AGENDA
PARTNERSHIP FOR SOUTH HAMPSHIRE (PFSH) JOINT COMMITTEE

Date: Tuesday, 23 July 2024

Time: 5.00 pm

Venue: Council Chamber - Civic Offices

Members:

Chairman	To be appointed
Vice-Chairman	To be appointed

Councillor Chris Hatter, East Hants DC
Councillor Keith House, Eastleigh BC
Councillor Simon Martin, Fareham BC
Councillor Robert Hylands, Gosport BC
Councillor Stephen Philpott, Hampshire CC
Councillor Philippa Gray, Havant BC
Councillor Derek Tipp, New Forest DC
David Bence, New Forest NPA
Councillor Steve Pitt, Portsmouth CC
Councillor Simon Letts, Southampton CC
Councillor Nick Adams-King, Test Valley BC
Councillor Martin Tod, Winchester CC

Chief Executives

Adam Harvey, East Hants DC
James Strachan, Eastleigh BC
Andrew Wannell, Fareham BC

Debbie Gore, Gosport BC
Carolyn Williamson, Hampshire CC
Steve Jorden, Havant BC
Kate Ryan, New Forest DC
Alison Barnes, New Forest NP
Natalie Brahma-Pearl, Portsmouth CC
Andrew Travers, Southampton CC
Andy Ferrier, Test Valley BC
Laura Taylor, Winchester CC

***Co-opted Members**:*

Charlotte Lines, Environment Agency
Paddy May, Partnership for South Hampshire

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

1. ELECTION OF CHAIRMAN

To elect a Chairman for the Municipal Year 2024/25.

2. APPOINTMENT OF VICE-CHAIRMAN

To appoint a Vice-Chairman for the Municipal Year 2024/25.

3. APOLOGIES FOR ABSENCE AND CHANGES IN JOINT COMMITTEE MEMBERSHIP

To note any apologies and changes in membership for this meeting of the Joint Committee.

4. MINUTES (Pages 5 - 10)

To receive the minutes of the meeting held on 14 March 2024.

5. CHAIRMAN'S ANNOUNCEMENTS

6. DECLARATIONS OF INTEREST

To receive any declarations of interest from Members, in accordance with the Joint Agreement.

7. REFERENCES FROM THE PFSH OVERVIEW AND SCRUTINY COMMITTEE

To receive any references from the PfSH Overview and Scrutiny Committee held on the 16 July 2024.

8. DEPUTATIONS

To receive any deputations of which notice has been lodged.

9. PFSH COORDINATOR'S REPORT (Pages 11 - 30)

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.

10. PFSH BUDGET MONITORING AND STATEMENT OF ACCOUNTS (Pages 31 - 56)

To receive a report outlining the PfSH revenue budget monitoring and statement of accounts 2023/24.

11. NUTRIENT MITIGATION - DEPLOYMENT OF LOCAL NUTRIENT MITIGATION FUND (Pages 57 - 80)

To consider a report setting out the principles for deployment of the Local Nutrient Mitigation Fund.

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 (PfSH) Joint Committee

(to be confirmed at the next meeting)

Date: Thursday, 14 March 2024

Venue: Council Chamber - Civic Offices

PRESENT:

Chairman Councillor Seán Woodward, Fareham BC (Chairman)

Councillor Chris Hatter, East Hants DC
Councillor Keith House, Eastleigh BC
Councillor Peter Chegwyn, Gosport BC
Councillor Stephen Philpott, Hampshire CC
Councillor Elizabeth Lloyd, Havant BC
Councillor Simon Letts, Southampton CC
Councillor Gordon Bailey, New Forest NPA & Test Valley BC
Councillor Neil Cutler, Winchester CC

Chief Executives: Peter Hopkins, Southampton CC
Andrew Wannell, Fareham BC
Debbie Gore, Gosport BC
Gary Westbrook, Hampshire CC
Alex Robinson, Havant BC
Tim Guymer, New Forest DC
Alison Barnes, New Forest NPA
Pete Boustred, Southampton CC
Graham Smith, Test Valley BC
Dawn Adey, Winchester CC

Co-opted Members: Paddy May, PfSH Co-ordinator
Graham Horton, Natural England

***Also Present*:** Anna Parry, Bird Aware Solent – Item 9
Simon Kennedy, Fareham Borough Council – Item 10

Richard Ivory, Solicitor

1. APOLOGIES FOR ABSENCE AND CHANGES IN JOINT COMMITTEE MEMBERSHIP

Apologies of absence were received from Councillor Lorna Fielker (Southampton CC) with Councillor Simon Letts deputising, Councillor Alex Rennie (Havant BC) with Councillor Elizabeth Lloyd deputising, David Bence (New Forest NPA) with Councillor Gordon Bailey deputising, Councillor Hugh Mason (Portsmouth CC), Councillor Martin Todd (Winchester CC) with Councillor Nick Cutler deputising, Councillor Derek Tipp (New Forest DC), Councillor Nick Adams-King (Test Valley BC), Andrew Travers (Southampton CC) with Pete Boustred deputising, Natalie Brahma-Pearl (Portsmouth CC), Laura Taylor (Winchester CC) with Dawn Adey deputising, James Strachan (Eastleigh BC) with Peter Hopkins deputising, Alison Potts (Natural England) with Graham Horton deputising and Richard Jones (Solent LEP).

The Chairman advised Members that Andrew Travers has been appointed to the Joint Committee as he is the new Interim Chief Executive Officer for Southampton CC.

2. MINUTES

RESOLVED that the Minutes of the PfSH Joint Committee meeting held on the 06 December 2023 be confirmed and signed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

The Chairman announced to the Committee that this would be his last meeting for PfSH as he is retiring as a Fareham Borough Councillor in May. He conveyed thanks to all of those who have been involved with PfSH over the years and expressed his pleasure in being part of such a successful partnership.

Members of the Joint Committee provided personal messages of thanks, highlighting that the Chairman’s ability to facilitate authorities to collaborate in this way has been a key part of the success of PfSH, which has, and will continue to, benefit the South Hampshire region for generations.

4. DECLARATIONS OF INTEREST

No declarations of interest were made at the meeting.

5. REFERENCES FROM OVERVIEW AND SCRUTINY COMMITTEE

The Joint Committee considered the reference from the PfSH Overview and Scrutiny Committee held on the 07 March 2024: -

MINUTE ITEM 10 – Nutrient Mitigation

The Committee received a report providing an update on the supply and demand of nutrient mitigation around the Solent.

The Chairman asked in future if the details surrounding the new development in Marchwood could be included within the report, to highlight that this project has secured onsite mitigation with the creation of a nature reserve.

Members of the Committee raised concerns over detail provided in the report suggesting that the availability of sites to provide mitigation for the future is a challenge, as this could pose problems for developments moving forward.

RESOLVED that the Overview and Scrutiny Committee:-

a) NOTES the contents of this report;

b) NOTES that the Joint Committee will be asked to NOTE the contents of this report; and

c) ask that the Joint Committee consider their comments with regards to concerns over available land coming forward for mitigation.

MINUTE ITEM 11 – Support for Creative Network South

The Committee received a report proposing that the PfSH Joint Committee support the Creative Network South (CNS) in 2024/25 in order to provide continuity to the creative sector.

Members of the Committee suggested the Joint Committee request that more evidence be provided on the work being undertaken by the CNS as the report, on this occasion does not provide enough detail on the activities and outcomes of the CNS. Members noted that similar activities were reported previously with no evidence provided of progress being made or results.

RESOLVED that the Overview and Scrutiny Committee:-

a) NOTES the contents of this report;

b) NOTES that the Joint Committee will be asked to AGREE that the Partnership for South Hampshire continues to support Creative Network South in financial year 2024/25, by allocating a budget of £15k to fund the work of the network and its coordination; and

c) ask that the Joint Committee consider requesting more detailed reporting from the CNS, particularly when considering the allocation of funds from the PfSH budget.

6. DEPUTATIONS

There were no deputations received at the meeting.

7. PFSH MANAGERS REPORT

The Committee received the Co-ordinator's report providing 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.

RESOLVED that the Joint Committee NOTES the matters for information outlined in part B of this report.

8. PFSH BUDGET REVIEW

The Committee received a report providing an update for the Joint Committee on the position against the approved budget for 2023/24 and setting out the proposed revenue budget for 2024/25 alongside the annual partnership contributions from members.

RESOLVED that the Joint Committee:-

a) NOTES the budget monitoring position for 2023/24, as set out in the report;

b) NOTES that the forecast outturn from the 2023/24 budgets is provisional and may be subject to change in the final outturn budget report;

c) APPROVES the proposed revenue budget for 2024/25, as set out in the report; and

d) APPROVES the partner contributions for 2024/25 as shown on table 4.

9. BIRD AWARE SOLENT BUDGET REQUEST

The Committee received a report seeking approval from the Joint Committee for the Bird Aware 2024/25 budget request.

RESOLVED that the Joint Committee NOTES and ENDORSES the Bird Aware Partnership's proposed budget for 2024/25.

10. NUTRIENT MITIGATION

The Committee received a report providing an update on the supply and demand of nutrient mitigation across the Solent.

Members of the Committee were asked to consider the comments received from the Overview and Scrutiny Committee at item 5.

RESOLVED that the Joint Committee NOTES the contents of this report.

11. SUPPORT FOR CREATIVE NETWORK SOUTH

The Committee received a report proposing that Creative Network South (CNS) be supported by PfSH in 2024/25 in order to provide continuity to the creative sector.

Members of the Joint Committee were asked to consider the PfSH Overview and Scrutiny Committees comments noted at Item 5.

