



---

# NOTICE OF MEETING

---

## CABINET

**TUESDAY, 4 FEBRUARY 2020 AT 9.30 AM**

**EXECUTIVE MEETING ROOM - THE GUILDHALL, FLOOR 3**

Telephone enquiries to Joanne Wildsmith, Democratic Services Tel 9283 4057  
Email: [joanne.wildsmith@portsmouthcc.gov.uk](mailto:joanne.wildsmith@portsmouthcc.gov.uk)

If any member of the public wishing to attend the meeting has access requirements, please notify the contact named above.

---

## Membership

Councillor Gerald Vernon-Jackson CBE (Chair)	
Councillor Steve Pitt (Vice-Chair)	
Councillor Dave Ashmore	Councillor Lynne Stagg
Councillor Suzy Horton	Councillor Matthew Winnington
Councillor Lee Hunt	Councillor Rob Wood
Councillor Darren Sanders	Councillor Tom Wood

---

(NB This Agenda should be retained for future reference with the minutes of this meeting.)

Please note that the agenda, minutes and non-exempt reports are available to view online on the Portsmouth City Council website: [www.portsmouth.gov.uk](http://www.portsmouth.gov.uk)

**Deputations by members of the public may be made on any item where a decision is going to be taken. The request should be made in writing to the contact officer (above) by 12 noon of the working day before the meeting, and must include the purpose of the deputation (for example, for or against the recommendations). Email requests are accepted.**

## AGENDA

- 1 Apologies for Absence**
- 2 Declarations of Interests**
- 3 Record of Previous Decision Meetings - 29 October & 5 November 2019 (Pages 9 - 16)**

A copies of the records of the previous decisions taken at Cabinet meetings on 29 October and 5 November 2019 are attached.

**RECOMMENDED that the records of decisions taken at the previous Cabinet meetings on 29 October and 5 November 2019 are approved as**

**correct and signed by the Leader accordingly.**

**4 Enhanced Recycling options (Pages 17 - 44)**

The report by the Director of Housing, Neighbourhood and Building Services is to update the Cabinet on the outcomes of the food waste trials and present options for consideration to reduce waste and improve the recycling offer in Portsmouth.

Options:

- 1) Continue to provide separate weekly food waste collections to those households in the trial.
- 2) Expand the trial to provide an additional set of trials of separate weekly food waste (1 round over 5 days)
- 3) Rollout the weekly food waste collection service to all houses and flats in the City where it is practicable to do so.

The financial implications of each of these options is detailed in section 4 of the report.

**The RECOMMENATION is to implement option 2. The council will also work towards a city wide rollout that links in with the end of the current collection contract in September 2021 - subject to funding being identified.**

**5 Play Streets - Play out Portsmouth citywide rollout (Pages 45 - 60)**

The report by the Director of Regeneration is to highlight the Play Out Pompey pilot play street scheme and to seek approval to make the scheme available citywide.

**RECOMMENDED that the Cabinet approves the creation of the community led, Portsmouth City Council initiated Play Streets Scheme that includes:**

- (1) The creation of supporting documents and an application forms, which will be available to all Portsmouth residents on the Portsmouth City Council website;**
- (2) The creation and support of a resident-led Play Out Pompey Community Group to support the set-up of new play streets;**
- (3) The purchase and storage of appropriate road closure and diversion signage**

**6 Proposed Halifax, Canada and Falkland Islands Sister City Links (Pages 61 - 76)**

The report by the Director of Culture, Leisure & Regulatory Services is to consider requests to establish formal Sister City links between Portsmouth and Halifax in Canada and the Falkland Islands. Also to request that the Leader of the Council be formally asked to write to the Mayor of Halifax, Canada and the Legislative Assembly of the Falkland Islands with a request to

establish Sister City relationships.

**RECOMMENDED that the Leader of the Council write to the Mayor of Halifax, Canada and the Legislative Assembly of the Falkland Island with a request that Portsmouth be able to enter into Sister City relationships with both Halifax and the Falkland Islands to mark the long relationship between the City of Portsmouth and Halifax, Canada and the Falkland Islands.**

**7 Domiciliary Care in Ian Gibson Court (Pages 77 - 98)**

The purpose of the report by the Director of Housing, Neighbourhoods and Building Services is to present the pilot of in-house care service at Ian Gibson Court in Somerstown, to seek agreement for a permanently funded service and to seek agreement to explore the potential to expand the provision to other schemes/areas if appropriate.

The report arises from joint working across the Adult Social Care and Housing, Neighbourhood and Building Services Directorates. The report comes to Cabinet because it requires a cross portfolio decision.

**RECOMMENDED that the Cabinet:**

**(1) recognises the improved care provided for residents at Ian Gibson Court and approves that the pilot scheme is made permanent.**

**(2) approves the ongoing funding model as documented within this report.**

**(3) approves that a new phase of the pilot scheme begins to be planned with immediate effect.**

**(4) agrees the principle of expanding this method of care provision to other city council local authority housing schemes or areas of operation if appropriate and delegates' authority to the Directors for Housing, Neighbourhood & Building Services and Adult Social Care to progress, in consultation with the relevant portfolio holders.**

**8 Adult Social Care - Care Home Placements (Pages 99 - 110)**

The report by the Chief Health & Care Portsmouth and the Assistant Director Adult Social Care seeks to update the Cabinet as to the availability of care home provision for older people across the city. The report is also to consider:

- the likely demand for care home places within the next 3-5 years by considering the trend from 2011 onward.
- the impact of an extra care development for people with a dementia on the numbers of people with dementia requiring residential care.
- the costs of residential care and nursing home care that is owned and managed by the city council and options to ensure the maximum value for money from PCC provided care.
- how these issues relate to the Adult Social Care, (ASC) Strategy and the ASC Medium Term Financial Strategy, (MTFS).

**RECOMMENDED that Cabinet:**

- (1) **Note the current and modelled demand for residential and nursing home care in Portsmouth for older people.**
- (2) **Note the costs of the City Council providing residential and nursing care.**
- (3) **Agree further work to be undertaken as to cost and feasibility of the options for maximising value of the Council's assets.**

**9 LED Adaptive Street Lighting - Proposal for Citywide Implementation**  
(Pages 111 - 128)

The report on behalf of the Director of Regeneration provides an update on work to trial an adaptive street lighting strategy and seeks approval to commence citywide implementation.

**RECOMMENDED that Cabinet approve citywide implementation of adaptive street lighting.**

**10 PCC Response to the declaration of a Climate Emergency** (Pages 129 - 168)

The report by the Strategy Adviser for Climate Change sets out how Portsmouth City Council will work towards net-zero carbon emissions by 2030, in response to the declaration of a climate emergency.

**RECOMMENDED that Cabinet approve the draft Portsmouth City Council Climate Change Strategy for consultation, as appendix A of this report.**

**11 Provision of Regulatory Services at Portsmouth International Port** (Pages 169 - 190)

The purpose of the report by the Director of Culture, Leisure and Regulatory Services is to inform the Cabinet of:

- the statutory responsibilities placed upon Regulatory Services at the Portsmouth International Port, and
- post the General Election, provide a summary of how the activities of Regulatory Services is likely to be impacted by a free trade deal with restrictions as the United Kingdom leaves the European Union, and
- to manage the expectations of all interested parties in respect to the operational readiness of Regulatory Services in respect to a free trade deal with restrictions which results in an increased Regulatory Services presence or increased Regulatory Services responsibilities at the Portsmouth International Port border entry point.

**RECOMMENDED that the Cabinet:**

- (1) **Acknowledges the continuing risk that Regulatory Services will be significantly impacted by increasing demands in border control regulations at the Portsmouth International Port following the United Kingdom's departure from the European Union.**

- (2) Accepts that any intensification of border control demands at the Portsmouth International Port will place substantial unpredictable and currently unavailable financial burdens upon Portsmouth City Council statutory regulatory functions.**
- (3) Approves further engagement with governmental departments and Ministers in respect to the need for revenue funding equivalent to any additional need to deliver essential border control functions at the Portsmouth International Port.**

**12 Treasury Management Mid Year Review 2019-20 (Pages 191 - 204)**

The report by the Director of Finance (Section 151 Officer) outlines the Council's performance against the treasury management indicators approved by the Council on 19 March 2019. The purpose of the report is to inform members and the wider community of the Council's Treasury Management position at 30 September 2019. In March 2009 the Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management Panel issued a bulletin relating to Treasury Management in Local Authorities. The bulletin states that "in order to enshrine best practice it is suggested that authorities report formally on Treasury Management activities at least twice yearly and preferably quarterly". The report in Appendix A covers the first six months of 2019/20.

(This report also goes to the City Council 11 February 2020.)

**RECOMMENDED that:**

- (1) It be noted that there have been no breaches of the Treasury Management Policy 2019/20 in the period up to 30 September 2019.**
- (2) The actual Treasury Management indicators for September 2019 in Appendix A be noted.**

**13 PCC Budget and Council Tax 2020/21 and Medium Term Budget Forecast 2021/22 to 2023/24 (Pages 205 - 256)**

The report by the Director of Finance and Section 151 is also **forwarded to Council for approval**. The report sets the Council's overall Budget for the forthcoming year 2020/21 and the associated level of Council Tax necessary to fund that Budget.

The report makes recommendations on the level of Council spending for 2020/21 and the level of Council Tax in the context of the Council's Medium Term Financial Strategy with its stated aim as follows:

*In year" expenditure matches "in year" income over the medium term whilst continuing the drive towards regeneration of the City, being innovative, creative and protecting the most important and valued services*

The recommended Budget for 2020/21 has been prepared on the basis of the following:

- The Council resolution of 12 February 2019 that set an overall savings requirement of £2.5m
- An increase in the level of Council Tax for 2020/21 for general purposes of 1.99%
- The flexibility to increase the level of Council Tax for an "Adult Social Care Precept", within the limits set by Central Government at 2.0%, and the direct passporting of that additional funding to Adult Social Care to provide for otherwise unfunded cost pressures

This report also provides a comprehensive revision of the Council's rolling 3 year future financial forecast for the new period 2021/22 to 2023/24 (i.e. compared to the previous forecast covering 2020/21 to 2022/23, this forecast now replaces the forecast for the previous 3 year period).

The new forecast considers the future outlook for both spending and funding, and in that context, wider recommendations are made regarding the levels of reserves to be maintained and additional contributions to the Capital Programme in order to meet the Council's aspirations for the City as well as maintaining the Council's overall financial resilience.

In particular, this report sets out the following:

- (a) The challenging and uncertain financial climate facing the City Council in 2020/21 and beyond, and the consequential budget deficits that result
- (b) A brief summary of the Medium Term Financial Strategy for achieving the necessary savings
- (c) The Revised Revenue Budget and Cash Limits for the current year
- (d) The Local Government Finance Settlement for 2020/21
- (e) The Business Rate income for 2020/21 and future years and the ceasing of the Solent 75% Business Rate Retention Pilot (in a pooled arrangement with the Isle of Wight Council and Southampton City Council)
- (f) The Council Tax base and recommended Council Tax for 2020/21
- (g) The forecast Collection Fund balance as at 31 March 2020 for both Council Tax and Business Rates
- (h) The detailed indicative savings (Appendix C) that could be made by each Portfolio / Committee in meeting its overall savings amount in order to provide the Council with the assurance necessary to approve the recommended savings amount for each Portfolio / Committee
- (i) The proposed Revenue Budget and Cash Limits for 2020/21
- (j) The forecast Revenue Budgets and revised Savings Requirements for 2021/22, 2022/23 and 2023/24
- (k) Estimated General Reserves over the period 2019/20 to 2023/24
- (l) The Medium Term Resource Strategy (MTRS) Reserve, its financial position and proposed use to achieve cashable efficiencies
- (m) The statement of the S. 151 Officer on the robustness of the budget in compliance with the requirements of the Local Government Act 2003.

**The detailed recommendations are set out at Section 3 of the report.**

**14 Capital Programme 2019/20 to 2024/25 (Pages 257 - 342)**

The report by the Director of Finance and Section 151 Officer is **forwarded to Council in 11 February for approval**. The report is to:

- Summarise the key features of the Capital Strategy approved by the City Council on 19th March 2019 "for investment in assets and for obtaining the resources required for that investment"
- Highlight the inter-relationship between the Capital Programme, the Revenue Budget, the Medium Term Financial Strategy and Treasury Management
- Determine the corporate capital resources available including:
  - Adjustments for under and overspendings to the existing approved Capital Programme
  - Update the capital resources available for all new and changed grants, capital receipts, revenue contributions and other contributions
  - the identification of any additional assets which the Administration wishes to declare surplus to requirements
- Seek approval of the overall Capital Programme and "new starts" (including the Housing Investment Capital Programme) for 2020/21 and future years in accordance with the Capital Strategy
- Describe and approve the Prudential Indicators arising from the revised Capital Programme 2019/20 to 2024/25
- Delegate authority to the Section 151 Officer to alter the mix of capital funding to make best use of City Council resources

**The 7 detailed recommendations are set out at Section 3 of the report.**

Members of the public are permitted to use both audio visual recording devices and social media during this meeting, on the understanding that it neither disrupts the meeting nor records those stating explicitly that they do not wish to be recorded. Guidance on the use of devices at meetings open to the public is available on the Council's website and posters on the wall of the meeting's venue.

Whilst every effort will be made to webcast this meeting, should technical or other difficulties occur, the meeting will continue without being webcast via the Council's website.

This meeting is webcast (videoed), viewable via the Council's livestream account at <https://livestream.com/accounts/14063785>

This page is intentionally left blank



# Agenda Item 3

## CABINET

RECORD OF DECISIONS of the meeting of the Cabinet held on Tuesday, 29 October 2019 at 12.00 pm at the Guildhall, Portsmouth

### Present

Councillor Gerald Vernon-Jackson CBE (in the Chair)

Councillors Dave Ashmore  
Darren Sanders  
Matthew Winnington  
Rob Wood  
Tom Wood

### 107. Apologies for Absence (AI 1)

Councillors Lynne Stagg, Suzy Horton, Lee Hunt and Steve Pitt.

### 108. Declarations of Interests (AI 2)

None.

### 109. Air Quality Local Plan - Outline Business Case (AI 3)

Deputations are not minuted in full but are recorded as part of the webcasting of the meeting which can be viewed here:

<https://livestream.com/accounts/14063785/Full-Cabinet-29Oct2019>

Deputations were made by

- i) Rod Bailey, Chair of Milton Neighbourhood Forum Planning Forum, who was concerned about sustainable development and did not believe that the small area for the Class B Clean Air Zone (CAZ) (rather than Class D) was sufficient to meet the objectives in reducing the city's pollution by significant amounts, and it did not cover some of the roads with the worst air quality readings such as London Road, and traffic would divert down the Eastern Road to avoid the CAZ and impact local roads in Milton and he queried the modelling of pollution levels.
- ii) Councillor Judith Smyth reported on the Labour Group's view that whilst supporting the zone it was felt it is too small to work and did not represent value for money with so much effort for a small zone. She also feared there would be displacement to surrounding areas which already have air quality problems and where schools are located. A whole island zone and comprehensive transport strategy was needed to ease the traffic problems, reduce car ownership and address the health issues caused by air pollution.

Dr Jason Horsley, Director of Public Health, introduced the report and emphasised that this represented a response that the council has to make to the government within the legal timeframes. The Outline Business Case is

heavily based on modelling, which cannot capture all that can happen. In response to a question from Councillor Wood (as Cabinet Member for Children and Families) he reported that there were legal obligations to bring air quality levels for nitrogen dioxide to compliant levels (as set out in the report) but if the council could go further than the required levels there would be further health benefits for residents. He also advocated the take up of active transport this would help minimise the impact on the local economy.

Richard Lee, Regulatory Services Manager, responded to a question from Councillor Vernon-Jackson (as Leader) regarding the rise in pollution levels in the city, and confirmed that there had been an increase of 7.41% from 2017 to 2018 (as stated in the annual status report). Whilst there had not been a deterioration across the whole city there were hotspots such as London Road which fell outside the Clean Air Zone, but there were also a number of areas where the air quality was improving.

Councillor Vernon-Jackson, as Leader, reiterated this was a response to a government directive, based on modelling and he was pleased that recommendation 6 showed the wider work taking place to address both air pollution and climate change. He was disappointed that there had not been a positive response from government to the suggestions offered (such as free bus passes, an electric fleet of licensed vehicles) and investment in sustainable transport. The Leader thanked all the officers who had worked so hard within the imposed constraints. He was concerned that there may be an economic impact on the retail sector with shoppers going to out of town retail parks. The Wighlink ferry may also suffer with vehicles choosing to go via Southampton or Lymington, adding extra miles on their journey and spreading pollution. Councillor Vernon-Jackson was suggesting looking at night-time deliveries (when pollution levels are lower) for Commercial Road.

Councillor Ashmore, as Cabinet Member for Environment and Climate Change, felt that the CAZ only represented a small part of the actions being taken by the council and that the government was not addressing the long term problems. Nitrogen dioxide levels are being addressed but not particulates and the need for a modal shift with people to switch from reliance on private cars and increase cycling in the city. He did not believe that putting up prices was the way to incentivise and would hit those on low incomes so instead sustainable alternatives were needed.

Councillor Vernon-Jackson asked for a response to Councillor Smyth's suggestion of a city wide and how this would be funded. Pam Turton, Assistant Director of Transport, reported that the government's Joint Air Quality Unit (JAQU) would not fund a city wide zone if a smaller zone would bring about compliance. She could not quantify the cost but it would be several million pounds. Councillor Vernon-Jackson suggested that Councillor Smyth feed her ideas into the 12 week consultation exercise, but stressed that funding for an island wide CAZ would mean cuts elsewhere.

Councillor Winnington, Cabinet Member for Health, Wellbeing and Social Care, also referred to the JAQU funding for the lowest possible charging solution which was a Class B CAZ with the local authority receiving the

income for this but there would be no guarantee this would be the case if it was for a wider scheme. The council had unsuccessfully asked for government assistance for several schemes for sustainable projects and valuable officer time was being diverted to deal with the implementation of the Air Quality Local Plan and CAZ to the detriment of other projects that could have a greater impact on improving the health of residents.

**DECISIONS: The Cabinet:**

- (1) Approved the Air Quality Local Plan Outline Business Case (OBC) for submission to the government's Joint Air Quality Unit (JAQU) for a Class B CAZ covering a small area in the southwest of Portsea Island (see Plan attached as an appendix to the report), along with improvements to cycling infrastructure, amendments to Alfred Road traffic signals, parking measures and a package of financial support, marketing and engagement activity;**
- (2) Delegated authority to the Director of Regeneration and Section 151 Officer to finalise the OBC following consultation with the Leader and Cabinet Member for Environment and Community Safety, to ensure the Plan meets the requirements of the HM Treasury Green Book methodology;**
- (3) Approved commencement of a 12 week statutory consultation in early 2020, pending approval of the OBC by JAQU;**
- (4) Noted that further stakeholder engagement and public consultation will be required to inform ongoing work to produce a Full Business Case for submission (FBC) in 2020;**
- (5) Noted that proposals in the Plan are conditional upon sufficient funding being provided by Government;**
- (6) Noted that the proposals in the Plan are a small part of the wider work that the Council is undertaking to address air pollution and climate change in the city, particularly in relation to public transport improvements through the transforming cities fund bid;**
- (7) Delegated authority to the Cabinet Member for Traffic and Transportation, in consultation with the joint working arrangements with Hampshire County Council and Isle of Wight Council through the South East Hampshire Rapid Transit Board, to agree the final Strategic Outline Business Case submission to the Transforming Cities Fund bid.**

The meeting concluded at 12.50 pm.

---

Councillor Gerald Vernon-Jackson CBE,  
Leader of the Council

This page is intentionally left blank

## **CABINET**

RECORD OF DECISIONS of the meeting of the Cabinet held on Tuesday, 5 November 2019 at 1.00 pm at the Guildhall, Portsmouth

### **Present**

Councillor Gerald Vernon-Jackson CBE (in the Chair)

Councillors Steve Pitt  
Dave Ashmore  
Suzy Horton  
Darren Sanders  
Matthew Winnington  
Rob Wood

#### **110. Apologies for Absence (AI 1)**

These had been received from Councillors Lynne Stagg, Lee Hunt and Tom Wood.

#### **111. Declarations of Interests (AI 2)**

There were no declarations of members' interests.

#### **112. Record of Previous Decision Meeting - 8 October 2019 (AI 3)**

RESOLVED that the record of the previous decisions taken at the Cabinet meeting on 8 October 2019 be approved as a correct record.

#### **113. Home Energy and Water Efficiency Strategy (AI 4)**

Meredydd Hughes, Assistant Director of Housing, presented the report of the Director of Housing, Neighbourhood and Building Services. The Action Plan would be brought back to Cabinet in February which would reflect the consultation with residents and stakeholders. The report sought to address the high level of fuel poverty in Portsmouth, detail the current offer that the local authority can make to all residents in Portsmouth to support energy and water efficiency and the contribution the draft strategy can make to the wider climate change and water nitrate agendas.

Councillor Vernon-Jackson, as Leader, welcomed the report which showed how fuel poverty was already being addressed to benefit residents via more efficient homes and also benefit the environment. He asked how the problems in the private housing sector can be tackled? Andrew Waggott, Energy Services Team Manager, reported that the scheme included private rental with offers available to landlords.

Councillor Sanders, Cabinet Member for Housing, was pleased by the innovative work being undertaken which had been recognised with Portsmouth awarded Council of the Year for Energy Efficiency. He was also

keen that there be encouragement for landlords to make their properties more energy efficient.

Councillor Rob Wood, Cabinet Member for Children & Families, stressed the importance for safe and sustainable solutions for future generations and families in all tenures.

Councillor Winnington, Cabinet Member for Health, Wellbeing and Social Care, stressed the importance of this area of work which assisted those on low incomes access both funding and advice. He was also valued the water efficiency measures and the marketing of these schemes. Mark Sage, Tackling Poverty Co-ordinator, explained the links to income maximisation and referrals to money advisers as well as making homes more efficient.

Councillor Ashmore, Cabinet Member for Environment and Climate Change, thanked the officers for all their work in taking forward the council's aspiration to go carbon neutral, and was pleased to see the environmental and social impact assessment included (which would be reflected in future reports).

Councillor Horton, Cabinet Member for Education, stressed the impact on children's learning when in a cold home and also the influence of children's views in encouraging their parents to make changes in their habits.

Councillor Pitt, Cabinet Member for Culture & City Development, was grateful to James Hill's team and the joint work with Ian Maguire's team in Planning on tackling the nitrates problems, and he was aware that a response was awaited from Natural England to inform the Nitrates Mitigation Scheme.

Councillor Udy was also present and commented that the website information was useful but information was also important to reach those not using the internet. Examples of the promotional leaflets were circulated at the meeting.

#### **DECISIONS - The Cabinet:**

- (1) noted the successful work already taking place in Portsmouth to improve home energy and water efficiency, and reduce household bills.**
- (2) noted the contribution that this strategy can make towards achieving the council's goal of becoming carbon neutral, and increasing water efficiency to mitigate the impact of nitrate levels.**
- (3) approved the draft strategy for publication, and has the goal of working together with our residents and stakeholders in the city to ensure that everyone understands the help that is available and can meet their energy needs, to make Portsmouth a fairer, healthier and more prosperous city.**
- (4) asked officers to begin a two month period of consultation on the draft strategy, engaging with residents, stakeholders and partner organisations who can contribute to shaping and delivering the strategy.**

**(5) asked officers to lead on the development of a detailed action plan to achieve the strategic objectives, with timescales and measures to assess progress and drive improvement.**

**(6) asked officers to deliver a marketing and communication campaign around home energy and water efficiency that can engage residents in all demographic groups, across housing types and tenures, to inform and inspire them to take up the opportunities on offer.**

#### **114. Aquind Interconnector Project (AI )**

Paddy May, Corporate Strategy Manager, presented the Chief Executive's report, which was to request delegated powers for officer to make swift decisions during the Inquiry process. He reported that the applicant wished to raise corrections to the report and the following was therefore clarified:

(i) In Paragraph 3.3 re the DCO process, in the 4th bullet point down, there is reference to a 30 day registration period, it was confirmed that this period is a minimum of 28 days.

(ii) Also in paragraph 3.3 bullet point 6 there will be a Preliminary Meeting held by PINS with the Examining Authority and the 6 month examination period starts after this meeting. The length of the period between notice of application and the Preliminary Meeting is not set and is up to PINS.

(iii) Paragraph 3.6: There is reference to PINS making the decision, it should reference PINS making a recommendation to the Secretary of State.

(iv) Recommendation 1 - Aquind were not able to submit on 31/10/19 and were expecting to submit their proposal on 14/11/19.

The Cabinet Members were asked to give consideration to whether they wished to change their position of objection (a previous report had gone to Cabinet in July 2019).

Councillor Gerald Vernon-Jackson, as Leader, remained concerned that the proposed route would be through densely populated areas in the city, as well as causing disruption with drilling under the Milton allotments. Councillor Sanders was also concerned that there would be closure of bus lanes and roadworks on a major route for weeks and digging at Farlington Playing fields so would oppose the scheme. Councillor Winnington questioned the chosen route, which was not the nearest land from France to get to the Lovedean destination, and would also cause disruption in the Bransbury area. Councillor Pitt, as Cabinet Member for Culture & City Development, had been in meetings regarding the proposals and knew that residents had been worried about compulsory purchase implications.

#### **DECISIONS - The Cabinet:**

**(1) Noted that Aquind have been engaging with PCC officers as they develop their application to the Planning Inspectorate and that they are due to submit their application by the end of October 2019.**

**(2) After consideration did not wish to change its position of objecting to the Aquind proposal.**

**(3) Delegated authority to the Chief Executive and to the Assistant Director Planning and Economic Growth, after consultation with the Leader and Deputy Leader of the Council, to make representations and to respond to queries and requests from Aquind and the Planning Inspectorate on behalf of the Council in a timely manner.**

**(4) Delegated authority to the Chief Executive and to the Section 151 Officer, after consultation with the Leader and Deputy Leader, to agree access, rights or land acquisition proposals affecting the Council's land with Aquind if they are necessary to develop the infrastructure detailed in Aquind's DCO application.**

**(5) Delegated authority to the Chief Executive and to the Section 151 Officer, after consultation with the Leader and Deputy Leader, to make representations, and to respond to queries and requests from Aquind and the Planning Inspectorate on behalf of the Council in a timely manner in relation to land ownership matters.**

**(6) Delegated authority to the Assistant Director Planning and Economic Growth to make decisions on behalf of Portsmouth City Council during the DCO Examination that respond to issues raised by the Examining Authority that is considering the Aquind proposal.**

#### **115. Dates of Cabinet Meetings (for information) (AI )**

It was agreed that the proposed Cabinet meeting of 3 December be cancelled but the following meetings of 4<sup>th</sup> February and 10<sup>th</sup> March 2020 were noted.

The meeting concluded at 1.35 pm.

---

Councillor Gerald Vernon-Jackson CBE  
Leader of the Council



**Title of meeting:** Full Cabinet

**Date of meeting:** 4th February 2020

**Subject:** Enhanced Recycling Options

**Report by:** James Hill, Director of Housing, Neighbourhood and Building Services

**Wards affected:** All

**Key decision:** Yes

**Full Council decision:** No

---

## 1. Purpose of report

To update the Cabinet on the outcomes of the food waste trials and present options for consideration to reduce waste and improve the recycling offer in Portsmouth.

## 2. Options and recommendation

- 1) Continue to provide separate weekly food waste collections to those households in the trial.
- 2) Expand the trial to provide an additional set of trials of separate weekly food waste (1 round over 5 days)
- 3) Rollout the weekly food waste collection service to all houses and flats in the City where it is practicable to do so.

2.1. The financial implications of each of these options is detailed in section 4.

2.2. The recommendation is to implement option 2. The council will also work towards a city wide rollout that links in with the end of the current collection contract in September 2021 - subject to funding being identified.

### 3. Background and progress

- 3.1. **Existing Service offer** - Portsmouth has a weekly kerbside refuse collection from either a 140litre wheeled bin or 3 standard bin bag allowance, a fortnightly kerbside recycling collection from a 240litre wheeled bin or 55litre box(es) - collecting plastic bottles, paper, card, tins/cans, and aerosols. Residents can also recycle small electrical items by placing them in a carrier bag on the lid of their recycling. This is supported by a network of bring banks for glass, textiles and cartons along with a Household Waste Recycling Centre located at Port Solent. Residents can also subscribe to a fortnightly garden waste collection service. A healthcare waste collection service is also provided to service users referred by the NHS, and a bulky waste collections service is available to paying customers along with those residents in receipt of council tax support who may qualify for a 'free' bulky collection.
- 3.2. **Performance** - Portsmouth currently has one of the highest household refuse (black bag waste) kg per person in the county at 337.3kg per person (2018/19). This is down from 354.9kg in 2017/18)
- 3.3. Our current recycling rate (2018/19) is 25.5% (up from 24.8% in 2017/18) although PCC still has one of the lowest recycling rates in the country. We have reduced the amount of waste going to landfill to 4.2% (from 4.8% 2017/18) as black bag waste continues to go to the Energy Recovery Facility in Quartremaine Road for treatment.
- 3.4. The wheeled bins and 3 standard bin bag allowance was introduced in October 2018 following a number of successful trials across the City. Black bag waste has reduced by over 4300 tonnes (approx.10%) in the first year since its introduction, recycling has increased by approx. 600 tonnes (approx. 7.5%) - including kerbside recycling and glass recycling). This has led to a reduction in disposal costs and an improvement in the street scene as refuse related litter has also reduced.
- 3.5. Additionally, we have installed carton bring banks at 3 sites in the City which are being well used - since the introduction of the first bank in January 2019, we have collected over 1500kgs of cartons.
- 3.6. **Why trial food waste?** A recent waste composition analysis (Oct 18) found that 39.4% of waste in the black bin/bag collection was food waste with 9.1% of that being unavoidable food waste, vegetable peelings, tea bags, etc. and 30.3% being avoidable food waste that has gone out of date or is uneaten (approx. 17470 tonnes per annum). This waste could be recycled using anaerobic digestion.
- 3.7. Other items already targeted for recycling such as glass, paper and card are also still ending up in the black bin/bag waste. Plastics (other than plastic bottles) are currently not targeted for recycling - this makes up 14.7% of the overall black bag waste (approx. 6420 tonnes) Currently, there are only markets for approx. 20%

of these types of plastics (approx. 1284 tonnes) - for full breakdown of waste types in rubbish bin see appendix 1

- 3.8. **Food waste trials** have been carried out over 13 weeks (16 September - 13 December 2019) in Drayton, Portsea/Old Portsmouth, Southsea, Baffins. 8172 homes were issued with a 23 litre food waste caddy to present weekly for collection along with a 5litre caddy for their kitchen.
- 3.9. The food waste collected is sent for Anaerobic Digestion and counts as recycling as it produces a biogas and digestate (used by farmers).
- 3.10. **Participation** - Over the 13 weeks of the trial 61% of residents have placed out their food waste caddy for collection each week. This is high in comparison with other areas where separate food waste collections are provided. 7% have never presented their caddy for collection. This compares favourably with Eastleigh Council (the other Hampshire authority that collects food waste) who have a participation rate of approx. 50%.
- 3.11. **Tonnage** - An average of 19.54% of the total waste collected each week in the trial areas has been presented in the food waste caddies. This means that this waste is no longer sent for energy recovery but instead is being recycled.
- 3.12. Additional monitoring has evidenced that 71% of those presenting food waste caddies are either presenting refuse bins with 50% or less waste in them or not presenting a refuse bin each week (6%)
- 3.13. Where residents have not presented a food waste caddy, 61% of residents are presenting refuse bins with 50% or less waste in them.
- 3.14. Letters were sent to all residents not presenting their food waste caddies in the trial areas to get feedback about why and we received feedback that indicated that the reasons for non-participation ranged from 'I don't have any food waste' & 'I work away during the week' to 'I compost any food waste that I have' or 'the dog eats our leftovers'.
- 3.15. However, analysis of the refuse where residents are not presenting a food waste caddy demonstrated that many of the bins contained food waste as well as targeted recycling (paper, card, tins/cans, aerosols and plastic bottles). In a sample (97 properties) of the 39% of residents who regularly did not present a food waste caddy, 80.4% of their black bins/bags contained food waste and 49.48% had targeted recycling within the black bin.
- 3.16. A feedback survey was answered by 881 households (10.8% of households within the trial area). 93.19% of respondents were satisfied or very satisfied with the food waste trial. For full results see appendix 2.
- 3.17. The trial was also extended to 7 blocks of flats and included 134 households. Residents in these flats were each issued with a 5l kitchen caddy and their blocks were provided with 140l wheeled bins in which to present their food waste.

Participation is less easy to monitor but there was uptake and this was maintained as the trial progressed. It would be possible to extend this to blocks of flats in the City where there is sufficient room to place a communal food waste bin. This will need to be done on a block by block basis.

- 3.18. Feedback from Veolia (waste disposal contractor) has been that the food waste collected has been largely contamination free and has been acceptable at the end disposal point.
- 3.19. If the separate weekly food waste collection is rolled out across the City and produces similar results it is estimated that the recycling rate could improve by approximately 6-8% (overall rate could 31.5%-33.5%)
- 3.20. Overall waste tonnages in the trial areas (food waste and refuse) have increased during the trial period (appendix 3). This could be due to residents using the capacity in their refuse bins/3 bin bag allowance created by their separate food waste collections. This could be an unintended consequence of providing separate food waste collections without making other changes to the system.
- 3.21. **National Policy Signals** - The Government's waste and resources strategy has signalled that the Government is considering a number of significant changes to waste management which include:
- Consistency of collection - this includes types of collection, frequency, and items collected from the kerbside
  - Mandatory separate food waste collection/free garden waste collection/separate glass collection
  - Deposit Return Scheme - for plastic bottles, glass, coffee cups etc.
  - Extended Producer Responsibility - this is about making sure businesses that manufacture, import and sell products are responsible for their end of life impact

There will be further consultations in the Spring 2020 to develop these policies further.

If the policies being consulted on are introduced, then this will mean changes to what we collect and how we collect it, and will also have an impact of the disposal side of waste management and the infrastructure that will be needed.

#### **4.0 Rationale for options**

- 4.1. Aside from the direction indicated in the Government's waste and resources strategy, the administration are keen to respond to calls from residents to develop further opportunities for recycling. As a unitary authority the Council is responsible for both collection and disposal of waste. There are high levels of contamination in the recycling (approx. 20%) and widening the range of materials that can be collected will also help reduce contamination. An improved offer will reduce the

amount of waste, improve the City's recycling rate and reduce CO2e emissions. Changes to the waste collection service will also contribute towards the corporate priority of 'making the City greener and cleaner'.

- 4.2. **Option 1 - Continue to provide separate weekly food waste collections to those households in the trial** - The food waste trial has enjoyed good participation and diversion of waste to recycling rather than to Energy Recovery. Residents are keen for more opportunities to recycle and this is one that will make a significant difference and help to reduce waste and increase recycling. Flat fronted properties can also participate as the food waste caddy is small and portable and has a lockable handle that would prevent pests from accessing the food waste.
- 4.3. Continuing with the existing trial would cost £146,000 in ongoing costs per annum assuming that gates fees remain the same.
- 4.4 **Option 2 - Expand the trial to provide an additional set of trials of separate weekly food waste (1 round over 5 days)** - Carrying out a further round of trials would cost £221,000 in capital costs and an additional £146,000 in revenue costs on an ongoing basis. This should mean that the trial can be extended to approx. 8-900 additional households. Delivering food waste to two rounds should lead to a capture rate of almost 1300 tonnes per annum. This would improve the recycling rate by approx. 1.5%.
- 4.5. **Option 3 - Rollout the weekly food waste collection service to all houses and flats in the City where is it practicable to do so** - It is estimated that a further 55,000 properties could benefit from a separate food waste collection in the initial roll out. This would include flat fronted properties. Flats could be rolled out where appropriate in a second stage.
- 4.6. The initial roll out would cost £1.7 million capital expenditure, and £1.1 million in revenue costs on an ongoing basis. This would be likely to reduce waste by approx. 5200 tonnes per annum. This would make a 6-8% difference to the recycling rate and could also reduce CO2e by approx. 800 tonnes per annum.
- 4.7. **Considerations** It should be noted that there is a risk that a food waste collection in isolation of other changes could lead to an increase in waste as residents use the capacity created in their refuse bins which would negate some of the waste reduction benefits.
- 4.8. The Government's Waste and Resources Strategy is likely to mandate separate food waste collections and indicates that there will be funding available for 'additional burdens' where these services are not already provided. Any additional funding is likely to be linked to delivering waste services in line with the governments approach to consistency. Consistency applies to materials collected - local authorities will be required to collect a minimum set of materials - and a minimum collection frequency.

4.9. The delivery of any further expansion of recycling services will be subject to a number of factors including:

- Provision of adequate disposal facilities

For the trial and an additional trial, it is likely that current delivery arrangements to the transfer station can continue. It should be noted that capacity at an anaerobic digestion facility will need to be secured - currently provision is secure for the 6 months of the food waste trial only.

For a City wide rollout there will be a need for new disposal infrastructure as the transfer station currently used will not have sufficient capacity. This will need to be agreed and delivered with our waste disposal partners and contractor. Additionally, the waste disposal contractor will need to secure the capacity required from an AD facility provider.

- Collection round design

It will be necessary to review rounds ahead of rolling out an additional service.

- Vehicle procurement

Vehicle procurement will be dependent on the type of disposal infrastructure agreed upon with the disposal contractor. Once this is known, then appropriate vehicles can be sourced. This type of vehicle can take in excess of 26 weeks to be delivered once an order is placed.

- Additional vehicle depot space and associated operating licence requirements

The depot currently used by the waste collection contractor can potentially hold 1 further food waste vehicle. If there is a wider roll out further space will be required for the additional 7 vehicles. To comply with operating licence requirements, the contractor will need to apply for a separate operating licence for the separate site. The site will need to be suitable for HGV use, secure and have facilities to ensure compliance with the operating licence requirements.

- Caddy delivery and supporting communications campaign

This will be carried out by the Waste Management team with support from Green & Clean, with support from the contractor in the event of a city wide roll out.

- Contractual implications

The current food waste trial disposal arrangements are agreed as a variation of the waste disposal service contract. A continuation, expansion or city wide rollout will be subject to a formal variation process.

- 4.10. Once a decision is made then a project plan to incorporate the elements listed above can be further developed with timelines. Option 1 could continue as it is - dependent upon securing AD capacity and any relevant contract variations that may be required. Option 2 would be subject to securing AD capacity, agreeing any contract variations and procurement of caddies, vehicle and recruitment of additional collection staff. This could be delivered from October 2020. There are more variables involved in delivering option 3 so this would require some pre-negotiations, and decisions regarding infrastructure. A project plan with timelines could be developed by the Summer of 2020.
- 4.11. It is important to note that the waste collection contract ends in September 2021 and consideration is already being given to how collection services may be delivered after that date. It is vital to understand the requirements of the collection service in order to plan appropriately.
- 4.12. Changes to the waste collection policy would need to be made to reflect new services, but the principles of having a bin/allowance/caddy to meet your requirements as long as you are participating in the recycling schemes on offer would be maintained.
- 4.13. It is important to note that provision of suitable disposal facilities is dependent on securing available anaerobic digestion capacity - the current disposal provision is via energy from waste plants provided under the Waste Disposal Service Contract. The administration are keen to understand the potential for providing a local anaerobic digestion facility to reduce disposal costs and reduce the carbon footprint related to disposal.

## **5. Integrated Impact Assessment**

See appendix 4 for the Integrated Impact Assessment. There is an existing full EIA for the current waste collection service which was amended to reflect the separate food waste collection trials. The IIA has also been completed and whilst it does highlight that some equality groups may be impacted, there are provisions in place to ensure that these impacts are mitigated.

## **6. Legal implications**

- 6.1. Under the terms of the Environmental Protection Act, 1990, Portsmouth City Council (the 'Council') is classed as a Waste Collection and Disposal Authority, and as such, under section 45 (1), has a statutory duty to collect household waste from all domestic properties in the city. Under Section 46(4) of the Act, the Council has specific powers to stipulate:
- The size and type of the collection receptacle(s)
  - Where the receptacle(s) must be placed for the purpose of collecting and emptying
  - The materials or items which may or may not be placed within the receptacle(s)

- 6.2. In addition the proposed policy does outline the basis upon which enforcement of the PCC imposed obligations can be dealt with. The obligations set out above are reasonable and unlikely to be challengeable or reviewable in a legal sense.
- 6.3. The waste collection policy outlines what steps can be taken to assist those who have a protected characteristic (principally a disability) to comply by way of seeking to register with PCC for assisted collection.
- 6.4. The Environment Bill 2019/2020 is currently going through Parliament. Part 3 of the Bill makes provisions for the managing of waste and producer responsibility. The provisions introduce amongst other matters amendments to the responsibilities and powers for separating and recycling waste. This will further impact the Local Authority's need to make effective waste management arrangements.

## 7. Director of Finance's comments

- 7.1 The Capital and Revenue costs of the three options being considered are summarised below.

	<b>Capital Costs</b>	<b>Revenue Costs each year</b>
<b>Option 1 - Continue Trial</b>	£0	£146,000
<b>Option 2 - Two Trial Rounds</b>	£221,000	£292,000
<b>Option 3 - Full Roll Out</b>	£1,700,000	£1,100,000

- 7.2 Option 1, continuing the current trial, will mean that the Council would incur an additional revenue cost of £146,000 per annum, the initial pilot was funded from the Environment Portfolio reserve, there is no money remaining within the reserve to support this on an ongoing basis.
- 7.3 Option 2, adding an additional trial round, will require additional Capital expenditure of £221,000 to purchase a new vehicle and additional food waste receptacles. The expansion is likely to double the current annual cost to £292,000 per annum.
- 7.4 Option 3, a full roll out of food waste collection for the whole City, will incur much higher costs including 8 new waste collection vehicles, and additional receptacles for an estimated 55,000 additional homes amounting to £1.7m. Annual running costs of £1.1m per annum are estimated for the collection of food waste.
- 7.5 The current depot used by the City Council's waste operator is not large enough to store the additional waste collection vehicles so this may lead to additional ongoing costs but these are not yet fully understood.
- 7.6 Initial conversations with the current food waste disposal plant in Dorset have indicated that it would have insufficient capacity to cater for the waste generated by a city wide collection service and officers are looking at options for where this waste



could be disposed of. The further afield that the food waste has to be taken the greater the transfer costs, these additional costs are as yet currently unknown.

- 7.7 Funding has been identified for option 2 as part of the Capital and Revenue budget setting for 2020/21. There is currently no funding available to finance option 3. Any decision regarding option 2 will be subject to the approval of the 20/21 Budget at full council in February.
- 7.8 There may be an opportunity for the Council to apply for New Burdens funding as a result of a Government directive to collect food waste, however although the Waste and Resources Strategy was published it has yet to become law and when this new funding will become available is unknown.

.....  
Signed by James Hill Director of Housing, Neighbourhood and Building Services

**Appendices:**

- Appendix 1 - Waste Composition Analysis graphic
- Appendix 2 - Survey feedback from trial
- Appendix 3 - Winchart of overall waste tonnages in trial area
- Appendix 4 - Integrated Impact Assessment

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
Environmental Protection Act 1990	


The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by ..... on .....

.....  
Signed by:

This page is intentionally left blank

# What's in your rubbish bin?

**Targeted recycling**  
**16.1%**  
Should be in fortnightly recycling collection

Page 27  
**Cartons, textiles & batteries 4.2%**  
Recycling points available

**Small electrical items 0.7%**  
Should be in fortnightly recycling collection

**Garden waste 3%**  
Paid-for fortnightly service available (Biffa)  




**Food waste**  
**40.0%**

**Mixed plastics**  
**9.7%**  
Not currently collected by Portsmouth

**Glass 5.9%**  
Recycling points available  


**Other waste**  
**20.4%**  


This page is intentionally left blank

## Food Waste Trial Survey Results Report

### Households

#### Introduction

- Total properties in the food waste trial: 8,172
- Total participation in survey: 881
- Percentage of trial participants who responded to the survey: 10.8%

#### Results summary

- Even spread of responses over the five trial areas, with Wednesday having the lowest response rate at 9.85% and Tuesday being the highest at 11.49% (this is taken from survey and comparing to round size).
- Overall, 93.19% of respondents were either very satisfied or satisfied with the introduction of a food waste collection. The main reasons for being dissatisfied is that 'it smells'.
- The majority of respondents use a wheeled bin for their rubbish at 85.91%
- Of the respondents, 63.11% believed the cleanliness of the street has improved since the trial began.
- Of the total respondents, 96.47% are placing a caddy out for collection.
- The caddies are placed back tidily after the collection, with 95.13% of respondents agreeing.
- Nearly all of respondents are able to dispose of their weekly food waste in the caddy at 96.69%, and find it easy to use at 97.87%.
- 47.78% of respondents reported a change in how they shop to reduce their food waste.
- The majority of respondents are aware that cooked food and bones can go in the caddy at 98.27%.
- Reasons given for not taking part is having to buy liners, the smell, and 'use other methods' of disposal at 9.93%, 4.73%, 3.93% respectively.
- Respondents felt they received enough information prior to the trial at 93.36% with the leaflet and letter being the most useful at 42.96% and 35.74% respectively.
- The majority of respondents felt there was nothing we could have done to increase participation in the trial at 79.54%.

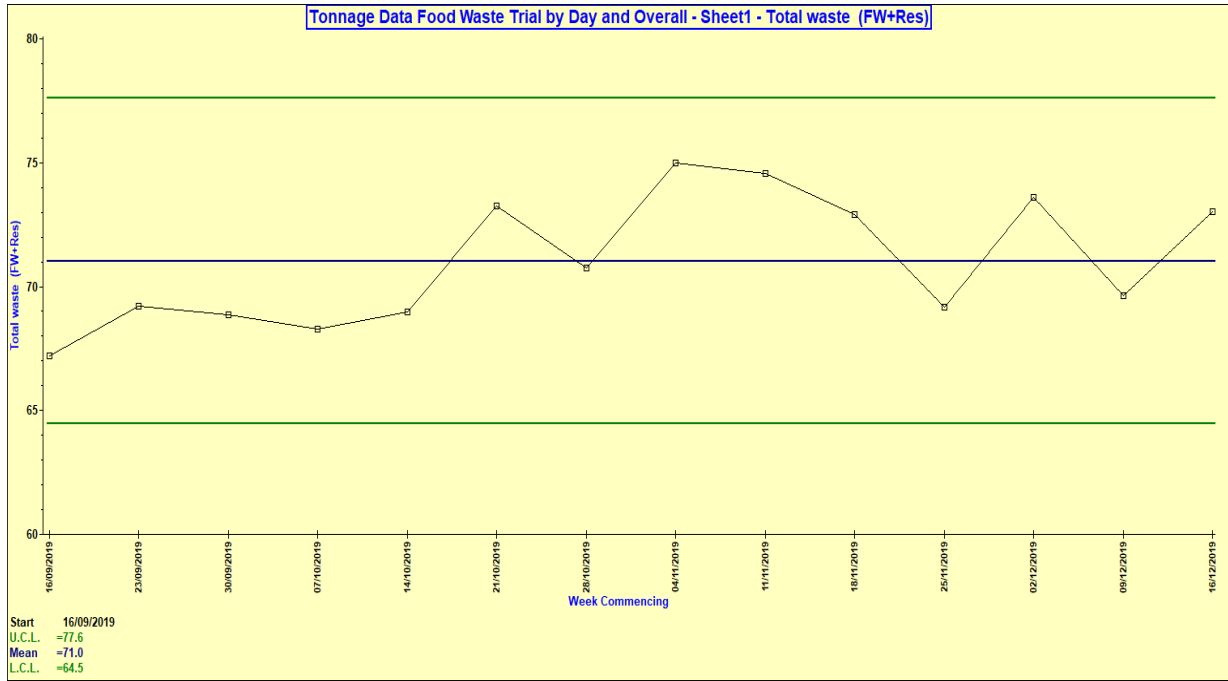
#### Recycling services

- Of the respondents, 0.47% say they do not recycle.
- The most popular non-targeted items respondents put in their green bin are PTT (34.62%), cartons and coffee cups (27.16%), food wrappers and packets (26.81%) and plastic packaging (26.46%).
- The majority of respondents use additional recycling services, with glass banks being the most popular at 94.05%. Additionally, kerbside glass collection would be the most popular addition to the recycling services at 49.82%.

### **Equalities and diversity**

- Of the respondents that answered, 9.49% declared having one or more disability.
- From the 123 declared disabilities, physical and mobility were the most common at 20.33% and 26.02% respectively.
- Of those who responded as having a disability, 92.41% were either very satisfied or satisfied with the introduction of the food waste collection.
- From the respondents that answered, 98.67% found the caddies easy to use.

Appendix 3 - overall tonnages in trial areas



This page is intentionally left blank





# Integrated Impact Assessment (IIA)

Integrated impact assessment (IIA) form December 2019

[www.portsmouth.gov.uk](http://www.portsmouth.gov.uk)

The integrated impact assessment is a quick and easy screening process. It should:

- identify those policies, projects, services, functions or strategies that could impact positively or negatively on the following areas:
  - Communities and safety
  - Regeneration and culture
  - Environment and public space
  - Equality & diversity

**Directorate:**

Housing, Neighbourhood and Building Services

**Service, function:**

Waste Management

**Title of policy, service, function, project or strategy (new or old) :**

Domestic Waste Collection Service - food waste - new

**Type of policy, service, function, project or strategy:**

- Existing
- New / proposed
- Changed

**What is the aim of your policy, service, function, project or strategy?**

To reduce waste and increase recycling by collecting food waste separately and sending it for recycling treatment (anaerobic digestion). A waste composition analysis carried out in October 2018 showed that 39.9% of waste in the residual domestic waste (black bag waste) is comprised of food waste. This change will affect mainly houses - approx. 66,500 households although it could be rolled out to blocks

of flats where it is practicable to do so. There should also be an improvement in terms of street cleanliness as food waste would be less likely to be in the bin bags in areas where bag collection continues.

Has any consultation has been undertaken for this proposal? What were the outcomes of the consultations? Has anything changed because of the consultation? Did this inform your proposal?

The waste composition analysis demonstrated that food waste was the largest portion of the residual waste that could be collected separately and sent for recycling treatment (in this case - anaerobic digestion). Trials have been carried out in 5 parts of the City and resident feedback sought. Just over 8500 residents participated in the trials and over the 13 weeks of the trial 61% of households participated in the trial each week and between 19-20% of refuse was diverted in food waste for recycling. We also carried out a survey following the trials. Background info was also used from the Equality and Diversity Strategy 2019-2021 and the Joint Needs Assessment (JSNA).

<b>A - Communities and safety</b>	<b>Yes</b>	<b>No</b>
-----------------------------------	------------	-----------

Is your policy, proposal relevant to the following questions?

<b>A1-Crime</b> - Will it make our city safer?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
--	--------------------------	-------------------------------------

In thinking about this question:

- How will it reduce crime, disorder, ASB and the fear of crime?
- How will it prevent the misuse of drugs, alcohol and other substances?
- How will it protect and support young people at risk of harm?
- How will it discourage re-offending?

If you want more information contact [Lisa.Wills@portsmouthcc.gov.uk](mailto:Lisa.Wills@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-spp-plan-2018-20.pdf>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

How will you measure/check the impact of your proposal?

<b>A - Communities and safety</b>	<b>Yes</b>	<b>No</b>
-----------------------------------	------------	-----------

Is your policy, proposal relevant to the following questions?

<b>A2-Housing</b> - Will it provide good quality homes?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
---	--------------------------	-------------------------------------

In thinking about this question:

- How will it increase good quality affordable housing, including social housing?
- How will it reduce the number of poor quality homes and accommodation?
- How will it produce well-insulated and sustainable buildings?
- How will it provide a mix of housing for different groups and needs?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/psh-providing-affordable-housing-in-portsmouth-april-19.pdf>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

<b>A - Communities and safety</b>	<b>Yes</b>	<b>No</b>
-----------------------------------	------------	-----------

Is your policy, proposal relevant to the following questions?

<b>A3-Health</b> - Will this help promote healthy, safe and independent living?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
---	--------------------------	-------------------------------------

In thinking about this question:

- How will it improve physical and mental health?
- How will it improve quality of life?
- How will it encourage healthy lifestyle choices?
- How will it create healthy places? (Including workplaces)

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/psh-providing-affordable-housing-in-portsmouth-april-19.pdf>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

<b>A - Communities and safety</b>	<b>Yes</b>	<b>No</b>
-----------------------------------	------------	-----------

Is your policy, proposal relevant to the following questions?

<b>A4-Income deprivation and poverty</b> -Will it consider income deprivation and reduce poverty?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
---	-------------------------------------	--------------------------

In thinking about this question:

- How will it support those vulnerable to falling into poverty; e.g., single working age adults and lone parent households?
- How will it consider low-income communities, households and individuals?
- How will it support those unable to work?
- How will it support those with no educational qualifications?

If you want more information contact [Mark.Sage@portsmouthcc.gov.uk](mailto:Mark.Sage@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-homelessness-strategy-2018-to-2023.pdf>  
<https://www.portsmouth.gov.uk/ext/health-and-care/health/joint-strategic-needs-assessment>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

As residents see what food waste they produce separately from the rest of their waste, it may lead to changes in shopping habits, and menu planning, which in turn may help to reduce food waste. This may have a small financial impact on some households.

How are you going to measure/check the impact of your proposal?  
We will monitor tonnage of food waste, and composition of the black bag waste over the long term.

## A - Communities and safety

Yes

No

Is your policy, proposal relevant to the following questions?

**A5-Equality & diversity** - Will it have any positive/negative impacts on the protected characteristics?



In thinking about this question:

- How will it impact on the protected characteristics-Positive or negative impact (Protected characteristics under the Equality Act 2010, Age, disability, race/ethnicity, Sexual orientation, gender reassignment, sex, religion or belief, pregnancy and maternity, marriage and civil partnership, socio-economic)
- What mitigation has been put in place to lessen any impacts or barriers removed?
- How will it help promote equality for a specific protected characteristic?

If you want more information contact [gina.perryman@portsmouthcc.gov.uk](mailto:gina.perryman@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-equality-strategy-2019-22-final.pdf>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

The introduction of a separate food waste collection may impact on residents who are elderly, infirm or disabled or have a medical need and they may suffer a detrimental impact from this change. Residents may object to an additional food waste container. Some residents may not understand what to do with the additional container. The container is small (approx. 23litres) and has a handle so is more easily moved than a wheeled bin and smaller than a standard sized bin bag so may be easier to place out for collection than the current wheeled bin or standard bin bag. Assisted collections will still apply for those residents who qualify. Clear communications will accompany the roll out of the scheme. These will include pictorial instructions. This IIA complements the Waste Collection EIA that was amended for food waste trials in February 2019.


Residents in the food waste trial were consulted. 881 households responded. Of those responses:

- 9.49% declared having one or more disability.
- From the 123 declared disabilities, physical and mobility were the most common at 20.33% and 26.02% respectively.
- Of those who responded as having a disability, 92.41% were either very satisfied or satisfied with the introduction of the food waste

collection.

- From the respondents that answered, 98.67% found the caddies easy to use.

How are you going to measure/check the impact of your proposal?

Through participation rates and by ensuring that we address issues with individual households. The team will also work with residents who experience difficulties in using the caddies and address these on an individual basis. This may include providing alternative receptacles, assisted collections, or changes to what they present and 

**B - Environment and climate change**

**Yes**

**No**

Is your policy, proposal relevant to the following questions?

**B1-Carbon emissions** - Will it reduce carbon emissions?



In thinking about this question:

- How will it reduce greenhouse gas emissions?
- How will it provide renewable sources of energy?
- How will it reduce the need for motorised vehicle travel?
- How will it encourage and support residents to reduce carbon emissions?

If you want more information contact [Tristan.thorn@portsmouthcc.gov.uk](mailto:Tristan.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-sustainability-strategy.pdf>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

The food waste will go for treatment at an anaerobic digestion plant rather than to the Energy Recovery Facility currently used for all black bag waste. This should reduce waste and improve recycling rates. There will be additional CO2e from the additional vehicles but this will be more than offset by the improvement in the amount of waste recycled will contribute to a reduction of CO2e. (A reduction of approx. 800 tonnes of CO2e per annum)

How are you going to measure/check the impact of your proposal?  
Ongoing monitoring of the tonnage by type collected and disposal method.

**B - Environment and climate change**

**Yes**

**No**

Is your policy, proposal relevant to the following questions?

**B2-Energy use** - Will it reduce energy use?



In thinking about this question:

- How will it reduce water consumption?
- How will it reduce electricity consumption?
- How will it reduce gas consumption?
- How will it reduce the production of waste?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/psh-providing-affordable-housing-in-portsmouth-april-19.pdf>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

The food waste will be collected separately and residents will be able to see how much waste they are producing. This may lead to a reduction in the amount of food they buy - this will mean less food and residual waste due to corresponding packaging.

How are you going to measure/check the impact of your proposal?  
Ongoing monitoring of the tonnage by type collected and disposal method along with regular composition analysis

**B - Environment and climate change**

Yes

No

Is your policy, proposal relevant to the following questions?

**B3 - Climate change mitigation and flooding**-Will it proactively mitigate against a changing climate and flooding ?

In thinking about this question:

- How will it minimise flood risk from both coastal and surface flooding in the future?
- How will it protect properties and buildings from flooding?
- How will it make local people aware of the risk from flooding?
- How will it mitigate for future changes in temperature and extreme weather events?

If you want more information contact [Tristan.thorn@portsmouthcc.gov.uk](mailto:Tristan.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-surface-water-management-plan-2019.pdf>  
<https://www.portsmouth.gov.uk/ext/documents-external/cou-flood-risk-management-plan.pdf>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

It will lead to a reduction in CO2e related to waste collection and disposal.

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

Yes

No

Is your policy, proposal relevant to the following questions?

**B4-Natural environment**-Will it ensure public spaces are greener, more sustainable and well-maintained?

In thinking about this question:

- How will it encourage biodiversity and protect habitats?
- How will it preserve natural sites?
- How will it conserve and enhance natural species?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-solent-recreation-mitigation-strategy-dec-17.pdf>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

Yes

No

Is your policy, proposal relevant to the following questions?

**B5-Air quality - Will it improve air quality?**



In thinking about this question:

- How will it reduce motor-vehicle traffic congestion?
- How will it reduce emissions of key pollutants?
- How will it discourage the idling of motor vehicles?
- How will it reduce reliance on private car use?

If you want more information contact [Hayley.Trower@portsmouthcc.gov.uk](mailto:Hayley.Trower@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-aq-air-quality-plan-outline-business-case.pdf>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

There will be an additional fleet of up to 9 food waste collection vehicles carrying out weekly collections. Food waste is currently collected within the black bag waste. This increase in CO2e is more than offset by the reduction in CO2e from recycling the food waste rather than sending it for energy recovery.

How are you going to measure/check the impact of your proposal?

We will ensure that round design is as efficient as possible and also ensure that we maximise the food waste capture. Food waste tonnages will be monitored.

**B - Environment and climate change**

Yes

No

Is your policy, proposal relevant to the following questions?

**B6-Transport - Will it improve road safety and transport for the whole community?**



In thinking about this question:

- How will it prioritise pedestrians, cyclists and public transport users over users of private vehicles?
- How will it be safe and comfortable for children and older people to cycle and walk in the area?
- How will it increase the proportion of journeys made using sustainable and active transport?
- How will it reduce the risk of traffic collisions, and near misses, with pedestrians and cyclists?

If you want more information contact [Pam.Turton@portsmouthcc.gov.uk](mailto:Pam.Turton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/travel/local-transport-plan-3>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

Rounds will be designed so that waste vehicles are not operating close to schools at drop off times.

How are you going to measure/check the impact of your proposal?



## B - Environment and climate change

Yes

No

Is your policy, proposal relevant to the following questions?

**B7-Waste management** - Will it increase recycling and reduce the production of waste?



In thinking about this question:

- How will it reduce household waste and consumption?
- How will it increase recycling?
- How will it reduce industrial and construction waste?

If you want more information contact [Steven.Russell@portsmouthcc.gov.uk](mailto:Steven.Russell@portsmouthcc.gov.uk) or go to:

<https://documents.hants.gov.uk/mineralsandwaste/HampshireMineralsWastePlanADOPTED.pdf>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

The separately collected food waste will be send for treatment at an anaerobic digestion facility (currently treated at an energy recovery facility). This means that it will be recycled rather than go for recovery. Approx. 40% of black bag waste is food waste. Trials have shown that where there is a separate collection for food waste, residual waste reduces accordingly. In the trials participation has been in excess of 60% with 19-20% of residual (black bag) waste being diverted for recycling at an anaerobic digestion plant. This service is for domestic waste only.

How are you going to measure/check the impact of your proposal?

Tonnages will be monitored along with participation levels and black bag composition.

**C - Regeneration of our city**

Yes

No

Is your policy, proposal relevant to the following questions?

**C1-Culture and heritage** - Will it promote, protect and enhance our culture and heritage?

In thinking about this question:

- How will it protect areas of cultural value?
- How will it protect listed buildings?
- How will it encourage events and attractions?
- How will it make Portsmouth a city people want to live in?

If you want more information contact [Claire.Looney@portsmouthcc.gov.uk](mailto:Claire.Looney@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**C - Regeneration of our city**

Yes

No

Is your policy, proposal relevant to the following questions?

**C2-Employment and opportunities** - Will it promote the development of a skilled workforce?

In thinking about this question:

- How will it improve qualifications and skills for local people?
- How will it reduce unemployment?
- How will it create high quality jobs?
- How will it improve earnings?

If you want more information contact [Mark.Pembleton@portsmouthcc.gov.uk](mailto:Mark.Pembleton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

Is your policy, proposal relevant to the following questions?

**C3 - Economy** - Will it encourage businesses to invest in the city, support sustainable growth and regeneration?

In thinking about this question:

- How will it encourage the development of key industries?
- How will it improve the local economy?
- How will it create valuable employment opportunities for local people?
- How will it promote employment and growth to the city?

If you want more information contact [Mark.Pembleton@portsmouthcc.gov.uk](mailto:Mark.Pembleton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

There may be limited additional employment created as additional collections crews will be needed

How are you going to measure/check the impact of your proposal?

**Q8 - Who was involved in the Integrated integrated assessment?**

Colette Hill, Steve Russell, Mark Sage

**This IIA has been approved by:** Colette Hill

**Contact number:** x4872

**Date:** 07/01/2020

This page is intentionally left blank

**Title of meeting:** Full Cabinet Meeting

**Date of meeting:** 4<sup>th</sup> February 2020

**Subject:** Play Out Portsmouth - citywide rollout

**Report by:** Tristan Samuels - Director of Regeneration

**Wards affected:** All

**Key decision:** No

**Full Council decision:** No

---

## 1. Purpose of report



To highlight the Play Out Pompey pilot play streets scheme and to seek approval to make the scheme available citywide.

## 2. Recommendations

It is recommended that the Cabinet approves:

- 2.1 The creation of the community led, Portsmouth City Council initiated Play Streets Scheme that includes:
  - 2.1.1 The creation of supporting documents and an application forms, which will be available to all Portsmouth residents on the Portsmouth City Council website;
  - 2.1.2 The creation and support of a resident-led Play Out Pompey Community Group to support the set-up of new play streets;
  - 2.1.3 The purchase and storage of appropriate road closure and diversion signage.

## 3. Background

- 3.1 A number of Local Highway Authorities have been running successful play street schemes for many years. The widely accepted benefits of such schemes are:
  - Allowing children to play outside in a safe environment
  - Allow children and adults to socialise with neighbours
  - Increase cycling and scooting for leisure and therefore increase active travel rates to school or work
  - Increase physical activity and therefore reduce obesity
  - To improve physical and mental wellbeing
  - To increase road safety awareness through education and an understanding of when it is safe to play in the road and when it isn't

All of these benefits are pertinent to the current aims of Portsmouth City Council. More details on Play Streets can be found here: <https://playingout.net/why/>

- 3.2 The Play Out Pompey Scheme has been trialled successfully twice in the city on Francis Avenue in Southsea. The trial was identified from councillor interaction with residents; officers carrying out research on similar successful projects, and active community participation in the area.
- 3.3 The Play Out Pompey Scheme will be available to businesses, community groups and residents living or working on all unclassified roads in Portsmouth. Classified road and unclassified roads are defined under Section 12 of the Highways Act 1980 and unclassified roads are wholly maintained by the local authority or their appointed agent.

- 3.4 Under new guidance from the Department for Transport, an unclassified road can be closed for the purpose of a Play Street under Section 16 of the Road Traffic (Special Events) 1994. This does not require advertisement in a local newspaper and can be advertised online and on street reducing the financial cost to organisers.
- 3.5 Portsmouth City Council will create a suite of documents to assist any applicants and these will all be available on the website. They will include:
- A step by step manual to running Play Out Pompey sessions on street
  - Advice on risk assessments, communications, resident consultation, event briefings
  - Advice on activities to do while the road is closed
- 3.6 Portsmouth City Council will offer technical advice and advertisement of the Temporary Traffic Regulation Orders (TTRO) and approve the diversion plan for the road closure. This will include the liaison with the Highways Maintenance contractors over requested closure dates and any planned roadworks that may affect the closure.
- 3.7 The development of the documents will be carried out in conjunction with the standard templates on [www.playingout.net](http://www.playingout.net) and any enquiries will be dealt with as business as usual.
- 3.8 There will need to be investment in two sets of road closure and diversion signs in the first instance, and it is anticipated that these will be funded from Corporate Sponsorship or the pre-approved allocation for the Safer Travel Team.
- 3.9 Once Play Out Pompey is established and gaining momentum, the aim is to branch out into School Street closures; whereby roads outside schools are closed to allow pupils and parents to actively travel to and from school and to enable children to play out in a safe environment outside their school.
- 3.10 The lessons learned from the Play Streets will provide valuable analysis for the School Streets project and will provide data and anecdotal evidence to assist with parents/carers needing to complete an onward journey.
- 3.11 The aim is that by establishing play streets initially, prioritising children's play and active travel will become a social "norm". The subsequent introduction of school streets will then be a natural progression.



#### 4. Reasons for recommendations

- 4.1 The Transport service have undertaken a pilot of the Play Out Pompey scheme in conjunction with an event organiser. Two events have taken place on Francis Avenue; one in July 2019 and one in September 2019.
- 4.2 The evaluation of the pilot scheme has been very positive. Of the 27 households who returned evaluation forms, 25 fully supported the scheme. Only material objections (i.e. a serious detrimental effect to a person or their livelihood) would be a cause to consider not going ahead with a play street and none of the questionnaires returned outlined such an issue.
- 4.3 A sample of the evaluation form comments are as follows:
- A lot of planning clearly went into this event to ensure the safety of children
  - Can't wait for the next one!
  - Wish it could have been longer
  - It's important for adults to socialise and for the youngsters to own the event
  - We met our neighbours from 2 doors down for the first time!
  - It was a very special day, I thought it was lovely. Bring on more
  - I have lived here for 27 years and only just spoken to neighbours from across the road!
  - Strongly support the play event, hope they continue
  - Worth organising another street event in the future. I believe this would be much enjoyed by other streets/roads in Portsmouth
  - Happy to do it again and again, like that event
  - When is the next one?
  - My child made new friends at that event



- My children are so happy
- We want more events like this because we know our neighbours now
- Great idea - created a real bond
- More please
- We thoroughly enjoyed it and would support it happening again

## **5. Equality impact assessment**

5.1 IIA accompanies this document.

## **6. Legal implications**

6.1 There is a power under section 29 of the Road Traffic Regulation Act 1984 (RTRA) to close roads to create play street but there is a legal requirement to advertise orders both before and after the order is made.

6.2 The Department of Transport has encouraged the use of the powers under section 16A of the RTRA to grant applications for closures for special events as an alternative. As there is no requirement to advertise the order such applications are less expensive.

6.3 The consent of the Secretary of State will have to be obtained for repeat special event closures in any one calendar year in the same way that the Council currently does for annual events. The Department of Transport are simplifying the procedures for making such applications to encourage the use of Play Out schemes and have produced helpful guidelines to follow.

6.4 When considering such applications for road closures implementing Play Out schemes the Council should balance the needs of those benefitting from the closure with appropriate vehicular access for residents and their visitors. Suitable alternative routes must always be available for through traffic."

## **7. Director of Finance's comments**

7.1 The initial purchase of the road and diversion signs is estimated to cost in the region of £600. This will be funded from the Off Street Parking Reserve.

7.2 The creation of supporting documents, application forms and the support of a resident-led Play Out Pompey Community Group will be met from existing Cash Limited Resources.

7.3 There may be additional costs associated with different events, it's anticipated that these will be funded externally as and when they arise.

.....  
Signed by:  
Tristan Samuels - Director of Regeneration

**Appendices:**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
Play Streets Reports 2019	file:///W:\TES\RSAT\Road%20Safety\Campaigns\Play%20Streets\Play%20Streets%20Report%202019.docx

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by ..... on .....

.....  
Signed by:  
Councillor Lynne Stagg - Cabinet Member for Traffic and Transportation

# Integrated Impact Assessment (IIA)

Integrated impact assessment (IIA) form December 2019

[www.portsmouth.gov.uk](http://www.portsmouth.gov.uk)

The integrated impact assessment is a quick and easy screening process. It should:

- identify those policies, projects, services, functions or strategies that could impact positively or negatively on the following areas:
  - Communities and safety
  - Regeneration and culture
  - Environment and public space
  - Equality & - Diversity - This can be found in Section A5

**Directorate:**

Regeneration

**Service, function:**

Safer Travel

**Title of policy, service, function, project or strategy (new or old) :**

Play Out Pompey - Play Street Scheme

**Type of policy, service, function, project or strategy:**

- Existing
- New / proposed
- Changed

**What is the aim of your policy, service, function, project or strategy?**

The aim is to allow residents to apply to temporarily close their residential road to allow children to safely play out in the street. The benefits are to improve air quality, promote physical activity and active travel, to provide road safety education and to allow children and adults to socialize with others in their

street.

Has any consultation been undertaken for this proposal? What were the outcomes of the consultations? Has anything changed because of the consultation? Did this inform your proposal?

A pilot of the scheme has been undertaken in the form of 2 Play Street events being conducted on Francis Avenue. Pre and post event evaluation questionnaires were distributed to all households affected by the Play Street. The feedback was overwhelmingly positive, with no material objections received.

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A1-Crime** - Will it make our city safer?



In thinking about this question:

- How will it reduce crime, disorder, ASB and the fear of crime?
- How will it prevent the misuse of drugs, alcohol and other substances?
- How will it protect and support young people at risk of harm?
- How will it discourage re-offending?

