



AGENDA

PARTNERSHIP FOR SOUTH HAMPSHIRE OVERVIEW AND SCRUTINY COMMITTEE

Date: Tuesday, 9 March 2021

Time: 10.30 am

Venue: Microsoft Teams Virtual Meeting

Members:

Chairman Allan Glass, New Forest DC

Vice-Chairman Bruce Tennent, Eastleigh BC

Councillors Judith Smyth, Portsmouth CC
Malcolm Johnson, East Hants DC
Zoe Huggins, Gosport BC
Ray Bolton, Hampshire CC
Dianne Lloyd, Havant BC
Vacant Position, New Forest NPA
Phil Bundy, Test Valley BC
Dominic Hiscock, Winchester CC
Tom Davies, Fareham BC

Co-opted Members: Paddy May, Partnership for South Hampshire

- 1. Apologies for Absence and Changes to the Overview and Scrutiny Committee Membership**
To note any apologies and changes in membership for this meeting of the Overview and Scrutiny Committee.
- 2. Minutes (Pages 5 - 10)**
To confirm as a correct record the minutes of the meeting of the Partnership for South Hampshire (PfSH) Overview and Scrutiny Meeting held on 13 January 2021.
- 3. Chairman's Announcements**
- 4. Declarations of Interest**
To receive any declarations of interest from members, in accordance with the Joint Agreement.
- 5. Deputations**
To receive any deputations of which notice has been lodged.
- 6. PfSH Managers Report (Pages 11 - 14)**
To receive a report on issues which are significant, but do not justify a full report in their own right to be brought to the attention of the Joint Committee for a decision.
- 7. PfSH Budget Monitoring Report 2020/21 and Proposed Budget 2021/22 (Pages 15 - 20)**
To receive a report outlining the PfSH budget request for 2021/22.
- 8. Greenprint for South Hampshire (Pages 21 - 22)**
To receive a report requesting support for the Greenprint for South Hampshire initiative.
- 9. Statement of Common Ground - Findings of the Economic Employment and Commercial Needs (including logistics) Study (Pages 23 - 26)**
To receive a report on the findings of the Economic, Employment and Commercial Needs (including logistics) Study undertaken as part of evidence base work set out in the joint Statement of Common Ground for the Partnership for South Hampshire (PfSH).
- 10. PfSH Nutrient Neutrality Update (Pages 27 - 32)**
To receive a report to update on the implementation of mitigations to address the impact of the nutrient neutrality requirement on house building.

**For further information please contact:
Democratic Services, Civic Offices, Fareham, PO16 7AZ
Tel: 01329 236100
democraticservices@fareham.gov.uk**



Minutes of the Partnership for South Hampshire Overview and Scrutiny Committee

(to be confirmed at the next meeting)

Date: Wednesday, 13 January 2021

Venue: Microsoft Teams Virtual Meeting

PRESENT:

Councillor Allan Glass, New Forest DC (Chairman)

Councillors: Malcolm Johnson, East Hants DC
Phil Bundy, Test Valley BC
Dominic Hiscock, Winchester CC

**Co-opted
Members:** Paddy May, Partnership for South Hampshire

**Also
Present:** Mike Allgrove – PFSH Consultant (Item 6)
Allison Barnes – New Forest NP (Item 7)
Simon Eden – Southern Policy Centre (Item 7)
Charles Freeman – Panel Lead (Item 8)
Dominic Lyster – Fareham BC (Item 8)
David Bibby – Test Valley BC (Item 9)
Anna Parry – Bird Aware (Item 10 & 11)

1. APOLOGIES FOR ABSENCE AND CHANGES TO THE OVERVIEW AND SCRUTINY COMMITTEE MEMBERSHIP

Apologies of absence were received from Councillor T Davies (Fareham BC) Councillor Ray Bolton (Hampshire CC) and Judith Smyth (Portsmouth CC).

2. MINUTES

RESOLVED that the Minutes of the meeting of the PfSH Overview and Scrutiny Committee held on the 17 September 2020, be signed and confirmed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

There were no Chairman's announcements made at this meeting.

4. DECLARATIONS OF INTEREST

There were no interests declared at the meeting.

5. DEPUTATIONS

There were no deputations made at this meeting.

6. COORDINATOR'S REPORT

The Overview and Scrutiny Committee received a report from PfSH coordinator, Paddy May, on items of PfSH business which are significant but do not justify a full report in their own right, which will be brought to the Joint Committee for decision.