Paddy May addressed the Committee to advise that following the comments made at the PfSH Overview and Scrutiny Committee, Charles Freeman has provided some further detail to evidence the progress and results being made by CNS. This information will be circulated to both the PfSH Joint Committee and Overview and Scrutiny Members.

RESOLVED that the Joint Committee AGREES that the Partnership for South Hampshire continues to support Creative Network South in financial year 2024/25, by allocating a budget of £15k to fund the work of the network and its coordination.

(The meeting started at 6.00 pm
and ended at 6.38 pm).

……. Chairman

…..…….…….. Date

Report to the Partnership for South Hampshire Joint Committee

Date: **23 July 2024**

Report of: **Paddy May, PfSH Coordinator**

Subject: **PFSH CO-ORDINATOR'S REPORT**

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 Joint Committee:-

a) AGREES a PfSH contribution of up to £4k, from unallocated reserves, to fund an 'Environment Act 2021: Implementation Workshop for Local Authorities' facilitated by the Local Nature Partnership;

b) AGREES to support a funding application to the Arts and Humanities Research Council for initiatives that will help to increase the impact of the creative research network in South Hampshire; and

c) NOTES the matters for information outlined in part B of this report.

PART A: MATTERS FOR DECISION

1. Request for Financial Support for an 'Environment Act 2021: Implementation Workshop for Local Authorities'

1.1 The Environment Act 2021 includes a raft of new measures, duties and responsibilities for public authorities aimed at improving the health and resilience of the natural environment. Themes include water, waste, air quality and biodiversity.

1.2 The Hampshire and Isle of Wight Local Nature Partnership (LNP) seek a commitment for funding to enable the LNP (which has no budget) to deliver an event in Autumn 2024 for council leaders (or relevant portfolio holders), relevant officials and local planning authorities across Hampshire and the Isle of Wight. Costs would include refreshments (including light lunch), expenses to retain a keynote speaker and, potentially, venue hire. We estimate costs at less than £4000.

1.3 The LNP presented the idea to PfSH Planning Officers Group and to PfSH Chief Executives Group, both of which were supportive of the idea and provided useful feedback and offers of potential venues for the event. Hampshire County Council, Havant Borough and Southampton City councils have each offered to host the workshop.

1.4 The LNP recognises that the nature of Environment Act changes, alongside growing business-as-usual pressures for public authorities, may make it challenging for local authorities to plan and implement the raft of biodiversity requirements. These requirements include biodiversity net gain (BNG), strengthened biodiversity duty and reporting, local nature recovery strategies, protected sites strategies, species conservation strategies, conservation covenants and duty to consult – Trees. The LNP is aware that initial thinking has taken place as part of PfSH's work to embed the Greenprint framework, but there is a need for further work on each priority.

1.5 The LNP proposes to hold a one-day workshop for members, senior leaders and officers to support and enable Hampshire and Isle of Wight local authorities to consider implementation of the Environment Act's biodiversity measures. The day would be designed to engage staff from multiple work areas – not just planning, but also senior leaders, highways, property services, parks, estates, corporate strategy, etc and build on the Greenprint thinking already undertaken. It is anticipated that this would cost up to £4k and this funding would be available from PfSH unallocated reserves.

1.6 Local Nature Partnership Members are willing to donate their time to planning, organising, presenting and facilitating the workshop.

1.7 More details are included in the presentation attached at **Annex A.**

2. Support for a bid for funding to the Arts and Humanities Research Council

2.1 Solent University hosted a successful symposium, focusing on creative networks of practice in January. Creative Network South has agreed to support a third

symposium which will focus on the importance of regional networks in January 2025.

2.2 Following the success of this series of symposiums, Creative Network South has been able to re-establish its network of academic researchers. This network met regularly prior to the pandemic, with the purpose of promoting knowledge between academic creative industry researchers and local cultural and creative organisations. The network currently includes academics from The University of Southampton, University of Portsmouth, Solent University, Bournemouth Arts University and Winchester University.

2.3 Solent University have agreed to support Roy Hanney (Associate Professor of Media Practice) in making an application to the Arts and Humanities Research Council (AHRC). This application will focus on further building this research network. The project value is approximately £100k. If successful, 90% of funding will come from AHRC the remainder from partner universities.

Priorities include :

- **Economic Development**: - aligning research with the creative sector's needs to spur economic growth, job creation, inclusion and resilience
- **Cultural Enrichment**: - enhancing the region's cultural vibrancy through diverse and inclusive experiences
- **Innovation and Collaboration**: - establishing a model for collaborative innovation that can serve as a precedent for other regions
- **Policy Impact**:- providing insights that could inform policy making and best practices, supporting a more favourable environment for creative industries.

2.4 PfSH has been invited to support this application. This will require no additional financial contributions. PfSH already supports the network in kind with Charles Freeman's time (PfSH's Culture Creative Industries and Built Environment Lead) and financially has committed £1.5k of the existing Creative Network South budget to the network and proposed symposium.

2.5 The key benefits will be that PfSH support will demonstrate the commitment of a key local governance institution to this area of work - and that connectivity through Creative Network South will facilitate brokerage of partnership projects.

2.6 It is recommended that PfSH Joint Committee agree to officially be a listed partner in the Solent Creative Futures AHRC application being made on behalf of the Creative Network South Research Alliance by Solent University.

PART B: MATTERS FOR INFORMATION

3. Formal Resignation of the Solent Local Enterprise Partnership (LEP) as a Co-opted Member of PfSH Joint Committee

3.1 Following the publication of government LEP integration guidance in 2023, a number of core LEP responsibilities have been transferred to the upper tier local

authorities in the Solent area. This includes the responsibility for strategic economic planning which was transferred to the authorities of Hampshire County Council, and a partnership of Portsmouth, Southampton and Isle of Wight Councils respectively on 1 April 2024. Therefore, the function that the Solent LEP performed as a co-opted member (to ensure that PfSH can deliver its strategic planning functions in support of growth in a collaborative working relationship with the Solent LEP) is no longer part of its remit.

3.2 On 26 June, Richard Jones (CEO Solent LEP) wrote to James Strachan as lead PfSH chief executive to advise that, given that this transfer of responsibilities has taken place, it is an appropriate time for the Solent LEP to resign its co-opted membership of the Partnership for South Hampshire.

3.3 A copy of Richard Jones' letter is attached to this report at **Annex B** for members' information.

4. Provision of Governance and Operational Services for PfSH

4.1 The meeting of PfSH Joint Committee 23 July is the first of this municipal year. For any new members and on the occasion of the election of a new Chair, it may be useful to clarify those that support PfSH operationally through the provision of, for example, legal, financial or administrative functions. Table 1 sets out the supporting roles employed to facilitate PfSH's continued operation. The value of the services provided are all covered through the annual subscription contributions made by all member local authorities.

Table 1

Role/Service	Officer(s)	Title	Local Authority
PfSH Lead Local Authority Chief Executive	James Strachan	Chief Executive	Eastleigh Borough Council
Monitoring Officer - Legal, Governance and Monitoring	Richard Ivory	Director of Legal and Governance and Monitoring Officer	Southampton, Fareham and Havant Legal Services Partnership
PfSH S151 Officer	Mel Creighton	Executive Director, Enabling Services	Southampton City Council
Finance Business Partner	Jonathan Evans	Accounting Technician	Southampton City Council
Democratic Services	Samantha Wightman and Astra Hughes	Committee Officers	Fareham Borough Council
PfSH Coordinator	Paddy May	PfSH Coordinator and Corporate Strategy Manager	Portsmouth City Council
PfSH Coordinator	Daniel Watts	PfSH Coordinator	Portsmouth City Council

5. Solent Waders and Brent Goose Strategy

5.1 The purpose of this report to Joint Committee is to update PfSH on the progress of the elements of the Solent Waders and Brent Goose Strategy (SW&BGS) funded by the PfSH local planning authorities' £14k annual contribution. The SW&BGS aims to identify, conserve and enhance sites that functionally support the Special Protection Areas (SPAs) of the Solent sub-region, and advise on mitigation for unavoidable impacts. This proposal is aligned to, and complements, the work of Bird Aware Solent, and seeks to benefit local planning authorities by monitoring the impact of development on SPAs.

The Strategy

5.2 The Solent Wader and Brent Goose Strategy (SW&BGS) aims to identify, conserve and enhance inland sites that form the ecological network used by overwintering wading birds and brent geese. These sites functionally support the Special Protection Areas (SPAs) of the Solent sub-region and any losses or impacts of development to these sites must therefore be mitigated. The SW&BGS has proven to be a useful tool for planners, developers, statutory consultees, and the NGO sector to support these aims.

5.3 The SW&BGS includes a strategy document which explains the conservation need, survey and analyses methodologies, and recommended conservation policies. This is supported by interactive mapping of SW&BGS sites and mitigation guidance which aims to inform mitigation and offsetting requirements where impacts cannot be avoided.

5.4 The Strategy is a vital tool for local planning authorities (LPA's), informing decision-making by providing key spatial information, as well as a mechanism for effective mitigation. This has been demonstrated recently in the cases of on-site provision, for example, developments at Forty Acres and Sinah Lane and off-site provision for Newlands Lane (mitigation project located at Gunner Point).

Project Governance

5.5 The strategy is overseen by a steering group consisting of representatives from Hampshire and Isle of Wight Wildlife Trust (HIWWT), Coastal Partners, the RSPB, local authority planning ecologists and Natural England. The steering group meet quarterly to discuss survey updates, mitigation guidance, planning casework, local plans and mitigation projects.

5.6 Mapping and data analyses for the Strategy are carried out by HIWWT; all updates are shared electronically with the LPA's directly, and via Hampshire Biodiversity Information Centre (HBIC) which also share the data with consultants and others making requests via their biological data request service.