If you want more information contact [Lisa.Wills@portsmouthcc.gov.uk](mailto:Lisa.Wills@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-spp-plan-2018-20.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

By increasing community cohesion, neighbours are more likely to forge supportive relationships which may serve to reduce anti-social behaviour and reduce the fear of crime; particularly for older residents who are more at risk of isolation.

How will you measure/check the impact of your proposal?

Ongoing evaluation of the scheme through pre and post event evaluation. Through case studies and feedback from residents participating in the scheme.

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A2-Housing** - Will it provide good quality homes?



In thinking about this question:

- How will it increase good quality affordable housing, including social housing?
- How will it reduce the number of poor quality homes and accommodation?
- How will it produce well-insulated and sustainable buildings?
- How will it provide a mix of housing for different groups and needs?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/psh-providing-affordable-housing-in-portsmouth-april-19.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A3-Health** - Will this help promote healthy, safe and independent living?



In thinking about this question:

- How will it improve physical and mental health?
- How will it improve quality of life?
- How will it encourage healthy lifestyle choices?
- How will it create healthy places? (Including workplaces)

If you want more information contact [Dominique.Letouze@portsmouthcc.gov.uk](mailto:Dominique.Letouze@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cons-114.86-health-and-wellbeing-strategy-proof-2.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The scheme will aim to improve physical health by encouraging residents to spend more time being active outdoors. By setting this as a positive behaviour in childhood, young residents are more likely to continue being physically active outdoors later in life. In addition play streets are ideal for encouraging safe scooting and cycling practice; allowing parents and carers to have a safe space to teach children to cycle and improve their road safety knowledge. Mental health is positively impacted by physical activity, socialising, playing and being outdoors. All of these are central to the scheme.

How are you going to measure/check the impact of your proposal?

Ongoing evaluation of the scheme through pre and post event evaluation. Through case studies and feedback from residents participating in the scheme.

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A4-Income deprivation and poverty**-Will it consider income deprivation and reduce poverty?



In thinking about this question:

- How will it support those vulnerable to falling into poverty; e.g., single working age adults and lone parent households?
- How will it consider low-income communities, households and individuals?
- How will it support those unable to work?
- How will it support those with no educational qualifications?

If you want more information contact [Mark.Sage@portsmouthcc.gov.uk](mailto:Mark.Sage@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-homelessness-strategy-2018-to-2023.pdf>  
<https://www.portsmouth.gov.uk/ext/health-and-care/health/joint-strategic-needs-assessment>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The scheme is ideally suited to those in areas of deprivation which are often also AQMA areas. By providing access to a free, healthy event it serves to tackle many of the determinants of health that are affected by deprivation (such as high obesity rates, low activity rates, poor air quality and social isolation).

How are you going to measure/check the impact of your proposal?

Ongoing evaluation of the scheme through pre and post event evaluation. Through case studies and feedback from residents participating in the scheme.

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A5-Equality & diversity** - Will it have any positive/negative impacts on the protected characteristics?



In thinking about this question:

- How will it impact on the protected characteristics-Positive or negative impact (Protected characteristics under the Equality Act 2010, Age, disability, race/ethnicity, Sexual orientation, gender reassignment, sex, religion or belief, pregnancy and maternity, marriage and civil partnership,socio-economic)
- What mitigation has been put in place to lessen any impacts or barriers removed?
- How will it help promote equality for a specific protected characteristic?

If you want more information contact [gina.perryman@portsmouthcc.gov.uk](mailto:gina.perryman@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-equality-strategy-2019-22-final.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The scheme will be available to all residents to apply for a play street in their area.

How are you going to measure/check the impact of your proposal?

Advertise the scheme in a variety of ways (including social media, local news, big screens etc) and make the application process available to all.

**B - Environment and climate change**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**B1-Carbon emissions** - Will it reduce carbon emissions?



In thinking about this question:

- How will it reduce greenhouse gas emissions?
- How will it provide renewable sources of energy?
- How will it reduce the need for motorised vehicle travel?
- How will it encourage and support residents to reduce carbon emissions?

If you want more information contact [Tristan.thorn@portsmouthcc.gov.uk](mailto:Tristan.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-sustainability-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The scheme aims to promote outdoor physical activity including cycling and scooting. The aim is to improve such skills in children, create a culture of using active travel for short journeys, role model engaging with the outdoors to young children and improve air quality by closing the road (albeit temporarily).

How are you going to measure/check the impact of your proposal?

Ongoing evaluation of the scheme through pre and post event evaluation. Through case studies and feedback from residents participating in the scheme.

**B - Environment and climate change**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**B2-Energy use** - Will it reduce energy use?



In thinking about this question:

- How will it reduce water consumption?
- How will it reduce electricity consumption?
- How will it reduce gas consumption?
- How will it reduce the production of waste?

If you want more information contact [Triston.thorn@portsmouthcc.gov.uk](mailto:Triston.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

<https://democracy.portsmouth.gov.uk/documents/s24685/Home%20Energy%20Appendix%201%20-%20Energy%20and%20water%20at%20home%20-%20Strategy%202019-25.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B3 - Climate change mitigation and flooding**-Will it proactively mitigate against a changing climate and flooding?

In thinking about this question:

- How will it minimise flood risk from both coastal and surface flooding in the future?
- How will it protect properties and buildings from flooding?
- How will it make local people aware of the risk from flooding?
- How will it mitigate for future changes in temperature and extreme weather events?

If you want more information contact [Tristan.thorn@portsmouthcc.gov.uk](mailto:Tristan.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-surface-water-management-plan-2019.pdf>

<https://www.portsmouth.gov.uk/ext/documents-external/cou-flood-risk-management-plan.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B4-Natural environment**-Will it ensure public spaces are greener, more sustainable and well-maintained?

In thinking about this question:

- How will it encourage biodiversity and protect habitats?
- How will it preserve natural sites?
- How will it conserve and enhance natural species?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-solent-recreation-mitigation-strategy-dec-17.pdf>

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?



**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B5-Air quality - Will it improve air quality?**

In thinking about this question:

- How will it reduce motor vehicle traffic congestion?
- How will it reduce emissions of key pollutants?
- How will it discourage the idling of motor vehicles?
- How will it reduce reliance on private car use?

If you want more information contact [Hayley.Trower@portsmouthcc.gov.uk](mailto:Hayley.Trower@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-aq-air-quality-plan-outline-business-case.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The schemes aims to promote outdoor physical activity including cycling and scooting. We aim to improve such skills in children, create a culture of using active travel for short journies, role model engaging with the outdoors to young children and improve air quality by closing the road (albeit temporarily).

How are you going to measure/check the impact of your proposal?

Ongoing evaluation of the scheme through pre and post event evaluation. Through case studies and feedback from residents participating in the scheme.

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B6-Transport - Will it improve road safety and transport for the whole community?**

In thinking about this question:

- How will it prioritise pedestrians, cyclists and public transport users over users of private vehicles?
- How will it allocate street space to ensure children and older people can walk and cycle safely in the area?
- How will it increase the proportion of journeys made using sustainable and active transport?
- How will it reduce the risk of traffic collisions, and near misses, with pedestrians and cyclists?

If you want more information contact [Pam.Turton@portsmouthcc.gov.uk](mailto:Pam.Turton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/travel/local-transport-plan-3>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The schemes aims to promote outdoor physical activity including cycling and scooting. We aim to improve such skills in children, create a culture of using active travel for short journeys, role model engaging with the outdoors to young children and improve air quality by closing the road (albeit temporarily). The whole scheme is aimed at prioritising street space for children and older people to walk, scoot or cycle.

How are you going to measure/check the impact of your proposal?

Ongoing evaluation of the scheme through pre and post event evaluation. Through case studies and feedback from residents participating in the scheme.

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B7-Waste management** - Will it increase recycling and reduce the production of waste?

In thinking about this question:

- How will it reduce household waste and consumption?
- How will it increase recycling?
- How will it reduce industrial and construction waste?

If you want more information contact [Steven.Russell@portsmouthcc.gov.uk](mailto:Steven.Russell@portsmouthcc.gov.uk) or go to:

<https://documents.hants.gov.uk/mineralsandwaste/HampshireMineralsWastePlanADOPTED.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

C - Regeneration of our city

Yes

No

Is your policy/proposal relevant to the following questions?

**C1-Culture and heritage** - Will it promote, protect and enhance our culture and heritage?



In thinking about this question:

- How will it protect areas of cultural value?
- How will it protect listed buildings?
- How will it encourage events and attractions?
- How will it make Portsmouth a city people want to live in?

If you want more information contact [Claire.Looney@portsmouthcc.gov.uk](mailto:Claire.Looney@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The event itself promotes health and wellbeing and encourages interaction between neighbours. By forging friendships, a community feel and improving physical and mental health, the scheme will make Portsmouth a city people want to live in.

How are you going to measure/check the impact of your proposal?  
Ongoing evaluation of the scheme through pre and post event evaluation. Through case studies and feedback from residents participating in the scheme.

C - Regeneration of our city

Yes

No

Is your policy/proposal relevant to the following questions?

**C2-Employment and opportunities** - Will it promote the development of a skilled workforce?



In thinking about this question:

- How will it improve qualifications and skills for local people?
- How will it reduce unemployment?
- How will it create high quality jobs?
- How will it improve earnings?

If you want more information contact [Mark.Pembleton@portsmouthcc.gov.uk](mailto:Mark.Pembleton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

Is your policy/proposal relevant to the following questions?

**C3 - Economy** - Will it encourage businesses to invest in the city, support sustainable growth and regeneration?

In thinking about this question:

- How will it encourage the development of key industries?
- How will it improve the local economy?
- How will it create valuable employment opportunities for local people?
- How will it promote employment and growth in the city?

If you want more information contact [Mark.Pembleton@portsmouthcc.gov.uk](mailto:Mark.Pembleton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**Q8 - Who was involved in the Integrated impact assessment?**

Liz Burchett - Road Safety Officer  
Michelle Love - Safer Travel Manager

This IIA has been approved by:

Contact number:

Date:



<b>Title of meeting:</b>	Cabinet Meeting
<b>Date of meeting:</b>	4 <sup>th</sup> February 2020
<b>Subject:</b>	Proposed Sister City Links with Halifax, Canada and the Falkland Islands
<b>Report by:</b>	Director Culture, Leisure & Regulatory Services
<b>Wards affected:</b>	All
<b>Key decision:</b>	No
<b>Full Council decision</b>	No

---

## Purpose of report

1.1 To consider a request to establish a formal Sister City link between Portsmouth and Halifax in Canada and the Falkland Island as has been proposed and to request that the Leader of the Council be formally asked to write to the Mayor of Halifax, Canada and the Legislative Assembly of the Falkland Islands with a request to establish Sister City relationships.

## 2. Recommendations

2.1 **To recommend that the Leader of the Council write to the Mayor of Halifax, Canada and the Legislative Assembly of the Falkland Island with a request that Portsmouth be able to enter into Sister City relationships with both Halifax and the Falkland Islands to mark the long relationship between the City of Portsmouth and Halifax, Canada and the Falkland Islands.**

## 3. Background

3.1 Historically Portsmouth City Council has supported and maintained a number of relationships with other cities throughout the world as part of a twinning, sister and friendship city process.

3.2 The oldest links we have were established out of a desire for the UK Government to foster improved relationships between UK and German cities following the Second World War. The rationale for Portsmouth to have such links has changed with the more recent emphasis being to support economic development and business development via trade, investment and education initiatives.

- 3.3 The critical feature for many new city relationships has been to support economic development. Halifax is the provincial capital of Nova Scotia in Canada, the Halifax regional Municipality has a population of 400,000. It is home to the Royal Canadian Navy with a major naval base and has had a link with Portsmouth's Naval Base since 1759. It is therefore one of the cities in the world that we have one of the oldest relationships with. The recent sale of the Type 26 Frigate to the Royal Canadian Navy and the decision by the Canadian Government to build the ships in Halifax has presented a huge trade and inward investment opportunity. The contract to build 15 frigates is worth £20B with many companies in Portsmouth either already involved or wishing to obtain supply chain contracts. In addition there is great potential for a future trade, investment and educational mission to include not just Halifax but also Toronto.
- 3.4 Halifax has also gained great prominence due to the recent visit by HMS Queen Elizabeth and the red Arrows. Department of International Trade and the British High Commission in Canada have a strategy to increase trade between the Maritime area of the Atlantic coast of Canada and hence this sister city link will build on this and bring economic benefits to Portsmouth. The British High Commission in addition to the Canadian High Commission in London are both very supportive of the proposed sister link with Portsmouth.
- 3.5 The UK is Canada's largest European trading partner with huge scope to boost this further. The trade treaty with Europe called CETA has helped to boost this and currently the UK government is working on ensuring post BREXIT that CETA is maintained either in the current form or in a new bilateral agreement.
- 3.6 There are great potential educational benefits that will flow from this sister city link. There are two universities in Halifax Dalhousie and St Marys who are both keen on working with the University of Portsmouth. In addition the University of Portsmouth already has links with Ryerson University in Toronto. So there are great opportunities to recruit more students from Canada and also to foster exciting research collaborations particularly in the area of sustainability and the environment. Teacher recruitment is another area of interest as Canada has surplus of qualified teachers who could be interested in moving to Portsmouth to teach. There qualifications are recognised in the UK and there are no visa restrictions.
- 3.7 Intense work has already started to organise a trade, investment and education mission in July 2020. Partners on board include the University of Portsmouth, Portsmouth Football Club, Department of International Trade, the Solent LEP and many local companies in the sectors of aerospace, advanced manufacturing, defence, digital and creative industries, engineering and marine and maritime.
- 3.8 Now turning to the Falkland Islands; in this case it is very much about a relationship that is based more on an element of a common shared history. This proposal is therefore wishing to establish a formal link with the Falkland Islands, a part of the world the city has an intrinsic relationship with primarily through the armed forces particularly focused on the 1982 Falklands War but the relationship was established long before that and indeed has continued in the 37 years since.

- 3.4 With the first recorded landing by English navigator, Captain John Strong in 1690 in his ship the 'Welfare' the original naming of the Islands came about through the naming of the channel dividing the two islands 'Falkland Sound' after Viscount Falkland, the Treasurer of the Royal Navy and one of the co-owners of the 'Welfare'. The name was formally adopted with the islands were claimed for Britain by Commodore John Byron who landed on West Falkland in 1765.
- 3.5 As a distant territory of the United Kingdom the Falkland Islands and other South Atlantic territories have long required support from the Royal Navy. Equally as a far-flung outpost the South Atlantic dependencies have long been a strategic location for the navy with Port Stanley in particular being used as an anchorage by the Royal Navy for centuries.
- 3.6 As the last islands before the Antarctic the Falkland Islands and South Georgia have often been the last port of call for explorers, such as Captain Scott and Ernest Shackleton. Many of these explorers were naval officers, and voyages often started from Portsmouth.
- 3.7 A further tangible link between Portsmouth and the Islands occurred through the Battle of the Falkland Islands in 1914 which involved thousands of sailors on Portsmouth based ships, including ships that were sunk at the Battle of Jutland less than two years later. So involved was the city that two Portsmouth sailors killed on the cruiser HMS Kent in 1914 were men from Shearer Road and Clarkes Road in Portsmouth and they are buried in Port Stanley War Cemetery. Following their important role during the Second World War the British Government decided to maintain a small Royal Marines presence on the Falkland Islands, known as Naval Party 8901. As a result hundreds of Royal Marines will have served in the islands, no doubt including many from Portsmouth.
- 3.8 More recently Portsmouth played a prominent role in the Falklands War of 1982, including Dockyard personnel working round the clock to ready the Task Force. The city hosted several high-profile departures, including the aircraft carriers HMS Hermes and HMS Invincible and as is well known several ships based from Portsmouth were sunk during the conflict. In total 20 sailors were killed when HMS Sheffield was hit by an Exocet missile on 4 May 1982 with a further 19 crew of HMS Coventry being killed when she was sunk by air attack on 25 May 1982. A further Portsmouth based-ship, HMS Glamorgan, was seriously damaged on 12 June 1982 resulting in the loss of 10 of her crew. Despite these tragedies the seafront witnessed the high-profile homecomings of the warships returning after the end of the conflict.
- 3.9 Since the end of the 1982 conflict the Royal Navy has maintained a permanent presence on and around the Falkland Islands. This has included an Antarctic Patrol Vessel - for many years the Portsmouth-based HMS Endurance, which was the city's adopted ship - and in more recent years HMS Clyde, which was built in the Dockyard. Since the conflict the Royal Navy has also maintained a standing South Atlantic presence, usually consisting of a Frigate or Destroyer on a six

month rotation. Many of these have been Portsmouth ships, and hence thousands of Portsmouth sailors will have visited the islands.

- 3.10 As can be seen from this long shared history Portsmouth and the Falkland Islands are intrinsically linked and this proposal to seek to establish a formal Sister City Link will bring formal recognition to that relationship. We are aware of a number of business interests in Portsmouth by Falkland Island Businesses along with a group of Islanders who have settled here but strategically the commitment by Portsmouth City Council to support veterans who remain in the city through the Armed Forces Covenant is a significant factor in our asking for the recognition of this link at the current time.
- 3.11 A visit by Falkland Islands Legislative members Leona Roberts, Roger Spink and Mark Pollard in 2019 to the Lord Mayor of Portsmouth also expressed their strong interest in developing and having a formal link between the islands and the city.
- 3.11 Whilst the geographical distance between the Falkland Islands and Portsmouth is considerable it is hoped that this proposal to establish a new Sister City link will bring closer working ties which can be facilitated through both the military and business links already established.

#### **4. Reasons for recommendations**

- 4.1 Portsmouth needs to ensure that the twin, sister and friendship links it has are working to support new avenues for economic development in the form of trade, investment and education. Historically we have had a focus on working with European countries and establishing a new link with Halifax in Canada and the Falkland Islands will reflect both the shared common history and would acknowledge the considerable links that businesses and the two naval bases and veterans located in Portsmouth have with both Halifax and the Falkland islands.

#### **5. Integrated impact assessment**

An Integrated Impact Assessment is attached.

#### **6. Legal implications**

There is no fixed or formal definition of a sister city link but generally this comprises a long term and reciprocal commitment by the relevant civic authorities to foster cultural, social and economic, trade, investment and educational relationships between the two areas and their communities.

#### **7. Director of Finance's comments**

There is no specific budget provision to support twinning and international arrangements. Any costs arising from the recommendation will have to be met from existing budgets or from Portfolio reserves (subject to agreement by S151 Officer and the Portfolio holder) and time resources found from within existing staff time.



.....  
Signed by:

**Stephen Baily**  
**Director of Culture, Leisure and Regulatory Services**

**Appendices:**

Appendix 1: Integrated Impact Assessment

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by ..... on .....

.....  
Signed by:  
**Leader of the Council**

This page is intentionally left blank

# Integrated Impact Assessment (IIA)

Integrated impact assessment (IIA) form December 2019

[www.portsmouth.gov.uk](http://www.portsmouth.gov.uk)

The integrated impact assessment is a quick and easy screening process. It should:

- identify those policies, projects, services, functions or strategies that could impact positively or negatively on the following areas:
  - Communities and safety
  - Regeneration and culture
  - Environment and public space
  - Equality & - Diversity - This can be found in Section A5

**Directorate:**

Culture, Leisure & Regulatory Services

**Service, function:**

Culture

**Title of policy, service, function, project or strategy (new or old) :**

Proposed Sister City Links with Halifax, Canada and the Falkland Islands

**Type of policy, service, function, project or strategy:**

- Existing
- New / proposed
- Changed

**What is the aim of your policy, service, function, project or strategy?**

To establish two new Sister City links between Portsmouth and both the Falkland Islands and Halifax, Nova Scotia.

Has any consultation been undertaken for this proposal? What were the outcomes of the consultations? Has anything changed because of the consultation? Did this inform your proposal?

No specific consultation has been undertaken for this proposal however the request has arisen as a result of a desire to acknowledge both the historical and potential trade links with these two areas.

**A - Communities and safety**

Yes

No

Is your policy/proposal relevant to the following questions?

**A1-Crime** - Will it make our city safer?

In thinking about this question:

- How will it reduce crime, disorder, ASB and the fear of crime?
- How will it prevent the misuse of drugs, alcohol and other substances?
- How will it protect and support young people at risk of harm?
- How will it discourage re-offending?

If you want more information contact [Lisa.Wills@portsmouthcc.gov.uk](mailto:Lisa.Wills@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-spp-plan-2018-20.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How will you measure/check the impact of your proposal?

**A - Communities and safety**

Yes

No

Is your policy/proposal relevant to the following questions?

**A2-Housing** - Will it provide good quality homes?

In thinking about this question:

- How will it increase good quality affordable housing, including social housing?
- How will it reduce the number of poor quality homes and accommodation?
- How will it produce well-insulated and sustainable buildings?
- How will it provide a mix of housing for different groups and needs?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/psh-providing-affordable-housing-in-portsmouth-april-19.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A3-Health** - Will this help promote healthy, safe and independent living?

In thinking about this question:

- How will it improve physical and mental health?
- How will it improve quality of life?
- How will it encourage healthy lifestyle choices?
- How will it create healthy places? (Including workplaces)

If you want more information contact [Dominique.Letouze@portsmouthcc.gov.uk](mailto:Dominique.Letouze@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cons-114.86-health-and-wellbeing-strategy-proof-2.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A4-Income deprivation and poverty**-Will it consider income deprivation and reduce poverty?

In thinking about this question:

- How will it support those vulnerable to falling into poverty; e.g., single working age adults and lone parent households?
- How will it consider low-income communities, households and individuals?
- How will it support those unable to work?
- How will it support those with no educational qualifications?

If you want more information contact [Mark.Gage@portsmouthcc.gov.uk](mailto:Mark.Gage@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-homelessness-strategy-2018-to-2023.pdf>

<https://www.portsmouth.gov.uk/ext/health-and-care/health/joint-strategic-needs-assessment>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A5-Equality & diversity** - Will it have any positive/negative impacts on the protected characteristics?

In thinking about this question:

- How will it impact on the protected characteristics-Positive or negative impact (Protected characteristics under the Equality Act 2010, Age, disability, race/ethnicity, Sexual orientation, gender reassignment, sex, religion or belief, pregnancy and maternity, marriage and civil partnership,socio-economic)
- What mitigation has been put in place to lessen any impacts or barriers removed?
- How will it help promote equality for a specific protected characteristic?

If you want more information contact [gina.perryman@portsmouthcc.gov.uk](mailto:gina.perryman@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-equality-strategy-2019-22-final.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

Is your policy/proposal relevant to the following questions?

**B1-Carbon emissions** - Will it reduce carbon emissions?



In thinking about this question:

- How will it reduce greenhouse gas emissions?
- How will it provide renewable sources of energy?
- How will it reduce the need for motorised vehicle travel?
- How will it encourage and support residents to reduce carbon emissions?

If you want more information contact [Tristan.thorn@portsmouthcc.gov.uk](mailto:Tristan.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-sustainability-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

Is your policy/proposal relevant to the following questions?

**B2-Energy use** - Will it reduce energy use?



In thinking about this question:

- How will it reduce water consumption?
- How will it reduce electricity consumption?
- How will it reduce gas consumption?
- How will it reduce the production of waste?

If you want more information contact [Triston.thorn@portsmouthcc.gov.uk](mailto:Triston.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

<https://democracy.portsmouth.gov.uk/documents/s24685/Home%20Energy%20Appendix%201%20-%20Energy%20and%20water%20at%20home%20-%20Strategy%202019-25.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B3 - Climate change mitigation and flooding**-Will it proactively mitigate against a changing climate and flooding?



In thinking about this question:

- How will it minimise flood risk from both coastal and surface flooding in the future?
- How will it protect properties and buildings from flooding?
- How will it make local people aware of the risk from flooding?
- How will it mitigate for future changes in temperature and extreme weather events?

If you want more information contact [Tristan.thorn@portsmouthcc.gov.uk](mailto:Tristan.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-surface-water-management-plan-2019.pdf>

<https://www.portsmouth.gov.uk/ext/documents-external/cou-flood-risk-management-plan.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B4-Natural environment**-Will it ensure public spaces are greener, more sustainable and well-maintained?



In thinking about this question:

- How will it encourage biodiversity and protect habitats?
- How will it preserve natural sites?
- How will it conserve and enhance natural species?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-solent-recreation-mitigation-strategy-dec-17.pdf>

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?



Is your policy/proposal relevant to the following questions?

**B5-Air quality** - Will it improve air quality?

In thinking about this question:

- How will it reduce motor vehicle traffic congestion?
- How will it reduce emissions of key pollutants?
- How will it discourage the idling of motor vehicles?
- How will it reduce reliance on private car use?

If you want more information contact [Hayley.Trower@portsmouthcc.gov.uk](mailto:Hayley.Trower@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-aq-air-quality-plan-outline-business-case.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

Is your policy/proposal relevant to the following questions?

**B6-Transport** - Will it improve road safety and transport for the whole community?

In thinking about this question:

- How will it prioritise pedestrians, cyclists and public transport users over users of private vehicles?
- How will it allocate street space to ensure children and older people can walk and cycle safely in the area?
- How will it increase the proportion of journeys made using sustainable and active transport?
- How will it reduce the risk of traffic collisions, and near misses, with pedestrians and cyclists?

If you want more information contact [Pam.Turton@portsmouthcc.gov.uk](mailto:Pam.Turton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/travel/local-transport-plan-3>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

Is your policy/proposal relevant to the following questions?

**B7-Waste management** - Will it increase recycling and reduce the production of waste?

In thinking about this question:

- How will it reduce household waste and consumption?
- How will it increase recycling?
- How will it reduce industrial and construction waste?

If you want more information contact [Steven.Russell@portsmouthcc.gov.uk](mailto:Steven.Russell@portsmouthcc.gov.uk) or go to:

<https://documents.hants.gov.uk/mineralsandwaste/HampshireMineralsWastePlanADOPTED.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

Is your policy/proposal relevant to the following questions?

**C1-Culture and heritage** - Will it promote, protect and enhance our culture and heritage?



In thinking about this question:

- How will it protect areas of cultural value?
- How will it protect listed buildings?
- How will it encourage events and attractions?
- How will it make Portsmouth a city people want to live in?

If you want more information contact [Claire.Looney@portsmouthcc.gov.uk](mailto:Claire.Looney@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

Both the areas identified for the establishment of a new link are intrinsically linked through history to the City of Portsmouth and this proposal seeks to establish a formal link which will bring recognition to these relationships. Whilst building and planning for exchanges of information and business development going into the future, these new links will acknowledge the cultural impact this history has had on the city.

How are you going to measure/check the impact of your proposal?

The impact of the new relationships with both areas will be monitored through the delivery of the International Relations Strategy which has recently been considered by Resources committee. It is anticipated that if agreed then any work between Portsmouth and both the Falkland Islands and Halifax will be listed in the strategy Action **+**

Is your policy/proposal relevant to the following questions?

**C2-Employment and opportunities** - Will it promote the development of a skilled workforce?



In thinking about this question:

- How will it improve qualifications and skills for local people?
- How will it reduce unemployment?
- How will it create high quality jobs?
- How will it improve earnings?

If you want more information contact [Mark.Pembleton@portsmouthcc.gov.uk](mailto:Mark.Pembleton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

Is your policy/proposal relevant to the following questions?

**C3 - Economy** - Will it encourage businesses to invest in the city, support sustainable growth and regeneration?



In thinking about this question:

- How will it encourage the development of key industries?
- How will it improve the local economy?
- How will it create valuable employment opportunities for local people?
- How will it promote employment and growth in the city?

If you want more information contact [Mark.Pembleton@portsmouthcc.gov.uk](mailto:Mark.Pembleton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

We are already aware of a number of business interests in Portsmouth by business from both the Falkland Islands and Halifax and plans are currently underway for the development of a further trade mission to Canada in summer 2020 where it is anticipated that further growth in business and investment will follow.

How are you going to measure/check the impact of your proposal?

The direct impact of the new relationship and any subsequent business or investment growth will be monitored by the Economic Development team and will also be reflected in the International Relations Strategy Action plan if appropriate.

#### Q8 - Who was involved in the Integrated impact assessment?

Claire Looney & Mark Pembleton

This IIA has been approved by: Stephen Baily

Contact number: 4185

Date: 21/01/2020

<b>Title of meeting:</b>	Full Cabinet
<b>Date of meeting:</b>	4 <sup>th</sup> February 2020
<b>Subject:</b>	Domiciliary care in Ian Gibson Court
<b>Report by:</b>	James Hill (Director of Housing Neighbourhoods and Building Services) and Innes Richens (Director of Adult Services)
<b>Wards affected:</b>	Charles Dickens and Fratton
<b>Key decision:</b>	No
<b>Full Council decision:</b>	No

---

## 1. Purpose of report

- 1.1. The purpose of the report is to present the pilot of in-house care service at Ian Gibson Court in Somerstown, to seek agreement for a permanently funded service and to seek agreement to explore the potential to expand the provision to other schemes/areas if appropriate.
- 1.2. The report arises from joint working across the Adult Social Care and Housing, Neighbourhood and Building Services Directorates. The report comes to cabinet because it requires a cross portfolio decision.

## 2. Recommendations

- 2.1. That the Cabinet recognises the improved care provided for residents at Ian Gibson Court and approves that the pilot scheme is made permanent.
- 2.2. That Cabinet approves the ongoing funding model as documented within this report.
- 2.3. That the Cabinet approves that a new phase of the pilot scheme begins to be planned with immediate effect.
- 2.4. That Cabinet agrees the principle of expanding this method of care provision to other city council local authority housing schemes or areas of operation if appropriate and delegates' authority to the Directors for Housing, Neighbourhood & Building Services and Adult Social Care to progress, in consultation with the relevant portfolio holders.

## 3. Background

- 3.1. Ian Gibson Court (IGC) is a Sheltered Housing scheme, managed by the council's Local Authority Housing service. It is based in Somerstown and has traditionally provided independent living for tenants in the 44 one and two bedroom flats. The scheme is a Cat 2.5 Sheltered Housing scheme for those who are over 55. An

overview of Sheltered Housing schemes is shown on the council's website. <https://www.portsmouth.gov.uk/ext/housing/council-tenants-and-leaseholders/sheltered-housing-and-extra-care>

- 3.2. Many of the residents of IGC are also in receipt of packages of care from the council's Adult Social Care (ASC) service, and historically this was provided through the use of a range of commercial providers.
- 3.3. In 2017 a joint review of this service identified that there was potential to improve the quality of the domiciliary care offered. The first identified benefit would be the closer integration of care with the Housing Support service, making this seamless to the resident. Two diagrams showing the before and after differences are attached as **Appendix 1**.
- 3.4. A secondary benefit identified was to reduce the demands made on the sheltered housing support team, who were dealing with high levels of demand where ineffective care was being delivered by external agencies.
- 3.5. A mini-check intervention process using the systems thinking method was undertaken and the recommendation from redesign was that the domiciliary care service for IGC residents should be provided within the location, brought in-house and managed and provided by the Sheltered Housing team.
- 3.6. It should also be noted that ASC has been developing its service-wide strategy for 2018/19 to 2020/21. Implementing this strategy will achieve outcomes for residents and work toward financial balance. One of the key aims of its strategy is "Delivering through a market based on personalised services to people that meet their needs and help them (clients) achieve the outcomes they want to achieve and keep them safe." This pilot contributes to implementing this aim.
- 3.7. As a result of this review an in-house care service pilot at IGC was registered with the Care Quality Commission (CQC) and appropriate staff recruited. The pilot service began delivering care in September 2017 and continues pending the decisions identified within this report.
- 3.8. A wider systems thinking intervention has been undertaken for all domiciliary care provided by ASC through contracted services. That work will lead to a different model of domiciliary care but doesn't impact on the recommendations in this report with regard to IGC and the potential to expand into other schemes/areas.

#### **4. Pilot service**

- 4.1. The pilot service is operated by a staffing complement of one Care Service Manager (working 30 hours per week) and nine staff (each working 22.5 hours per week). The service also requires a Registered Manager who, for the purposes of the pilot, was the Sheltered Housing Manager. This role has been supported by the Director for ASC who acts as the Nominated Individual as required under the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014.

4.2. The purpose of the service is *"To provide the right care at the right time"* and the pilot service has done the following:

4.2.1. Delivered packages of care (PoC) to 37 different clients on a daily basis.

4.2.2. Provided, on average, 60-65 individual care visits each day seven days a week 365 days a year between 07:00 and 22:00. This means that since the start of the pilot it has delivered over 46,000 individual visits, with less than 20 missed as a result of administrative error.

4.2.3. Taken on the community support role giving improved access to the community and valued quality of life improvements for clients.

4.3. The clients report that they are exceedingly pleased with the service and that the average satisfaction score is 9.78 out of 10. This compares to a previous score of 7 out of 10 before the pilot.

4.4. The following are some sample quotes from residents about their care;

- "I like to talk to them and they talk to you, this makes me feel human and included."
- "I cannot fault any one of them that help, they talk to you. They are good. They care"
- "They are always on time, they are friendly & do everything I want them to. Everything is really good, I have no problems with my care at all."
- "I am very happy with my care, she asked me what I wanted and I told her. We had a good conversation about the day and she listened to me. I felt comfortable with her and not rushed about"

4.5. The following example of care provision illustrates what has been achieved for Client A:

**4.5.1. Previous care provision**

- Had 4 lots of daily care
- Only left flat to use communal shower room due to poor mobility and lack of confidence
- Had to be mobilised using a wheelchair as could not walk to/from shower room and no time for carers to encourage this
- Had meals delivered to their home
- Never attended social activities in the scheme or mixed with other residents
- Experienced long spells in hospital

**4.5.2. Ian Gibson Court care provision**

- Has 4 lots of daily care
- Leaves flat for weekly social outing with carer and runs own errands
- Attends communal dining room for meals 2 x daily & makes some meals independently
- Attends many social activities in the scheme and has formed meaningful relationships with other residents
- Leaves the scheme independently to buy daily paper & items for other residents

- Following consistent support from carers, client now mobilises independently & has not used a wheelchair for 18 months
- Has not been in hospital since receiving Ian Gibson Court care

4.6. The service was inspected by the CQC in September 2018, after less than one year in operation. In the categories of **Effective, Caring** and **Responsive** the service was rated Good, whilst in the categories of **Safe** and **Well-led** the services was rated as Requires Improvement.

4.7. The Registered Manager and Nominated Individual worked together to ensure that the required improvements were made. The service was then inspected again in November 2019 and was found to have reached the standard of 'Good' in all areas, and has an **overall 'Good' CQC rating**. The link to the CQC report can be found here <https://www.cqc.org.uk/location/1-3758387104>

4.8. The Ian Gibson Court Care Team were nominated and shortlisted for the Inside Housing, "Housing Heroes Awards" in June 2019 where their special contribution and new way of working was acknowledged and celebrated.

4.9. The team recognises that delivering the pilot has been challenging to achieve. This is due to the amount of learning required to deliver a regulated in-house service together with the very real challenge of managing a new team and deployment of resources to maintain a high standard of care.

4.10. Overall both directorates, supported by evidence from the residents, are content that this new way of working provides a better service for residents without significant additional cost, and would like it to be made permanent. Senior management officers from both directorates have had continuing oversight of the pilot and agree the basis of the recommendation.

## 5. Risks

5.1. Service Risk - there is a need to expand the current scheme in order to provide more resilience and reduce impacts on key staff within the system (Registered Manager and Care Manager).

5.2. Financial Risk - increasing the numbers of residents with care above a critical level in IGC may increase the financial burden and change the nature of scheme to make it less attractive to those residents who do not receive care. Fundamentally this site is a sheltered housing scheme as a 2.5 service for independent living, and not an Extra Care Scheme. Therefore if there was a situation where it did prove to be a financially non-viable service, it could ultimately be returned to its original service model.

5.3. General Market reform risk - level of this risk is low but we do not know what the future of the care market / NHS reform will look like given we await the publication of Government intentions.



## 6. Funding for the pilot and permanent service

- 6.1. This pilot has been funded by ASC where the payment for providing care is made to the Housing Service rather than to external agencies. The service ran at a financial surplus of approximately £6,000 in financial year 17/18, and a deficit of approximately £8,000 in financial year 18/19.
- 6.2. The pilot has identified that an unanticipated cost is the high number of days of care which are lost to the service because the clients are in hospital. With a traditional care approach, after 5 days in hospital the PoC is ended and carers can then be re-assigned. However for the pilot care service at IGC, with its limited number of clients and fixed costs (due to staff not being retained on zero hours contracts), the 5 day period following admission and the ability to restart PoC on the same day is not being priced into the hourly rate.
- 6.3. The approximate cost deficit for IGC was approximately £8,000 in 2018/19 and, whilst relatively small, is not a cost that can continue to be borne by the Housing Revenue Account on an ongoing basis. Therefore officers from both directorates have been working together with Finance colleagues to find a suitable funding model.
- 6.4. Various funding proposals to resolve this issue have been reviewed and it has been provisionally agreed that a fixed amount per month for an agreed level of care would be the best solution. This would minimise administrative work and be more practical. The exact amount, and service level, is to be agreed between the directorates and reviewed annually.
- 6.5. The cost of care to the residents, for those who make financial contributions for their care, would not be affected by this change.

## 7. New Phase of pilot

- 7.1. Part of the benefit of making permanent the service at IGC is to build in more staff resilience. The best way to support this is to begin a new pilot at another Cat 2.5 Sheltered Housing Scheme/cluster area. A new phase will enable the service to learn how to grow the service in new areas and any problems which may come from such growth.
- 7.2. Officers from the two directorates have worked together to identify suitable ways to extend the trial, and propose that this could be at Hale Court in Fratton, or provide a cluster service in homes in Somerstown centred around IGC.
- 7.3. This scheme at Hale Court is the most similar scheme to IGC in that it also has a similar number of residents with care, both now and for the foreseeable future. However there is a need to understand the nature of the clients at this site and the level of care required. The initial funding for this pilot would be on the same basis as used previously at IGC and would allow officers to pilot without the permanence of the proposed block contract of the IGC proposal.

- 7.4. A second site would allow the building of resilience in the service without risking what has been achieved so far at IGC. This must also be done without jeopardising what is in place or give rise to undue demands on the current staff and management of the service.
- 7.5. The potential of a cluster model around IGC would enable the service to be expanded to surrounding PCC tenants without any significant changes to current CQC registration providing care to tenants in their own homes, dependant on what Care demand is identified.
- 7.6. It is also important to do this without producing any instability in the wider care market.
- 7.7. In summary, regardless of the chosen pilot extension, the following approach will be used:
- 7.7.1. Use the learning, methodology and principles from the IGC care service pilot.
  - 7.7.2. Form a small, dedicated team, combining staff from HNB and ASC. This will be led by the Sheltered Housing team.
  - 7.7.3. Undertake a small 'mini check' period to understand type, quality and frequency of care provision to design a new service against.
  - 7.7.4. Considerately proceed with rolling in the in-house care provision (if appropriate to do so) in a similar approach to that used at IGC.
  - 7.7.5. If work on the chosen pilot starts by the end of February 2020, and the demand is found, the above timescales and learning from the IGC pilot leads officers to expect the delivery of a new care pilot before the end of the financial year 2020/21.

## **8. Reasons for recommendations**

- 8.1. This pilot has shown how, by working together, domiciliary care provision for the residents in Sheltered Housing Schemes can be improved, specifically with in house flexible care provision.
- 8.2. By making the pilot permanent it will provide resilience to the service and enable better recruitment and retention of staff. It also meets the corporate goal of increased integration between services for the benefit of the residents.
- 8.3. IGC care approval is sought for a financial arrangement to be agreed so that the improved service can be maintained without impacting the Housing Revenue Account.
- 8.4. By starting a new pilot it will enable the team to learn about expanding the service to new areas as well as creating resilience.
- 8.5. By accepting the principle for this type of care, and delegating authority to progress further work to the appropriate Directors, it will ensure that future change is provided quickly and effectively.

## 9. Equality impact assessment

9.1. An Integrated Impact Assessment has been undertaken and indicates positive impacts for service users (Appendix 2).

## 10. Legal implications

10.1. The pilot is lawful and can be implemented (Subject to a positive equality impact assessment)

## 11. Director of Finance's comments

11.1. The proposed cost of £202,560 in relation to the provision of the service at Ian Gibson Court is in line with expected costs of externally provided services. The enhanced flexibility of service further enables potential savings within the wider Health and Social Care system such as through improved hospital discharge.

11.2. Funding for the Ian Gibson Court element of the proposal will be incorporated into the ASC Medium Term Financial Strategy (MTFS) to enable long term sustainable funding.

11.3. The proposed new pilot of additional care at Hale Court/Somerstown cluster area will be funded by Adult Social Care and costs will be closely monitored to ensure that the scheme offers value for money for ASC and General Fund activities do not become a financial burden to the Housing Revenue Account.

11.4. The value of the Hale Court/Somerstown cluster area scheme is estimated to be up to £250,000 per annum. This cost directly replaces packages of care currently commissioned by ASC at the same rate. As such it is not envisaged that there will any cost pressure within ASC as a result of the Hale Court/Somerstown cluster area proposal.

11.5. The Housing Revenue Account cannot subsidise the City Council's General Fund activities and therefore a new funding mechanism needed to be introduced that offered Adult Social Care value for money and didn't burden Social Housing Tenants with General Fund costs. The arrangement as outlined within this report ensures that this has now been remedied.

Signed by:

.....  
James Hill, Director of Housing, Neighbourhood and Building Services

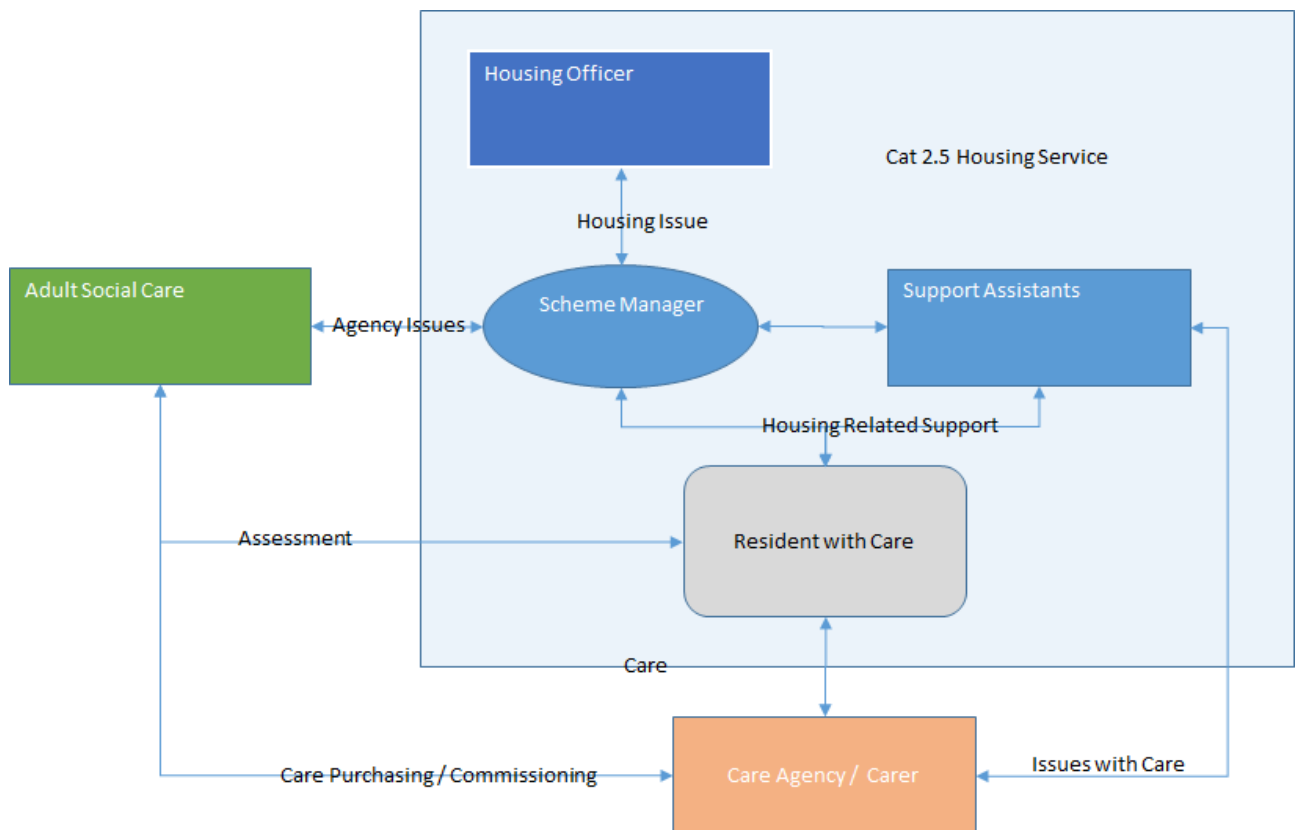
.....  
Innes Richens, Director of Adult Services

Signed by:

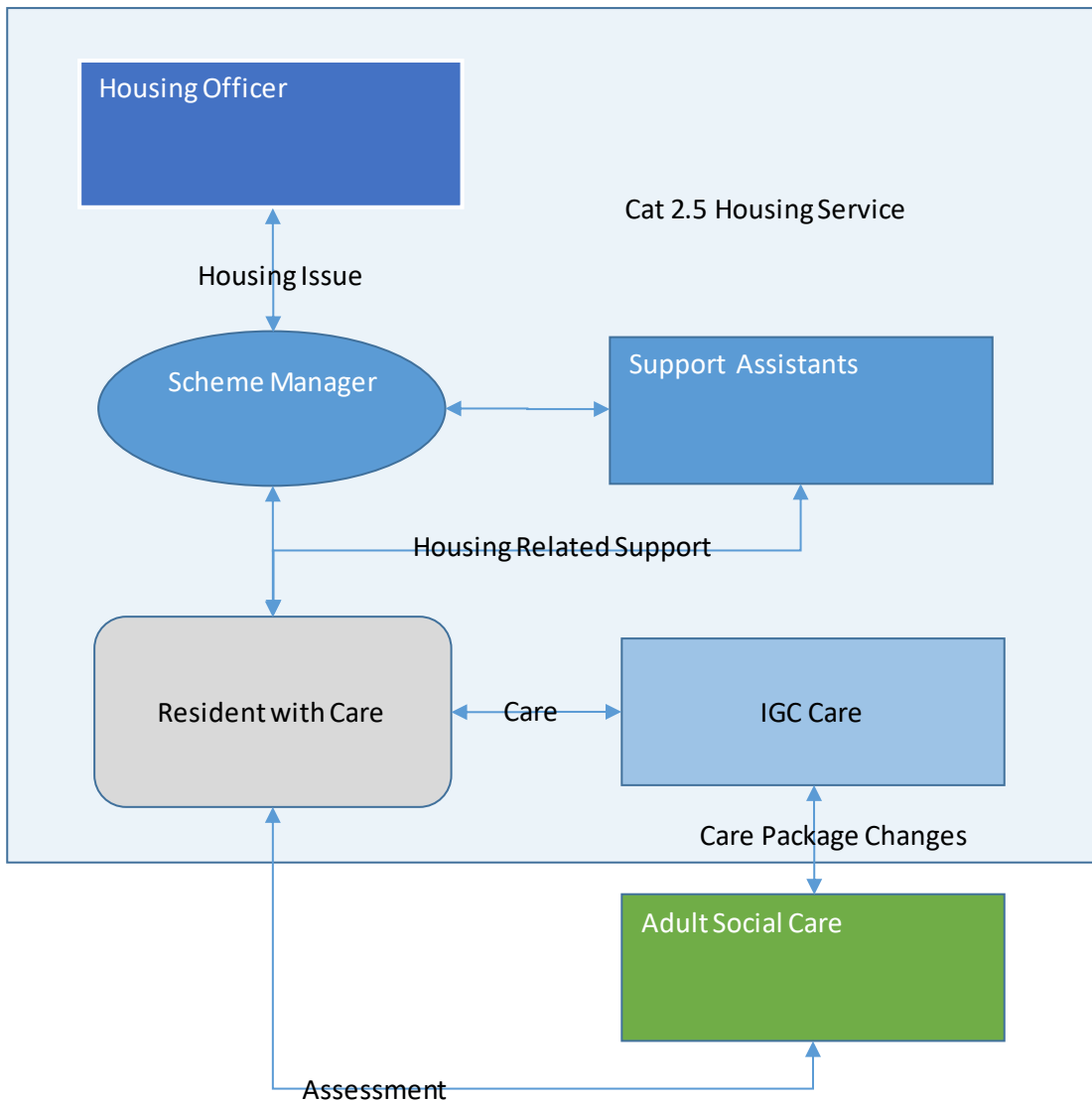
**Appendices:**

**Appendix 1**

**Diagram of Ian Gibson care service before implementation of the Pilot**



**Diagram of Ian Gibson care service after implementation of the Pilot**



**Appendix 2 - Integrated Impact Assessment**

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
Council's webpage on Sheltered Housing and extra care	<a href="https://www.portsmouth.gov.uk/ext/housing/council-tenants-and-leaseholders/sheltered-housing-and-extra-care">https://www.portsmouth.gov.uk/ext/housing/council-tenants-and-leaseholders/sheltered-housing-and-extra-care</a>
CQC inspection of Ian Gibson Court November 2019	<a href="https://www.cqc.org.uk/location/1-3758387104">https://www.cqc.org.uk/location/1-3758387104</a>

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by ..... on .....

.....  
Leader of the City Council

This page is intentionally left blank



# Integrated Impact Assessment (IIA)

Integrated impact assessment (IIA) form December 2019

[www.portsmouth.gov.uk](http://www.portsmouth.gov.uk)

The integrated impact assessment is a quick and easy screening process. It should:

- identify those policies, projects, services, functions or strategies that could impact positively or negatively on the following areas:
  - Communities and safety
  - Regeneration and culture
  - Environment and public space
  - Equality & diversity

**Directorate:**

Housing, Neighbourhood and Building Services

**Service, function:**

Sheltered Housing

**Title of policy, service, function, project or strategy (new or old) :**

Ian Gibson Court Domiciliary Care

**Type of policy, service, function, project or strategy:**

- Existing
- New / proposed
- Changed

**What is the aim of your policy, service, function, project or strategy?**

To deliver domiciliary care, to those residents of Ian Gibson Court who require it, using an in-house care model provided by the Sheltered Housing team

Has any consultation has been undertaken for this proposal? What were the outcomes of the consultations? Has anything changed because of the consultation? Did this inform your proposal?

Informal feedback from the residents has been received, but no formal consultation has been undertaken

**A - Communities and safety**

Yes

No

Is your policy, proposal relevant to the following questions?

**A1-Crime** - Will it make our city safer?



In thinking about this question:

- How will it reduce crime, disorder, ASB and the fear of crime?
- How will it prevent the misuse of drugs, alcohol and other substances?
- How will it protect and support young people at risk of harm?
- How will it discourage re-offending?

If you want more information contact [Lisa.Wills@portsmouthcc.gov.uk](mailto:Lisa.Wills@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-spp-plan-2018-20.pdf>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

By having care and sheltered housing services linked, it is likely to have a minor improvement to the safety of residents as there will be less unknown people entering the building

How will you measure/check the impact of your proposal?  
Monitor for an increase or decrease in crime at the site.

**A - Communities and safety**

Yes

No

Is your policy, proposal relevant to the following questions?

**A2-Housing** - Will it provide good quality homes?



In thinking about this question:

- How will it increase good quality affordable housing, including social housing?
- How will it reduce the number of poor quality homes and accommodation?
- How will it produce well-insulated and sustainable buildings?
- How will it provide a mix of housing for different groups and needs?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/psh-providing-affordable-housing-in-portsmouth-april-19.pdf>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

No perceived change as a result of this report

How are you going to measure/check the impact of your proposal?

**A - Communities and safety**

**Yes**

**No**

Is your policy, proposal relevant to the following questions?

**A3-Health** - Will this help promote healthy, safe and independent living?



In thinking about this question:

- How will it improve physical and mental health?
- How will it improve quality of life?
- How will it encourage healthy lifestyle choices?
- How will it create healthy places? (Including workplaces)

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/psh-providing-affordable-housing-in-portsmouth-april-19.pdf>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

The purpose of the Sheltered Housing team is to keep residents safe within their own independent home. This ethos has, and will continue to be, brought into the provision of domiciliary care. The care providers will work with the housing team to provide a healthy environment in IGC and enable independent living

How are you going to measure/check the impact of your proposal?

On going customer feedback and CQC inspection

**A - Communities and safety**

**Yes**

**No**

Is your policy, proposal relevant to the following questions?

**A4-Income deprivation and poverty**-Will it consider income deprivation and reduce poverty?



In thinking about this question:

- How will it support those vulnerable to falling into poverty; e.g., single working age adults and lone parent households?
- How will it consider low-income communities, households and individuals?
- How will it support those unable to work?
- How will it support those with no educational qualifications?

If you want more information contact [mark.bage@portsmouthcc.gov.uk](mailto:mark.bage@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-homelessness-strategy-2018-to-2023.pdf>

<https://www.portsmouth.gov.uk/ext/health-and-care/health/joint-strategic-needs-assessment>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

No perceived change as a result of this report

How are you going to measure/check the impact of your proposal?

**A - Communities and safety**

**Yes**

**No**

Is your policy, proposal relevant to the following questions?

**A5-Equality & diversity** - Will it have any positive/negative impacts on the protected characteristics?



In thinking about this question:

- How will it impact on the protected characteristics-Positive or negative impact (Protected characteristics under the Equality Act 2010, Age, disability, race/ethnicity, Sexual orientation, gender reassignment, sex, religion or belief, pregnancy and maternity, marriage and civil partnership,socio-economic)
- What mitigation has been put in place to lessen any impacts or barriers removed?
- How will it help promote equality for a specific protected characteristic?

If you want more information contact [gina.perryman@portsmouthcc.gov.uk](mailto:gina.perryman@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-equality-strategy-2019-22-final.pdf>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

Sheltered Housing is provided for those 55 years and older and therefore this change would have an impact on those of this age range. Given that the change is considered as positive, it will also have a positive change on those in the scheme who are over 55. Other protected characteristics are considered to be unaffected.

How are you going to measure/check the impact of your proposal?

On going customer feedback and CQC inspection

Is your policy, proposal relevant to the following questions?

**B1-Carbon emissions** - Will it reduce carbon emissions?



In thinking about this question:

- How will it reduce greenhouse gas emissions?
- How will it provide renewable sources of energy?
- How will it reduce the need for motorised vehicle travel?
- How will it encourage and support residents to reduce carbon emissions?

If you want more information contact [Tristan.thorn@portsmouthcc.gov.uk](mailto:Tristan.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-sustainability-strategy.pdf>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

It may have a minor impact on carbon emissions as the carers will be located at the site, rather than driving to dispersed sites as with the usual care model.

How are you going to measure/check the impact of your proposal?

Unknown

Is your policy, proposal relevant to the following questions?

**B2-Energy use** - Will it reduce energy use?



In thinking about this question:

- How will it reduce water consumption?
- How will it reduce electricity consumption?
- How will it reduce gas consumption?
- How will it reduce the production of waste?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/psh-providing-affordable-housing-in-portsmouth-april-19.pdf>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

Yes

No

Is your policy, proposal relevant to the following questions?

**B3 - Climate change mitigation and flooding**-Will it proactively mitigate against a changing climate and flooding ?

In thinking about this question:

- How will it minimise flood risk from both coastal and surface flooding in the future?
- How will it protect properties and buildings from flooding?
- How will it make local people aware of the risk from flooding?
- How will it mitigate for future changes in temperature and extreme weather events?

If you want more information contact [Tristan.thorn@portsmouthcc.gov.uk](mailto:Tristan.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-surface-water-management-plan-2019.pdf>  
<https://www.portsmouth.gov.uk/ext/documents-external/cou-flood-risk-management-plan.pdf>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

Yes

No

Is your policy, proposal relevant to the following questions?

**B4-Natural environment**-Will it ensure public spaces are greener, more sustainable and well-maintained?

In thinking about this question:

- How will it encourage biodiversity and protect habitats?
- How will it preserve natural sites?
- How will it conserve and enhance natural species?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-solent-recreation-mitigation-strategy-dec-17.pdf>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

Is your policy, proposal relevant to the following questions?

**B5-Air quality - Will it improve air quality?**



In thinking about this question:

- How will it reduce motor-vehicle traffic congestion?
- How will it reduce emissions of key pollutants?
- How will it discourage the idling of motor vehicles?
- How will it reduce reliance on private car use?

If you want more information contact [Hayley.Trower@portsmouthcc.gov.uk](mailto:Hayley.Trower@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-aq-air-quality-plan-outline-business-case.pdf>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

It may have a minor impact on carbon emissions as the carers will be located at the site, rather than driving to the site as with the usual care model.

How are you going to measure/check the impact of your proposal?  
unknown

Is your policy, proposal relevant to the following questions?

**B6-Transport - Will it improve road safety and transport for the whole community?**



In thinking about this question:

- How will it prioritise pedestrians, cyclists and public transport users over users of private vehicles?
- How will it be safe and comfortable for children and older people to cycle and walk in the area?
- How will it increase the proportion of journeys made using sustainable and active transport?
- How will it reduce the risk of traffic collisions, and near misses, with pedestrians and cyclists?

If you want more information contact [Pam.Turton@portsmouthcc.gov.uk](mailto:Pam.Turton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/travel/local-transport-plan-3>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

Is your policy, proposal relevant to the following questions?

**B7-Waste management** - Will it increase recycling and reduce the production of waste?



In thinking about this question:

- How will it reduce household waste and consumption?
- How will it increase recycling?
- How will it reduce industrial and construction waste?

If you want more information contact [Steven.Russell@portsmouthcc.gov.uk](mailto:Steven.Russell@portsmouthcc.gov.uk) or go to:

<https://documents.hants.gov.uk/mineralsandwaste/HampshireMineralsWastePlanADOPTED.pdf>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?



Is your policy, proposal relevant to the following questions?

**C1-Culture and heritage** - Will it promote, protect and enhance our culture and heritage?



In thinking about this question:

- How will it protect areas of cultural value?
- How will it protect listed buildings?
- How will it encourage events and attractions?
- How will it make Portsmouth a city people want to live in?

If you want more information contact [Claire.Looney@portsmouthcc.gov.uk](mailto:Claire.Looney@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

[Empty text box for response]

How are you going to measure/check the impact of your proposal?

[Empty text box for response]

Is your policy, proposal relevant to the following questions?

**C2-Employment and opportunities** - Will it promote the development of a skilled workforce?



In thinking about this question:

- How will it improve qualifications and skills for local people?
- How will it reduce unemployment?
- How will it create high quality jobs?
- How will it improve earnings?

If you want more information contact [Mark.Pembleton@portsmouthcc.gov.uk](mailto:Mark.Pembleton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

[Empty text box for response]

How are you going to measure/check the impact of your proposal?

[Empty text box for response]

Is your policy, proposal relevant to the following questions?

**C3 - Economy** - Will it encourage businesses to invest in the city, support sustainable growth and regeneration?

In thinking about this question:

- How will it encourage the development of key industries?
- How will it improve the local economy?
- How will it create valuable employment opportunities for local people?
- How will it promote employment and growth to the city?

If you want more information contact [Mark.Pembleton@portsmouthcc.gov.uk](mailto:Mark.Pembleton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact on these issues your proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**Q8 - Who was involved in the Integrated integrated assessment?**

Mark Fitch, Alison Croucher, Paul Mitchell

**This IIA has been approved by:** Paul Fielding

Paul Fielding

**Contact number:**

02392834625

**Date:**

13/01/2020



**Title of meeting:** Cabinet Meeting  
**Date of meeting:** 4 February 2019  
**Subject:** Adult Social Care Care Home placements.  
**Report by:** Innes Richens - Chief Health & Care Portsmouth  
**Written by:** Andy Biddle - Assistant Director Adult Social Care

**Wards affected:**

**Key decision:** No

**Full Council decision:** No

---

## 1. Purpose of report

- 1.1. The purpose of this report is:
- 1.2. To update the Cabinet as to the availability of care home provision for older people across the city.
- 1.3. To consider the likely demand for care home places within the next 3-5 years by considering the trend from 2011 onward.
- 1.4. To consider the impact of an extra care development for people with a dementia on the numbers of people with dementia requiring residential care.
- 1.5. To consider the costs of residential care and nursing home care that is owned and managed by the city council and options to ensure the maximum value for money from PCC provided care.
- 1.6. To consider how these issues relate to the Adult Social Care, (ASC) Strategy and the ASC Medium Term Financial Strategy, (MTFS).

## 2. Context

In order to provide a social care service that meets the needs of Portsmouth residents, meets the Council's statutory duties and manages the demands of increasing needs and costs, Adult Social Care (ASC) has been working to a service wide strategy. Implementing the ASC Strategy will achieve outcomes for residents and seek to support the service to become financially sustainable in the longer term. By 2022, our aim is that ASC in Portsmouth will be:

- Delivering services that have technology at the heart of the care and support offer;
- Working in way that recognises the strengths that people have, and have access to in their networks and communities - and draws on these to meet their needs;

- Working efficiently and responsively, using a reablement approach centred around the needs of the customers;
- Delivered through a market based on individual services to people that meet their needs and help them achieve the outcomes they want to achieve and keep them safe;
- Delivered, (where appropriate) through PCC residential services in one service area to enable quality and maximum effectiveness.

This strategy will seek to support the service to become financially sustainable in the longer term.

These outcomes align to the priorities in the 'Blueprint for health & care in Portsmouth' published in 2015:

- Improve the range of services people can access to maintain their independence
- Give people more control, choice and flexibility over the support they receive
- Do away with multiple assessments and bring services together in the community
- Bring together services for children, adults and older people where there is a commonality of provision, including a family centred approach
- Create better resources and opportunities for vulnerable people and their carers.

## 2. Recommendations

- 2.1. It is recommended that Cabinet:
- 2.2. Note the current and modelled demand for residential and nursing home care in Portsmouth for older people.
- 2.3. Note the costs of the City Council providing residential and nursing care.
- 2.4. Agree further work to be undertaken as to cost and feasibility of the options for maximising value of the Council's assets.

## 3. Available Provision

Within Portsmouth as of December 2019, (including PCC provision) there are 29 providers of residential care, (664 beds) and 10 providers of nursing home care, (483 beds) in total<sup>1</sup> providing care and support for older people. It should be noted that some of these providers will also provide care for groups other than older people.

The Care Quality Commission, (CQC) ratings for this provision are below<sup>2</sup> and show an improved position in 2019, previously there were more providers rated as inadequate that have moved to either requires improvement or good ratings.

---

<sup>1</sup> Source - CQC Care Directory with filters. Retrieved from: <https://www.cqc.org.uk/about-us/transparency/using-cqc-data> on 11/12/19.

<sup>2</sup> Source - CQC care directory with ratings. Retrieved from: <https://www.cqc.org.uk/about-us/transparency/using-cqc-data> on 11/12/19.

Rating	Inadequate	Requires Improvement	Good	Outstanding	Not yet Inspected
Residential Care Homes	1	9	19		
Nursing Homes		1	7		2

#### 4. Demand

The picture of future demand for residential and nursing home care for citizens of Portsmouth is complex. It is predicted that Portsmouth will see a 10% increase in the over 65 population by 2025 (an additional 3,400 residents)<sup>3</sup>. PCC purchased care home population is circa 386<sup>4</sup> so a flat 10% increase could be applied to service demand by 2025.

However, despite population increases rises since 2016, PCC has showed a 7% drop in residential placements per 1000 65+ population and a 1% drop in nursing placements, whilst provision of domiciliary care has kept steady with the population. Future demand is therefore likely to be influenced by the decreasing rate of residential and nursing beds seen since 2011.

A further significant factor in future demand is the provision of care to people in their own homes, (domiciliary care, Table 5). ASC pursues an ethos of providing care to people in their own homes rather than care homes wherever possible. The domiciliary care statistics would therefore be expected to increase each year as they have done from 2011/12 to 2018/19.

Whilst these are significant factors however, there is no guarantee to them continuing. Therefore, to try and present a reasonable range of potential outcomes, there are two main categories of information relevant to demand, the actual numbers and potential demand. Tables 1 & 2 show the actual numbers of placements and indicative trend up to Month 8 2019/20. In terms of potential demand, the worst case scenario is that there is a greater than predicted increase in the over 65 population AND an upward trend in numbers requiring care. The best case scenario is that there is a lower than predicted increase in the over 65 population and the current trend in numbers requiring care continues.

For the purpose of demand analysis, Tables 3 & 4 use two mid-range scenarios, an **optimistic case** where the current trends are continued and a **pessimistic case** where the trends are flat. *The best and worst case scenarios would fall outside both of these ranges.* Both are calculated against the predicted population increases for 2025.

---

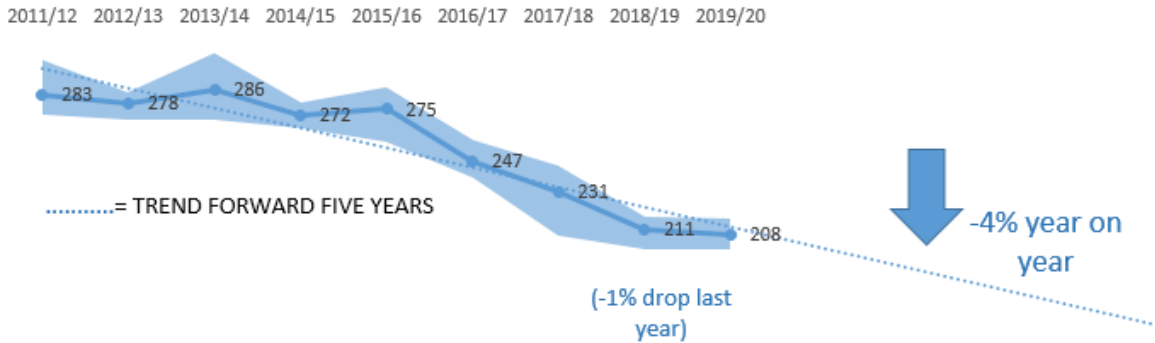
<sup>3</sup>

(Figures are taken from Office for National Statistics (ONS) subnational population projections by persons, males and females, by single year of age. The latest subnational population projections available for England, published 24 May 2018, are full 2016-based and project forward the population from 2016 to 2041.

<sup>4</sup> December 2019

**Table 1**

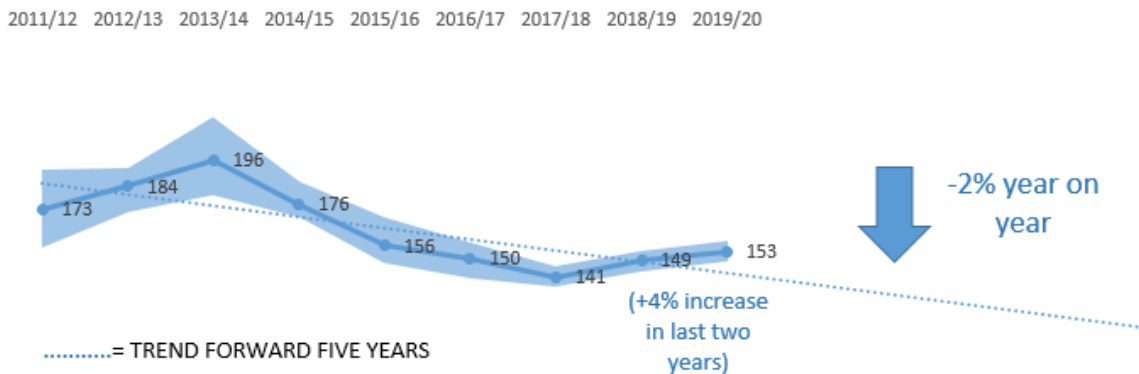
**RESIDENTIAL CARE SINCE 2012 - Showing maximum, minimum, and average numbers each year.**



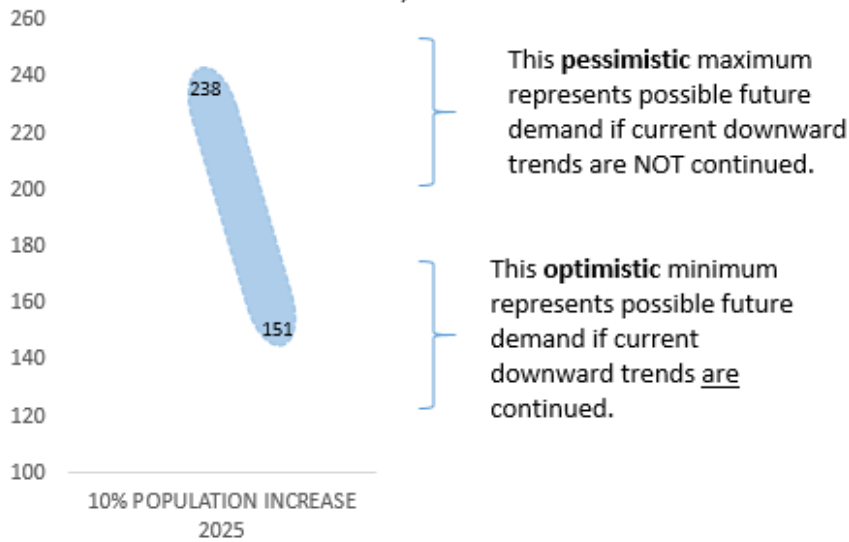
The overall trend for Residential placements decreases 4% year on year with a 1% decrease in 2018/19.

**Table 2**

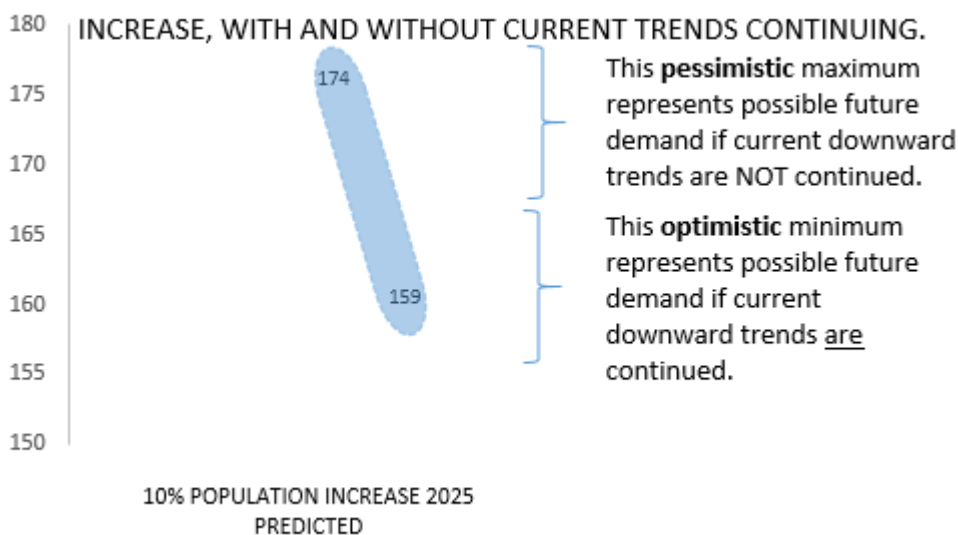
**NURSING CARE SINCE 2012 - Showing maximum, minimum, and average numbers each year.**



Whilst the overall trend for Nursing placements have decreased since 2011/12 by 2% year on year, there has been a 4% increase in 2018/19 continued to Month 8 2019/20, which may suggest a change in the trend. Potential reasons for this change would be that more complex needs are being met within the home environment and when an individual needs care in a care home environment this is more likely to be in a nursing home, rather than a residential care home, as their needs have gone beyond that which a residential care home would be able to meet.