RESOLVED that the Overview & Scrutiny Committee NOTES that Joint Committee will be asked to:-

- a) NOTE and ENDORSE the update to the Statement of Common Ground jointly agreed between Havant Borough Council and the rest of the Partnership for South Hampshire (PfSH) authorities as outlined in part A for this report; and
- b) NOTE the matters for information outlined in part B of this report.

7. GREENPRINT FOR SOUTH HAMPSHIRE

The Overview and Scrutiny Committee received a report outlining the PfSH's approach to developing a Greenprint for South Hampshire.

At the agreement of the Chairman this item was move forward on the agenda.

RESOLOVED that the Overview & Scrutiny Committee:-

- a) NOTES the contents of the report; and

- b) NOTES that Joint Committee will be asked to NOTE the progress made on the South Hampshire Greenprint framework.

8. CREATIVE INDUSTRIES BUILT ENVIRONMENT, THEMED PANEL

The Overview and Scrutiny Committee considered a report from Charles Freeman from the Creative Industries Built Environment, Themed Panel updating PfSH Members on the work undertaken in relation to the panel by Creative Network South, (supporting the development of the creative economy) and the Quality Place Practitioner Group, in developing guidance in relation to design in the built environment.

Members discussed the report at length, highlighting the importance of the addition of car parks as a design bulletin published alongside the existing design publications. Examples were discussed in which tree planting had been used to landscape car parks to lessen their impact on the surrounding environment. The Chairman asked for the specific comments around tree planting, bay size and ample electric charging points be noted as key topics to be included within the guidance document.

RESOLVED that the Overview and Scrutiny Committee: -

- a) request the Joint Committee notes their comments regarding the importance of the addition of 'car parks' as a design bulletin, specifically the topics of; tree planting, bay size and ample electric charging points; and
- b) NOTES that Joint Committee will be asked to:
- i. NOTE the work undertaken in preparing Quality Place Design Bulletins, and publish four design bulletins alongside the existing design publications on the PfSH website;
 - ii. NOTE the desire to further update the bulletins in the light of changing local and national policy;
 - iii. NOTE proposals to review the delivery of the Solent Design Awards in anticipation for the next awards in 2022; and
 - iv. NOTE the work of the panel in supporting creative industry development in particular the promotion of :-
 - o **connectivity** by using micro grants to increase opportunities for networking and the showcasing of creative practice.
 - o **Skills and progression** - Working with partner organisations to enhance work based learning and pathways to employment within the creative sector.
 - o **Enterprise** - Providing business support for freelancers and creative entrepreneurs.
 - o **Visibility** - Working with Portsmouth Creates and Southampton City of Culture amongst others to increase the visibility of the Creative Sector in the Solent Area.

- v. AGREE a budget of £12,500 be added to the PfSH base budget for 2021-22 to continue the work of the panel.
- £10,000 will be used support the work of Creative Network South.
 - £2,500 to cover costs of facilitating panel activities.
 - AGREE that £10 000 carried over from 2019-20 can be used to match £4,000 from Southampton City Council to continue the Creative Growth Southampton project.
 - NOTE that a request for funding to support the 2022 design awards will be made in a year's time.

9. NUTRIENT NEUTRALITY UPDATE

The Overview and Scrutiny Committee received a report from David Bibby, providing an update on the implementation of the mitigations to address the impact of the nutrient neutrality requirement on house building.

Members enquired as to whether a response had been received to Councillor Woodward's letter to the MHCLG on the 07 December. David Bibby advised that this would be investigated, and an update would be provided to the Panel.

RESOLVED that the Overview & Scrutiny Committee:-

- a) NOTES the contents of this report; and
- b) NOTES that Joint Committee will be asked to NOTE the content of the report outlining PfSH's activity towards unlocking the delivery of housing which has been on hold due to the nutrient neutrality issue.

10. SOLENT RECREATION MITIGATION PARTNERSHIP (BIRD AWARE) BUDGET REQUEST AND STRATEGY REVIEW

The Overview and Scrutiny Committee received a report from Anna Parry, seeking to endorse the Solent Recreation Mitigation Partnership's (Bird Aware) annual budget request. The report also provided an update on the action required following endorsement of the financial protocol and the Bird Aware Strategy.