5.7 The mitigation guidance, informed by the strategy and available data, is produced by Natural England with input from the Steering Group. In 2017, the LPAs were

consulted on offsetting and mitigation guidance and their comments included in the final published version. The guidance was then sent to Natural England's legal team, reviewed by a solicitor, and a Habitats Regulations Senior Specialist. The publication of the mitigation guidance was noted in PfSH meeting minutes in 2017. The update to the strategy document published in 2020 was disseminated to the LPAs in May 2020.

5.8 The Strategy has a website where the strategy document, mitigation guidance and a summary of the mapping are published. The website can be found here.

Update for the period 1 April 2023 to 31 March 2024

Annual drop-in sessions for LPA's

5.9 A number of "drop-in" sessions were organised this year to provide an opportunity for LPAs to discuss sites likely to be impacted by forthcoming development and to be informed of updates to the Strategy and network. All planning officers and district ecologists were contacted and offered SW&BGS officer time for any specific cases, as well being invited to attend the drop-in sessions. Drop-in sessions were held throughout October where advice was provided and led to renewed contact and collaboration with the LPAs which chose to attend.

5.10 Through this communication opportunity, the SW&BGS officer was able to prepare specific planning case information and advise the relevant LPA's officers in good time. Advice has also been provided for mitigation management plans in several LPA areas including Portsmouth, Havant and Fareham. Mitigation advice given includes unique and creative solutions to mitigation that would not have been possible without PfSH funding. Advice on managing the features of SW&BGS sites has been provided and incorporated into a large-scale natural capital scheme currently being developed on the New Forest coast.

Mapping Updates

5.11 Individual updates have been sent directly to LPA's and to HCC with bespoke and dated maps where SW&BGS sites have changed either classification or boundaries. The online mapping has been regularly updated and is hosted online on the website. Several sites' boundaries have been amended in order to be more accurate to the current use of the site(s), thereby increasing the fidelity of the mapping and improving the use of the Network as an effective tool for planning decisions. The network has now been migrated onto ArcGIS Pro and ArcGIS Online meaning that updates can be made faster, and layers can be shared in real time with LPAs. The SW&BGS site wide data and mapping update has begun, with bird records collated and currently being processed, this will be finalised this year, all changes will be shared with the LPAs directly, ahead of publication. Further drop-in sessions will be held with LPAs to maintain good communication.

Mitigation Projects

5.12 The SW&BGS officer has been working to identify potential mitigation projects. Guidance on site suitability, a scoring system and a call for sites application form have been approved and published on the SW&BGS website. The SW&BGS officer has met with the PfSH Strategic Environmental Planning Manager to discuss opportunities across the Solent for SW&BGS (alongside nutrient neutrality and BNG) This year, one mitigation project was approved, a further one has reached the application stage with more in the pipeline, we have been contacted by several landowners with the possibility of several more mitigation projects progressing.

Collation of information on site mitigation monitoring

5.13 The SW&BGS officer has begun collating information on existing mitigation projects across the Solent and this is now being reviewed by the Steering Group. This will be available in online map form and key projects will be written up as case studies. Information on bird refuge habitat creation and enhancement has been published by the SW&BGS officer on the SW&BGS website, this will enable case of officers and district ecologists to assess mitigation and management proposals against best practice.

Additional Work

5.14 The SW&BGS officer has updated the website with an online form to submit records of brent geese and wading birds. This is reviewed regularly by the SW&BGS officer and helps identify knowledge gaps in the network, as well as inform more accurate use of the sites in the network. A vetting system exists which tiers records according to several metrics in order to assign them weight in decision making.

6 Support for the Creative and Cultural Industries

Film Agency Feasibility Study

6.1 At time of writing, a final draft of the film agency feasibility study is to be discussed at the project steering group meeting on the 3 June. The report proposes procuring services to run a film agency on a cost covering basis - however initial seed funding will be required to set up the agency. The steering group will be asked to gain support from partners to cover this funding. The report will also propose collaborative approach to film sector skills and training activity, City Eye is acting as a pivot for this work in partnership with Portsmouth Creates, Ventnor Exchange and other organisations. A similar approach will be adopted in relationship to film exhibition and festivals.

6.2 To compliment the work with the film sector, Creative Network South is hosting a workshop to explore opportunities to develop pathways to employment within the games sector. The games industry falls within the British Film Institute definition of the screen sector.

Local Skills Improvement Plan

6.3 A steering group has been established in partnership with Hampshire Chamber of Commerce to explore how the ambitions and Local Skills Improvement Plan (LSIP)

relating to the creative industries can be realised. An LSIP deep dive exercise identified three priorities:

- Building awareness of career pathways
- Brokerage of opportunities in the sector including, T-level placements, apprenticeships, formal work base learning, safe entrepreneurship/portfolio working and provision / development of access to technology e.g. software and equipment
- The development of affordable bite sized continued professional development opportunities and business support for freelancers.

The next step will be to explore how existing funding streams can be woven together to support this work.

Studio Providers Network

6.4 In partnership with Aspace Arts, PfSH established a network of artists studio providers in 2010. Between 2017 and 2023 this network was facilitated by Portsmouth City Council through the Hot walls Team. 'Making Space' in Havant (a charity organisation that makes space for people and organisations involved in craft, through a programme of workshops led by community partners) has agreed to become the host organisation and held the first meeting of the network this year on 23 May. The purpose of the network is enable the area's studio providers to work together, share good practice, share knowledge of events workshops and activities. The network also discusses support for artists and advertise vacancies across the network.

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

7.1 The below covers the period 1 February 2024 to end of March 2024.

The Rangers delivered:

- Site visits 152
- People interacted with on-site 2,061
- Events 20
- People interacted with at events 559

7.2 The below covers the period 1 April to the end of April 2024.

The Rangers do not conduct site visits during this period, they use this time to develop other workstreams such as codes of conduct, signage and educational resources. They continue to conduct events and have delivered:

- Events: 3
- People interacted with at events 287

During the three-month period February to April 2024, our communications lead continued to encourage traffic to the website, run promotional campaigns and to grow our social media presence as follows:

- From the start of January to the end of April, Bird Aware Solent website achieved 31k pageviews. This compares with 14K pageviews in the same period in the previous year, showing a significant increase of 121%. This is unusually fast growth and is partly the result of an exponential increase in engagement in our blog posts particularly one on the corvid bird family.
- After blog posts, which had a cumulative total of around 18K, our events page and our vacancy pages were the second most popular individual pages, both with 2k visits.
- Our social media accounts grew as follows, with the resulting engagement:

  Instagram: followers 3,429 (up by 131), accounts reached: 13k, engagement: 6.8k

  Facebook: followers 3,800 (up by 257), accounts reached 158k, engagement: 5.9k

  X: number of followers 2,936 (up by 20), analytics currently unavailable

- Online promotional campaigns included an advertising campaign for the Bird Aware Art Fest - a new annual event during the month of February, which was seen by 60k people within our target region and which encouraged over 13k people to click on the link to our website to find out more. Another campaign was run to advertise the ranger vacancy - it achieved over 2k clicks to the website's vacancy pages and reached over 41k people within our target region.
- The eighth Bird Aware e-newsletter was sent to 1.7K subscribers in April. It had an opening rate of 63% and a click-to-open rate of 46%. Both opening rates and click rates are substantially higher than typical industry standards.
- During this period we published seven blog posts and one press release (media relations paused during pre-election period).

RECOMMENDATION

It is RECOMMENDED that the Joint Committee:-

a) AGREES a PfSH contribution of up to £4k, from unallocated reserves, to fund an 'Environment Act 2021: Implementation Workshop for Local Authorities' facilitated by the Local Nature Partnership;

b) AGREES to support a funding application to the Arts and Humanities Research Council for initiatives that will help to increase the impact of the creative research network in South Hampshire; and

c) NOTES the matters for information outlined in part B of this report.

Appendices: Annex A – Environment Act An Implementation Workshop Proposal

Annex B – Solent LEP letter to James Strachan

Background Papers: None
Reference Papers: None
Enquiries: For further information on this report please contact:

Paddy May (PfSH Co-ordinator)
Tel. No. 023 9283 4020
E-mail: paddy.may@portsmouthcc.gov.uk

Annex A

ALLISON POTTS, LNP CHAIR

MAY 2024

Environment Act: An Implementation Workshop Proposal for LPAs

LNP Overview

- Formed in 2012
- An active partnership which meets monthly
- Currently unfunded
- Shared focus of “working together for Nature’s Recovery”
- More information on our website and in our Declaration
- Current work majors on supporting Hampshire County Council and Isle of Wight Council in their roles as Responsible Authorities for producing Local Nature Recovery Strategies (LNRS)

- Board Members include representatives from:
  - Basingstoke & Deane Council
  - Country, Land and Business Association
  - Environment Agency
  - Forestry Commission
  - Forestry England
  - Hampshire County Council
  - Hampshire & Isle of Wight Wildlife Trust
  - Isle of Wight Council
  - IoW National Landscape
  - National Health Service, Hampshire and Isle of Wight
  - Natural England
  - North Wessex Downs National Landscape
  - New Forest National Park
  - Partnership for South Hampshire
  - Southampton City Council
  - South Downs National Park
  - Royal Society for the Protection of Birds
  - Rushmoor Council
  - Southern Water

Climate and Biodiversity Crises

Terrestrial and freshwater

The abundance of 753 terrestrial and freshwater species has on average fallen by 19% across the UK since 1970.

Within this average figure, 290 species have declined in abundance (38%) and 205 species have increased (27%).

The UK distributions of 4,979 invertebrate species have on average decreased by 13% since 1970.

Stronger declines were seen in some insect groups which provide key ecosystem functions such as pollination (average 18% decrease in species' distributions) and pest control (34% decrease). By contrast, insect groups providing freshwater nutrient cycling initially declined before recovering to above the 1970 value (average 64% increase in species' distributions).