**Table 3**
**RESIDENTIAL DEMAND RANGE FORECASTS FOR A 10% POPULATION INCREASE, WITH AND WITHOUT CURRENT TRENDS**


RESIDENTIAL	10% POPULATION INCREASE 2025
MAX NO TREND	238
AVE NO TREND	229
MIN NO TREND	220
MAX TREND	163
AVE TREND	157
MIN TREND	151

**Table 4**
**NURSING DEMAND FORECASTS FOR A 10% POPULATION INCREASE, WITH AND WITHOUT CURRENT TRENDS CONTINUING.**


NURSING	10% POPULATION INCREASE 2025
MAX NO TREND	174
AVE NO TREND	168
MIN NO TREND	163
MAX TREND	169
AVE TREND	164

MIN TREND	159
-----------	-----

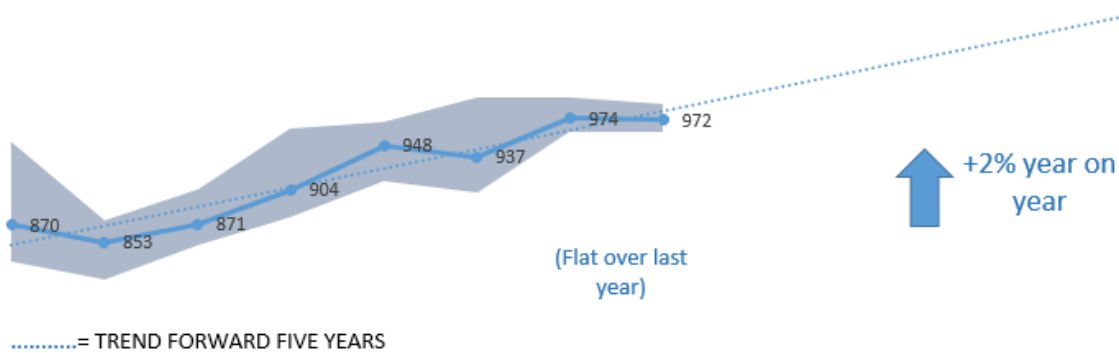
Based on these calculations, demand for residential home care by 2025 is between 151 and 238 beds and for nursing home care 159 and 174. Given the current profile of 386 beds purchased in total the best case would see 310 bed requirement, (19% decrease) and the mid-range worst case 412 bed requirement, (6% increase).

The trend in domiciliary care of a 2% increase year on year, (Table 5) may also impact on residential and nursing care home placements. To ensure a balanced view, domiciliary care has also been modelled at mid-range.

**Table 5**

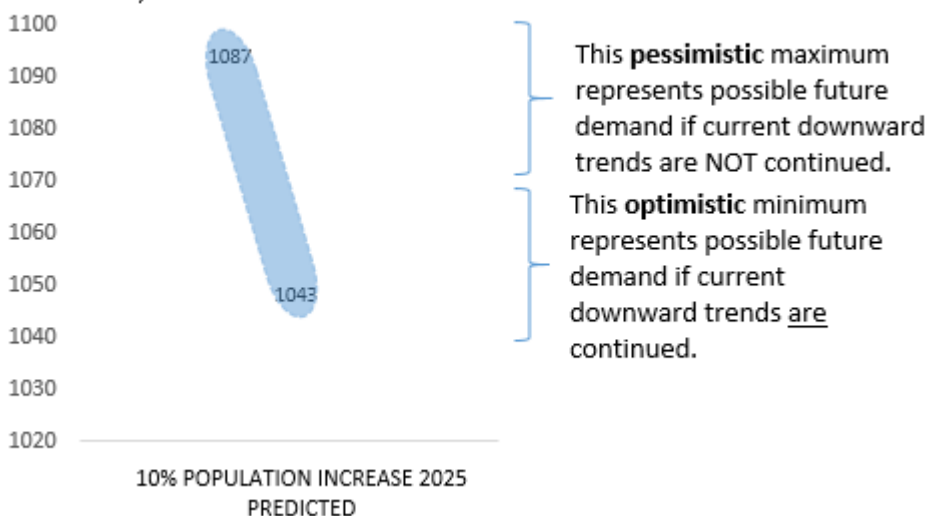
DOM CARE SINCE 2012 - Showing maximum, minimum, and average numbers each year.

2012/13 2013/14 2014/15 2015/16 2016/17 2017/18 2018/19 2019/20



**Table 6**

DOM CARE DEMAND FORECASTS FOR A 10% POPULATION INCREASE, WITH AND WITHOUT CURRENT TRENDS CONTINUING.



<b>DOM CARE</b>	10% POPULATION INCREASE 2025
-----------------	---------------------------------



MAX NO TREND	1087
AVE NO TREND	1072
MIN NO TREND	1057
MAX TREND	1072
AVE TREND	1058
MIN TREND	1043

## 5. Impact of extra care for people with a dementia

At the Cabinet Member Decision Meeting of 20<sup>th</sup> November 2018, it was agreed that work be carried out to re-purpose the Edinburgh House site for the development of a specific dementia extra care facility; acknowledging that any development will be subject to securing sufficient capital funding.

Portsmouth does not currently have an extra care dementia offer. The 2018 dependency exercise to determine staffing requirements showed that whilst a number of individuals were unable to manage on their own at home, they did not need 24 hour residential care, but there are no local facilities that can bridge this gap currently for people with dementia.

Building an extra care facility for people with dementia will enable people to live in a supported environment, with skilled and trained staff available on site to support them 24 hours a day. This affords people their own 'front door' with the ability for regular support and an on-call immediate response should this be needed. We are therefore seeking to re-purpose the current Edinburgh House and create extra care maintaining independence and dignity for people with dementia in their own homes. This builds on supported living opportunities already available in Portsmouth.

Initial indications are that the Edinburgh House site could offer the potential to accommodate up to 60 units for extra care for people with dementia. A capital bid has been secured for the necessary funding from the Council's Capital Programme.

Extra care for people without dementia has been seen as an alternative to residential care placements in recent years. It is likely therefore that it will be residential care provision for people with dementia that will be impacted by the new extra care. It is difficult to be precise with timelines, but the aim is for up to 40 people to move in over the first year to 18 months, (2021/22 onward) whilst some people may move from residential care it is likely that most will move in from their own homes and so the impact on the total number of residential beds purchased is not a linear calculation.

In addition, not all of those moving from their home to extra care would have necessarily gone to residential care, especially as the move to extra care may be earlier than people would have needed to move to residential care. For some it is 'delaying' the moment they may need residential care (and many may never need it). Given these complexities, the potential impact is less beds purchased in residential care by 2022/23, however defining a precise figure is not possible at this time.

The Edinburgh House building was demolished in December 2019 and a project team to work on the design of the new extra care facility has been established.

## 6. The costs of residential and nursing home care owned and managed by the city council.

PCC, Portsmouth CCG and representatives from Hampshire Care and Domiciliary Care Association have been working during 2019 together to understand the current challenges in care provision. One of the important elements of this work has been to look at the cost of care and whether there are opportunities for taking different, more sustainable approaches to meeting these costs. As part of this work, a survey was undertaken with providers in the autumn of 2019 to gather information about the costs of providing care. An analysis of the costs of PCC in-house provision was also carried out.

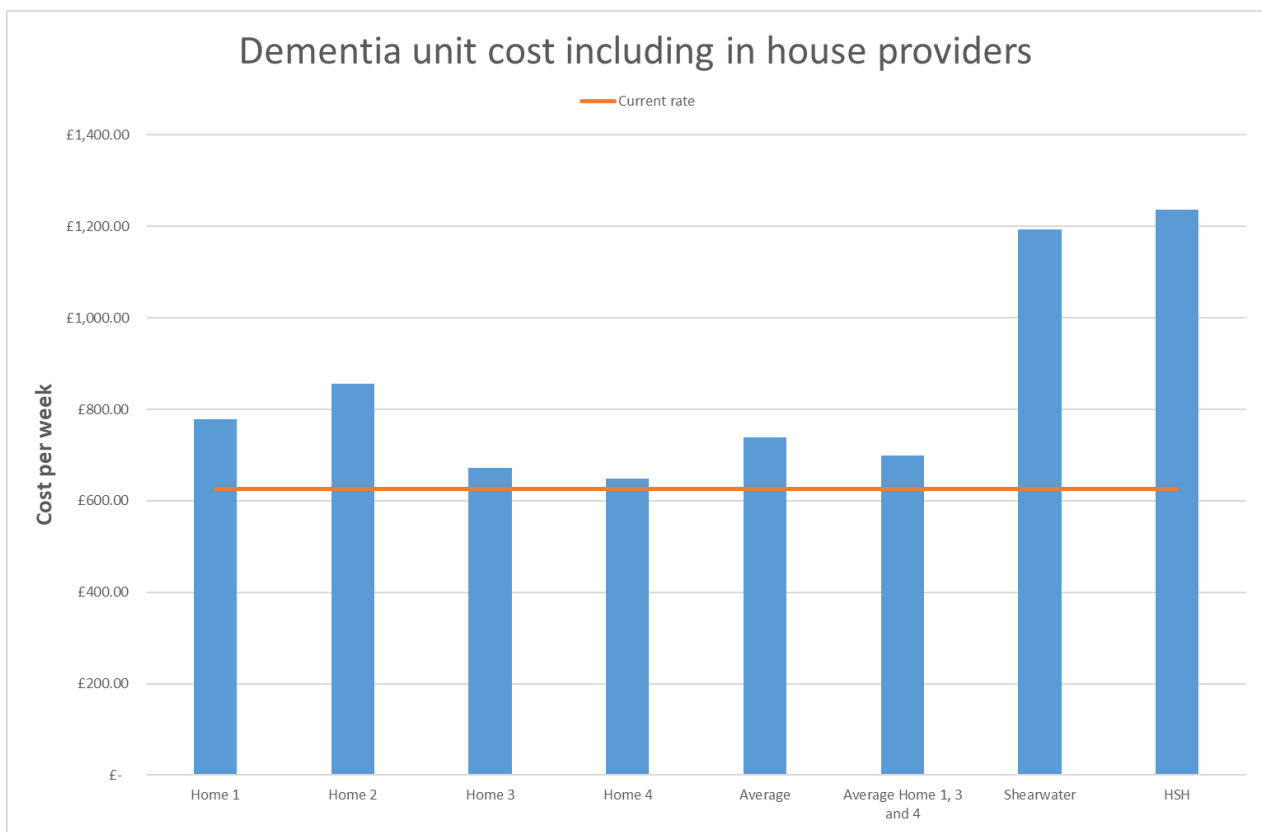
To give a broad view of the costs of care provided by PCC, data from the national 'Adult Social Care Finance Return' (ASC-FR) has been used as a bench mark for Local Authorities that own and operate care homes. Of the 152 authorities providing data, 62 provide in house residential care to over 65s. Of these 62 authorities 35 have unit costs in excess of PCC. Below is a breakdown of the unit costs per week for the provision of Residential care for individuals over 65 for the South East region. The 'blanks' in the tables reflect that some Local Authorities do not operate these services, but are left in to give a broad view of the Authorities geographically and comparatively.

<b>Geographic</b>	
<b>Local Authority</b>	<b>£</b>
Slough	4,165.22
East Sussex	2,090.05
Reading	1,891.79
Brighton and Hove	1,446.50
Southampton	1,360.27
Kent	1,277.33
West Berkshire	1,239.43
Surrey	1,213.77
Portsmouth	1,204.12
West Sussex	1,098.49
Windsor and Maidenhead	1,086.26
Hampshire	790.09
Oxfordshire	-
Buckinghamshire	-
Milton Keynes	-
Bracknell Forest	-
Wokingham	-
Isle of Wight	-
Medway	-

On the same basis please also note the unit costs as per the Chartered Institute of Public Finance & Accountancy, (CIPFA) economic comparator authorities.

CIPFA Comparator	
Local Authority	£
Derby	2,754.00
Bristol, City of	1,555.71
Brighton and Hove	1,446.50
Southampton	1,360.27
Coventry	1,236.66
Portsmouth	1,204.12
Nottingham	796.85
Bournemouth	-
Liverpool	-
Medway	-
Newcastle Upon Tyne	-
North Tyneside	-
Plymouth	-
Salford	-
Sheffield	-
Southend-on-Sea	-

PCC in-house provided care costs comparative to the independent providers' costs are then displayed below:



Taken together this data shows that in-house care costs for Portsmouth are lower than the majority of Local Authority comparators, though higher than the independent sector.

The principle reason for the disparity in costs between private and public sector provision in Portsmouth is PCC policy applying to a shift allowance. A shift allowance is paid as a percentage increment on basic salary to reflect the degree of disruption to life that a shift pattern causes (when compared to an employee on flexitime). An employee needs to be working regularly within a minimum 4 week period on a particular shift pattern in order to be entitled to the enhancement that a shift pattern attracts<sup>5</sup>. Care and associated staff in PCC owned and operated homes are in receipt of a shift allowance, whereas this is not common practice in care homes outside of the Council's ownership and operation.

Until 2019, Portsmouth City Council owned and operated 214 residential care beds for older people with dementia in Portsmouth across 3 sites; Hilsea Lodge; Edinburgh House and Shearwater. Edinburgh House and Hilsea Lodge have now closed. In addition, Harry Sotnick House's, (HSH) 92 bed capacity returns to PCC management in April 2020 (subject to PCC being registered as a provider with CQC to manage dual registered care homes). Portsmouth therefore now operates 152 residential and nursing beds<sup>6</sup>.

Shearwater occupancy runs at 58 of 60 residents, (97% occupancy). HSH has not been fully occupied due to 'embargo' under the previous management of Care UK. Hampshire County Council took over management of HSH in April 2018, have moved the CQC rating from 'inadequate' to 'good' and currently run in a range of 52 to 69 out of 92 beds occupancy, (56-75%).

This surplus not only reflects the under occupancy of Harry Sotnick House during previous management, but also pauses in admissions when Edinburgh and Hilsea residents were admitted to HSH, during closure processes, (ensuring safe admissions and maintenance of the good rating). This occupancy also takes into account the Choice of Accommodation<sup>7</sup> directions that the Council is obliged to consider under the Care Act, (2014). The occupancy for HSH also reflects the layout of the home into different units over two floors, with associated increases in cost of having all units open.

Based on providing between 91 and 107 beds in PCC in-house care from 2011 to present day, (not accounting for fluctuations in the market) this is a current over provision of circa 42 beds in in-house provision.

Given the disparity in costs between the independent and public sector provided residential care and the costs of staffing capacity that is currently under occupied, the service is considering options for parts of the current HSH facility. These options need to take account of the needs of Portsmouth residents, pressures in the Health & Care Portsmouth system and value for money in in-house provision.

## **7. Potential demand and options to ensure the maximum value for money from PCC provided care**

7.1 The modelling above suggests the number of beds that PCC needs to plan for by 2025 in independent sector is between 151 and 238 for residential care, (currently 223 beds). For nursing care, planning should be between 159 and 174, (currently 163) for nursing care. Based on current figures there will also be 107 beds in PCC managed provision.

---

<sup>5</sup> Source - Portsmouth City Council Local pay and conditions document. HR024 v 12. June 2019.

<sup>6</sup> This figure excludes the Victory Unit and Russets.

<sup>7</sup> [http://www.legislation.gov.uk/uk/si/2014/2670/pdfs/uk/si\\_20142670\\_en.pdf](http://www.legislation.gov.uk/uk/si/2014/2670/pdfs/uk/si_20142670_en.pdf)

7.2 To mitigate potential increases in care home beds and to maintain or increase a reduction, the construction of extra care for people with dementia will provide a new pathway for people with dementia away from residential care.

Increasing use of domiciliary care will offer greater options for maintaining independence and people remaining in their own environment.

7.3 Given the disparity in costs between the independent and public sector provided residential care, the service has considered options for use of part of Harry Sotnick House:

- a. Use of respite for people with care and support needs.
- b. Location of 'discharge to assess' beds - given the pressures that exist in discharging people considered 'medically fit for discharge' (MFFD) from Queen Alexandra Hospital, (QA) there is an option to use some bedded space for a short stay after hospital discharge for people to receive reablement support to help them return home, if they cannot be discharged directly home from QA. This enables people to make a longer term decision outside an acute hospital and potentially avoid a long term placement.
- c. Use of care home capacity to work with people with behaviour that challenges services. Some Portsmouth residents are placed outside the city, due to a gap in provision. These placements are usually significantly more costly than the price PCC would expect to pay. Using part of HSH offers an option to work with older person's mental health services, to maintain placement within the city.

The timeline for a decision about additional uses for HSH is expected to be after PCC take back direct management of the home in April 2020.

## **8. Integrated Impact Assessment**

An integrated impact assessment is not required as the recommendations do not have a positive or negative impact on communities and safety, regeneration and culture, environment and public space or equality and diversity.

## **9. Finance Comments**

There are no financial implications arising from the recommendations in this report.

## **10. Legal Comments**

ASC should consider referring the transfer of HSH to Legal to consider any employment law issues. Otherwise this report raises no significant current legal issues.

Signed by (Director)

## **Appendices:**

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

<b>Title of document</b>	<b>Location</b>

<b>Title of meeting</b>	Cabinet
<b>Date of meeting</b>	Tuesday 4 <sup>th</sup> February 2020
<b>Subject</b>	Portsmouth Adaptive Street Lighting – Proposal for Citywide Implementation.
<b>Report by</b>	Martin Lavers; Assistant Director; Infrastructure
<b>Written by</b>	Caroline Hopper; Business Assurance; Infrastructure
<b>Wards affected</b>	All
<b>Key decision</b>	Yes
<b>Full Council decision</b>	No

---

## 1. Purpose of report

1.1 To provide an update on work to trial an adaptive street lighting strategy and seek approval to commence citywide implementation.

## 2. Recommendations

2.1 It is proposed that Cabinet:

A) Approve a citywide implementation of adaptive street lighting.

## 3. Background

**3.1 Context:** Portsmouth City Council (PCC) has completed upgrading street lighting on the road network to LED. As part of this upgrade a Central Management System (CMS) has been installed. This technology provides greater control over the lighting at specific locations and allows the introduction of an adaptive street lighting strategy; enabling different energy levels to be applied at different times of night due to changes in traffic flow. A trial of this strategy in 2019 demonstrated that it provides energy and CO2 savings and improves the quality of experience for residents by reducing light pollution.

**3.2 Methodology:** Portsmouth has employed Hyperion Infrastructure Consultancy to carry out a systematic approach based on national best practice as set out in the Institute of Lighting Professionals' Professional Lighting Guide PLG08 "Guidance on the Application of Adaptive Lighting within the Public Realm". This has included stakeholder consultation, an analysis of network suitability, and six week adaptive lighting trial.

**3.3 Adaptive lighting Trial:** On site demonstration and discussion with key stakeholders concluded that it would be appropriate to reduce the lighting energy levels by up to 50% between the hours of 2200hrs and 0600hrs at locations deemed suitable following a network analysis. It should be noted that reducing energy levels by 50% has a minimal effect on the visible lighting level. For caution network analysis considered a number of factors including traffic flow, accidents and community safety. Based on this data, the suitability of individual lighting points for adaptive street lighting was rated.

3.4 With member consent, a six week trial was undertaken within five areas of the City (Baffin's, Cosham, St Jude, Milton and Fratton); one of these areas was designated as a placebo to support analysis. A communication plan which involved a press release and letter drop to residents invited public feedback.

**3.5 Analysis of adaptive lighting trial:** Key stakeholders were informed about the trial and emergency protocol for changing the energy levels. During the trial the emergency protocol was not used and no concerns were raised. All 12,000 residents in the trial area were informed of the trial by letter and invited to feedback their experience of the trial via a short survey which could be completed online or via post. A press release was also issued to inform residents more widely. 94 responses to the survey were received, of these 83 were from residents within the trial area, equating to 0.7% of residents within the trial area.

Key findings from survey:

- Although most respondents stated that they noticed a difference in the lighting levels during the trial, an even higher percentage noticed a difference in the 'placebo' area where lighting levels were not adjusted than in the trial area; which would imply that it is not possible to reliably discern a difference.
- Of those that responded, the majority thought that lighting levels were about right, although this didn't vary significantly between the trial area and the placebo area and outside of the trial area.
- The trial area had higher levels of satisfaction with 80% of respondents being either satisfied or very satisfied with the lighting levels. This figure rises to 90% when neutral responses are considered.

The most common positive comments:

- The LED lighting being brighter and better quality than the previous HID lighting;
- Benefits from LEDs in terms of energy savings and reduction in light pollution;
- A number commented on the reduced lighting levels in the trial areas being an improvement on the unreduced LED lighting, which had been too bright.

The most common negative comments\*:



- Lighting levels being too bright or too dark;
- Concerns about safety of LED; and,
- Concerns about reduced lighting levels inviting crime.

*\* Only 7 negative comments were received in total. Two of these were from the placebo area.*

Current research indicates that there are no proven adverse health or safety issues associated with the use of LED street lighting. Equally there is no evidence that reducing energy to street lighting, resulting in minimal visual difference invites crime and our local crime data for the period of the trial supports this. These concerns will be addressed through the press release that accompanies the city-wide rollout.

Following the roll out lighting levels at locations where the lighting is reportedly too bright (or too dark) can be adjusted at the level of an individual street light if necessary.

#### **4. Reasons for recommendations**

**4.1 Forecast energy savings from city -wide roll out:** Work undertaken by Hyperion to measure the impact of adaptive lighting on energy consumption during the trial estimated that the city-wide implementation of adaptive street lighting would lead to further savings in energy consumption. The original calculated estimate of additional energy saved is 8-10%. The trial findings indicate a potential for energy savings as high as 14%, however we will not be able to confirm this potential until after the city wide adaptive lighting roll out has been implemented and its impact measured for a period of time. For consistency, key communication messages will stick with the 8-10% estimate until anything higher is confirmed.

**4.2 Forecast reductions in CO2 emissions:** Based upon energy saving calculations Hyperion have estimated that rolling out the dimming levels for the trial for the whole stock of street lights in the City will reduce annual energy consumption by 496,116 kWh which will translate into a reduction in CO2 emissions of 140,436kg. This is the equivalent of:

- 28 Hot air balloons filled with CO2, or
- 350,000 miles driven in an average car, or
- £155,000 of coal burnt.

#### **5. Integrated impact assessment**

5.1 A preliminary Integrated Impact Assessment has been completed and reviewed by PCC Climate Change Strategy advisor.

## 6. Legal implications

6.1 There is no legal obligation nor duty (including a common law duty) on PCC to provide street lighting, however, once provided, PCC have a duty to maintain the street lighting in a safe condition and in accordance with the current legislation and relevant standards (for example, British Standard: BS.5489 and European Standard BS EN 13201). Section 97(1) of the Highways Act 1980 gives PCC the power rather than a duty to provide street lighting:

*'A highway authority **may** provide lighting for the purposes of any highway...'*

6.3 In the case of *Heath McCabe v (1) Cheshire West & Chester Council (2) BAM Nuttall Limited* it was held that the local authority owed no such duty to provide street lighting and the Highways Act 1980 merely provided the power to the local authority to provide street lighting. However, as recent cases indicate, before a decision to switch off or, as in this case, to dim the lights is taken, PCC need to take reasonable care to ensure that those relying upon the street lighting are aware of any changes. It is also advisable that risk assessments are undertaken for each particular area before the decision is made.

6.4 PCC need to ensure that any dimming of the street lighting is in accordance with the relevant PCC street lighting policy and any changes to such policy should be published appropriately.

6.5 The dimming of the street lighting may affect the existing Highways PFI contract with Ensign and Legal Services should be consulted to ensure that the dimming is implemented in accordance with relevant provisions in that PFI contract.

6.6 Section 17 of the Crime and Disorder Act 1998 places a duty on PCC to give due regard to crime and disorder implications when discharging its functions. It states:

*'Without prejudice to any other obligation imposed on it, it shall be the duty of each authority to which this section applies to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area.'*

## 7. Director of Finance's comments

7.1 Following the roll out of the LED lighting project to the majority of the City Council's Street lights, the amount of energy the Council consumes is around 40% lower than it was prior to the project starting. The council however bear the risk for the price of energy.

7.2 What this means is that the cost of energy is increasing and any reductions we make to the amount of energy the Council consumes are cost avoidance measures as opposed to savings. A further reduction of 10% consumption would allow the Council to avoid around £70,000 of costs.

7.3 The Council did provide £350,000 of savings against its energy budget and the Traffic and Transport Portfolio saw a reduction of this amount in its cash limited budget when the

Capital Scheme was approved to Replace Street lighting luminaires and to introduce a Central Management System (CMS).

7.4 There is no cost to the Council for implementing this new policy as the cost was met from this previous Capital Project.

.....  
Signed by: Martin Lavers; Assistant Director; Infrastructure

**Appendices:**

Appendix 1: Portsmouth Adaptive Street Lighting Roll out, additional energy saving comparisons.

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
Hyperion Consultancy Ltd (2019) LED/CMS Adaptive Street Lighting Trial Final Report November 2019	Saved on PCC W/Drive - Street Lighting Replacement Strategy File.

The recommendation(s) set out above were approved/ approved as amended/ deferred/  
rejected by ..... on .....

.....  
Signed by: **Cllr Vernon-Jackson, The Leader**

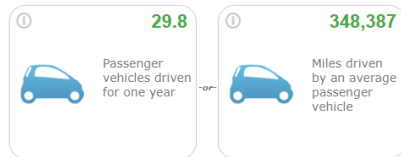
This page is intentionally left blank

## Appendix 1:

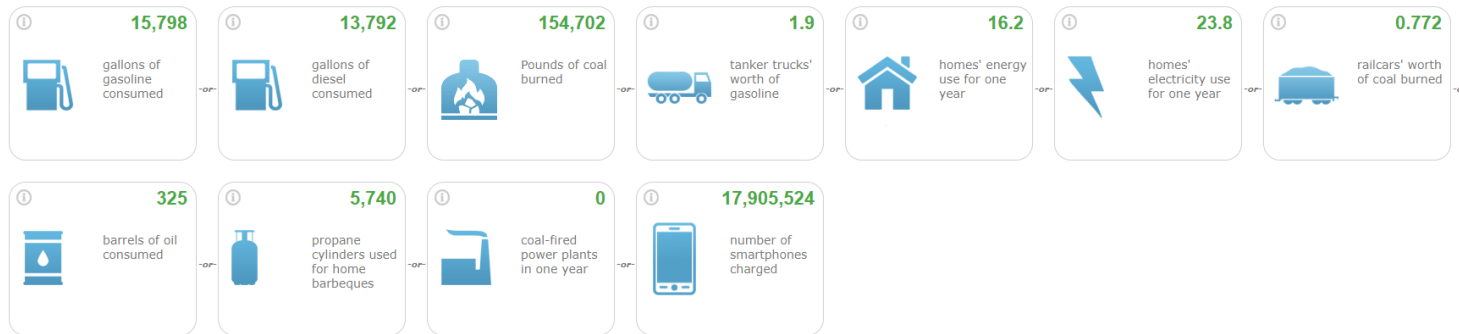
### Portsmouth Adaptive Street Lighting Roll out, additional energy saving comparisons.

Based upon energy saving calculations Hyperion<sup>1</sup> have estimated that rolling out the dimming levels for the trial for the whole stock of street lights in the City will reduce annual energy consumption by 496,116 kWh. This will translate into a reduction in CO<sub>2</sub> emissions of 140,436kg. This is the equivalent of:

#### Greenhouse gas emissions from



#### CO<sub>2</sub> emissions from



#### Greenhouse gas emissions avoided by



Source: <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>.

<sup>1</sup> Hyperion Consultancy Ltd (2019) LED/CMS Adaptive Street Lighting Trial Final Report November 2019.

This page is intentionally left blank

# Integrated Impact Assessment (IIA)

Integrated impact assessment (IIA) form December 2019

[www.portsmouth.gov.uk](http://www.portsmouth.gov.uk)

The integrated impact assessment is a quick and easy screening process. It should:

- identify those policies, projects, services, functions or strategies that could impact positively or negatively on the following areas:
  - Communities and safety
  - Regeneration and culture
  - Environment and public space
  - Equality & - Diversity - This can be found in Section A5

**Directorate:**

Regeneration

**Service, function:**

Infrastructure

**Title of policy, service, function, project or strategy (new or old) :**

LED Street Lighting and Adaptive Lighting Project.

**Type of policy, service, function, project or strategy:**

- Existing
- New / proposed
- Changed

**What is the aim of your policy, service, function, project or strategy?**

To reduce the Councils street lighting energy consumption, carbon footprint, and create operational efficiencies.

Has any consultation been undertaken for this proposal? What were the outcomes of the consultations? Has anything changed because of the consultation? Did this inform your proposal?

On site demonstration and discussion with key stakeholders concluded that it would be appropriate to reduce the lighting energy levels by up to 50% between the hours of 2200hrs and 0600hrs at locations deemed suitable following a network analysis. Further consultation during the adaptive lighting trial was undertaken to gain residents feedback. This has informed the adaptive lighting roll out proposal.

**A - Communities and safety**

Yes

No

Is your policy/proposal relevant to the following questions?

**A1-Crime** - Will it make our city safer?

In thinking about this question:

- How will it reduce crime, disorder, ASB and the fear of crime?
- How will it prevent the misuse of drugs, alcohol and other substances?
- How will it protect and support young people at risk of harm?
- How will it discourage re-offending?

If you want more information contact [Lisa.Wills@portsmouthcc.gov.uk](mailto:Lisa.Wills@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-spp-plan-2018-20.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How will you measure/check the impact of your proposal?

**A - Communities and safety**

Yes

No

Is your policy/proposal relevant to the following questions?

**A2-Housing** - Will it provide good quality homes?

In thinking about this question:

- How will it increase good quality affordable housing, including social housing?
- How will it reduce the number of poor quality homes and accommodation?
- How will it produce well-insulated and sustainable buildings?
- How will it provide a mix of housing for different groups and needs?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/psh-providing-affordable-housing-in-portsmouth-april-19.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?



How are you going to measure/check the impact of your proposal?

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A3-Health** - Will this help promote healthy, safe and independent living?

In thinking about this question:

- How will it improve physical and mental health?
- How will it improve quality of life?
- How will it encourage healthy lifestyle choices?
- How will it create healthy places? (Including workplaces)

If you want more information contact [Dominique.Letouze@portsmouthcc.gov.uk](mailto:Dominique.Letouze@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cons-114.86-health-and-wellbeing-strategy-proof-2.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A4-Income deprivation and poverty**-Will it consider income deprivation and reduce poverty?

In thinking about this question:

- How will it support those vulnerable to falling into poverty; e.g., single working age adults and lone parent households?
- How will it consider low-income communities, households and individuals?
- How will it support those unable to work?
- How will it support those with no educational qualifications?

If you want more information contact [Mark.Oage@portsmouthcc.gov.uk](mailto:Mark.Oage@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-homelessness-strategy-2018-to-2023.pdf>

<https://www.portsmouth.gov.uk/ext/health-and-care/health/joint-strategic-needs-assessment>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A5-Equality & diversity** - Will it have any positive/negative impacts on the protected characteristics?

In thinking about this question:

- How will it impact on the protected characteristics-Positive or negative impact (Protected characteristics under the Equality Act 2010, Age, disability, race/ethnicity, Sexual orientation, gender reassignment, sex, religion or belief, pregnancy and maternity, marriage and civil partnership,socio-economic)
- What mitigation has been put in place to lessen any impacts or barriers removed?
- How will it help promote equality for a specific protected characteristic?

If you want more information contact [gina.perryman@portsmouthcc.gov.uk](mailto:gina.perryman@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-equality-strategy-2019-22-final.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change****Yes****No**

Is your policy/proposal relevant to the following questions?

**B1-Carbon emissions** - Will it reduce carbon emissions?



In thinking about this question:

- How will it reduce greenhouse gas emissions?
- How will it provide renewable sources of energy?
- How will it reduce the need for motorised vehicle travel?
- How will it encourage and support residents to reduce carbon emissions?

If you want more information contact [Tristan.thorn@portsmouthcc.gov.uk](mailto:Tristan.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-sustainability-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

Based upon energy saving calculations, Hyperion have estimated that rolling out the dimming levels for the trial for the whole stock of street lights in the City will reduce annual energy consumption by 496,116 kWh which will translate into a reduction in CO2 emissions of 140,436kg. This is the equivalent of 28 hot air balloons filled with CO2.

How are you going to measure/check the impact of your proposal?  
Energy consumption is tracked through the councils energy team.

**B - Environment and climate change****Yes****No**

Is your policy/proposal relevant to the following questions?

**B2-Energy use** - Will it reduce energy use?



In thinking about this question:

- How will it reduce water consumption?
- How will it reduce electricity consumption?
- How will it reduce gas consumption?
- How will it reduce the production of waste?

If you want more information contact [Triston.thorn@portsmouthcc.gov.uk](mailto:Triston.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

<https://democracy.portsmouth.gov.uk/documents/s24685/Home%20Energy%20Appendix%201%20-%20Energy%20and%20water%20at%20home%20-%20Strategy%202019-25.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

Work undertaken by Hyperion to measure the impact of adaptive lighting on energy consumption during the trial estimated that the city-wide implementation of adaptive street lighting would lead to further savings in energy consumption. The original calculated estimate of additional energy saved is 8-10%. The trial findings indicate a potential for energy savings as high as 14%, however we will not be able to confirm this potential until after the city wide adaptive lighting roll out has been implemented and its impact measured for a period of time. For consistency, key communication messages will stick with the 8-10% estimate until anything higher is confirmed.

How are you going to measure/check the impact of your proposal?

Energy consumption is tracked through the councils energy team.

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B3 - Climate change mitigation and flooding**-Will it proactively mitigate against a changing climate and flooding?

In thinking about this question:

- How will it minimise flood risk from both coastal and surface flooding in the future?
- How will it protect properties and buildings from flooding?
- How will it make local people aware of the risk from flooding?
- How will it mitigate for future changes in temperature and extreme weather events?

If you want more information contact [Tristan.thorn@portsmouthcc.gov.uk](mailto:Tristan.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-surface-water-management-plan-2019.pdf>

<https://www.portsmouth.gov.uk/ext/documents-external/cou-flood-risk-management-plan.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B4-Natural environment**-Will it ensure public spaces are greener, more sustainable and well-maintained?

In thinking about this question:

- How will it encourage biodiversity and protect habitats?
- How will it preserve natural sites?
- How will it conserve and enhance natural species?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-solent-recreation-mitigation-strategy-dec-17.pdf>

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B5-Air quality** - Will it improve air quality?

In thinking about this question:

- How will it reduce motor vehicle traffic congestion?
- How will it reduce emissions of key pollutants?
- How will it discourage the idling of motor vehicles?
- How will it reduce reliance on private car use?

If you want more information contact [Hayley.Trower@portsmouthcc.gov.uk](mailto:Hayley.Trower@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-aq-air-quality-plan-outline-business-case.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B6-Transport** - Will it improve road safety and transport for the whole community?

In thinking about this question:

- How will it prioritise pedestrians, cyclists and public transport users over users of private vehicles?
- How will it allocate street space to ensure children and older people can walk and cycle safely in the area?
- How will it increase the proportion of journeys made using sustainable and active transport?
- How will it reduce the risk of traffic collisions, and near misses, with pedestrians and cyclists?

If you want more information contact [Pam.Turton@portsmouthcc.gov.uk](mailto:Pam.Turton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/travel/local-transport-plan-3>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**B7-Waste management** - Will it increase recycling and reduce the production of waste?



In thinking about this question:

- How will it reduce household waste and consumption?
- How will it increase recycling?
- How will it reduce industrial and construction waste?

If you want more information contact [Steven.Russell@portsmouthcc.gov.uk](mailto:Steven.Russell@portsmouthcc.gov.uk) or go to:

<https://documents.hants.gov.uk/mineralsandwaste/HampshireMineralsWastePlanADOPTED.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

Is your policy/proposal relevant to the following questions?

**C1-Culture and heritage** - Will it promote, protect and enhance our culture and heritage?



In thinking about this question:

- How will it protect areas of cultural value?
- How will it protect listed buildings?
- How will it encourage events and attractions?
- How will it make Portsmouth a city people want to live in?

If you want more information contact [Claire.Looney@portsmouthcc.gov.uk](mailto:Claire.Looney@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

Is your policy/proposal relevant to the following questions?

**C2-Employment and opportunities** - Will it promote the development of a skilled workforce?



In thinking about this question:

- How will it improve qualifications and skills for local people?
- How will it reduce unemployment?
- How will it create high quality jobs?
- How will it improve earnings?

If you want more information contact [Mark.Pembleton@portsmouthcc.gov.uk](mailto:Mark.Pembleton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

Is your policy/proposal relevant to the following questions?

**C3 - Economy** - Will it encourage businesses to invest in the city, support sustainable growth and regeneration?

In thinking about this question:

- How will it encourage the development of key industries?
- How will it improve the local economy?
- How will it create valuable employment opportunities for local people?
- How will it promote employment and growth in the city?

If you want more information contact [Mark.Pembleton@portsmouthcc.gov.uk](mailto:Mark.Pembleton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**Q8 - Who was involved in the Integrated impact assessment?**

Tristan Thorn

**This IIA has been approved by:** Tristan Thorn

**Contact number:** 023 9284 1332

**Date:** 15/01/2020





Agenda item:

**Title of meeting:** Cabinet

**Date of meeting:** 4<sup>th</sup> February 2020

**Subject:** Portsmouth City Council's response to the declaration of a Climate Emergency

**Report From:** Chief Executive

**Report by:** Tristan Thorn, Strategy Adviser - Climate Change

**Wards affected:** All

**Key decision:** No

**Full Council decision:** No

---

## 1. Purpose of report

- 1.1 To set out how Portsmouth City Council will work towards net-zero carbon emissions by 2030, in response to the declaration of a climate emergency.

## 2 Recommendations

- 2.1 It is recommended that Cabinet approve the draft Portsmouth City Council Climate Change Strategy for consultation, as appendix A of this report.

## 3. Background

- 3.1 On 19<sup>th</sup> March 2019 the council declared a climate emergency; as part of this declaration the council committed to working to reduce the city's carbon emissions to net zero by 2030. The local authority has therefore developed a draft climate emergency strategy that will be the basis for consultation, including with Local Partnerships, to guide the approach to reducing, eliminating and offsetting carbon generated by the authority. The authority will also be working separately with partners on the citywide Climate Action Board to develop a strategy for carbon reduction in the wider city.

## 4. Portsmouth Climate Change Strategy

- 4.1 The Climate Change Strategy (attached at **Appendix A** to this report) outlines the approach that PCC will take to work towards its objective of becoming carbon neutral by 2030.

4.2 The document recognises that the authority has already undertaken many actions over the last few years that have contributed to a reduction in emissions, notably:

- Multiple domestic energy schemes
- Installation of LED lighting in key buildings across the city, and conversion of 15,000 street lights to energy efficient LEDs.
- Developing a food waste trial, converting some of the 40% of household waste that is food into biogas and fertiliser
- Working to make changes to the city transport system, such as cleaner buses and introducing electric vehicle charging points
- Committing to making Portsmouth International Port the first zero-emissions operations port in the UK, through measures such as replacing all floodlights with LED (reducing energy usage by 65%) and installing a sea water heat transfer pump to provide both heating and cooling for the new terminal building.

4.3 However, it is crucial to recognise that these actions have generally been taken primarily to achieve other objectives - such as cost reduction through energy efficiency, improvements in air quality or to tackle fuel poverty - and whilst they have also had the effect of reducing carbon emissions, we now need to start investing in measures to reduce carbon emissions as an objective. The draft strategy identifies some priority areas and initial projects, including:

- Carrying out a significant accommodation study of the civic offices to identify how more efficient usage can reduce carbon reductions through more effective use of space, expending less energy on heating, cooling and other power usage.
- Continuing the drive to reduce emissions from the International Port, by improving energy efficiency and introducing measures such as green shuttle buses
- Implementing our charging clean air zone, which will lead to reduced vehicle emissions, improving the city's carbon footprint and air quality challenge.
- Investing in active travel infrastructure through the developing Local Cycling and Walking Infrastructure Plan.
- Continuing to roll out the food waste availability and develop other sustainable waste reuse, recycling and disposal options
- Ensuring that carbon and wider sustainability considerations are taken into account in all PCC procurement
- Implementing a "Greening Strategy" which will see us increase planting, including trees, across the city

4.4 There are immediate actions that are already underway in terms of the way we work as an organisation including:

- Conducting a full carbon audit of PCC
- Fully assessing PCC's sphere of influence and ability to drive progress
- Establishing a PCC climate emergency working group and system of Carbon Champions

- Ensuring all of the council's decisions consider climate change and carbon emissions
- Developing a rigorous marketing and behaviour change plan.

- 4.5 We are aware that there are further opportunities that can be explored in more detail and that there is work to do in terms of evaluating where maximum impact can be achieved from the resources available, and where there are further opportunities to develop. To support us in this work, we have commissioned a review from Local Partnerships (who are affiliated to the Local Government Association) and this will report in March 2020. We will then use this information to refresh the strategy in late Spring. We will also take account of feedback on this first draft document from other sources, such as the Climate Action Board.
- 4.6 The document is consistent with the Notice of Motion adopted at Council on 14<sup>th</sup> January 2020.
- 4.7 The revised version published in late Spring will be the basis for a wider campaign and therefore will be in a full designed version for publication with accessible language that will engage readers, and support will be given to this process by communications officers.

## **5. Reasons for recommendations**

- 5.1 The Council has signalled commitment to addressing the issue of climate change by adopting the Notice of Motion to declare climate emergency. The proposals set out in the strategy attached at Appendix A represent a comprehensive programme to implement this measure within the local authority, and indicates how the authority will work with partners and residents through the climate change board.
- 5.2 The proposals recognise that much is already happening to support this priority, but that this activity is in need of co-ordination and promotion to ensure that the impact is optimised.

## **6. Integrated impact assessment (IIA)**

- 6.1 An integrated impact assessment is attached at Appendix B.

## **7. City Solicitor comments**

- 7.1 The report rightly outlines the current thrust to align PCC with others within the LG community to tackle the issues associated with global warming. The report speaks to recommendations that are to be consulted upon and as such at this stage do not present a risk to the LA in the sense that a decided decision would. Importantly the suggestions set in the report are recommendations and not resolutions to undertake anything in a statutory sense.

**8. Head of finance’s comments**

- 8.1 There are no direct financial implications as a result of approving the recommendation within this report to adopt the Climate Change Strategy document. It may be that as a consequence of adopting the strategy and following the Carbon Audit that measures are identified that could be actioned that would reduce the amount of Carbon generated from Council operations. When these are identified they will be financially appraised and an appropriate source of funding will be identified in order to implement them.
- 8.2 The Climate Change Officer post will cost the Council £40,000, the cost of which will be met from the Environment Portfolio reserve.

.....  
Signed by:

**Appendices:**

**Appendix A - Draft Portsmouth City Council Climate Change Emergency Strategy**

**Appendix B - Integrated Impact Assessment**

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by ..... on .....

.....  
Signed by: Name and Title

# Portsmouth City Council Climate Emergency Strategy

---

## Foreword

In Portsmouth, we accept the evidence human activity is driving unprecedented changes in the global climate, and that we are facing a climate emergency.

We agree that action must be taken now to stop global temperatures rising to a point where the damage is irreversible and the consequences potentially catastrophic. As a coastal city which is home to many areas of importance in the natural world, Portsmouth's people, built and natural environment and economy are all vulnerable to many of the worst effects of extreme weather events and damage to biodiversity caused by climate change. We already have an indication of this in the impacts of extreme weather and coastal erosion on our waterfronts, and many millions of pounds will be spent over the coming years to protect our city against this.

We are just a small part of the global community - but we are resolute in our commitment to tackling this issue to ensure that we safeguard the city and the planet for the future and the generations that will come after us. We will take responsibility for reducing the climate impact of our great waterfront city, and will encourage everyone who lives, works, invests and visits here to support us in these actions.

We know we need to take action before it is too late - and this document sets out how Portsmouth City Council will respond to this emergency, and outlines our first steps in this urgent race against time.

However, we also know that there will be further opportunities that we could pursue, so we will be consulting widely on the content of this strategy and keeping it live and updated - it needs to continually evolve and provide a dynamic framework for us to work within rather than be a static document. We will provide a further report in mid-2020, following a critical appraisal by Local Partnerships early in the year, which will include a costed action plan supported through the 2020/21 budget.

Finally, we are encouraged by the actions that other partners in the city are also taking to reduce carbon input, and are committed to working through the citywide climate board to reach beyond our organisation and into the community.

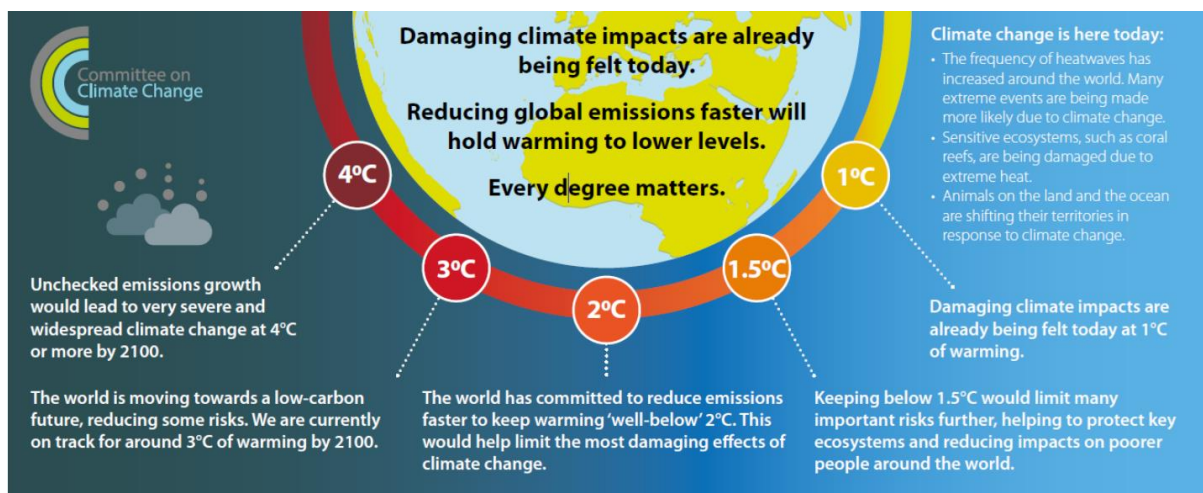
Cllr Gerald Vernon-Jackson, Leader of the Council

Cllr Dave Ashmore, Cabinet Member for Environment and Climate Change

## 1.0 Introduction - what is climate change?

In the 18<sup>th</sup> and 19<sup>th</sup> centuries, developments in science and technology led to an Industrial Revolution, which originated in Great Britain and spread across the world. Much of the new industry was powered by fossil fuels (coal in particular) and the burning of these released gases, such as carbon dioxide and nitrous oxide (which we now call greenhouse gases) into the Earth's atmosphere. This broad profile of fossil fuel usage continued with levels of carbon emissions increasing year or year. There is a scientific consensus that the continued increase in this pollution in the atmosphere has caused infrared heat from the Sun's rays to become trapped, leading the temperature of the Earth to gradually but inexorably rise over time.

The Intergovernmental Panel on Climate Change (IPCC) has warned that we now have 11 years to prevent global temperatures exceeding 1.5°C above pre-industrial levels; beyond this temperature the risk of coastal flooding, extreme heat and cold, intense rain and strong winds will increase significantly. This means that the levels of greenhouse gas emissions must be substantially reduced across the globe.



The global temperature is 1°C higher than it was in 1850, and the effects of climate change are already being felt. The MET Office has reported that the United Kingdom's ten hottest years on record have all happened since 2002, the mean sea level around the UK has risen by approximately 14cm since 1900 and days of extreme heat in South East England has risen from once every 1000 days to as often as once every 200 days<sup>1,2,3</sup>. Extreme weather events will continue to worsen as the Earth's temperature increases.

### Climate Change - the national policy context

The Paris Climate Agreement proposes an international carbon reduction plan which aims to keep the global temperature below 2°C (although the international community is not on track to meet this long-term goal). The UK Climate Change Act 2008 set a statutory target for the UK to reduce greenhouse gas emissions by 80% from 1990 by 2050, but in May 2019, the UK Committee on Climate Change recommended that a more ambitious target should be set of net zero carbon emissions by 2050.

<sup>1</sup> <https://www.nature.com/articles/nclimate2617>

<sup>2</sup> <https://rmets.onlinelibrary.wiley.com/doi/pdf/10.1002/joc.6213>

<sup>3</sup> (<https://www.metoffice.gov.uk/about-us/press-office/news/weather-and-climate/2019/state-of-the-uk-climate-2018>, n.d.).

## Portsmouth's climate emergency

Portsmouth City Council had stated in 2018 a corporate priority to make our city cleaner, safer and greener. To strengthen this, in March 2019, Portsmouth City Council declared a local climate emergency; committing to reduce Portsmouth's Scope 1, 2 and 3 emissions to net zero by 2030. The full text of the Emergency declaration is at Appendix 1, but the declaration commits the council actions including a:

- pledge to achieve net zero carbon emissions in Portsmouth by 2030, considering, both production and consumption of emissions according to the Standard provided by the Greenhouse Gas (GHG) Protocol
- report back to the Council detailing how the Council will work with partners across the City and with central government to ensure that Portsmouth's net carbon emissions (Scope 1, Scope 2 and Scope 3 emissions as defined by the GHG Protocol) are reduced to zero by 2030.
- Regular annual report on Portsmouth GHG emissions, what is working and what is more challenging and progress towards achieving net zero-carbon emissions.
- 'Portsmouth Climate Change Board' to be established to underpin our efforts to decarbonise Portsmouth.

The "net zero" target is important - it takes into account that in the ten year timeframe, it is possible that the city will still be generating some CO<sub>2</sub>e emissions, and accepts that the city will need to look at methods of offsetting or sequestering carbon alongside reduction.

Nonetheless, this is still a formidable challenge. The Tyndall Institute has forecasted that approximately 10 kilotonnes of CO<sub>2</sub>e would need to be offset every year after the net zero target has been reached in 2030 - with a potential cost to the authority of between £18m and £36m a year. In terms of action, this would be equivalent to planting a million trees a year, for example.

Nonetheless, we are determined in our approach, and recognise that by making changes as soon as possible we can minimise the eventual financial, environmental and social costs of climate change. We remain ambitious about what we can achieve, with the support of our communities.

### **3.0 What have we already done?**

---

Portsmouth City Council has done a lot of work in previous years which has contributed to reducing carbon emissions in the local authority and the city for many years. CO<sub>2</sub>e emissions in Portsmouth have reduced by over 30% from 1280.2 kilotons in 2005 to 862.8 kilotons in 2016. We have achieved some significant things that have contributed to a reduction in carbon in recent years, for example:

**Domestic energy schemes:** multiple schemes have been launched to improve energy efficiency including the Local Energy Advice Partnership (LEAP), which offers home energy advice to residents and free energy efficiency measures for vulnerable residents; Warmer Homes; and the Emergency Boiler Replacement Scheme. Around £733,000 worth of external funding was delivered to vulnerable households within Portsmouth postcodes, implementing measures which will reduce energy bills and save 267 tonnes of CO<sub>2</sub>e. The numbers of referrals are forecast to rise next year, with additional funding already secured. The scope of the schemes is also widening with an offer of free white goods being included in the fuel poverty schemes for the first time.

**LED lighting in buildings:** PCC has installed LED lighting in key buildings across the city - including the Civic Offices and Central Library, in order to reduce energy demand through highly efficient fittings. PCC has an ongoing programme to install low energy LED lighting in corporate buildings, libraries, offices and schools.

**Heating systems:** PCC has an ongoing programme of installing new heating systems to buildings, which as well as highly efficient conventional gas boilers, also includes heat pumps, combined heat and power and district heating. Where systems are not due to be replaced, greater control is added to the heating, including building energy management systems. Across its social housing portfolio, PCC installs highly efficient gas boilers to replace aging, less-efficient systems.

**Insulation projects:** PCC has insulated all of its applicable social housing with loft and cavity wall insulation; which has included around 2,000 properties in the last 5 years. In private homes, PCC has enabled 70 properties in the last 12 months to receive insulation measures through application of flexible eligibility under ECO 3. PCC also installs insulation into non-domestic buildings including community centres, schools and commercial buildings.

**LED street lighting:** In 2018 Portsmouth City Council began replacing 15,000 streetlights across the city with energy-efficient LED lighting. These improvements are set to be complete within the next year and will reduce energy use by approximately 40%. The LED lighting will also require less maintenance and can be adjusted remotely, this means that certain areas can have the lights dimmed to preserve energy.

**Food waste trial:** As approximately 40% of household waste consists of food waste a new food waste disposal trial has been rolled out across parts of the city. Instead of being sent to an incinerator the food waste will be used for anaerobic digestion; the biogas produced can then be used as a fuel source and a nutrient-rich fertiliser, which is an important method for sequestering carbon.

**Electric vehicle charging :** Over the past year PCC has installed 36 EV charging points in residential streets around the city, through the 'On-street Residential Chargepoint Scheme'. This scheme uses the existing streetlights to provide electricity for vehicles in a reserved on-street parking space. There is continuing demand for residential charge points in the city, therefore the council has submitted a bid to the Office of Low Emission Vehicles to install approximately 75 additional EV charging points in the city.

**Cleaner buses:** As part of the work to improve air quality PCC was awarded £1.5 million from the government to upgrade 105 of the city's buses to the Euro VI emission standard. The more efficient engines not only improve air quality but will also reduce carbon emissions.

**Active travel:** a range of schemes to reduce the number of private vehicles on the road (and in turn reduce greenhouse gas emissions) including "Bike doctor" bike service and repair clinics, Bikeability training for children to encourage safe cycling as a means of transport to and from school, quieter cycle routes, and the Pompey Monster Walk to School Challenge.

**Portsmouth International Port:** Portsmouth International Port is aiming to become the first zero-emission operations port in the UK. Several initiatives have already been launched, such as the Trafalgar Gate Link Road to reduce traffic distance travelled; replacing all floodlights with LED floodlights (which reduced energy usage by 65%) and installing a sea water heat transfer pump to provide both heating and cooling for the new terminal building.

#### **4.0 What we're going to do next - our guiding principles**

---

Friends of the Earth have published a guide to actions local authorities can take on climate change. We have audited progress of the authority against these, and note that many of the opportunities have already been taken (more detail in Appendix 2).



However, estimates from the Carbon Trust suggest that our downward trajectory of emissions will start to plateau by 2025. This is largely because a significant proportion of reductions have arisen from grid carbon savings, which we have limited ability to influence. It is therefore clear that a business as usual approach to the issue - seeking incremental improvement as a side-benefit of other schemes - will not be sufficient. To reach the net zero carbon emission target, action will need to go much further than outlined in previous strategies.

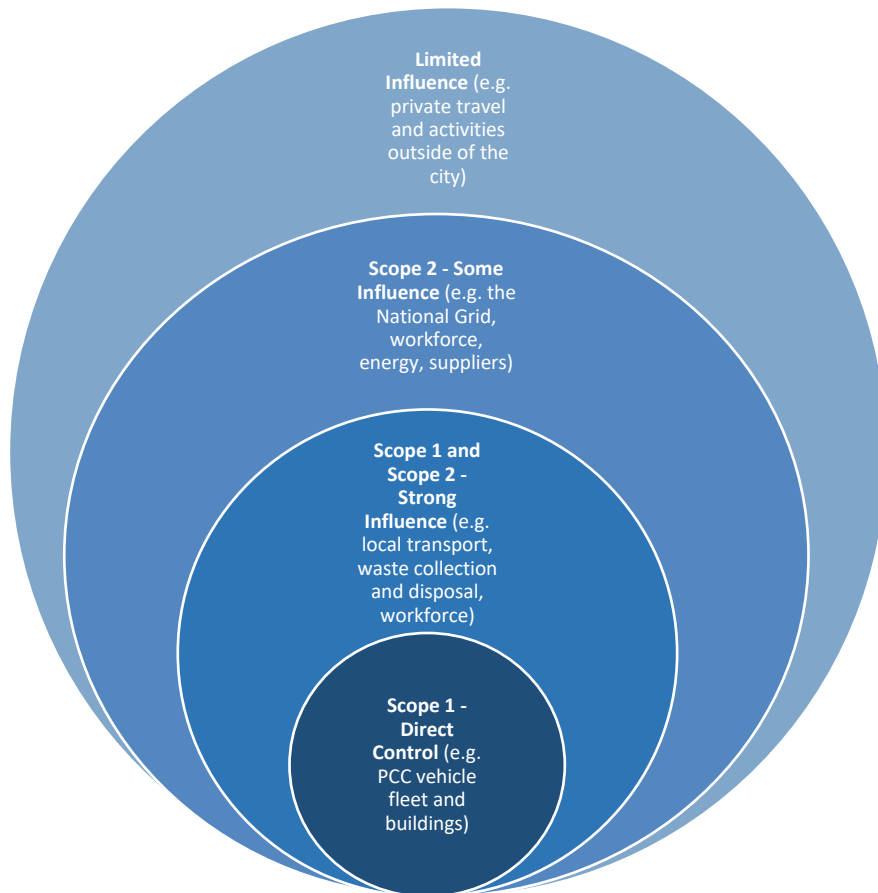
In order to guide our approach to carbon reduction in Portsmouth City Council, we have adopted some three underlying principles:

- **The climate emergency requires clear and decisive leadership, but also needs to recognise the importance of wider citizen buy-in and engagement**
- **The authority will take a proportionate approach, focusing on the areas where we can have the most impact on emissions, but also on hearts and minds**
- **All decisions taken by the local authority will need to take into account the potential climate impact**

Understanding which activities are responsible for emissions, and what ability we have to change these, requires a framework for categorising and capturing these. Emissions are often categorised by a system of scopes. In relation to the wider city, these scopes would look at:

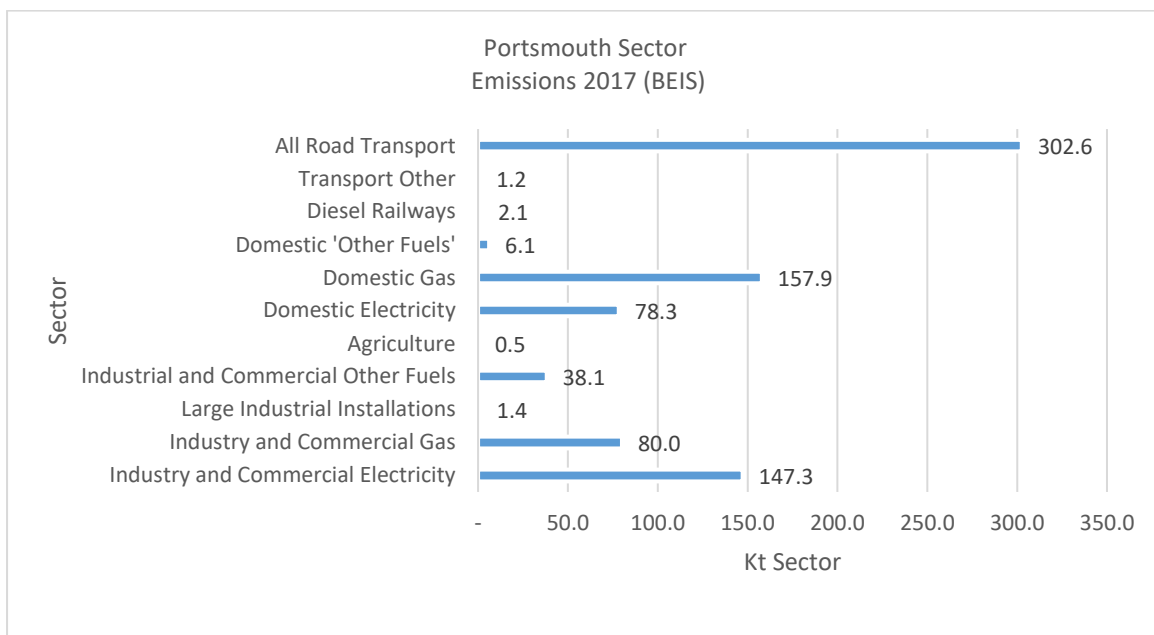
- Scope 1: Greenhouse Gas (GHG) emissions directly produced by the organisation
- Scope 2: GHG emissions occurring as a consequence of the organisation's use of grid-supplied electricity, heat, steam and/or cooling
- Scope 3: All other city GHG emissions that occur as a result of the organisation's activities.

This framework helps us to think about the wider sphere of influence for the organisation and our wider responsibilities and opportunities. As a local authority, the council has the ability to influence behaviour and actions outside of its owned or controlled assets, and this creates opportunities to make a change, as well as challenges in tackling factors outside of our direct control.



## 5.0 Where do Portsmouth's emissions come from?

Analysis from BEIS sets out the sectors which provide the greatest emissions to the city:



This is helpful in setting priorities for action in the authority. For example, one of the most notable sectors with opportunities for improvement is transport. Around a third of the city's CO<sub>2</sub>e emissions are attributed to road transport. Portsmouth is a small city, which is densely populated, flat and has a temperate climate. There is a real opportunity for Portsmouth to prioritise walking and cycling. Considering the favourable geography, rates of cycling and walking are low, especially relative to similarly sized cities. Portsmouth is regularly ranked as one of the most dangerous places to cycle in the UK and pavements are often narrow, cluttered and obstructed by motorised vehicles. Although some additional cycle lanes have been marked, to significantly reduce carbon emissions the city's streets will need to be updated with progressive infrastructure to provide more choice to residents on how, when and where they will travel. Interventions to promote active and public transport modes reduce the reliance on the private car, reduce the environmental impact of transport, and have an essential role to play both in improving air quality and reducing carbon emissions in the city.

There are an array of other actions which can be taken to improve the environment of the city. These actions range from the planting of trees, reduction in the use of plastics and the use of alternative bio-fuels. However these actions, while correlated to climate change and the environment, are not always intrinsically linked with immediate carbon reduction.

It is important to recognise that there are specific actions which will reduce carbon emissions, and other actions which will enrich the environment, but will not make a large impact on our commitment to reducing carbon emissions. For example, planting trees will result in a net reduction in CO<sub>2</sub>e, however, this reduction will be gradual. The nature of the climate emergency means that we will need to be specific and focused on our commitment to carbon reduction.

## **6.0 Our climate priorities for action**

---

Portsmouth City Council currently contributes approximately 2.38% (22.48 Kt CO<sub>2</sub>e) to the city's carbon emissions, as of the last monitoring report in 2015<sup>4</sup>. We are committed to improving this, and to address the impact of the council and its activities, we have identified some key priority areas:

- Operational resources (property, fleet and supplies)
- Energy
- Transport
- Waste
- Environmental improvements (including greening)

### **Priority One - Property**

Although many of the PCC-owned buildings are ageing, efficiency improvements are constantly being considered and implemented; these efficiency improvements help to reduce energy usage and waste.

**Space utilisation:** Specialists have been commissioned to undertake an extensive study early 2020 to assess how space can be better utilised in the council's civic offices. This initiative will analyse desk usage and look at improving the utilisation of space within the building. With over 2500 registered staff members even small efficiency improvements will help to make significant carbon reductions. Importantly, by reducing the amount of office space required the building will expend less energy on heating, cooling and electricity.

---

<sup>4</sup> PCC Carbon Management Programme Monitoring Process 2015

**Occupancy sensors:** The use of occupancy sensors ensures that energy and electricity is not expended on empty rooms and areas of the building. To further utilise space within the civic building occupancy sensors will be expanded to measure the occupancy of meeting rooms. While meeting rooms are frequently reserved, recurring meetings are often cancelled and the meeting room is left empty. By increasing the availability of meeting rooms less space will need to be dedicated to separate rooms, and consequently less energy will be wasted.

**Allocating space and air flow:** Further to improving the efficiency of meetings, how meetings take place will also be assessed. This will mean that meeting 'areas' can be provided as opposed to a fully enclosed room. By opening up the space, and reducing barriers to air flow, the heating and cooling of the building can be made more efficient.

**Digital post solution:** As an organisation the council is responsible for communicating a vast amount of information to different sectors of society. The council needs to be able to do so efficiently and in ways that suit residents. A digital post system will enable the council to communicate and send information quickly and effectively using digital channels when appropriate and send postal information more efficiently. Potential benefits include reductions in paper letters sent and fewer despatch journeys to collect and deliver post.

**Waste and recycling:** PCC will be holding an audit on waste and recycling in PCC-owned buildings in early 2020. This work will look at offering the collection of food waste in the PCC civic offices. While the materials that can be recycled have been expanded at the civic offices, more information and coordination is planned to ensure that all staff members understand the process.

**Portsmouth International Port:** In line with the commitment to become the first zero-emission operations port in the UK, a range of improvements are being planned and considered. To assist in this target the Port will produce a Port Air Quality Strategy and Port Air Quality Management Plan to reduce the impact of its operation on the public. Furthermore, the Port is an active member of the Ports Energy and Carbon Savings Project. The project is made up of European ports and institutions with an aim to test and implement different technologies and methods in the field of renewable energy. This research and development continues to drive change and plans for energy reduction in the Port.

To improve air quality and reduce emissions the Port shuttle buses are aiming to become Euro 6 compliant or transitioned to zero emission vehicles. In the longer term all Light Goods vehicles, used by the Port and Portico, are planned to become electric. A green wall, and additional plant barriers, are being considered for placement around the port and port buildings. These measures will help to absorb carbon emissions and improve air quality. Remote real-time air pollutant sensors are planned for installation across the port so that improvements can be monitored and assessed to ensure progress is being made.

**Procurement and supply chain:** PCC will continue to challenge whether sustainability considerations have been taken into account on a proportionate and relevant basis looking at the nature of the contract in hand and the specific opportunities/risks that could arise. Action has already been taken via the Procurement Gateway Process which applies to all contracts with a total value of over £100k, and we will seek to develop and incorporate new must do requirements to require carbon reduction in Portsmouth into all contracts and partnership agreements so that all organisations that work with the city council have to demonstrate how they are contributing to the city's carbon reduction. We will also consider the feasibility of introducing a carbon reduction kitemark.

## **Priority Two - Energy**

**Housing:** The Energy and Water Strategy is currently being developed and will aim to ensure all homes in Portsmouth are as energy and water efficient as possible. As part of this strategy a new energy saving advice website has been launched. Switched On Portsmouth provides residents with free energy saving advice including free cavity wall and loft insulation for eligible residents. While the strategy looks to provide assistance to households struggling to pay their energy bills, this will also lead to a reduction in carbon emissions.

**Community energy:** We will consider how we can support positive choices around energy purchase, generation and consumption in the wider community, for example, around energy generation co-operatives. Detailed options will be brought forward later in the year.

**Energy generation:** Installation of additional solar PV is planned at the Port and also on the Portico premises within the Port. This will generate more electricity to support the energy needs of the Ports daily operations. A small wind turbine generation field on the Port area has also been considered; however this is subject to planning permission and unlikely to be achieved in the near future.

### **Priority Three - Transport**

Through policy instruments like the Local Plan, Economic Development Strategy and the Local Transport Plan PCC can drive major reductions in the carbon emissions within the city. This can be achieved by prioritising sustainable transport, encouraging the development of efficient buildings and promoting green growth. Our current plans include:

**PCC transport fleet:** PCC is working on transitioning its own fleet to electric vehicles; however this will require a great deal of consideration and investment. As part of this process the logistics of EV charging is being considered. Although the city-wide EV infrastructure is being developed more charging points will need to be installed on council owned-properties. The cost of purchasing/leasing and maintaining the electric vehicles is being assessed to ensure the fleet remains efficient and reliable.

**Charging Clean Air Zone:** In October 2018 PCC were identified as one of 33 'third wave' Local Authorities issued with a ministerial direction requiring us to make improvements to air quality in the shortest possible time. Evidence studies undertaken demonstrate that non-charging measures are unlikely to deliver the level of reduction in air pollution required to achieve compliance with legal limits for nitrogen dioxide. Therefore, the council are proposing to implement a Class B Charging Clean Air Zone (CAZ) that would result in non-compliant vehicles being charged a daily fee for driving within the zone. The CAZ will cover an area to the southwest of Portsea Island and non-compliant vehicles are buses, coaches, taxi, private hire vehicles and heavy goods vehicles older than euro 6 diesel or older than euro 4 diesel. It is anticipated that the CAZ will be operation from mid-2021.

Whilst the primary purpose of the charging is to deliver improvements in air quality, it is likely to deliver the co-benefit of reducing carbon emissions in the city as the daily charge will encourage vehicles to be replaced with cleaner types and may lead to a reduction in total vehicles trips made within the zone.

**Improve sustainable transport options:** The South East Hampshire Rapid Transit (SEHRT) system, proposed through the Transforming Cities Fund, seeks to deliver a high-quality multimodal travel system which will connect communities, spread prosperity and drive up productivity in the city and wider area. The SEHRT proposes to deliver the following:

- A rapid transit network and a revised local bus network, targeting key commuting corridors;

- Complementary and enabling junction and corridor infrastructure schemes;
- Excellent “First / Last Mile” access to/from rapid transit stops by walking and cycling;
- Enhanced interchange schemes to optimise connectivity;
- Enhanced customer experience to encourage use, and
- Complementary policy measures to help drive mode shift.

Through this work, we will update the integrated transport strategy for the city, to support more active travel and fewer car journeys in and around the city.

**Invest in active travel infrastructure:** Portsmouth's Local Cycling and Walking Infrastructure Plan (LCWIP) is currently being developed. This will provide a strategic approach to identifying walking and cycling improvements required at the local level. The LCWIP will provide:

- Network plans for walking and cycling which identify preferred routes and core zones for further development.
- A prioritised programme of infrastructure improvements for future investment.

**Review the parking strategy for the city:** We will, as part of developing a coherent approach to transport in the city, review the Parking Strategy, to include consideration of parking charges, parking availability (including off-street parking) and the disincentivisation of commuting by car.

**Require the use of low emission buses:** Electric or low emission technology is not yet considered reliable enough for the wider public transport network, which hampers private investment, and there is not currently a sufficient EV charging network in the city to support electric buses. A bid into the Clean Air Fund has been submitted to request funding to retrofit the remaining buses and some of the most polluting coaches and minibuses that regularly operate in the city.