RESOLVED that the Overview & Scrutiny Committee NOTES that the Joint Committee will be asked to:-

- a) NOTE and ENDORSE the Solent Recreation Mitigation Partnership's proposed budget for 2021/22;
- b) NOTE and ENDORSE the Solent Recreation Mitigation Partnership's proposal to move to a five-yearly monitoring programme if the results of the initial five years of annual monitoring indicate that the Partnership is having a positive effect;

- c) NOTE and ENDORSE the Solent Recreation Mitigation Partnership's proposal to move the Site Specific Project list to become something that's more 'live' past the award of the initial three years of grants; and
- d) NOTE and ENDORSE the Solent Recreation Mitigation Partnership's request for more active involvement from all Partners.

11. SOLENT RECREATION MITIGATION PARTNERSHIP (BIRD AWARE) SITE SPECIFIC PROJECTS

The Overview and Scrutiny Committee received a report from Anna Parry outlining the funding requirements for the site specific projects.

RESOLVED 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; and
- b) NOTES that Joint Committee will be asked to NOTE and ENDORSE the Solent Recreation Mitigation Partnership's revised proposal for site specific projects to be supported.

12. PFSH MEETING SCHEDULE 2021/22

The Overview and Scrutiny Committee considered a report outlining the PFSH Meeting Schedule for the 2021/22 municipal year.

RESOLVED that the Overview and Scrutiny Committee NOTES the dates on the schedule of meetings for the municipal year 2021/22, attached at Appendix A.

(The meeting started at 10.33am
and ended at 11.49 am).



Report to the Partnership for South Hampshire Overview and Scrutiny Committee

Date: 09 March 2021

Report of: Paddy May
PfSH Co-ordinator

Subject: PfSH Management Co-ordinator's Report
*Summary of the report being presented to PfSH Joint
Committee, 22 March 2021*

SUMMARY

The Co-ordinator's report provides an opportunity for issues which are significant, but do not justify a full report in their own right, to be brought to the attention of the Joint Committee for decision or for information. The report is divided into Parts A and B accordingly.

RECOMMENDATION

It is RECOMMENDED that the Overview & Scrutiny Committee: -

- a) NOTE that Joint Committee will be asked to NOTE the matters for information outlined in part B of this report; and
- b) pass any comments to the Joint Committee for their consideration.

PART A: MATTERS FOR DECISION

1. There are no matters requiring a decision.

PART B: MATTERS FOR INFORMATION

Planning & Infrastructure

Statement_of Common Ground

2. Work on the wider development of the PfSH Joint Statement continues as planned. An update on the findings of the Employment, Economic and Commercial Needs (including logistics) analysis is included on the main agenda for the meeting on 22 March and so warrants a standalone report.

Strategic Recreation and Mitigation Partnership (Bird Aware) Key Performance Indicators (KPIs)

3. During the period of 1 January – 31 January the ranger team delivered the following outreach activities, which were very much curtailed by the national lockdown*:

• Site Visits	5
• People interacted with on-site	3
• Hours spent monitoring	6

*These figures are mid-season estimates and may be subject to minor change once full end of season reports are verified and available.

Owing to the limited site visits due to COVID related restrictions, the Rangers have spent additional time on furthering:

- Signage projects
- Updating the website - including an expansion of the 'About the birds' section to include more bird profiles
- Producing social media content and managing all channels
- Building the photo/video library
- Physical projects
- Behaviour Change project (with Natural England)
- Codes of Conduct work
- Training

Additional input has also been given to communications work and the team has achieved the following:

- Number and % growth of social media followers on each platform since last update
 - Twitter – 33 (1.5%)
 - Facebook – 75 (4.3%)
 - Instagram – 63 (4.8%)
- Impressions (number of times seen) for each social media platform
 - Twitter – 92.4k
 - Facebook – 56.4k
 - Instagram – 29k
- Number of posts on social media

- Twitter – 83
- Facebook – 56
- Instagram posts including stories – 77
- Press releases – 1
- 2 ranger articles added to the blog section of the website

Water Management

4. An update on progress towards developing a strategy for achieving nutrient neutrality for new housing development across the PfSH region is included on the main agenda for Joint Committee 22 March and so warrants a standalone report.

Energy and the Green Economy

5. An update on the work towards developing a framework for a 'Greenprint for South Hampshire' is included on the main agenda for Joint Committee 22 March and so warrants a standalone report.