Since 1970, the distributions of 54% of flowering plant species and 59% of bryophytes (mosses and liverworts) have decreased across Great Britain.

By comparison, only 15% and 26% of flowering plants and bryophytes, respectively, have increased. In Northern Ireland, since 1970, 42% of flowering plant species and 62% of bryophytes have decreased in distribution, compared to 43% and 34%, respectively, that have increased.

10,008 species were assessed using Red List criteria.

2% (151 species) are extinct in Great Britain and a further 16% (almost 1,500 species) are now threatened with extinction here. In Northern Ireland, 281 (12%) of 2,508 species assessed are threatened with extinction from the island of Ireland.

Marine

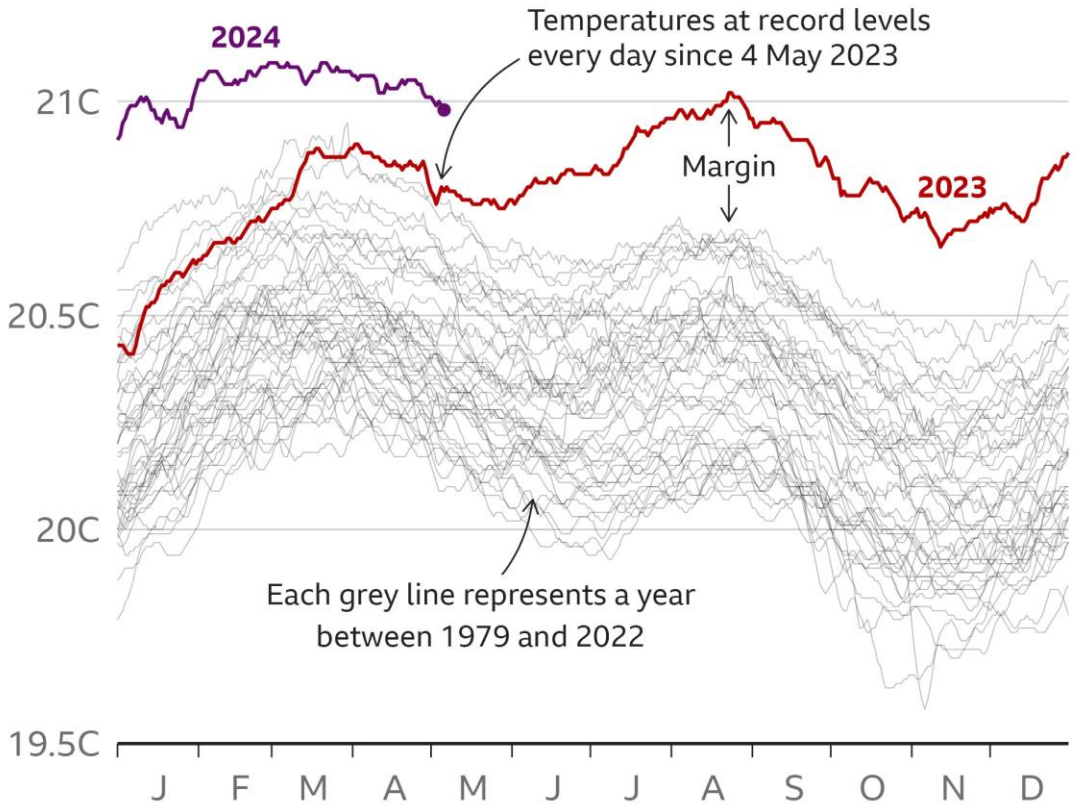
The abundance of 13 species of seabird has fallen by an average of 24% since 1986.

The situation is worse in Scotland, where the abundance of 11 seabird species has fallen by an average of 49% since 1986. These results pre-date the potentially major impact of the ongoing outbreak of Highly Pathogenic Avian Influenza.

Turtle dove, Ben Andrew (rspb-images.com); Forester moth, Mike Read (rspb-images.com); Heath Spotted-Orchid, Andy Hay (rspb-images.com); Ladybird Spider, Ian Hughes (rspb-images.com); Kittiwake, Ben Andrew (rspb-images.com); Grey Seal, Ben Hall (rspb-images.com); Atlantic Yellow Nosed Albatross, Steffen Oppel (rspb-images.com)

A year of record-breaking ocean temperatures

Daily average sea surface temperature, 1979-2024



Temperatures measured between latitudes 60° North and 60° South

Source: ERA5, C3S/ECMWF

BBC

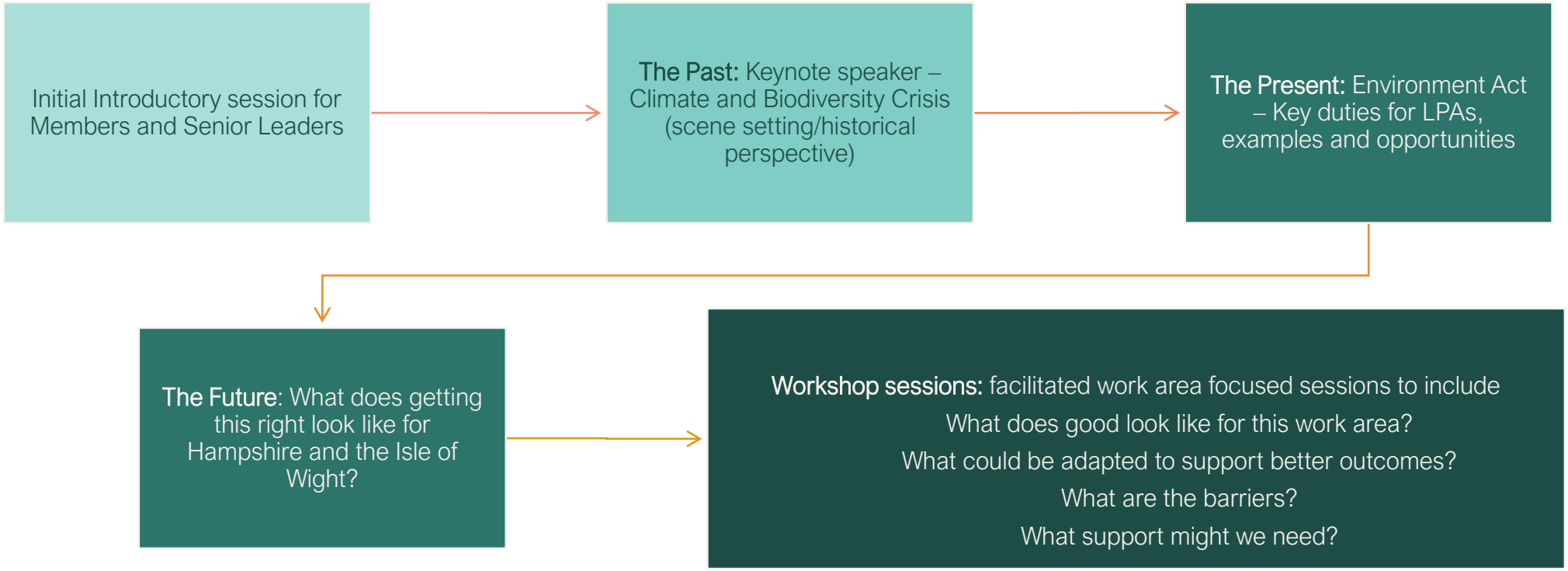
Environment Act 2021

- A raft of measures, new duties and responsibilities for Public Authorities
- Aimed at improving the health and resilience of the natural environment
- Themes include water, waste, air quality and biodiversity
- Biodiversity includes:
  - Biodiversity Net Gain
  - Strengthened Biodiversity Duty and reporting
  - Local Nature Recovery Strategies
  - Species Conservation Strategies
  - Protected Sites Strategies
  - Duty to consult – Trees, and
  - Conservation Covenants

Our Offer: Implementation Workshop

- LNP host a 1-day workshop
- For officers, senior leaders and members of Hampshire and IoW LPAs
- Focused on implementation of Environment Act
- Designed to engage staff from multiple work areas – not just planning, but also Highways, Property Services, Parks, Estates, Corporate Strategy, etc
- LNP members willing to donate their time to planning, organising, presenting and facilitating

Content


Initial Introductory session for Members and Senior Leaders
The Past: Keynote speaker – Climate and Biodiversity Crisis (scene setting/historical perspective)
The Present: Environment Act – Key duties for LPAs, examples and opportunities
The Future: What does getting this right look like for Hampshire and the Isle of Wight?
Workshop sessions: facilitated work area focused sessions to include
What does good look like for this work area?
What could be adapted to support better outcomes?
What are the barriers?
What support might we need?

Our Ask: Implementation Workshop

We seek your in-principle support for the workshop and funding to enable it to run.

Questions or comments welcome

Solent LEP
C/o Paris Smith
1 London Road
Southampton
SO15 2AE

26th June 2024

James Strachan
Lead Chief Executive
Partnership for South Hampshire

Sent via email

Dear James,

Re: Solent LEP Partnership for South Hampshire Membership

As you will be aware, further to the publication of the Government's LEP Integration Guidance, HM Government have transferred a number of core LEP responsibilities to the Upper Tier Local Authorities in the Solent area. This includes the responsibility for Strategic Economic Planning and I can confirm that this responsibility was transferred to the authorities of Hampshire County Council, and a partnership between Portsmouth, Southampton and Isle of Wight Councils respectively for their relevant areas from 1st April 2024.

In relation to this transfer of responsibilities, I am mindful that the Solent LEP is a co-opted member of the Partnership for South Hampshire and this has been agreed to ensure that the partnership can deliver its strategic planning functions in support of growth in a collaborative working relationship with the Solent LEP, recognising the LEPs role in Strategic Economic Planning. Given that this responsibility has now transferred from the Solent LEP to the Upper Tier Local Authorities within the partnership, we believe that it is an appropriate time for the Solent LEP to resign its co-opted membership of the Partnership for South Hampshire. Please do not hesitate to contact me should you require anything further in relation to formalising this.