#### **Priority Four - Waste**

**Waste:** Where possible PCC is expanding schemes to increase recycling and reduce waste across the city. The condensed nature of the city makes curb-side recycling collections logistically problematic. Therefore community based recycling points are being improved and developed across the city, this includes the replacement of 50 recycling containers which will be deployed across the city in 2020.

The expansion of the food waste trial is also being reviewed, although any expansion will be subject to national and local capacity to process food waste. As part of this project PCC is looking at how food waste can be used for anaerobic digestion in the local area.

#### **Priority Five - Environmental improvement**

**Planning:** The Council is currently in the process of developing a new Local Plan for the city. The Local Plan will set the planning policies for new development in Portsmouth going forwards addressing various topics including housing, employment, the natural environment and transport. It will also be an important means of ensuring that new development addresses the challenge of climate change. With regard to securing emissions reductions and mitigating climate change, policies are being formulated that aim to bring about substantial reductions in carbon emissions in new development, equally policies are being developed to help adapt to climate change and reduce climate risk in new development.

Future rounds of consultation in 2020 will provide the opportunity to comment on the emerging document as it progresses towards submission and adoption. This will include opportunities to comment on draft policies and the Council will welcome feedback in order to help shape and strengthen that document. Details on the Local Plan timeline can be found on the website.

**Greening:** The council is committed to greening the city to support carbon reduction and other objectives such as air quality and broad environmental improvement, including supporting biodiversity and helping the city adapt to climate change. So we will bring forward a resourced strategy that starts to move towards this in early 2020.

## **7.0 Further opportunities and ambitions**

---

Across the breadth of the council's activities, opportunities that will be considered in the coming months, and reflected in the next strategy refresh are:

- Transition of own fleet to electric vehicles - this will require significantly more EV infrastructure
- Encouraging service providers to decarbonise their vehicles, through regulation and incentivisation
- Consider changes to the bus service in the city
- Further retro-fitting of council-owned properties with high levels of insulation - this would require significant investment
- Expand PV installation
- Drive more efficient housing being built through planning policy
- Increase the frequency and reach of the park and ride service - a consultation on options will begin soon.
- Subsidise renewable energy projects
- Provide funding and support to local residents to encourage renewable energy installation.
- Implement a trusted installer framework to prioritise service providers that have made progress in decarbonising their business actions.
- Require deliveries to be made by electric vehicles
- Fossil fuel divestment - the council has limited control over the pensions fund due to the multi-agency ownership. PCC can influence the operators of the fund through coordinated pressure with other councils and organisations which contribute to the pension fund.

PCC has a great deal of influence over the entire city's emissions, however it cannot force change on all businesses and groups in the city. The council will need to use its position to influence behaviour and priorities. As an authoritative voice the messaging of the council can lead to real changes. The council is well placed to provide a platform for support and guidance for residents, businesses and groups in the city looking to reduce their emissions and address the climate emergency.

We know that success will be incumbent on wider behaviour changes. Sustained reductions in carbon will only be achieved if there is fundamental change in many habits that have been adopted over many years. Behaviours are influenced by lots of factors - culture and upbringing, attitudes, education and awareness, personal motivation and peer pressure are all examples of why people do certain things in certain ways.

There are many external and hard to measure activities which the council will have limited influence over. These are generally considered to be Scope 3 activities; these can include aviation use by residents, purchasing of goods manufactured outside of the city and the disposal of waste outside of the city. Reduction in these emissions will largely be achieved through communication with

residents; e.g., to buy locally sourced low carbon products or adopt carbon-positive behaviours. This is an area where we will seek to activate residents through the citywide Climate Change Board.

This multi-agency board will take responsibility for developing a citywide response to the climate emergency, and is chaired independently of the local authority by a representative from the University of Portsmouth. The Board, with support from all agencies involved, will lead for the city on issues such as community engagement and lobbying government. This is an exciting development and will ensure that there is energy and momentum behind the climate efforts in the city. The Terms of Reference for the Board are attached as Appendix 3.

The Board is a hugely important means by which we can ensure that all parts of the community - residents, businesses, children and young people for example - can have a voice and influence what is happening in the city. Over the coming months, the authority will be working, as an integral member of the Board, to bring forward a wider strategy for engaging across the city and a programme of events, including a dedicated Children's Week of Climate Action in the Summer term.

The city Climate Change Board will also present progress to the Cabinet Member on an annual basis.

## 8.0 Next steps

---

Alongside the steps outlined already, we will also undertake the following actions in support of our strategic aim to reach net zero carbon by 2030:

**Conduct a full carbon audit of PCC:** The council will need to conduct a full carbon audit of its all of its assets, operations, processes and suppliers. While high level data is available it will be more useful if data was provided by each directorate. To assist in this an audit process will be developed through a standardised framework. The framework will be completed by March 2020 and will inform the refreshed carbon plan to be published in mid-2020. The PCC audit will also link to citywide work commissioned through the Climate Action Board.

**Fully assess PCC's proposed actions and prioritise according to impact:** While the GHG Protocol Scoping system is very helpful in measuring emissions it will be prudent prioritise actions that are controllable and will have the highest impact. PCC will be assisted in this work by Local Partnerships early in 2020.

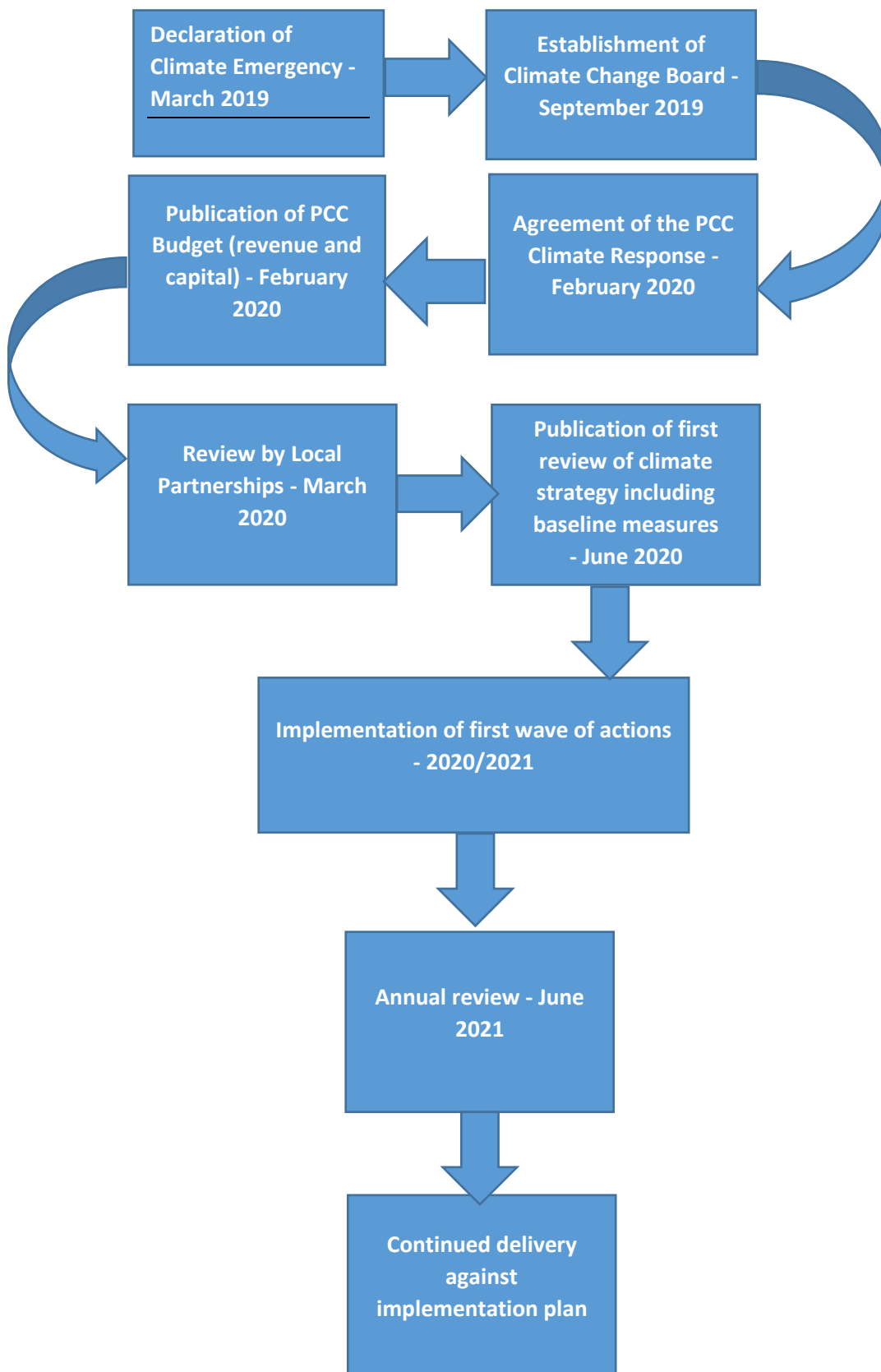
**Establish a PCC climate emergency working group and system of Carbon Champions:** The far-reaching action and changes required will need to cross-directorate communication and support. To further coordinate PCC's strategy a working group will be established to share information and procedures to enact carbon emission reductions. This will meet in February 2020.

**Ensure all of the council's decisions consider climate change and carbon emissions :** If progress is to be made all decisions will need to reduce or at least not increase carbon emissions in the city. This process is being considered through the integrated impact assessment and can be further developed through a carbon budgeting system. The new assessment process will roll-out in early 2020 and be reviewed to take account of learning from early assessments in April 2020.

**Develop a rigorous marketing and behaviour change plan:** While PCC can drive change through procedure and policies, city-wide behaviour change will also need to follow. Creating a cultural and behavioural shift will be a difficult and important task. Therefore a measurable and targeted behavioural change action plan will need to be enacted and followed.



**Our steps to net zero carbon by 2030:**



## 9.0 Governance and resources

---

While Scope 1 and 2 emissions data has been recorded on the council's estate and operations, there has not been a rigorous carbon emission report since 2015. This will be introduced again for 2019/20 as part of the council's commitment to tackling climate change, and will form our baseline for future years.

It will be important to fully audit and report on all emissions for all directorates. This will determine the council's greatest emitters and which directorates can make more changes to reduce emissions. From this starting point future decisions can be balanced against current emission levels and how they will impact this level.

It will also be important to fully understand the financial cost incurred to reach net zero by 2030. The Council will need to budget for specific actions to reduce carbon emissions, as an objective in its own right. The council will need to consider how each decision will either contribute to, or deduct from, the city's limited carbon budget.

Progress against the climate change strategy will be reported on a quarterly basis to the Cabinet member for Environment and Climate Change, with an annual carbon report presented to Cabinet.

In order to progress this strategy, the administration have granted £40,000 for a year to support a post to develop the strategy and reporting frameworks and support to the developing Climate Change Board. There is also a small budget available for awareness raising action.

## 10.0 Adaptation

---

Portsmouth is particularly exposed to flooding, storms, rainfall and rises in sea level. We live on a small and exposed island; the city is severely limited in its ability to abandon and relocate areas at risk to flooding. The city is not only threatened by rising sea levels but also surface water flooding from increased rain fall. Carbon induced climate change is directly linked to the increased threat of flooding in the city. The changes in the climate are already having an impact now and, unless carbon emissions are significantly reduced, the threat of flooding will continue to increase in the future.

The flood defences being built around Portsea Island will go a long way in defending the city against flooding. However, it is worth noting these flood defences are only going to be effective if long-term global CO<sub>2</sub>e emissions do not continue to increase. It is therefore of particular interest for the city to do everything possible to ensure that the global temperature does not exceed 2°C.

As the effects of climate change are already being felt, and are likely to intensify in the future, the council will need to ensure that the city adapts to a changing climate. These measures can include increasing tree coverage to provide shade and defence against flooding. However, while action can be taken to prepare for immediate threats the interconnected and chaotic nature of the climate means that there will be various unknowable risks in the future. Future risks will need to be constantly re-evaluated based on the latest science to ensure that the city is fully prepared.

Significant steps towards adaptation underway include:

### Southsea Coastal Scheme

The Southsea Coastal Scheme is responsible for delivering new flood defences along 4.5km of seafront, from Old Portsmouth to Eastney. Their aim is to create new defences that embrace everything we all love about the seafront, whilst reducing the risk of flooding to over 8000 homes and 700 businesses in Southsea for the next century.

### North Portsea Island Scheme

The North Portsea Island Scheme covers 8.4km of coastline from Tipner through to Milton. Most of the area is low-lying and many of the current coastal defences are approaching the end of their effective lives. The new scheme is designed increase the standard of protection against flooding reducing the risk of coastal flooding to one of the highest in the country, helping to protect 4200 properties and 500 businesses in the area.

### Eastern Solent Coastal Partnership

The Eastern Solent Coastal Partnership seeks to reduce the risk of coastal flooding and erosion to people, the developed and natural environment by encouraging the provision of technically, environmentally and economically sustainable coastal defence and protection measures.

### Surface Water Management Plan

The Surface Water Management Plan details surface water flooding issues on a local level, primarily concerning the health, safety and wellbeing of Portsmouth residents and businesses. The Surface Water Management Plan has allowed the council to identify and prioritise the areas at greatest risk.

HOW EVERYTHING FITS TOGETHER

**Make Portsmouth a place that is fairer for everyone: a city where the council works together with thriving communities to put people at the heart of everything we do.**



**Make Our City Cleaner, Safer and Greener**

Improving air quality by tackling congestion and parking issues, and by encouraging more people to walk, cycle and use public transport, including park and ride.

Working to increase recycling and cut plastic waste.

Encouraging road safety across Portsmouth.

Keeping weekly rubbish and fortnightly recycling collections.

Engaging with communities and the Environment Agency so the Eastern Solent Coastal Partnership can build new sea defences, protecting the city from flooding.

Encouraging people to keep Portsmouth clean, and taking action where necessary to tackle problems like litter and dog fouling.

Making sure public spaces are greener, more sustainable, and well-maintained.



**Strategies**

**Climate Emergency**

Local Transport Plan

Energy and Water at Home

Air Quality Local Plan

South East Hampshire Rapid Transit

Cough Cough Engine Off

Citizens' Assembly

Local Plan

Local Cycling and Walking Infrastructure Plan

Carbon Reduction Strategy

Integrated Impact Assessment

Southsea Coastal Scheme

Portsmouth Port Carbon Neutral

## **Appendix 1: Notice of Motion (extract from Council minutes)**

### **Proposal to Declare a Climate Emergency in Portsmouth**

It was agreed that this would be debated today.

It was  
proposed by Councillor Judith Smyth  
seconded by Councillor Thomas Coles

That Notice of Motion a) as set out on the agenda be adopted.

Following debate, upon being put to the vote notice of motion a) as set out on the agenda was adopted.

**RESOLVED that the following notice of motion be adopted.**

**"We are in the middle of a climate emergency which poses a threat to our health, our planet and our children's and grandchildren's future. (Sadiq Khan London Mayor)**

**The UK exceeded the scientifically agreed safe level of CO<sub>2</sub> in the atmosphere (350ppm) sometime in the late 1990s. Since then we have been gambling with the lives of future generations and other species. Today we have reached the point where, even if we stopped all production of fossil fuelled cars, buses, trains, ships and planes and built no more gas or coal power stations, we would still only have a 64% chance of keeping below the 1.5°C target agreed in Paris in 2015.** <sup>5 6 7 8</sup>

**In Portsmouth we have very high levels of air pollution on some streets where people live, cycle and walk exposing people to dangerous chemicals. Children are particularly vulnerable. We have also had several breaches to sea defences and are vulnerable to flooding.**

**48 UK local authorities have declared a climate emergency including Cornwall, the Forest of Dean, Bristol, Lambeth, Nottingham, Lancaster, Brighton and Hove, and Milton Keynes** <sup>9</sup>. **72 cities around**

---

<sup>5</sup> Hansen J, Sato M, Kharecha P, Beerling D, Berner R, *et al.* (2008) *Target Atmospheric CO<sub>2</sub>: Where Should Humanity Aim?* The Open Atmospheric Science Journal 2: 217–231.

<sup>6</sup> Hansen J, Kharecha P, Sato M, Masson-Delmotte V, Ackerman F, Beerling DJ, *et al.* (2013) *Assessing "Dangerous Climate Change": Required Reduction of Carbon Emissions to Protect Young People, Future Generations and Nature.* PLoS ONE 8(12): e81648.

<sup>7</sup> IPCC, (2018) *Global Warming of 1.5°C. An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty* [Masson-Delmotte, V., P. Zhai, H.-O. Pörtner, D. Roberts, J. Skea, P.R. Shukla, A. Pirani, Moufouma-Okia, C. Péan, R. Pidcock, S. Connors, J.B.R. Matthews, Y. Chen, X. Zhou, M.I. Gomis, E. Lonnoy, Maycock, M. Tignor, and T. Waterfield (eds.)]. *World Meteorological Organization, Geneva, Switzerland, 32 pp.*

<sup>8</sup> Campaign against Climate Change. (2019). *Councils declaring climate emergency: new hope for climate action?*, from [https://www.campaigncc.org/councils\\_climate\\_emergency](https://www.campaigncc.org/councils_climate_emergency)

<sup>9</sup> C40 Cities. (2019). *Deadline 2020.*, from <https://www.c40.org/other/deadline-2020>

the world have also declared a climate emergency committing resources to address this emergency<sup>10</sup>.

A climate emergency declared by a local authority can be a powerful catalyst for community wide action when paired with a clear action plan. There is no time to waste if we are to avoid the consequences of a rise in global warming above 1.5°C.

We propose that Portsmouth City council asks the Cabinet to Declare a Climate emergency to give a compelling lead to citizens, businesses and other partners of the urgency to reduce our carbon footprint to zero by 2030.

Portsmouth City council has started this journey. CO<sub>2</sub> emissions in Portsmouth have reduced from 1243.5 kilotons in 2005 to 817.9 kilotons in 2016 and the City council has recognised that to avoid the worst impacts of climate change further reductions are needed.<sup>11 12</sup> Several separate initiatives are underway. For example, electric car charging points, tree planting, investment in the new plastics recycling plant required to recycle more plastics jointly with Hampshire and Southampton by constructing a new Integra plant and the 'cough, cough' campaign together with reduction of carbon footprint of council premises and services.

However, this is somewhat disjointed and too slow. What is needed is action. Working with local business and other partners we need to develop and agree an ambitious city-wide strategy and clear action plans leading to rapid action which is openly monitored, well led and well governed. We need to enthuse and involve citizens, including young people, in generating ideas and support for green policies, plans and action. We can lead the way as a Green City.

Portsmouth City council will ask the Cabinet to:

1. Declare a 'Climate Emergency' then ask partners to sign up including local business, schools and community groups.
2. Pledge to achieve net zero carbon emissions in the Portsmouth by 2030, considering, both production and consumption of emissions according to the Standard provided by the Greenhouse Gas (GHG) Protocol<sup>6</sup>.
3. Require the Leader of the Council to report back to the Council within six months with an action plan, detailing how the Council will work with partners across the City and with central government to ensure that Portsmouth's net carbon emissions (Scope 1, Scope 2 and Scope 3 emissions as defined by the GHG Protocol) are reduced to zero by 2030.

---

<sup>10</sup> Greenhouse Gas Protocol. (2019). *GHG Protocol Corporate Accounting and Reporting Standard*. [Bhatia, P., Cummis, C., Brown, A., Rich, D., Drauker, L., Lahd, H.] *Greenhouse Gas Protocol, Washington, USA*.

<sup>11</sup> Department for Business, Energy and Industrial Strategy. (2018) *Local Authority Carbon Dioxide Emissions Estimates 2016*. London: Department for Business, Energy and Industrial Strategy.

<sup>12</sup> Portsmouth City Council. (2019). *Climate change - Portsmouth's priorities.*, from <https://www.portsmouth.gov.uk/ext/environment/green-living/climate-change---portsmouths-priorities>

- 4. Provide an annual report on Portsmouth GHG emissions, what is working and what is more challenging and progress towards achieving net zero-carbon emissions.**
- 5. Require the Chief Executive to establish a 'Portsmouth Climate Change Board' before the end of July 2019, equivalent to that of Manchester, to underpin our efforts to decarbonise Portsmouth.**
- 6. Write to the government requesting (a) additional powers and funding to make the 2030 target possible and (b) that ministers work with local government and other governments to ensure that the UK maximizes carbon reduction by 2030 in line with the overriding need to limit global warming to a maximum of 1.5°C.**
- 7. Develop and implement a community engagement plan to i) fully inform residents about the need for urgent action on climate change ii) offer a vision of a healthier, more child friendly and greener city that is a model of best practice iii) mobilise residents in the delivery of the action plan"**

## Appendix 2 - Friends of the Earth audit

✓ - Complete

### ✓ Introduce differential charge for parking permits

The first parking permit for a household will be free if the vehicle is powered solely by electricity and that the charge for a first permit is reduced by 50% to £15 if the vehicle emits less than 100g of CO2 per Km provided (a) it is not powered by a diesel internal combustion engine and (b) that it was registered after 1 March 2001.

### ✓ Integrate the need to reduce car use into the local plan

This is being addressed in the draft for the upcoming local plan and the strategic developments team are looking at car free development for Tipner and Somerstown.

### ✓ Put in place EV charging

Over the past year PCC has installed 36 EV charging points in residential streets around the city, through the 'On-street Residential Chargepoint Scheme'. This scheme uses the existing streetlights to provide electricity for vehicles in a reserved on-street parking space. There is continuing demand for residential charge points in the city, therefore the council has submitted a bid to the Office of Low Emission Vehicles to install approximately 75 additional EV charging points in the city.

### ✓ Use powers to require higher standards than current national standards for new builds.

This will be addressed in the next Local Plan.

### ✓ Help energy companies target fuel poor or vulnerable households with energy efficiency measures

This is being addressed in the Energy and Water Strategy; but this will be difficult to implement in the private sector.

### ✓ Retrofit council owned properties to EPC C or higher

This is being addressed and implemented by the energy team.

### ✓ Identify areas suitable for renewable energy in the local plan -

We have limited areas, but renewable energy is being addressed in the local plan.

### ✓ Require renewable energy such as solar thermal, PV or heat pumps

The current PCC housing stock is being retrofitted and upgraded to meet these standards where possible.

### ✓ Switch street lighting to well-designed and well-directed LED lights

This has been implemented across the city.

### ✓ Reduce energy use in own estate and add renewable energy

### ✓ Commit to opposing fracking and other fossil fuel extraction

### ✓ Develop district heating

This is being used on parts of the island although it will be difficult to use on the whole of the city.

### ✓ Buy green energy

This is being looked into by the Energy Team, the additional cost is approximately £250,000.



✓ - In Progress or under active consideration

✓ **Stop promoting measures that increase greenhouse gases (for example, increasing road capacity)**

The South East Hampshire Rapid Transit (SEHRT) system, proposed through the Transforming Cities Fund, seeks to deliver a high-quality multimodal travel system which will connect communities, spread prosperity and improve productivity in the city and wider area. Progress is being made in creating safe segregated cycle lanes, however more will need to be done to modernise the city's infrastructure.

✓ **Introduce workplace parking charges and/or ultra-low emission zones and/or a congestion charging area**

While a charging clean air zone has been considered as part of the Air Quality Local Plan these have not been fully considered against the councils commitments to reducing carbon emissions. A charging clean air zone would not only reduce emissions but also raise funding for non-motorised vehicle travel including cycling, buses and widening pavements.

A work place parking levy has been considered as part of the Air Quality Local Plan work, however this would not be deliverable in the timescales required by the Ministerial Direction. There is still scope to pursue this policy to reduce carbon emissions in the city.

✓ **Require all taxis to be EVs through licensing**

We do not currently have the EV charging infrastructure to support a completely electric taxi fleet (both in terms of overall number of charging points and the current lack of rapid chargers in the city).

PCC is working on a proposal that looks at increasing the taxi licensing requirements over time. This would mean that requirements are gradually increased each year.

✓ **Support the development of car sharing**

We are looking to secure money from Defra to establish a car club in the city and our consultants Atkins are currently undertaking an assessment of suitable locations for car club vehicles in the city.

✓ **Ensure rapid transition of own fleet electric vehicles**

This is currently being worked on but will require additional EV infrastructure from Transport. Considering the upfront cost for electric vehicles this transition will require additional funding.

✓ **Invest in active travel infrastructure and quality public transport**

Portsmouth's Local Cycling and Walking Infrastructure Plan (LCWIP) is currently being developed. This will provide a strategic approach to identifying walking and cycling improvements required at the local level.

✓ **Enforce minimum energy efficiency standards in private rented sector**

This issue is being considered; however more funding will be needed to ensure that higher EPC standards are enforced.

✓ **Enforce building standards**

To progress this more fully will require further funding.

✓ **Produce biogas (via waste contract)**

A food waste disposal trial has been rolled out across parts of the city.

✓ **Use council land to drawdown carbon (e.g. tree planting)**

The tree planting strategy is being developed.

✓ **Require deliveries to be by electric vehicles** - The use of low carbon technology for last mile delivery is being looked at as part of the future mobility zone bid which is due for submission at the end of September.

✓ **Require the use of electric buses** - Bus operators are reluctant to invest in electric or low emission technology because it is not considered reliable and there is not currently a sufficient EV charging network in the city to support electric buses. A bid into the Clean Air Fund has been submitted to request funding to retrofit the remaining buses and some of the most polluting coaches and minibuses that regularly operate in the city.

## Appendix 3 - Portsmouth Climate Action Board Terms of Reference

### **1. Background**

- 1.1 Earlier this year, Portsmouth City Council declared a climate emergency. The authority recognises that we are experiencing a global climate emergency that poses a threat to our health, our planet and our children's and grandchildren's future. It was agreed that there is no time to waste if we are to avoid the negative consequences of a global temperature rise above 1.5°C, both in Portsmouth and globally.
- 1.2 It is imperative therefore that Portsmouth transition's to become a sustainable city. This means ensuring that every organisation and individual can play a part in reducing the climate impact of the city and ensuring that the city is well placed to adapt and respond to the challenges and opportunities of a changing climate.

### **2. Aim of the Board**

- 2.1 To drive the city's response to the global climate emergency through the creation of a partnership-based Climate Board. The Portsmouth Climate Action Board will have a key role to inspire climate action in the city, lobby local and national government to take action, and provide a forum to coordinate climate action on a city-wide basis. The Board will lead the creation of a cross-agency citywide climate strategy.
- 2.2 The Board will offer support and constructive challenge to organisations in the city with respect to their efforts to reduce carbon emissions and adapt to climate change. The Board will hold the city true to its vision for a sustainable future and to become one of the greenest cities in the world.
- 2.3 The Board will be cross-organisational and non-political in nature. The Board is an independent body that can pursue its own actions. It is not a decision-making body of the local authority. It will commission specific pieces of work to be undertaken on a "task and finish" basis by working groups.

### **3. Board Objectives**

- 3.1 The Board will work with all relevant partners to:
  - a. Facilitate the development of a Portsmouth Climate Action Strategy that is consistent with the Paris Climate Agreement, the best climate science, and is built on the views of the city's residents and stakeholders.

- b. Champion climate action in Portsmouth by promoting actions within the private sector, public sector, third sector, academia, and in all communities, including by staging events and activities to engage and inspire residents, businesses and visitors.
- c. Support and enable the successful implementation of Portsmouth's Climate Action Strategy by engaging and influencing relevant partners and networks, and by providing access to and/or signposting to relevant funding for climate action initiatives.
- d. Provide honest and transparent reports on the city's progress towards its climate strategy, and constructive challenge to partners to support their full contributions.
- e. Secure the resources required to enable the Board to fully realise its aim and objectives, including through funding applications to external bodies.
- f. Lobby and advocate on behalf of Portsmouth's climate action.

**4. Membership, Membership Terms and Recruitment**

4.1. Chair - For first 2 years this will be held by the Director of Sustainability and the Environment, University of Portsmouth. Thereafter, to be appointed through agreement by the Board.

4.2 Full membership will be:

- 1 x members of Portsmouth City Council
- 1 x member of local Extinction Rebellion
- 1 x member of local Friends of the Earth
- 1x representative of Shaping Portsmouth
- 1x representative of business community (tbc)
- 1x representative of Airbus (business community)
- 1x representative of the Hive (VCSE representation from Carole Damper)
- 1 x representative, University of Portsmouth
- 1 x representative, Portsmouth Hospitals Trust
- 1 x representative, Natural England
- 1 x representative, Environment Agency
- 1 x representative, Portsmouth Naval Base

- 1 x representative, University of Portsmouth Students' Union
- 1 x representative, Portsmouth Football Club
- 1 x representative, Portsmouth Education Partnership
- 1 x representative, Portsmouth International Port
- 1 x representative, Portsmouth Water
- 1 x representative, Waste Management

4.3 The Board may co-opt other members with agreement from a majority of members of the board.

4.4 Membership and terms are subject to annual review, with conclusions and recommendations on this topic to be included in the annual report.

## **5. Sub-groups**

5.1 The Board can establish sub-groups, both indefinitely and on a task-and-finish basis, in order to progress discrete areas of work. Sub-groups can invite non- Board members to join them, as required, if they offer a particular skill, experience, knowledge or position that would enable the sub-group to successfully complete its task(s).

## **6. Decision-making, Quorum and Meetings**

6.1 Each Board member has equal weight in decision-making matters. Where a majority has not been reached the chair shall make the ultimate decision.

6.2 The quorum for meetings is three-fifths.

6.3 Where a quorum is not present Board meetings can proceed and make decisions in principle, for ratification by all members, via email.

6.4 The Board will normally meet bi-monthly and Portsmouth City Council will provide the Board's secretariat.

## **7. Reporting Progress**

7.1 The Board will provide an annual public report setting out progress against its aim and objectives, to be presented publicly via the Cabinet Member for Environment and Climate Change at the City Council.

This page is intentionally left blank

# Integrated Impact Assessment (IIA)

Integrated impact assessment (IIA) form December 2019

[www.portsmouth.gov.uk](http://www.portsmouth.gov.uk)

The integrated impact assessment is a quick and easy screening process. It should:

- identify those policies, projects, services, functions or strategies that could impact positively or negatively on the following areas:
  - Communities and safety
  - Regeneration and culture
  - Environment and public space
  - Equality & - Diversity - This can be found in Section A5

**Directorate:**

Executive

**Service, function:**

Strategy

**Title of policy, service, function, project or strategy (new or old) :**

Portsmouth City Council Climate Emergency Strategy

**Type of policy, service, function, project or strategy:**

- Existing
- New / proposed
- Changed

**What is the aim of your policy, service, function, project or strategy?**

To set out how Portsmouth City Council will work towards net-zero carbon emissions by 2030, in response to the declaration of a climate emergency.

Has any consultation been undertaken for this proposal? What were the outcomes of the consultations? Has anything changed because of the consultation? Did this inform your proposal?

The draft strategy has been sent to all of PCC's directorates for challenge and review. The resulting feedback has been reviewed and accounted for in the final strategy.

## A - Communities and safety

Yes

No

Is your policy/proposal relevant to the following questions?

### A1-Crime - Will it make our city safer?



In thinking about this question:

- How will it reduce crime, disorder, ASB and the fear of crime?
- How will it prevent the misuse of drugs, alcohol and other substances?
- How will it protect and support young people at risk of harm?
- How will it discourage re-offending?

If you want more information contact [Lisa.Wills@portsmouthcc.gov.uk](mailto:Lisa.Wills@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-spp-plan-2018-20.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How will you measure/check the impact of your proposal?

## A - Communities and safety

Yes

No

Is your policy/proposal relevant to the following questions?

### A2-Housing - Will it provide good quality homes?



In thinking about this question:

- How will it increase good quality affordable housing, including social housing?
- How will it reduce the number of poor quality homes and accommodation?
- How will it produce well-insulated and sustainable buildings?
- How will it provide a mix of housing for different groups and needs?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/psh-providing-affordable-housing-in-portsmouth-april-19.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

To reach the net-zero carbon emissions target the strategy recommends that all housing should be well-insulated, energy-efficient and as sustainable as possible. The includes standards being formulated in the Local Plan and work that can be taken on existing housing stock in the city.



How are you going to measure/check the impact of your proposal?

This will be reviewed in the Local Plan and measured using the Local Authority carbon emissions report.

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A3-Health** - Will this help promote healthy, safe and independent living?



In thinking about this question:

- How will it improve physical and mental health?
- How will it improve quality of life?
- How will it encourage healthy lifestyle choices?
- How will it create healthy places? (Including workplaces)

If you want more information contact [Dominique.Letouze@portsmouthcc.gov.uk](mailto:Dominique.Letouze@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cons-114.86-health-and-wellbeing-strategy-proof-2.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The strategy recommends several policies which will have a co-benefit of improving public health and wellbeing. Prioritising walking and cycling will encourage people to lead healthier lives. Reducing traffic congestion and promoting green space will help to encourage community interaction and improve the broader wellbeing of residents.

How are you going to measure/check the impact of your proposal?

The primary purpose of the strategy is to reduce carbon emissions in the city. Once an action plan has been developed the co-benefits can be recorded through resident surveys and traffic surveys.

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A4-Income deprivation and poverty**-Will it consider income deprivation and reduce poverty?



In thinking about this question:

- How will it support those vulnerable to falling into poverty; e.g., single working age adults and lone parent households?
- How will it consider low-income communities, households and individuals?
- How will it support those unable to work?
- How will it support those with no educational qualifications?

If you want more information contact [Mark.Oage@portsmouthcc.gov.uk](mailto:Mark.Oage@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-homelessness-strategy-2018-to-2023.pdf>

<https://www.portsmouth.gov.uk/ext/health-and-care/health/joint-strategic-needs-assessment>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The majority of households in low-income communities do not own a car. Re-directing investment towards active travel and public transport will benefit low-income households by providing a range of travel options.

How are you going to measure/check the impact of your proposal?  
This will be checked by measuring the uptake in active and sustainable travel.

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A5-Equality & diversity** - Will it have any positive/negative impacts on the protected characteristics?



In thinking about this question:

- How will it impact on the protected characteristics-Positive or negative impact (Protected characteristics under the Equality Act 2010, Age, disability, race/ethnicity, Sexual orientation, gender reassignment, sex, religion or belief, pregnancy and maternity, marriage and civil partnership,socio-economic)
- What mitigation has been put in place to lessen any impacts or barriers removed?
- How will it help promote equality for a specific protected characteristic?

If you want more information contact [gina.perryman@portsmouthcc.gov.uk](mailto:gina.perryman@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-equality-strategy-2019-22-final.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The strategy will have no impact on the protected characteristics.

How are you going to measure/check the impact of your proposal?

Is your policy/proposal relevant to the following questions?

**B1-Carbon emissions** - Will it reduce carbon emissions?



In thinking about this question:

- How will it reduce greenhouse gas emissions?
- How will it provide renewable sources of energy?
- How will it reduce the need for motorised vehicle travel?
- How will it encourage and support residents to reduce carbon emissions?

If you want more information contact [Tristan.thorn@portsmouthcc.gov.uk](mailto:Tristan.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-sustainability-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The strategy recommends actions to reduce Portsmouth's carbon emissions to net zero. It does this by emphasising the need for the council to consider the climate emergency in all its decisions; for instance, prioritising sustainable transport, leading city-wide behaviour change and establishing a cross-directorate climate emergency working group.

How are you going to measure/check the impact of your proposal?

The progress will be measured using the data released by the Department for Business, Energy & Industrial Strategy (BEIS). The strategy also proposes holding a carbon audit of PCC which will be used to review the progress of the council itself.

Is your policy/proposal relevant to the following questions?

**B2-Energy use** - Will it reduce energy use?



In thinking about this question:

- How will it reduce water consumption?
- How will it reduce electricity consumption?
- How will it reduce gas consumption?
- How will it reduce the production of waste?

If you want more information contact [Triston.thorn@portsmouthcc.gov.uk](mailto:Triston.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

<https://democracy.portsmouth.gov.uk/documents/s24685/Home%20Energy%20Appendix%201%20-%20Energy%20and%20water%20at%20home%20-%20Strategy%202019-25.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The strategy recommends a comprehensive study of the civic offices to identify how energy can be saved, waste reduced and recycling increased. As the council has limited abilities to enforce the private consumption of energy in the city, the strategy recommends that reduction will be driven through a behaviour change campaign.

How are you going to measure/check the impact of your proposal?

The direct reduction in energy used will be measured through the annual BEIS reports.

## B - Environment and climate change

Yes

No

Is your policy/proposal relevant to the following questions?

**B3 - Climate change mitigation and flooding**-Will it proactively mitigate against a changing climate and flooding?



In thinking about this question:

- How will it minimise flood risk from both coastal and surface flooding in the future?
- How will it protect properties and buildings from flooding?
- How will it make local people aware of the risk from flooding?
- How will it mitigate for future changes in temperature and extreme weather events?

If you want more information contact [Tristan.thorn@portsmouthcc.gov.uk](mailto:Tristan.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-surface-water-management-plan-2019.pdf>

<https://www.portsmouth.gov.uk/ext/documents-external/cou-flood-risk-management-plan.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

Carbon induced climate change is directly linked to the increased threat of flooding in the city. Reducing the city's carbon emissions will help to negate further long-term threats from flooding. The strategy outlines the risk of flooding in the city and the action which can be taken to negate this risk; for instance increased greening will provide a means of runoff for floodwater.

How are you going to measure/check the impact of your proposal?

The measures will be based on our reported carbon emissions from the BEIS report.

## B - Environment and climate change

Yes

No

Is your policy/proposal relevant to the following questions?

**B4-Natural environment**-Will it ensure public spaces are greener, more sustainable and well-maintained?



In thinking about this question:

- How will it encourage biodiversity and protect habitats?
- How will it preserve natural sites?
- How will it conserve and enhance natural species?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-solent-recreation-mitigation-strategy-dec-17.pdf>

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The strategy recommends an increase in greening in the city to sequester carbon. This will have the co-benefit of encouraging biodiversity.

How are you going to measure/check the impact of your proposal?

This will be measured primarily through carbon emissions and in the future the amount of additional trees which are planted in the city.

Is your policy/proposal relevant to the following questions?

**B5-Air quality** - Will it improve air quality?



In thinking about this question:

- How will it reduce motor vehicle traffic congestion?
- How will it reduce emissions of key pollutants?
- How will it discourage the idling of motor vehicles?
- How will it reduce reliance on private car use?

If you want more information contact [Hayley.Trower@portsmouthcc.gov.uk](mailto:Hayley.Trower@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-aq-air-quality-plan-outline-business-case.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

While the strategy focuses on carbon emissions, and not other emissions that impact air quality, there will be a co-benefit of improved air quality. By prioritising walking and cycling the city's motor based traffic will be reduced, and consequently the air quality will be improved.

How are you going to measure/check the impact of your proposal?

Air quality will not be directly measured as a result of this strategy. However car use, and traffic based carbon emissions, will be measured through the BEIS reports and usage statistics.

Is your policy/proposal relevant to the following questions?

**B6-Transport** - Will it improve road safety and transport for the whole community?



In thinking about this question:

- How will it prioritise pedestrians, cyclists and public transport users over users of private vehicles?
- How will it allocate street space to ensure children and older people can walk and cycle safely in the area?
- How will it increase the proportion of journeys made using sustainable and active transport?
- How will it reduce the risk of traffic collisions, and near misses, with pedestrians and cyclists?

If you want more information contact [Pam.Turton@portsmouthcc.gov.uk](mailto:Pam.Turton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/travel/local-transport-plan-3>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

To reduce carbon emissions the strategy recommends that pedestrians, cyclists and public transport are prioritised over users of private vehicles. This is will be a key part of the strategy to reduce the city's carbon emissions to net-zero.

How are you going to measure/check the impact of your proposal?

This will be measured by reviewing annual road usage statistics and the amount of pedestrians or cyclists which are killed or seriously injured each year.

Is your policy/proposal relevant to the following questions?

**B7-Waste management** - Will it increase recycling and reduce the production of waste?



In thinking about this question:

- How will it reduce household waste and consumption?
- How will it increase recycling?
- How will it reduce industrial and construction waste?

If you want more information contact [Steven.Russell@portsmouthcc.gov.uk](mailto:Steven.Russell@portsmouthcc.gov.uk) or go to:

<https://documents.hants.gov.uk/mineralsandwaste/HampshireMineralsWastePlanADOPTED.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The city is limited in its ability to increase recycling rates due to logistics and the narrow roads within the city. Therefore the strategy recommends the development of a city-wide behavioural change plan to encourage recycling and responsible consumption.

How are you going to measure/check the impact of your proposal?

The behavioural change plan will be measured by reviewing recycling rates in the city.

Is your policy/proposal relevant to the following questions?

**C1-Culture and heritage** - Will it promote, protect and enhance our culture and heritage?



In thinking about this question:

- How will it protect areas of cultural value?
- How will it protect listed buildings?
- How will it encourage events and attractions?
- How will it make Portsmouth a city people want to live in?

If you want more information contact [Claire.Looney@portsmouthcc.gov.uk](mailto:Claire.Looney@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

By increasing green space, walking and cycling the strategy will provide more opportunities for community based interaction. Open spaces for people will therefore help to encourage local events and community driven culture.

How are you going to measure/check the impact of your proposal?

This will be assessed by measuring how access to open and green space in the city has either increased or decreased.

Is your policy/proposal relevant to the following questions?

**C2-Employment and opportunities** - Will it promote the development of a skilled workforce?



In thinking about this question:

- How will it improve qualifications and skills for local people?
- How will it reduce unemployment?
- How will it create high quality jobs?
- How will it improve earnings?

If you want more information contact [Mark.Pembleton@portsmouthcc.gov.uk](mailto:Mark.Pembleton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The strategy recommends policies which will support local SMEs, this will provide a greater number of jobs within the city. Improving green space, walking and cycling has been shown to improve the 'liveability' of a city, which will help to attract large companies and skilled jobs.

How are you going to measure/check the impact of your proposal?

This will be assessed by measuring the number of successful SMEs within the city; and how attractive the city is to larger businesses.

Is your policy/proposal relevant to the following questions?

**C3 - Economy** - Will it encourage businesses to invest in the city, support sustainable growth and regeneration?



In thinking about this question:

- How will it encourage the development of key industries?
- How will it improve the local economy?
- How will it create valuable employment opportunities for local people?
- How will it promote employment and growth in the city?

If you want more information contact [Mark.Pembleton@portsmouthcc.gov.uk](mailto:Mark.Pembleton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

Prioritising people focused spaces, over car dominated space, will contribute to the vibrancy of the city. Large retail parks and superstores on the outskirts of the city, which are not serviced by public transport, may be impacted by reduced custom. Prioritising walking and cycling will encourage residents to spend more time on their local high street and shop at local businesses.

The low carbon economy has been identified as a growth opportunity for the UK and is forecast to grow from 2% of the UK's total output today to 13% by 2050. Pursuing low-carbon growth and industry will encourage manufacturing, engineering and economic growth in the city.

How are you going to measure/check the impact of your proposal?

This will be measured by travel surveys and/or broader city-wide travel data. Economic growth in the low-carbon sector will also be reviewed.

**Q8 - Who was involved in the Integrated impact assessment?**

Tristan Thorn

This IIA has been approved by: Kelly Nash

Contact number: 023 9284 1332

Date: 20/01/20



<b>Title of meeting:</b>	Full Cabinet Meeting
<b>Date of meeting:</b>	4 <sup>th</sup> February 2020
<b>Subject:</b>	Provision of Regulatory Services at Portsmouth International Port
<b>Report by:</b>	Director of Culture, Leisure and Regulatory Services
<b>Wards affected:</b>	All
<b>Key decision:</b>	No

---

## 1. Purpose

1.1 The purpose of this paper is to inform the Cabinet of:

- the statutory responsibilities placed upon Regulatory Services at the Portsmouth International Port, and
- post the General Election, provide a summary of how the activities of Regulatory Services is likely to be impacted by a free trade deal with restrictions as the United Kingdom leaves the European Union, and
- to manage the expectations of all interested parties in respect to the operational readiness of Regulatory Services in respect to a free trade deal with restrictions which results in an increased Regulatory Services presence or increased Regulatory Services responsibilities at the Portsmouth International Port border entry point.

## 2. Recommendation

2.1 It is **RECOMMENDED** that the Cabinet:

- Acknowledges the continuing risk that Regulatory Services will be significantly impacted by increasing demands in border control regulations at the Portsmouth International Port following the United Kingdom's departure from the European Union.
- Accepts that any intensification of border control demands at the Portsmouth International Port will place substantial unpredictable and currently unavailable financial burdens upon Portsmouth City Council statutory regulatory functions.
- Approves further engagement with governmental departments and Ministers in respect to the need for revenue funding equivalent to any additional need to deliver essential border control functions at the Portsmouth International Port.

### **3. Introduction**

- 3.1 All Regulatory Services functions protect residents, consumers, businesses and communities through the regulation of a wide range of protective environmental, health and performance standards set down within legislation. The United Kingdom withdrawal from the European Union may possibly impact upon two primary functions of Regulatory Services which are / are likely to be required to be performed at the Portsmouth International Port. These functions are the Portsmouth Port Health Authority and the Trading Standards Service.
- 3.2 A Brexit deal has been agreed in principle with the European Union. Both the United Kingdom and the European Union however still need to approve and sign the terms of the withdrawal agreement following which they will start to negotiate new arrangements. There is a transition period up to the end of 2020 to prepare for new rules during which the European Union will treat the United Kingdom as if it were a Member State. This transition period can be extended by up to 1 or 2 years to be decided by the 20<sup>th</sup> June 2020.
- 3.3 At the time of writing this paper it remains conceivable that the United Kingdom could still leave with a no trade deal if the withdrawal agreement is not approved at the end of the changeover period.

### **4. Current Regulatory Services activity at the Portsmouth International Port**

- 4.1 The Portsmouth Port Health Authority's current workload in facilitating its total responsibilities at the Portsmouth International Port is low, equating approximately to a single officer. The Trading Standards Service currently has no formal responsibilities at the Portsmouth International Port.
- 4.2 This low level of activity occurs because most of Portsmouth International Port activities relate either to borderless free movement from the European Union or the importation of low risk products of non-animal origin only such a fruits from third countries.
- 4.3 The Portsmouth International Port has never been designated as a Border Inspection Post which is an United Kingdom entry point designated and approved in line with European Union legislation for carrying out far wider checks than those currently undertaken at the Portsmouth International Port on animal products or products of animal origin arriving from third countries at an European Union border.
- 4.4 However, the Portsmouth International Port has recently (December 2019) been re-designated as a Border Control Post. European Union Regulation 2017/625, Article 64 lays down the minimum requirements for Border Control Posts. This designation has been secured following inspection of port facilities by United Kingdom Border Control Agencies.
- 4.5 The existing European Union legislation that the United Kingdom already complies with will be incorporated into domestic law as "retained European Union law" under the European Union (Withdrawal) Act 2018. Under the Withdrawal Act United

Kingdom government will ensure that current European Union standards remain in force, without amendment, in the immediate months after our European Union exit as part of United Kingdom domestic law.

- 4.6 Regulatory Services has been in significant discussions with the Food Standards Agency in respect to products of non-animal origin and application of such to the Portsmouth International Port and Roll-on Roll-off transportation of goods through ferry services to the Portsmouth International Port which carry freight. Currently only 1.5% to 2% of non-European Union goods imports into the United Kingdom are subject to any border inspections however approximately 80% of these are on environmental health grounds, such as food hygiene and quality standards.
- 4.7 Information from the government currently suggests that in the short term Roll-on Roll-off imports of products of animal origin will continue to be permitted into the United Kingdom through the Portsmouth International Port's new Border Control Post status. It is expected however that there will be increasing concerns in relation to trade in animal and plant products through the Portsmouth International Port and that additional checks, reflective of current percentages for non-European Union goods, will be necessary as food safety and animal welfare are considered paramount by the United Kingdom Government and their Food Standards Agency agents.
- 4.8 These checks are likely to take the form of export licences, inspections and rules of origin documentation. Whilst such checks will serve to maintain the smooth flow of goods through advance clearance and declaration waiver agreements, at this point in time there remains a high degree of uncertainty in respect to the detail of such and what the implications on Regulatory Services may be as a result. We anticipate however that any impact, no matter how small, will be highly significant in terms of the abilities of Regulatory Services to deliver these requirements.

## **5. What import checks are possible?**

- 5.1 Checks of imported goods form an important part of official controls delivered by the Portsmouth Port Health Authority on behalf of the Food Standards Agency to secure food safety. There are three levels of possible check - documentary, identity and physical.
- 5.2 In the documentary check, health certificates and any accompanying laboratory test results are likely to be tested for authenticity and cross-matched with the details of the commercial documents to ensure that they relate to the consignment.
- 5.3 The identity check may involve the inspection of the consignment, checking the container seals and often the packaging of the goods to ensure that the goods match the information on the certification. Labelling and health marking checking is also likely.
- 5.4 It is possible that all consignments of controlled goods will be subject to at least a documentary check. We suspect however that other inspections will be applied randomly in accordance with the inspection quotas which will, in time, be set out by

Department for Environment, Food and Rural Affairs in their guidance or by legislation relating to specific goods deemed to be higher risk.

5.5 The frequency of physical checks for products of animal origin is uncertain, however if they are similar to those currently deployed to other third countries currently outside the European Union they are likely to be in the order of:

- 20 per cent for meat and fish
- 50 per cent for poultry meat, honey and dairy products

1-10 per cent for inedible products of animal origin, such as for example, hay

5.6 Where consignments fail inspection it is additionally possible that Portsmouth Port Health Authority will be required to increase checks on similar products. Portsmouth Port Health Authority officers may then have the final decision on whether consignments meet whatever Department for Environment, Food and Rural Affairs' import conditions are and delegated powers to serve legal notices stating the reasons for rejection and what actions are consequently required, including:

- re-export
- destruction
- remedial action or use of the consignment for another purpose in some permitted cases

5.7 Additionally, the Portsmouth Port Health Authority may take formal samples of high-risk food products. This may be required by the control legislation or as a result of a risk assessment carried out in respect of the product. If a consignment is formally sampled it will need to be detained while a public analyst or microbiologist carries out an inspection to check prescribed hygiene standards are met. Currently the Portsmouth Port Health Authority has no funding provision for sampling or detaining goods which, depending upon the need could extend to tens of thousands of pounds.

5.8 As previously mentioned, an alternative view might be that all goods originating inside the post withdrawal European Union will be allowed to continue to travel freely to the United Kingdom. There is however no certainty in respect to this particularly as / when public health scares arise increased scrutiny is likely to be demanded. What is more, goods arriving from the European Union but originating outside the European Union are likely to require significant checks particularly as it remains unclear what checks European Union countries will undertake of these goods transiting from the first point of entry within the European Union to the United Kingdom.

## **6. What import checks may be carried out by the Trading Standards Service?**

6.1 The Trading Standards Service is a statutory function provided by Regulatory Services. Trading Standards Services are responsible for enforcing over 250 pieces of criminal legislation. Trading Standards Service operate in the United Kingdom market place, including the intra-European Union supplies of goods, where they aim

to ensure that counterfeit and / or unsafe goods are not placed on the United Kingdom market using United Kingdom powers under domestic legislation (Consumer Rights Act, General Product Safety Regulations and Consumer Protection Act).

- 6.2 European Union imported goods enter the United Kingdom at various points of entry. In respect to the activities at the Portsmouth International Port as they are currently predominately European Union in origin or have cleared customs in another European Union member state, they benefit from free movement and therefore are free to leave the port with the absence of checks. Consequently Trading Standards Service has almost no involvement at the Portsmouth International Port.
- 6.3 As the European Union has sought to raise and harmonise the levels of consumer protection through directives and regulations across the single market, so too has the United Kingdom continued to legislate domestically, balancing principles of subsidiarity within European Union maximum harmonisation restrictions. The United Kingdom exit from the European Union is likely to create interesting narratives in respect to this work and how demands upon Trading Standards Service will increase.
- 6.4 Whilst this area has not been a focus of discussion so far we know that from 1 April 2020 The Office for Product Safety and Standards will assume responsibility for the Product Safety at Ports and Borders programme. This emerging programme will therefore be of huge significance in protecting consumers from dangerous products and consequently any importation of similar goods through the Portsmouth International Port is likely to be increasingly of operational significance to Trading Standards Service as the United Kingdom's departure from the European Union matures.
- 7. A focus upon the import and export of fish - an example of increasing pressures**
- 7.1 Whilst all documentary checks / changes are likely to be of increased significance, we know that the importation and export of fish requirements to and from the United Kingdom is highly likely to change dramatically.
- 7.2 Under the Sea Fishing (Illegal, Unreported and Unregulated Fishing) Order 2009, Portsmouth Port Health Authority is listed as the competent authority for where fish and fishery products are imported by container ship, air road or rail. If the European Union treats the United Kingdom as a third country for the purposes of Illegal, Unreported and Unregulated regulation it will result in the United Kingdom requiring catch certificates for imports of fish and fishery products from the European Union.
- 7.3 Importers are likely to have to submit the certificate to the Portsmouth Port Health Authority. The certificate will need to be checked at least 3 working days before the estimated arrival time into the Portsmouth International Port. Such checks are complex as they needed to be made with the countries where the fishing vessels are registered, where the fish have been caught and processed. Consequently they

take significant time to complete. This deadline could therefore be problematic as imports from the European Union mainland will take a matter of hours to arrive at United Kingdom ports, and could cause delays if the paperwork has not been submitted on time. As a result of the current free trade mechanisms in play the level of fish importation through the Portsmouth International Port is presently unclear but is thought to be significant.

## 8. European Union Exit and Regulatory Services readiness

- 8.1 The Portsmouth Port Health Authority has discussed their status with the Department for Environment, Food and Rural Affairs' Borders Readiness Team regarding European Union exit. The Borders Readiness Team have carried out an assessment of high priority points of entry agencies to understand levels of confidence to deliver border responsibilities ahead of the European Union exit with a no / limited trade deal. It has been agreed that, through no fault of our own, as a result of the current levels of resources afforded to the Portsmouth Port Health Authority it has a low level of readiness currently, and that this situation would still be the case should the United Kingdom exit the European Union in the next 12 months. Department for Environment, Food and Rural Affairs have advised that this will be reported to the relevant government minister.

## 9. Officer authorisations and governance

- 9.1 The United Kingdom Government has a constitution which sets out how responsible authorities such as Portsmouth Port Health Authority and Trading Standards Service operate, how decisions are made and the procedures that need to be followed to ensure that these are efficient, transparent and accountable. Regulatory Services currently has limited clarity how the United Kingdom Government will authorise Regulatory Services (and our staff) in terms of delegated authority and expertise / qualification and who they will appoint to undertake any increased roles of border protection at the Portsmouth International Port.

## 10. Risks

- 10.1 The risks incumbent upon Regulatory Services as a result of a no, limited or restricted withdrawal deal which result in an increase in service activities at the Portsmouth International Port are summarised in Table 1.

**Table 1 - Options and Potential Outcomes**

Option	Options	Potential Outcomes
1	Do nothing. Maintain service levels. Current workforce redirected from other statutory functions as necessary to respond to the needs of the Portsmouth International Port as	This will create significant impact on all other Regulatory Services statutory and government audited functions. It is anticipated that this will create beyond critical pressures being placed upon service leading to non-compliance with statutory responsibilities and service failure in multiple areas. Risk of non-compliant food and non-food consumer products entering the United Kingdom market.

	they develop.	
2	Recruit and train new dedicated Portsmouth Port Health Authority / Trading Standards Service staff	No funding streams are available. Nationally there is an acute shortage of suitability trained and qualified staff. Lead in time is predicted to be a minimum of 24 months. Number of officers required currently uncertain due to ambiguity of demand / need.
3	Contract Portsmouth Port Health Authority out to an agency or neighbouring authority	Release of internal resources, potential cost to service, for servicing contract and / or loss of income from Portsmouth Port Health Authority. Highly unlikely to be possible as other ports are experiencing similar difficulties. In house management and administration would still be necessary.

- 10.2 All options carry significant risks. Currently, option 1 is only available as options 2 and 3 require substantial levels of additional revenue funding which has not been made available to Regulatory Services. There remains a high degree of uncertainty that option 1 will however succeed as result of the need to train and authorise officers in respect to the range of new duties expected.
- 10.3 In regard to the need to communicate the position of Regulatory Services in respect to its activities at the Portsmouth International Port, Councillor Gerald Vernon-Jackson, Leader of Portsmouth City Council wrote to Rt Hon Michael Gove MP on the 3<sup>rd</sup> October 2019 outlining the position at that time. This letter is attached as Appendix 1.
- 10.4 Funding applications have and will continue to be made to Central Government. To date the only grant funding approved has been recovered for expenditure already made. This equates to approximately £5000 for attending training courses, for example, for fish certification.

## 11. Integrated impact assessment

- 11.1 An Integrated Impact Assessment is attached as Appendix 2. The proposal has an association with the assessment categories of 'Employment Opportunities' and 'Economy'.

## 12. Head of Legal Services' comments

- 12.1 Legal Services can confirm that in October 2019, the United Kingdom Government and the European Commission reached an agreement at European Council on the United Kingdom of Great Britain and Northern Ireland's withdrawal from the European Union. The Withdrawal Agreement contains provisions for a Transition Period that currently runs from when the United Kingdom exits the European Union on 31<sup>st</sup> January 2020 until the end of December 2020. During this period Union food and feed safety law would continue to apply in the United Kingdom. Regulatory Services will therefore continue to have the same statutory objectives that they have now.

- 12.2 During (and after) a Transition Period, Regulatory Services must continue to ensure it meets its statutory objective of protecting consumers by ensuring that there is a robust and effective regulatory regime which maintains the safety and authenticity of food. This will include bringing online some of the work that the government has delivered to prepare for European Union Exit across surveillance, risk analysis, incidents and the compliance regime. The government intend to continue to monitor for new and emerging food and feed safety risks as they do now and advise on these risks.
- 12.3 The governments Statutory Instruments have been laid and made to ensure operability of retained European Union law. The programme of no deal Statutory Instruments is an example of an area where all necessary work had been completed to ensure the operability of food and feed law on day one, but where additional work will be required due to changes that have subsequently taken effect or will be undertaken during the transition period, further work may also be needed depending on the outcome of the United Kingdom - European Union negotiations during the transition period.
- 12.4 The changes that will need to be designed and implemented by the government's food European Union Exit Programme are not yet all known and will not be known for certain until negotiations are complete with the European Union. Depending on negotiations, Regulatory Services need to be prepared for no negotiated outcome having been agreed on the future relationship with the European Union by the end of December 2020 and the implications of such upon border controls.

### 13. Head of Finance comments

- 13.1 The activities and risks identified within this report will not be able to be met from existing service budgets, as approved by Full Council. The approximate cost for a suitability qualified officer (as assessed by the Regulatory Services Manager) equates to £50K per officer per annum.

.....  
Signed by: Stephen Baily, Director of Culture, Leisure and Regulatory Services

#### Appendix 1: Letter to Government - 3<sup>rd</sup> October 2019

#### Appendix 2: Integrated Impact Assessment

**Background list of documents:** The following list of documents discloses facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Location and Title	
1	<a href="https://www.food.gov.uk/sites/default/files/media/document/fsa-20-01-06-eu-exit-update_2.pdf">https://www.food.gov.uk/sites/default/files/media/document/fsa-20-01-06-eu-exit-update_2.pdf</a>

The recommendations set out in 2 above were approved by The Leader of Portsmouth City Council on the 4<sup>th</sup> February 2020.

.....  
Signed by: Councillor Gerald Vernon-Jackson, The Leader of Portsmouth City Council



Rt Hon Michael Gove MP  
Chancellor of the Duchy of Lancaster  
House of Commons  
London  
SW1A 0AA

**Councillor Gerald Vernon-Jackson CBE**  
**Leader of Portsmouth City Council**

Executive Office  
Floor 3, Core 3-4, Civic Offices  
Guildhall Square  
Portsmouth  
PO1 2AL

Phone: 023 9283 4551

E-mail: [cllr.gerald.vernon-jackson@portsmouthcc.gov.uk](mailto:cllr.gerald.vernon-jackson@portsmouthcc.gov.uk)

Our Ref: GVJOUT119

Date: 3<sup>rd</sup> October 2019

Dear Michael,

I am writing to you as the Minister responsible for trying to make sure that the UK is as ready as possible if we end up in a no deal Brexit situation.

I write in regard to the implications of the likely imminent obligatory responsibilities to be placed upon Portsmouth City Council (PCC) Trading Standards (TS) and Port Health (PH) teams at the Portsmouth International Port (PIP) in the event of a no deal Brexit.

At the time of writing we are required, within the Local Resilience framework, to plan for the reasonable worst-case scenario in a no deal EU exit outcome. Many enforcement agencies believe that this may lead to significant regulatory divergence and increased responsibilities for border inspections, particularly in respect of imported goods.

The outcomes of negotiations still range from no deal to bespoke arrangements that could, theoretically, maintain most elements of the status quo. All of these arrangements would however entail a degree of friction relative to the existing system of trading as a member of the EU. The scale and implementation challenges of the changes required will vary significantly across the country.

Portsmouth is the second busiest Ro-Ro port in the UK, handling significant volumes of goods from EU countries. Currently almost all imports through the PIP are entirely free from local authority intervention and therefore no local enforcement officers are required at the PIP. If however the free movement of goods ends when the UK leaves the single market and the customs union without an alternative in place, imports entering the UK through Portsmouth will become subject to inspection by UK agencies including the local authority agencies of TS and PH.

*Continued.../*

The PCC TS team concentrates its limited resources upon local criminality; however the service is likely to be deemed in part responsible for goods imported into the UK following the UK's departure from the EU. If goods entering Portsmouth become "imported goods" and subject to inspection by UK Border Force (UKBF) we suspect that it will be TS that is notified of any issues found.

It is then likely that the only method available to stop unsafe and non-compliant goods entering the market will be by TS exercising its powers of seizure. This will push the responsibility for the costs to the local authority instead of the agent/importer. This will remove the pressure upon them to take action to make the goods compliant, have them destroyed, or re-export them. Non-compliant or unsafe goods will need to be dealt with using domestic legislation, with TS having to either prosecute or apply for forfeiture to have the goods destroyed. These options impose considerable additional regulatory burdens on the service which are not currently resourced.

Consequently, if goods through PIP are to fall squarely on the shoulders of TS, significant investment in this service is required. Whilst limited funding for capital infrastructure has been provided, additional officers are needed to ensure that products do not pose serious risks, comply with EU/UK legislation/are correctly marked and are then processed/detained etc. as necessary.

To put it in perspective, if 1% of all incoming vehicles were subject to inspection through Portsmouth this would equate to 82 vehicles a week. If only 1% of these were relevant to TS this would be a massive impact on the service, effectively wiping out the ability of the service to do much of anything else. To give a practical example, Kent Trading Standards recently inspected two groupage (mixed goods) loads which were located in two 40ft lorries. The goods were imported by multiple importers with multiple goods from 150 lines. As the goods were non-EU in origin, the inspection took 49 hours to complete. None of the goods were released into the EU or the UK as they were all non-compliant and/or dangerous.

In respect of product safety of non-food goods, and notwithstanding the government's "Strengthening National Capacity for Product Safety: Strategy 2018-2020", we note the Office for Products Safety & Standards (OPSS) commitment to increase support for local authority led teams at ports, borders and points of entry. This however applies to existing ports designated as Border Inspection Posts (BIPs); Portsmouth is currently not a BIP. We fear however that this status could change at short notice due to the pressure to maintain the pace of imports, and thus exposing Portsmouth and the local TS to the increased burdens outlined above. Should this happen any support available via OPSS will be far too little and too late to be effective.

Similarly, checks have not been applied to food products arriving at PIP from the EU. Whilst we acknowledge that the Food Standards Agency (FSA) has re-prioritised some of its reforms to prepare for EU Exit and that around half of the food consumed in the UK is produced in the EU and other countries, the fact is that the FSA has spent millions on EU Exit preparations and received £15 million of additional EU Exit funding across 2017-18 and 2018-19. This has not directly assisted local authorities with their need for increased staffing resources.

*Continued.../*

The existing responsibilities of PH officers at PIP relate only to high-risk products of a non-animal origin and therefore can be maintained by the non-permanent highly reactive attendance of officers on an ad hoc basis. Should additional importation checks on food, no matter what they might entail, become the responsibility of the PCC PH team (delivered by Environmental Health Officers), then the service will be immediately overwhelmed. The PH team has discussed its status with the DEFRA's Borders Readiness Team (BRT) regarding EU exit. The BRT has carried out an assessment of Portsmouth as a high priority point of entry to understand our level of confidence to deliver border responsibilities ahead of the pending EU exit. It has been agreed that, through no fault of our own, as a result of the current levels of resources available, the team has a 'low' state of preparedness at the present time.

PCC is concerned that if border checks on food and non-food products are required then a significant investment in additional staff is required. Should our concerns materialise, we calculate that an ongoing minimum investment of £300,000 per annum is necessary to maintain a single officer presence at the port. Whilst financial investment in additional staff will help in the long term, the availability and governance of qualified and experienced workforce to fulfil these roles also remains unclear.

It is likely that changes to the UK-EU trading relationship will increase the number of vehicles subject to local authority inspection/involvement. Clarity is therefore required as to what border checks at Ro-Ro borders will be necessary and what requirements will be placed upon agencies where none/few currently exist. I also ask for clarity in respect to the powers to be made available to tackle non-compliance and unsafe or dangerous foods/goods, including to ensure that the importers take on the financial burdens.

Finally, should a no deal materialise I seek urgent assistance to provide the long term funding of the staffing resources needed to match any increase in border checks and the demands upon our services. This would be in line with the new burdens doctrine. As you are aware, because of the limited land within the port and the immediacy of the M275 junction to the port gate means that any delays to HGV's coming into the UK through PIP could have a detrimental impact on the ability to deal with embarkation of export and returning vehicles.

Yours sincerely



Cllr Gerald Vernon-Jackson  
Leader of the Council

Cc Chief Officer Neil Odin, EU Exit SCG Chair - Hampshire & IOW LRF  
Leader and Chief Executive of Hampshire County Council, Southampton City Council and Isle of Wight Council  
Penny Mordaunt MP, Portsmouth North  
Stephen Morgan MP, Portsmouth South  
Cllr Lee Hunt, Cabinet Member for Community Safety, PCC

This page is intentionally left blank

# Integrated Impact Assessment (IIA)

Integrated impact assessment (IIA) form December 2019

[www.portsmouth.gov.uk](http://www.portsmouth.gov.uk)

The integrated impact assessment is a quick and easy screening process. It should:

- identify those policies, projects, services, functions or strategies that could impact positively or negatively on the following areas:
  - Communities and safety
  - Regeneration and culture
  - Environment and public space
  - Equality & - Diversity - This can be found in Section A5

**Directorate:**

Culture Leisure and Regulatory Services

**Service, function:**

Regulatory Services

**Title of policy, service, function, project or strategy (new or old) :**

Provision of Regulatory Services at Portsmouth International Port

**Type of policy, service, function, project or strategy:**

- Existing
- New / proposed
- Changed

**What is the aim of your policy, service, function, project or strategy?**

The purpose of this paper is to inform the Cabinet of the statutory responsibilities placed upon Regulatory Services (RS) at the Portsmouth International Port (PIP), and, provide a summary of how the activities of RS might be impacted by a no or a limited / restrictive trade deal as the United Kingdom

Has any consultation been undertaken for this proposal? What were the outcomes of the consultations? Has anything changed because of the consultation? Did this inform your proposal?

Extensive consultation with Port Health stakeholders: Border Delivery Group and the Association of Port Health Authorities. Policy formed in conjunction with these consultations.

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A1-Crime** - Will it make our city safer?

In thinking about this question:

- How will it reduce crime, disorder, ASB and the fear of crime?
- How will it prevent the misuse of drugs, alcohol and other substances?
- How will it protect and support young people at risk of harm?
- How will it discourage re-offending?

If you want more information contact [Lisa.Wills@portsmouthcc.gov.uk](mailto:Lisa.Wills@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-spp-plan-2018-20.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

It is envisaged that this paper will neither positively nor adversely affect crime in the city .

How will you measure/check the impact of your proposal?

N/A

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A2-Housing** - Will it provide good quality homes?

In thinking about this question:

- How will it increase good quality affordable housing, including social housing?
- How will it reduce the number of poor quality homes and accommodation?
- How will it produce well-insulated and sustainable buildings?
- How will it provide a mix of housing for different groups and needs?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/psh-providing-affordable-housing-in-portsmouth-april-19.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

It is envisaged that this paper will neither positively nor adversely affect housing in the city .

How are you going to measure/check the impact of your proposal?

N/A

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A3-Health** - Will this help promote healthy, safe and independent living?

In thinking about this question:

- How will it improve physical and mental health?
- How will it improve quality of life?
- How will it encourage healthy lifestyle choices?
- How will it create healthy places? (Including workplaces)

If you want more information contact [Dominique.Letouze@portsmouthcc.gov.uk](mailto:Dominique.Letouze@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cons-114.86-health-and-wellbeing-strategy-proof-2.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

It is envisaged that this paper will neither positively nor adversely affect health and independent living in the city in the city .

How are you going to measure/check the impact of your proposal?

N/A

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A4-Income deprivation and poverty**-Will it consider income deprivation and reduce poverty?

In thinking about this question:

- How will it support those vulnerable to falling into poverty; e.g., single working age adults and lone parent households?
- How will it consider low-income communities, households and individuals?
- How will it support those unable to work?
- How will it support those with no educational qualifications?

If you want more information contact [Mark.Oage@portsmouthcc.gov.uk](mailto:Mark.Oage@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-homelessness-strategy-2018-to-2023.pdf>

<https://www.portsmouth.gov.uk/ext/health-and-care/health/joint-strategic-needs-assessment>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

It is envisaged that this paper will neither positively nor adversely affect poverty in the city .

How are you going to measure/check the impact of your proposal?

N/A

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A5-Equality & diversity** - Will it have any positive/negative impacts on the protected characteristics?



In thinking about this question:

- How will it impact on the protected characteristics-Positive or negative impact (Protected characteristics under the Equality Act 2010, Age, disability, race/ethnicity, Sexual orientation, gender reassignment, sex, religion or belief, pregnancy and maternity, marriage and civil partnership,socio-economic)
- What mitigation has been put in place to lessen any impacts or barriers removed?
- How will it help promote equality for a specific protected characteristic?

If you want more information contact [gina.perryman@portsmouthcc.gov.uk](mailto:gina.perryman@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-equality-strategy-2019-22-final.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

It is envisaged that this paper will neither positively nor adversely affect crime in the city .

How are you going to measure/check the impact of your proposal?

N/A



**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B1-Carbon emissions** - Will it reduce carbon emissions?

In thinking about this question:

- How will it reduce greenhouse gas emissions?
- How will it provide renewable sources of energy?
- How will it reduce the need for motorised vehicle travel?
- How will it encourage and support residents to reduce carbon emissions?