Culture, Creative Industries and the Built Environment

6. Since the last report to the meeting of PfSH Joint Committee on 25 January there is no further update on the Culture, Creative Industries and Built Environment strand of work. We expect the next update to be presented to the meeting of Joint Committee over the summer (either 21 June or 27 July).

RECOMMENDATION

It is RECOMMENDED that the Overview & Scrutiny Committee: -

- a) NOTE that Joint Committee will be asked to NOTE the matters for information outlined in part B of this report; and
- b) pass any comments to the Joint Committee for their consideration.

Background Papers: None

Reference Papers: None

Enquiries: For further information on this report please contact:

Paddy May (PfSH Co-ordinator)

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E-mail: paddy.may@portsmouthcc.gov.uk



Report to the Partnership for South Hampshire Overview and Scrutiny Committee

Date: **09 March 2021**

Report of: **John Harrison, Executive Director – Finance & Commercialisation, Southampton City Council**

Subject: **PfSH Budget Monitoring 2020/21 and Proposed Budget 2021/22**

SUMMARY

The report will provide an update for the Joint Committee on progress to date against the approved budget, including a forecast outturn for the current financial year. The report will also set out the proposed revenue budget for 2021/22.

RECOMMENDATIONS

It is RECOMMENDED that the Overview & Scrutiny Committee:-

- a) NOTE the contents of this report;
- b) NOTE that Joint Committee will be asked to:
 - i. NOTE the budget monitoring position for 2020/21, as set out in the report;
 - ii. NOTE that the forecast outturn from the 2020/21 budgets is provisional and may be subject to change in the final outturn budget report;
 - iii. APPROVE the proposed revenue budget for 2021/22, as set out in the report;
 - iv. APPROVE the partner contributions for 2021/22 as shown on table 5; and
- c) consider any comments to be passed to the Joint Committee for consideration.

INTRODUCTION

1. The report will provide an update for the Joint Committee on progress to date against the approved budget for the current financial year.
2. The report will also set out the proposed revenue budget allocations for next financial year 2020/21 in line with the budget arrangements approved by the Joint Committee in June 2019 as part of the partnership's Business Plan.

Resources

3. Table 1 of the report sets out the estimated PfSH resources available for 2020/21, together with the funds that have been received as at the end of February 2021.

Table 1: Total Resources Available	2020/21 Budget Approved Jun 20 £000s	2020/21 Actual received to end Feb 20 £000s
<u>Revenue Funds</u>		
Core funding (local authorities)	75	76
Other contributions	-	-
Interest on balances	2	-
Underspend c/f from previous year	193	193
Sub-Total	270	269
Total Resources	270	269

REVENUE BUDGET

4. Table 2 below, sets out the revenue budget for 2020/21.

The table also shows spend in the current financial year to the end of February 2021, the forecast outturn for the year and includes the carry forward request into 2021/22 on the Culture, Creative Industries and the Built Environment Delivery Panel approved by the Joint Committee in January.

Table 2 Revenue Allocations	2020/21 Approved Budget £000s	2020/21 Spend to end Feb 21 £000s	2020/21 Forecast Outturn £000s	2020/21 Carry Forward Request £000s
Culture, Creative Industries and the Built Environment	42	28	32	10
Core Projects & Central Costs	75	53	75	
Total	117	81	107	10
Unallocated balance	153		163	
Total revenue resources	270	81	270	10

5. The **Culture, Creative Industries and the Built Environment Delivery Panel** budget included £30,000 for matched funding for a bid to the Arts Council to enable the Creative Industries support to cover a wider area than just Southampton. A base budget for the panel of £12,500 for 2020/21 was also agreed. This is to be split as £10,000 funding for Creative Networks South and £2,500 for panel support
6. The **Core Projects & Central Costs** budget reflects commitments relating to staffing costs and other ongoing revenue activities led by the PfSH central team.
7. **Unallocated Balances** are forecast to be £164,000 at the end of 2020/21. It was previously agreed by the Joint Committee that an unallocated budget would be maintained to enable the partnership to have resources available to react to potential future opportunities as they arise.