I would like to take this opportunity to pass on my thanks on behalf of the LEP Board for the contribution of the Partnership for South Hampshire to the work of the LEP; both in relation to our long-standing collaboration with the partnership and its individual members, and of course also for the important role played by the partnership in the original establishment of the Solent LEP at its outset. We wish the Partnership for South Hampshire all the best moving forward in your work for the benefit of the Solent region.

Yours faithfully,

Richard Jones
Chief Executive
Solent Local Enterprise Partnership

Report to the Partnership for South Hampshire Joint Committee

Date: **23 July 2024**

Report of: **Mel Creighton, Executive Director – Enabling Services**

Subject: **REVENUE BUDGET MONITORING AND THE STATEMENT OF ACCOUNTS 2023/24**

SUMMARY

This report summarises the outturn against the budget for the financial year 2023/24 and includes presentation of the Statement of Accounts 2023/24 for approval. This report also notes the revenue budget for 2024/25 as approved at the Joint Committee meeting in March 2024.

RECOMMENDATIONS

The PfSH Joint Committee is RECOMMENDED to:-

a) NOTE the outturn for the financial year 2023/24 (Table 2).

b) APPROVE the Statement of Accounts for the 2023/24 financial year and the Annual Governance Statement (Appendix 1).

c) NOTE the revenue budget for 2024/25 as set out in the report (Table 4).

INTRODUCTION

a) This report sets out the final outturn expenditure position against the budget for 2023/24, and presents the revenue budget for the financial year 2024/25.

RESOURCES

2. Table 1 below shows the estimated PfSH resources that were expected to be available for 2023/24, the actual income received and the expected resources available for 2024/25.

3. The expected resources for the financial year 2024/25 are the partnership balances carried forward from 2023/24, in-year partnership contributions and the expected interest on balances held by SCC on behalf of PfSH.

4. The totals for capital and revenue resources are the control totals for the budgets detailed below.

Table 1: Total Resources Available	**2023/24 Approved Budget**	**2023/24 Actual**	**2024/25 Proposed Budget**
	£000	**£000**	**£000**
Revenue Funds			
Core funding (local authorities)	132	132	131
Other contributions	0	0	
Interest on balances	0	7	0
Unallocated balances	132	142	156
Total	**264**	**281**	**287**

5. The partner contributions for 2024/25 are £131,400 following approval by the Joint Committee in March 2024. Interest rates were relatively high throughout the year so the balances held by PfSH earned £7,261 in 2023/24 compared to £3,748 in the previous year.

FINAL OUTTURN 2023/24 - REVENUE

6. Table 2 below sets out the revenue budget for 2023/24, approved by the Joint Committee in April 2023 and the actual outturn.

7.

Table 2: Revenue Allocations 2023/24	**2023/24 Approved Budget**	**2023/24 Spend to end Mar 24**	**2023/24 Under/ (Over) Spend**
	£000	**£000**	**£000**
Culture, Creative Industries & the Built Environment	15	15	0
Solent Waders Monitoring Officer	14	14	0
Core Projects & Central Costs	103	96	(7)
Total Core and Panel Budgets	**132**	**125**	**(7)**

The **unallocated balances** are the revenue reserves of the partnership. These are 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 into 2023/24	142
To fund 2023/24 expenditure	(125)
Contribution income 2023/24	132
Interest income 2023/24	7
Balance at end of 2023/24	**156**

8. Updates on the work of the delivery panels are included in the Co-ordinator's report to each of the Joint Committee meetings. A report to continue support for Creative Network South through the **Culture, Creative Industries & the Built Environment** panel was presented to the Joint Committee in March 2024.

9. The **Core Projects & Central Costs** budget reflects commitments relating to staffing costs and other ongoing revenue activities led by the PfSH central team.

10. **Unallocated Balances -** There were no additional allocations to delivery panels during the year from unallocated balances. The balance will be used to fund potential future work of the partnership as and when opportunities arise.

2023/24 STATEMENT OF ACCOUNTS

11. The Statement of Accounts for the 2023/24 financial year and the Annual Governance Statement are presented for approval in Appendix 1. These statements have been reviewed by internal audit and, based on the testing conducted, assurance has been given that adequate financial systems and controls are in place for the administration of the PfSH accounts.

REVENUE BUDGET 2024/25

12. The revenue budget allocations for 2024/25 are shown in table 4. This is based on the 2024/25 budget as approved by the Joint Committee in March 2024.

Table 4: Revenue Allocations 2024/25	**2024/25 Budget Allocation £000**
Culture, Creative Industries & the Built Environment	15
Brent Goose Strategy	14
Core Projects & Central Costs	102
Total Core and Panel Budgets	**131**

13. It is proposed that an **Unallocated Balance** of around £160,000 will be maintained to enable the partnership to have resources available to react to potential future opportunities as they arise.

Table 5: Unallocated balances

	£000
Balance at end of 2023/24	**156**
To fund 2024/25 budget	(131)
Contribution income 2024/25	131
Interest income 2024/25	4
Forecast balance at end of 2023/24	**160**

RECOMMENDATION

The PfSH Joint Committee is RECOMMENDED to:-

a) NOTE the outturn for the financial year 2023/24 (Table 2).

b) APPROVE the Statement of Accounts for the 2023/24 financial year and the Annual Governance Statement (Appendix 1).

c) NOTE the revenue budget for 2024/25 as set out in the report (Table 4).

Background Papers:

Joint Committee 14 March 2024 – Item 8: Budget Report
Joint Committee 14 March 2024 – Item 11: Support for Creative Network South

Appendices: Appendix 1 – PfSH Statement of Accounts 2023-2024

Enquiries:
For further information on this report please contact:

Mel Creighton, Executive Director – Enabling Services
T: 023 8083 3528
E: mel.creighton@southampton.gov.uk

Jon Evans, Finance Business Partner
T: 023 8083 3162
E: jonathan.evans@southampton.gov.uk

Partnership for South Hampshire

Statement of Accounts 2023/24

PARTNERSHIP FOR SOUTH HAMPSHIRE
STATEMENT OF ACCOUNTS 2023/24

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EXPLANATORY FOREWORD

1. Introduction

This document contains the Partnership for South Hampshire's (PfSH) Statement of Accounts for the year ended 31 March 2024.

This foreword contains:

- a summary of the various statements which make up the 2023/24 accounts;
- a broad picture of where the money comes from and what it is spent on; and
- a summary of the revenue expenditure on services and capital expenditure over the course of the year.

2. Summary of Statement of Accounts.

The accounts for 2023/24 are set out on pages 6 to 16**.** They consist of the following**:**

- Statement of Accounting Policies – sets out the policies adopted by the Joint Committee in preparing the Accounts.
- Statement of Responsibilities for the Statement of Accounts – records the respective responsibilities of the Joint Committee and Chief Financial Officer.
- Income and Expenditure Account – reports the net cost for the year of all the functions for which the Joint Committee is responsible and how they have been financed.
- Statement of Movement on General Fund Balance – discloses the adjustments necessary to determine the movement on the General Fund Balance
- Balance Sheet – this sets out the financial position on 31 March 2024.
- Cash Flow Statement - this summarises cash coming in or going out from transactions with others for revenue and capital purposes.

In addition, the Annual Governance Statement, which reviews the effectiveness of the system of internal control, is included on pages 18 to 23.

3. Overall financial position

As PfSH is not able to own any assets, the balance sheet total mainly represents the balance of funding being carried forward to the next financial year to fund ongoing PfSH programmes. The balance sheet position as at 31 March 2024 reflects an increase of £14,627 compared to the previous year.

Revenue funding for 2023/24 was made up of carried forward of balances from 2022/23, in year partner contributions and interest received on balances.

Subscriptions for 2024/25 were agreed by the Joint Committee on 14th March 2024. This will enable the partnership to fund committed projects, undertake work in 2024/25 and maintain an appropriate level of resources in reserves.

4. Where the money comes from

The Joint Committee's income in 2023/24 came from the carry forward of balances along with interest earned on those balances and partner contributions. Interest rates were relatively high throughout 2023/24 so the balances held by PfSH earned £7,621 in 2023/24 compared to £3,748 in the previous year.

Table 1: Total Resources Available

	2023/24		
	Approved Budget	Actual	Difference
	£000s	£000s	£000s
Revenue Funds			
Partner Contributions	132	132	0
Other contributions		0	0
Interest on balances		7	7
Unallocated balances	132	142	10
Total	**264**	**281**	**17**

5. Overview of the year – revenue expenditure

The main components of the 2023/24 revenue budget and actual expenditure are set out in Table 2 below.

Table 2 Revenue Allocations

	2023/24		
	Approved Budget	Total Spend	(Under)/ Over Spend
	£000s	£000s	£000s
Culture, Creative Industries and the Built Environment	15	15	0
Solent Waders Monitoring Officer	14	14	0
Core Projects & Central Costs	103	96	(7)
Total	**132**	**125**	**(7)**

6. Unallocated Balances

The unallocated balances are the revenue reserves of the partnership. This is maintained to enable the partnership to have resources available to react to potential future opportunities as they arise.

	£000
Balance brought forward into 2023/24	142
To fund 2023/24 expenditure	(125)
Contribution income 2023/24	132
Interest income 2023/24	7
Balance at end of 2023/24	**156**

7. Further information

Further information can be obtained about the accounts from Mel Creighton, the Chief Financial Officer to the Partnership for South Hampshire Joint Committee at the Finance Department, Southampton City Council, The Civic Centre, Southampton, Hampshire, S014 7LY, telephone 023 8083 4897 or Email mel.creighton@southampton.gov.uk.