If you want more information contact [Tristan.thorn@portsmouthcc.gov.uk](mailto:Tristan.thorn@portsmouthcc.gov.uk) or go to:<https://www.portsmouth.gov.uk/ext/documents-external/cmu-sustainability-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The policy does not specifically address carbon emissions. However, should there be delays at the Port due to a no or limited deal EU Exit, this could cause a build up of vehicles and ships at the Port, which in turn could increase carbon emissions. Adequate resourcing of the Port Health team would seek to minimise delays.

How are you going to measure/check the impact of your proposal?  
Air quality measuring equipment is in place throughout the city.

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B2-Energy use** - Will it reduce energy use?

In thinking about this question:

- How will it reduce water consumption?
- How will it reduce electricity consumption?
- How will it reduce gas consumption?
- How will it reduce the production of waste?

If you want more information contact [Triston.thorn@portsmouthcc.gov.uk](mailto:Triston.thorn@portsmouthcc.gov.uk) or go to:<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf><https://democracy.portsmouth.gov.uk/documents/s24685/Home%20Energy%20Appendix%201%20-%20Energy%20and%20water%20at%20home%20-%20Strategy%202019-25.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The policy does not specifically address energy use. However, as in B1 above a build up of vehicles and shipping at the Port will lead to increased energy use.

How are you going to measure/check the impact of your proposal?  
Service databases record volume of traffic requiring Port Health actions through the Port.

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B3 - Climate change mitigation and flooding**-Will it proactively mitigate against a changing climate and flooding?



In thinking about this question:

- How will it minimise flood risk from both coastal and surface flooding in the future?
- How will it protect properties and buildings from flooding?
- How will it make local people aware of the risk from flooding?
- How will it mitigate for future changes in temperature and extreme weather events?

If you want more information contact [Tristan.thorn@portsmouthcc.gov.uk](mailto:Tristan.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-surface-water-management-plan-2019.pdf>

<https://www.portsmouth.gov.uk/ext/documents-external/cou-flood-risk-management-plan.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The policy does not specifically address climate change and flooding. It is envisaged that this paper will neither positively nor adversely affect climate change and flooding in the city .

How are you going to measure/check the impact of your proposal?

N/A

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B4-Natural environment**-Will it ensure public spaces are greener, more sustainable and well-maintained?



In thinking about this question:

- How will it encourage biodiversity and protect habitats?
- How will it preserve natural sites?
- How will it conserve and enhance natural species?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-solent-recreation-mitigation-strategy-dec-17.pdf>

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The policy does not specifically address greener/sustainable public spaces. It is envisaged that this paper will neither positively nor adversely affect greener public spaces in the city .

How are you going to measure/check the impact of your proposal?

N/A

Is your policy/proposal relevant to the following questions?

**B5-Air quality** - Will it improve air quality?



In thinking about this question:

- How will it reduce motor vehicle traffic congestion?
- How will it reduce emissions of key pollutants?
- How will it discourage the idling of motor vehicles?
- How will it reduce reliance on private car use?

If you want more information contact [Hayley.Trower@portsmouthcc.gov.uk](mailto:Hayley.Trower@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-aq-air-quality-plan-outline-business-case.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The policy does not specifically address the improvement of air quality. However, as above a build up of vehicles and shipping at the Port will lead to adverse air quality conditions.

How are you going to measure/check the impact of your proposal?  
Air quality monitoring equipment is in place throughout the city. Adequate resourcing of the Port Health Team would seek to minimise delays, leading to air quality issues.

Is your policy/proposal relevant to the following questions?

**B6-Transport** - Will it improve road safety and transport for the whole community?



In thinking about this question:

- How will it prioritise pedestrians, cyclists and public transport users over users of private vehicles?
- How will it allocate street space to ensure children and older people can walk and cycle safely in the area?
- How will it increase the proportion of journeys made using sustainable and active transport?
- How will it reduce the risk of traffic collisions, and near misses, with pedestrians and cyclists?

If you want more information contact [Pam.Turton@portsmouthcc.gov.uk](mailto:Pam.Turton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/travel/local-transport-plan-3>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The policy does not specifically address road safety and transport for the community. However, delays at the Port could lead to increased traffic on the roads in the city which could adversely affect road safety. Adequate resourcing of the Port Health Team would seek to minimise delays.

How are you going to measure/check the impact of your proposal?  
N/A

Is your policy/proposal relevant to the following questions?

**B7-Waste management** - Will it increase recycling and reduce the production of waste?



In thinking about this question:

- How will it reduce household waste and consumption?
- How will it increase recycling?
- How will it reduce industrial and construction waste?

If you want more information contact [Steven.Russell@portsmouthcc.gov.uk](mailto:Steven.Russell@portsmouthcc.gov.uk) or go to:

<https://documents.hants.gov.uk/mineralsandwaste/HampshireMineralsWastePlanADOPTED.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The policy does not specifically adress recycling and reduction of waste production.

How are you going to measure/check the impact of your proposal?  
N/A

Is your policy/proposal relevant to the following questions?

**C1-Culture and heritage** - Will it promote, protect and enhance our culture and heritage?



In thinking about this question:

- How will it protect areas of cultural value?
- How will it protect listed buildings?
- How will it encourage events and attractions?
- How will it make Portsmouth a city people want to live in?

If you want more information contact [Claire.Looney@portsmouthcc.gov.uk](mailto:Claire.Looney@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

It is envisaged that this paper will neither positively nor adversely affect culture and heritage in the city .

How are you going to measure/check the impact of your proposal?  
N/A

Is your policy/proposal relevant to the following questions?

**C2-Employment and opportunities** - Will it promote the development of a skilled workforce?



In thinking about this question:

- How will it improve qualifications and skills for local people?
- How will it reduce unemployment?
- How will it create high quality jobs?
- How will it improve earnings?

If you want more information contact [Mark.Pembleton@portsmouthcc.gov.uk](mailto:Mark.Pembleton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

Efficient running of the Port will encourage business to use the Port facilities and create local employment development and opportunities

How are you going to measure/check the impact of your proposal?  
National Employment statistics can be used to measure this.

Is your policy/proposal relevant to the following questions?

**C3 - Economy** - Will it encourage businesses to invest in the city, support sustainable growth and regeneration?



In thinking about this question:

- How will it encourage the development of key industries?
- How will it improve the local economy?
- How will it create valuable employment opportunities for local people?
- How will it promote employment and growth in the city?

If you want more information contact [Mark.Pembleton@portsmouthcc.gov.uk](mailto:Mark.Pembleton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

Efficient running of the Port will encourage business to use the Port facilities and assist with the development of the local economy, both in local business and local employment.

How are you going to measure/check the impact of your proposal?  
National business and employment statistics

### Q8 - Who was involved in the Integrated impact assessment?

Steven Bell

This IIA has been approved by: Richard Lee

Contact number: 02392834857

Date: 23/01/2020

# Agenda Item 12

<b>Title of meeting:</b>	Cabinet City Council
<b>Date of meeting:</b>	Cabinet 4 <sup>th</sup> February 2020 City Council 11 <sup>th</sup> February 2020
<b>Subject:</b>	Treasury Management Mid-Year Review 2019/20
<b>Report by:</b>	Director of Finance and Information Technology (Section 151 Officer)
<b>Wards affected:</b>	All
<b>Key decision:</b>	No
<b>Full Council decision:</b>	Yes

---

## 1. Executive Summary

This report outlines the Council's performance against the treasury management indicators approved by the Council on 19 March 2019.

## 2. Purpose of report

The purpose of the report is to inform members and the wider community of the Council's Treasury Management position at 30 September 2019.

In March 2009 the Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management Panel issued a bulletin relating to Treasury Management in Local Authorities. The bulletin states that "in order to enshrine best practice it is suggested that authorities report formally on Treasury Management activities at least twice yearly and preferably quarterly". The report in Appendix A covers the first six months of 2019/20.

## 3. Recommendations

It is recommended that:

- 3.1 It be noted that there have been no breaches of the Treasury Management Policy 2019/20 in the period up to 30 September 2019.
- 3.4 The actual Treasury Management indicators for September 2019 in Appendix A be noted

#### 4. Background

The Council's treasury management operations cover the following:

- Cash flow forecasting (both daily balances and longer term forecasting)
- Investing surplus funds in approved investments
- Borrowing to finance short term cash deficits and capital payments
- Management of debt (including rescheduling and ensuring an even maturity profile)
- Interest rate exposure management

The key risks associated with the Council's treasury management operations are:

1. Credit risk - ie. that the Council is not repaid, with due interest in full, on the day repayment is due
2. Liquidity risk - ie. that cash will not be available when it is needed, or that the ineffective management of liquidity creates additional, unbudgeted costs
3. Interest rate risk - that the Council fails to get good value for its cash dealings (both when borrowing and investing) and the risk that interest costs incurred are in excess of those for which the Council has budgeted
4. Maturity (or refinancing risk) - this relates to the Council's borrowing or capital financing activities, and is the risk that the Council is unable to repay or replace its maturing funding arrangements on appropriate terms
5. Procedures (or systems) risk - ie. that a treasury process, human or otherwise, will fail and planned actions are not carried out through fraud, error or corruption

The total borrowings of the Council including finance leases and private finance initiative (PFI) schemes are £727m.

The Council has investments lodged with 47 institutions that amount to £360m.

The cost of the Council's borrowings and the income derived from the Council's investments are included within the Council's treasury management budget of £24m. The Council's treasury management activities account for a significant proportion of the Council's overall budget. As a consequence the Council's Treasury Management Policy aims to manage risk whilst optimizing costs and returns. The Council monitors and measures its treasury management position against the indicators described in this report. Treasury management monitoring reports are brought to the Governance and Audit and Standards Committee for scrutiny.

There have been no breaches of the Treasury Management Policy up to the period ending 30 September 2019.



**5. Reasons for Recommendations**

Recommendation 3.1

To highlight any variance from the approved Treasury Management Policy and to note any subsequent actions.

Recommendation 3.2

To provide assurance that the Council's treasury management activities are effectively managed.

**6. Equality impact assessment (EIA)**

The contents of this report do not have any relevant equalities impact and therefore an equalities impact assessment is not required.

**7. Legal Implications**

The Section 151 Officer is required by the Local Government Act 1972 and by the Accounts and Audit Regulations 2015 to ensure that the Council's budgeting, financial management, and accounting practices meet the relevant statutory and professional requirements. Members must have regard to and be aware of the wider duties placed on the Council by various statutes governing the conduct of its financial affairs.

**8. Director of Finance's comments**

All financial considerations are contained within the body of the report and the attached appendices

.....  
Signed by Director of Finance & Resources (Section 151 Officer)

**Appendices:**

**Appendix A: Treasury Management Mid-Year Review 2019/20**

**Appendix B: LIBID Rates**

*Background list of documents: Section 100D of the Local Government Act 1972*

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

<b><u>Title of document</u></b>	<b>Location</b>
1 Information pertaining to treasury management strategy and performance	Financial Services

**TREASURY MANAGEMENT MID YEAR REVIEW OF 2019/20****A1. SUMMARY OF TREASURY MANAGEMENT INDICATORS AS AT 30 SEPTEMBER**

The Council's debt at 30 September was as follows:

	<b>Limit</b>	<b>Position at 30/9/2019</b>
Authorised Limit	£807m	£727m
Operational Boundary	£777m	£727m

The maturity structure of the Council's fixed rate borrowing was:

	<b>Under 1 Year</b>	<b>1 to 2 Years</b>	<b>3 to 5 Years</b>	<b>6 to 10 Years</b>	<b>11 to 20 Years</b>	<b>21 to 30 Years</b>	<b>31 to 40 Years</b>	<b>41 to 50 Years</b>
Lower Limit	0%	0%	0%	0%	0%	0%	0%	0%
Upper Limit	10%	10%	10%	20%	30%	30%	40%	40%
Actual	1%	1%	4%	7%	22%	8%	25%	32%

The maturity structure of the Council's variable rate borrowing was:

	<b>Under 1 Year</b>	<b>1 to 2 Years</b>	<b>3 to 5 Years</b>	<b>6 to 10 Years</b>	<b>11 to 20 Years</b>	<b>21 to 30 Years</b>	<b>31 to 40 Years</b>	<b>41 to 50 Years</b>
Lower Limit	0%	0%	0%	0%	0%	0%	0%	0%
Upper Limit	10%	10%	10%	20%	30%	30%	30%	30%
Actual	2%	2%	6%	10%	22%	23%	21%	14%

Sums invested for periods longer than 365 days at 30 September 2019 were:

<b>Maturing after</b>	<b>Limit £m</b>	<b>Actual £m</b>
31/3/20	205	130
31/3/21	144	24
31/3/22	117	10

## **A2. GOVERNANCE**

The Treasury Management Policy Statement, Annual Minimum Revenue Provision for Debt Repayment Statement and Annual Investment Strategy approved by the City Council on 19 March 2019 provide the framework within which Treasury Management activities are undertaken.

## **A3. COMBINED BORROWING AND INVESTMENT POSITION (NET DEBT)**

On 30 September 2019 the Council had gross debt including finance leases and private finance initiative (PFI) schemes of £727m and gross investments of £360m giving rise to a net debt of £367m. The current level of investments has arisen from the Council's earmarked reserves and the borrowing of further cash to take advantage of exceptionally low borrowing rates to fund the Council's capital programme. The current level of investments does increase the Council's exposure to credit risk, ie. the risk that an approved borrower defaults on the Council's investment. In the interim period, there is a short term risk that the rates (and therefore the cost) at which money has been borrowed will be greater than the rates at which the cash can be invested. The difference between current borrowing and investment rates is 0.36%. Moreover, securing low cost funding for the capital programme now will have a lower overall cost than if the borrowing was undertaken later when rates had increased.

## **A4. BORROWING ACTIVITY**

There was a slight reduction in Public Works Loans Board (PWLB) rates in the first quarter of 2019/20 with continued uncertainty over the Conservative Party leadership election and a lack of clarity around Brexit.

Although the Council had cash investments of £417m at the start of 2019/20, most of these investments matured after the expected completion date for acquiring Lakeside North Harbour Business Park.

With a lack of clarity over Brexit, trade uncertainty and global growth concerns, market expectations for an increase in interest rates before May 2020 were close to zero. Market expectations for a cut in the Bank Rate before May 2020 had picked up on the dovishness of the Bank of England and the Federal Reserve at their recent policy meetings although this was not a strong view. With the likelihood of an interest rate cut exceeding the likelihood of an increase in interest rates, the remaining £30m required to facilitate the acquisition of Lakeside North Harbour Business Park was borrowed short term and has now been repaid.

Overall there has been a near halving of longer term PWLB rates to completely unprecedented historic low levels over the last half year. As a consequence of this the Council borrowed a further £57m from the PWLB, in addition to the £20m previously borrowed in May 2019, as follows:

- £20m for 25 years fixed at 1.57% on 7<sup>th</sup> August repayable in equal instalments of principal
- £17m for 49 years fixed at 1.67% on 20<sup>th</sup> August repayable at maturity
- £20m for 45 years fixed at 1.59% on 5<sup>th</sup> September repayable at maturity

The average interest rate payable on the long term borrowing of £77m in the first half of 2019/20 is 1.78%.

The Council's gross borrowing at 30<sup>th</sup> September 2019 of £727m is within the Council's Authorised Limit (the maximum amount of borrowing approved by City Council) of £807m and also within the Council's Operational Boundary (the limit beyond which borrowing is not expected to exceed) of £777m.

The Council plans for gross borrowing to have a reasonably even maturity profile. This is to ensure that the Council does not need to replace large amounts of maturing borrowing when interest rates could be unfavourable.

The actual maturity profile of the Council's borrowing is within the limits contained within the Council's Treasury Management Policy (see paragraph A1).

### Future Borrowing

On 9 October 2019 the Treasury and PWLB announced an increase in the margin over gilt yields of 1.00% on top of the current margin of 0.80% which this authority has paid prior to this date for new borrowing from the PWLB. There was no prior warning that this would happen and it now means that every local authority has to fundamentally reassess how to finance their external borrowing needs and the financial viability of capital projects in their capital programme due to this unexpected increase in the cost of borrowing.

In the short term, the Council can fund its capital programme from either external borrowing or internal borrowing. Internal borrowing is the practice of using the Council's cash backed reserves to fund the capital programme in the short term. It should be noted that this defers the need to borrow externally rather than avoiding the need to borrow completely, as the Council will ultimately be forced to borrow externally as it spends its cash backed reserves. However, the Council is forecast to have sufficient funds to defer having to borrow externally until 2023/24.

Whereas this authority has previously relied on the PWLB as its main source of funding, it now has to fundamentally reconsider alternative cheaper sources of borrowing. At the current time, this is a developmental area as this event has also taken the financial services industry by surprise. We are expecting that various financial institutions will enter the market or make products available to local authorities. Members will be updated as this area evolves.

It is possible that the Municipal Bond Agency will be offering loans to local authorities in the future. This Authority may make use of this new source of borrowing as and when appropriate.

#### Early Redemption of Borrowing

With the exception of two loans all the Council's borrowings to finance capital expenditure are fixed rate and fixed term loans. This reduces interest rate risk and provides a high degree of budget certainty.

The Council's borrowing portfolio is kept under review to identify if and when it would be financially beneficial to repay any specific loans early. Repaying borrowing early invariably results in a premium (early repayment charges) by the PWLB that are sufficiently large to make early repayment of borrowing financially unattractive to the Council.

No debt rescheduling or early repayment of debt has been undertaken during the first half of 2019/20 as it has not have been financially advantageous for the Council to do so.

#### Under/Over Borrowing

The extent to which the Council is "under" or "over" borrowed is determined by comparing the actual value of long term borrowing outstanding with the value of capital expenditure that has been incurred and was financed by borrowing (after deducting Minimum Revenue Provision that has been made in respect of that capital expenditure).

If the Council has borrowed less than it requires to fund the total value of capital expenditure to be funded from borrowing the Council is "under borrowed" and if the value of borrowing is greater than the value of capital expenditure incurred which is to be financed from borrowing it is "over borrowed".

At 31 March 2019 the Council was over borrowed by £29m. Whilst the Council borrowed £77m in the first half of 2019/20, the Council will be under borrowed by the end of 2019/20 following the acquisition of Lakeside North Harbour Business Park.

## **A5. INVESTMENT ACTIVITY**

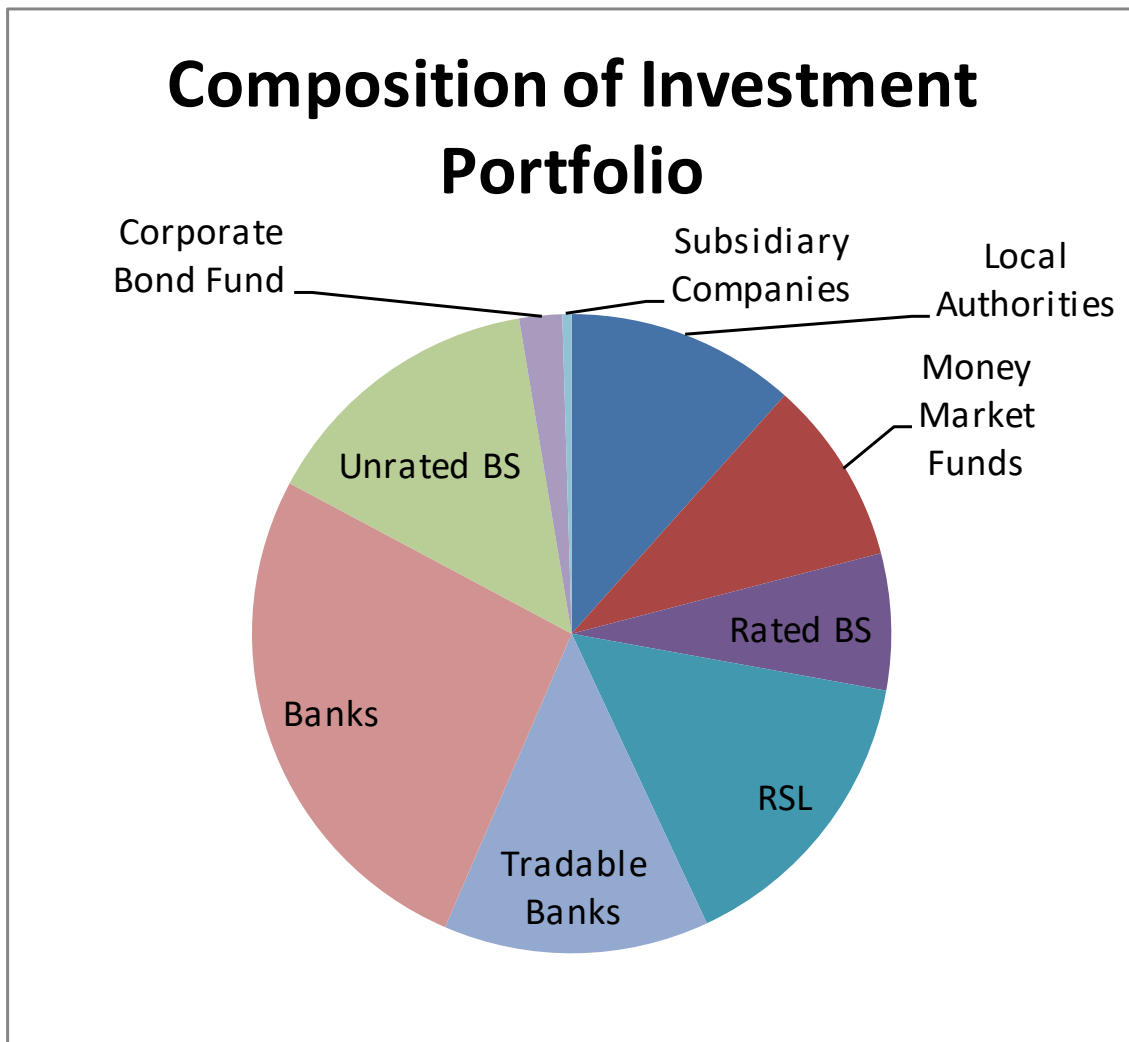
It is a very difficult investment market in terms of earning the level of interest rates commonly seen in previous decades as rates are very low and in line with the current 0.75% Bank Rate. The continuing potential for a re-emergence of a Eurozone sovereign debt crisis, and its impact on banks, means that increases in Bank Rate are likely to be gradual and unlikely to return to the levels seen in previous decades, investment returns are likely to remain low. Appendix B shows the actual market rates available for the first half of 2019/20. Bank base rate is not expected to rise again this financial year and then to only rise slowly thereafter.

The Council's surplus cash investments have decreased by £57m from £417m at 31<sup>st</sup> March 2019 to £360m at 30<sup>th</sup> September 2019. This is due to the acquisition of Lakeside North Harbour Business Park. The average rate of return on the Council's cash investments has risen from 1.12% in 2018/19 to 1.42% in the half of 2019/20. The improvement in the return on the Council's cash investments is due to an increase in the market value of tradable investments with returns that cannot be matched in the current low interest rate environment. Investment returns may fall as these current investments mature, unless the interest rates offered on new investments improve.

There have been no defaults on the City Council's investments in the current year. However, £0.6m was lent to Victory Energy Services Limited (VESL), a subsidiary company of the City Council, in 2019/20. VESL is now in the process of being wound up and is expected to default on its debts to the Council. A provision has been made for losses on lending to VESL up to 31<sup>st</sup> March 2019 of £2.8m. The £0.6m lent to VESL since 1<sup>st</sup> April 2019 will be a loss to the Council in 2019/20. If the expected losses from lending to VESL are taken into account, the average return falls to 1.15%.

The Council's budgeted investment return for 2019/20 is £4.2m and performance for the year to date is £0.3m above budget after taking account of the expected losses on lending to VESL. All the Council's investments have been in accordance with the Council's Treasury Management Policy approved by Full Council in March 2019 and there are no breaches to report.

A summary of the Council's surplus cash investment portfolio is shown in the graph below. These investments totaled £360m as at 30<sup>th</sup> September 2019.



Money Market Funds

Money market funds are instant access investments in AAA rated pooled funds.

Tradable Investments in Banks and Corporates (Commercial Companies)

Some investments in banks and corporates (commercial companies) are tradable. This means that the Council can sell the investments at any time to a third party. This contrasts with bank and building society term deposits which can only be repaid by the bank or building society.

Externally Management Corporate Bond Holdings

The Council has some externally managed corporate bond holdings. These consist of tradable debt issued by commercial companies.

Rated Building Societies

These are building societies with at least two credit ratings from Standard and Poor, Moody's or Fitch.

Unrated Building Societies

These are building societies that do not have at least two credit ratings from Standard and Poor, Moody's or Fitch.



**A6. INTEREST RATE EXPOSURES**

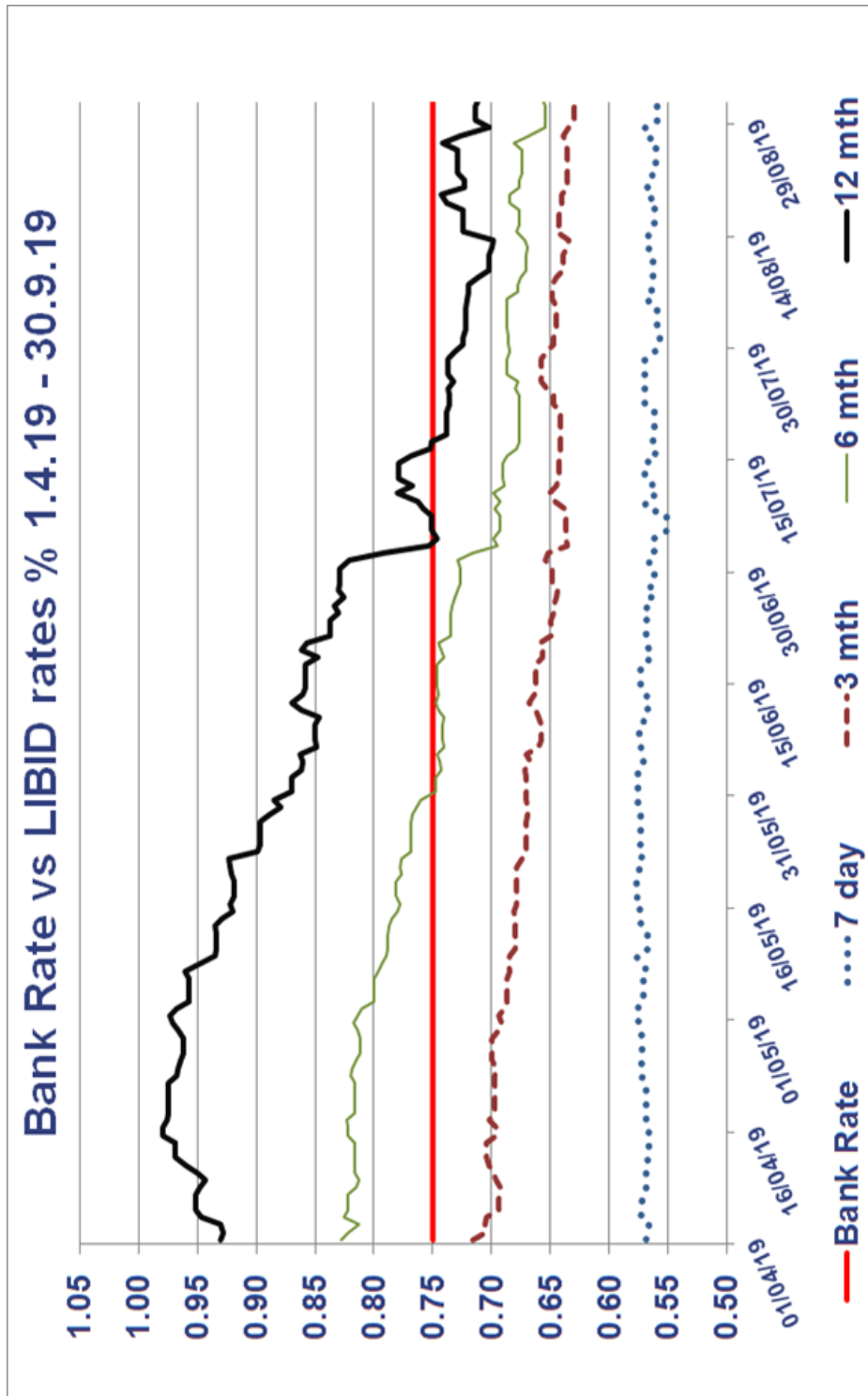
The Councils net debt position at 30<sup>th</sup> September 2019 is summarised in the table below.

	<b>Principal</b>	<b>Average Interest Rate</b>	<b>Interest to 30<sup>th</sup> September 2019</b>
Borrowing (including finance leases & private finance initiative (PFI) schemes)	£727m	3.19%	£11.6m
Investments	(360m)*	(1.42%)	(£3.0m)
Net Debt	£367m		£8.6m

\*Although the Council's investments had fallen £360m at 30<sup>th</sup> September 2019, the average sum invested over this period was £423m.

**LIBID RATES**

LIBID rates are London inter-bank bid rates and give an indication of the rates available in the London money market





# Agenda Item 13



Agenda item:

**Decision maker:** City Council

**Subject:** Portsmouth City Council - Budget & Council Tax 2020/21 & Medium Term Budget Forecast 2021/22 to 2023/24

**Date of decision:** 04 February 2020 (Cabinet)  
11 February 2020 (City Council)

**Report by:** Director of Finance & Resources (Section 151 Officer)

**Wards affected:** All

**Key decision:** Yes

**Budget & policy framework decision:** Yes

---

## 1. Executive Summary

- 1.1 The key proposals within this report recommend a Budget for 2020/21 that provides for £2.5m of savings, a Council Tax increase of 3.99% (2.0% of which is raised specifically to be passported to Adult Social Care) and forecasts that the 3 year period beyond 2020/21 will require a further £3.0m in savings.
- 1.2 The proposals also seek to remedy the underlying budget deficits in both Adults and Children's Social Care, providing a sound financial base as the Council moves into a very uncertain period for Local Government funding from 2021/22 onwards.
- 1.3 The uncertainty presented from 2021/22 is due to a comprehensive overhaul of the Local Government funding system known as the "Fair Funding Review", it will determine a new formula methodology which will set each Local Authority's baseline funding level. Alongside this, a new system for retaining future Business Rate growth / loss will be implemented, taking away all existing growth and re-distributing that growth nationally according to relative need (rather than where it was generated). For these reasons, the Council's future forecast deficits could reasonably be expected to vary between +/- £4m.
- 1.4 During this unprecedented level of uncertainty, it is imperative that the Council continues to plan for savings of £1.0m per year, retaining reserves at the levels proposed in this report to retain the necessary financial resilience to be able to respond in all circumstances.
- 1.5 An Executive Summary of these key points and others is set out below.

## EXECUTIVE SUMMARY

### Context

- ❖ Since 2011/12 the Council will have made £102m in savings (48% of controllable spend)
- ❖ Government funding reductions have been the driving force behind the need to make forecast savings of £7.5m over the current period 2020/21 to 2022/23
- ❖ Adults and Children's Social Care represent 53% of controllable spend, provide services to the most vulnerable, experience the greatest cost pressures and have historically received significant protection from savings - resulting in proportionally higher savings across other Council Services
- ❖ The Local Government Finance Settlement has provided substantial relief for the cost pressures in Adults and Children's Social Care in 2020/21 of £5.4m, but is not clear if this is new money to the Local Government system in the longer term and remains a risk going forward.
- ❖ The Council's Medium Term Financial Strategy seeks to maximise savings through income generation, economic regeneration and efficiency measures

### Revised Budget 2019/20

- ❖ A Balanced Budget for 2019/20 accommodating all forecast overspendings in Adult Social Care, Children's Social Care and Portico

### Budget 2020/21

- ❖ Incorporates £2.5m of Savings in accordance with the Council resolution of 12 February 2019
- ❖ 99% of savings have been achieved through Income Generation (52%) and Efficiency measures (47%)
- ❖ No savings are proposed from the Children and Families Portfolio and the Community Safety Portfolio in order to manage the rise (and cost of) Looked After Children
- ❖ Provides further additional funding for Children's Social Care of £3.0m (in addition to the £4m additional funding provided in the current financial year) to accommodate the rise in Looked After Children to current levels
- ❖ Provides additional funding for Adult Social Care of £2.6m to accommodate their demographic cost pressures and contribute towards the additional costs to care providers associated with the National Living Wage (increase of 6.2%)
- ❖ Provides an additional £0.4m for Education to accommodate the pressures in SEN Home to School Transport
- ❖ A Council Tax increase of 3.99%, in accordance with the Budget Consultation, of which:
  - 1.99% is for general council services (at an inflation based level)
  - 2.0% (amounting to £1.6m) is to be passported directly to Adult Social Care

## EXECUTIVE SUMMARY (Cont'd)

### Budget 2020/21 (Cont'd)

- ❖ The ceasing of the 75% Business Rate Retention pilot (which had previously provided total funding of £7.0m to be used to support essential Capital Investment)
- ❖ A withdrawal from General Reserves of £2.6m which was built up in the previous year, but now leaves reserves back at the historic levels maintained in the past

### Future Forecast - 2021/22 to 2023/24

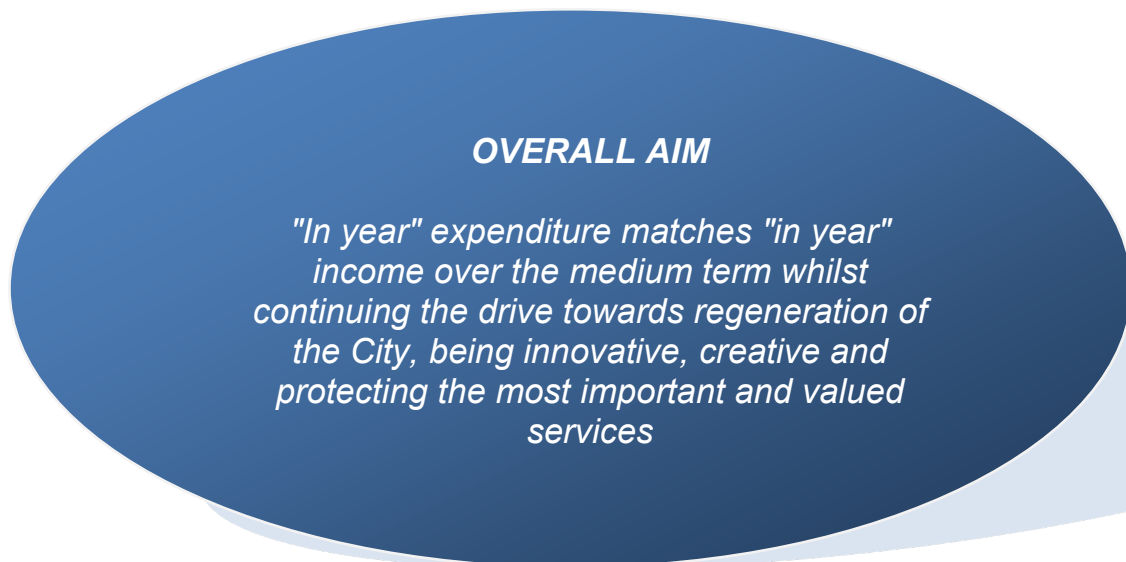
- ❖ The new forecast for the new 3 Year Period (now extended to 2023/24) is a £3.0m deficit
- ❖ The new forecast is subject to unprecedented uncertainty due to the forthcoming Multi Year Spending Review, Fair Funding Review and the 75% Business Rate Retention Scheme and could vary by +/- £4m
- ❖ Future forecasts seek to make adequate provision for both the replenishment of the Medium Term Resource Strategy (MTRS) Reserve as well as contributions towards necessary Capital Investment requirements
- ❖ Proposed that Savings are phased evenly at £1.0m p.a over the next 3 years (i.e. beyond 2020/21)
- ❖ General Reserves are maintained over the period at circa £17m (assuming the £1.0m p.a. savings are achieved)
- ❖ Balanced approach to savings if the forecast proves to be too pessimistic or too optimistic. With General Reserves at proposed levels, savings of £1.0m p.a. ensure that for any improvement in the forecast, the Council has not prematurely made a level of savings that could have been avoided and for any deterioration, good progress towards the necessary savings will have been made

### Conclusion

- ❖ Proposed Budgets maintain General Balances for 2019/20 and 2020/21 at circa £20m
- ❖ Council's financial health is sound, and the Council remains well placed to face the future uncertainty for Local Government funding

## 2 Purpose of Report

- 2.1 The primary purpose of this report is to set the Council's overall Budget for the forthcoming year 2020/21 and the associated level of Council Tax necessary to fund that Budget.
- 2.2 The report makes recommendations on the level of Council spending for 2020/21 and the level of Council Tax in the context of the Council's Medium Term Financial Strategy with its stated aim as follows:



- 2.3 The recommended Budget for 2020/21 has been prepared on the basis of the following:
- The Council resolution of 12 February 2019 that set an overall savings requirement of £2.5m
  - An increase in the level of Council Tax for 2020/21 for general purposes of 1.99%
  - The flexibility to increase the level of Council Tax for an "Adult Social Care Precept", within the limits set by Central Government at 2.0%, and the direct passporting of that additional funding to Adult Social Care to provide for otherwise unfunded cost pressures.
- 2.4 This report also provides a comprehensive revision of the Council's rolling 3 year future financial forecast for the new period 2021/22 to 2023/24 (i.e. compared to the previous forecast covering 2020/21 to 2022/23, this forecast now replaces the forecast for the previous 3 year period).
- 2.5 The new forecast considers the future outlook for both spending and funding, and in that context, wider recommendations are made regarding the levels of reserves to be maintained and additional contributions to the Capital Programme in order to meet the Council's aspirations for the City as well as maintaining the Council's overall financial resilience.



2.6 In particular, this report sets out the following:

- (a) The challenging and uncertain financial climate facing the City Council in 2020/21 and beyond, and the consequential budget deficits that result
- (b) A brief summary of the Medium Term Financial Strategy for achieving the necessary savings
- (c) The revised Revenue Budget and Cash Limits for the current year
- (d) The Local Government Finance Settlement for 2020/21
- (e) The Business Rate income for 2020/21 and future years and the ceasing of the Solent 75% Business Rate Retention Pilot (in a pooled arrangement with the Isle of Wight Council and Southampton City Council)
- (f) The Council Tax base and recommended Council Tax for 2020/21
- (g) The forecast Collection Fund balance as at 31 March 2020 for both Council Tax and Business Rates
- (h) The detailed indicative savings (Appendix C) that could be made by each Portfolio / Committee in meeting its overall savings amount in order to provide the Council with the assurance necessary to approve the recommended savings amount for each Portfolio / Committee
- (i) The proposed Revenue Budget and Cash Limits for 2020/21
- (j) The forecast Revenue Budgets and revised Savings Requirements for 2021/22, 2022/23 and 2023/24
- (k) Estimated General Reserves over the period 2019/20 to 2023/24
- (l) The Medium Term Resource Strategy (MTRS) Reserve, its financial position and proposed use to achieve cashable efficiencies
- (m) The statement of the S. 151 Officer on the robustness of the budget in compliance with the requirements of the Local Government Act 2003.

### 3 Recommendations

3.1 That the following be approved in respect of the Council's Budget:

- 1) The revised Revenue Estimates for the financial year 2019/20 and the Revenue Estimates for the financial year 2020/21 as set out in the General Fund Summary (Appendix A)
- 2) The Portfolio Cash Limits for the Revised Budget for 2019/20 and the Budget 2020/21 incorporating the savings amounts for each Portfolio and amounting to £2.5m as set out in Sections 7 and 11, respectively
- 3) Any underspendings for 2019/20 arising at the year-end outside of those made by Portfolios be transferred to Capital Resources in order to provide funding for known and potential future commitments in future years such as Special Educational Need (SEN) School Places, Sea Defences (enhancements to core scheme), Environmental Improvements, Transport Improvements, Affordable Housing, City Wide Regeneration, Digital Infrastructure and the maintenance of the Council's Core Operational Assets, for which there is currently insufficient funding
- 4) That the Council's share of the additional £1.0bn national allocation for Adults and Children's Social Care (but confirmed for 2020/21 only) and amounting to £3.9m is allocated as follows:
  - Adult Social Care (to meet the costs of the underlying budget deficit caused by increasing demographic pressures and to contribute towards the cost of the increase in the National Living Wage (6.2%) for care providers) - £1.0m
  - Children's Social Care (to meet the underlying budget deficit in Children's Social Care caused by the costs of rising numbers of Looked After Children) - £2.9m
- 5) Any variation to the Council's funding arising from the final Local Government Finance Settlement be accommodated by a transfer to or from General Reserves
- 6) The S.151 Officer be given delegated authority to make any necessary adjustments to Cash Limits within the overall approved Budget and Budget Forecasts
- 7) That the level of Council Tax be increased by 1.99% for general purposes in accordance with the referendum threshold<sup>1</sup> for 2020/21 announced by Government (as calculated in recommendation 3.4 (d))
- 8) That the level of Council Tax be increased by a further 2.0% beyond the referendum threshold (as calculated in recommendation 3.4 (d)) to take advantage of the flexibility offered by Government to implement a "Social Care Precept"; and that in accordance with the conditions of that flexibility, the full

---

<sup>1</sup> Council Tax increases beyond the referendum threshold can only be implemented following a "Yes" vote in a local referendum

amount of the associated sum generated of £1,612,800 is passported direct to Adult Social Care

- 9) That a transfer from the MTRS Reserve of £5,978,000 be made in 2020/21 to fund Spend to Save and Spend to Avoid Costs schemes described in the Capital Programme 2019/20 to 2024/25 report considered elsewhere on this Agenda
- 10) That a transfer to the MTRS Reserve be made in 2020/21 for the sum of £3.5m in order to replenish the reserves to levels sufficient to be able to continue as a primary vehicle to generate future savings and enable cost avoidance
- 11) Managers be authorised to incur routine expenditure against the Cash Limits for 2020/21 as set out in Section 11
- 12) That the savings requirement for 2021/22 be set at a minimum on-going sum of £1.0m
- 13) That the S.151 Officer be given delegated authority to make transfers to and from reserves in order to ensure that they are maintained as necessary and in particular, adjusted when reserves are no longer required or need to be replenished
- 14) Directors be instructed to start planning how the City Council will achieve the savings requirements shown in Section 12 and that this be incorporated into Service Business Plans
- 15) The minimum level of General Reserves as at 31 March 2021 be maintained at £8.0m to reflect the known and expected budget and financial risks to the Council
- 16) Members have had regard for the Statement of the Section 151 Officer in accordance with the Local Government Act 2003 as set out in Section 15.

### 3.2 That the following be **noted** in respect of the Council's Budget:

- 1) The Revenue Estimates 2020/21 as set out in Appendix A have been prepared on the basis of a 2.0% tax increase for the "Social Care Precept" (amounting to £1,612,800) and that this is passported to Adult Social Care in order to provide for otherwise unfunded budget pressures including the current underlying budget deficit, the cost of the new National Living Wage and demographic pressures arising from a "living longer" population
- 2) The decision on the amount at which to set the Adult Social Care precept will be critical for the Social Care and wider Health system in the City; in the event that the additional flexibility of the "Social Care Precept" and associated 2.0% tax increase (amounting to £806,400 for each 1%) is not taken, then equivalent savings will need to be made in Adult Social Care in 2020/21
- 3) In general, any reduction to the proposed increase in the level of Council Tax for 2020/21 will require equivalent offsetting saving to be made in order for the Budget 2020/21 to be approved. Each 1% reduction requires additional savings of £806,400 to be made.

- 4) The indicative savings proposals set out in Appendix C which are provided for the purpose of demonstrating to the Council that the Portfolio savings as recommended in paragraph 3.1 2) above are robust and deliverable
- 5) The likely impact of savings as set out in Appendix C
- 6) That the responsibility of the City Council is to approve the overall Budget and the associated cash limits of its Portfolios and Committees; it is not the responsibility of the City Council to approve any individual savings within those Portfolios / Committees
- 7) That it is the responsibility of the individual Portfolio Holders (not Full Council) to approve the individual savings proposals and the Portfolio Holder can therefore, in response to any consultation, alter, amend or substitute any of the indicative savings proposal(s) set out in Appendix C with alternative proposal(s) amounting to the same value within their Portfolio
- 8) Managers will commence the implementation of the approved savings required and any necessary consultation process or notice process
- 9) The Revenue Forecast for 2021/22 to 2023/24 as set out in Section 12 and Appendix B
- 10) The estimated Savings Requirement of £3.0m for the 3 year period 2021/22 to 2023/24, for financial and service planning purposes, be phased as follows:

<b>Financial Year</b>	<b>In Year Savings Requirement £m</b>	<b>Cumulative Saving £m</b>
2021/22	1.0	1.0
2022/23	1.0	2.0
2023/24	1.0	3.0

- 11) In accordance with the approved financial framework, it is the responsibility of the Portfolio Holder, in consultation with the Director of Finance & Resources (S.151 Officer), to release funds from the Portfolio Reserve in accordance with the provisions set out in Paragraph 8.45
- 12) The MTRS Reserve held to fund the upfront costs associated with Spend to Save Schemes, Invest to Save Schemes and redundancies will hold an uncommitted balance of £8.1m<sup>2</sup> and will only be replenished in future from an approval to the transfer of any underspends, contributions from the Revenue Budget or transfers from other reserves which may no longer be required
- 13) The Council's share of the Council Tax element of the Collection Fund surplus for 2019/20 is estimated to be £545,672
- 14) The Council's share of the Business Rate element of the Collection Fund surplus for 2019/20 is estimated to be £1,286,772

---

<sup>2</sup> Including the net transfers from the reserve of £2.478m contained with the recommendations of the Capital Programme 2019/20 to 2024/25 report elsewhere on this agenda

- 15) The Retained Business Rate income<sup>3</sup> for 2020/21 is based on the estimated Business Rate element of the Collection Fund surplus as at March 2020, the Non Domestic Rates poundage for 2020/21 and estimated rateable values for 2020/21 and has been determined at £55,391,749

3.3 That the S.151 Officer has determined that the Council Tax base for the financial year 2020/21 will be **57,735.2** [item T in the formula in Section 31 B(1) of the Local Government Finance Act 1992, as amended (the "Act")].

3.4 That the following amounts be now calculated by the Council for the financial year 2020/21 in accordance with Section 31 and Sections 34 to 36 of the Local Government Finance Act 1992:

(a)	£478,744,767	Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act.
(b)	£394,890,163	Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
(c)	£83,854,604	Being the amount by which the aggregate at 3.4 (a) above exceeds the aggregate at 3.4 (b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B(1) of the Act.
(d)	£1,452.40	Being the amount at 3.4(c) above (Item R), all divided by Item 3.3 above (Item T), calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year.

(e) Valuation Bands (Portsmouth City Council)

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
968.27	1,129.64	1,291.02	1,452.40	1,775.16	2,097.91	2,420.67	2,904.80

Being the amounts given by multiplying the amount at 3.4 (d) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in Valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings in different valuation bands.

<sup>3</sup>Includes Retained Business Rates £41,679,307, "Top Up" £6,952,434, a surplus on the Collection Fund of £1,286,772 plus S.31 Grants of £5,473,326 for compensation due to national Government business rate relief initiatives

- 3.5 That it be noted that for the financial year 2020/21 the Hampshire Police & Crime Commissioner is consulting upon the following amounts for the precept to be issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings shown below:

Valuation Bands (Hampshire Police & Crime Commissioner)

<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
140.97	164.47	187.96	211.46	258.45	305.44	352.43	422.92

- 3.6 That it be noted that for the financial year 2020/21 Hampshire Fire and Rescue Authority are recommended to approve the following amounts for the precept issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings shown below:

Valuation Bands (Hampshire Fire & Rescue Authority)

<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
46.04	53.71	61.39	69.06	84.41	99.75	115.10	138.12

- 3.7 That having calculated the aggregate in each case of the amounts at 3.4(e), 3.5 and 3.6 above, the Council, in accordance with Sections 31A, 31B and 34 to 36 of the Local Government Finance Act 1992 as amended, hereby sets the following amounts as the amounts of Council Tax for the financial year 2020/21 for each of the categories of dwellings shown below:

Valuation Bands (Total Council Tax)

<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
1,155.28	1,347.82	1,540.37	1,732.92	2,118.02	2,503.10	2,888.20	3,465.84

- 3.8 The Council determines in accordance with Section 52ZB of the Local Government Finance Act 1992 that the Council's basic amount of Council Tax for 2020/21, which represents a 3.99% increase, is not excessive in accordance with the principles approved by the Secretary of State under Section 52ZC of the Act; and it be noted that:

- i) The 3.99% increase includes a 2.0% increase to support the delivery of Adult Social Care
- ii) As the billing authority, the Council has not been notified by a major precepting authority (the Police and Crime Commissioner for Hampshire or the Hampshire Fire & Rescue Authority) that its relevant basic amount of Council Tax for 2020/21 is excessive and that the billing authority is not required to hold a referendum in accordance with Section 52ZK of the Local Government Finance Act 1992.

- 3.9 The S.151 Officer be given delegated authority to implement any variation to the overall level of Council Tax arising from the final notification of the Hampshire Police & Crime Commissioner and Hampshire Fire and Rescue Authority precepts.

## **4. Economic & Financial Context**

- 4.1 Whilst economic growth continues in the UK economy, the rate of growth is starting to slow with growth at its lowest levels since the spring of 2012. The picture for the national public finances continues to improve slowly with total debt as a proportion of Gross Domestic Product falling by 0.2 percentage points over the year to 72.5% currently.
- 4.2 As far as next financial year is concerned, there was positive news for essential Local Government Services including Social Care and Housing within the Spending Review 2019 and also within the Conservative manifesto. It remains to be seen whether this will filter through into additional funding for local Councils beyond next financial year and this remains a critical uncertainty for 2021/22 onwards.
- 4.3 Details of how the Spending Review 2019 has filtered down into the Provisional Local Government Finance Settlement for the Council are set out later in this report.
- 4.4 For the following year 2021/22 there will be a comprehensive overhaul of the Local Government funding system known as the "Fair Funding Review", it will determine a new formula methodology which will set each Local Authority's baseline funding level. Alongside this, a new system for retaining future Business Rate growth / loss will be implemented, taking away all existing growth and re-distributing that growth nationally according to relative need (rather than where it was generated).
- 4.5 Finally, the Chancellor has announced that there will be a National Budget on 11 March 2020 which is expected to set the parameters for a multi-year Spending Review later in 2020. Whilst this will provide greater clarity for the Local Government sector as a whole, the impact on the Council will be heavily influenced by the outcomes of the Fair Funding Review and Business Rate Retention Scheme Review to be implemented in 2021/22.

## 5 Medium Term Financial Strategy

- 5.1 The Council has been required to make £102m in savings and efficiencies over the past 9 years in order to balance the Budget, ensuring that spending remains in line with income and funding levels.
- 5.2 In response to the considerable financial challenge, the City Council has followed a Medium Term Financial Strategy (for both revenue and capital) with an emphasis on regeneration, innovation and creativity leading to stimulation of the funding base (Council Tax and Business Rates) and income generation as a means to make savings and avoid cuts to services. This is illustrated below:

### OVERALL AIM

*"In year" expenditure matches "in year" income over the medium term whilst continuing the drive towards regeneration of the City, being innovative, creative and protecting the most important and valued services*

#### STRAND 1 - Short / Medium Term

Transforming to an Innovative and Creative Council - through income generation

#### STRAND 2 - Medium / Long Term

Reduce the Extent to which the Population Needs Council Services - through improving prosperity and managing demand

#### STRAND 3 - Short / Medium Term

Increasing Efficiency & Effectiveness - by improving value for money across all services

#### STRAND 4 - Short Term

Withdraw or Offer Minimal Provision for Low Impact Services

- 5.3 With an emphasis on innovation and regeneration activities, there is a presumption that Capital Investment will also be targeted towards income generation and economic growth once the Council's statutory obligations have been met.



## 6 Revised Budget 2019/20

- 6.1 The original Revenue Budget approved by the City Council on 12 February 2019 was £165,002,000.
- 6.2 The Cabinet has received regular quarterly Budget Monitoring reports on the 2019/20 Budget throughout the year which have consistently reported a forecast overspend for the year. This has been largely driven by the forecast cost pressures facing both Adult Social Care (currently forecast to be £2.5m overspent) and Children's Social Care (currently forecast to be £3.2m overspent) but offset to some extent by contingency provision specifically set aside for these potential pressures and also from improved returns from the Council's Treasury Management activities.
- 6.3 In overall terms, for the whole Council, the forecast overspend over the year has varied between £2.5m to £2.9m.
- 6.4 Of critical importance is the extent to which the overspending positions in both Adults and Children's Social Care are expected to continue into future years. This is described as the underlying deficit (or "structural deficit"). These deficits represent the level of savings that will either need to be met from the Services themselves through their own strategies and action plans or which, if proved to be unachievable to remedy, require a corporate response through an increase in the Portfolio Budget which will add to the overall Budget deficit of the Council and increase Savings Requirements to be made across Council services in future years.
- 6.5 Current estimates assess this underlying deficit to amount to £8.1m in aggregate, and comprise:
- Adult Social Care - £4.9m
  - Children's Social Care - £3.2m driven almost entirely by the increasing number of Looked After Children required to be taken into care

The proposed remedy for these underlying deficits in 2020/21 is set out in Section 8.

- 6.6 The Original Budget has now been comprehensively revised and it is proposed to increase the Budget to £165,912,000, an increase of £910,000. Whilst overall spending has increased, overall funding has also increased by a broadly equivalent amount resulting in an overall change to the Council's 2019/20 financial position of just £62,900. Consequently, the transfer from General Reserves will increase by an equivalent amount. This means that the Council has been able to accommodate all forecast overspendings, including Adults and Children's Social Care, through the use of the Council's corporate contingency.
- 6.7 Accordingly, significant changes to the Original Budget now being proposed as part of the Revised Budget are as follows:

### Budget Increases

- i) Overspend of £1.8m related to Portico. Forecast losses at Portico for the year are expected to be £3.3m versus the planned loss of £1.5m, resulting in an overall overspend of £1.8m. This relates largely to the loss of business and reluctant departure of Fyffes due to their need for deeper berths and the ending

of the Moroccan contract during the year. The forecast position for Portico next year (2020/21) is a small loss of circa. £0.3m as GEEST return to the company and volumes from MHI Vestas, Project Cargoes, Aggregates and Customs Agency rise, as pursued in accordance with the company's diversification strategy.

#### Budget Reductions / Increases in Funding

- i) Improvement in Treasury Management activities of £1.0m
- ii) A small net reduction in the Council's Corporate Contingency of £0.4m<sup>4</sup> which, after removing provisions for risk items that are now not expected to occur in the current year, will be at a sufficient level to cover the following additional costs / overspendings:
  - Forecast overspend in Children's Social Care of £3.2m
  - Forecast overspend in Adult Social Care (not met by transfers from Reserves) of £2.5m
  - Forecast overspend in Home to School Transport of £0.4m
  - Additional IT License costs of £0.4m

6.8 The Revised Revenue Budget is set out in the General Fund Summary (Appendix A).

---

<sup>4</sup> Total reductions include provisions made within the Original Budget that are no longer expected to be required in 2019/20

## 7 Revised Cash Limits 2019/20

7.1 The Cash Limits relate to that element of the Budget that is Portfolio and Service related and is controllable. Cash Limits are allocated to Portfolio Holders and Managers to spend so that there is clear accountability for spending decisions.

7.2 The Cash Limits for 2019/20 have been revised to take account of:

- Items released from Contingency in the current year
- Windfall savings and windfall costs
- Passporting of grants that were received for new burdens or specific purposes
- Adjustments to reflect forecast underspends, transfers to / from Portfolio reserves, additional unavoidable costs and other City Council decisions throughout the year

7.3 The table below sets out the revised Cash Limits for 2019/20 and those items outside the Cash Limit (e.g. capital and similar charges, levies and insurance premiums), which together form the Revised Budget for each Portfolio.

<b>PORTFOLIO</b>	<b>Revised Cash Limits 2019/20 £'000</b>	<b>Items Outside the Cash Limit £'000</b>	<b>Revised Budget 2019/20 £'000</b>
Children & Families	29,546	105	29,651
Community Safety	2,084	0	2,084
Culture Leisure & City Development	6,036	3,870	9,906
Education	5,591	18,989	24,580
Environment & Climate Change	12,564	1,786	14,350
Health, Wellbeing & Social Care	44,569	3,314	47,883
Housing	5,393	5,743	11,136
Leader	(25,061)	13,061	(12,000)
Resources	18,378	4,299	22,677
Traffic & Transportation	17,384	684	18,068
Licensing Committee	(239)	16	(223)
<b>PORTFOLIO EXPENDITURE</b>	<b>116,245</b>	<b>51,867</b>	<b>168,112</b>

7.4 The current policy is that any overspend against the cash limit will in the first instance be deducted from any Portfolio reserve or, if that is exceeded, from the following financial year's cash limit.

## 8 Revenue Budget 2020/21

- 8.1 At last year's Annual Budget Meeting in February 2019, forecasts for this coming financial year 2020/21 and the subsequent two financial years estimated that an overall 3 year savings requirement of £7.5m would be necessary to meet the budget deficits over that period.
- 8.2 Since those forecasts were prepared in February last year, the Council has now undertaken a Budget Consultation with residents and also received the Provisional Local Government Finance Settlement for 2020/21. The Local Government Finance Settlement is the term used to describe the main non-ring-fenced Revenue and Capital grant funding allocations from Government.

### **Budget Consultation**

- 8.3 Portsmouth City Council's annual budget consultation had 3,288 responses from all areas across the City. A summary of the results is set out below:

- ❖ There was no majority for a specific increase in Council Tax, however there was a majority for a Council Tax increase versus no Council Tax increase
- ❖ There was a clear majority for an additional increase of 2% to specifically support Social Care services (with 71% fully or somewhat supporting an increase)
- ❖ The top three most important areas to help shape the future of the city were:
  - Creating better facilities for sustainable transport, such as cycling or walking
  - Continuing investment in new sea defences through plans to protect more than 8,000 homes and 700 businesses in Southsea
  - Building new homes in the city, including flats offering special care for elderly residents

Improvements to the road network and to facilities at Portsmouth International Port to increase the money it generates to help protect local services was also popular but not in the top three most selected options

### **Council's Financial Forecast**

- 8.4 The Council's forecast was in line with the settlement, with the main exception of the additional funding that has been made available to Social Care (both Adult Social Care and Children's Social Care) *but announced for 2020/21 only* as described below:
- i) The flexibility to increase the Adult Social Care Precept by a further 2% (amounting to £1.6m and passporting it direct to Adult Social Care)
  - ii) The Social Care Grant funding, originally announced in the Spending Round 2019 for Adults and Children's Social Care, amounting to £5.4m, representing the continuation of £1.5m provided in the current year plus a further £3.9m for 2020/21

- 8.5 This additional funding is expected to bring financial stability to the budgets for both Adults and Children's Social Care, at least for 2020/21. It will help to remove the underlying budget deficits in both of these services whilst also contributing to the financial challenges arising from demographic pressures generally, as well as the 6.2% uplift in National Living Wage which affects the care sector in particular.
- 8.6 Whilst the Conservative manifesto has confirmed that the Social Care Grant funding will continue through the life of the parliament, it is not clear whether this is new funding to the Local Government System as a whole or whether it is to be funded from within the system via a re-direction from the Business Rate Growth that is currently being enjoyed by Local Authorities.
- 8.7 Should the Social Care funding be funded from by a re-direction of Business Rate Growth, it will not take effect until the financial year 2021/22. So whilst next financial year is protected, the increased grant funding allocated to Social Care will continue but will be offset by reducing general funding which is used to fund other Council Services. At a sum of £5.4m, this remains a critical uncertainty for the Council's future forecast savings requirements.
- 8.8 Other changes to both funding and spending, including significant inflationary pressures are expected in the forthcoming year and have been factored into the proposed Budget for 2020/21. All elements of funding and spending have now been comprehensively reviewed which include the following:

#### *Funding*

- Central Government Funding (Local Government Finance Settlement)
- Business Rate Income
- Council Tax Income

#### *Expenditure / Income*

- Budget Pressures and Inflationary Costs
  - Savings proposals as set out in Section 9
  - Other unavoidable cost pressures (including "new burdens" passed down from Central Government)
  - Port and Portico trading results
  - Debt Financing costs and interest rates
  - Contingencies
- 8.9 Based on the Provisional Local Government Finance Settlement and a comprehensive review of all other estimates of funding, income and expenditure for 2020/21 and the following 3 years, the approved savings requirement for 2020/21 of £2.5m remains prudent but only on the basis of the Council Tax proposals set out within this report. Given what is known, or reasonably expected, regarding future funding and given future uncertainties, a savings requirement of less than £2.5m for 2020/21 would not be prudent.
- 8.10 Details of the Provisional Local Government Finance Settlement plus all other funding, income and expenditure changes proposed within the Budget for 2020/21 are described in the following paragraphs.

## **Funding**

### *Local Government Finance Settlement - Summary*

- ❖ ***One-year settlement that covers only 2020-21*** – The 2020/21 announcement is the first and only year of the Spending Round 2019, with future years' announcements dependent on a number of factors, including: Spending Review 2020, the outcome of the Fair Funding Review, the Business Rates Retention (BRR) Reset, the move to 75% BRR and any reform of the New Homes Bonus scheme.
- ❖ ***Council Tax*** – The Council Tax referendum limit will be 2%, including Fire Authorities. For local authorities with social care responsibilities a further 2% social care precept is allowed. The provisional settlement confirmed districts will be allowed to apply the higher of the referendum limit or £5

The maximum increase in Council Tax for Police and Crime Commissioners has now been announced at £10 for a Band D property.

- ❖ ***Business Rates Retention*** – The three elements of the Business Rates Retention system (Baseline Need, NNDR Baseline and Tariff / Top Up amounts) have all increased by 1.63%, in line with the September 2019 CPI inflation figure.
- ❖ ***Revenue Support Grant*** – RSG (for those authorities that still receive RSG in 2019/20), has increased in line with the Business Rates Retention system (+1.63%).
- ❖ ***New Homes Bonus*** – No change to the funding system. Legacy payments (i.e. payments for a further 4 years) due from previous years (2017/18 to 2019/20) will come to an end in 2023/24. Allocations for 2020/21 will be paid in accordance with the current system which includes a deadweight of 0.4% (threshold to be achieved before any allocation for the current year is paid) but will not attract any legacy payments going forward.

The ministerial statement announced a Spring 2020 consultation on the future of the scheme, stating that:

*“It is not clear that the New Homes Bonus in its current form is focused on incentivising homes where they are needed most” and the consultation will “include moving to a new, more targeted approach that rewards local authorities where they are ambitious in delivering the homes we need, and which is aligned with other measures around planning performance”*

- ❖ ***Top Up/Tariff Adjustments (Negative RSG)*** – As in previous years, the government has decided to eliminate the negative RSG amounts.
- ❖ ***Social Care Funding*** – As originally announced at Spending Round 2019 and in the technical consultation. The provisional settlement confirms the previously proposed national amounts and allocation methodologies.

Improved Better Care Fund - In 2019/20 £1,837m was allocated nationally through the Improved Better Care Fund. This amount remains the same for 2020/21.

Winter Pressures - For 2020/21, the winter pressures funding has been incorporated into the Improved Better Care Fund (BCF) and must therefore form part of local authorities' contribution to the BCF

Social Care Support Grant - In 2019/20, £410m of additional (non-ringfenced) funding was allocated for use for Adult and Children's Social Services. This was allocated using the existing Adult Social Care Relative Needs Formula and will also be used to distribute this Social Care Support Grant funding. For 2020/21, as announced in Spending Round 2019, an additional £1bn of funding was added to this grant. This additional £1bn has been confirmed within the Conservative Party manifesto to continue for each year of the parliament.

- ❖ ***Rural Services Delivery Grant*** – The 2020/21 allocation of £81m and methodology for distribution remain unchanged from 2019/20.
- ❖ ***Business Rates Pilots*** – No new business rates pilots were announced for 2020/21, with all areas (aside) from the original 2017/18 (i.e. not including the Solent Authorities) pilot areas reverting back to the 50% scheme. The 2017/18 pilot areas are to remain at 100%, or 37% for the Greater London Authority.
- ❖ ***Dedicated Schools Grant*** – In September 2019, the Secretary of State for Education announced that Dedicated Schools Grant (DSG) funding for 2020/21 would rise by £2.6bn, plus £1.5bn to fund additional pension costs for teachers. Each local authority will receive a minimum of a 1.84% per pupil funding increase. The allocations also meet the Conservative Manifesto commitment to provide at least £5,000 for every secondary school pupil, and £3,750 per primary pupil.
- ❖ ***Independent Living Fund*** – ILF Recipient Grant will continue to be paid to local authorities in 2020/21 and there will be no changes to the amount.
- ❖ ***Levy / Safety Account*** – The levy account at the end of 2018/19 is expected to have a surplus of approximately £58m. However, there is no mention of this being allocated within the provisional settlement papers
- ❖ ***Local Government Funding Reforms*** – There were no additional papers published or mentioned relating to the local government funding reforms that are planned for introduction from April 2021 (i.e. Fair Funding, 75% Business Rates Retention, the full reset of the business rates baselines or the potential Alternative Business Rates Retention System).
- ❖ ***Final Settlement*** – The provisional figures are expected to be confirmed in late January 2019 (within the final settlement announcement)

8.11 One of the key announcements for the Council was the revocation of the Solent Business Rate Retention Pilot, the pooled arrangement between Portsmouth City Council, Southampton City Council and the Isle of Wight Council which enabled those Councils to retain 100% and 75% of all Business Rate growth in 2018/19 and 2019/20, respectively. It is estimated that the value to the three Solent Authorities of that scheme in terms of additional business rates retained will total £21.4m and to date it has benefited the Council's Capital Programme by £7m. The Council had not relied on this additional funding continuing into future years and therefore it has not affected

the Council's existing financial forecast. Nevertheless, it has removed a potential funding source for the Council's Capital Investment needs and aspirations.

- 8.12 The final grant settlement should be available by late January / early February, it is not expected to vary significantly from the provisional settlement and it is recommended that any variation should be accommodated by a transfer to or from General Reserves.
- 8.13 Whilst the Local Government Finance Settlement is a significant factor in determining the Council's overall financial position and therefore any necessary savings, other significant factors that will affect the Council's future Savings Requirements include Business Rates income, Council Tax income, inflation, interest rates and any new unfunded burdens passed down from Government. These are described in the paragraphs that follow.

### *Retained Business Rates 2020/21 & Future Forecasts*

- 8.14 The Retained Business Rates system is complex and subject to a significant degree of inherent risk. The current national system is characterised by a complex formula which includes the following:
- i) Retention of 50%<sup>5</sup> of all business rates received and which is affected by the value of successful appeals, the number of mandatory reliefs (e.g. charitable relief) and the overall collection rate (i.e. how much is uncollectable and written off)
  - ii) Increased by a fixed amount "top up" which increases annually by the rate of inflation
  - iii) Compensation through S.31 Grants for national government initiatives which have the effect of reducing Business Rates to the Local Authority such as business rate capping for small businesses
  - iv) A "safety net" set at 7.5% below a pre-determined baseline<sup>6</sup> below which retained Business Rates will not fall (set at £44.9m for 2020/21)
- 8.15 In 2017/18 the National Non Domestic Rate system was subject to a re-valuation. This revised both the rateable values and the multiplier. The entire re-valuation is financially neutral at a national level with the increase in rateable values overall offset by a reduction in the multiplier.
- 8.16 The Retained Business Rates system for Local Authorities is likewise intended to be financially neutral. Inevitably, this will not be the case and there will be "winners" and "losers" across the country. The key risk is the extent to which successful appeals are greater or less than the assumed allowance for appeals contained within the new multiplier set by Government.
- 8.17 As mentioned, the Solent Authorities 75% Business Rate Pilot (BRR Pilot) has now come to an end and the Council, like almost all other Local Authorities, have reverted

---

<sup>5</sup> 49% To the City Council and 1% to the Hampshire Fire & Rescue Authority

<sup>6</sup> Known as the Baseline Funding Level, set in 2013/14 and increased by inflation each year



back to the national 50% Business Rate Retention Scheme. The BRR Pilot was only guaranteed for 1 year, although the Solent Authorities were successful in its application for a second year also and enjoyed the financial benefits for two financial years which is expected to have provided an overall financial benefit of £21.4m across the three Councils and amounting to £7.9m for PCC.

- 8.18 In total, for 2020/21, Retained Business Rates are estimated at £55.4m<sup>7</sup> (now reflecting the retention of 50% Business Rates) and which includes a surplus relating to previous year of £1.3m arising from lower than anticipated losses due to appeals. Future estimated Business Rates have been assumed to increase by the rate of inflation only (as estimated by the Office for Budget Responsibility).
- 8.19 The estimation of Business Rate receipts is extremely complex, with the potential to be volatile and with many of the factors outside this Council's control. In particular, the Valuation Office Agency will both determine whether a rating appeal is successful and the level of reduction granted with the Council having no right of challenge. To help mitigate against this risk, the Council maintains a reserve to provide the Council with a degree of funding stability in the event of fluctuations within and between years.
- 8.20 Despite the complications and risks associated with appeals, there remains the financial incentive within the system for many Local Authorities (including Portsmouth<sup>8</sup>) to generate economic growth and job creation. Irrespective of the financial incentive, the Council's Medium Term Financial Strategy is aimed at reducing the need for Council Services generally and therefore growth, jobs and prosperity are vital to achieve that.
- 8.21 From 2021/22, there will be a new national Business Rate Retention Scheme. Government have consulted on the new scheme on the basis that 75% of Business Rates will be retained by Local Authorities compared with the current 50% national scheme. This will not, in the first instance, provide any additional funding for Local Authorities as it will be introduced in a fiscally neutral way with Local Authorities losing equivalent amounts of grant funding. However, it will mean that Local Authorities are able to retain 75% of all growth achieved versus the current 50%. The introduction of the new scheme will be accompanied by a "Reset" which will remove all current business rate growth currently being enjoyed by authorities and which for the Council amounts to £5.6m<sup>9</sup>.
- 8.22 The Business Rate growth enjoyed by all councils will be removed from councils, aggregated and then re-distributed based on "Need" through the Fair Funding review. If the Council's "Relative Needs" have increased by more than the average of all other Council's then the Council will be a "winner " in terms of the re-distribution and vice versa.