Table 3: Unallocated balances

	£000
Balance brought forward	193
To fund 2020/21 expenditure	(107)
Contribution income 2020/21	75
Interest income 2020/21	3
Forecast balance 2020/21	164

2020/21 BUDGET

8. Proposals for the 2020/21 budget are set out below for Joint Committee's approval. The proposed budget is based on the funding and subscription arrangements approved by the Joint Committee in June 2019 as part of the PfSH Business Plan. Under the budget arrangement in the plan all existing PfSH members are to contribute to maintain core central costs covering meetings, the programme office, along with legal and financial advice. Project work is then funded by those local authorities participating within any work undertaken.
9. In addition to this a request for funding was received from the Culture, Creative Industries and the Built Environment Delivery Panel of £12,500 to fund the work of the Panel in 2021/22. This was considered at the January 2021 Joint Committee meeting under item 8 and the budget below reflects the Joint Committee's decision.

Table 4: Revenue Allocations 2021/22

	Carry Forwards from 2020/21 £000	2021/22 Budget Allocation £000	2021/22 Proposed Budget £000
Culture, Creative Industries & the Built Environment	10	13	23
Core Projects & Central Costs		75	75
Total Core and Panel Budgets	10	88	98

10. It is proposed to retain subscription rates for 2021/22 at the same level as 2020/21 to fund the Core Project and Central Costs.

Table 5 revenue contributions 2021/22

	2021/22
	£
Partner contributions:	
Southampton City Council	10,500
Portsmouth City Council	15,700
Hampshire County Council	22,700
Eastleigh Borough Council	5,200
Fareham Borough Council	5,200
Gosport Borough Council	3,500
Havant Borough Council	5,200
Test Valley Borough Council	1,700
Winchester City Council	900
East Hampshire District Council	900
New Forest District Council	3,500
New Forest National Park Authority	750
Total	75,750

11. The Culture, Creative Industries and the Built Environment Delivery Panel budget for 2021/22 will effectively be funded out of the unallocated balances maintained by the partnership.

Table 6 Unallocated balances 2021/22

	£000
Forecast balance 2020/21	164
To fund carry forwards in 2021/22	(10)
To fund 2021/22 budget	(88)
Contribution income 2021/22	76
Interest income 2021/22	2
Forecast balance 2021/22	144

RECOMMENDATION

It is RECOMMENDED that the Overview & Scrutiny Committee: -

- a) NOTE the contents of this report;
- b) NOTE that Joint Committee will be asked to:
 - i. NOTE the budget monitoring position for 2020/21, as set out in the report;
 - ii. NOTE that the forecast outturn from the 2020/21 budgets is provisional and may be subject to change in the final outturn budget report;
 - iii. APPROVE the proposed revenue budget for 2021/22, as set out in the report;
 - iv. APPROVE the partner contributions for 2021/22 as shown on table 5; and
- c) consider any comments to be passed to the Joint Committee for consideration.

Background Papers:

Joint Committee 7 July 2020 – Item 9: Budget Report.

Joint Committee 4 June 2019 – Item 10: Review of PUSH and Business Plan

Enquiries:

For further information on this report please contact:

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Finance & Commercialisation
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Jon Evans, Finance Business Partner
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Report to the Partnership for South Hampshire Overview and Scrutiny Committee

Date: 09 March 2021

Report of: PfSH Coordinators' on behalf of Alison Barnes, CEO New Forest National Park Authority

Subject: A Greenprint for South Hampshire - Funding Request
Summary of the report being presented to PfSH Joint Committee, 22 March 2021

SUMMARY

Joint Committee will receive a request for funding to resource work on the framework being developed to progress the Greenprint for South Hampshire work. This request comes following the end of the secondment of Joseph Owens of the University of Southampton who previously supported this initiative.

RECOMMENDATION

It is RECOMMENDED that the Overview & Scrutiny Committee: -

- a) NOTE the contents of this verbal update;
- b) NOTE that Joint Committee will be asked to:
 - i. AGREE funding to resource the development of a framework for the Greenprint for South Hampshire; and
- c) consider any comments to be passed to the Joint Committee for consideration.



Report to the Partnership for South Hampshire Overview and Scrutiny Committee

Date: 09 March 2021
Report of: Claire Upton-Brown, Chair PfSH Planning Officers Group
Subject: Statement of Common Ground (SoCG) - Findings of the Economic, Employment and Commercial Needs (including logistics) Study

SUMMARY

This report sets out the findings of the Economic, Employment and Commercial Needs (including logistics) Study.