STATEMENT OF ACCOUNTING POLICIES

1. General principles

1.1 The accounts have been prepared in accordance with standard accounting practice. Any significant non-compliance is explained in the following notes.

2. Debtors and creditors

2.1 Debtors and creditors have been accrued in accordance with standard accounting practice.

3. Accounting for VAT

3.1 Claims for re-imbursement from other local authorities are paid net of VAT. Any claims from other bodies not able to reclaim VAT are paid gross.

4. Interest

4.1 Interest is calculated using the 6-month gilt yield average interest rate on the average fund balance held by Southampton City Council on behalf of PfSH.

5. Liquid Resources and Cash

5.1 The Joint Committee includes cash in its categorisation of liquid resources on the basis that this is actually held as cash. No other resources are held that are readily convertible to cash.

6. Fair Value

6.1 All financial assets and financial liabilities carried in the statements are short term so have been valued at face value, which is a reasonable assessment of fair value.

STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS - JOINT COMMITTEE

1. The Joint Committee's responsibilities

The Joint Committee is required:

- To make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has the responsibility for the administration of those affairs. For this Joint Committee, that officer is the Chief Financial Officer.
- To manage its affairs so as to secure economic, efficient and effective use of resources and safeguard its assets.
- To approve the Statement of Accounts.

2. The Chairman's Statement

I certify that the Statement of Accounts for 2023/24 were considered and approved at the Joint Committee meeting on 8th July 2024

Councillor xx

Chairman – Joint Committee

8th July 2024

STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS - CHIEF FINANCIAL OFFICER

1. The Chief Financial Officer's responsibilities

The Chief Financial Officer is responsible for the preparation of the Joint Committee's Statement of Accounts in accordance with proper practices as was agreed with the Audit Commission.

In preparing this statement of accounts, the Chief Financial Officer has sought to:

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that were reasonable and prudent.

The Chief Financial Officer has also:

- kept proper records which are up to date,
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

2. The Chief Financial Officer's statement

I certify that the Statement of Accounts presents fairly the financial position of the Partnership for South Hampshire as at 31 March 2024 and its income and expenditure for the year ended 31 March 2024.

Mel Creighton

Chief Financial Officer

8th July 2024

INCOME AND EXPENDITURE ACCOUNT

Net Expenditure 2022/23 £		Net Expenditure 2023/24 £
	Cultural, Environmental and Planning Services:	
28,300	Culture, Creative Industries & The Built Environment	15,000
	Solent Waders Project	14,000
28,300		**29,000**
	Corporate and Democratic Core:	
82,253	Central Costs	96,593
82,253		**96,593**
110,553	**Net Cost of Services**	**125,593**
(3,748)	Interest Received	(7,621)
106,805	**Net Operating Expenditure**	**117,973**
(125,500)	Partnership Contributions	(132,600)
(18,695)	**Surplus(-)/Deficit(+) for Year**	**(14,627)**

Appendix 1

STATEMENT OF MOVEMENT ON THE GENERAL FUND BALANCE

The Income & Expenditure account shows actual financial performance for the year, measured in terms of resources consumed, and generated over the last 12 months. However, the General Fund balance takes account of reserves built up in the past and contributions to reserves for future expenditure. This statement summarises the differences between the outturn on the Income & Expenditure account and the General Fund balance.

2022/23 Total £		2023/24 Total £
(123,227)	General Fund Balance Brought Forward	(141,922)
(18,695)	Surplus(-)/Deficit(+) for the year on the Income and Expenditure Account	(14,627)
(141,922)	**Balance on General Fund Carried Forward**	**(156,549)**

BALANCE SHEET

2022/23 £		2023/24 £
	Current Assets:	
9,000	Debtors	0
149,909	Cash	177,582
158,909	**Total Current Assets**	**177,582**
	Current Liabilities:	
(16,987)	Creditors	(21,033)
(16,987)	**Total Current Liabilities**	**(21,033)**
141,922	**Net Current (Liabilities)/Assets**	**156,549**
	Financed By:	
	General Reserves:	
141,922	For Revenue Purposes	156,549
141,922		**156,549**

CASH FLOW STATEMENT

2022/23 £		2023/24 £
	Revenue Activities	
	Cash Outflows:	
124,066	Operating Costs	121,547
124,066		**121,547**
	Cash Inflows:	
(155,000)	Other Income	(141,600)
(155,000)		**(141,600)**
(30,934)	**Net Cash inflow(-)/outflow(+) from revenue activities**	**(20,053)**
	Returns on Investments and Servicing of Finance	
	Cash Inflow:	
(3,748)	Interest Received	(7,621)
(3,748)	**Net Cash inflow(-)/outflow(+) from Servicing of Finance**	**(7,621)**
(34,682)	**Net Cash Inflow(-)/Outflow(+)**	**(27,673)**

Note: Cash inflows are shown as negative numbers (-), outflows as positive.

ANNUAL AUDIT RETURN

	Y/E 31 Mar 2024 £	Y/E 31 Mar 2023 £
1. Balances Brought Forward	**141,922**	**123,227**
2. Income From Local Taxation and/or Levy		
3. Total Other Receipts	140,221	143,248
4. Staff Costs		
5. Loan Interest/Capital Repayments		
6. All Other Payments	125,593	124,553
7. Balances Carried Forward (1+2+3-4-5-6)	**156,549**	**141,922**
8. Total Cash and Short Term Investments	177,582	149,909
9. Total Fixed Assets and Long Term Assets		
10. Total Borrowings	(21,033)	(7,987)

NOTES TO THE CORE FINANCIAL STATEMENTS

1. Interest Received

1.1 Interest is calculated using the 6 month gilt yield average interest rate on the average fund balance held by Southampton City Council on behalf of PfSH.

2. Partner Contributions to PfSH

2.1 The table below shows the contributions made by each partner in 2023/24.

Council	2023/24	2022/23
	£	£
East Hampshire District Council	1,200	1,000
Eastleigh Borough Council	7,500	7,000
Fareham Borough Council	6,300	6,000
Gosport Borough Council	4,500	4,500
Hampshire County Council	40,600	39,000
Havant Borough Council	6,800	6,500
New Forest District Council	9,600	9,500
New Forest National Park Authority	1,200	1,000
Portsmouth City Council	22,800	22,000
Southampton City Council	27,200	25,000
Test Valley Borough Council	2,500	2,000
Winchester City Council	2,400	2,000
	132,600	**125,500**

3. Payments from PfSH to Partners

3.1 The table below sets out payments made to partners from PfSH:

Council	2023/24	2022/23
	£	£
Portsmouth CC	71,219	67,888
Southampton CC	21,953	14,365
Fareham BC	3,421	
Total Payments to Partners	**96,593**	**82,253**

4. Debtors

	2023/24 £	2022/23 £
Other Local Authorities	0	9,000

5. Creditors

	2023/24 £	2022/23 £
Other Local Authorities	21,033	16,987

6. Reconciliation of Income and Expenditure Account to net cash inflow from revenue activities

	2023/24 £	2022/23 £
Surplus(-)/Deficit(+) on Income & Expenditure Account	(14,627)	(18,695)
Increase(+)/Decrease(-) in Debtors	(9,000)	(15,500)
Increase(-)/Decrease(+) in Creditors	(4,046)	(487)
Increase(-)/Decrease(+) in Receipts in Advance		
Less Interest Received	7,621	3,748
Net Cash inflow(-)/outflow(+) from revenue activities	**(20,053)**	**(30,934)**

7. Reconciliation of the Movement in Cash

	2023/24 £	2022/23 £
Increase(+)/Decrease(-) in Cash	27,673	34,682
Represented by:		
Net Movement from Revenue	20,053	30,934
Net Movement from returns on investment	7,621	3,748

8. Financial Instruments

8.1 In accordance with Financial Reporting Standard (FRS 102) debtors, payments in advance and temporary lending are classified as loans and receivable financial instruments. Creditors (note 7), receipts in advance and temporary borrowing are classified as financial liabilities at amortised cost. All such elements included in the Balance Sheet are short term and have been valued at face value, which is a reasonable assessment of fair value.

8.2 Credit risk arises from deposits with other institutions, as well as credit exposures to PfSH's debtors. As surplus cash is temporarily invested with Southampton City Council, PfSH is exposed to minimal risk. PfSH's debtors are generally other public sector bodies.

8.3 PfSH has access to temporary borrowing from Southampton City Council's cash surpluses, so there is no significant liquidity risk of not being able to raise finance. There is no investment in equity shares or other shareholdings, and no financial assets or liabilities in foreign currencies so no exposure to either price risk or exchange rate risk.

8.4 In summary, the risks to which PfSH is exposed to are minimal and therefore it is not considered necessary to perform any sensitivity analysis of the above risks as any changes to the risks would be unlikely to be material to these accounts.

9. Authorisation to Issue the Accounts

9.1 These Accounts were authorised for issue on 8th July 2024 by the Chief Financial Officer, and events after the balance sheet date have been considered to this date.

10. Related Party Transactions

10.1 PfSH is required to disclose material transactions with related parties - bodies or individuals that have the potential to control or influence PfSH or to be controlled or influenced by PfSH. Disclosure of these transactions allows readers to assess the extent to which PfSH might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with PfSH. There were no related party transactions.

10.2 Central government has effective control over the operations of PfSH - it is responsible for providing the statutory framework within which PfSH operates and has provided the majority of its funding in the form of grants.

10.3 Members of the Joint Committee have direct control over PfSH's financial and operating policies, and notes 3 and 4 set out the transactions with the parent councils of the members of the Joint Committee. No grants were awarded in 2023/24 to related party organisations.