---

<sup>7</sup> Includes Retained Business Rates £41,679,307, "Top Up" £6,952,434, a surplus on the Collection Fund of £1,286,772 plus S.31 Grants of £5,473,326 for compensation due to national Government business rate relief initiatives

<sup>8</sup> Applies to Local Authorities that, in general, remain above the safety net threshold over time

<sup>9</sup> Based on 2020/21 Estimates in a 50% Business Rate Retention Scheme

## *Council Tax Proposals 2020/21 & Future Years*

- 8.23 The Council has a relatively low taxbase and a relatively low tax charge. That means that both the average Council Tax band is low and the amount of Council Tax charged to residents is also low compared with our statistical neighbours. By illustration, the Council receives circa £6.0m per annum less in Council Tax than the average Unitary Authority within its statistical neighbour group by keeping the level of Council Tax down, a gap which if closed would reduce the Savings Requirements of the Council by the same sum.
- 8.24 The level of Council Tax charged is an important factor in relation to the Fair Funding review, which will make a deduction to a Local Authority's overall funding allocation in respect of the amount that can be raised locally through Council Tax. The Council's past decisions to maintain a low level of Council Tax have been, and are expected to continue to be a disadvantage in relation to the Council's funding allocation after the Fair Funding Review. This is because the funding formula is expected to continue to make a deduction based on a *national average level of Council Tax* which is currently significantly higher than that of Portsmouth, resulting in a higher deduction than the Council currently raises in Council Tax.
- 8.25 Council Tax currently represents 49% of the Council's total revenue funding and as Government funding has reduced, this has become an increasingly more important and dependent funding source for the Council.
- 8.26 Council Tax for the average Council Tax payer in Portsmouth (Band B) currently amounts to £1,295.66, of which £1,086.31 (84%) is the City Council element. Not all residents are subject to the full amount of Council Tax with many benefitting from exemptions and discounts (such as the single person discount) and a significant number of residents receiving Local Council Tax Support bringing the level of Council Tax payable to an assessed affordable level. After discounts, exemptions and Local Council Tax support is taken into account, only 52% of all properties are subject to the full level of Council Tax.
- 8.27 The Provisional Local Government Finance Settlement for 2020/21 confirmed a Council Tax increase limit for general purposes (i.e. referendum threshold) of 2%, being broadly in line with inflation. Any increase beyond the 2% threshold can only be implemented following a "Yes" vote in a local referendum.
- 8.28 As described more fully later in this report, the actual level of inflation for the Council in 2020/21, taking into account price rises that the Council is exposed to, significantly exceeds the level of increase allowed in the Council Tax. The Council's estimated inflation amounts to 3.7% and is driven largely by the 6.2% uplift in the National Living Wage a 2.4% increase in contracts linked to the Retail Price Index and an above inflation increase in Pension Contributions.
- 8.29 The additional flexibility to apply a Council Tax increase for the Adult Social Care Precept has been provided in recognition of the extreme cost pressures facing Adult Social Care, both through the increase in the National Living Wage (which has increased by 6.2% and affects the Council's contracts with Care Providers for Adults) as well as the demographic pressures from general aging and a "living longer" population.

- 8.30 For Portsmouth City Council, it is vital that the flexibility of the Adult Social Care Precept is taken in order to mitigate the current underlying deficit in Adult Social Care (currently standing at circa. £4.9m) as well as their extraordinary inflationary pressures described above. The alternative would be to increase the level of savings required by the Service.
- 8.31 Given the extraordinary upward inflationary pressures on the Council (including the 6.2% increase in the National Living Wage on Care Services), the demographic pressures in Adult Social Care and in accordance with the results of the Budget Consultation, it is proposed that:
- i) The Council Tax for General Purposes be increased by 1.99% for 2020/21, representing 42p per week for a Band B tax payer and yielding £1.6m
  - ii) Adult Social Care precept be increased by 2.0% for 2020/21, representing 42p per week for a Band B tax payer and yielding £1.6m to be passported direct to Adult Social Care.
- 8.32 Given the extent of the unfunded cost pressures in Adult Social Care, both present and emerging, it is recommended that the Council increase the Council Tax for the Adult Social Care Precept by 2.0%. Setting a precept at a lower sum will inevitably result in additional service reductions to Adult Social Care services in 2020/21, this decision therefore will be will be critical for Adult Social Care services and the wider health system in the City.
- 8.33 The Council could elect not to increase the level of Council tax by 3.99% but if it chose to do so would need to identify additional savings over and above the £2.5m savings approved by the City Council in February 2019. For every 1% reduction in Council Tax, additional savings of £806,400 will be required.
- 8.34 The Council's future forecasts for the period 2021/22 to 2023/24 have been estimated on the following basis:
- i) General Purposes - 1.99% rise each year
  - ii) Adult Social Care Precept - No further increases thereafter

#### *Council Tax Base 2020/21*

- 8.35 The Council Tax Base (i.e. the number of Band D equivalent properties paying the full Council Tax) has been determined as **57,735.2** for 2020/21.

#### *Collection Fund Balance (Council Tax Element) 2019/20*

- 8.36 The Collection Fund is the account into which are paid amounts collected in respect of Council Tax and out of which are paid the Council Tax precepts to:
- Portsmouth City Council (83.8% share)
  - Hampshire Police & Crime Commissioner (12.1% share)
  - Hampshire Fire & Rescue Service (4.1% share)

In the event that actual Council Tax income receivable is different from the estimated income (informed by the calculation of the Council Tax Base) upon which the precepts are based, then a surplus or deficit will arise.

- 8.37 For 2019/20, it is estimated that there will be a surplus on the Collection Fund of £650,835 which will be shared in proportion to the 2019/20 precepts and distributed to the preceptors as follows:

<b>COLLECTION FUND SURPLUS - 2019/20</b>		
<b>Preceptor</b>	<b>Distribution</b>	
	<b>£</b>	<b>%</b>
Portsmouth City Council	545,672	83.8%
Hampshire Police & Crime Commissioner	78,709	12.1%
Hampshire Fire & Rescue Service	26,454	4.1%
<b>Total Surplus 2016/17</b>	<b>650,835</b>	<b>100.0%</b>

The Portsmouth City Council Share of the surplus of £545,672 is factored into the overall Council Tax income for 2020/21.

#### *Total Council Tax Income 2020/21 & Future Years*

- 8.38 Considering the Council Tax increase, Council Tax Base and surplus on the Collection Fund, the total Council Tax income for 2020/21 is estimated at £84,400,276.
- 8.39 As Government funding reduces, rises in Council Tax income are fundamental to the Council's future financial position and therefore the future sustainability of Council Services. The Council's Medium Term Financial Forecast assumes that Council Tax Income will rise to £88,960,706 by 2023/24 and is based on the following assumptions:
- Increase in the amount of Council Tax of 3.99% for 2020/21
  - Increases of 1.99% per annum from 2021/22 onwards

#### *Funding Summary*

- 8.40 In overall terms, funding from Government Grants, Business Rates and Council Tax is estimated to increase by 3.7% amounting to £6.1m in 2020/21, largely due to the additional funding for Social Care (£3.9m Social Care Grant and £1.6m Adult Social Care Precept).
- 8.41 Over the following 3 year period of the Council's forecast, funding is anticipated to rise by just 2.1% (or an average of 0.7% p.a), reflecting the estimated impact of the Business Rate Retention "reset" which is expected to remove £5.6m of Business Rate Growth which is not fully offset by its re-distribution for "Need" through the Fair Funding Review of Government Funding.

## **Cumulative Effects of the Overall Local Government Funding System**

- 8.42 Over the past 9 years and including the coming year, the emphasis of the Local Government Funding system has changed considerably. There are clear financial incentives for Local Authorities to promote business growth, increase the number of homes and increase employment. This is illustrated by the following:
- The Business Rates retention scheme allows the City Council to retain (for a period of time between "resets") circa £470,000 for every 1% increase in Business Rate growth (under the 50% BRR scheme). Equally, the City Council will lose £470,000 for every 1% decline in the Business Rate base
  - Under the current scheme which is due for replacement next year, for every new home built, the City Council is able to retain circa £1,749.88 p.a. above the "deadweight" threshold of 0.4% (circa. 301 homes) in New Homes Bonus grant.
  - The risk of increased numbers of households requiring financial support to pay their Council Tax (formerly Council Tax Benefit) falls on the City Council. The City Council therefore will be worse off if caseloads increase, and better off if caseloads fall. The estimated value of the Council Tax support for 2020/21 is £9.8m. Each 1% change therefore will represent a cost / saving of £98,000.
- 8.43 Whilst the Fair Funding Review and 75% Business Rate Retention Scheme (to be introduced in 2021/22) may alter these incentives, it is still expected that they will remain significant given the continued drive to incentivise Local Councils to stimulate their local economies. It is important therefore that when the Council is developing policy and strategy and making its decisions, particularly relating to the Capital Programme, it is cognisant of these financial incentives.

## **Expenditure 2020/21**

### *Budget & Inflationary Pressures 2020/21*

- 8.44 In November 2013 the Council resolved that, as part of a new financial framework providing for a more autonomous approach to financial management and involving the right for Portfolios to retain all underspendings, that Portfolios would be expected to manage any budget pressures.
- 8.45 The features of the financial framework include:
- i) Each Portfolio to retain 100% of any year-end underspending and it to be held in an earmarked reserve for the relevant Portfolio
  - ii) The Portfolio Holder be responsible for approving any releases from their earmarked reserve in consultation with the Director of Finance & Resources (S.151 Officer)
  - iii) That any retained underspend (held in an earmarked reserve) be used in the first instance to cover the following for the relevant Portfolio:
    - a) Any overspendings at the year-end

- b) Any one-off Budget Pressures experienced by a Portfolio
- c) Any on-going Budget Pressures experienced by a Portfolio whilst actions are formulated to permanently mitigate or manage the implications of such on-going budget pressures
- d) Any items of a contingent nature that would historically have been funded from the Council's corporate contingency provision
- e) Spend to Save schemes, unless they are of a scale that is unaffordable by the earmarked reserve (albeit that the earmarked reserve may be used to make a contribution)

Once there is confidence that the instances in a) to e) can be satisfied, the earmarked reserve may be used for other developments or initiatives

8.46 Correspondingly, any Budget Pressures must be funded within the overall resources available to the Portfolio Holder (which includes their Portfolio Reserve).

8.47 Additionally, the Council's budget process provides each Portfolio with an allocation for inflation so that it is fully funded (excluding any savings requirements) to operate "steady state" services. Budget pressures are not funded (as described above) and tend to be related to additional burdens, additional demand or extraordinary price inflation.

8.48 As described in Section 6, Adults and Children's Social Care are carrying underlying deficits of £4.9m and £3.2m, respectively. Both services are also expected to experience further cost pressures in the future and these also have been recognised. Both Services have well developed financial sustainability strategies and plans to mitigate their current underlying budget deficits and their further cost pressures over the next 3 years which involve substantial savings but are consistent with their overall strategies as follows:

- Adult Social Care - Savings over 3 years amounting to £5.6m consistent with enabling clients to lead healthier and more independent lives
- Children's Social Care - Savings over 3 years amounting to £2.6m consistent with early help and intervention, supporting families, improving placement stability and re-unification and therefore an overall reduction in the number and cost of Looked After Children

8.49 Neither plan however is capable of fully eradicating the extraordinary scale of the demand and cost pressures placed on these services. Taking all factors into account (both the current underlying budget deficits and the future cost and demand pressures), it is recommended that the following amounts be added to Budgets in 2020/21 to bring financial stability to those services:

- Health, Wellbeing & Social Care Portfolio - £2.6m (which includes the additional £1.6m passported from the Adult Social Care Precept)
- Children's Social Care Portfolio - £3.0m

8.50 In addition, there is also a national growth in the number of children identified to have Special Educational Needs, this is being felt within schools budgets and causing a

significant strain on the Dedicated Schools Grant as well as the Local Authority which has responsibility for their Home to School Transport. In the current year, Home to School Transport is forecast to overspend by £380,000 and expected to rise to £430,000 by next financial year. Given the substantial scale of this pressure in relation to the size of the Education Budget, it is recommended that the following amount be added to Budgets in 2020/21 to avoid severe compensating cuts to Education Services:

- Education Portfolio - £430,000

- 8.51 Risks remain to the delivery of both the Adults and Children's Social Care financial sustainability strategies and these will be managed as an integral part of their implementation, however adequate corporate contingency provision will be made to cover those risks to ensure that the overall Council Budget remains robust.
- 8.52 Budget pressures within all other Services of the Council are expected to be able to be managed within their overall cash limit with any necessary support from their Portfolio Reserve to enable any such pressures to be managed over time.

### *Revenue Contributions to Capital*

- 8.53 As described in detail in the Capital Programme 2019/20 to 2024/25 report contained elsewhere on this agenda, new Capital Investment proposals totalling £68.6m are proposed. This level of investment relies on a number of funding sources provided either by the Council or from external grants and contributions. For 2020/21, £19.3m is being provided by the Council in the form of "cash backed" funding with a further £33.6m from Council borrowing.
- 8.54 The proposed Capital Programme for next year is ambitious and looks to the longer term but, due to affordability constraints does not fulfil all of the Administration's aspirations or address some of the Council's future statutory obligations. It is estimated that the scale of the funding required for these obligations and aspirations is in excess of £44m. Contrast that with the annual capital grant funding, capital receipts and CIL contributions that the Council receives (circa £7m per annum) and there is a hugely significant shortfall ("Capital Gap") to be met.
- 8.55 Given that this Capital Investment is necessary for both the Council's statutory obligations and also to transform the City's growth potential, it is vital that the Council makes provision for Revenue Contributions to Capital wherever possible.
- 8.56 In order to fund the proposed Capital Programme and priorities, the Revenue Budget for 2020/21 will rely on revenue contributions to capital of £10m.
- 8.57 To fulfil even some of the future obligations and aspirations, further revenue contributions to capital will be required in future years and will need to be embedded within the Council's financial planning process.

## **9. Budget Savings Proposals for 2020/21**

- 9.1 The Administration's budget savings proposals are aligned with the Medium Term Financial Strategy previously described in Section 5 and have been prepared paying due regard to the responses from the Budget Consultation described previously and the Administration's strategic priorities. The proposed savings amounts to be made

by each Portfolio, and which are recommended for approval, are attached at Appendix C.

- 9.2 In accordance with the Medium Term Financial Strategy, the Administration's proposals are focussed on an "Avoidance to Cuts" approach. In overall terms, the proposed £2.5m of savings are characterised as follows:

Description of Saving	Savings	
	£	%
Additional Income	£1.3m	52%
Efficiency Savings (little or no reduction in Services)	£1.2m	47%
Service Reduction	£0.0m	1%
<b>Total</b>	<b>£2.5m</b>	<b>100%</b>

- 9.3 For 2020/21, Additional Income is the largest contributor to savings and accounts for 52% with Efficiency Savings representing 47% and just 1% (£30,000) being Service Reduction measures.
- 9.4 Additionally no savings are proposed from the Children and Families Portfolio due to the extreme cost pressures being experienced in Looked After Children and equally no savings are proposed from the Community Safety Portfolio which has a lead role in combatting Domestic Violence, one of the largest contributors to taking children into care and therefore family break up and rising costs.
- 9.5 A summary of the overall savings proposals for 2020/21, by Portfolio, is set out below.

Portfolio	Saving 2020/21	
	£	%
Children and Families	0	0.0%
Community Safety	0	0.0%
Culture and City Development	52,000	0.3%
Education	30,000	0.3%
Environment and Climate Change	254,000	2.5%
Health, Wellbeing & Social Care - Adult Social Care	604,000*	1.2%
Housing	157,000	1.5%
Leader	656,800	15.8%
Resources	651,200	2.5%
Traffic and Transportation	95,000	1.2%
<b>Grand Total</b>	<b>2,500,000</b>	<b>1.50%</b>

\* Excludes the additional funding passported through the Adult Social Care Precept £1.6m and the additional £1m of further funding provided, meaning that there is a real increase in Adult Social Care funding

- 9.6 In both value and proportionate terms, the Leader Portfolio has made the largest contribution to the savings requirements (15.8%) and entirely through income generation. The Resources Portfolio, both by value and proportionate terms, was the second most important contributor to the savings requirements through a balanced mix of both efficiency savings and additional income.



- 9.7 Notably, the smallest contributor to savings are the Care Services, Community Safety and Traffic & Transportation which is consistent with the priorities of residents described in the Budget Consultation.
- 9.8 Inevitably, there are a number of financial risks contained within the proposals for making savings of the scale of £2.5m (or 1.5%) on the back of making £102m in savings and efficiencies over the past 9 years. The risks are unavoidable. For those risks with the highest likely impact, mitigation strategies are being developed.
- 9.9 It is important to note that the Council's responsibility is to set the overall Budget of the Council and determine the cash limits for each Portfolio. It is not the responsibility of the Council to approve the detailed savings that need to be made in order for the Portfolio to meet its cash limit. The Council do need to have the confidence that the recommended savings for each Portfolio are deliverable and what the likely impact of delivering those savings might be. Indicative savings that are likely to be necessary in delivering the overall Portfolio savings are attached at Appendix C and whilst the detailed savings are not a matter for the Council to decide, they are presented to inform the decision of Council relating to the overall savings to be made by each Portfolio / Committee.
- 9.10 In order for the City Council to be able to implement the Savings Requirement in good time, a number of savings proposals will require that consultation take place and notice periods be given. Should the Portfolio savings set out in paragraph 9.5 above be approved, Managers will commence the implementation of those savings and any consultation process or notice periods necessary.
- 9.11 For savings proposals that require consultation, the actual method of implementation or their distributional effect will not be determined until the results of consultation have been fully considered. Following consultation, the relevant Portfolio Holder may alter, amend or substitute any of the indicative savings proposal(s) set out in Appendix C with alternative proposal(s) amounting to the same value.

## **10. Summary of Proposed Revenue Budget 2020/21**

- 10.1 The proposed Budget for 2020/21 has been prepared to include the following:

### *Spending 2020/21:*

- Additional funding for Children's Social Care, recognising the sustained increase in Looked after Children - £3m
- Additional Funding for Adult Social Care recognising the need to meet demographic pressures and the extraordinary inflationary costs associated with the National Living Wage - £2.6m
- Continuation of "Winter Pressures" programme supporting the NHS to accommodate increased demand for hospital admissions and discharges - £0.9m
- An overall allowance for inflation of 3.7% across services amounting to £4.1m

- A total of £16m of contributions from revenue and reserves to the Capital Programme to enable the Council to meet its essential Capital Investment needs
- Overall contingency provision to cover known and anticipated financial risks of the Council amounting to £10.3m (£9.5m in 2019/20), especially those relating to increases in demand for Adult & Children's Social Care services, Emergency Repairs risks and the delivery of budget savings more generally
- A transfer of £3.5m to the MTRS Reserve in order to replenish it to levels sufficient to be capable of meeting future Spend to Save initiatives
- Adjustments to pension costs, forecast borrowing costs and investment rates
- The £2.5m savings proposals

#### *Funding 2020/21:*

- An overall increase in Government Funding of £3m (mainly relating to the increase in the Social Care Grant of £3.9m and offset by reductions to the New Homes Bonus grant and other Brexit related grants)
- Cessation of the 75% BRR pilot - reduction of £1.5m of retained business rates (previously used to supplement the Capital Programme)
- Changes arising from the increase in Business Rates due to the inflationary uplift in the multiplier (1.63%) and offset by a real decline in the Business Rate Base
- An overall increase in Council Tax of 3.99%, yielding £3.2m
- An increase in the Council Tax base equivalent to 659.8 Band D properties yielding £0.9m
- Overall "one-off" surplus on the Collection Fund attributable to the City Council amounting to £1.8m, representing a surplus on Council Tax of £0.5m and a surplus on Business Rates retained of £1.3m

10.2 The proposed Budget for 2020/21, including the main changes described above results in net spending of £174,588,400. This amounts to a net increase in spending of £9,586,400 or 5.8% over the Original Budget 2019/20.

10.3 The proposed Budget for 2020/21 as described in this Section is recommended for approval.

## 11. Cash Limits 2020/21

11.1 As previously described, Cash Limits relate to that element of the Budget that is Portfolio and Service specific and which is controllable. Cash Limits have been prepared to reflect all changes set out in the proposed Budget for 2020/21 described in Section 10 and in particular include:

- Reductions to Cash Limits to take out the approved Budget savings
- Additions to reflect extraordinary budget pressures
- Inflation
- Additions to Cash Limits for passporting funds relating to new burdens
- Adjustments to reflect the revenue costs of the proposed Capital Programme
- Windfall costs and savings
- Other refinements

11.2 The table below shows the proposed Cash Limits for 2020/21 and also those items outside Cash Limits (i.e. capital and similar charges, levies and insurance premiums), which together form the Budget for each service.

<b>PORTFOLIO</b>	<b>Cash Limits 2020/21 £'000</b>	<b>Items Outside the Cash Limit £'000</b>	<b>Budget 2020/21 £'000</b>
Children & Families	32,986	3,064	36,050
Community Safety	2,103	556	2,659
Culture Leisure & City Development	6,398	5,107	11,505
Education	6,188	14,859	21,047
Environment & Climate Change	12,515	1,566	14,081
Health, Wellbeing & Social Care	45,979	5,035	51,014
Housing	5,331	3,138	8,469
Leader	(29,795)	5,566	(24,229)
Resources	18,812	6,647	25,459
Traffic & Transportation Licensing Committee	15,335 (231)	5,871 102	21,206 (129)
<b>PORTFOLIO EXPENDITURE</b>	<b>115,621</b>	<b>51,511</b>	<b>167,132</b>

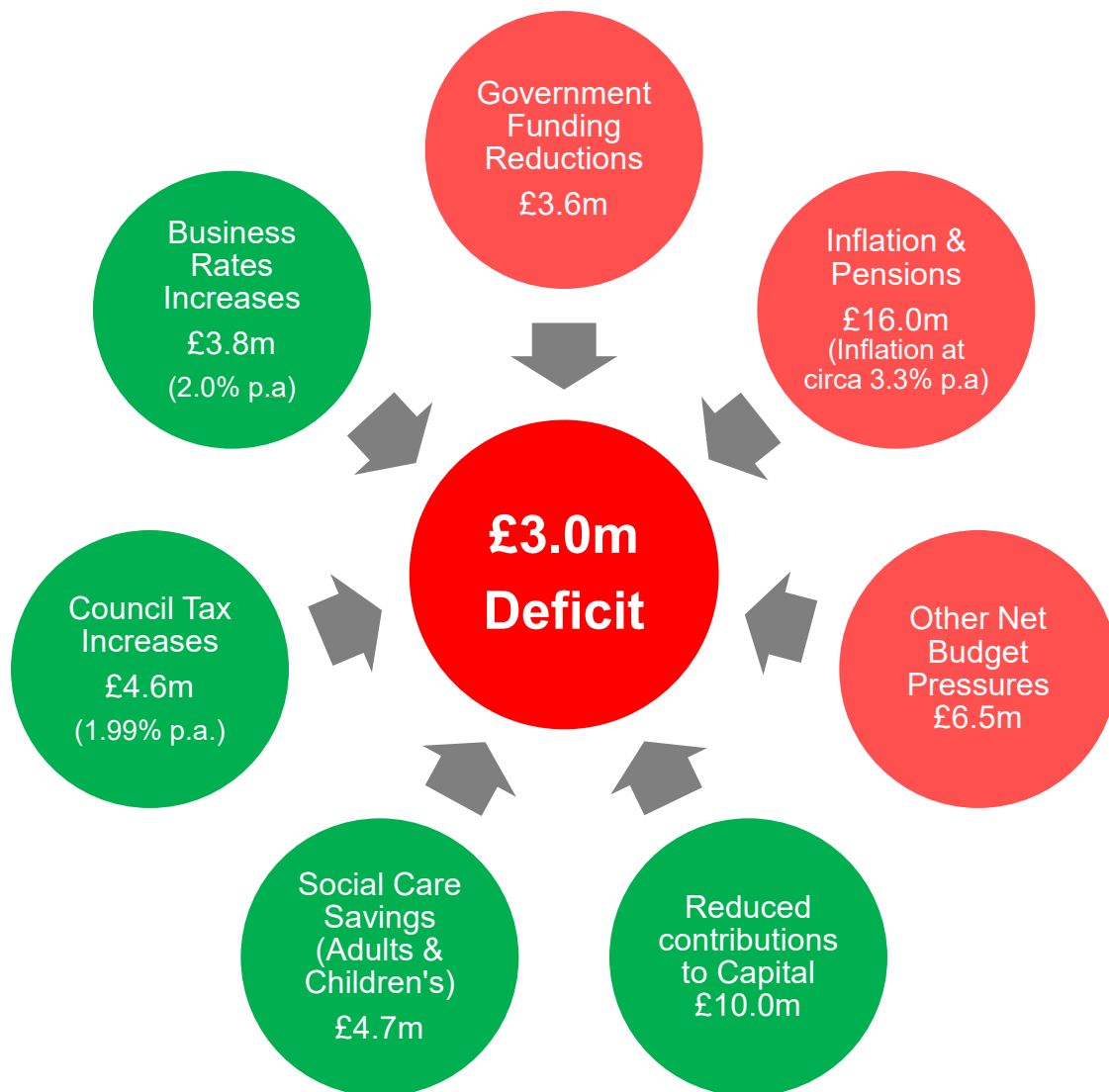
11.3 Managers will be expected to contain their expenditure in 2020/21 within Cash Limits and to regularly monitor their budgets to ensure this is achieved. Managers will continue to have the freedom to change their budgets within the Cash Limit in the year, provided they do not enter into commitments which would increase their expenditure in future years beyond the agreed Cash Limit for 2020/21, but mindful of the requirement to make savings in future years.

- 11.4 As set out in the Council's Financial Rules, any overspends against the current year's Cash Limit will become the first call on any retained underspendings from previous years contained within a Portfolio's Earmarked Reserve. Should a Portfolio's Earmarked Reserve be depleted, any remaining overspend will be deducted from the 2021/22 Cash Limit.
- 11.5 Managers have delegated authority to incur committed routine expenditure within their approved Cash Limit. Routine expenditure is any expenditure incurred to meet the day-to-day operational requirements of the service, or any specific approved budget pressure. Managers wishing to incur expenditure on any other specific item should seek approval from the relevant Portfolio holder before incurring that expenditure.
- 11.6 These Cash Limits will be adjusted under the delegated authority of the S.151 Officer to reflect transfers of budgets that come to light after the Budget has been approved, such as changes to the assumptions on inflation rates and any other virements.
- 11.7 Managers will be required to report their forecast outturn position to the relevant Portfolio holder on a regular basis and the Cabinet will receive a report on the overall budget position every quarter.

## **12. Future Years' Medium Term Forecasts - 2021/22, 2022/23, and 2023/24**

- 12.1 A new medium term forecast has now been completed and "rolled on" a further year to cover the period 2021/22 to 2023/24. All of the financial assumptions have been comprehensively revised and a savings requirement for the new period determined.
- 12.2 The previous medium term forecast estimated that savings of £7.5m would be required across the previous 3 year period 2020/21 to 2022/23. The proposed Revenue Budget for 2020/21 provides for £2.5m of those savings that, based on the "old" forecast, would have left a residual £5m remaining to be found for the following 2 years.
- 12.3 The new medium term forecast takes account of the £2.5m savings being achieved in 2020/21, comprehensively revises the remaining £5m that was estimated to be required and makes a forecast for the additional year 2023/24. It is now estimated that the savings required for the new 3 year period 2021/22 to 2023/24 will now be £3.0m (or £6m cumulatively over the period) as described in the paragraphs that follow.

12.4 The most significant changes that will affect Local Government and the Council through the period 2021/22 to 2023/24 are as follows:



12.5 The most significant assumptions in the medium term forecasts for the period 2021/22 to 2023/24 are described below:

Spending:

- An overall composite inflationary provision covering all pay and prices at circa 3.3% per annum for the period plus additional pension obligations, in total amounting to £16.0m
- The delivery of the financial sustainability plans in Adults and Children's Services amounting to combined savings of £4.7m

- Some provision for the potential on-going risks associated with future demographic and other volume related budget pressures within Children's and Adult Social Care
- Revenue Contributions to Capital reducing to £3.0m in 2021/22 and 2022/23 and to zero by 2023/24
- A contribution to the MTRS Reserve in 2022/23 in order to maintain the Reserve at levels consistent with continuing to be able to support Spend to Save initiatives and likely redundancy costs
- An assumption of a "steady state" for other budgets

#### Funding:

- Reductions in overall general Government funding from 2021/22 onwards amounting to £3.6m over the period, representing a 4.1% reduction associated with the Fair Funding Review and Business Rate Retention "reset"
- A 1.99% increase in Council Tax per annum from 2021/22 onwards, in total yielding £4.6m
- Non recurrence of the current £1.8m surplus of the Collection Fund
- Indexation uplifts on retained Business Rates of 2.0% per annum from 2021/22 onwards
- An underlying zero growth assumption for changes in Business Rates from 2021/22 onwards, to reflect the uncertainty relating to appeals and mandatory reliefs
- That any loss of business rates income arising from National Business Rate reduction / capping initiatives will continue to be recompensed by Government via S.31 grant funding
- No changes to the Port dividend for 2021/22, 2022/23, and 2023/24 to reflect current forecasts

12.6 It is important to recognise that this forecast extends beyond the multi-year Spending Review planned for the coming year, the Fair Funding Review and the 75% Business Rate Retention Scheme due to be implemented in 2021/22. It also moves 2 years beyond these events and makes broad assumptions at the macroeconomic level pending any indicative information at the local level. Consequently there remains a significant level of uncertainty surrounding the £3.0m forecast deficit which could realistically vary between +/- £4m.

12.7 Due to the uncertain nature of the future years' forecasts it is imperative that the Council continues to plan for £1.0m of savings per annum as well as maintaining sufficient General Reserves. This is a balanced approach appropriate to an eventuality where the Council's forecasts are either too pessimistic or too optimistic. For example, in the event that the 3 year forecast improves, the Council has not

prematurely made a level of savings and service reductions that could have been avoided and it allows more time for savings initiatives to take effect. If the forecast deteriorates, the Council will have made good progress towards the necessary savings and have sufficient General Reserves to avoid significant "spikes" in Savings Requirements in any single year in the future.

- 12.8 Crucially, this savings strategy, as described above, can only work if the Council retains General Reserves at the levels set out in this report.
- 12.9 In summary, the overall forecast budget deficit and therefore savings requirement has been reduced for both 2021/22 and 2022/23 and the forecast has been "rolled on" to now include a deficit in 2023/24 of £1.0m. The overall forecast budget deficit and savings requirement for the 3 year period 2021/22 to 2023/24 is £3.0m. Importantly, this level of budget deficit can only be maintained if the Council approves the proposed £2.5m of savings as well as the increase in Council Tax of 3.99% for 2020/21.
- 12.10 The medium term financial forecasts are set out as part of the General Fund Summary in Appendix A but in a more summarised fashion in Appendix B.
- 12.11 The fundamental aim of the Medium Term Resource Strategy is for in-year expenditure to equal in-year income. The proposed Savings Requirements set out below have been set to accord with that aim and also with the minimum level of General Balances that the Council is required to hold based on its risk profile.
- 12.12 The Savings Requirements recommended below have been phased to have regard to a managed reduction in spending and service provision over a realistic period:

	<b>Revised Underlying Budget Deficit £m</b>	<b>Revised In Year Target £m</b>	<b>Revised Cumulative Saving £m</b>
2021/22	2.2	1.0	1.0
2022/23	3.8	1.0	2.0
2023/24	3.0	1.0	3.0

It will be for the Administration to determine how these forecast Savings Requirements are allocated across Portfolios throughout future budget processes.

### **13. Estimated General Reserves 2019/20 to 2023/24**

- 13.1 In general, maintaining adequate reserves is a measure of responsible financial management and strong financial health. They are required in order to be able to respond to "financial shocks" without having to revert to the alternative of quick and severe reductions in services. Equally, they can be a vehicle to take advantage of any opportunities that may arise which are in the financial interests of the Council (for example, matched funding opportunities which could lever in additional funding for the City or for Spend to Save schemes). Importantly, they also enable differences

between expenditure and funding levels to be "smoothed out" and managed in a planned way over time.

- 13.2 General Fund Revenue Reserves as at 31 March 2020 (Revised Estimate) are anticipated to be £23m after transfers to and from other reserves although falling back to historic levels of circa £20m by 31 March 2021. The Council is expected therefore to remain within the approved level of minimum General Reserves of £8.0m.
- 13.3 In accordance with Best Practice, the level and nature of all revenue reserves and balances has been reviewed as part of the budget process. The exercise has attempted to identify and assess all of the City Council's potential financial risks over the next few years in order to determine the prudent level of balances that should be retained, based on the City Council's risk profile. Each risk has been considered alongside the probability of it happening.
- 13.4 The outcome shows that for 2020/21 the City Council should continue to hold a minimum of £8.0m in General Reserves to cover these major risks. It is therefore recommended that the minimum level of General Reserves be maintained at £8.0m as at March 2021. Assuming the savings required to fund the forecast deficit in 2020/21 are achieved, General Reserves as at 31 March 2021 are forecast to be £20.4m.
- 13.5 The minimum level of balances for 2021/22 and future years will be reviewed annually as part of the budget process.
- 13.6 The statement below gives details of the General Reserves in hand at 01 April 2019, together with the proposed use of reserves from 2019/20 to 2023/24, and the resultant balances at 31 March 2024 **assuming that the target savings recommended in Section 12 are achieved.**

<b>General Reserves Forecast - Up to 2023/24</b>					
<b>Financial Year</b>	Current Year £m	Budget 2020/21 £m	Forecast 2021/22 £m	Forecast 2022/23 £m	Forecast 2023/24 £m
<b>Opening Balance</b>	23.0	23.0	20.4	19.2	17.4
<b>In Year Surplus / (Deficit)</b>	(0.0)	(2.6)	(1.2)	(1.8)	0.0
<b>Forecast Balance</b>	<b>23.0</b>	<b>20.4</b>	<b>19.2</b>	<b>17.4</b>	<b>17.4</b>

- 13.7 The level of balances held over the period will be higher than the minimum level recommended. This prudent approach is being taken for a number of specific reasons, which include:
- The Council is not permitted to budget for a level of General Reserves below the minimum level determined by the S.151 Officer
  - There remain continuing risks associated with the financial sustainability plans for both Adults and Children's Social Care. For example, should the forecast savings over the period General Reserves would be at minimum levels by March 2022.



- The balances are predicated on total savings (as yet unidentified) of £3.0m being achieved over the next 3 years. If those savings are not made, balances would be reduced by £6.0m by 31 March 2024.
- It is a crucial part of the strategy to mitigate against the uncertainty of the Fair Funding Review in 2021/22 in order to avoid potentially significant "spikes" in savings requirements in any single year (as described in Section 12 above)
- The uncertainty over the level of funding generally (in particular retained Business Rates), demographic cost pressures for care services, inflation and interest rates in future years
- The uncommitted balance available in the MTRS reserve of just £8.1m<sup>10</sup> means there are only limited funds available to fund the implementation costs of future efficiency savings (see Section 14)

13.8 Furthermore, the City Council is pursuing a number of initiatives that will rely temporarily on the use of the Council's reserves generally in order to deliver them in a more cost efficient way (i.e. as opposed to borrowing). Examples include, the City Deal, Dunsbury Hill Farm and the Investment Property Fund. In the current climate where borrowing rates are significantly greater than investment rates, it makes financial sense to utilise General Balances and Reserves (that would otherwise be invested until required) and defer any borrowing decisions to a later date once investment rates recover. Retaining reserves therefore is an extremely important element of delivering the Council's Regeneration Strategy that will ultimately result in increased jobs, new homes and improved prosperity for the City.

## 14. Medium Term Resource Strategy Reserve

14.1 The MTRS Reserve was originally established to fund:

- Spend to Save and Spend to Avoid Cost initiatives
- Invest to Save capital schemes
- Feasibility Studies where there is likely to be an efficiency gain
- One-off redundancy costs arising from proposed savings
- The funding of expenditure of a "one-off" nature that is critical to the successful achievement of the outcomes that the residents of Portsmouth value most highly and where no other alternative funding source is available

14.2 Historically, the reserve has been replenished by transfers of underspends from previous years. Under the new financial framework of retained underspendings by Portfolios, the opportunities for replenishing this reserve are now diminished. The calls on the reserve however, for smaller scale Spend to Save or Invest to Save

---

<sup>10</sup> Including the net transfers from the reserve of £5.978m contained with the recommendations of the Capital Programme 2019/20 to 2024/25 report elsewhere on this agenda and the transfer in of £3.5m proposed within this report

schemes are also diminished, since these are funded from Portfolio Reserves where available. It is important that the reserve is maintained to fund larger scale Spend to Save schemes that would otherwise be unaffordable by a Portfolio.

- 14.3 It is anticipated that the main call on the MTRS Reserve over the next few years will be Invest to Save Schemes of a capital nature and the revenue costs associated with transforming Services. Additionally, redundancy costs will also be required, arising out of the savings needed to meet the £3.0m forecast Budget deficit.
- 14.4 In order to provide for future years anticipated redundancy costs (i.e. over the course of the coming year and the further 3 year forecast), satisfy the demands for Invest to Save Schemes and meet all other commitments, it is anticipated that the uncommitted balance on the MTRS Reserve will be £8.1m. Importantly, Invest to Save (avoid cost) proposals are becoming an increasingly important component of the Capital Programme and it can reasonably be expected that future Capital Programmes will rely more heavily of this as a funding source (e.g. a transfer of £5.978m in 2020/21).
- 14.5 In future years, for this reserve to continue in this capacity, it will be necessary to replenish it either from non Portfolio underspends or alternatively from the Revenue Budget.

## **15. Statement of the Section 151 Officer in Accordance with the Local Government Act 2003**

- 15.1 Section 25 of the Local Government Act 2003 (“the Act”) requires the Chief Financial Officer to report to the City Council on the following matters:
- The robustness of the estimates included in the budget made for the purposes of setting the Council Tax; and
  - The adequacy of proposed financial reserves
- 15.2 Section 25 of the Act concentrates on uncertainties within the budget year rather than the greater uncertainties in future years. In the current economic climate, there continue to be uncertainties in both the current and future years i.e. beyond 2020/21. Particular uncertainties exist regarding the extent of successful appeals and mandatory reliefs which affect Retained Business Rates, Government Funding levels (including the outcome of the Fair Funding Review and the 75% Business Rate Retention scheme), the ability of the Council to continue to make the necessary savings at the required scale and pace, the likely demographic cost pressures arising in demand driven services such as Adults and Children’s Social Care and the extent to which new policy changes will be funded (most notably those arising from the Care Act). All of these uncertainties increase the need for adequate reserves and balances to be maintained in current and future years.
- 15.3 A minimum level of revenue reserves must be specified within the Budget. The Local Authority must take full account of this information when setting the Budget Requirement.
- 15.4 Should the level of reserves fall below the minimum approved sum of £8.0m as proposed in this report, either arising from an overspend in the previous year or the

current year, the S.151 Officer has a duty to report this to the Council with recommendations as to the actions that should be taken to rectify the shortfall. In the most extreme of circumstances, the S.151 Officer can impose spending controls until a balanced budget is approved by the Council.

#### **(a) Robustness of the Budget**

- 15.5 In setting the Budget, the City Council should have regard to the strategic and operational risks facing the City Council. Some of these risks reflect the current economic climate and the national issues surrounding local authority funding levels.
- 15.6 Estimates and forecasts have been prepared to include all known significant financial factors over the medium term in order to inform spending decisions.
- 15.7 Assumptions for the Budget and forecasts for future years are considered to be sound and based on the best available information. These are set out in detail in Sections 8 and 12 and use the following sources as their evidence base:
- Government funding as set out in the provisional settlement for 2020/21
  - An assumption that the increase in the Social Care grant for 2020/21 of £3.9m will be top sliced from the re-distribution of Business Rates growth as part of the Fair Funding review and Business Rate "reset" to be implemented in 2021/22
  - A "no growth" assumption for Retained Business Rates from 2021/22 onwards on the basis that any income arising from growth will be offset by both appeals and reliefs
  - An assumption that the value of successful appeals against the 2017 rating list will be the equivalent of 4.7% of the business rate multiplier.
  - Increases in Council Tax based on what is likely to be acceptable and within expected referendum limits
  - Inflation on Retained Business Rates and prices in accordance with inflation estimates from the Office for Budget Responsibility
  - Provisions for anticipated national policy changes arising out of the Care Act based on Portsmouth's share of "relative need"<sup>11</sup>
  - Specific provisions for increases in demand for both Adult and Children's Social Care based on current trends
  - Prudential borrowing requirements based on approved Capital schemes
  - Revenue contributions to capital based on known commitments and estimates of future needs

---

<sup>11</sup> Relative need is based on the Government's "Relative Needs Formula" that is used in allocating general government funding

- Balances and contingencies based on a risk assessment of all known financial risks
- 15.8 Savings contained within the Budget are those where Portfolio Holders and Directors assess the confidence level of achievement is medium and above. Savings proposals have also been subject to scrutiny by Members. Responsibility and accountability for delivering the savings rests with the relevant Portfolio Holders and Directors and progress will be monitored throughout the year as part of the Budget Monitoring process.
- 15.9 The most volatile budgets are those of Adult and Children’s Social Care. Budget provision has been made available to cover these risks both directly within Service cash limits as well as within the City Council’s overall contingency provision.
- 15.10 Additionally, Portfolios will be able to retain any underspendings in 2019/20 and utilise them as necessary in 2020/21 and future years for any purpose but with a clear priority to meet essential cost pressures in the first instance.
- 15.11 The forecasts prepared for the forthcoming and future years are robustly based and illustrate the expected costs the City Council will incur in order to deliver current levels of service.
- 15.12 Portfolio Holders will be given regular budget updates by Directors to ensure that action to address any potential over or underspend is taken promptly and quarterly budget monitoring reports will continue to be presented to the Cabinet.
- 15.13 To encourage budget discipline, all future overspendings will be deducted from any retained underspendings accumulated in Portfolio Earmarked Reserves in the first instance and once depleted from the following year’s Cash Limits.
- 15.14 Prudential Indicators are accurately calculated based on the Council’s audited Balance Sheet, notified income streams and in depth financial appraisals of proposed capital schemes. These are published and reviewed on a regular basis to ensure that the City Council complies with the concepts of Affordability, Prudence, and Sustainability. The City Council has agreed to consider Prudential Borrowing for “Spend to Save Schemes” only, as it is currently unaffordable for any other purpose given the forecast budget deficits in 2021/22 and future years.
- 15.15 Future years’ budgets will remain challenging due to continued funding reductions and uncertainties. The Council’s forecasts provide for a savings target of £1.0m in 2021/22, a further £1.0m in 2022/23 and a further £1.0m in 2023/24.

**(b) The Adequacy of Proposed Financial Reserves**

- 15.16 During 2019/20, a review of the level and nature of all revenue reserves and balances has been undertaken. All of the City Council’s potential financial risks over the next few years and the probability of each risk happening has been assessed. The outcome from this review concludes the need to maintain the minimum level of General Reserves of £8.0m as at 31 March 2021 (£8.0m in the current year).

- 15.17 Balances provide a buffer against unexpected costs such as pay awards, inflation, shortfalls in income and overspends and enable the City Council to manage change without undue impact on the Council Tax or immediate reductions to services. They are a key element of strong financial standing and resilience as they mitigate risks such as increased demand and other cost pressures.
- 15.18 The level of balances held will be higher than the minimum level recommended. This prudent approach is being taken for a number of specific reasons as set out in Section 13. The position will continue to be reviewed and reported to Members on an annual basis.
- 15.19 As previously mentioned, the Council will maintain Portfolio Earmarked Reserves to retain accumulated Portfolio underspends in order that Portfolios can better manage any known or unknown cost pressures that arise. It is forecast that Portfolio Reserves will amount to £1.1m as at 31 March 2020 which will be available for 2020/21.
- 15.20 The MTRS Reserve is the Council's primary vehicle for funding Spend to Save and Spend to Avoid Costs Initiatives, Feasibility Studies and redundancy costs. Taking account of all approvals from this reserve and future estimated redundancy costs over the next 4 years, it is estimated that the Reserve will have an uncommitted balance of £8.1m. In order for this Reserve to continue in this capacity, it will be necessary to replenish it from any non Portfolio underspendings, transfers from other reserves no longer required or alternatively from the Revenue Budget.
- 15.21 The Council maintains a number of other Earmarked Reserves for specific purposes, all of which are at the levels required to meet known future commitments. The major reserves include the following:
- Revenue Reserve for Capital – to fund the Capital Programme
  - Highways PFI Reserve – to fund future commitments under that contract
  - Off Street Parking Reserve – to fund investment in transport
  - Insurance Reserve – to fund potential future liabilities
- 15.22 The Council's contingency provision for 2020/21 has been set on a risk basis at £10.3m and reflects anticipated calls on the budget where the timing and value is not yet known. The use and application of the contingency will continue to be exercised tightly.

## **16. Conclusion**

- 16.1 The proposed Budget 2020/21 has been prepared to incorporate the resolution of Full Council in February 2019 to make savings amounting to £2.5m and provides for an overall Council Tax increase of 3.99%, of which 2.0% is passported directly to provide services for Adult Social Care.
- 16.2 The proposals within this report are made as part of a co-ordinated package of measures for both the Revenue Budget and Capital Programme that are aligned with the approved Medium Term Financial Strategy with its stated aim that

*"In year" expenditure matches "in year" income over the medium term whilst continuing drive towards regeneration of the City, being innovative, creative and protecting the most important and valued services*

- 16.3 The proposed Budget for 2020/21 is financially balanced, robustly based and provides sufficient cover for anticipated and potential financial risks within the year. Furthermore, the overall financial health of the Council currently remains sound providing a good degree of resilience against an uncertain future.
- 16.4 Due to prudent financial management over a number of years, the scale of savings is now at more moderate levels and the forecast budget deficit for the 3 year period 2021/22 to 2023/24 has reduced to £3.0m amounting to £1.0m per annum for each of the next 3 years.
- 16.5 Funding uncertainty still remains, particularly in 2021/22 when the Local Government funding system changes to 75% Business Rate Retention alongside the simultaneous implementation of the Fair Funding review; combined these have the potential to affect the Councils forecasts either positively or negatively by circa £4m.
- 16.6 Given the level of savings required over the next 3 years of £3.0m, the degree of uncertainty that exists and the inevitable financial pressures that the Council will face, it is important that the Council continues to follow its Medium Term Financial Strategy and maintain Reserves at adequate levels. The Council should also be particularly mindful of the potential future income or reduced demand / costs that the Council could derive through the delivery of its Capital Programme. This is likely to be the biggest influence on enabling jobs, growth and overall improved prosperity within the City.

## **17. Integrated Impact Assessment (EIA)**

- 17.1 Consideration of the impact of budget pressures and proposed savings on all customers, services and staff has been taken into account in formulating this budget. The savings proposals set out within this report are proposals only for the purposes of setting Portfolio Cash Limits and the overall City Council Budget. Whilst most are likely to be implemented, there will be some that require further consultation and appropriate Integrated Impact Assessments to be considered before any implementation can take place. For this reason, Portfolio holders have the discretion to alter, amend or substitute any proposal with an alternative proposal following appropriate consultation.
- 17.2 A city-wide budget consultation took place during October and November to help inform how to make £7.5m of savings over the period 2020/21 to 2022/23 as well as how the Council should prioritise its spending plans. The consultation took the form of a survey questionnaire which was also supplemented by consultation events at various locations across the City.
- 17.3 The Scrutiny Management Panel also met to consider the proposals contained within this report and have the opportunity to make their representations to the Cabinet prior

to their recommendation to the City Council. A public meeting of the Scrutiny Management Panel was held on the 31 January 2020 where a presentation was made of the proposed Council Tax and Revenue Budget 2020/21, the Council's future financial forecasts for 2021/22 to 2023/24 and the proposed Capital Investment plans.

## **18. City Solicitor's Comments**

- 18.1 The Cabinet has a legal responsibility to recommend a Budget and Council Tax amount to the Council and the Council has authority to approve the recommendations made in this report.
- 18.2 The S.151 Officer has a statutory duty under the Local Government Act 2003 to report on the robustness of the budget proposals and adequacy of reserves. The S.151 Officer's Statement within this report fulfils those obligations.

## **19. S.151 Officer's Comments**

- 19.1 All of the financial information is reflected in the body of the report and the Appendices.

.....  
Signed by: Section 151 Officer

**Appendices:**

<b>A</b>	General Fund Summary
<b>B</b>	Forecast Expenditure 2020/21 to 2023/24
<b>C</b>	Indicative Budget Savings 2020/21

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

<b>Title of document</b>	<b>Location</b>
Budget Working Papers	Office of Director of Finance & Resources
Local Government Finance Settlement 2020/21	Office of Director of Finance & Resources

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by the City Council on 11 February 2020.

.....  
Signed by: Leader of Portsmouth City Council



## APPENDIX A

### Calculation of the Council Tax 2020/21

<b><u>Portsmouth City Council</u></b>	<b>2020/21</b>	<b>2019/20</b>
	<b>£</b>	<b>£</b>
Gross Expenditure	478,744,767	481,710,889
LESS: Gross Income	(362,673,725)	(384,940,505)
Net Expenditure 2020/21	116,071,042	96,770,384
LESS: Government Grants	(32,216,438)	(17,054,314)
Council Tax Requirement - Portsmouth City Council Purposes	<b>83,854,604</b>	<b>79,716,070</b>
Council Tax Base	57,735.2	57,075.4
Council Tax - Portsmouth City Council Purposes at Band D		
<u>83,854,604</u>		
57,735.2 =	<b>£1,452.40</b>	<b>£1,396.68</b>

<b><u>Hampshire Police &amp; Crime Commissioner Precept</u></b>	<b>12,208,685</b>	<b>11,498,410</b>
Council Tax - Hampshire Police & Crime Commissioner Purposes at Band D	<b>£211.46</b>	<b>£201.46</b>

<b><u>Hampshire Fire and Rescue Authority Precept</u></b>	<b>3,987,193</b>	<b>3,864,575</b>
Council Tax - Hampshire Fire and Rescue Authority Purposes at Band D	<b>£69.06</b>	<b>£67.71</b>

### The Council Tax to be levied for all bands in 2020/21 will be as follows :

		Portsmouth City Council £	Police & Crime Commissioner For Hampshire £	Hampshire Fire & Rescue Authority £	TOTAL 2020/21 £	TOTAL 2019/20 £
Estimated Valuation as 1 April 1991						
Up to £40,000	A	968.27	140.97	46.04	1,155.28	1,110.57
£40,001 - £52,000	B	1,129.64	164.47	53.71	1,347.82	1,295.66
£52,001 - £68,000	C	1,291.02	187.96	61.39	1,540.37	1,480.76
£68,001 - £88,000	D	1,452.40	211.46	69.06	1,732.92	1,665.85
£88,001 - £120,000	E	1,775.16	258.45	84.41	2,118.02	2,036.04
£120,001 - £160,000	F	2,097.91	305.44	99.75	2,503.10	2,406.23
£160,001 - £320,000	G	2,420.67	352.43	115.10	2,888.20	2,776.42
£320,001 and over	H	2,904.80	422.92	138.12	3,465.84	3,331.70

# GENERAL FUND SUMMARY - 2019/20 to 2023/24

# APPENDIX A

Original Budget 2019/20 £	NET REQUIREMENTS OF PORTFOLIOS	Revised Budget 2019/20 £	Original Budget 2020/21 £	Forecast 2021/22 £	Forecast 2022/23 £	Forecast 2023/24 £
29,428,800	Children & Families	29,650,500	36,049,800	38,889,000	39,136,600	40,071,900
2,085,700	Community Safety	2,084,100	2,658,900	2,676,300	2,705,200	2,785,900
9,732,460	Culture Leisure & City Development	9,906,860	11,504,900	12,193,100	12,546,800	12,540,800
24,283,257	Education	24,580,357	21,047,200	21,321,400	21,577,100	21,840,700
14,283,513	Environment & Climate Change	14,349,713	14,080,100	14,505,100	15,121,100	14,087,100
47,682,279	Health, Wellbeing & Social Care	47,882,379	51,013,400	53,789,400	56,002,200	58,189,500
11,105,728	Housing	11,135,528	8,469,500	8,620,500	9,181,300	9,358,800
(9,681,818)	Leader	(11,999,818)	(24,229,200)	(25,641,400)	(27,377,200)	(28,082,900)
21,408,334	Resources	22,677,834	25,459,700	27,041,100	27,676,500	28,081,700
17,012,607	Traffic & Transportation	18,068,307	21,206,100	22,313,400	23,421,900	25,434,500
(228,095)	Licensing Committee	(223,495)	(129,000)	(133,100)	(137,300)	(141,600)
<b>167,112,765</b>	<b>Portfolio Expenditure</b>	<b>168,112,265</b>	<b>167,131,400</b>	<b>175,574,800</b>	<b>179,854,200</b>	<b>184,166,400</b>
	<u>Other Expenditure</u>					
8,018,900	Pension Costs	7,803,800	1,470,700	1,506,200	1,542,600	5,579,900
9,489,000	Contingency Provision	8,534,500	10,345,500	4,631,000	4,631,000	4,631,000
6,600,000	Revenue Contributions to Capital Reserve	11,379,900	10,000,000	3,000,000	3,000,000	0
(570,600)	Transfer to / (from) Other Reserves	(7,630,400)	2,926,500	1,405,500	2,036,200	36,200
(28,643,765)	Treasury Management	(27,068,765)	(19,983,600)	(18,372,200)	(18,488,200)	(18,918,600)
2,995,700	Other Expenditure	4,780,700	2,697,900	2,621,400	3,145,000	3,145,000
<b>(2,110,765)</b>	<b>Other Expenditure</b>	<b>(2,200,265)</b>	<b>7,457,000</b>	<b>(5,208,100)</b>	<b>(4,133,400)</b>	<b>(5,526,500)</b>
<b>165,002,000</b>	<b>TOTAL NET EXPENDITURE</b>	<b>165,912,000</b>	<b>174,588,400</b>	<b>170,366,700</b>	<b>175,720,800</b>	<b>178,639,900</b>
	<b>FINANCED BY:</b>					
(42,690)	Contribution (to) from Balances and Reserves	20,238	2,579,937	2,165,650	3,843,153	3,036,470
0	Revenue Support Grant	0	11,669,696	0	0	0
66,700,841	Business Rates Retention	66,834,896	55,391,749	62,276,977	64,422,667	66,629,273
17,054,314	Other General Grants	17,767,331	20,546,742	20,400,921	20,229,795	20,013,451
81,289,535	Council Tax	81,289,535	84,400,276	85,523,152	87,225,185	88,960,706
<b>165,002,000</b>		<b>165,912,000</b>	<b>174,588,400</b>	<b>170,366,700</b>	<b>175,720,800</b>	<b>178,639,900</b>
	<b>BALANCES &amp; RESERVES</b>					
23,022,170	Balance brought forward at 1 April	23,022,156	23,001,918	20,421,981	18,256,331	14,413,178
42,690	Deduct (Deficit) / Add Surplus for Year	(20,238)	(2,579,937)	(2,165,650)	(3,843,153)	(3,036,470)
<b>23,064,860</b>	<b>Balance carried forward at 31 March</b>	<b>23,001,918</b>	<b>20,421,981</b>	<b>18,256,331</b>	<b>14,413,178</b>	<b>11,376,708</b>
<b>8,000,000</b>	<b>Minimum Level of Balances</b>	<b>8,000,000</b>	<b>8,000,000</b>	<b>8,000,000</b>	<b>8,000,000</b>	<b>8,000,000</b>
<b>(42,690)</b>	<b>Underlying Budget Deficit / (Surplus)</b>	<b>20,238</b>	<b>2,579,937</b>	<b>2,165,650</b>	<b>3,843,153</b>	<b>3,036,470</b>

## APPENDIX B

### BUDGET AND FORECAST EXPENDITURE 2019/20 to 2023/24

	<b>Budget 2020/21 £'000</b>	<b>Forecast 2021/22 £'000</b>	<b>Forecast 2022/23 £'000</b>	<b>Forecast 2023/24 £'000</b>
Service Cash Limits	115,621	124,062	128,340	132,650
Contingency	10,346	4,631	4,631	4,631
Debt financing costs	30,158	31,769	31,653	31,223
Levies and insurance premiums	1,369	1,371	1,373	1,375
Other income/expenditure	17,095	8,533	9,723	8,762
	<b>174,589</b>	<b>170,366</b>	<b>175,720</b>	<b>178,641</b>
<u>Less</u>				
- Council Tax Income	84,400	85,523	87,225	88,961
- Revenue Support Grant	11,670	0	0	0
- Business Rates Retention	55,392	62,277	64,423	66,629
- Other General Grants	20,547	20,401	20,230	20,013
	<b>172,009</b>	<b>168,201</b>	<b>171,878</b>	<b>175,603</b>
<b>Budget (Deficit)/Surplus</b>	<b>(2,580)</b>	<b>(2,165)</b>	<b>(3,842)</b>	<b>(3,038)</b>

Deficits in 2021/22 to 2023/24 reflect future savings requirements

This page is left intentionally blank

## INDICATIVE BUDGET SAVINGS 2020/21

Indicative Savings Proposal				Saving 2020/21 £	Saving 2021/22 £	Saving 2022/23 £
<b>Children and Families Portfolio</b>						
<b>Children and Families Portfolio Total</b>				<b>0</b>	<b>0</b>	<b>0</b>
<b>Community Safety Portfolio</b>						
<b>Community Safety Portfolio Total</b>				<b>0</b>	<b>0</b>	<b>0</b>
<b>Culture and City Development Portfolio</b>						
<b>Director of Culture, Leisure &amp; Regulatory Services</b>						
001	Income generation from sites on the seafront	No impact - Avoids cuts to services		50,000	50,000	50,000
002	Reduction in IT software costs	No impact - Avoids cuts to services		2,000	2,000	2,000
<b>Culture and City Development Portfolio Total</b>				<b>52,000</b>	<b>52,000</b>	<b>52,000</b>
<b>Education Portfolio</b>						
<b>Director of Regeneration</b>						
003	Ceased commercial sign production activity at PCMI which was not covering manufacturing costs	This was a loss making operation. Its closure has now increased the financial resources available to the Employment, Learning & Skills Service resulting in increased social benefit to the community		30,000	30,000	30,000
<b>Education Portfolio Total</b>				<b>30,000</b>	<b>30,000</b>	<b>30,000</b>
<b>Environment and Climate Change Portfolio</b>						
<b>Director of Housing, Neighbourhood &amp; Building Services</b>						
004	Savings arising from re-negotiation of the Waste Disposal contract in 2015	No impact - Avoids cuts to services		200,000	200,000	200,000
005	Waste Managers Post deleted	Limited Impact on Service as duties have now been transferred to existing staff		54,000	54,000	54,000
<b>Environment and Climate Change Portfolio Total</b>				<b>254,000</b>	<b>254,000</b>	<b>254,000</b>

## INDICATIVE BUDGET SAVINGS 2020/21

Indicative Savings Proposal				Saving 2020/21 £	Saving 2021/22 £	Saving 2022/23 £
<b>Health, Wellbeing and Social Care Portfolio</b>						
<b>Director of Adult Services</b>						
006	Provision of a robust reablement/rehabilitation service, providing the right reablement focused care at the right time, in the right place to prevent admissions into hospital and more expensive long term care	An effective reablement/rehabilitation service, will provide packages of care to meet the individual needs of the person to enable them to lead independent healthy lives at home. Therefore the outcome for service users is greater independence and more effective support. This preventative approach will avoid more expensive care costs		604,000	604,000	604,000
<b>Health, Wellbeing and Social Care Portfolio Total</b>				<b>604,000</b>	<b>604,000</b>	<b>604,000</b>
<b>Housing Portfolio</b>						
<b>Director of Housing, Neighbourhood &amp; Building Services</b>						
007	Enter into a Power Purchase Agreement for electricity costs with the HRA	No impact - Avoids cuts to services		50,000	50,000	50,000
008	Savings from procurement of Supporting People Contracts	No impact - Avoids cuts to services		57,000	57,000	57,000
009	Disabled Facilities Grant administration provided to Third Parties which can be charged for	No impact - Avoids cuts to services		50,000	50,000	50,000
<b>Housing Portfolio Total</b>				<b>157,000</b>	<b>157,000</b>	<b>157,000</b>
<b>Leader Portfolio</b>						
<b>Director of Regeneration</b>						
010	Additional commercial rental income from the expansion of Dunsbury Business Park	No impact - Avoids cuts to services		270,000	270,000	270,000
011	Property Investment Income - Lakeside	No impact - Avoids cuts to services		386,800	386,800	386,800
<b>Leader Portfolio Total</b>				<b>656,800</b>	<b>656,800</b>	<b>656,800</b>

## INDICATIVE BUDGET SAVINGS 2020/21

Indicative Savings Proposal	Saving 2020/21 £	Saving 2021/22 £	Saving 2022/23 £
-----------------------------	------------------------	------------------------	------------------------

**Resources Portfolio****Director of Corporate Services**

012	Network consolidation and simplification arising from the ongoing implementation of the IT strategy to move to Cloud based services	Improved resilience as the number of supported network lines will reduce from up to three separate lines into a building to one line	5,000	5,000	5,000
013	Reduction in website and hosting licensing costs	No impact - Avoids cuts to services	16,600	16,600	16,600
014	Reduction in Public Relations management software and media monitoring contracts	No impact - Avoids cuts to services	3,600	3,600	3,600
015	Additional income generated through the PortCreative agency model, which sells market research, marketing and communications, design and digital services externally	No impact - Avoids cuts to services	15,000	15,000	15,000
016	Renegotiation of Multi Function Device (MFD) Contract (i.e. photocopier, scanner & printer)	No impact - Avoids cuts to services	54,000	54,000	54,000
017	Phase out VPN two factor authentication (security tokens) and replace with Windows 10 built in solution	No impact - Avoids cuts to services	35,000	35,000	35,000
018	Delete vacant Training and Contract Manager post	No further impact - Avoids cuts to services	54,000	54,000	54,000

**Director of Culture, Leisure & Regulatory Services**

019	Transfer of Coroner service to Hampshire County Council (HCC) and associated change to the cost apportionment between HCC & PCC	No impact - Avoids cuts to services	150,000	150,000	150,000
-----	---	-------------------------------------	---------	---------	---------

**Director of Finance**

020	Increased take up of salary sacrifice scheme for employee Additional Voluntary Contributions (AVC) to their pensions - Employers National Insurance saving	No impact - Avoids cuts to services	5,000	5,000	5,000
021	Revenue & Benefits activity currently undertaken at one area housing office is relocated to the Civic Offices resulting in a reduction in management overhead	Limited impact, customers are using Area Offices less frequently as on-line facilities are available which are more convenient and the Civic Offices are in close proximity	33,000	33,000	33,000
022	Charge the HRA with an equitable apportionment of bank charges. Currently no charge is made to the HRA for banking arrangements	No impact - Avoids cuts to services	46,000	46,000	46,000
023	Reduction in annual insurance premium costs	No impact - Avoids cuts to services	50,000	50,000	50,000
024	Reduce Council Tax discount relating to properties undergoing renovation to nil (From 40%)	Beneficial to local residents as it will encourage building works to proceed efficiently	115,000	115,000	115,000
025	Commencement of the phased increase in the empty homes premium to the maximum permitted by Regulation (i.e. to charge 200% of the Council Tax due on properties that been empty for 5 years or more) - Decision previously approved in February 2019	The premium in itself provides an incentive to property owners to bring properties back into usage	65,000	65,000	65,000

## INDICATIVE BUDGET SAVINGS 2020/21

Indicative Savings Proposal		Saving 2020/21 £	Saving 2021/22 £	Saving 2022/23 £
<b>Director of Public Health</b>				
026 Health Watch contract review	No impact - Avoids cuts to services	4,000	4,000	4,000
<b>Resources Portfolio Total</b>		<b>651,200</b>	<b>651,200</b>	<b>651,200</b>
<b><u>Traffic and Transportation Portfolio</u></b>				
<b>Director of Regeneration</b>				
027 Increase Pay & Display Parking income by an average 1.93%	Discourages the use of cars as the preferred travelling method to enter Portsmouth, whilst not immediately affecting businesses	95,000	95,000	95,000
<b>Traffic and Transportation Portfolio Total</b>		<b>95,000</b>	<b>95,000</b>	<b>95,000</b>
<b>Grand Total</b>		<b>2,500,000</b>	<b>2,500,000</b>	<b>2,500,000</b>



# Agenda Item 14

Agenda item:

**Decision maker:** Cabinet  
City Council

**Subject:** Capital Programme 2019/20 to 2024/25

**Date of decision:** 4<sup>th</sup> February 2020 (Cabinet)  
11<sup>th</sup> February 2020 (City Council)

**Report by:** Director of Finance and Resources & Section 151 Officer

**Wards affected:** All

**Key decision:** Yes

**Budget & policy framework decision:** Yes

---

## 1. Executive Summary

- 1.1 In accordance with the Council's Capital Strategy and Medium Term Financial Strategy the Administration, through these proposals, have prioritised those schemes that meet the Council's statutory responsibilities and those that are most likely to drive cost reduction for the Council, innovation and clean economic growth and productivity for the City.
- 1.2 The Administration's new scheme proposals contained within this report will lead to additional capital investment totalling £68.6m.
- 1.3 The programme has been designed to support the environment and climate change agenda by investing £36.4m into green infrastructure which will deliver quality of life and environmental benefits to the city's residents and visitors. Included in this investment is: £22.2m for the construction of an anaerobic food waste digestion plant; a £10.2m investment to improve air quality through measures which will reduce carbon dioxide and nitrogen dioxide levels within the city; plans for the port to invest £2.9m to enable the installation of wind turbines, conversion from diesel to electric vehicles and a feasibility study and design of a "shore to ship" plug in facility to enable ships to switch off their generators whilst in port. These measures, once implemented, will significantly reduce port related emissions compared to current levels; further investment totalling £1.1m into electric vehicle charging infrastructure; expansion and extension of the food waste recycling pilot; the planting of new trees including street trees & other types of green infrastructure along with measures that will encourage walking and cycling as well as improve the neighbourhood and living environment are also planned.
- 1.4 The programme also supports educational attainment by investing £4.8m into school buildings. Of which £2.8m is to address an urgent need for forty additional places by September 2021 for pupils with complex educational needs. In addition, a contribution of £2m has been made to a phase 2 scheme to address, potential, future demand in

excess of one hundred places across mainstream and special schools over the next three to five years. A further £3.4m is also being invested into council buildings to ensure that they remain fit for purpose including improvements to cultural and leisure facilities totalling £1.3m.

- 1.5 Significant investment into the cultural, leisure and entertainment sectors amounting to £6.7m is planned. This includes an investment in the Kings Theatre and Guildhall totalling £6.4m which will ensure that the cultural and entertainment offer provided by these facilities meets the requirements of 21<sup>st</sup> Century audiences and also assures their financial sustainability into the long term. The programme also includes provision for a feasibility study/outline planning to replace Eastney swimming and phase 1 funding for public realm improvements as the Southsea sea defences scheme proceeds.
- 1.6 A full review of the current IT infrastructure has identified that significant new investment is necessary. Hardware currently deployed is old, increasingly costly to maintain and will require significant ongoing investment to refresh and keep current. In addition, the Council currently operates a single data centre and as a consequence, disaster recovery and overall resilience is limited whilst operating under this approach. It is proposed that the council moves to cloud based infrastructure by investing £6.6m over a three year period in order to achieve both the transformation of the IT function and to ensure that infrastructure is fit for purpose. Failure to adopt a cloud based approach at this time will result in the Council being increasingly vulnerable to significant ongoing operational and financial risk due to increasing obsolescence of the current infrastructure. A move to cloud will result in revenue savings over time as the Council's applications are moved off the data centre and into the cloud. A significant benefit of cloud platforms are their security features which are updated on a regular basis. Currently, the council is dependent on applying a complex suite of security to software that must be maintained, aligned and updated by staff. Implementing cloud based infrastructure also provides climate change benefits and a significant contribution to the Council's aspiration to become carbon neutral by 2030. The Azure cloud platform proposed is already carbon neutral. The energy costs attributed to the data centre currently amount to £66,000 per annum and represents 135 metric tonnes of carbon dioxide emissions per annum.
- 1.7 A further investment of £3.2m to reduce homelessness within the City through the acquisition of new council housing (£1.7m) and transitional accommodation for the homeless (£1.5m) is planned. £1m has also been provided to meet the cost of adaptations to carers' homes, or provide support to move home, to allow more children to be looked after by their extended family, to be adopted or to be fostered by in house foster carers.
- 1.8 As a key enabler of vibrant local communities, the underpinning and enabling of regeneration and the move towards a sustainable future, significant investment continues to be made into the core local transport infrastructure amounting to £1.6m to ensure transport networks are reliable and efficient; improve road and transport safety; manage the adverse impact of transport on the environment, and promote healthier travel.
- 1.9 Finally, spending of £4.8m on major regeneration activities are proposed, including port dredging to ensure the continued viability of port operations and the provision of a city centre co-working space which will be rented to SME's and start-up businesses to

bring employment back into the city centre and support the regeneration of the Commercial Road area.

- 1.10 The Council has the opportunity through its capital programme and borrowing powers to invest in both the regeneration of the City and cost reduction schemes for the Council itself. Capital investment needs and aspirations however, continue to significantly exceed the resources available. Importantly, there are likely to be opportunities throughout the year to lever in additional external capital funding for schemes that have strong potential to be catalytic for economic growth but only if, the Council itself can provide matched funding contributions. As a consequence, to maximise the Capital Investment opportunities for the City, the "Budget & Council Tax 2020/21 & Medium Term Budget Forecast 2021/22 to 2023/24" report, elsewhere on this agenda, proposes that any further underspending, which arises at year end, will also be used to supplement the Capital Resources available for 2020/21 and future years.