RECOMMENDATION

It is RECOMMENDED that the Overview & Scrutiny Committee: -

- a) NOTE the contents of this report;
- b) NOTE that Joint Committee will be asked to note the content of the Economic, Employment and Commercial Needs (including logistics) Study and that it will be published on the PfSH website; and
- c) consider any comments to be passed to the Joint Committee for consideration.

INTRODUCTION

1. The Joint Committee agreed a Statement of Common Ground (SoCG) at its meeting in October 2019. It set out the strategic issues that need to be addressed in the review of the 2016 Spatial Position Statement and the production of a new Joint Strategy. The SoCG identifies the evidence base workstreams needed to achieve this and the need to commission the Economic, Employment and Commercial Needs (including logistics) Study to inform the need for employment land allocations in local plans.
2. It should be noted that the Study focuses on South Hampshire but has also been extended to cover the whole of the Test Valley borough.
3. The report will summarise the key findings of the Study.

FINDINGS OF THE ECONOMIC, EMPLOYMENT AND COMMERCIAL NEEDS (INCLUDING LOGISTICS) STUDY

4. The key findings of the Study are:
 - Confirmation of the PfSH Functional Economic Market Area (FEMA)
 - The overall need for industrial and warehousing development is for 168 ha.
 - In addition to the above, suggest looking for up to five new sites for larger warehouses >25,000 sqm.
 - The overall 'aspirational' need for office development is for 390,000 sqm.
 - There is scope within the existing housing figures derived by the Standard Method to accommodate transformational projects without generating a need for additional housing provision.
5. The Study confirms that the South Hampshire FEMA broadly aligns with the old 'Partnership for Urban South Hampshire' boundary, i.e. excluding the New Forest National Park and the part of New Forest District to the west of the National Park. The study and the consultants comment on how the potential provision of land outside, but close to, the boundary could help meet the needs of the FEMA.
6. The need for industrial and warehousing development has been derived from analysis of past take up – particularly over the last five years and the indications that such development is now viable. However, it should be noted that this is a net figure and further work (to look at commitments, losses and any other policy considerations) will be needed by individual local planning authorities (LPAs) before they can derive employment land and floor space requirement figures appropriate for local plans.
7. The need for smaller warehouses will be included in the overall need for industrial and warehousing development above. However, it was a specific requirement for the study to look at the need for logistics development, to consider needs that may be generated by the ports and to meet the recent changes to the requirements of the National Planning Policy Framework. This has identified that within the South Hampshire FEMA there is not a need for very large warehouses supporting national distribution operations. However, it

has identified a need for up to five larger strategic warehouses (>10,000 sqm) in the South Hampshire FEMA.

8. The study will describe that although the labour demand analysis suggests that there will be a demand for office space, viability issues mean that new space is not currently being built and that rental values would need to increase before development becomes viable. However, the consultants urge caution as there are many uncertainties over past trends for the way space is occupied and losses through permitted development rights and that future economic growth should not be stifled as a result of insufficient land for development. It is therefore suggested that up to 390,000 sqm is planned for as an 'aspirational' figure. Again, this is a net figure and may not require any new land allocation when current commitments are considered.
9. Whilst in order to follow the Planning Practice Guidance the study needs to look at the labour supply, this has not proved to be relevant to informing recommendations on the need for employment land/floor space. However, the analysis will provide reassurance in that within the housing figures provided by government under the Standard Method, there is significant scope for employment development through transformational projects without generating housing needs above the Standard Method.

NEXT STEPS

10. The PfSH Planning Officers Group (POG) is currently considering how to take forward the recommendations in the Study, particularly the need for up to five larger warehouses.
11. The LPAs will need to consider the implications for local plans, in particular the need for land allocation. It appears as though at this stage there aren't issues of unmet need that need addressing for offices or general industrial, although this will become clearer when the POG considers how the SoCG should be updated in terms of evaluating need and supply and whether there is a surplus or shortfall of supply.
12. It is intended that proposed amendments and updates to the SoCG will be considered by the Joint Committee later this year. At that point it would be appropriate to consider any further action to be included in the SoCG to address strategic employment land/floor space issues.

RECOMMENDATION

It is RECOMMENDED that the Overview & Scrutiny Committee: -

- a) NOTE the contents of this report;
- b) NOTE that Joint Committee will be asked to note the content of the Economic, Employment and Commercial Needs (including logistics) Study and that it will be published on the PfSH website; and
- c) consider any comments to be passed to the Joint Committee for consideration.