Annual Governance Statement

1. Scope of responsibility

1.1 The Partnership for South Hampshire ("PfSH") is a Joint Committee comprising 11 local authorities and one National Park Authority ("the Councils"). The primary governance arrangements that apply directly to those members and officers of the Councils who are engaged in PfSH activities are those maintained by their own individual local authority (for example, Codes of Conduct). The relationship between the Councils in respect of PfSH are set out in the Joint Agreement ("the Agreement") which has been approved by each of the Councils at a full council meeting. A copy of the Agreement is available at:

https://www.PUSH.gov.uk/partnership/working-arrangements/governance/

1.2 Southampton City Council's Director of Legal & Governance has also been appointed as the Lead Advisor on legal and constitutional issues for PfSH, and also the statutory Monitoring Officer for PfSH. As such, the Southampton City Council governance arrangements take precedence, and form the basis of PfSH's governance framework for the operation of the Joint Committee and its activities.

1.3 Southampton City Council is the lead authority for financial matters, and Southampton City Council's Executive Director – Enabling Services is also the statutory Chief Financial Officer ("CFO") for PfSH.

1.4 PfSH ("the Joint Committee") is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Joint Committee also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. In discharging this overall responsibility, the Joint Committee is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.

1.5 In addition to the Agreement, the Joint Committee reviewed the governance arrangements at its meeting of 15 October 2021, and the report is available at:

(Public Pack)Agenda Document for Partnership for South Hampshire (PfSH) Joint Committee, 25/10/2021 18:00 (push.gov.uk)

1.6 The Financial Protocols ("the Protocols") for PfSH were reviewed at the meeting of 28 January 2014, and these are available at:

https://www.PUSH.gov.uk/wp-content/uploads/2018/07/Item-7-Annex-A-Revised-Financial-Protocols.pdf

2. The purpose of the governance framework

2.1 The governance framework comprises the systems and processes, and culture and values, by which the Joint Committee is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Joint Committee to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services.

2.2 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Joint Committee's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

2.3 The governance framework has been in place for the Joint Committee for the year ended 31 March 2024 and up to the date of approval of the statement of accounts.

3. The Governance Framework

3.1 The following describes the key elements of the systems and processes that comprise the Joint Committee's governance arrangements including arrangements for:

Identifying and communicating the Joint Committee's vision of its purpose and intended outcomes for citizens and service users:

3.2 The sub-regional strategy for South Hampshire sets out objectives for growing prosperity and improving the quality of life. Those objectives need to be translated into actions that will deliver change. PfSH's Business Plan sets out how the sub-regional strategy is to be delivered. The 2021 - 2025 Business Plan was considered by the Joint Committee 15th October 2021.

Reviewing the Joint Committee's vision and its implications for the governance arrangements:

3.3 Southampton City Council has adopted a Code of Corporate Governance ("CCG") which identifies in one core document how the Council ensures that it runs itself in a lawful, structured, ethical and professional manner. The CCG is administered by the Monitoring Officer and is updated periodically by the Council's Governance Committee. As PfSH follows Southampton's governance arrangements (its Constitution etc), Southampton's CCG reflects and represents PfSH's governance arrangements. The full document is published on the City Council's internet site at:

https://www.southampton.gov.uk/media/fsinhz4z/code-of-corporate-governance-feb-2021.pdf

Measuring the quality of services for users, for ensuring they are delivered in accordance with the authority's objectives and for ensuring that they represent the best use of resources:

3.4 The Joint Committee has adopted a Performance Framework which sets out PfSH's overall approach to secure on-going improvements across a wide range of services that are provided to local residents and businesses.

3.5 The Joint Committee set budget allocations across the Delivery Panels and covering the core PfSH organisational costs at its meeting of 14th March 2024.

3.6 Budget reports are considered by the Joint Committee periodically through the year.

3.7 These reports are available at:

https://www.PUSH.gov.uk/work/our-meetings/joint-committee/

Defining and documenting the roles and responsibilities of the executive, scrutiny and officer functions, with clear delegation arrangements and protocols for effective communication:

3.8 The Joint Committee has a Joint Agreement, Governance Framework and Financial Protocols setting out how it operates, how decisions are made and the procedures followed to ensure that these are efficient, transparent and accountable to local people. Some of these processes are required by the law, while others are a matter for the Joint Committee to choose.

3.9 The Governance Framework and Financial Protocols set out the detailed rules governing the Joint Committee's business including details of the scheme of delegation that provide for delegation to senior officers (Lead Chief Executives and the Executive Director).

Developing, communicating and embedding codes of conduct, defining the standards of behaviour for members and staff:

3.10 Members and officers acting on behalf of PfSH are required to follow their individual authority 'Members' Code of Conduct' or 'Officer Code of Conduct' as appropriate.

3.11 The Members' Code covers areas of individual behaviour such as Members not abusing their position or not misusing their authority's resources. In addition there are rules governing disclosure of private interests and withdrawal from meetings where Members have relevant interests. Members are also required to record on the public register their financial and other interests.

Reviewing and updating standing orders, standing financial instructions, a scheme of delegation and supporting procedure notes/manuals, which clearly define how decisions are taken and the processes and controls required to manage risks:

3.12 The Joint Agreement sets out how the Joint Committee operates, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent and accountable to local people. This includes information on how the Joint Committee operates, how decisions are made and the role of overview and scrutiny.

3.13 Periodically, as appropriate, the Monitoring Officer, together with the CFO, conducts a review of the Joint Committee's governance arrangements, which are considered by the Joint Committee from time to time.

3.14 All reports submitted to the Joint Committee for a decision must receive legal and financial clearance prior to publication in accordance with the published procedures.

Undertaking the core functions of an audit committee, as identified in CIPFA's Audit Committees – Practical Guidance for Local Authorities

3.15 It is not practical for PfSH to have a formally constituted Audit Committee whose role would be to provide independent assurance to the Joint Committee or Overview and Scrutiny Committee on the adequacy of the risk management framework and the internal control and reporting environment, including (but not limited to) the reliability of the financial reporting process and the annual governance statement. The Joint Committee therefore acts in this capacity directly to receive the accounts, annual governance statement and the reports of the appointed auditor.

Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful:

3.16 It is the role of the Monitoring Officer and the CFO to ensure compliance with relevant laws and regulations and that expenditure is lawful. This is achieved through the governance framework including the Joint Agreement itself and the Financial Protocols.

Whistle-blowing and receiving and investigating complaints from the public:

3.17 Any complaints received by the Joint Committee in respect of unlawful conduct, illegality, financial malpractice or dangers to the public, employees or the environment would be dealt with by the Monitoring Officer, in line with Southampton City Council's procedures.

3.18 The Joint Committee does not employ staff directly, but rather by the relevant constituent authorities. Each council is required to have its own whistle blowing policy, and staff can utilise these for any activities of PfSH.

Identifying the development needs of members and senior officers in relation to their strategic roles, supported by appropriate training:

3.19 The Councils individually have their own programmes for member and senior officer learning and development to cover general development needs. From time to time, PfSH organises member and senior officer workshops to address emerging development needs specific to the Joint Committee.

Establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation:

3.20 PfSH has established a Communications Strategy. In addition, the Joint Committee is able to draw on the existing communication channels of the Councils.

4. Review of effectiveness

4.1 The Joint Committee has a responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the appropriate officers.

4.2 The review process applied in respect of maintaining and reviewing the effectiveness of the system of internal control, is informed by:

- the work of Members/Officers within the Joint Committee;
- audit and other periodic reports from the Internal Auditor;
- reports received from service review agencies or inspectorates where appropriate

5. The Joint Committee

5.1 The Joint Agreement forms the cornerstone of effective corporate governance, supported by the Governance Framework and the Financial Protocols. It has been approved by the full Council meetings of each of the partner local authorities.

6. The Overview and Scrutiny Committee

6.1 The Joint Agreement establishes a Joint Overview and Scrutiny Committee with the following terms of reference:

- To scrutinise and call in Joint Committee decisions.
- To scrutinise in particular the PfSH Business Plan and its delivery.
- In respect of any call in:
  - To review decisions made in accordance with the approved business plan and where they consider it appropriate, refer such decisions back to Joint Committee with comments for reconsideration;
  - To review decisions not made in accordance with the approved business plan where they may either refer such decisions back to Joint Committee with comments for reconsideration or refer the decision back to individual authorities. The Council has a formally constituted Audit Committee whose role it is to provide independent scrutiny.

7. The Joint Committee acting as an Audit Committee

7.1 The Joint Committee receives reports to meet certain statutory obligations, such as approving the Annual Governance Statement and the Statement of Accounts.

8. Internal audit

8.1 The Joint Committee does not operate an Internal Audit function. However, the Southampton City Council / Portsmouth City Council shared internal audit service undertakes an assurance role that provides an independent and objective opinion to the CFO and to the external auditor that adequate financial systems and controls are in place. The audit plan for PfSH is agreed with the CFO.

9. Other review/assurance mechanisms.

9.1 The Annual Governance Statement is reviewed each year. This statement, insofar as it is applicable to a Joint Committee, follows the guidance set out within the CIPFA framework: “Delivering Good Governance in Local Government”.

10. Significant governance issues

10.1 No significant governance issues have been identified, however we will continue to review our governance arrangements from time to time and on at least an annual basis.

10.2 We propose over the coming year to take appropriate steps to address matters arising out of such reviews to further enhance our governance arrangements. We are satisfied that this will address the need for any improvements that might be identified in our review of effectiveness and will monitor their implementation and operation as part of any subsequent review.

