



# Report to the Partnership for South Hampshire

## Overview and Scrutiny Committee

**Date:** 17 September 2020

**Report of:** Paddy May, SRMP Board Chair  
Anna Parry, Partnership Manager

**Subject:** SOLENT RECREATION MITIGATION PARTNERSHIP (BIRD AWARE)  
Summary of the report being presented to PFSH Joint Committee, 30 September

### SUMMARY

The purpose of the report will be is to seek endorsement from the Joint Committee for the Solent Recreation Mitigation Partnership's recommendations for a financial protocol to be in place.

### RECOMMENDATION

It is RECOMMENDED that the Overview & Scrutiny Committee:-

- a) NOTES the contents of this report and consider any comments to be passed to the Joint Committee for consideration.
- b) NOTES that Joint Committee will be asked to:-
  - i. NOTE and ENDORSE the Solent Recreation Mitigation Partnership's proposed financial protocol.
  - ii. NOTE and ENDORSE the Solent Recreation Mitigation Partnership's proposal to provide an indemnity to the Accountable Body in the unlikely event that the Partnership fails to 'make good' any loss of interest to the schemes funds during the course of the agreement.

## **BACKGROUND AND SUMMARY**

1. The Solent Recreation Mitigation Partnership's (SRMP) income is entirely derived from developer contributions and is therefore subject to fluctuations depending on the number of planning permissions granted in any one year.
2. The Partnership is able to foresee a possible temporary shortfall in income for a period. This is a result of the ongoing issues related to nitrate neutrality delaying the granting of some permissions and a credible risk of a recession as a result of the COVID-19 pandemic impacting on the house building sector.
3. The Partnership's financial model is based upon the collection of an income until April 2034. It is believed that over this timeframe all planned housing will come forward and the overall income to the Partnership will meet necessary targets.
4. The Partnership is minded that should a temporary shortfall in income occur, the in-perpetuity fund could be used to cover this and allow the Partnership to keep operating at the capacity necessary to continue delivering appropriate levels of mitigation.
5. It is intended that such use of the in-perpetuity fund would only occur in exceptional circumstances and there would be an undertaking to pay it back with interest at the first available opportunity.
6. It is further intended that should exceptional circumstances impact upon the income stream once more, then a fresh review/decision will be taken by the Project Board and Joint Committee each time and past decisions won't set a precedent for future ones.

## **RECOMMENDATION**

It is RECOMMENDED that the Overview & Scrutiny Committee:-

- a) NOTE the contents of this report and consider any comments to be passed to the Joint Committee for consideration.
- b) NOTE that Joint Committee will be asked to:-
  - i. NOTE and ENDORSE the Solent Recreation Mitigation Partnership's proposed financial protocol.
  - ii. NOTE and ENDORSE the Solent Recreation Mitigation Partnership's proposal to provide an indemnity to the Accountable Body in the unlikely event that the Partnership fails to 'make good' any loss of interest to the schemes funds during the course of the agreement.

## **ENQUIRIES:**

For further information on this report please contact:-

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