Appendices: None
Background Papers: None
Reference Papers: None

Enquiries:

For further information on this report please contact:-

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E: claire.upton-brown@nfdc.gov.uk



Report to the Partnership for South Hampshire Overview and Scrutiny Committee

Date: 09 March 2021

Report of: David Bibby, Principal Planning Officer (Strategy),
Test Valley Borough Council

Simon Kennedy, Strategic Environmental Planning Officer
Partnership for South Hampshire

Subject: PfSH Nutrient Neutrality Update

Summary of the report being presented to PfSH Joint
Committee, 22 March 2021

SUMMARY

The purpose of the report will be to update Joint Committee on progress towards the implementation of mitigation strategies that unlock the backlog of required housing consents caused by the requirement that all new housing to be nutrient neutral.

RECOMMENDATION

It is RECOMMENDED that the Overview & Scrutiny Committee:-

- a) NOTE the contents of this report;
- b) NOTE that Joint Committee will be asked to note the content of the report outlining PfSH's activity towards unlocking the delivery of housing which has been on hold due to the nutrient neutrality issue; and
- c) consider any comments to be passed to the Joint Committee for consideration.

BACKGROUND

1. There is evidence of high levels nitrogen and phosphorus in the Solent water environment, including evidence of eutrophication at some internationally designated sites. This must be addressed as required by the Habitats Regulations. The achievement of nutrient neutrality is a means of ensuring that new housing development does not add to existing nutrient burdens.
2. This report provides an update on recent progress made on the work that PfSH is undertaking with partners to address the issue of achieving nutrient neutrality from development across the sub-region. In light of the advice from Natural England, the aim continues to be to develop a PfSH-wide strategic approach to mitigation in order to achieve nutrient neutral development - and deliver the planned housing development compliant with the Habitats Regulations. Action continues under a number of work streams as outlined in this report, which includes an update from the newly appointed Strategic Environmental Planning Officer (SEPO).
3. PfSH's successful bid in being provisionally awarded a £2m loan by the Solent Local Enterprise Partnership (LEP) from the Government's Getting Building Fund, will be used to secure off site mitigation land in order to assist in unlocking the delivery of housing which has been on hold due to the nutrient neutrality issue. The Solent LEP has advised that the Hampshire and Isle of Wight Wildlife Trust (HIWWT) is its preferred strategic partner to oversee a land use change mitigation scheme funded with the proceeds of PfSH's bid. The Solent LEP is now releasing funds to the HIWWT for the scheme, following consideration by the Solent LEP Board on 11 December 2020.
4. Since the last meeting of Joint Committee on 25 January the following activity has taken place:
 - The Environment Agency (EA) has confirmed that a review of Waste Water Treatment Works (WwTW) Nitrate (N) permits will take place, no timescales have been provided for this work
 - Southern Water continues its voluntary monitoring of nitrate levels in Waste Water Treatment Works with no Environment Agency nitrate or 'N' permit. We expect to have initial results of the monitoring in the Spring and the PfSH Water Quality Working Group as begun discussions with stakeholders around agreeing a methodology to interpret the data once issued
 - The SEPO has undertaken a comprehensive number of stakeholder meetings to determine the various strands of ongoing work being undertaken by them, and assess the most appropriate next steps for PfSH.

SHORT TERM MITIGATIONS - DEALING WITH THE IMMEDIATE ISSUE

5. A number of mitigation options continue to be implemented and explored by individual PfSH local authorities, depending upon local circumstances. In some cases these have formal council approval, and also the approval of Natural England. Some local authorities have also revised their position regarding the issue of nutrient neutrality in the determination of planning applications.

MEDIUM TO LONG-TERM MITIGATION STRATEGY (PfSH ACTIVITY)

Getting Britain Building Fund – Solent LEP Loan Funding

6. PfSH's successful bid for funding for a land change use mitigation scheme has been allocated a £2M loan by the Solent LEP. Solent LEP have decided to work with the HIWWT to deliver the proposed scheme and is currently releasing funds

to HIWWT for the scheme following consideration of the HIWWT business case by the Solent LEP Board on 11 December 2020.