Signed _____

Councillor xxx, Chairman.
8th July 2024

Signed _____

Paddy May, PfSH Co-ordinator.
8th July 2024

Report to the Partnership for South Hampshire Joint Committee

Date: **23 July 2024**

Report of: **Simon Kennedy, PfSH Strategic Environmental Planning Manager**

Subject: **NUTRIENT MITIGATION - DEPLOYMENT OF THE LOCAL NUTRIENT MITIGATION FUND**

SUMMARY

This report provides an update on the Local Nutrient Mitigation Fund (LNMF), sets out the capital programme proposed for the fund, and requests spending authorisation from both the capital and revenue elements of the LNMF. The key details are presented within this report, with detailed financial and commercially sensitive information provided in an exempt appendix.

RECOMMENDATION

It is RECOMMENDED that the Joint Committee:-

a) NOTES the contents of this report;

b) APPROVES the proposed £9.6M capital programme funding allocation from the Local Nutrient Mitigation Fund (LNMF);

c) APPROVES the proposed £422,610 revenue funding allocation from the LMNF;

d) AGREES to delegate detailed spending authorisation, within the agreed capital and revenue allocations, to the lead PfSH Chief Executive, in consultation with the Chair of the Joint Committee, PfSH Monitoring Officer, Fareham Borough Council's Section 151 Officer and following consultation with the wider PfSH Chief Executives Group; and

e) AGREES that PfSH Joint Committee should engage with the new government to ensure that the needs of the Solent area, in relation to nutrient mitigation, are fully understood.

Appendix A is exempt from publication by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972. The contents of this appendix are commercially sensitive and if the terms of the proposed projects were disclosed, in advance of delivery of the projects, it could place the effectively delivery of projects at risk. Considering this further, it could result in potential purchasers making higher bids for property or suppliers charging higher prices to deliver projects. Furthermore, in the case of land purchases, publication of the price offered for land may prejudice the Council position when negotiating on similar land parcels elsewhere. In summary, disclosure would prejudice the financial and business affairs of the capital programme and put potential LNMF funds and discussions in that regard at risk.

1. Background

1.1 The Nutrient Mitigation Update Report to Joint Committee dated 27 July 2021, along with numerous other reports provided to Joint Committee previously[1], provided a general background to nutrient neutrality in the context of the local authorities around the Solent. Additionally, the PfSH website has recently been updated to provide a much fuller background to local nutrient neutrality issues. The website update also draws together relevant information and guidance in a more accessible form[2].

1.2 This report deals specifically with the deployment of the LNMF, and the LNMF has previously been considered by PfSH members when making an expression of interest to the fund in July 2023[3] (the July 2023 report).

1.3 In January 2024, Fareham Borough Council - acting as lead authority for the Solent catchment area - was awarded £9,600,000 in capital funding by the Department of Levelling up, Housing and Communities through the LNMF[4]. In addition to the capital funding, £422,610 of revenue funding was also received to support deployment of the fund.

1. Deployment of the Local Nutrient Mitigation Fund

2.1 The LNMF has been provided for the purpose of delivering nutrient mitigation solutions to support delivery of new housing across the Solent region. The funding required a memorandum of understanding be signed between Fareham Borough Council as lead PfSH local authority and accountable body - and the Department for Levelling up, Housing and Communities as funding authority. The memorandum of understanding attached a number of conditions to the funding; most notably it required all funding to be committed by the end of the 2023/2024 financial year. Additionally, it requires all funded projects to achieve cost recovery

[1] PfSH Joint Committee Meeting Page - Nutrient Neutrality Updates from 2019 - 2021
[2] Nutrient Mitigation - Partnership for South Hampshire (push.gov.uk)
[3] (Public Pack)Agenda Document for Partnership for South Hampshire (PfSH) Joint Committee, 11/07/2023 18:00 (push.gov.uk)
[4] Letter from Minister for Housing, Planning and Building Safety on nutrient neutrality, December 2023 - GOV.UK (www.gov.uk)

in order to invest any income into further mitigation projects and to provide additional benefits where possible.

2.2 Although the July 2023 report gained approval for a proposed capital programme and implementation of specific projects, the funding received was less than the amount provided for in the expression of interest to DLUHC. As such, this report aligns the capital programme with the available funding and requests authorisation to deliver projects, and complete technical work further projects, within the capital programme.

2.3 To date only around £8,000 of the capital fund has been spent. In order to ensure the LNMF can be effectively deployed, it is now necessary to agree the entirety of the capital programme and to delegate spending authorisation within that programme to the lead PfSH Chief Executive, in consultation with other lead officers. Subsequent to agreeing the capital programme, and in order to deliver mitigation created by the capital programme to support delivery of new homes, a further report will be provided at the next PfSH Joint Committee on 1 October 2024.

2.4 The 1 October report will, in addition to providing an update on the deployment of the capital programme, propose a binding inter-authority agreement which agrees the way in which mitigation credits will be sold, any restrictions on the sale of credits, and the price at which they are sold. It is intended that mitigation created through the LNMF will be readily available in any amount allowing easy access to mitigation for small to medium-size enterprises. The fund will be delivered in a way that complements the existing market.

2.5 Once mitigation projects within the proposed capital programme have been delivered and are actively selling mitigation to support delivery of new housing, funds will be available to deliver further mitigation projects not currently considered. These projects will remain focussed on the individual catchments with the greatest need but will be subject to agreement by the PfSH Joint Committee once appropriate.

2. The Capital Programme

3.1 The purpose of the capital programme is to deliver mitigation schemes that will ensure a perpetual five-year supply of mitigation across all PfSH catchments, allowing delivery of tens of thousands of homes concentrated in those areas currently in greatest need.

3.2 In addition to providing nutrient mitigation each project within the capital programme seeks to provide additional benefits such as, but not limited to, creation of biodiversity net gain (BNG) units, mitigation for recreational disturbance, upgrades to infrastructure that would not otherwise have been possible and social benefits such as access to nature.

3.3 A summary of the projects proposed in the capital programme is listed below. Details are also provided for the total proposed budget for each project, as well as the catchment that the project will benefit. Specific details related to each

project, as well as detailed financial information on immediately deployable projects, is provided in exempt **Appendix A**. Exempt **Appendix A** also provides details of the proposed spending from the revenue fund required to support deployment of the capital fund.

Proposed Capital Programme

Projects	Scope	Total LNMF Budget Allocation	Catchment(s)
Water Efficiency (Council Led)	Design water efficiency measures for council owned housing stock and social tenanted property for the purposes of nutrient reduction. Commission local authorities to implement new measures and collate data for reporting mitigation of water resource savings and lower water bills to residents without the need to access the private market.	£540,000	East Hampshire, Test and Itchen, New Forest Rivers
Water Efficiency (Registered Providers)	Design water efficiency measures for affordable stock managed by registered housing providers for the purposes of nutrient reduction. Commission registered housing providers to implement new measures and collate data for reporting mitigation of water resource savings and lower water bills to residents without the need to access the private market.	£360,000	East Hampshire, Test and Itchen, Arun (Western Streams)
Upgrades to Council Owned Sewerage Infrastructure	The identification of authority owned Sewerage Treatment Works (PtP and septic tank) which are suitable for upgrades to enable reductions in Nitrogen and Phosphorus into waterways and improves discharge point to Controlled Waters. Lead design planning and obtain Authority agreement to proceed with upgrade and manage oversight of the upgrade.	£900,000	Test and Itchen, Itchen (P)
Wetland Delivery	Using collated evidence on the deliverability of different wetlands to proposed several schemes where land is in control of an LPA. Proposed full feasibility on projects and obtain agreement on most suitable option(s). Setup mechanism to implement delivery of preferred option.	£1,200,000	Test and Itchen
Reduction of Intensive Agriculture	Strategy predicated on all sites providing, in addition to nutrient mitigation, additional benefits such as public access, BNG, and national and local policy objectives. Where possible sites should also aim to deliver further benefits, such as providing mitigation for recreational disturbance and assisting in water resource management. Initial projects should be focused on the Test and Itchen and East Hampshire catchments	£6,560,000	All
Institutional Framework	Develop a long-term delivery vehicle, that address state aid and public v's private classification issues, to manage and provide a local authority led nutrient credit offer by creating and maintaining mitigation schemes.	£40,000	All
	TOTAL	**£9,600,000**	

3. Summary

4.1 Due to the urgent need for delivery of new mitigation to enable planned growth, in combination with the relatively short time in which to deploy the LNMF, it is recommended that Members agree the proposed capital programme and delegates spending authorisation to the lead PfSH Chief Executive, in consultation with the Chair of Joint Committee and other lead PfSH officers in line with the proposals set out in this report.

4.2 Officers will provide updates on the deployment of the LNMF to Members at the scheduled Joint Committee Meetings and will request authorisation from PfSH Joint Committee should the capital or revenue allocations need to be adjusted.

4.3 A further report will ask Members to agree the approach to selling credits, and any associated inter-authority agreements that may be required to facilitate the sale of credits, at the Joint Committee Meeting scheduled for 1 October 2024.

RECOMMENDATION

It is RECOMMENDED that the Joint Committee:-

a) NOTES the contents of this report;

b) APPROVES the proposed £9.6M capital programme funding allocation from the Local Nutrient Mitigation Fund (LNMF);

c) APPROVES the proposed £422,610 revenue funding allocation from the LMNF;

d) AGREES to delegate detailed spending authorisation, within the agreed capital and revenue allocations, to the lead PfSH Chief Executive, in consultation with the Chair of the Joint Committee, PfSH Monitoring Officer, Fareham Borough Council's Section 151 Officer and following consultation with the wider PfSH Chief Executives Group; and

e) AGREES that PfSH Joint Committee should engage with the new government to ensure that the needs of the Solent area, in relation to nutrient mitigation, are fully understood.

Appendices: Confidential Appendix A – Deploying the Local Nutrient Mitigation Fund

Enquiries:
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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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