## **2. Purpose**

2.1 The purpose of this report is to:

- Summarise the key features of the Capital Strategy approved by the City Council on 19<sup>th</sup> March 2019 "for investment in assets and for obtaining the resources required for that investment"
- Highlight the inter-relationship between the Capital Programme, the Revenue Budget, the Medium Term Financial Strategy and Treasury Management
- Determine the corporate capital resources available including:
  - Adjustments for under and overspendings to the existing approved Capital Programme
  - Update the capital resources available for all new and changed grants, capital receipts, revenue contributions and other contributions
  - The identification of any additional assets which the Administration wishes to declare surplus to requirements
- Seek approval of the overall Capital Programme and "new starts" (including the Housing Investment Capital Programme) for 2020/21 and future years in accordance with the Capital Strategy
- Describe and approve the Prudential Indicators arising from the revised Capital Programme 2019/20 to 2024/25
- Delegate authority to the Section 151 Officer to alter the mix of capital funding to make best use of City Council resources

### 3. Recommendations

3.1 That the following be approved in respect of the Council's Capital Programme:

- 1) The Revised Capital Programme 2019/20 to 2024/25 attached as Appendix 1 which includes all additions, deletions and amendments for slippage and re-phasing described in Sections 6 and 8 be approved
- 2) The Section 151 Officer be given delegated authority to determine how each source of finance is used to fund the overall Capital Programme and to alter the overall mix of financing, as necessary, to maximise the flexibility of capital resources used and minimise the ongoing costs of borrowing to the Council
- 3) That the Section 151 Officer in consultation with the Leader of the Council be given delegated authority to release capital resources held back for any contingent items that might arise, and also for any match funding requirements that may be required of the City Council in order to secure additional external capital funding (e.g. bids for funding from Government or the Solent Local Enterprise Partnership)
- 4) Subject to a satisfactory financial appraisal approved by the Director of Finance and Resources & Section 151 Officer, the following schemes as described in Section 9 and Appendix 2 be reflected within the recommended Capital Programme 2019/20 to 2024/25 and be financed from the available corporate capital resources:

<b>Recommended New Capital Schemes</b>	<b>Corporate Resources Required £</b>	<b>Total Scheme Value £</b>
<b>Community Safety</b>		
Redeployable CCTV Cameras	50,000	50,000
<b>Culture &amp; City Development</b>		
CCTV - Portsmouth Museum & Cumberland House	50,000	50,000
City Museum	195,000	195,000
Farlington Pavilion	170,000	240,000
Portsmouth Watersports Centre	90,000	90,000
Southsea Castle	100,000	100,000
Kings Theatre Regeneration	350,000	4,650,000
Bransbury Park Pavilion	150,000	150,000
Kings Theatre Landlord's Backlog Maintenance Obligations	300,000	300,000
Southsea Common & Town Centres Litter Management	50,000	50,000
New Eastney Swimming Pool - Feasibility / Outline Plan	100,000	100,000
<b>Education</b>		
School Places SEND - Phase 1 & Phase 2	2,000,000	4,768,000
<b>Environment &amp; Climate Change</b>		
Greening the City	100,000	100,000
Anaerobic Digestion Plant	200,000	22,200,000

<b>Recommended New Capital Schemes</b>		<b>Corporate Resources Required £</b>	<b>Total Scheme Value £</b>
	Food Waste Collection (Recycling) - expand by a further round	221,000	221,000
	Southsea Sea Defences - Public Realm Enhancements Phase 1	200,000	200,000
<b>Health, Wellbeing &amp; Social Care</b>			
	Medina House Heating & Cooling System	110,000	110,000
<b>Housing</b>			
	Landlord's Maintenance - Repairs across the whole City Council Estate	2,140,000	2,140,000
	Transitional Accommodation for Homeless - Adaptations to General Fund Property	700,000	700,000
<b>Leader</b>			
	Electrification of Light Goods Vehicles	80,000	100,000
	Living Walls Phase 1	20,000	20,000
	Wind turbines at the Port	800,000	2,700,000
	The Camber Quay - Structural Investigations	50,000	50,000
	Shore to Ship Electric "Plug In" Facility (Feasibility / Design)	75,000	75,000
<b>Resources</b>			
	LAN Access Switches	528,000	528,000
	CISCO Data Centre Switches	60,000	60,000
	Replacement Servers & Storage	945,000	945,000
	Upgrade to Planet Press	650,000	650,000
	Checkpoint Internal Firewall	142,000	142,000
	Enterprise Voice (CISCO IPT)	630,000	630,000
<b>Traffic &amp; Transportation</b>			
	Local Transport Plan 3	835,000	835,000
	Air Quality Improvement	220,000	10,220,000
	Electric Vehicle Charging Infrastructure	76,000	306,000
	Local Cycling and Walking Investment Plan	100,000	100,000
	Continuous Improvements to Neighbourhood Living and Street Environment	100,000	240,000
	Cycle Parking Across the City	25,000	25,000
	One-way Streets and Low Traffic Neighbourhoods	120,000	120,000
	Full Business Case For Extension to Tipner Park & Ride Multi Storey Car Park	500,000	500,000
	Non-PFI Asset Management Register/Plan	100,000	100,000
<b>Total Recommended Sum To Be Approved</b>		<b>13,332,000</b>	<b>54,760,000</b>

- 5) Subject to a satisfactory financial appraisal approved by the Director of Finance and Resources & Section 151 Officer the following schemes as described in Section 10 be funded from Prudential Borrowing up to the amounts shown

	<b>Total Prudential Borrowing £</b>
Anaerobic Digestion Plant	22,000,000
Port - Floating Dock Jetty Dredge	2,000,000
Wind turbines at Port	1,900,000
City Centre Co-working space	450,000
Kings Theatre Regeneration	3,000,000
Guildhall Regeneration	1,700,000
Acquisition of New Council Housing	1,700,000
Transitional Accommodation for Homeless (Adaptations to HRA Property)	800,000
<b>Total Recommended Sum To Be Approved</b>	<b>33,550,000</b>

- 6) Subject to a satisfactory financial appraisal approved by the Director of Finance and Resources & Section 151 Officer the following schemes as described in Section 11 be funded from the MTRS Reserve

<b>Scheme</b>	<b>Total MTRS Funding £</b>
Port - Floating Dock Jetty Dredge	1,000,000
City Centre Co-working space	450,000
Adaptions to Carers' Homes	1,000,000
Applications Upgrade linked to Software Modernisation	250,000
Office 365	820,000
Implementation of Northgate Citizen Access Suite	110,000
Migration to Azure (Cloud Servers)	2,348,000
<b>Total Recommended Sum To Be Approved</b>	<b>5,978,000</b>

- 7) The following Schemes as described in Section 13 be included within the "Reserve List" of Capital Schemes to be considered once additional capital resources are identified

<b>Future Priority Capital Schemes – Not in Priority Order</b>
Additional School Places - Primary & Secondary
Anti-Poverty Projects
Digital Strategy (incl. modernisation of Information Technology systems)
Landlord's Repairs and Maintenance
Local Transport Plan - Road safety and traffic improvement schemes
Local Football Facilities (Park Life)
Sea Defences
Berth 4 Replacement & Jetty Repairs at The Camber Quay
Cathodic Protection at the Hard
Design and Build of 2,000 Space Multi Storey Car Park at the Existing Park & Ride Site

- 8) The Prudential Indicators described in Section 14 and set out in Appendix 3 be approved.

3.2 That the following be noted in respect of the Council's Capital Programme:

- 1) The passported Capital Allocations (Ring-fenced Grants) as set out in Section 7
- 2) That Cabinet Members, in consultation with the Section 151 Officer, have authority to vary Capital Schemes and their associated funding within their Portfolio in order to manage any potential overspending or funding shortfall or to respond to emerging priorities
- 3) As outlined in Section 12 and Appendix 2 the release of £229,000 from the Culture & City Development Portfolio Reserve to fund the following schemes Canoe lake de-silting (£25,000); Parks & Open Spaces Boundary Protection Measures (£10,000); Burfields Road Barns - Demolition (£162,000), Hotwalls Paving Maintenance (£32,000)
- 4) As outlined in Section 12 and Appendix 2 the release of £20,000 from the Leader (Port) Portfolio Reserve towards a £100,000 scheme for the Electrification of Light Goods Vehicles
- 5) The City Council note that Prudential Borrowing can only be used as a source of capital finance for Invest to Save Schemes as described in Sections 8 and 14

#### **4. Background**

4.1 On the 19<sup>th</sup> March 2019 the City Council approved the Capital Strategy 2019/20 - 2028/29. The key features of that strategy, which have been considered in the development of the Administration's Capital Programme proposals, are as follows:

- Contribution to Council Plan / Priorities
- Statutory Obligations
- Financial Appraisal
- Option Appraisal
- Risk and approach to risk - the expected benefits must outweigh the risk
- Any overspendings on approved Capital Schemes being the first consideration for the use of any available capital resources

New Capital Expenditure will be targeted towards income generation and economic growth whilst ensuring the Council's statutory obligations are also met, (e.g. school places). The priority of new capital expenditure will be assessed in accordance with the following capital expenditure criteria:

- Essential to maintain operational effectiveness - including statutory responsibilities
- Essential to preserving and enhancing the natural environment and renewable resources

- Continued drive towards the regeneration of the City - by increasing prosperity through employment and reducing the extent to which the population needs Council services
  - Income Generation - reducing dependency on central government grants
  - Invest to Save - increasing the efficiency and effectiveness of the Council's activity
- 4.2 The Capital Programme fully embraces the revised financial framework for allocating capital resources to new capital schemes. The financial framework approved within the Capital Strategy has evolved from the previous framework based on passporting of funding, to one that is based on pooling resources designed to offer Members greater choice and transparency with the overall aim of delivering better outcomes from the resources available. It seeks to strike the correct balance of allocating capital resources between short and medium term needs and priorities and longer term aspirations, in order to support the delivery of the long term Capital Strategy.
- 4.3 The Administration have focussed a significant proportion of their available Capital Resources towards supporting the environment and climate change agenda by investing into green infrastructure which will deliver quality of life and environmental benefits to the city's residents and visitors.
- 4.4 The next large physical regeneration projects planned by the City Council over the next 5 - 10 years are the seafront development and improvements to transport infrastructure to enable city development and growth. The seafront development includes improvement of sea defences and key sites identified in the Seafront Master Plan. Consistent with this plan, the Council expects to be awarded £107m by The Environment Agency to complete improvements to the sea defences along Southsea Seafront leading to the protection of 8,000 properties from flooding. To unlock the economic potential of the City, the Council will also seek to embark on the first transport phase of a wider project to regenerate the City Centre by improving public transport links between Havant, Waterlooville, Fareham, Gosport and the Isle of Wight.
- 4.5 Other regeneration schemes in the pipeline include housing and employment space developments at Tipner and Horsea under the City Deal Programme and the continued development of a Business Park at Dunsbury Hill Farm.



- 4.6 There remain significant future capital obligations and aspirations. These include schemes such as the following where funding has yet to be identified to meet them in full but which will likely require funding in the short or medium term:

<b>Capital Scheme - Significant Obligation / Aspiration</b>	<b>Unfunded Requirement £m</b>
Additional School Places - Primary & Secondary	0 - 5.0
Anti-Poverty Projects	0.4
Digital Strategy (incl. modernisation of Information Technology systems)	1.5 - 2.0
Landlord's Repairs and Maintenance	2.0 - 3.5
Local Transport Plan - Road safety and traffic improvement schemes	1.5 - 2.0
Local Football Facilities (Park Life)	2.0 - 4.0
Sea Defences	0 - 25.0
Berth 4 Replacement & Jetty Repairs at The Camber Quay	4.8 - 5.5
Cathodic Protection at the Hard	1.3 - 2.0
Design and Build of 2,000 Space Multi Storey Car Park at the Existing Park & Ride Site	31.0 - 33.0
<b>Total Funding Requirement</b>	<b>44.5 - 82.4</b>

- 4.7 The scale of the funding required for these obligations and aspirations is such that it far outstrips the annual capital grant funding, capital receipts and CIL contributions that the Council receives (circa £7m per annum) plus any Government funding which may be available for school places. With potentially available capital funding of £7m versus core obligations and aspirations of between £44.5m to £82.4m of Capital Investment, there is a hugely significant shortfall ("Capital Gap") to be met.
- 4.8 Given that some of this Capital investment is likely to have a transformational effect on both the City's growth and its role in addressing the challenge of climate change, there is a recommendation elsewhere on this agenda, to transfer any further underspending in 2019/20 arising at the year-end (outside of those made by Portfolios) to Capital Resources in order to provide funding for both the Council's statutory obligations and also to transform the City's growth potential.

## **5. Considerations in Formulating the Revised & Future Capital Programme**

- 5.1 In considering the revised Capital Programme for 2019/20 and the future Capital Programme for 2020/21 to 2024/25, the following factors have been taken into account:
- The Medium Term Financial Strategy with its bias towards innovative activities and driving regeneration
  - The Council's Capital Strategy, which informs the capital investment needs, priorities and aspirations of the Council
  - Any over or underspending against approved capital schemes

- The priority and immediacy of new capital schemes and the revenue impacts of those capital schemes
  - The availability of capital resources and the potential risks associated with those capital resources being realised
  - The inter-relationship with the Revenue Budget, in particular the additional revenue costs/savings associated with the proposed new capital schemes
  - The effective exclusion of the use of Prudential Borrowing, except for Invest to Save Schemes, arising from the unaffordability of its associated borrowing costs
- 5.2 To determine the capital resources available, all capital funding sources have been reviewed. This review covered all of the resources anticipated to be available over the medium term. In assessing the level of anticipated capital resources available, a prudent and responsible approach has been taken and only those resources that have a high degree of certainty and that are likely to be available within a reasonable time frame have been included.
- 5.3 In determining the capital resources available, an amount has been retained as a contingency: to mitigate the risk of capital receipts, Community Infrastructure Levy and Government Grants being lower than expected; to meet unavoidable increases in costs to approved schemes; as a source of finance to attract match funding from external capital grants that may become available, and as a funding source for small scale capital schemes that arise after the capital programme has been approved.

## **6. Revised Capital Programme – 2019/20 to 2024/25**

- 6.1 Since the revised Capital Programme 2018/19 to 2023/24 was approved in February 2019, other schemes that have not required corporate capital resources have been added to the recommended Capital Programme shown in Appendix 1. These schemes have been funded from sources such as Specific Grants, Contributions or other scheme specific capital resources.
- 6.2 The Capital Programme approved in February 2019 (incorporating the Housing Investment Programme) has been further revised to reflect additions, changes, under and overspendings, slippage and revised phasing of capital schemes. Further details of these changes are set out in Section 8. The revised capital programme for 2019/20 and beyond is attached at Appendix 1 and is recommended for approval.

## **7. Passported Capital Allocations (Grants)**

- 7.1 Set out below is the current position on all new ring-fenced Grant Allocations for 2019/20. The allocation is passported directly to the relevant Portfolio/Board so that they can be applied in accordance with the conditions for their use.

<b>Grant</b>	<b>Grant Description</b>	<b>Allocation £</b>
<b>Children's &amp; Education Services:</b>		
Devolved Formula	Devolved Formula Capital Grant (DFCG) is a grant that allocates capital funding to schools. The grant is used to fund capital improvements/maintenance, remodelling and/or new build. (announcement of 2020/21 is awaited)	159,800
<b>Health &amp; Wellbeing Board:</b>		
Disabled Facilities Grant	To be allocated in accordance with the arrangements for the distribution of the Better Care Fund (announcement of 2020/21 is awaited)	1,682,300
<b>Total</b>		<b>1,842,100</b>

## 8. Forecast of Corporate Capital Resources (Non Passported) 2019/20 & Beyond

8.1 The forecast of corporate capital resources (i.e. non passported sources of finance) available to the City Council for new capital schemes comprise the following and are described in more detail in the paragraphs below:

- Contributions to the "Corporate Pool" of all non ring-fenced capital grants from Government, commonly referred to as the "Single Capital Pot" allocations
- The anticipated balance on the Revenue Reserve for Capital
- Changes to the existing Capital Programme - additions or deductions for any changes in the costs or funding requirements associated with the existing capital programme
- Any allowances for Prudential Borrowing
- The forecast value of additional capital receipts taking into account:
  - New assets declared surplus to requirements
  - Any increase or decrease in the estimated value of existing assets to be disposed of
  - Any requirements to provide for affordable housing, parking or any other conditions which could have a significant impact on the disposal value and other costs associated with disposal
- Other Corporate Capital Grants & Contributions e.g. Community Infrastructure Levy
- Any Revenue Contributions to Capital

Contributions to the Corporate Pool including the “Single Capital Pot” allocations

- 8.2 The Council receives allocations of capital funding each year under the guise of the “Single Capital Pot”. The “Single Capital Pot” is not a grant or capital allocation in itself but is a term used to define all non ring-fenced Government Grants.
- 8.3 The Single Capital Pot is intended to be a non ring-fenced source of finance and available for directing towards the priorities of the Authority. In practice however, the Single Capital Pot allocations are notified to individual Authorities in terms of the amounts that each Government Department has contributed. Furthermore, those Government Departments have an expectation that the amounts that they have allocated to each Authority will be directed towards their services. If these sums are not spent in the areas to which they are allocated, it is possible that future allocations could be jeopardised. This practice is contradictory to the principles of both the Single Capital Pot and the Council’s Capital Strategy that is now in place.
- 8.4 In addition, there are other non ring-fenced sources of capital funding that are Corporately Pooled such as:
- Capital Receipts from the Sale of Council Houses
  - Capital Receipts from the Sale of other HRA Assets
- 8.5 The allocations which were previously passported directly to Portfolios and which now contribute towards the “Corporate Pool” as part of the overall sum of Capital Resources available are as follows:

<b>Contributions to Corporately Pooled Resources</b>	<b>Full Year Grant Allocation £'000's</b>	<b>Grant Allocated in Previous Years £'000's</b>	<b>Available Resources To Be Pooled £'000's</b>
<b>Education</b>			
LA Basic Need			
2019/20	2,283	(2,283)	0
2020/21	12,925	(12,925)	0
Capital Maintenance			
2019/20	736	(736)	0
2020/21	736	(736)	0
<b>Housing</b>			
Housing Capital Receipts			2,168
<b>Traffic &amp; Transportation</b>			
Local Transport Plan (Integrated Transport)			
2019/20	1,851	(1,851)	0
2020/21	1,851	0	1,851
<b>CIL</b>			3,177
<b>Total Contribution to Corporate Pool</b>			<b>7,196</b>

8.6 It should be noted that:

- the maintenance element of the Local Transport Plan (LTP) has not been pooled and is earmarked to fund part of the Unitary Charge paid to Ensign under the Highways PFI contract. This amounts to £1.151m in 2020/21. The Council has not yet been notified whether an allocation from the Pothole Action Fund will be received in 2020/21, however any award will also be earmarked to fund the Unitary Charge paid to Ensign.
- that the Administration, in a previous, year has relied on all of the LA Basic Need Grant for the year 2020/21 to fund scheme proposals for additional school places required over the medium term.

#### Revenue Reserve for Capital & Revenue Contributions to Capital

- 8.7 The Revenue Reserve for Capital has been built up over a number of years from Revenue Contributions to finance capital schemes and as at 31<sup>st</sup> March 2019 stood at £36.2m. Sums are transferred into this reserve in advance and then drawn from the reserve once the capital expenditure is incurred.
- 8.8 The balance on the Revenue Reserve for Capital and Revenue Contributions from/to this reserve have been taken into account in arriving at the overall level of capital resources available.

#### Changes to the Existing Capital Programme

- 8.9 In arriving at the overall level of capital resources available, the current approved Capital Programme has been reviewed and amended, in accordance with the approved Capital Strategy, for under and overspending plus any adjustments for additions to, or shortfalls in estimated funding. These adjustments are reflected in the proposed Capital Programme at Appendix 1. The more significant amendments to the existing Capital Programme are set out below:

##### Underspendings:

- Southsea Seafront Investment D-Day 75
- Reconfiguration of Corben Lodge
- Eastern Road Waterbridge

##### Overspendings / Funding Shortfalls:

- Children's Case Management Software Replacement
- Additional Special School Places - The Lantern
- Oakdene SJH Purchase & Remodelling
- Development of Cruise & Ferry Port
- Local Full Fibre Network Project
- Angelsea Road Footbridge
- Central Corridor

#### In Year Additions:

- Capital Grants for Disabled Looked After Children
- EC Roberts Centre Refurbishment Loan
- Lakeside North Harbour
- Portico Crane (Leased Plant & Equipment)
- Anodes
- Transforming Cities Fund
- Dunsbury Hill Farm Plot 5a
- Safer Roads Scheme

8.10 The funding required to finance the overall recommended Capital Programme attached at Appendix 1 plus the changes described in this Section and Sections 6 and 7 have been fully taken into account in arriving at the capital resources available.

#### Prudential Borrowing

8.11 Prudential Borrowing is what was formerly known as “unsupported borrowing” and means that the Government does not provide any revenue support through Government Grant for the repayment of that debt (neither principal nor interest). The City Council therefore, must fund all of the repayments associated with this type of borrowing. There are strict rules governing the use of Prudential Borrowing around the concepts of Affordability, Sustainability and Prudence. Thus far, the City Council has only been able to utilise Prudential Borrowing for Invest to Save Schemes where there is a demonstrable case that the capital expenditure incurred will result in savings that at least cover either the cost of borrowing or, alternatively, where other savings can be made to cover those borrowing costs.

#### Capital Receipts

8.12 In forecasting the level of Capital Resources available to the City Council over the medium term, the following core assumptions have been made:

- Capital receipts have only been assumed for the disposal of assets that have been approved by Members
- Capital receipts are only assumed where they are expected to be realised within a reasonable timeframe since there are inherent risks associated with changing circumstances over longer time periods
- Some of the more significant capital receipts being relied upon to fund the current capital programme include:
  - Revisions to reflect the current financial conditions in the property market

#### Corporate (Non ring-fenced Capital Grants)

8.13 The Capital Programme also relies upon other non ring fenced Capital Grants

## Summary of Total Available Capital Resources

- 8.14 Taking all of the above factors into account, as well as making some contingency provision for contractual disputes, likely match funding contributions for funding bids and other potential costs, the Capital Resources available at this time are as follows:

<b>CORPORATE CAPITAL RESOURCES AVAILABLE</b>	<b>£'000s</b>
Corporate Capital Resources (including "Pooled Resources")	13,212
<b>Add:</b> Funds Released from Uncommitted Schemes	120
<b>Total Corporate Capital Resources Available</b>	<b>13,332</b>

## **9. Priority Capital Schemes – 2020/21 & Beyond (Corporate Resources)**

- 9.1 The programme has been specifically designed to support the environment and climate change agenda which will deliver quality of life and environmental benefits to the city's residents and visitors. These measures include expansion and extension of the food waste recycling scheme to up to 9,000 additional properties; the installation of up to 9 wind turbines at the Port; a programme of measures to improve air quality which will reduce carbon dioxide and nitrogen dioxide levels across the City; the electrification of Port light goods vehicles and expansion of the electric vehicle charging infrastructure; the planting of new trees including street trees and other types of green infrastructure and measures which will encourage walking and cycling and improve the neighbourhood and living environment. The value of these environmental proposals total £36.4m of which £2.1m will be funded from corporate resources.
- 9.2 The programme also supports educational attainment by investing £4.8m into school buildings. Of which £2.8m is to address an urgent need for forty additional places by September 2021 for pupils with complex educational needs. In addition a contribution of £2m has been made to a phase 2 scheme to address, potential, future demand in excess of one hundred places across mainstream and special schools over the next three to five years.
- 9.3 The Administration also plan to support some of the most vulnerable people within the community by investing corporate resources into transitional accommodation for homeless families and the acquisition of 5 redeployable CCTV cameras to compliment the fixed cameras already deployed across the City to help prevent and tackle crime and disorder.
- 9.4 A full review of the current IT infrastructure has identified that significant new investment is necessary. Hardware currently deployed is old, increasingly costly to maintain and will require significant ongoing investment to refresh and keep current. In addition the council currently operates a single data centre and as a consequence, disaster recovery and resilience is limited whilst operating under this approach. It is proposed that the council moves to cloud based infrastructure by investing £6.6m over a three year period of which £3.0m will be funded from corporate resources in

order to achieve both the transformation of the IT function and to ensure that infrastructure is fit for purpose. Failure to adopt a cloud based approach at this time will result in the council being increasingly vulnerable to significant ongoing operational and financial risk due to increasing obsolescence of the current infrastructure. A move to cloud will result in revenue savings over time as the council's applications are moved off the data centre and into the cloud. A significant benefit of cloud platforms are their security features which are updated on a regular basis. Currently, the council is dependent on applying a complex suite of security to software that must be maintained, aligned and updated by staff. Implementing cloud based infrastructure also provides climate change benefits and a significant contribution to the council's aspiration to become carbon neutral by 2030. The Azure cloud platform proposed is already carbon neutral. The energy costs attributed to the data centre currently amount to £66,000 per annum and represents 135 metric tonnes of carbon dioxide emissions per annum.

- 9.5 Significant investment into other core services such as transportation and leisure services are planned, including: continued investment in transport networks to ensure they are reliable and efficient; improve road and transport safety; manage the adverse impact of transport on the environment and promote healthier travel. Funding for feasibility and design work is included for a new Eastney swimming pool along with funding provision for phase 1 public realm improvements to compliment the sea defence works planned in Southsea, investment in leisure facilities including football facilities and associated changing facilities, repair works to Southsea Castle along with significant backlog maintenance works at the Kings Theatre are also planned.
- 9.6 As described in Section 8, the Administration have “stretched” the Capital Resources available by relying on future years’ capital grant allocations. The consequence, therefore, of delivering these high impact schemes is to reduce the resources that would otherwise be available in future years. The Administration considers that this is the best way of utilising capital resources in accordance with the Capital Strategy.
- 9.7 At this time, the Administration is recommending the allocation of £13.3m to the following new capital schemes, which it deems to be of particular importance to the delivery of its Capital Strategy:

<b>Capital Scheme</b>	<b>Capital Strategy - Portsmouth's Vision &amp; Corporate Plan Delivering Our five priorities</b>	<b>Corporate Resources Required £</b>	<b>Total Scheme Value £</b>
Redeployable CCTV Cameras	Make our city cleaner, safer and greener	50,000	50,000
CCTV - Portsmouth Museum & Cumberland House	encourage regeneration built around our city's thriving culture, making Portsmouth a great place to live, work and visit	50,000	50,000
City Museum	Make Portsmouth a great place to live, learn and play, so our children and young people are safe, healthy and positive about their futures	195,000	195,000
Farlington Pavilion	Make Portsmouth a great place to live, learn and play, so our children and young people are safe, healthy and positive about their futures	170,000	240,000



<b>Capital Scheme</b>	<b>Capital Strategy - Portsmouth's Vision &amp; Corporate Plan Delivering Our five priorities</b>	<b>Corporate Resources Required £</b>	<b>Total Scheme Value £</b>
Portsmouth Watersports Centre	encourage regeneration built around our city's thriving culture, making Portsmouth a great place to live, work and visit	90,000	90,000
Southsea Castle	encourage regeneration built around our city's thriving culture, making Portsmouth a great place to live, work and visit	100,000	100,000
Kings Theatre Regeneration	Make Portsmouth a great place to live, learn and play, so our children and young people are safe, healthy and positive about their futures	350,000	4,650,000
Bransbury Park Pavilion	encourage regeneration built around our city's thriving culture, making Portsmouth a great place to live, work and visit	150,000	150,000
Kings Theatre Landlord's Backlog Maintenance Obligations	Make our city cleaner, safer and greener	300,000	300,000
Southsea Common & Town Centres Litter Management	Make Portsmouth a great place to live, learn and play, so our children and young people are safe, healthy and positive about their futures	50,000	50,000
New Eastney Swimming Pool - Feasibility / Outline Plan	Encourage regeneration built around our city's thriving culture, making Portsmouth a great place to live, work and visit	100,000	100,000
School Places SEND - Phase 1 & Phase 2	Make Portsmouth a great place to live, learn and play, so our children and young people are safe, healthy and positive about their futures	2,000,000	4,768,000
Greening the City	Make our city cleaner, safer and greener	100,000	100,000
Anaerobic Digestion Plant	Make our city cleaner, safer and greener	200,000	22,200,000
Food Waste Collection (Recycling) - expand by a further round	Make our city cleaner, safer and greener	221,000	221,000
Southsea Sea Defences - Public Realm Enhancements Phase 1	Make Portsmouth a great place to live, learn and play, so our children and young people are safe, healthy and positive about their futures	200,000	200,000

<b>Capital Scheme</b>	<b>Capital Strategy - Portsmouth's Vision &amp; Corporate Plan Delivering Our five priorities</b>	<b>Corporate Resources Required £</b>	<b>Total Scheme Value £</b>
Medina House Heating & Cooling System	Make Portsmouth a great place to live, learn and play, so our children and young people are safe, healthy and positive about their futures	110,000	110,000
Landlord's Maintenance - Repairs across the whole City Council Estate	Make our city cleaner, safer and greener; Make Portsmouth a great place to live, learn and play, so our children and young people are safe, healthy and positive about their futures	2,140,000	2,140,000
Transitional Accommodation for Homeless - Adaptations to General Fund Property	Make Portsmouth a city that works together, enabling communities to thrive and people to live healthy, safe and independent lives	700,000	700,000
Electrification of Light Goods Vehicles	Make our city cleaner, safer and greener	80,000	100,000
Living Walls Phase 1	Make our city cleaner, safer and greener	20,000	20,000
Wind Turbines at the Port	Make our city cleaner, safer and greener	800,000	2,700,000
The Camber Quay - Structural Investigations	Encourage regeneration built around our city's thriving culture, making Portsmouth a great place to live, work and visit	50,000	50,000
Shore to Ship Electric "Plug In" Facility (Feasibility / Design)	Make our city cleaner, safer and greener	75,000	75,000
LAN Access Switches	Make our city cleaner, safer and greener; Make sure our council is a caring, competent and collaborative organisation that puts people at the heart of everything we do	528,000	528,000
CISCO Data Centre Switches	Make our city cleaner, safer and greener; Make sure our council is a caring, competent and collaborative organisation that puts people at the heart of everything we do	60,000	60,000

<b>Capital Scheme</b>	<b>Capital Strategy - Portsmouth's Vision &amp; Corporate Plan Delivering Our five priorities</b>	<b>Corporate Resources Required £</b>	<b>Total Scheme Value £</b>
Replacement Servers & Storage	Make our city cleaner, safer and greener; Make sure our council is a caring, competent and collaborative organisation that puts people at the heart of everything we do	945,000	945,000
Upgrade to Planet Press	Make our city cleaner, safer and greener; Make sure our council is a caring, competent and collaborative organisation that puts people at the heart of everything we do	650,000	650,000
Checkpoint Internal Firewall	Make our city cleaner, safer and greener; Make sure our council is a caring, competent and collaborative organisation that puts people at the heart of everything we do	142,000	142,000
Enterprise Voice (CISCO IPT)	Make our city cleaner, safer and greener; Make sure our council is a caring, competent and collaborative organisation that puts people at the heart of everything we do	630,000	630,000
Local Transport Plan 3	Make our city cleaner, safer and greener	835,000	835,000
Air Quality Improvement	Make our city cleaner, safer and greener	220,000	10,220,000
Electric Vehicle Charging Infrastructure	Make our city cleaner, safer and greener	76,000	306,000
Local Cycling and Walking Investment Plan	Make our city cleaner, safer and greener	100,000	100,000
Continuous Improvements to Neighbourhood Living and Street Environment	Make our city cleaner, safer and greener	100,000	240,000
Cycle Parking Across the City	Make our city cleaner, safer and greener	25,000	25,000
One-way Streets and Low Traffic Neighbourhoods	Make our city cleaner, safer and greener	120,000	120,000

<b>Capital Scheme</b>	<b>Capital Strategy - Portsmouth's Vision &amp; Corporate Plan Delivering Our five priorities</b>	<b>Corporate Resources Required £</b>	<b>Total Scheme Value £</b>
Full Business Case For Extension to Tipner Park & Ride Multi Storey Car Park	Make our city cleaner, safer and greener; encourage regeneration built around our city's thriving culture, making Portsmouth a great place to live, work and visit	500,000	500,000
Non-PFI Asset Management Register/Plan	Make our city cleaner, safer and greener; encourage regeneration built around our city's thriving culture, making Portsmouth a great place to live, work and visit	100,000	100,000
		<b>13,332,000</b>	<b>54,760,000</b>

9.8 The proposed Capital Schemes recommended for approval are described in more detail in Appendix 2 and set out:

- Description of the Scheme and its key aims
- The total cost of the scheme including funding from other sources
- The net cost of the scheme to be funded from Corporate Capital Resources
- Any additional on-going revenue costs/savings associated with the scheme

## 10. New Capital Schemes To Be Funded From Prudential Borrowing

10.1 The following schemes meet the Prudential Borrowing Criteria outlined at paragraph 8.11 and it is recommended that prudential borrowing up to the limit shown for each scheme is approved.

<b>Capital Scheme</b>	<b>Capital Strategy - Portsmouth's Vision &amp; Corporate Plan Delivering Our five priorities</b>	<b>Prudential Borrowing Required £</b>
Anaerobic Digestion Plant	Make our city cleaner, safer and greener	22,000,000
Port - Floating Dock Jetty Dredge	Make our city cleaner, safer and greener	2,000,000
Wind Turbines at the Port	Make our city cleaner, safer and greener	1,900,000
City Centre Co-working space	Encourage regeneration built around our city's thriving culture, making Portsmouth a great place to live, work and visit	450,000

<b>Capital Scheme</b>	<b>Capital Strategy - Portsmouth's Vision &amp; Corporate Plan Delivering Our five priorities</b>	<b>Prudential Borrowing Required £</b>
Kings Theatre Regeneration	Encourage regeneration built around our city's thriving culture, making Portsmouth a great place to live, work and visit	3,000,000
Guildhall Regeneration	Encourage regeneration built around our city's thriving culture, making Portsmouth a great place to live, work and visit	1,700,000
Acquisition of New Council Housing	Make Portsmouth a great place to live, learn and play, so our children and young people are safe, healthy and positive about their futures	1,700,000
Transitional Accommodation for Homeless (Adaptations to HRA Property)	Encourage regeneration built around our city's thriving culture, making Portsmouth a great place to live, work and visit	800,000
		<b>33,550,000</b>

10.2 There is an expected prudential borrowing investment requirement for an Anaerobic Digestion Plant to enable additional recycling facilities for food waste. Approval of Prudential Borrowing totalling £22m is dependent upon the satisfactory conclusion of a feasibility study, site selection and a full business case approved by the Director of Finance and Resources & Section 151 Officer.

10.3 Prudential borrowing totalling £4.7m is also recommended to enable the regeneration of the Kings Theatre and Guildhall to enable these venues to meet the requirements of 21<sup>st</sup> Century audiences and also assure their financial sustainability into the long term. This borrowing is subject to a satisfactory financial appraisal approved by the Director of Finance and Resources & Section 151 Officer and the conclusion of legal terms with the respective operators of these venues acceptable to the City Solicitor.

## **11. New Capital Schemes To Be Funded From The MTRS Reserve**

11.1 Subject to a satisfactory financial appraisal approved by the Director of Finance & Resources & Section 151 Officer it is proposed that seven schemes receive funding via the MTRS Reserve as follows:

- An investment of £3m is planned to enable dredging next to the former floating dock jetty which will ensure sufficient depth is available for large ships calling at the Port and Portico to navigate the channel. As a consequence it is proposed that £1m of this investment is met from the MTRS Reserve as it will secure long term income streams at both the Port and Portico.

- Creation of city centre co-working office space on the first floor of the site formerly occupied by Marks & Spencer in Commercial Road is estimated to cost £1.8m. It is proposed that £450,000 is met from the MTRS Reserve.
- An investment of £1m is proposed to provide either adaptations for carers' homes or support to move home, to allow children to be looked after by either their extended family, to be adopted or to be fostered by in house foster carer. This will deliver estimated savings of £800,000 per annum relating to Looked After Children.
- Following database and hardware upgrades it is necessary to also update the applications that operate on these databases and hardware platforms. It is proposed this cost totalling £250,000 is met from the MTRS Reserve as the investment avoids additional costs that would otherwise arise.
- Replacement of the Council's 'MS Office' Software with 'Office 365' is estimated to cost £820,000, it is proposed that this cost is met from the MTRS Reserve as the investment avoids additional costs that would arise if the council continued to operate 'MS Office'
- Implementation of Northgate Citizen Access Software Suite is estimated to cost £180,000. It is proposed that £110,000 is met from the MTRS Reserve as it is expected to result in future savings of £30,000 per annum.
- Migration to Azure (Cloud Servers) is estimated to cost £2,348,000. Migration to Cloud Servers avoids significant additional costs compared to maintaining the server estate on-premis in the medium term. It is therefore proposed that this investment cost is met from the MTRS Reserve.

## **12. New Capital Schemes to be Funded From Portfolio Reserve**

- 12.1 City Council note an investment of £229,000 from the Culture & City Development Portfolio Reserve to undertake Parks & Open Space Boundary Protection Measures (£10,000); to demolish barns at Burrfields Road (£162,000); de-silting of Canoe Lake (£25,000) and Paving Maintenance at the Hotwalls (£32,000), as set out in more detail in Appendix 2.
- 12.2 City Council note a contribution of £20,000 from the Leader (Port) Portfolio Reserve towards an investment of £100,000 for the replacement of diesel light goods vehicles with electrically powered light goods vehicles at the port, as set out in more detail in Appendix 2.

## **13. Future Priority Capital Schemes**

- 13.1 In addition to the Capital Investment proposals described above, the Administration is keen to plan a path ahead in accordance with the Capital Strategy and set out their future proposals for Capital Investment once further Capital Resources become available. The Administration's proposals are set out below:

<b>Future Priority Capital Schemes – Not in Priority Order</b>
Additional School Places - Primary & Secondary
Anti-Poverty Projects
Digital Strategy (incl. modernisation of Information Technology systems)
Landlord's Repairs and Maintenance
Local Transport Plan - Road safety and traffic improvement schemes
Local Football Facilities (Park Life)
Sea Defences
Berth 4 Replacement & Jetty Repairs at The Camber Quay
Cathodic Protection at the Hard
Design and Build of 2,000 Space Multi Storey Car Park at the Existing Park & Ride Site

#### 14. Prudential Borrowing and Prudential Indicators

14.1 Prudential Borrowing is a potential source of capital finance under the Local Government Act 2003. This requires that Local Authorities comply with the Prudential Code for Capital Finance. The key objective of the Prudential Code is to ensure that the capital investment plans of local authorities are Affordable, Prudent and Sustainable. The Prudential Code sets out a clear governance procedure for those matters that the Authority must have regard to as follows:

- **Affordability** e.g. implications for Council Tax and Council housing rents
- **Prudence and Sustainability** e.g. implications of external borrowing
- **Value for money** e.g. options appraisal
- **Stewardship of assets** e.g. asset management planning
- **Service objectives** e.g. strategic planning for the authority
- **Practicality** e.g. achievability of the forward plan

14.2 Prudential Borrowing requires that the capital investment of the Authority remains within sustainable limits and that the revenue consequences, including both debt financing and other revenue costs, are affordable over the long term. In considering the affordability of its Capital plans, the Authority must consider all of the resources currently available to it and estimated for the future, together with the totality of its capital plans, revenue income and revenue expenditure forecasts for the forthcoming year and the following two years as a minimum. The Authority is also required to consider known significant variations beyond this timeframe and pay due regard to risk and uncertainty.

14.3 Current forecast revenue deficits amount to £2.6m in 2020/21, £2.2m in 2021/22, £3.8m in 2022/23 and £3.0m in 2023/24. This means that until such time as the Council is able to balance its budget over the medium term, it is unable to demonstrate that it can afford any additional borrowing costs over that period and therefore cannot demonstrate compliance with the affordability test of the Prudential Code. Prudential Borrowing is available however, for Invest to Save Schemes.

14.4 The Secretary of State has reserve powers to impose regulations on Local Authorities if it feels that an Authority is either not compliant with the code or if it is in the national economic interest. These reserve powers include:

- National Borrowing Limits – if there are national economic reasons
- Borrowing Limits for an individual Authority
- Limits set either nationally or locally for different kinds of borrowing
- Any headroom that a Local Authority has under National Borrowing Limits that may be transferred between Authorities

14.5 The Prudential Indicators of the Council are determined largely from its Capital Investment decisions. The 4 indicators are presented in Appendix 3 for approval. In summary, the Council's indicators illustrate that its current Capital Programme is affordable. Further details setting out what each indicator shown in Appendix 3 represents is set out below

#### Ratio of Financing Costs to Net Revenue Stream

This indicator shows the proportion of the net revenue stream (i.e. the Councils Revenue Budget) that is attributable to the cost of financing capital expenditure.

#### Capital Financing Requirement (CFR)

Represents the Council's underlying need to borrow to fund current and future capital expenditure. The CFR arises directly from the capital activities of the Council and the resources applied to fund that capital activity. The CFR represents the unfinanced element of capital expenditure and is the difference between the value of total fixed assets on the balance sheet and the Revaluation Reserve and Capital Adjustment Account.

The Council's underlying need to borrow to finance its current and future capital expenditure (i.e. its Capital Financing Requirement) is increasing, primarily as a result of planned commercial property investments but will ultimately reduce as provision is made to repay debt.

#### Housing Revenue Account (HRA) Limit on Indebtedness

Represents the limit on the level of borrowing that the Council can take on in respect of the HRA.

#### Authorised Limit for External Debt & Operational Boundary for External Debt

The Council's Limit for External Debt, recommended for 2020/21, should be broadly equivalent to its underlying need to borrow (described above) but should allow for a little headroom in excess of it. This has been set accordingly. Furthermore, the Operational Boundary for external debt serves as an early warning tool to highlight whether the External Limit is nearing a breach. This therefore, is set at the level to which external debt is more likely to be.



## **15. Conclusion**

- 15.1 The Capital Programme and new capital schemes recommended as part of this report attempt to strike the right balance between meeting the short and medium term needs and priorities of the Council and the longer term aspirational vision for the City. It is complimentary and intertwined with the Council's Revenue Budget proposals to deliver a substantial package of Capital Investment that supports the delivery of the Council's Medium Term Financial Strategy, its Capital Strategy and other key service strategies.
- 15.2 As a whole, the Capital Programme is designed to make a meaningful contribution towards the improving the environment and climate change, drive clean economic growth, support schools in their pursuit of improved educational attainment, protect the vulnerable, enhance the cultural experience of the city and generate savings and income for the Council in order to protect essential services from future cuts.
- 15.3 This programme also sets out the future Capital Investment agenda for the Council. It looks beyond the coming year and uses a financial framework for allocating capital resources based on the concept of pooling non-ring fenced resources so that there is greater transparency and choice for new capital investment with greater opportunity for enhanced outcomes for residents.

## **16. Integrated Impact Assessment**

- 16.1 This Capital Programme earmarks sums for future capital schemes. Prior to the commencement of any capital scheme, a report and financial appraisal on that scheme will be approved either by the Portfolio Holder, the Cabinet or the City Council and at that time an Integrated Impact Assessment will be undertaken.

## **17. City Solicitor's Comments**

- 17.1 The City Solicitor has confirmed that it is within the City Council's powers to approve the recommendations set out above.

## **18. S.151 Officer's Comments**

- 18.1 All of the financial information is reflected in the body of the report and the Appendices.

---

**Chris Ward**

**Director of Finance and Resources & Section 151 Officer**

**Background List of documents –**

**Section 100D of the Local Government Act 1972**

**The following documents disclose facts or matters which have been relied upon to a material extent by the author in preparing this report –**

<i>Title of document</i>	<i>Location</i>
Capital 2020/21	Office of Deputy Director of Finance
Capital Strategy 2019/20 – 2028/29	Council's Web Site

The recommendations set out above were approved/ approved as amended/ deferred/ rejected by the City Council on 11<sup>th</sup> February 2020

**Signed:** .....

**CAPITAL  
PROGRAMME  
&  
FINANCING**

**2019/20 - 2024/25**

This page is intentionally left blank

Summary of Capital Programme (All Services)	Expenditure to 31 March 19 £	Revised Estimate 2019/20 £	Estimate 2020/21 £	Estimate 2021 / 22 £	Estimate 2022 / 23 £	Estimate 2023 / 24 £	Estimate 2024 / 25 £	Expenditure in Subsequent Years £	Final Cost £
Children & Families	1,366,107	2,199,331	992,535	547,750	0	0	0	0	5,105,723
Community Safety	437,145	231,433	50,000	0	0	0	0	0	718,578
Culture & City Development	18,647,776	5,607,312	7,456,515	2,239,000	3,850,000	0	0	172,240	37,972,843
Education	52,114,412	19,298,258	11,153,772	4,640,560	2,122,520	0	0	0	89,329,522
Environment & Climate Change	25,499,830	9,894,618	30,667,056	62,216,021	25,013,938	25,435,500	26,472,830	5,282,000	210,481,793
Health, Wellbeing & Social Care	4,820,898	2,708,414	6,390,000	2,855,800	3,210,000	0	0	0	19,985,112
Leader	316,850,153	192,779,863	98,596,589	25,081,950	20,206,372	0	0	0	653,514,927
Commercial Port	18,796,509	6,410,772	13,082,000	8,205,895	2,930,000	0	0	0	49,425,176
Resources	18,194,253	8,097,040	19,138,150	5,107,000	853,000	550,000	475,000	2,268,264	54,682,707
Traffic & Transport	61,688,292	15,853,316	16,861,350	7,284,682	4,008,173	5,935,404	5,935,404	14,040,646	131,607,267
<b>Total Capital Programme (Excluding Housing Investment Programme)</b>	<b>518,415,375</b>	<b>263,080,357</b>	<b>204,387,967</b>	<b>118,178,658</b>	<b>62,194,003</b>	<b>31,920,904</b>	<b>32,883,234</b>	<b>21,763,150</b>	<b>1,252,823,648</b>
Housing Investment Programme	239,658,512	35,652,144	72,549,871	59,512,062	53,620,856	56,159,687	51,015,416	31,268,275	599,436,823
<b>Total Capital Programme</b>	<b>758,073,887</b>	<b>298,732,501</b>	<b>276,937,838</b>	<b>177,690,720</b>	<b>115,814,859</b>	<b>88,080,591</b>	<b>83,898,650</b>	<b>53,031,425</b>	<b>1,852,260,471</b>
<b>Analysis of Programme by Source of Finance</b>									
Supported Borrowing		187,164,051	71,200,186	56,257,914	32,240,201	21,023,180	16,955,063	2,268,264	387,108,858
Corporate Reserves (Including Capital Receipts)		17,169,992	27,599,003	8,129,265	6,340,999	3,919,937	3,869,937	888,089	67,917,223
Revenue & Reserves		26,806,398	44,347,441	47,586,700	44,009,855	35,601,974	34,500,820	42,640,741	275,493,929
Grants		61,449,696	111,529,366	49,126,089	26,716,501	21,410,774	22,472,830	1,125,321	293,830,577
Contributions		6,142,364	22,261,842	16,590,752	6,507,303	6,124,726	6,100,000	6,109,010	69,835,997
<b>Total Financing</b>		<b>298,732,501</b>	<b>276,937,838</b>	<b>177,690,720</b>	<b>115,814,859</b>	<b>88,080,591</b>	<b>83,898,650</b>	<b>53,031,425</b>	<b>1,094,186,584</b>

P  
9  
285

**RESOURCES AVAILABLE**

**Specific Resources**

Prudential Borrowing
Other Capital Receipts
Other Capital Reserves
Other Contributions
Government Grants
Other Grants
<b>Sub Total - Specific Resources</b>

Specific Resources Used

**Specific Resources Available**

**Corporate Resources**

Corporate Capital Receipts
Corporate Capital Reserves
Corporate S106 Contributions & CIL
Capital Settlement - Non Ring Fenced Grants
Corporate Grants
<b>Total - Corporate Resources</b>

Corporate Resources Used

**Corporate Resources Available**

**Total Resources Available**

**Total Resources Used**

**Total Remaining Resources Available**

Revised Estimate 2019/20	Estimate 2020/21	Estimate 2021 / 22	Estimate 2022 / 23	Estimate 2023 / 24	Estimate 2024 / 25	Expenditure in Subsequent Years	Final Cost
£	£	£	£	£	£	£	£
187,164,051	71,200,186	56,257,914	32,240,201	21,023,180	16,955,063	2,268,264	387,108,858
4,838,426	8,920,552	4,078,930	3,969,937	3,919,937	3,869,937	350,000	29,947,720
22,620,093	42,971,671	47,586,700	44,009,855	35,601,974	34,500,820	42,640,741	269,931,854
4,681,005	4,464,945	5,710,545	5,100,000	6,100,000	6,100,000	6,109,010	38,265,505
1,334,575	35,000	0	0	0	0	0	1,369,575
41,924,303	95,269,195	43,122,916	17,574,368	21,410,774	22,472,830	1,000,000	242,774,386
<b>262,562,453</b>	<b>222,861,549</b>	<b>156,757,005</b>	<b>102,894,361</b>	<b>88,055,865</b>	<b>83,898,650</b>	<b>52,368,015</b>	<b>969,397,898</b>
262,562,453	222,861,549	156,757,005	102,894,361	88,055,865	83,898,650	52,368,015	969,397,898
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
4,100,792	1,026,099	850,000					5,976,891
36,230,536	(689,760)	2,014,000					37,554,776
18,581,513	6,939,455	1,875,000	1,875,000	0			29,270,968
32,765,417	16,921,134	0	0				49,686,551
2,299,500	0	0	0				2,299,500
<b>93,977,758</b>	<b>24,196,928</b>	<b>4,739,000</b>	<b>1,875,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>124,788,686</b>
36,170,048	54,076,289	20,933,715	12,920,498	24,726	0	663,410	124,788,686
<b>57,807,710</b>	<b>27,928,349</b>	<b>11,733,634</b>	<b>688,136</b>	<b>663,410</b>	<b>663,410</b>	<b>(0)</b>	<b>(0)</b>
<b>356,540,211</b>	<b>247,058,477</b>	<b>161,496,005</b>	<b>104,769,361</b>	<b>88,055,865</b>	<b>83,898,650</b>	<b>52,368,015</b>	<b>1,094,186,584</b>
<b>298,732,501</b>	<b>276,937,838</b>	<b>177,690,720</b>	<b>115,814,859</b>	<b>88,080,591</b>	<b>83,898,650</b>	<b>53,031,425</b>	<b>1,094,186,584</b>
<b>57,807,710</b>	<b>27,928,349</b>	<b>11,733,634</b>	<b>688,136</b>	<b>663,410</b>	<b>663,410</b>	<b>(0)</b>	

Page 20 of 26

**CHILDREN & FAMILIES PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
1	Adaptations to Foster Carer Properties	CROC CorpRsv	94,516 -	55,484	35,000						150,000 35,000
	Sub Total		<b>94,516</b>	<b>55,484</b>	<b>35,000</b>	-	-	-	-	-	<b>185,000</b>
2	Children's Case Management Software Replacement	CorpRsv CP(DCSF)BN RCCO RCCO	708,868 - - -	1,418,747 36,528 317,143 111,429	42,857 52,857 18,571						2,127,615 79,385 370,000 130,000
	Sub Total		<b>708,868</b>	<b>1,883,847</b>	<b>114,285</b>	-	-	-	-	-	<b>2,707,000</b>
3	Tangier Road Children's Home	CorpRsv RCCO CP(DCSF)BN	498,385 7,600 -								498,385 7,600 -
	Sub Total		<b>505,985</b>	-	-	-	-	-	-	-	<b>505,985</b>
4	Beechside Children's Home	CorpRsv	56,738								56,738
5	Enable and Improve Mobile Working	MTRS	-		143,250	47,750					191,000
6	Capital Grant for Disabled Looked after Child	CorpRsv RCCO	- -	110,000 100,000							110,000 100,000
	Sub Total		-	<b>210,000</b>	-	-	-	-	-	-	<b>210,000</b>
7	E C Roberts Centre refurbishment Loan	RCCO	-	50,000	200,000						250,000
8	Adaptation to Carers Homes	MTRS			500,000	500,000					1,000,000
	<b>Grand Total</b>		<b>1,366,107</b>	<b>2,199,331</b>	<b>992,535</b>	<b>547,750</b>	<b>0</b>	<b>0</b>	<b>0</b>	-	<b>5,105,723</b>

**COMMUNITY SAFETY PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp.	Revised					Exp.	Final Cost	
			to 31 Mar 2019	Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25		in Subsequent Years
1	CCTV Upgrades	GGNR(HO)SSC	69,500								69,500
		RCCO	-	222,500							222,500
		PR	140,167	6,933							147,100
		CorpRsv	81,515		10,000						91,515
		S106(OS)	-		40,000						40,000
	Sub Total		<b>291,182</b>	<b>229,433</b>	<b>50,000</b>	-	-	-	-	-	<b>570,615</b>
2	CCTV Systems and Control Room Infrastructure	CorpRsv	130,963	2,000							132,963
		OG(PHE)CS	15,000								15,000
	Sub Total		<b>145,963</b>	<b>2,000</b>	-	-	-	-	-	-	<b>147,963</b>
	Grand Total		<b>437,145</b>	<b>231,433</b>	<b>50,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>718,578</b>



**CULTURE & CITY DEVELOPMENT PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised						Exp. in Subsequent Years	Final Cost
				Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25		
1	Hilsea Splashpool	CorpRsv S106(OS)	74,200 276,614	15,752							74,200 292,366
	Sub Total		<b>350,814</b>	<b>15,752</b>	-	-	-	-	-	-	<b>366,566</b>
2	Coastal Communities Bid (ARTches)	CorpRsv CP(DFI)IT OG OG(DCLG)CD PUSH	80,789 100,000 1,567,185 44,972 40,000	10,051 1,449	54,683						145,523 100,000 1,568,634 44,972 40,000
	Sub Total		<b>1,832,946</b>	<b>11,500</b>	<b>54,683</b>	-	-	-	-	-	<b>1,899,129</b>
3	Southsea Seafront Investment - D Day 75	CorpRsv LOT OG OC	528,872 2,793,537 700,819 59,085								528,872 2,793,537 700,819 59,085
	Sub Total		<b>4,082,313</b>	-	-	-	-	-	-	-	<b>4,082,313</b>
	Drayton Park - Tennis Court Conversion	S106(OS) CorpRsv	135,000 76,475	5,049							135,000 81,524
	Sub Total		<b>211,475</b>	<b>5,049</b>	-	-	-	-	-	-	<b>216,524</b>
5	D Day Museum	CorpRsv	158,336		6,664						165,000
6	DDAY Landscaping Works	OG	475,662	124,338							600,000
7	Round Tower Improvement Works	CP(DCSF)CM	4,945		75,055						80,000
8	Sports and Leisure Facilities Investment	UB	1,184,667	1,115,333							2,300,000
9	Butterfly House at Cumberland House	PR CorpRsv RCCO OC	164,000 53,320 - 5,000								164,000 53,320 - 5,000
	Sub Total		<b>222,320</b>	-	-	-	-	-	-	-	<b>222,320</b>

**CULTURE & CITY DEVELOPMENT PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised						Exp. in Subsequent Years	Final Cost
				Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25		
10	In-house Parks' Mobilisation - Vehicles & Equipment	CorpRsv RCCO	303,487 -	26,050 50,000							329,537 50,000
	Sub Total		<b>303,487</b>	<b>76,050</b>	-	-	-	-	-	-	<b>379,537</b>
11	Kings Bastion	CorpRsv	-								-
12	Charles Dickens' Gardens	CorpRsv CRGG	11,479 15,600								11,479 15,600
	Sub Total		<b>27,079</b>	-	-	-	-	-	-	-	<b>27,079</b>
13	Watersedge Park Building	CRGG	27,992								27,992
14	Edwardian Seafront Shelter	CorpRsv CILNRsv	234 -	20,000	49,766 10,000						70,000 10,000
	Sub Total		<b>234</b>	<b>20,000</b>	<b>59,766</b>	-	-	-	-	-	<b>80,000</b>
15	Re-provision of Bandstand at West Battery Gardens	CorpRsv	8,570	15,300	16,130						40,000
16	Modifications to Southsea Library	PR	39,509								39,509
17	Mountbatten Centre Floodlights	RCCO UB	345,590 100,000								345,590 100,000
	Sub Total		<b>445,590</b>	-	-	-	-	-	-	-	<b>445,590</b>
18	Kingston Recreation Ground Play Improvements	OC S106(NEW) CILNRsv	310,370 - -	7,991							318,361 - -
	Sub Total		<b>310,370</b>	<b>7,991</b>	-	-	-	-	-	-	<b>318,361</b>

**CULTURE & CITY DEVELOPMENT PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised						Exp. in Subsequent Years	Final Cost
				Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25		
19	New Fountain Refurbishment at Southsea Castle	CorpRsv	46,174	15,426							61,600
		CROC	38,400								38,400
		RCCO	380,000								380,000
	Sub Total		<b>464,574</b>	<b>15,426</b>	-	-	-	-	-	-	<b>480,000</b>
20	Water Safety Equipment	RCCO	32,916	67,084							100,000
21	Farlington Pavilion Refurbishment	CorpRsv	-		61,900						61,900
		S106(OS)	-		8,100						8,100
		CP(DFI)IT	-		170,000						170,000
		OC	-		70,000						70,000
	Sub Total		-	-	<b>310,000</b>	-	-	-	-	-	<b>310,000</b>
22	Lumps Fort Sun Huts Maintenance / Replacement	CorpRsv	-	50,000							50,000
23	Milton Park Barn Thatched Roof	CorpRsv	138,518								138,518
24	Victoria Park Heritage Lottery Fund	CorpRsv	-	250,000							250,000
		LOT	-		2,500,000						2,500,000
	Sub Total		-	<b>250,000</b>	<b>2,500,000</b>	-	-	-	-	-	<b>2,750,000</b>
25	Disabled Beach Buggies and Access Mat	CROC	2,792	17,208							20,000
26	Allotment Security Grants	CROC	28,270	6,730							35,000
27	Outdoor Fitness Equipment	CorpRsv	-	40,000	40,000						80,000
28	Track Re-surfacing - MBC and Bransbury AWP	RCCO	158,541								158,541

**CULTURE & CITY DEVELOPMENT PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate						Exp. in Subsequent Years	Final Cost
				Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25		
29	Invest in Football Facilities Including Changing Facilities	CorpRsv	-		303,000						303,000
		S106(OS)	-		19,000						19,000
		CROC	-		13,000						13,000
		OC	-		253,000						253,000
	Sub Total		-	-	<b>588,000</b>	-	-	-	-	-	<b>588,000</b>
30	Parks & Open Spaces Protection Measures to Prevent Incursion	S106(OS)	-	10,000							10,000
	Sub Total		-	<b>10,000</b>	-	-	-	-	-	-	<b>10,000</b>
31	Pyramids Refurbishment	CorpRsv	-		1,400,000						1,400,000
32	Repair/Refurbishment of Southsea Splashpool	CorpRsv	-	102,000							102,000
33	World War 1 Memorial Plaques	CROC	-		45,000						45,000
34	Contribution to Roof Repairs at Southsea Skatepark	S106(OS)	-	10,000							10,000
35	Cont to Architectural Design to Enable Regeneration - Guildhall	CorpRsv	-	40,000							40,000
36	Cont to Architectural Design to Enable Regeneration - Kings Theatre	CorpRsv	-	40,000							40,000
37	Palmerston Road Improvements	CorpRsv	344,683	304	32,773					122,240	500,000
38	Enterprise Centre Dilapidations	CorpRsv	-	-							-
		RCCO	-		-						
	Sub Total		-	-	-	-	-	-	-	-	-

**CULTURE & CITY DEVELOPMENT PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Exp.	Final Cost
										in Subsequent Years	
39	Hampshire Community Bank	UB	2,610,989	2,389,011							5,000,000
		CorpRsv	20,000	43,415							63,415
		MTRS	7,812	77,488							85,300
		OC	22,170	5,600							27,770
	Sub Total		<b>2,660,971</b>	<b>2,515,514</b>	-	-	-	-	-	-	<b>5,176,485</b>
40	Limberline Phase III	CorpRsv	744,716								744,716
		LEP	302,284								302,284
		UB	3,488,000								3,488,000
		PR	24,646	31,733							56,379
	Sub Total		<b>4,559,646</b>	<b>31,733</b>	-	-	-	-	-	-	<b>4,591,379</b>
	City Centre Public Realm Improvements	S106(OS)	800								800
		CorpRsv	394,045								394,045
		CROC	121,600								121,600
		CP(DFI)IT	3,100								3,100
	Sub Total		<b>519,545</b>	-	-	-	-	-	-	-	<b>519,545</b>
42	Public Realm Improvement by The Hard	CP(DCSF)CM	-	150,000	150,000						300,000
43	Public Realm - Improvements to Station Square & Isambard Brunel Road	CWCIL	-	230,000	314,000					50,000	594,000
		CP(DFI)IT		200,000							200,000
	Sub Total		-	<b>430,000</b>	<b>314,000</b>	-	-	-	-	<b>50,000</b>	<b>794,000</b>
44	City Centre Public Realm 2018-19	CWCIL	-	190,000	247,200						437,200
		CorpRsv	-		43,255						43,255
	Sub Total		-	<b>190,000</b>	<b>290,455</b>	-	-	-	-	-	<b>480,455</b>
45	District Shopping Centre Improvement	CorpRsv	51,011		48,989						100,000

**CULTURE & CITY DEVELOPMENT PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate						Exp. in Subsequent Years	Final Cost
				Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25		
46	Brougham Road (Arts Centre) - External Repairs	CorpRsv	-	167,000							167,000
		CP(DFT)IT	-	83,000							83,000
	Sub Total		-	<b>250,000</b>	-	-	-	-	-	-	<b>250,000</b>
47	Southsea Common & Town Centres Litter Management	CorpRsv			50,000						50,000
48	Parks & Open Space Boundary Protection Measures	PR			10,000						10,000
49	CCTV - Portsmouth Museum & Cumberland House	CP(DFT)IT			50,000						50,000
50	City Museum	CP(DFT)IT			156,000	39,000					195,000
51	Burfields Road Barns - Demolition	PR			162,000						162,000
52	Canoe Lake De-silting	PR			25,000						25,000
53	Hotwalls' Paving Maintenance	PR			32,000						32,000
54	New Eastney Swimming Pool	CorpRsv			100,000						100,000
55	Portsmouth Watersports Centre	CP(DFT)IT			90,000						90,000
56	Southsea Castle	CP(DFT)IT			80,000	20,000					100,000
57	Bransbury Park Pavillion	CP(DFT)IT			120,000	30,000					150,000
58	Kings Theatre Regeneration	UB						3,000,000			3,000,000
		CorpRsv			350,000						350,000
		OC				1,300,000					1,300,000
	Sub Total		-	-	<b>350,000</b>	<b>1,300,000</b>	<b>3,000,000</b>	-	-	-	<b>4,650,000</b>

**CULTURE & CITY DEVELOPMENT PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate						Exp. in Subsequent Years	Final Cost	
				Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25			
59	Kings Theatre Landlords Backlog Maintenance Obligations	CP(DFI)IT			300,000							300,000
60	Guildhall Regeneration	UB				850,000	850,000					1,700,000
<b>Grand Total</b>			<b>18,647,776</b>	<b>5,607,312</b>	<b>7,456,515</b>	<b>2,239,000</b>	<b>3,850,000</b>	<b>-</b>	<b>-</b>	<b>172,240</b>	<b>37,972,843</b>	

**EDUCATION PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate						Exp. in Subsequent Years	Final Cost
				Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25		
1	Primary Capital Programme	GGR(DCSF)DF	627,703								627,703
		GGR(DCSF)PC	3,233,032								3,233,032
		GGNR(DCSF)LAM	2,274,318								2,274,318
		B	2,000,894								2,000,894
		UB	(2,224)								(2,224)
		GGR(DCSF)DSG	350,512								350,512
		CRGG	415,720								415,720
		CorpRsv	95,248								95,248
		OG(DCLG)CD	3,438,533								3,438,533
		OC	216,383								216,383
		GGR(DCSF)SSEYC	639,840								639,840
		CP(DCSF)BN	882,331								882,331
		GGR(DCSF)TC	121,151								121,151
		CP(DCSF)CM	1,498,859								1,498,859
		CP(EFA)2YR	7,278								7,278
		LOT	26,724								26,724
	Sub Total		<b>15,826,303</b>	-	-	-	-	-	-	-	<b>15,826,303</b>
2	Sufficiency Programme Phase One 2013- 2015	OG(DCLG)CD	2,912,328								2,912,328
		EEA	1,740,058								1,740,058
		S106(EC)	670,338								670,338
		GGR(DCSF)DF	55,192								55,192
		CP(DCSF)BN	689,966								689,966
		CorpRsv	137,343								137,343
		GGR(DCSF)SF	27,287								27,287
		CP(DCSF)CM	14,508								14,508
		LOT	42,060								42,060
	Sub Total		<b>6,289,080</b>	-	-	-	-	-	-	-	<b>6,289,080</b>



**EDUCATION PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
3	Sufficiency Programme Phase Two 2015- 2017	CP(DCSF)BN	2,076,350								2,076,350
		CorpRsv	2,474,953	2,166,181							4,641,134
		UBIR	2,321,605								2,321,605
		CROC	300,000								300,000
		CIL	635,710								635,710
		GGR(DCSF)SSEYC	726,721								726,721
		GGR(DCSF)DF									-
		OC	251,344								251,344
		CP(DCSF)CM	72,000								72,000
	Sub Total		<b>8,858,683</b>	<b>2,166,181</b>	-	-	-	-	-	-	<b>11,024,864</b>
4	Secondary School Feasibility Study	S106(EC)	97,617								97,617
		CP(DCSF)BN	-								-
	Sub Total		<b>97,617</b>	-	-	-	-	-	-	-	<b>97,617</b>
	Vanguard Centre	CP(DCSF)BN	2,408,124	(553,000)							1,855,124
		CorpRsv	539,463								539,463
		CP(DCSF)CM	-								-
		S106(EC)	121,921								121,921
		CP(DCLG)DFG	-	39,000							39,000
		CP(ESFA)SEND	256,000	514,000							770,000
	Sub Total		<b>3,325,508</b>	-	-	-	-	-	-	-	<b>3,325,508</b>
6	King Richard School Rebuild 900-1000 places	GGR(DCSF)TC	1,251,400								1,251,400
		CorpRsv	139,294	304,469							443,763
		OC	10,917								10,917
		CP(DCSF)BN	6,224								6,224
	Sub Total		<b>1,407,835</b>	<b>304,469</b>	-	-	-	-	-	-	<b>1,712,304</b>
7	Portsmouth College Sufficiency Post 16	CP(DCSF)CM	153,525								153,525
		OG(DCLG)CD	92,443								92,443
		CP(DCSF)BN	17,517								17,517
		OC	-								-
	Sub Total		<b>263,485</b>	-	-	-	-	-	-	-	<b>263,485</b>

**EDUCATION PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp.	Revised					Exp.	Final Cost	
			to 31 Mar 2019	Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25		in Subsequent Years
8	Universal Infant Free School Meal Works	OG	582,063								582,063
		CorpRsv	140,940								140,940
		CP(DCSF)CM	61,487								61,487
		RCCO	106,100								106,100
	Sub Total		<b>890,590</b>	-	-	-	-	-	-	-	<b>890,590</b>
9	Universal Infant Free School Meal Provision	CRGG	455	35,130							35,585
		GGR(DCSF)SSEYC	273								273
		OC	176,388								176,388
		OG(DCLG)CD	415,012								415,012
		CP(DCSF)CM	1,444								1,444
	Sub Total		<b>593,572</b>	<b>35,130</b>	-	-	-	-	-	-	<b>628,702</b>
10	Schools Energy Efficiency	UBS	99,642	8,141							107,783
		GGR(DCSF)DF	2,420	526							2,946
		CP(DCSF)CM	5,670								5,670
		CorpRsv	7,800								7,800
		SRCCO	-								-
	Sub Total		<b>115,532</b>	<b>8,667</b>	-	-	-	-	-	-	<b>124,199</b>
11	Schools Conditions Projects - Modernisation	CP(DCSF)CM	1,185,033								1,185,033
		GGR(DCSF)DF	123,193								123,193
		CP(EFA)2YR	56,894								56,894
		CorpRsv	79,886	2,013							81,899
	Sub Total		<b>1,445,006</b>	<b>2,013</b>	-	-	-	-	-	-	<b>1,447,019</b>

**EDUCATION PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
12	School Condition Projects 2014-2016	B	1,000								1,000
		UB	42,120								42,120
		CorpRsv	64,026								64,026
		SRCCO	8,727								8,727
		GGR(DCSF)DF	346,705								346,705
		GGR(DCSF)SF	365								365
		GGNR(DCSF)LAM	33,998								33,998
		CP(DCSF)BN	3,464								3,464
		CP(DCSF)CM	582,528								582,528
		CP(EFA)2YR	63,733								63,733
		OG(DCLG)CD	1,571,898								1,571,898
		OG	7,936								7,936
	Sub Total		<b>2,726,500</b>	-	-	-	-	-	-	-	<b>2,726,500</b>
	School Conditions Project 2016-17	CP(DCSF)BN	126,220		65,080						191,300
		CP(DCSF)CM	331,436	6,000							337,436
		GGR(DCSF)DF	427,664		25,000						452,664
		OC	-								-
	Sub Total		<b>885,320</b>	<b>6,000</b>	<b>90,080</b>	-	-	-	-	-	<b>981,400</b>
14	Secondary School Places Expansion Phase (1)	CorpRsv	-								-
		UBIR	626,860								626,860
		CP(DCSF)BN	713,167								713,167
		CP(DCSF)CM	8,211								8,211
		CROC	12,019	20,000	62,743						94,762
		OC	200,000								200,000
	Sub Total		<b>1,560,257</b>	<b>20,000</b>	<b>62,743</b>	-	-	-	-	-	<b>1,643,000</b>
15	Special Education Needs - Building Alterations	CP(DCSF)BN	1,122,750								1,122,750
		CP(DCSF)CM	68,810								68,810
		RCCO	779,574	1,220,426							2,000,000
		OC	-								-
	Sub Total		<b>1,191,560</b>	<b>1,220,426</b>	-	-	-	-	-	-	<b>3,191,560</b>

**EDUCATION PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
16	Schools DFC Balances and devolved 2016-17	GGR(DCSF)DF	877,416	1,042,961							1,920,377
		GGR(DCSF)DSG	2,050,277	291,088							2,341,365
		CorpRsv	132,071								132,071
		CP(DCSF)BN	-								-
	Sub Total		<b>3,059,764</b>	<b>1,334,049</b>	-	-	-	-	-	-	<b>4,393,813</b>
17	Sufficiency of Secondary School Places	CorpRsv	-	467,167	194,653						661,820
		CP(DCSF)BN	257,500	3,005,137	1,252,141						4,514,778
		CP(DCSF)CM	37,802	95,718	39,882						173,402
		GGR(DCSF)DSG	132,500								132,500
	Sub Total		<b>427,802</b>	<b>3,568,022</b>	<b>1,486,676</b>	-	-	-	-	-	<b>5,482,500</b>
	Future Secondary School Places	CP(DCSF)BN	53,708		61,240						114,948
		CP(DCSF)CM	-								-
		UBIR	102,842		26,158						129,000
		CorpRsv	-								-
	Sub Total		<b>156,550</b>	-	<b>87,398</b>	-	-	-	-	-	<b>243,948</b>
19	School Conditions Project 2017-18	OC	73,131	42,369	100,000						215,500
		CP(DCSF)CM	652,859		77,155						730,014
	Sub Total		<b>725,990</b>	<b>42,369</b>	<b>177,155</b>	-	-	-	-	-	<b>945,514</b>
20	Beacon View Primary School - Kitchen Block	RCCO	39,732	5,268							45,000
21	Schools' Conditions Project 2018-19	CP(DCSF)CM	681,994	412,779							1,094,773
		CP(DCSF)BN	20,000								20,000
		CorpRsv	-	147,417							147,417
		OC	30,000	70,000							100,000
	Sub Total		<b>731,994</b>	<b>630,196</b>	-	-	-	-	-	-	<b>1,362,190</b>