7. The funding will be used towards securing the purchase of off-site mitigation land in order to assist in unlocking the delivery of housing which has been on hold due to the nutrient neutrality issue. Whilst this will not in itself provide sufficient provision for the full current amount of mitigation needed and further measures are still required to resolve the issue, it provides a great start and will make a significant contribution towards addressing the current backlog and provide increased momentum in bringing forward future land based mitigation solutions.
8. It is anticipated that mitigation land purchased with the proceeds of the award will facilitate the building of c1,523 new housing units. The loan that will be paid back via developer contributions purchasing nutrient credits.
9. The provision of mitigation to be delivered through the loan funding will be implemented as a first phase, alongside the work of the Strategic Environmental Planning Officer who is looking to establish a pilot sub-regional strategic mitigation scheme in moving towards a strategic solution delivered through a future Solent Nutrient Fund.

Strategic Environmental Planning Officer to establish a pilot sub-regional strategic mitigation scheme

10. The aim is to reach the stage of having developed a PfSH-wide strategic approach to mitigation in order to achieve nutrient neutral development and deliver the planned housing development to meet needs, compliant with the Habitats Regulations.
11. In total, 35 substantive stakeholder engagement meetings have taken place - the purpose of which is to gauge a broad overview of activity and thinking as things stand, across the sub-region. These have included:
 - 12 consultation meetings with local planning authorities
 - 7 meetings with government agencies
 - 12 meetings with possible providers of mitigation land
 - 1 webinar as part of Solent Young Planners network to raise awareness
 - 3 'other' stakeholders
12. There are a number of different approaches emerging related to how nitrogen mitigation land might come to market, including the through owner retained schemes, land sales and letting to third party providers and the potential trading platform. It is apparent that there may be a need for a standard approach to third party mitigation legal agreements to support mitigation schemes coming forward in third party ownership.
13. There are currently six mitigation schemes supporting permissions for new housing (two under local planning authority control, two HIWWT schemes and two being supplied by private mitigation providers), with around 30 other mitigation options currently being investigated by landowners and stakeholders.
14. It is clear that a number of government agencies are approaching a lot of land-owners all at the same time, which will impact cost and deliverability of mitigation land. The availability of supply and demand data is still limited, so some local authorities are waiting to progress their own deals until the supply and demand position is confirmed. The SEPO is seeking to work with the Hampshire Biodiversity Information Centre to help map and fully understand constraints and supply.

Environment Agency (EA) – Review of Waste-water Treatment Works (WwTW Nitrate (N) Permit Limits

15. EA Directors met on the 25 January to discuss the options for a review of Solent WwTW and other permits that are regulated. The outcomes of the meeting are as follows:

- The Directors agreed that a targeted review of permits in the Solent should be carried out to address the implications of the Dutch N ruling
- The review will be targeted and focus on the Solent, but may apply to other locations nationally in due course
- Natural England will be consulted on the scope of the review
- No timescales have been set as yet, as EA will need to ensure it takes account of COVID restrictions and understands resource requirements further

16. Any review of permits would, by its nature, be a lengthy process - and any improvement schemes necessary could take time to implement.

17. Engagement with central government

18. MHCLG, DEFRA, Environment Agency and Natural England officials continue to be invited to meetings of the PfSH Planning Officers Group. On 11 September 2020 a joint DEFRA, MHCLG, Natural England and Hampshire and Isle of White Wildlife Trust press release announced the roll out of a £3.9m online nutrient trading platform for Hampshire. Through the SEPO, PfSH has been liaising closely with DEFRA officials on the development of the joint online nitrate trading platform that it is planning to roll out over the next 12-18 months.

19. The pilot trading platform is intended to test a market based approach to nutrient mitigation which would assess the costs and feasibility of potential solutions compared to other options and wider benefits. It will trial a process to enable developers to connect via its platform to land managers to enable solutions which are fit for purpose and to enable mitigation to be scaled up in a viable manner and which will be in place cover the necessary perpetuity period.

RECOMMENDATION

It is RECOMMENDED that the Overview & Scrutiny Committee:-

- a) NOTE the contents of this report;
- b) NOTE that Joint Committee will be asked to note the content of the report outlining PfSH's activity towards unlocking the delivery of housing which has been on hold due to the nutrient neutrality issue; and
- c) consider any comments to be passed to the Joint Committee for consideration.

Appendices: None

Background Papers: None

Reference Papers: None

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