Create a new on-site Ranger post to meet multiple objectives at this very high profile site. Such a post would complement the strategic direction of in-house management and service provision at HBC.

Since 2000 there have been innovative and inspirational outcomes for wildlife and for people at Hastings Country Park Nature Reserve. This should be a source of immense pride for all those who have been involved in this project over the last two decades.

By building on this success the vision of the Management Forum to have the best managed and most accessible coastal nature reserve in South East England is surely within reach.

6.0 Countryside Stewardship Application Timeline & Review of Reserve Management Structure

WHAT	WHEN	WHO
Countryside Stewardship grant drafted, discussed & agreed with Natural England	Aug - Dec 2022	HBC Stewardship adviser/HBC
Consideration of future management structure & potential for a new on-site Ranger post	September 2022 - March 2023	HBC
HBC corporate decision on future grant aid	By December 2022	HBC
Draft application finalised with NE	December 2022-March 2023	HBC Stewardship adviser
New Countryside Stewardship application submitted	April 2023	HBC Stewardship adviser
Current Higher-Level Stewardship ends	November 2023	HBC
New Countryside Stewardship grant starts	1 st January 2024	HBC
New management structure in place	31 st March 2024	HBC

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