**EDUCATION PORTFOLIO**
**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp.	Revised		Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
			to 31 Mar 2019	Estimate for 2019 / 20	Estimate for 2020 / 21						
22	Sufficiency of School Places 2018-19	CP(DCSF)BN	496,686	5,137,645	4,599,369						10,233,700
		CP(DCSF)CM	34,100	170,707							204,807
	Sub Total		<b>530,786</b>	<b>5,308,352</b>	<b>4,599,369</b>	-	-	-	-	-	<b>10,438,507</b>
23	Sufficiency of Special School Places - Redwood Park Academy	CorpRsv	58,724	866,164	1,128,812						2,053,700
		RCCO	-	500,000	500,000						1,000,000
	Sub Total		<b>58,724</b>	<b>1,366,164</b>	<b>1,628,812</b>	-	-	-	-	-	<b>3,053,700</b>
24	Sufficiency of Special School Places - The Willows Centre	CP(DCSF)CM	45,500	325,000							370,500
		CorpRsv	21,408	8,092							29,500
	Sub Total		<b>66,908</b>	<b>333,092</b>	-	-	-	-	-	-	<b>400,000</b>
25	Milton Childcare Sufficiency	CorpRsv	46,641	23,359							70,000
26	Forest School at Foxes Forest - Community Accessible Education Centre	CorpRsv	-	30,000							30,000
27	Early Year Places Provision	GGR(DCSF)SSEYC	-		10,000						10,000
28	Maintained Schools - Urgent Conditions Projects	CorpRsv	-	132,100							132,100
		CP(DCSF)BN	-	249,300							249,300
		CP(DCSF)CM	-	518,600	754,619						1,273,219
		OC	-	100,000							100,000
	Sub Total		-	<b>1,000,000</b>	<b>754,619</b>	-	-	-	-	-	<b>1,754,619</b>
29	Additional Special School Places - The Lantern	CorpRsv	13,099	486,001							499,100
		OC	-	179,200							179,200
		CP(ESFA)SEND	-	359,300							359,300
	Sub Total		<b>13,099</b>	<b>1,024,501</b>	-	-	-	-	-	-	<b>1,037,600</b>

**EDUCATION PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
30	Additional School Places in Mainstream Schools - Design	CorpRsv	-	200,000	50,000						250,000
31	Additional Secondary School Places - St Edmunds Catholic School - Grant	CP(DCSF)BN	-	650,000							650,000
32	Additional School Places - 2020/21	CP(DCSF)BN	-		1,173,400	1,706,200	1,173,400				4,053,000
	Sub Total		-	-	<b>1,173,400</b>	<b>1,706,200</b>	<b>1,173,400</b>	-	-	-	<b>4,053,000</b>
33	Sufficiency at Wymering Site improvement	CorpRsv	-	20,000	50,000						70,000
		CP(DCSF)BN	-		12,000						12,000
	Sub Total		-	<b>20,000</b>	<b>62,000</b>	-	-	-	-	-	<b>82,000</b>
34	Wimbourne Amalgamation	CP(DCSF)BN	-			87,000					87,000
35	School Places - SEND Phase 1 & Phase 2	CIL			395,520	1,186,560	395,520				1,977,600
		S106(EC)			22,400						22,400
		CP(DCSF)BN			553,600	1,660,800	553,600				2,768,000
	Sub Total		-	-	<b>971,520</b>	<b>2,847,360</b>	<b>949,120</b>	-	-	-	<b>4,768,000</b>
<b>Grand Total</b>			<b>52,114,412</b>	<b>19,298,258</b>	<b>11,153,772</b>	<b>4,640,560</b>	<b>2,122,520</b>	-	-	-	<b>89,329,522</b>

**ENVIRONMENT & CLIMATE CHANGE PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
1	Portsea Island - Flood Cell 4: North Portsea Island - Coastal Flood and Erosion Risk Management	OGENV CorpRsv	15,762,685 -	5,846,922	4,878,084	7,362,948	6,574,368	2,410,774	1,472,830	282,000	44,308,611 282,000
	Sub Total		<b>15,762,685</b>	<b>5,846,922</b>	<b>4,878,084</b>	<b>7,362,948</b>	<b>6,574,368</b>	<b>2,410,774</b>	<b>1,472,830</b>	<b>282,000</b>	<b>44,590,611</b>
2	Air Quality Action Plan	GGR(DEFRA)AQME CorpRsv	171,781 15,307								171,781 15,307
	Sub Total		<b>187,088</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>187,088</b>
3	Southsea Enhancement Design	S106(OS) CorpRsv	34,988 -	39,572	39,572	39,572	39,570	24,726			218,000 -
	Sub Total		<b>34,988</b>	<b>39,572</b>	<b>39,572</b>	<b>39,572</b>	<b>39,570</b>	<b>24,726</b>	<b>-</b>	<b>-</b>	<b>218,000</b>
	Emergency Repairs to Southsea Sea Defences	OGENV	631,130	33,561							664,691
5	Southsea Coastal Flood Defence	OGENV PCCOC CIL CorpRsv CP(DCSF)CM	7,469,832 - - 80,732 60,935	3,000,000	14,000,000 4,800,000	30,530,168 2,000,000 458,333	11,000,000 3,000,000	19,000,000 4,000,000	21,000,000 4,000,000	1,000,000 4,000,000	107,000,000 17,000,000 4,800,000 865,100 934,900
	Sub Total		<b>7,611,499</b>	<b>3,000,000</b>	<b>20,000,000</b>	<b>32,988,501</b>	<b>14,000,000</b>	<b>23,000,000</b>	<b>25,000,000</b>	<b>5,000,000</b>	<b>130,600,000</b>
6	Household Waste Collection	CorpRsv	-	111,200							111,200
7	Old Portsmouth Seawalls' Maintenance	CorpRsv	27,947	52,053	40,000						120,000

**ENVIRONMENT & CLIMATE CHANGE PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
8	Public Toilets New Provision, across the City	CorpRsv	10,486	114,514							125,000
		RCCO	-	200,000							200,000
		PR	55,000	-							55,000
	Sub Total		<b>65,486</b>	<b>314,514</b>	-	-	-	-	-	-	<b>380,000</b>
9	Wheeled Bins for Refuse	CorpRsv	959,155	160,845							1,120,000
10	Dog Kennels Vehicles	RCCO	9,549	8,451							18,000
11	Southsea Seafront Emergency Work to Sea Defences	OGENV	210,303	8,500							218,803
		RCCO	-		-						-
	Sub Total		<b>210,303</b>	<b>8,500</b>	-	-	-	-	-	-	<b>218,803</b>
12	Air Quality Equipment & Monitoring Station	CorpRsv	-		100,000						100,000
13	Air Quality Initiatives	CorpRsv	-		150,000						150,000
14	Single Material Recycling Facility	UB	-		4,838,400						4,838,400
15	Waste collection Vehicle Replacement	UB	-			4,125,000					4,125,000
16	Replacement of WC Hand Washing and Drying Units	RCCO	-	130,000							130,000
17	Food Waste Recycling - Pilot	RCCO	-	189,000							189,000
		CP(DFI)IT	-		29,200						29,200
		CorpRsv	-		191,800						191,800
	Sub Total		-	<b>189,000</b>	<b>221,000</b>	-	-	-	-	-	<b>410,000</b>
18	Anaerobic Digestion Plant	CorpRsv			200,000						200,000
		UB				17,600,000	4,400,000				22,000,000
	Sub Total		-	-	<b>200,000</b>	<b>17,600,000</b>	<b>4,400,000</b>	-	-	-	<b>22,200,000</b>



**ENVIRONMENT & CLIMATE CHANGE PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp.	Revised		Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
			to 31 Mar 2019	Estimate for 2019 / 20	Estimate for 2020 / 21						
19	Southsea Sea Defences - Public Realm Enhancements Phase 1	CP(DFT)IT			100,000	100,000					200,000
20	Greening the City	CorpRsv			100,000						100,000
<b>Grand Total</b>			<b>25,499,830</b>	<b>9,894,618</b>	<b>30,667,056</b>	<b>62,216,021</b>	<b>25,013,938</b>	<b>25,435,500</b>	<b>26,472,830</b>	<b>5,282,000</b>	<b>210,481,793</b>

**HEALTH, WELLBEING & SOCIAL CARE PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
1	Autism Capital Grants	OG	17,699	801							18,500
2	Reconfiguration of Corben Lodge	S106(Hsg) CP(DCSF)CM OC	59,000 1,091,000 988,182	25,000							59,000 1,091,000 1,013,182
	Sub Total		<b>2,138,182</b>	<b>25,000</b>	-	-	-	-	-	-	<b>2,163,182</b>
3	Portsmouth Recovery Centre	OG(PHE)Health	265,953								265,953
4	Swift Software Replacement	CROC CRGG CorpRsv CP(DH)CG OR BCF(OG)DOH GGR(DH)CAF	80,200 700 - 319,100 184,094 496,000 51,383	121,094							80,200 700 121,094 319,100 263,000 496,000 51,383
	Sub Total		<b>1,131,477</b>	<b>200,000</b>	-	-	-	-	-	-	<b>1,331,477</b>
5	Assistive Technology	BCF(DFG)DCLG OR	- -	50,000	100,000						150,000 -
	Sub Total		-	<b>50,000</b>	<b>100,000</b>	-	-	-	-	-	<b>150,000</b>
6	Shearwater House - Backup Power Supply	CorpRsv RCCO	65,003 -	(15,003) 25,000							50,000 25,000
	Sub Total		<b>65,003</b>	<b>9,997</b>	-	-	-	-	-	-	<b>75,000</b>

**HEALTH, WELLBEING & SOCIAL CARE PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
7	Oakdene SJH Purchase & Remodelling	OC	-	196,818							196,818
		OG	-	84,200	550,000	35,800					670,000
		CorpRsv	150,000	113,182							263,182
		RCCO	-	426,416							426,416
		UBIR	1,041,758								1,041,758
		OR	10,826								10,826
	Sub Total		<b>1,202,584</b>	<b>820,616</b>	<b>550,000</b>	<b>35,800</b>	-	-	-	-	<b>2,609,000</b>
8	Older Persons Supported Living (Extra Care Housing)	CorpRsv	-		4,506,300						4,506,300
		CP(DH)CG	-	70,000	23,700						93,700
		UB	-			2,626,000	3,210,000				5,836,000
		OR	-	1,000,000							1,000,000
		BCF(DFG)DCLG	-		1,100,000	194,000					1,294,000
		OC	-								-
	Sub Total		-	<b>1,070,000</b>	<b>5,630,000</b>	<b>2,820,000</b>	<b>3,210,000</b>	-	-	-	<b>12,730,000</b>
9	Kestrel Centre Relocation to Civic Offices	CorpRsv	-	250,000							250,000
		OC	-	100,000							100,000
	Sub Total		-	<b>350,000</b>	-	-	-	-	-	-	<b>350,000</b>
10	Enable Mobile Working	OR	-	182,000							182,000
11	Medina House - Heating & Cooling System	CorpRsv	-		110,000						110,000
<b>Grand Total</b>			<b>4,820,898</b>	<b>2,708,414</b>	<b>6,390,000</b>	<b>2,855,800</b>	<b>3,210,000</b>	-	-	-	<b>19,985,112</b>

**LEADER PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
1	Horsea Island Country Park - Fencing	CorpRsv	-			5,200					5,200
		S106(OS)	22,209	30,000	30,000	30,100					112,309
		CP(DFT)IT	4,135			10,065					14,200
		OC	-								-
	Sub Total		<b>26,344</b>	<b>30,000</b>	<b>30,000</b>	<b>45,365</b>	-	-	-	-	<b>131,709</b>
2	City Centre Development - Road	CorpRsv	-		293,482						293,482
		CP(DFT)IT	721,866		101,904						823,770
		UBIR	557,484								557,484
		UB	8,291								8,291
		OG(DCLG)CD	1,036,008								1,036,008
		CIL	658,174	788,265	10,254,614	8,556,675					20,257,728
		S106(ST)	-	42,935							42,935
		S106(EW)	5,440								5,440
		CRGG	-	18,800							18,800
		OC	-								-
		LEP	500,000								500,000
		CROC	32,566								32,566
	Sub Total		<b>3,519,829</b>	<b>850,000</b>	<b>10,650,000</b>	<b>8,556,675</b>	-	-	-	-	<b>23,576,504</b>
3	Dunsbury Hill Farm - Access Road	CorpRsv	-								-
		UBIR	280,440								280,440
		OG(DCLG)CD	568,954								568,954
		OC	4,540,000								4,540,000
		LEP	241,078								241,078
		UB	4,812,490	17,872	300,000	59,910					5,154,528
	Sub Total		<b>10,442,962</b>	<b>17,872</b>	<b>300,000</b>	<b>59,910</b>	-	-	-	-	<b>10,785,000</b>
4	Dunsbury Hill - Utilities & Enabling	UB	10,640,428	467,909	914,413						12,022,750
	Sub Total		<b>10,640,428</b>	<b>467,909</b>	<b>914,413</b>	-	-	-	-	-	<b>12,022,750</b>

**LEADER PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
5	Dunsbury Hill - Plot 2	UB	2,421,346	52,099							2,473,445
		LEP	7,176,000								7,176,000
	Sub Total		<b>9,597,346</b>	<b>52,099</b>	-	-	-	-	-	-	<b>9,649,445</b>
6	Dunsbury Hill - Plot 3	UBIR	19,047								19,047
		UB	6,656,940	624,013							7,280,953
	Sub Total		<b>6,675,987</b>	<b>624,013</b>	-	-	-	-	-	-	<b>7,300,000</b>
7	Tipner Regeneration (previously City Deal)	OG(DCLG)CD	4,072,035								4,072,035
		CorpRsv	934,725	(934,725)		934,725	293,062				1,227,787
		CIL	-				972,213				972,213
		OC	143,093	(22,004)							121,089
		ORCD	-				1,636,380				1,636,380
		OG(DCLG)CD	-								-
		UB	-	22,004		2,171,538	934,725				3,128,267
		CP(DCSF)CM	1,828,294	1,860,000	34,157						3,722,451
		CP(DCSF)BN	-		1,553,041		2,925,271				4,478,312
		CP(DH)CG	654,533								654,533
		CP(DFT)IT	-			1,744,582	1,706,700				3,451,282
		CP(DFT)HM	721				2,013,573				2,014,294
		CP(DCLG)DFG	206,864		459,183						666,047
		CIL	-								-
		CRGG	-				769,589				769,589
		CROC	-				-				-
		CorpRsv					1,700,000				1,700,000
		MTRS	775,705								775,705
		ORCD	730,000			1,853,479	7,254,859				9,838,338
		OR	-		4,576,324	8,815,676					13,392,000
		CP(EFA)2YR	131,252		200,404						331,656
		S106(SI)	-		161,376						161,376
		S106(OS)	-		105,515						105,515
	Sub Total		<b>9,477,222</b>	<b>925,275</b>	<b>7,090,000</b>	<b>15,520,000</b>	<b>20,206,372</b>	-	-	-	<b>53,218,869</b>

**LEADER PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
8	Local Enterprise Partnership	OC	25,643,217								25,643,217
		LEP	64,202,277	26,005,624	58,008,914						148,216,815
		LEPCapRec	-								-
		LEP(DCLG)	1,168,857	40,000	5,091,143						6,300,000
		LEP(OG)	6,672,217	417,783							7,090,000
		LEP(ERDF)	36,908								36,908
		UB	7,417,100								7,417,100
		CorpRsv	802,300								802,300
		CRGG	456,600								456,600
	Sub Total		<b>106,399,476</b>	<b>26,463,407</b>	<b>63,100,057</b>	-	-	-	-	-	<b>195,962,940</b>
	Medina House Refurbishment	CorpRsv	316,000								316,000
		RCCO	128,522								128,522
		OC	2,468	5,032							7,500
	Sub Total		<b>446,990</b>	<b>5,032</b>	-	-	-	-	-	-	<b>452,022</b>
10	Commercial Property Acquisition Fund	UB	159,623,569	12,300,000	10,992,119						182,915,688
		CorpRsv	-								-
	Sub Total		<b>159,623,569</b>	<b>12,300,000</b>	<b>10,992,119</b>	-	-	-	-	-	<b>182,915,688</b>
11	Lakeside North Harbour	UB	-	148,000,000							148,000,000
12	City Centre Co-Working Space	UB	-			450,000					450,000
		MTRS	-			450,000					450,000
		OC	-		900,000						900,000
	Sub Total		-	-	<b>900,000</b>	<b>900,000</b>	-	-	-	-	<b>1,800,000</b>
13	Dunsbury Hill Farm- Plot 5a	UB	-	3,080,000	4,620,000						7,700,000
<b>Grand Total</b>			<b>316,850,153</b>	<b>192,779,863</b>	<b>98,596,589</b>	<b>25,081,950</b>	<b>20,206,372</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>653,514,927</b>

**COMMERCIAL PORT**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
1	Port Infrastructure	CorpRsv	-								0
		CRGG	-								0
	Sub Total		-	-	-	-	-	-	-	-	-
2	Port Master System	CorpRsv	151,416	15,000							166,416
		OG(DCLG)CD	24,274								24,274
	Sub Total		<b>175,690</b>	<b>15,000</b>	-	-	-	-	-	-	<b>190,690</b>
3	Port Regeneration	OG(DCLG)CD	43,362								43,362
		LEP	456,638								456,638
		UB	7,830,228	2,329,772	500,000						10,660,000
	Sub Total		<b>8,330,228</b>	<b>2,329,772</b>	<b>500,000</b>	-	-	-	-	-	<b>11,160,000</b>
4	Purchase of Linkspan Berth 3	UB	1,167,050	(7,050)							1,160,000
		PR	-	13,000							13,000
		RCCO	250,000	(5,950)							244,050
	Sub Total		<b>1,417,050</b>	-	-	-	-	-	-	-	<b>1,417,050</b>
5	Purchase of Linkspan Berth 4	CorpRsv	260,265								260,265
		UBIR	739,735								739,735
		EUG	460,805								460,805
		UB	7,236,574	114,000							7,350,574
	Sub Total		<b>8,697,379</b>	<b>114,000</b>	-	-	-	-	-	-	<b>8,811,379</b>
6	AJQ Fender Modifications	RCCO	143,154	82,000							225,154

**COMMERCIAL PORT**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp.	Revised Estimate			Estimate	Estimate	Estimate	Estimate	Exp. in Subsequent Years	Final Cost
			to 31 Mar 2019	for 2019 / 20	for 2020 / 21	for 2021 / 22	for 2022 / 23	for 2023 / 24	for 2024 / 25			
7	Development of Cruise & Ferry Port	UB	33,008	3,400,000	8,567,000	2,599,992						14,600,000
		CorpRsv	-			684,977						684,977
		CRGG	-			926						926
	Sub Total		<b>33,008</b>	<b>3,400,000</b>	<b>8,567,000</b>	<b>3,285,895</b>	-	-	-	-	-	<b>15,285,903</b>
8	Passenger Boarding Bridge	UB	-			4,120,000	880,000					5,000,000
		PR	-	150,000	700,000		150,000					1,000,000
	Sub Total		-	<b>150,000</b>	<b>700,000</b>	<b>4,120,000</b>	<b>1,030,000</b>	-	-	-	-	<b>6,000,000</b>
9	Anodes	PR	-	320,000								320,000
10	Port Freight System	RCCO	-		14,000							14,000
		OG	-		56,000							56,000
	Sub Total		-	-	<b>70,000</b>	-	-	-	-	-	-	<b>70,000</b>
11	Port - Floating Dock Jetty Dredge	MTRS	-		1,000,000							1,000,000
		UB	-		2,000,000							2,000,000
	Sub Total		-	-	<b>3,000,000</b>	-	-	-	-	-	-	<b>3,000,000</b>
12	Wind Turbines at Port	CorpRsv	-			800,000						800,000
		UB	-				1,900,000					1,900,000
	Sub Total		-	-	-	<b>800,000</b>	<b>1,900,000</b>	-	-	-	-	<b>2,700,000</b>
13	The Camber Quay - Structural Investigations	CorpRsv	-		50,000							50,000
14	Shore to Ship Electric "Plug in" Facility (Feasibility / Design)	CorpRsv	-		75,000							75,000



**COMMERCIAL PORT****CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
15	Electrification of Light Goods Vehicles	CorpRsv	-		80,000						80,000
		PR	-		20,000						20,000
	<b>Sub Total</b>		-	-	<b>100,000</b>	-	-	-	-	-	<b>100,000</b>
16	Living Walls Phase 1	CorpRsv	-		20,000						20,000
<b>Grand Total</b>			<b>18,796,509</b>	<b>6,410,772</b>	<b>13,082,000</b>	<b>8,205,895</b>	<b>2,930,000</b>	-	-	-	<b>49,425,176</b>

**RESOURCES PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
1	Project Management	CorpRsv	-		44,900						44,900
2	Portico - Capital Advances	UB OG(DCLG)CD	10,394,000 250,000	177,250							10,571,250 250,000
	Sub Total		<b>10,644,000</b>	<b>177,250</b>	-	-	-	-	-	-	<b>10,821,250</b>
3	Port Leased Plant and Equipment	UB	2,137,737								2,137,737
4	Port Leased Plant & Equipment - Portico Crane	UB		750,000	2,250,000						3,000,000
5	Legal Case Management Software	MTRS OG(DCLG)CD	1,687 84,913								1,687 84,913
	Sub Total		<b>86,600</b>	-	-	-	-	-	-	-	<b>86,600</b>
6	IS Road Map	CorpRsv OG(DCLG)CD CP(DCLG)DFG CRGG CP(DFT)IT ITR	144,700 321,482 151,400 2,320 196,000 95,227	56,351	415,941	20,000					636,992 321,482 151,400 2,320 196,000 233,176
	Sub Total		<b>911,129</b>	<b>194,300</b>	<b>415,941</b>	<b>20,000</b>	-	-	-	-	<b>1,541,370</b>
7	PSN CoCo Compliance	CorpRsv OG(DCLG)CD ITR	6,118 99,384 30,400		92,553						98,671 99,384 46,847
	Sub Total		<b>135,902</b>	-	<b>109,000</b>	-	-	-	-	-	<b>244,902</b>
8	Refurbishment of Data Centre Accommodation	CorpRsv OG(DCLG)CD	534,311 88,644								534,311 88,644
	Sub Total		<b>622,955</b>	-	-	-	-	-	-	-	<b>622,955</b>

**RESOURCES PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
9	IS - Server & Database	CorpRsv UB	46,487 94,572	50,000	8,941						105,428 94,572
	Sub Total		<b>141,059</b>	<b>50,000</b>	<b>8,941</b>	-	-	-	-	-	<b>200,000</b>
10	Working Anywhere	CorpRsv OG(DCLG)CD MTRS CP(DCLG)DFG	172,508 67,344 47,325 626,166		64,000						236,508 67,344 47,325 626,166
	Sub Total		<b>913,343</b>	-	<b>64,000</b>	-	-	-	-	-	<b>977,343</b>
11	BI Hardware & Implementation	CorpRsv	490,250								490,250
12	Channel Shift Phase 1	CorpRsv	652,038		90,862						742,900
13	Channel Shift Phase 2	CorpRsv	191,436	147,500	243,564						582,500
14	Portsmouth Hive Project	RCCO OC	- 28,358	50,000	196,642	-	-	-	-	-	246,642 28,358
	Sub Total		<b>28,358</b>	<b>50,000</b>	<b>196,642</b>	-	-	-	-	-	<b>275,000</b>
15	Local Full Fibre Network Project	OG CorpRsv	- -	300,000	3,500,000 200,000		-	-	-	-	3,800,000 200,000
	Sub Total		-	<b>300,000</b>	<b>3,700,000</b>	-	-	-	-	-	<b>4,000,000</b>
16	Windows 10 Upgrade & Hardware Refresh	CorpRsv RCCO	1,157,303 -	642,697 268,100							1,800,000 268,100
	Sub Total		<b>1,157,303</b>	<b>910,797</b>	-	-	-	-	-	-	<b>2,068,100</b>
17	Review of Revenues & Benefits Software Applications	CorpRsv	-	20,000	620,300						640,300

**RESOURCES PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
18	The People's Network - Windows 10 Upgrade	CorpRsv	-	70,000	280,000						350,000
19	Modern Ways of Working	MTRS	-		444,800	555,200					1,000,000
		OR	-	1,089,900	480,000						1,569,900
		CorpRsv	-	44,100	346,000						390,100
		RCCO		40,000							40,000
	Sub Total		-	<b>1,174,000</b>	<b>1,270,800</b>	<b>555,200</b>	-	-	-	-	<b>3,000,000</b>
20	Archive Tool	CorpRsv	-		400,000	400,000					800,000
21	Portico Capital Investment Loan	UB	-	4,231,736	6,550,000	450,000	475,000	550,000	475,000	2,268,264	15,000,000
22	Portico Freight System	OG	-		400,000						400,000
23	Ground Floor Reception Improvements	RCCO	82,143	21,457	-	-	-	-	-	-	103,600
24	Applications Upgrade linked to Software Modernisation	MTRS			250,000						250,000
25	Office 365	MTRS			328,000	492,000					820,000
26	LAN Access Switches	CorpRsv			528,000						528,000
27	Enterprise Voice (CISCO IPT)	CorpRsv				252,000	378,000				630,000
28	Replacement Servers & Storage	CROC			378,000	567,000					945,000
29	Migration to Azure (Cloud Servers)	MTRS			939,200	1,408,800					2,348,000
30	Implementation of Northgate Citizen Access Suite	MTRS				110,000					110,000
		OC			70,000						70,000
	Sub Total		-	-	<b>70,000</b>	<b>110,000</b>	-	-	-	-	<b>180,000</b>

**RESOURCES PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp.	Revised			Estimate	Estimate	Estimate	Estimate	Estimate	Exp. in Subsequent Years	Final Cost
			to 31 Mar 2019	Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25				
31	CISCO Data Centre Switches	CorpRsv					60,000						60,000
32	Checkpoint Internall Firewall	CRGG					142,000						142,000
33	Upgrade to Planet Press	CorpRsv					7,100						7,100
		CROC					500,300						500,300
		CRGG					120,200						120,200
		CP(DFT)IT					22,400						22,400
Sub Total			-	-	-		650,000	-	-	-	-	-	650,000
<b>Grand Total</b>			<b>18,194,253</b>	<b>8,097,040</b>	<b>19,138,150</b>		<b>5,107,000</b>	<b>853,000</b>	<b>550,000</b>	<b>475,000</b>	<b>2,268,264</b>		<b>54,682,707</b>

Grand Total

**TRAFFIC AND TRANSPORTATION PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate					Exp. in Subsequent Years	Final Cost	
				Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24			Estimate for 2024 / 25
1	Contribution to PFI	HwayPFI	19,234,550	1,636,770	1,484,647	1,964,682	4,008,173	5,935,404	5,935,404	13,680,466	53,880,096
		OG(DCLG)CD	2,772,625								2,772,625
		EUG	(10,427)								(10,427)
		OG	145,167								145,167
		UB	2,306,379								2,306,379
		UBIR	5,728,477								5,728,477
		CP(DFT)IT	-	-							0
		CorpRsv	-	-							0
		CP(DFT)HM	8,557,901	2,106,000	1,151,000						11,814,901
	Sub Total		<b>38,734,672</b>	<b>3,742,770</b>	<b>2,635,647</b>	<b>1,964,682</b>	<b>4,008,173</b>	<b>5,935,404</b>	<b>5,935,404</b>	<b>13,680,466</b>	<b>76,637,218</b>
	Local Transport Plan & Road Safety 3	UB	-		70,000						70,000
		CorpRsv	-		71,743						71,743
		S278	23,644								23,644
		CP(DFT)IT	1,527,385	1,011,453	627,446					112,884	3,279,168
		CIL	-		699,500						699,500
		S106(ST)	279,283								279,283
		OG(DFT)LSTFSec31	-								0
		OG(DFT)TFSHSec31	1,215,414								1,215,414
		CP(DCSF)BN	30,000								30,000
		OG	80,000								80,000
		CILNRsv	-	6,000							6,000
	Sub Total		<b>3,155,726</b>	<b>1,017,453</b>	<b>1,468,689</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>112,884</b>	<b>5,754,752</b>

**TRAFFIC AND TRANSPORTATION PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate					Exp. in Subsequent Years	Final Cost
				Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24		
3	The Hard Public Transport Interchange	CIL	-							0
		UB	21,101							21,101
		UBIR	462,850							462,850
		CP(DCSF)BN	3,365,593							3,365,593
		CP(DFT)IT	12,907							12,907
		CP(DCLG)DFG	135,700							135,700
		OC	4,832,000							4,832,000
		CROC	567,092							567,092
		S106(OS)	345,800							345,800
		PARK	500,000							500,000
		OG(DFT)LSTFSec31	608,732							608,732
		OG(DFT)TFSHSec31	244,355							244,355
		CorpRsv	626,465	43,815						670,280
	Sub Total		<b>11,722,595</b>	<b>43,815</b>	-	-	-	-	-	<b>11,766,410</b>
4	Replace Residential Street Lighting With LED	UB	14,200	337,752	1,325,548					1,677,500
		UBS	2,391,315	1,297,385						3,688,700
	Sub Total		<b>2,405,515</b>	<b>1,635,137</b>	<b>1,325,548</b>	-	-	-	-	<b>5,366,200</b>
5	Copnor Bridge Maintenance	CorpRsv	21,555						26,445	48,000
		OC	20,480							20,480
	Sub Total		<b>42,035</b>	-	-	-	-	-	<b>26,445</b>	<b>68,480</b>
6	Eastern Rd Waterbridge	CorpRsv	-		26,946					26,946
		CP(DFT)IT	997,969							997,969
		OG(DFT)Sec31	379,735	19,927	56,054					455,716
		OC	157,369							157,369
	Sub Total		<b>1,535,073</b>	<b>19,927</b>	<b>83,000</b>	-	-	-	-	<b>1,638,000</b>

**TRAFFIC AND TRANSPORTATION PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp.	Revised		Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Exp.	Final Cost
			to 31 Mar 2019	Estimate for 2019 / 20	Estimate for 2020 / 21					in Subsequent Years	
7	Angelsea Road Footbridge	CP(DFT)IT	530,060	134,558	2,928						667,546
		CorpRsv	-		24,069					23,000	47,069
		OC	25,385								25,385
	Sub Total		<b>555,445</b>	<b>134,558</b>	<b>26,997</b>	-	-	-	-	<b>23,000</b>	<b>740,000</b>
8	Traffic Management Centre - System Review	PARK	192,509	88,709							281,218
		CorpRsv	-								0
	Sub Total		<b>192,509</b>	<b>88,709</b>	-	-	-	-	-	-	<b>281,218</b>
	Traffic Signal Upgrade Packages	CorpRsv	424,022	31,170	5,508						460,700
		S106(ST)	2,400								2,400
		S106(OS)	10,000								10,000
		CROC	15,900								15,900
		CP(DFT)IT	651,000								651,000
	Sub Total		<b>1,103,322</b>	<b>31,170</b>	<b>5,508</b>	-	-	-	-	-	<b>1,140,000</b>
10	Isambard Brunel Car Park	PARK	178,921	76,079	450,000						705,000
		CP(DFT)IT	-								0
	Sub Total		<b>178,921</b>	<b>76,079</b>	<b>450,000</b>	-	-	-	-	-	<b>705,000</b>
11	Variable Message Signs (Incl Seafront)	CP(DFT)NPIF	52,000								52,000
		PARK	26,333								26,333
		CP(DFT)IT	30,000								30,000
	Sub Total		<b>108,333</b>	-	-	-	-	-	-	-	<b>108,333</b>
12	Eastern Corridor Road Link Improvements	CP(DFT)NPIF	309,963	190,037							500,000
		CP(DFT)IT	-		148,400						148,400
		CorpRsv	-		351,600						351,600
	Sub Total		<b>309,963</b>	<b>190,037</b>	<b>500,000</b>	-	-	-	-	-	<b>1,000,000</b>



**TRAFFIC AND TRANSPORTATION PORTFOLIO**
**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised					Exp. in Subsequent Years	Final Cost
				Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24		
13	Improvements to Neighbourhood Living and Street Environment (Including Verge Hardening)	CP(DFT)IT CorpRsv	52,131 71,895	7,869 37,924	140,000	100,000				300,000 109,819
	Sub Total		<b>124,026</b>	<b>45,793</b>	<b>140,000</b>	<b>100,000</b>	-	-	-	<b>409,819</b>
14	Old Portsmouth Area Study	CorpRsv	14,216	25,784						40,000
	Sub Total		<b>14,216</b>	<b>25,784</b>	-	-	-	-	-	<b>40,000</b>
15	Milton Road & St Mary's Road	CP(DFT)IT	47,563						12,437	60,000
16	Contactless Parking Metres (Wave & Pay)	PARK CorpRsv	132,514 -	17,500						150,014 0
	Sub Total		<b>132,514</b>	<b>17,500</b>	-	-	-	-	-	<b>150,014</b>
17	Upgrade Car Park Counting Equipment (link to TMC)	PARK	-		100,000					100,000
18	Bike Hangars	PARK	-		30,000					30,000
19	Spur Analytics, Upgrade, Handheld Upgrade & SiDEM Archiving	PARK	-		65,000					65,000
20	Co-operative Intelligent Transport Systems	OC OG CP(DFT)IT	103,259 40,387 -	26,471 85,883	29,000 18,000					129,730 155,270 18,000
	Sub Total		<b>143,646</b>	<b>112,354</b>	<b>47,000</b>	-	-	-	-	<b>303,000</b>
21	Permanent One-way System at Wickham Street	PARK CorpRsv	196,488	53,512 20,000						250,000 48,000
	Sub Total		<b>196,488</b>	<b>73,512</b>	-	-	-	-	<b>28,000</b>	<b>298,000</b>

**TRAFFIC AND TRANSPORTATION PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp.	Revised			Estimate				Exp.	Final Cost
			to 31 Mar 2019	Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	in Subsequent Years		
22	Cycle Signs and Infrastructure	PARK CILNRsv	5,833 -	69,167 3,500	25,000							100,000 3,500
	Sub Total		<b>5,833</b>	<b>72,667</b>	<b>25,000</b>	-	-	-	-	-	-	<b>103,500</b>
23	Specific Planning Obligations	S106(NEW)	249,350	190,996	286,534						9,010	735,890
24	Statutory Infrastructure Spend	CILNRsv	20,431	15,569							4,000	40,000
25	Road Safety Scheme	OG(DFT)Sec31 PARK	7,422 -	170,578 14,500								178,000 48,500
	Sub Total		<b>7,422</b>	<b>185,078</b>	-	-	-	-	-	-	<b>34,000</b>	<b>226,500</b>
26	Cathodic Protection - Hard Interchange	CorpRsv CROC	24,266 -	90,752 8,000	1,076,982							1,192,000 8,000
	Sub Total		<b>24,266</b>	<b>98,752</b>	<b>1,076,982</b>	-	-	-	-	-	-	<b>1,200,000</b>
27	Central Corridor	CP(DFT)IT PARK	15,923	234,077 176,000								250,000 306,000
	Sub Total		<b>15,923</b>	<b>410,077</b>	<b>76,000</b>	-	-	-	-	-	<b>54,000</b>	<b>556,000</b>
28	Smart Cities - Intelligent Transport System - Phase 1	CorpRsv CP(DFT)IT OG	3,329 - -	496,671 21,555								500,000 21,555 0
	Sub Total		<b>3,329</b>	<b>518,226</b>	-	-	-	-	-	-	-	<b>521,555</b>
29	Western Corridor - South	CP(DFT)IT	-		120,000							120,000
30	Pedestrian Crossing - Henderson Rd	CP(DFT)IT	-		80,000							80,000

**TRAFFIC AND TRANSPORTATION PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp.	Revised					Exp.	Final Cost	
			to 31 Mar 2019	Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25		in Subsequent Years
31	On-Street Residential EV Chargepoint Scheme (ORCS)	PARK	42,906	34,094							77,000
		OG	51,000	49,000							100,000
	Sub Total		<b>93,906</b>	<b>83,094</b>	-	-	-	-	-	-	<b>177,000</b>
32	Additional Enforcement Cameras	PARK	69,600								69,600
33	Air Quality Infrastructure Improvements	OG	262,505								262,505
		CP(DFT)IT	-	71,091							71,091
		CorpRsv	41,944	18,652						56,404	117,000
	Sub Total		<b>304,449</b>	<b>89,743</b>	-	-	-	-	-	<b>56,404</b>	<b>450,596</b>
34	Transport Data Geographic Information System (GIS)	PARK	22,282	77,718	50,000						150,000
35	Air Quality - Bus Fleet Retrofitting	OGENV	-	1,577,737							1,577,737
36	Extension to Park & Ride Multi Story Car Park - Design	CP(DFT)IT	4,819	345,181							350,000
37	Smart Cities: Intelligent Transport System Phase 2	CP(DFT)IT	-		178,445						178,445
38	The Hard Interchange Auxiliary Works	CP(DFT)IT	-	110,000	140,000						250,000
39	New Car Park Facility - Southsea	UB	-		1,800,000						1,800,000
40	Transforming Cities Fund	OG(DFT)TCF	50,000	4,047,000							4,097,000
		CP(DFT)IT	-	150,000							150,000
		PARK	84,120	565,880							650,000
	Sub Total		<b>134,120</b>	<b>4,762,880</b>	-	-	-	-	-	-	<b>4,897,000</b>
41	Tipner Motorway Junction & Park & Ride	CorpRsv	30,000								30,000
42	Safer Road Improvement A27	OG(DFT)Sec31	-	61,000							61,000

**TRAFFIC AND TRANSPORTATION PORTFOLIO**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
43	Air Quality Improvement	OG CP(DFT)IT			5,000,000	5,000,000					10,000,000 220,000
	Sub Total		-	-	5,000,000	5,220,000	-	-	-	-	10,220,000
44	Cycle Parking Across the City	CP(DFT)IT			25,000						25,000
45	One-Way Streets and Low Traffic Neighbourhoods	CP(DFT)IT			120,000						120,000
46	Electric Vehicle Charging Infrastructure	CP(DFT)IT OC			76,000 230,000						76,000 230,000
	Sub Total		-	-	306,000	-	-	-	-	-	306,000
47	Local Cycling & Walking Investment Plan	CP(DFT)IT			100,000						100,000
48	Full Business Case For Extension to Tipner Park & Ride Multi Story Car Park	CIL			500,000						500,000
49	Non PFI Asset Management Register / Plan	CP(DFT)IT			100,000						100,000
<b>Grand Total</b>			<b>61,688,292</b>	<b>15,853,316</b>	<b>16,861,350</b>	<b>7,284,682</b>	<b>4,008,173</b>	<b>5,935,404</b>	<b>5,935,404</b>	<b>14,040,646</b>	<b>131,607,267</b>

**HOUSING PORTFOLIO (GF)**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
1	Support For Vulnerable People	CorpRsv	2,347,912								2,347,912
		CP(DCLG)DFG	1,124,300								1,124,300
		CP(DCSF)BN	250,729								250,729
		CP(DH)CG	762,300								762,300
		GGR(DCLG)PSR	179,526								179,526
		GGR(DCLG)DF	634,100								634,100
		OC	1,879,292	200,400	205,411	210,545	200,000	200,000	200,000	200,000	3,295,648
		LR(HIP)	1,959,643	6,040	18,691	31,658					2,016,032
		BCF(DFG)DCLG	3,730,904								3,730,904
		OC	-	2,000,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	11,000,000
		OG	162,513								162,513
		OG(DCLG)CD	1,318,131								1,318,131
	Sub Total		<b>14,349,350</b>	<b>2,206,440</b>	<b>1,724,102</b>	<b>1,742,203</b>	<b>1,700,000</b>	<b>1,700,000</b>	<b>1,700,000</b>	<b>1,700,000</b>	<b>26,822,095</b>
2	Removal of Hazards & Risks Within The Home	GGR(DCLG)PSR	372,963								372,963
		LR(HIP)	1,743,792	359,153	368,132	377,335	350,000	350,000	350,000	350,000	4,248,412
		CorpRsv	-								0
	Sub Total		<b>2,116,755</b>	<b>359,153</b>	<b>368,132</b>	<b>377,335</b>	<b>350,000</b>	<b>350,000</b>	<b>350,000</b>	<b>350,000</b>	<b>4,621,375</b>
3	Grants to Registered Social Landlords	S106(Hsg)	259,000	(21,830)							237,170
		CorpRsv	1,994								1,994
		LR(HIP)	-								0
		NewS106(Hsg)	86,000	21,830	450,000	300,000					857,830
	Sub Total		<b>346,994</b>	<b>-</b>	<b>450,000</b>	<b>300,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,096,994</b>
4	Homes For Homeless	CorpRsv	-	464,200							464,200
		S106(Hsg)	-	35,800							35,800
		UB	-		500,000						500,000
	Sub Total		<b>-</b>	<b>500,000</b>	<b>500,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,000,000</b>

## HOUSING PORTFOLIO (GF)

## CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
5	Guildhall Capital Works	CorpRsv	655,436	358,046	106,300						1,119,782
		OG(DCLG)CD	894,858								894,858
		RCCO	377,900		393,700						771,600
	Sub Total		<b>1,928,194</b>	<b>358,046</b>	<b>500,000</b>	-	-	-	-	-	<b>2,786,240</b>
6	Guildhall Internal Works	CorpRsv	-	80,000							80,000
7	Council Chamber Modernisation	CorpRsv	185,974								185,974
		PR	6,000								6,000
	Sub Total		<b>191,974</b>	-	-	-	-	-	-	-	<b>191,974</b>
8	Guildhall Square Electrical Upgrade	RCCO	37,800								37,800
9	Utilities and Energy Management	UB	1,033,657		1,077,443						2,111,100
		UBS	250,000								250,000
		CROC	404,000	356,443	222,557						983,000
		CMR	26,000								26,000
	Sub Total		<b>1,713,657</b>	<b>356,443</b>	<b>1,300,000</b>	-	-	-	-	-	<b>3,370,100</b>
10	Investment in Solar Photovoltaic Cells	UB	3,034,977	1,015,023	2,200,000						6,250,000
11	Kingston Lodge North Renovation	RCCO	171,933	(11,477)							160,456
12	Civic Offices Public Address System	RCCO	2,229	119,458							121,687
13	Utilities & Energy Management 2019/20	MTRS	-		1,050,000						1,050,000

**HOUSING PORTFOLIO (GF)**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
14	Landlord's Maintenance (across the whole PCC Estate)	CorpRsv	5,460,106	2,077,935	1,000,000						8,538,041
		CP(DCSF)CM	331,301								331,301
		CP(DFT)IT	175,115								175,115
		OG(DCLG)CD	1,859,528								1,859,528
		CMR	65,750								65,750
		CROC	291,792								291,792
		CorpRsv	-		1,712,000	428,000					2,140,000
	Sub Total		<b>8,183,592</b>	<b>2,077,935</b>	<b>2,712,000</b>	<b>428,000</b>	-	-	-	-	<b>13,401,527</b>
15	Landlord's Maintenance - Capital Contingency	CorpRsv	54,389	169,258							223,647
		CRGG	-	140,353							140,353
		CROC	-	47,000							47,000
	Sub Total		<b>54,389</b>	<b>356,611</b>	-	-	-	-	-	-	<b>411,000</b>
16	Guildhall Investment (Match Funding)	CP(DCSF)CM	15,000	285,000							300,000
17	Civic Offices' Basement Refurbishment	RCCO	170,378								170,378
18	Transitional Accommodation for the Homeless - Adaptations to General Fund Properties	CorpRsv			700,000						700,000
<b>Grand Total</b>			<b>32,317,222</b>	<b>7,702,632</b>	<b>11,504,234</b>	<b>2,847,538</b>	<b>2,050,000</b>	<b>2,050,000</b>	<b>2,050,000</b>	<b>2,050,000</b>	<b>62,571,626</b>

**HOUSING PORTFOLIO (HRA)**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
1	HRA Assets (Non Dwelling)	B(HRA)	3,714,358								3,714,358
		CorpRsv	139,100								139,100
		CRec(HRA)	-								-
		RCCO(HRA)	10,946,286	492,908	303,300	303,300	303,300	303,300	303,300	303,300	13,258,994
		OC	88,918								88,918
		OCRec(HRA)	2,737								2,737
		UB(HRA)	246,614								246,614
		OG(DFT)LSTFSec31	30,000								30,000
	Sub Total		<b>15,168,013</b>	<b>492,908</b>	<b>303,300</b>	<b>303,300</b>	<b>303,300</b>	<b>303,300</b>	<b>303,300</b>	<b>303,300</b>	<b>17,480,721</b>
	Total Major Repairs Dwellings	B(HRA)	134,210								134,210
		OCRec(HRA)	-								-
		OC	7,573,994	1,531,302	400,000	400,000	400,000	400,000	400,000	400,000	11,505,296
		RCCO(HRA)	133,581,832	15,784,278	29,139,503	31,085,813	30,657,143	29,363,270	28,262,116	28,514,975	326,388,930
		OG	1,054,584								1,054,584
		UB(HRA)	11,841,361					4,043,117			15,884,478
		CRec(HRA)	290,822								290,822
		CorpRsv	88,454	190,246							278,700
	Sub Total		<b>154,565,257</b>	<b>17,505,826</b>	<b>29,539,503</b>	<b>31,485,813</b>	<b>31,057,143</b>	<b>33,806,387</b>	<b>28,662,116</b>	<b>28,914,975</b>	<b>355,537,020</b>
3	King William Street	UB(HRA)	-	80,177							80,177
		CRec(HRA)		75,814							75,814
		OCRec(HRA)		666,143							666,143
		S106(Hsg)		14,000							14,000
		OC		7,500							7,500
		OG		325,000							325,000
	Sub Total		<b>1,008,280</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,008,280</b>



**HOUSING PORTFOLIO (HRA)**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
4	Southsea Community Centre	UB(HRA)	10,652	309,483	863,568	39,215					1,222,918
		CRec(HRA)	104,402	775,493	370,101	16,806					1,266,802
		RCCO(HRA)	641								641
		OCRec(HRA)	99,259	1,500,000							1,599,259
	Sub Total		<b>214,954</b>	<b>2,584,975</b>	<b>1,233,669</b>	<b>56,021</b>	-	-	-	-	<b>4,089,619</b>
5	Plot 2 Wellington Street	CRec(HRA)	938,025								938,025
		UB(HRA)	103,057								103,057
		RCCO(HRA)	917,245								917,245
		OCRec(HRA)	1,107,327								1,107,327
	Sub Total		<b>3,065,654</b>	-	-	-	-	-	-	-	<b>3,065,654</b>
	Arthur Pope House	UB(HRA)	5,041,981	89,600							5,131,581
		CRec(HRA)	2,633,947	38,400							2,672,347
		RCCO(HRA)	1,732								1,732
		OCRec(HRA)	1,391,790								1,391,790
	Sub Total		<b>9,069,450</b>	<b>128,000</b>	-	-	-	-	-	-	<b>9,197,450</b>
7	Development Internal Charges	UB(HRA)	-								-
		CRec(HRA)	56,889								56,889
		OCRec(HRA)	431,564								431,564
	Sub Total		<b>488,453</b>	-	-	-	-	-	-	-	<b>488,453</b>
8	Kingsclere Avenue	UB(HRA)	3,548,470	420,000	200,000						4,168,470
		OCRec(HRA)	1,590,140								1,590,140
		CRec(HRA)	2,224,477	180,000							2,404,477
		OG	97,500								97,500
	Sub Total		<b>7,460,587</b>	<b>600,000</b>	<b>200,000</b>	-	-	-	-	-	<b>8,260,587</b>

**HOUSING PORTFOLIO (HRA)**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp.	Revised					Exp.	Final Cost	
			to 31 Mar 2019	Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25		in Subsequent Years
9	Blendworth Crescent	UB(HRA)	4,505,991	84,000							4,589,991
		OCRec(HRA)	1,149,855								1,149,855
		CRec(HRA)	2,345,667	36,000							2,381,667
	Sub Total		<b>8,001,513</b>	<b>120,000</b>	-	-	-	-	-	-	<b>8,121,513</b>
10	Nessus Street	UB(HRA)	539,888								539,888
		S106(Hsg)	14,993								14,993
		OCRec(HRA)	67,649								67,649
		OG	660,000								660,000
	Sub Total		<b>1,282,530</b>	-	-	-	-	-	-	-	<b>1,282,530</b>
11	Holybourne Road	UB(HRA)	629,608								629,608
		CRec(HRA)	568,655								568,655
		OCRec(HRA)	632,487								632,487
	Sub Total		<b>1,830,750</b>	-	-	-	-	-	-	-	<b>1,830,750</b>
12	Longdean	UB(HRA)	37,118	234,448	2,502,598	1,741,856	104,729				4,620,748
		CRec(HRA)	-	100,478	1,072,542	746,510	44,884				1,964,413
		OCRec(HRA)	-								-
	Sub Total		<b>37,118</b>	<b>334,925</b>	<b>3,575,140</b>	<b>2,488,365</b>	<b>149,613</b>	-	-	-	<b>6,585,161</b>
13	Highgrove House	UB(HRA)	5,883	30,882	1,488,669	42,000					1,567,434
		CRec(HRA)	-	13,235	638,001	18,000					669,236
		OCRec(HRA)	-								-
	Sub Total		<b>5,883</b>	<b>44,117</b>	<b>2,126,670</b>	<b>60,000</b>	-	-	-	-	<b>2,236,670</b>

**HOUSING PORTFOLIO (HRA)**

**CAPITAL PROGRAMME**

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2019	Revised Estimate for 2019 / 20	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
14	Eastern Rd New Properties	S106(Hsg)	49,007								49,007
		UB(HRA)	1,039,054	40,000							1,079,054
		UB	-								-
		OG	292,499								292,499
		OCRec(HRA)	433,179								433,179
	Sub Total		<b>1,813,739</b>	<b>40,000</b>	-	-	-	-	-	-	<b>1,853,739</b>
15	Doyle Avenue New Build Properties	OCRec(HRA)	25,403								25,403
		UB(HRA)	-	182,210	1,674,313	994,718	42,560				2,893,800
		CRec(HRA)	-	78,090	717,563	426,308	18,240				1,240,200
	Sub Total		<b>25,403</b>	<b>260,300</b>	<b>2,391,875</b>	<b>1,421,025</b>	<b>60,800</b>	-	-	-	<b>4,159,403</b>
	Replacement Homes	CRec(HRA)	980,156	1,641,138	4,335,523	1,112,314	2,256,813	2,319,937	2,319,937		14,965,818
		OCRec(HRA)	588,620		1,400,000	1,350,000	1,300,000	1,250,000	1,200,000		7,088,620
		UB(HRA)	1,438,610	3,829,323	14,264,477	17,537,686	16,443,187	16,430,063	16,480,063		86,423,409
		S106(Hsg)	259,800								259,800
	Sub Total		<b>3,267,186</b>	<b>5,470,461</b>	<b>20,000,000</b>	<b>20,000,000</b>	<b>20,000,000</b>	<b>20,000,000</b>	<b>20,000,000</b>	-	<b>108,737,647</b>
17	Bredenbury Crescent	CRec(HRA)	10,956	110,400							121,356
		UB(HRA)	25,564	257,600	25,480						308,644
	Sub Total		<b>36,520</b>	<b>368,000</b>	<b>25,480</b>	-	-	-	-	-	<b>430,000</b>
18	Transitional Accommodation for Homeless - Adaptations to HRA properties	UB			800,000						800,000
19	Acquisition of New Council Housing	UB			850,000	850,000					1,700,000
<b>Grand Total</b>			<b>207,341,290</b>	<b>27,949,512</b>	<b>61,045,637</b>	<b>56,664,524</b>	<b>51,570,856</b>	<b>54,109,687</b>	<b>48,965,416</b>	<b>29,218,275</b>	<b>536,865,197</b>

This page is intentionally left blank

## NEW SCHEMES STARTING IN 2020/21 and Relying on Available Corporate Resources

## CAPITAL PROGRAMME

Description of Scheme	Scheme Details	Council Contribution £	Total Capital Cost £	Annual Revenue Cost / (Saving)
<b>Community Safety</b>				
Redeployable CCTV Cameras	Purchase 5 redeployable CCTV cameras to compliment the fixed cameras deployed across Portsmouth to help prevent and tackle crime and disorder. These cameras can be affixed to lamp posts usually for a temporary period in areas that do not currently have CCTV to target problem areas cost effectively	50,000	50,000	5,000
<b>Culture &amp; City Development</b>				
Southsea Common & Town Centre Litter Management	Introduction of new litter bin furniture across Southsea Common & Town Centres including signposting to recycling points. Leading to an improved provision of general waste receptacles, combined litter/dog waste receptacles (reducing site clutter), reduced reliance on temporary receptacles that are prone to scavengers which disperse collected litter and improved opportunities to recycle	50,000	50,000	
CCTV - Portsmouth Museum & Cumberland House	To replace/install CCTV in both museums that will meet the insurance condition of 'Minimising Losses-Duty of Assured'. The current system installed at City Museum does not provide coverage of all areas which is a risk to the collections. There is no working system currently at Cumberland House. The installation of CCTV will ensure the safety of collections, visitors and staff	50,000	50,000	
City Museum	Essential building maintenance including external decorations and associated repairs to windows, roof and brickwork. Mechanical & Electrical works identified include replacement of electrical fuse board and lighting improvements	195,000	195,000	
Farlington Pavilion	Farlington Pavilion including roof replacement	170,000	240,000	
New Eastney Swimming Pool	New Eastney Swimming Pool feasibility/Outline Plan	100,000	100,000	
Portsmouth Watersports Centre	Replace defective structural beams to walkway	90,000	90,000	
Southsea Castle	Replacement of damaged railings and repairs to timber drawbridge	100,000	100,000	
Bransbury Park Pavilion	Demolish existing building and replace with modular building	150,000	150,000	
Kings Theatre Regeneration	To enhance both the current offer to the city from the theatre and to secure the heritage asset in the long term, it is necessary to increase revenue income streams available to the theatre. Portsmouth City Council in partnership with the Kings Theatre Trust plan to address the significant limitations to the buildings and facilities, as well as improving existing facilities to match modern audience expectations through a regeneration project, along with other improvements, including the addition of a restaurant and bar facilities	350,000	4,650,000	
Kings Theatre Landlord's Backlog Maintenance Obligations	Essential landlord's maintenance repairs	300,000	300,000	
<b>Education</b>				
School Places - SEND Phase 1 & 2	Creation of additional specialist provision to meeting growing demand from children with Special Educations Needs and Disabilities	2,000,000	4,768,000	

## NEW SCHEMES STARTING IN 2020/21 and Relying on Available Corporate Resources

## CAPITAL PROGRAMME

Description of Scheme	Scheme Details	Council Contribution £	Total Capital Cost £	Annual Revenue Cost / (Saving)
<b>Environment &amp; Climate Change</b>				
Anaerobic Digestion Plant	Construction of an anaerobic digestion plant to break down organic matter, including food waste, to produce biogas and biofertiliser	200,000	22,200,000	
Food Waste Collection (Recycling) - Expansion to include a further round each day	Addition of a collection vehicle that will enable the expansion of the current weekly food waste collection service to a further 8,000 to 9,000 properties	221,000	221,000	365,000
Southsea Sea Defences - Public Realm Enhancements Phase 1	Public realm enhancements including provision of benches, lighting, tree planting and public art which will be complimentary to planned sea defence works	200,000	200,000	
Greening the City	Planting of new trees in the city, such as street trees and other types of green infrastructure e.g. improvements to existing green spaces in areas with highest need	100,000	100,000	
<b>Health, Wellbeing &amp; Social Care</b>				
Medina House - Heating & Cooling System	Renewal of the heating and cooling systems in order to provide long term suitable accommodation	110,000	110,000	
<b>Housing - General Fund</b>				
Landlords Maintenance - Repairs across the whole City Council Estate	The Council has landlord maintenance responsibility for over 2,000 operational assets. Detailed surveys are carried out and updated annually, to ensure that maintenance needs of all assets are recognised and planned for within the medium term maintenance programme. Remediation requirements are categorised according to their severity and impact. Only works classified as being of the highest priority will proceed. Proposed maintenance work combine a number of projects including building works, mechanical and electrical installations and plant refurbishments	2,140,000	2,140,000	
Transitional Accommodation for the Homeless - Adaptions to General Fund Property	Furnish and fit out suitable General Fund Property to be used as transitional accommodation for the homeless, which will remove households from costly Bed and Breakfast and hotel accommodation	700,000	700,000	
<b>Leader</b>				
Wind Turbines at the Port	Installation of up to 9 wind turbines at the Port. The electricity generated by the wind turbines to be utilised by the Port and potentially Portico. There is also potential for surplus electricity generated to be sold back to the grid	800,000	2,700,000	
The Camber Quay - Structural Investigations	Structural investigation on south side and berth 4	50,000	50,000	
Shore to Ship Electric "Plug In" Facility (Feasibility/Design)	Feasibility and design of the installation of shoreside electrical power at Port berth 2. Provision will enable ships to "plug in" to the mains electrical supply removing the need for them to operate their generators whilst alongside	75,000	75,000	
Electrification of Light Goods Vehicles	Replacement of 5 diesel light goods vehicles at the port with electric vehicles	80,000	100,000	(3,000)
Living Walls Phase 1	Coverage of walls at the Port with plants to absorb air pollutants	20,000	20,000	500
<b>Resources</b>				
LAN Access Switches	Redesign and replacement of equipment that is at end of life. The switches enable users to access the network and IT Services via their laptops, desktops and phones. It also enables users to access the network via WIFI. The redesign will enable improved performance, reduce revenue costs by 50% and ensure increased resilience	528,000	528,000	34,000

## NEW SCHEMES STARTING IN 2020/21 and Relying on Available Corporate Resources

## CAPITAL PROGRAMME

Description of Scheme	Scheme Details	Council Contribution £	Total Capital Cost £	Annual Revenue Cost / (Saving)
Enterprise Voice (CISCO IPT)	Replacement of the current telephony solution, which is de-supported by the provider from December 2021. This new infrastructure will continue to provide telephony services across the council	630,000	630,000	
Replacement Servers & Storage	Replacement of core IT servers, storage and equipment that will be de-supported during 2020/2021 and avoiding additional costs of circa £200,000 p.a	945,000	945,000	
CISCO Data Centre Switches	Replacement of key Data Centre Switch components that are de-supported from November 2021 including the receipt of security updates. This equipment ensures that all our IT Services operate and are accessible 365 days a year	60,000	60,000	
Checkpoint Internal Firewall	Replacement of security equipment that is de-supported from June 2021. This equipment prevents unauthorized access to and from the Portsmouth City Council network. It's essential that this equipment is kept up to date to ensure retention of the Government (Public Service Network (PSN) ) compliance certification	142,000	142,000	
Upgrade to Planet Press Software	Upgrade of the Planetpress operating system to the latest version. This application is a critical corporate integration tool used for processes including BAC's processing and Council Tax billing. The current software version is de-supported by the software provider during 2020	650,000	650,000	5,000
<b>Traffic &amp; Transportation</b>				
Air Quality Improvement	To support ongoing improvements to Air Quality, at exceedance locations and across the city as a whole. To support the work of the Air Quality Local Plan and the development of further measures to reduce air pollution in the city	220,000	10,220,000	
Local Transport Plan 3	<p>The Local Transport Plan (LTP) is a proactive plan prepared to complement the City Centre development and city centre road plans.</p> <p>The LTP programme of small schemes promotes the creation of an effective, integrated transport network designed to contribute towards corporate priorities and a range of transport objectives.</p> <p>Transport is an enabler of activity, and will underpin regeneration in the Portsmouth area. The regeneration and economic success of the city is dependent upon the reliability of the transport network, enabling people, freight and goods to access, and travel within the city</p> <p>It includes Road Safety schemes such as speed reduction and improvements to school routes, active travel schemes such as walking and cycling initiatives, pedestrian crossings, traffic signals and improvements to passenger information</p>	835,000	835,000	
Cycle Parking Across the City	Provision of secure cycle parking at locations across the city	25,000	25,000	
One Way Streets and Low Traffic Neighbourhoods	Identification and conversion of suitable streets to one way traffic and the installation of traffic calming measures	120,000	120,000	
Electric Vehicle Charging Infrastructure	Installation of enabling infrastructure to promote the uptake of electric vehicles to support the air quality agenda	76,000	306,000	

## NEW SCHEMES STARTING IN 2020/21 and Relying on Available Corporate Resources

## CAPITAL PROGRAMME

Description of Scheme	Scheme Details	Council Contribution £	Total Capital Cost £	Annual Revenue Cost / (Saving)
Local Cycling and Walking Investment Plan	The Local Cycling and Walking Infrastructure Plan is currently being developed and will be adopted by March 2020. It will propose new and improved infrastructure for walking and cycling on evidence based priority corridors, delivering a comprehensive attractive, safe and accessible walking and cycle network for utility journeys. The plan will have schemes prioritised for delivery over short, medium and long timescales.	100,000	100,000	
Full Business Case For Extension to Tipner Park & Ride Multi Storey Car Park	The provision of an expanded Park and Ride site is key to the economic development of both the Tipner and City Centre developments. In collaboration with stakeholders, this investment will allow the Council to prepare a full business case for a facility that meets the future need of the City	500,000	500,000	
Non-PFI Asset Management Register/Plan	Compilation of a comprehensive asset register and condition status of all non-Highways PFI assets	100,000	100,000	
Continuous Improvements to Neighbourhood Living and Street Environment	Continuing the construction of neighbourhood and street improvements that will lead to better use of 'fence to fence' space and improved access arrangements for pedestrians, cyclists and motor vehicles across the city. Types of improvements include an extension of the successful verge hardening schemes, dragon's teeth and kerb realignment to improve access for emergency vehicles and schemes that better segregate parking and clear-ways for pedestrians and wheel chair users	100,000	240,000	
<b>Total of New Schemes Starting in 2020/21 Relying on Available Corporate Resources</b>		<b>13,332,000</b>	<b>54,760,000</b>	<b>406,500</b>

Footnote -Where a scheme has more than one source of financing, scheme savings are shown within the prudential borrowing section of this appendix



## NEW SCHEMES STARTING IN 2020/21 and Relying on Prudential Borrowing

## CAPITAL PROGRAMME

Description of Scheme	Scheme Details	Council Borrowing £	Total Capital Cost £	Annual Revenue (Saving) After Borrowing Costs
<b>Schemes to be approved in principal and funded from prudential borrowing but only if supported by a satisfactory financial appraisal approved by the Director of Finance &amp; Resources and S151 Officer which demonstrates that borrowing costs can be met from savings arising from the scheme</b>				
<b>Culture &amp; City Development</b>				
Kings Theatre Regeneration	Subject to a satisfactory financial appraisal, to enhance both the current offer to the city from the theatre and to secure the heritage asset in the long term, it is necessary to increase revenue income streams available to the theatre. Portsmouth City Council in partnership with the Kings Theatre Trust plan to address the significant limitations to the buildings and facilities, as well as improving existing facilities to match modern audience expectations through a regeneration project, along with other improvements, including, the addition of a restaurant and bar facilities	3,000,000	4,650,000	
Guildhall Regeneration	Subject to a satisfactory financial appraisal enhancement of the current Guildhall entertainment facilities and to secure the heritage asset in the long term, by increasing revenue income streams	1,700,000	1,700,000	
<b>Environment &amp; Climate Change</b>				
Anaerobic Digestion Plant	Dependent upon the satisfactory conclusion of a feasibility study, site selection and full business case approval the construction of an anaerobic digestion plant to break down organic matter, including food waste, to produce biogas and biofertiliser	22,000,000	22,200,000	
<b>Housing Revenue Account</b>				
Transitional Accommodation for the Homeless - Adaptations / Acquisition to HRA Property	Provision of new homes to be used as used as transitional accommodation for the homeless, which will remove households from costly Bed and Breakfast and hotel accommodation	800,000	800,000	
Acquisition of New Council Housing	Provision of a minimum of 11 new council homes	1,700,000	1,700,000	
<b>Leader</b>				
Port - Floating Dock Jetty Dredge	Dredging next to the former Floating Dock Jetty structure. The Port berth 2 extension makes the dredging a necessity to provide sufficient space for existing large ships to continue calling at Portico, and future larger ship calls at the Port and Portico. This need is further heightened when there is a ship moored on berth 2	2,000,000	3,000,000	(374,000)
Wind Turbines at the Port	Installation of up to 9 wind turbines at the Port. The electricity generated by the wind turbines to be utilised by the Port and potentially Portico. There is also potential for surplus electricity generated to be sold back to the grid	1,900,000	2,700,000	(37,600)
City Centre Co-working space	Creation of new co-working office space on the first floor of the site formerly occupied by Marks and Spencer in Commercial Road. Space will be rented to SME's and start-up businesses to bring employment back into the city centre and support the regeneration of the Commercial Road area	450,000	1,800,000	(157,100)
<b>Total of New Schemes Starting in 2020/21 Relying on Prudential Borrowing</b>		<b>33,550,000</b>	<b>38,550,000</b>	<b>(568,700)</b>

Footnote -Where a scheme has more than one source of financing, scheme savings are shown within the prudential borrowing section of this appendix

## NEW SCHEMES STARTING IN 2020/21 and Relying on Reserves

## CAPITAL PROGRAMME

Description of Scheme	Scheme Details	Reserves Contribution £	Total Capital Cost £	Annual Revenue Cost / (Saving)
<b>Schemes to be approved in principal and funded from reserves but only if supported by a satisfactory financial appraisal approved by the Director of Finance &amp; Resources and S151 Officer</b>				
<b>Children &amp; Families</b>				
Adaptions to Carers' Homes	To provide adaptations to carers' homes or support to move home, to allow more children to be looked after by either their extended family, to be adopted or to be fostered by in house foster carers. This will reduce the number of Independent Foster Carers and Residential Care Home Placements, and is an important part of the Stronger Futures strategy. This would be administered in line with the Foster Carer Adaptations policy implemented in June 2019.	1,000,000	1,000,000	(800,000)
<b>Culture &amp; City Development</b>				
Parks & Open Space Boundary Protection Measures	The city has been subject to an increased number of incursions in 2018 and 2019. Comprehensive access prevention measures need to be introduced to areas previously not susceptible to incursion (particularly Southsea Common), or where determined attempts to gain access mean further measures are required citywide	10,000	10,000	
Burfields Road Barns - Demolition	Demolish existing barns which are structurally unsafe	162,000	162,000	
Canoe Lake De-silting	Silt and detritus in Canoe Lake has built-up over many years to a level that is now causing issues with water quality management and operation of the Lake concession	25,000	25,000	
Hotwalls Paving Maintenance	Replacement of existing paving that has become uneven as result of tree root damage, using a surface conducive to the sustainability of the trees whilst minimising any future tip hazard	32,000	32,000	
<b>Leader</b>				
Port - Floating Dock Jetty Dredge	Dredging next to the former Floating Dock Jetty structure. The Port berth 2 extension makes the dredging a necessity to provide sufficient space for existing large ships to continue calling at the Port and Portico, and future larger ship calls at Portico. This need is further heightened when there is a ship moored on berth 2	1,000,000	3,000,000	
Electrification of Light Goods Vehicles	Replacement of 5 diesel light goods vehicles at the port with electric vehicles	20,000	100,000	
City Centre Co-working space	Creation of new co-working office space on the first floor of the site formerly occupied by Marks and Spencer in Commercial Road. Space will be rented to SME's and start-up businesses to bring employment back into the city centre and support the regeneration of the Commercial Road area	450,000	1,800,000	(157,100)
<b>Resources</b>				
Applications Upgrade linked to Software Modernisation	Following upgrade of the SQL 2008 Database and Servers, there is now a requirement to upgrade systems/applications	250,000	250,000	
Office 365	Implement of a Microsoft Office 365 environment which will provide greater collaborative working; also enabling SharePoint, One Drive, Exchange Online and Office Applications	820,000	820,000	

## NEW SCHEMES STARTING IN 2020/21 and Relying on Reserves

## CAPITAL PROGRAMME

Description of Scheme	Scheme Details	Reserves Contribution £	Total Capital Cost £	Annual Revenue Cost / (Saving)
<b>Schemes to be approved in principal and funded from reserves but only if supported by a satisfactory financial appraisal approved by the Director of Finance &amp; Resources and S151 Officer</b>				
Migration to Azure (Cloud Servers)	PCC server Estate will be off operated off premise	2,348,000	2,348,000	
Implementation of Northgate Citizen Access Suite	Self service and process automation capability for Housing Benefit claimants, Council Tax support claimants and landlords via an online portal along with provision of e-billing functionality to Council Tax payers and e:notification options to Housing Benefit and Council Tax Support Claimants	110,000	180,000	
<b>Total of New Schemes Starting in 2020/21 Relying on Reserves</b>		<b>6,227,000</b>	<b>9,727,000</b>	<b>(957,100)</b>

*Footnote -Where a scheme has more than one source of financing, scheme savings are shown within the prudential borrowing section of this appendix*

This page is intentionally left blank

## PRUDENTIAL INDICATORS

Details of the Capital Programme are contained in Appendix 1

Ratio of Financing Costs to Net Revenue Stream							
	2018/19 Actual	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
Non - HRA	10.3%	12.0%	16.3%	17.4%	16.2%	14.4%	12.6%
HRA	7.4%	7.4%	7.9%	8.4%	8.9%	9.2%	9.6%

Capital Financing Requirement							
	2018/19 Actual £'000s	2019/20 Estimate £'000s	2020/21 Estimate £'000s	2021/22 Estimate £'000s	2022/23 Estimate £'000s	2023/24 Estimate £'000s	2024/25 Estimate £'000s
Non - HRA	453,626	633,173	678,951	702,075	705,023	699,069	683,978
HRA	173,068	175,807	189,155	209,201	225,455	241,033	263,318

Authorised Limit for External Debt							
	2018/19 Actual £'000s	2019/20 Estimate £'000s	2020/21 Estimate £'000s	2021/22 Estimate £'000s	2022/23 Estimate £'000s	2023/24 Estimate £'000s	2024/25 Estimate £'000s
Borrowing	658,069	744,623	825,730	875,006	899,818	913,288	924,923
Other Long Term Liabilities (ie Credit Arrangements)	66,151	62,377	57,151	51,340	46,032	42,494	38,366
<b>Total</b>	<b>724,220</b>	<b>807,000</b>	<b>882,881</b>	<b>926,346</b>	<b>945,850</b>	<b>955,782</b>	<b>963,289</b>

Operational Boundary for External Debt							
	2018/19 Actual £'000s	2019/20 Estimate £'000s	2020/21 Estimate £'000s	2021/22 Estimate £'000s	2022/23 Estimate £'000s	2023/24 Estimate £'000s	2024/25 Estimate £'000s
Borrowing	640,093	714,623	810,955	859,935	884,446	897,608	908,930
Other Long Term Liabilities (ie Credit Arrangements)	66,151	62,377	57,151	51,340	46,032	42,494	38,366
<b>Total</b>	<b>706,244</b>	<b>777,000</b>	<b>868,106</b>	<b>911,276</b>	<b>930,478</b>	<b>940,102</b>	<b>947,296</b>

This page is intentionally left blank